

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FOURTH SESSION OF THE
SIXTY-SEVENTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME LXIV—PART 3

JANUARY 23 TO FEBRUARY 7, 1923

(Pages 2215-3234)



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PROCEEDINGS AND DEBATES OF THE SIXTY-SEVENTH CONGRESS FOURTH SESSION.

SENATE.

TUESDAY, January 23, 1923.

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we are dependent upon Thee, and in that dependence there is given unto us the privilege of recognizing Thee in all the demands and duties of life. And we come this morning asking that with the brightness of the day there may be in each soul a real sunshine of hope, of larger possibilities and richer opportunities in the great services of the daily life. Hear and help us continually, and give us grace to do Thy will. Through Jesus Christ, our Lord. Amen.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., January 23, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Sunday, January 21, 1923, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

REPORT OF EAST WASHINGTON HEIGHTS TRACTION RAILROAD CO.

The PRESIDING OFFICER laid before the Senate the annual report of the East Washington Heights Traction Railroad Co., made pursuant to law, for the calendar year 1922, which was referred to the Committee on the District of Columbia.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDING OFFICER laid before the Senate a communication from the Director General of Railroads, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the number and use of automobiles by the United States Railroad Administration, which was ordered to lie on the table.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of Commerce, transmitting, in response to Senate Resolution 399, agreed to January 6, 1923, a report relative to the number and cost of maintenance of motor vehicles used in the Department of Commerce in the District of Columbia, which was ordered to lie on the table.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of War, respecting Senate Resolution 399, agreed to January 6, 1923, relative to passenger automobiles used by the department, stating that steps had been taken to secure the information called for and report would be made at the earliest practicable date, which was ordered to lie on the table.

TAXATION OF STOCK DIVIDENDS.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, reporting, in response to Senate Resolution 409, agreed to January 17, 1923, information relative to penalties imposed by the Commissioner of Internal Revenue pursuant to section 220, Internal Revenue Laws of 1921, which was ordered to lie on the table and to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, January 20, 1923.

The PRESIDENT OF THE SENATE.

MY DEAR MR. PRESIDENT: I have received the resolution of the Senate, No. 409, passed January 17, 1923, which the Secretary of the Senate transmitted to me with his letter dated January 16, 1923.

This resolution, after referring to a report from the Federal Trade Commission that "328 corporations have released surpluses by the stock-dividend plan during the calendar year 1922, reaching more than \$2,149,151,425," quotes in part the provisions of section 220 of the revenue act of 1921, and requests the Secretary of the Treasury to furnish the Senate "the names of companies, amounts, and dates of penalties, if any, imposed by the Commissioner of Internal Revenue during said year of 1922, pursuant to the provisions of section 220, Internal Revenue Laws of 1921."

Section 220 of the revenue act of 1921, approved November 23, 1921, provides that if any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied upon the net income of the corporation a tax of 25 per cent, in addition to the other taxes imposed upon corporations, but that the fact that the gains and profits are permitted to accumulate and become surplus shall not be construed as evidence of a purpose to escape the surtax unless the Commissioner of Internal Revenue certifies that in his opinion such accumulation is unreasonable for the purposes of the business.

The revenue act of 1921, of which section 220 is a part, became effective for the taxable year 1921, and for subsequent years. The first returns filed under the revenue act of 1921 were not received by the Bureau of Internal Revenue until March, 1922, and the returns have not yet been examined because of the heavy pressure to dispose of the extraordinary accumulation of returns for the years 1917, 1918, and 1919. It is likely to be several months before the audit and examination of these 1921 returns can be put under way. The returns for the year 1922, the year to which Senate Resolution 409 seems to have particular reference, have not as yet been received by the Bureau of Internal Revenue, and are not due until March 15, 1923. Since the penalty imposed by section 220 may be assessed only after the Commissioner of Internal Revenue certifies, in the light of data obtained from the income-tax return, that in his opinion the accumulation of gains and profits by the corporation is unreasonable for the purposes of the business, it will be readily understood that no occasion has yet arisen to invoke against any corporation the penalty imposed by section 220 of the revenue act of 1921.

In this connection it is proper to point out that there seems to be much misapprehension as to the effect of section 220 of the revenue act of 1921. It applies to corporations formed or availed of for the purpose of preventing the imposition of the surtax upon the stockholders through the medium of permitting gains or profits to accumulate instead of being distributed. It expressly provides, however, that the fact that the gains and profits are in any case permitted to accumulate and become surplus shall not be considered as evidence of a purpose to escape the tax unless the Commissioner of Internal Revenue certifies that in his opinion such accumulation is unreasonable for the purposes of the business. The section does not impose a tax on undistributed profits or on accumulated surplus, but puts a penalty on the accumulation of gains and profits beyond the reasonable needs of the business when made for the purpose of escaping the surtax.

There is at the same time much confusion as to the relation of the declaration of a stock dividend to the application of section 220. Senate Resolution 409 refers in the preamble to the report of the Federal Trade Commission that 328 corporations have declared stock dividends during the calendar year 1922. The declaration of a stock dividend has no significance under section 220, and in any case where the section applies the department can proceed with its enforcement quite as well after as before the declaration of a stock dividend. The declaration of a stock dividend does not relieve corporations from section 220, nor, on the other hand, does it indicate that a corporation has accumulated gains or profits beyond the reasonable needs of the business, for the entire amount of the surplus capitalized by the declaration of the stock dividend may be invested in plant, equipment, and inventory, or be needed as working capital, or it may have been accumulated before the high surtaxes became effective and quite without regard to their possible application. Furthermore, the receipt of a stock dividend by itself has no effect upon the tax liability of the recipient, since the holder of stock in a corporation after the receipt of a stock dividend has altogether no more than he had before. This was aptly expressed by the Supreme Court in *Eisner v. Macomber* (252 U. S. 189), as follows:

"This, however—declaration of a stock dividend—is merely book-keeping that does not affect the aggregate assets of the corporation or its outstanding liabilities; . . . it does not alter the preexisting proportionate interest of any stockholder or increase the intrinsic value of his holding or of the aggregate holdings of the other stockholders as they stood before. The new certificates simply increase the number of the shares, with consequent dilution of the value of each share."

As I have already stated, there have necessarily been no cases as yet in which the penalty imposed by section 220 of the revenue act of 1921 has been invoked, and there is therefore nothing to report at this time.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

CALL OF THE ROLL.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	McKellar	Sheppard
Ball	George	McKinley	Smith
Bayard	Gerry	McNary	Smoot
Calder	Glass	Moses	Spencer
Capper	Hale	Nelson	Stanfield
Caraway	Harrell	New	Stanley
Coff	Harrison	Nicholson	Sterling
Culberson	Heflin	Oddie	Townsend
Curtis	Johnson	Overman	Walsh, Mass.
Dial	Jones, Wash.	Pepper	Walsh, Mont.
Dillingham	Kellogg	Phipps	Warren
Ernst	Kendrick	Pittman	Watson
Fernald	Lodge	Ransdell	Weller
Fletcher	McCormick	Reed, Pa.	Williams
France	McCumber	Robinson	Willis

Mr. WILLIS. I desire to announce the absence of my colleague, the senior Senator from Ohio [Mr. POMERENE], on account of illness, and I request that this announcement may stand for the day.

Mr. McNARY. I wish to announce the absence from the Chamber of the senior Senator from Wisconsin [Mr. LA FOLLETTE] and the junior Senator from Iowa [Mr. BROOKHART] on official business.

Mr. McKINLEY. I wish to announce that the Senator from New Hampshire [Mr. KEYES] and the Senator from South Dakota [Mr. NORBECK] are detained on official business.

Mr. FLETCHER. I desire to announce that my colleague [Mr. TRAMMELL] is unavoidably absent. I ask that this announcement may stand for the day.

Mr. CAPPER. I wish to announce that the Senator from Nebraska [Mr. NORRIS] is detained at a hearing before the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Sixty Senators having answered to their names, a quorum is present.

PETITIONS AND MEMORIALS.

Mr. CURTIS. I ask to have printed in the RECORD and to lie on the table resolutions adopted by the fifty-second annual meeting of the State board of agriculture, at Topeka, Kans., covering several subjects.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

Resolutions adopted at the fifty-second annual meeting of the State board of agriculture, at Topeka, January 12, 1923.

Resolved, That we commend our Congressmen and Senators in Washington for their efforts to relieve the condition of agriculture by Federal legislation, and we especially indorse the action of the "agricultural bloc" in compelling a full recognition of the importance of agriculture in its relation to the other industries in the United States.

Resolved, That we earnestly protest against the enactment of the Federal bill commonly known as the ship subsidy bill.

Resolved, That we believe that everything necessary should be done to restore the farmers' market. For our surplus production, this market is overreached. We can not recover those markets until Europe recovers stability.

We therefore urge that the President of the United States, at an early date, summon a financial and economic conference at Washington, especially inviting those nations of Europe that are natural customers of the American farmer. We believe that the foreign debt funding law, or such amendments as will give the President liberty of action to make necessary concessions to our customers, subject to the approval of Congress, is wise.

We also suggest that this resolution be submitted to the chambers of commerce and other civic bodies for their indorsements.

Resolved, Realizing that milk, the product of the cow, is a food that has no substitute, and that the dairy industry of this State is a source of large income to our farmers; and in view of the fact that efforts have been and are being made to manufacture so-called milk substitutes by extracting therefrom the butterfat and substituting in its place coconut oil and other oils having little or no food value, offering same to the public as milk or as a product equal to milk:

We, the Kansas State Board of Agriculture, in annual meeting assembled, respectfully and most urgently recommend to the Legislature of Kansas its earnest consideration of adequate legislation prohibiting the manufacture and sale within this State of the product known as "filled milk" or "imitation milk."

We also respectfully call the attention of the legislature to the fact that farmers received approximately \$14,000,000 during the year 1922 for butterfat sold to creameries for manufacture into butter, and these figures, not including farm butter manufactured, whole milk, and sweet cream sold for ice cream and other purposes, but that while it is well known that there is no substitute for butter, oleomargarine, due to our present lack of protective legislation, is offered for sale as a substitute for butter, and that it is oftentimes advertised as a product of the cow;

We therefore respectfully and urgently recommend to the Legislature of Kansas its consideration of legislation regulating the manufacture and sale of oleomargarine, and which will protect the interests of dairy farmers of this State, in which no coconut or other similar oils are produced.

Resolved, That a determined effort be made to have the rules governing distribution of grain cars changed, either by the American Railway Association or by an order of the Interstate Commerce Commission, so that distribution of grain cars can be made on the basis of grain receipts under normal conditions and before shipments were curtailed by the car shortage.

Mr. STERLING. Mr. President, I send to the desk a concurrent resolution of the Legislature of South Dakota, asking

Congress to give consideration to House bill 13574, relating to an appropriation for a monument at Fort Pierre, S. Dak., to commemorate the explorations and discoveries of the Verendrye brothers, which I ask may be printed in the RECORD. Let me say that House bill 13574 is identical with Senate bill 4350.

The concurrent resolution of the Legislature of South Dakota was referred to the Committee on the Library, as follows:

Senate concurrent resolution memorializing Congress to give careful and favorable consideration to House bill 13574.

Whereas on the 30th day of March, 1743, the Verendrye brothers, commissioned by the King of France, did at the present site of the city of Fort Pierre, S. Dak., make formal claim to the region now embraced in the northwestern States of our Union, and in witness of such claim did bury in the earth a plate of lead upon which was inscribed the evidence of such claim; and

Whereas while history records such event the exact place of the burying of such evidence of claim remained a mystery until Sunday, the 17th day of February, 1913, a period of 170 years, when some school children while engaged in play accidentally discovered and secured same, which evidence is now the property of South Dakota; and

Whereas while this matter is, of course, of interest to the State of South Dakota, but in a broader sense of national historical moment, not, of course, in a class with Plymouth Rock, but of far more moment from a national historical event than many others which have been recognized; and

Whereas a bill is now pending in Congress, known as H. R. 13574, providing for the properly marking of the site as an event in national history worthy of consideration: Therefore be it

Resolved by the senate of the State of South Dakota (the house of representatives concurring), That it is the desire of this body that a careful and conscientious consideration of the merits of H. R. 13574 be given by the Members of Congress, individually and collectively, and if your honorable bodies find that the event from a national historical standpoint warrants your favorable consideration the citizens of this great State will ever cherish the memory of your acts, but if upon such careful consideration you deem the matter unworthy of your favorable consideration we will abide by your decision uncomplainingly; be it further

Resolved, That engrossed copies of this preamble and resolution be prepared by the secretary of the senate, signed by the presiding officers of the senate and house of representatives, and forwarded to Congressman WILLIAMSON, the Secretary of the Senate, the Chief Clerk of the House of Representatives of the United States, and to his honor the President of the United States, Warren G. Harding.

CARL GUNBERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. O. FRESCOLN,
Speaker of the House.
WRIGHT HARBELL,
Chief Clerk of the House.

Mr. BROOKHART presented the following concurrent resolution of the Legislature of Iowa, which was referred to the Committee on Finance:

A concurrent resolution memorializing the Congress of the United States with reference to a constitutional amendment affecting tax-exempt securities.

Be it resolved by the senate (the house concurring):

Whereas there has been issued and placed upon the market tax-exempt securities in such volume as to affect to a marked degree business conditions throughout the Nation; and

Whereas by reason of such volume of tax-exempt securities money has been steadily and to an increasing extent leaving other channels of investment in such securities to the injury of other securities, with the net result that interest rates have steadily increased; and

Whereas the issuance of such tax-exempt securities has steadily decreased the amount of visible and intangible property subject to taxation, thus increasing to an unwarranted degree the burden imposed upon other classes of property; and

Whereas it is essential and necessary and for the best interests of the Nation as a whole that a constitutional inhibition against the issuance of such tax-exempt securities is necessary to accomplish uniformity throughout the Nation: Now, therefore, be it

Resolved by the senate (the house concurring), That it is the judgment of the Fortieth General Assembly of the State of Iowa that an amendment to the Constitution of the United States prohibiting the issuance of such securities should be proposed by Congress and submitted to the several States for adoption; be it further

Resolved, That engrossed copies of this resolution be, and they are hereby, ordered presented to the President of the United States, to the Hon. ALBERT B. CUMMINS and the Hon. SMITH W. BROOKHART, Senators of the State of Iowa, and to each of the Members of Congress from the State of Iowa.

JOHN HAMMILL,
President of the Senate.
L. W. AINSWORTH,
Secretary of the Senate.
J. H. ANDERSON,
Speaker of the House.
A. C. GUSTAFSON,
Chief Clerk of the House.

Mr. NICHOLSON presented a resolution adopted by the congregation of the Second Presbyterian Church, of Fort Collins, Colo., favoring action by the Federal Government granting relief to the suffering peoples of the Near East, especially the Armenians, which was referred to the Committee on Foreign Relations.

Mr. LADD presented a resolution of the board of directors of the Leith National Farm Loan Association, of Leith, N. Dak., protesting against the passage of the so-called Strong and Norbeck bills amending certain sections of the Federal farm loan act, which was referred to the Committee on Banking and Currency.

He also presented a petition of 58 citizens of Streeter, N. Dak., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

Mr. McLEAN presented a resolution of Windham County Branch, New England Milk Producers' Association, of Moosup, Conn., favoring the prompt passage of the so-called Voigt filled milk bill, which was ordered to lie on the table.

He also presented a petition of sundry citizens of New Canaan, Conn., praying for an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented communications in the nature of petitions of the women's board of missions of the Congregational Churches of New Haven and the Council of Jewish Women, Bozrahville Section, of Bozrahville, both in the State of Connecticut, praying for the granting of relief and assistance to the suffering peoples of Armenia and the Near East, which were referred to the Committee on Foreign Relations.

He also presented a memorial of members of the Laymen's Service League, Protestant Episcopal parishes of Danbury, Bethel, Redding, Newton, and Ridgefield, in the State of Connecticut, remonstrating against the passage of legislation designed to take away the lands of Pueblo Indians, etc., which was referred to the Committee on Public Lands and Surveys.

REPORTS OF COMMITTEES.

Mr. CALDER, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 411) appointing a committee to investigate and report upon the problem for a 9-foot channel in the waterway from the Great Lakes to the Gulf of Mexico, reported it without amendment.

Mr. SHORTRIDGE, from the Committee on the Judiciary, to which was referred the bill (S. 3544) to enlarge the powers and duties of the Department of Justice in relation to the repression of prostitution for the protection of the armed forces, reported it with an amendment and submitted a report (No. 1032) thereon.

Mr. BROOKHART, from the Committee on Military Affairs, to which was referred the bill (S. 2598) for the relief of Franklin Gum, reported it without amendment and submitted a report (No. 1033) thereon.

ENROLLED JOINT RESOLUTION PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on January 23, 1923, they presented to the President of the United States the enrolled joint resolution (S. J. Res. 43) to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters in the city of Washington, D. C.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DILLINGHAM:

A bill (S. 4393) granting an increase of pension to Maria L. Clark (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4394) to provide for uniform regulation of marriage and divorce; to the Committee on the Judiciary.

By Mr. SMOOT:

A bill (S. 4395) for the relief of Joseph H. Lokken; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 4396) for the relief of Eldredge & Mason; to the Committee on Claims.

A bill (S. 4397) to amend section 24 of an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920; to the Committee on Military Affairs.

By Mr. REED of Pennsylvania:

A bill (S. 4398) in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 4399) to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes; to the Committee on Manufactures.

By Mr. WILLIS:

A bill (S. 4400) granting a pension to Josephine Lydy (with accompanying papers); and

A bill (S. 4401) granting an increase of pension to Mary A. Moessner (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A joint resolution (S. J. Res. 273) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

RETAINER PAY TO NAVAL AND MARINE CORPS RESERVES.

Mr. CALDER submitted an amendment intended to be proposed by him to House bill 7864, providing for sundry matters affecting the Naval Establishment, which was referred to the Committee on Naval Affairs and ordered to be printed.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. NELSON submitted an amendment providing that the present incumbent holding the position of master of the sword at the Military Academy, upon the completion of his service, shall be entitled to be placed upon the retired list of the United States Army (with the rank of colonel) under the same conditions as are prescribed by law for other officers of the Army, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. STERLING submitted an amendment proposing to appropriate \$40,000 to acquire the tract (about 4 acres) known as Fort Stevens, the main defense of Washington during the Civil War, etc., intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. SPENCER submitted an amendment proposing to appropriate \$6,300 for supervision of destitute children in their own homes to determine whether they can under the law be permitted to remain at their homes, intended to be proposed by him to House bill 13660, the District of Columbia appropriation bill, which was ordered to lie on the table and to be printed.

CALCIUM ARSENATE.

Mr. FLETCHER. I offer the resolution which I send to the desk and I ask unanimous consent for its immediate consideration. It relates to an important matter affecting the interests of agriculture.

The PRESIDING OFFICER. The Senator from Florida offers a resolution, which will be read for the information of the Senate.

The reading clerk read the resolution (S. Res. 417), as follows:

Resolved, That the Federal Trade Commission be, and it is hereby, directed to investigate and report the facts relating to any alleged violations of the antitrust acts by manufacturers of or dealers in calcium arsenate.

The PRESIDING OFFICER. The Senator from Florida asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. KELLOGG. I object.

Mr. DIAL. I desire to suggest to the Senator from Florida that it might be very well to place a time limit in the resolution as to when the Federal Trade Commission shall report on the matter referred to therein. I am a pretty strong supporter of the Federal Trade Commission, but I fear sometimes that they are taking a little nap at the switch.

Mr. FLETCHER. I should prefer to leave the resolution as it now stands.

Mr. KELLOGG. I object to the consideration of the resolution.

The PRESIDING OFFICER. Objection is made to the consideration of the resolution.

Mr. FLETCHER. I hope there will be no objection to the resolution. I think there will be no discussion of it.

Mr. KELLOGG. I do not know whether or not there will be discussion of the resolution, but the understanding was that as soon as morning business was over the Senate should take up House bill 11939, the bank bill. This probably will be the only chance to consider it, and if we get into a discussion of the antitrust laws it will last all morning.

Mr. DIAL. There will be no debate on the resolution so far as I know.

Mr. FLETCHER. There will be no debate on the resolution, and morning business has not yet been closed.

The PRESIDING OFFICER. The Senator from Florida asks unanimous consent for the immediate consideration of the resolution submitted by him.

Mr. KELLOGG. I object.

The PRESIDING OFFICER. The Senator from Minnesota objects, and the resolution goes over under the rule.

Mr. FLETCHER. In connection with the resolution I ask unanimous consent to have printed in the RECORD an article appearing in the Cotton News, which has been reprinted by the New York Journal of Commerce, on the subject of calcium or white arsenate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARSENATE STRENGTH A FEATURE OF YEAR—SERIOUS SHORTAGE HAS DISTASTROUS EFFECT—PRICE TREBLED IN YEARS—DEMAND MUCH HEAVIER THAN USUAL OWING TO USE ON COTTON—SEEKING NEW SOURCE OF SUPPLY.

[New York Journal of Commerce.]

One of the most sensational developments of 1922 in the chemical industry and one which is of vital importance to the country as a whole, through its effect upon the production of cotton and other crops upon which the country depends, was the sensational rise in price and the great scarcity of white arsenic. The Cotton Belt during the latter part of the year was seriously alarmed over the situation. It is still at a loss to find an adequate remedy for an underproduction of several thousands of tons of a material which is very badly needed if cotton is to be grown successfully. The use of arsenical insecticides and particularly of calcium arsenate in combating the ravages of the cotton-boll weevil has grown tremendously during the past two years, since it has been shown that this particular insecticide was really efficacious when properly used.

The sensational rise in price of arsenic during the last six months of the year was accompanied by an outcry from the consumers. They claimed, among other things, that the arsenic market had been cornered, that manipulation by speculators had forced prices to their high levels, and that the farmers of the country were being mulcted by high prices and just as high profits, which were going into the pockets of sellers of a material which the farmers had to use. An investigation was sought and started. Several meetings were held in which the matter was aired and the consumers advanced their ideas on the situation.

NOT ENOUGH PRODUCED.

The real crux of the matter was and is that the production of arsenic by the smelters here, coupled with the imports which were brought in from other producing countries, lacked about 7,000 tons of being enough to take care of the tremendously inflated demand for the material. The shortages brought about high prices for imported arsenic for shipment and hence high selling prices of imported arsenic in this market. Long demand and short supply and not manipulation were the reasons for this advance.

At the outset of the year 1922 there were ample supplies of white arsenic available both in this market and for shipment in various future positions. There was little buying. Insecticide takers and other consumers were pretty well covered on contract for their 1922 spring requirements. They could not be persuaded to give a thought to the possibilities of securing cheap supplies for the coming year. Instead, they contrasted the price of 6 cents per pound with the pre-war price of 2½ cents per pound and looked for a decline. They wholly overlooked the lack of domestic production due to the depression in the copper industry. They also overlooked the fact that demand during the 1923 insecticide season promised to be greater than ever before, owing to the use of the material as a boll-weevil killer. A few of the farsighted ones, the glass trade in particular, did buy their arsenic at the low prices then prevailing. The others, and particularly the insecticide manufacturers, could not be persuaded to purchase even when they were shown definite statistics and really worth-while arguments as to why they should take this course.

The dealers in arsenic did realize the situation. About the middle of the year they began to buy up foreign supplies for shipment. The insecticide trade still held off. The price rose at first slowly and then more rapidly until in October it had practically doubled. Then, and not until then, did the producers of insecticides begin to display any real concern over the situation. It was at about this time that they began to see a "corner in arsenic" and other nonexistent things. They did not apparently realize that arsenic was high then, only because it had been low in the spring, when they could have purchased and did not. Briefly, that is the history of the arsenic shortage for the year 1922 and the spring of 1923.

MUST FIND NEW SOURCES.

All this, however, is now past. The insecticide producers are paying high prices this year, and so will the ultimate consumers. The production is a short one. It would seem that now is the time to look to the supplies which may be expected to be produced and used next year. Should production and imports be normal, there will be about 10,000 tons of arsenic available during the coming season. Reliable information is to the effect that this is not nearly enough to take care of the anticipated demand. New sources of production must be sought and found if a repetition of this year's high prices is to be avoided. Thus far comparatively little has been accomplished along this line.

Only one plant to date has actually produced arsenical insecticides directly from arsenic-bearing ores. The Salt Lake Insecticide Co., working under a process devised by Dr. Frank Cameron, has succeeded in doing something along this line. This one plant has done well, but it is not enough. There are plenty of arsenic ores in the United States. It is true that not all of them are as rich in arsenic or carry it in as available a form as those in Utah now being worked. On the other hand, the need for arsenic is so pressing that it will be necessary and probably profitable to turn to some of the other ores for supplies. Companies interested in the situation say that they will produce all the arsenic required if they can get guaranties that it will bring them 10 cents per pound. This guaranty is at best a rather visionary scheme. On the other hand, it is possible that arsenic, under present conditions of demand, will bring 10 cents and more for some time to come. Foreign sources can not be expected to ship much more than they are shipping at present, and domestic production in the copper industry will not be sufficient to take care of the demand under normal conditions in the copper industry.

The solution of the problem seems to rest in some scheme for direct production. It is believed that the plant referred to above could be made only one of a series of such projects wherever the ore is sufficiently workable. In the meantime it is likely that processes for the use of some of the other ores will be devised. The present season can not but be one of great scarcity and high prices. These may be avoided in future by proper attention now. Delay will be fatal.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 10034) relating to assuring compensation for accidental injuries or death of employees in certain occupations in the District of Columbia, in which it requested the concurrence of the Senate.

CONVENTION OF THE IMPERIAL COUNCIL, MYSTIC SHRINE.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes, which were, on page 1, line 3, to strike out "\$25,000" and insert "\$50,000"; on page 1, line 5, to strike out all after "able," down to and including "paid," in line 6, and insert "wholly"; on page 1, lines 7 and 8, to strike out "and the revenues of the United States"; on page 2, line 4, to strike out all after "Commissioners" and insert:

There is hereby further authorized to be appropriated the sum of \$4,000, or so much thereof as may be necessary, payable as aforesaid, for the construction, rent, maintenance, and for incidental expenses in connection with the operation of temporary public-convenience stations, first-aid stations, and information booths, including the employment of personal services in connection therewith during such period.

Mr. BALL. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

HOUSE BILL REFERRED.

H. R. 10034. An act relating to assuring compensation for accidental injuries or death of employees in certain occupations in the District of Columbia, was read twice by its title and referred to the Committee on the District of Columbia.

ORDER OF BUSINESS.

The PRESIDING OFFICER. Morning business is closed.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Order of Business 963, where, I understand, the consideration of the calendar was left off when it was last under consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Chair lays before the Senate Calendar No. 963.

Mr. ROBINSON. I ask that that bill go over.

The PRESIDING OFFICER. The Chair understands the Senator from Arkansas to object to the consideration of the bill.

Mr. KELLOGG. I ask unanimous consent that the Senate proceed with the consideration of House bill 11939, the banking bill.

Mr. ROBINSON. The Chair just announced that the consideration of the calendar, beginning with Order of Business 963, was in order.

The PRESIDING OFFICER. The Chair now understands the Senator from Utah [Mr. Smoot] stated that number inadvisably.

Mr. ROBINSON. I object to the consideration of the bill, and I ask unanimous consent that the Senate proceed to the consideration of the resolution which the Senator from Florida [Mr. Fletcher] submitted a moment ago. I understand that there will be no discussion of the resolution.

The PRESIDING OFFICER. May the Chair state to the Senator from Arkansas that the Senator from Utah, when he asked for the consideration of Order of Business No. 963, was mistaken as to the number. The Chair is now informed that the Senator from Utah desired the consideration of the calendar to begin with Order of Business No. 961. The question therefore is, Shall the Senate proceed to the consideration of Order of Business No. 961? Is there objection?

Mr. ROBINSON. I object, Mr. President.

The PRESIDING OFFICER. Objection is made.

TAXATION OF NATIONAL BANKS.

Mr. KELLOGG. I move that the Senate proceed to the consideration of the bank tax bill, being House bill 11939, the bill which was under consideration when the Senate adjourned last evening.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

Mr. DIAL and Mr. FLETCHER asked for a division.

The question being put, on a division the motion was agreed to.

CALCIUM ARSENATE.

Mr. CURTIS. Mr. President, I hope the Senator from Minnesota will consent to the consideration of the resolution which has been submitted by the Senator from Florida [Mr. FLETCHER]. There is no objection to the resolution, and there will be no debate on it.

Mr. ROBINSON. I will say to the Senator from Minnesota the custom of the Senate is during the morning hour to consider resolutions which involve no debate. The Senator from Florida has presented a resolution which he said would provoke no debate and require no discussion. I think the time of the Senate will be conserved and the consideration of the bill in which the Senator from Minnesota is interested will be promoted by allowing the resolution of the Senator from Florida take the usual course of such resolutions. If discussion should occur, then, of course, the objection of the Senator from Minnesota would be justified.

Mr. KELLOGG. If the consideration of the resolution will involve no debate, I shall not offer the slightest objection to the resolution.

The PRESIDING OFFICER. The Senator from Florida, the Chair understands, renews his request for unanimous consent for the present consideration of the resolution which he previously submitted. Is there objection?

There being no objection, the resolution (S. Res. 417) submitted by Mr. FLETCHER was considered and agreed to, as follows:

Resolved, That the Federal Trade Commission be, and it is hereby, directed to investigate and report the facts relating to any alleged violations of the antitrust acts by manufacturers of or dealers in calcium arsenate.

TAXATION OF NATIONAL BANKS.

Mr. SMOOT. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Order of Business 961.

The PRESIDING OFFICER. House bill 11939 is now before the Senate by formal vote.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States.

The PRESIDING OFFICER. The pending question is on the amendment offered by the Senator from Minnesota [Mr. KELLOGG] to the amendment reported by the committee, which will be stated.

The ASSISTANT SECRETARY. On page 4, beginning in line 1, it is proposed to amend the committee amendment by striking out the proviso there inserted and to insert in lieu thereof the following:

Provided, That whenever by any taxing district the shares in mercantile, manufacturing, or business corporations doing business therein are taxed the rate applied by said taxing district to the shares in banking associations shall not exceed the average of the rates applied by it to the shares of such other corporations or to the shares of such of them as are taxed therein.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Minnesota to the amendment reported by the committee.

Mr. ROBINSON. Mr. President, may I ask the Senator from Minnesota whether the amendment he proposes is a committee amendment or an individual amendment?

Mr. KELLOGG. I will say to the Senator the committee amendment is as printed on page 4 of the bill. After it was discussed on a previous day it was suggested by the Senator from Wisconsin [Mr. LENROOT] and some other Senators to the Senator from Pennsylvania [Mr. PEPPER] that the amendment was somewhat ambiguous and should be redrafted.

Mr. ROBINSON. What is the amendment to which that statement relates? The Senator says the amendment at the top of page 4.

Mr. KELLOGG. I refer to the proviso at the top of page 4.

Mr. ROBINSON. Very well.

Mr. KELLOGG. That proviso reads:

Provided, That said rate shall not exceed the average of the rates applied in said State to shares in mercantile, manufacturing, or business corporations doing business in said State or in such of said corporations as are taxed therein.

The Senator will readily realize that in the taxing of bank shares that would necessitate arriving at the average of all of the rates of the municipalities of the States and the making of a uniform State rate. That was not what was intended by the committee, as I understand from talking with the Senator from Pennsylvania. What was meant was the average of the

rates applied to mercantile and other shares in the local community, as the rates differ, of course, in each community, and banks are taxed according to the rate in the local community. Therefore the Senator from Pennsylvania redrafted the amendment and it was submitted by me yesterday to cure that defect in the original provision; otherwise, the amendment is as reported by the committee.

Mr. WALSH of Montana. Mr. President, I should like to have the amendment proposed by the Senator from Minnesota stated.

The PRESIDING OFFICER. The Secretary will again state the amendment proposed by the Senator from Minnesota to the committee amendment.

The ASSISTANT SECRETARY. In lieu of the proviso as printed at the top of page 4, line 1 to line 5 of the bill, inclusive, it is proposed to insert the following:

Provided, That whenever by any taxing district the shares in mercantile, manufacturing, or business corporations doing business therein are taxed, the rate applied by said taxing district to the shares in banking associations shall not exceed the average of the rates applied by it to the shares in such other corporations or to the shares of such of them as are taxed therein.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CALDER. I submit an amendment to the committee amendment.

The PRESIDING OFFICER. The Senator from New York submits an amendment to the committee amendment, which will be read.

The ASSISTANT SECRETARY. On page 5, at the end of the bill, it is proposed to insert the following:

That the act of a State legalizing, ratifying, or confirming a tax heretofore levied or assessed upon shares of national banking associations, or providing for the retention by said State of any of the tax heretofore paid, shall not be deemed hostile to, or inimical to the interests of, the United States or any agency thereof: *Provided*, That the amount retained, or to be retained, by such State is not in any case greater than the tax imposed for the same period upon banks, banking associations, or trust companies doing a banking business, incorporated by or under the laws of such State, or upon the moneyed capital or shares thereof.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from New York to the amendment reported by the committee.

Mr. GLASS. Mr. President, I understood that substantially this amendment was reported by the Banking and Currency Committee as a separate bill, and that it was agreed to be inadvisable to have the two propositions comprehended in one measure.

Mr. KELLOGG. I will say to the Senator when the bill was reported this amendment was reported as a separate bill. Subsequently—and, if I am incorrect, the Senator from Pennsylvania will correct me—it was pointed out to the committee that the House bill contained both a clause for the basis of taxing banks in the future and a ratification clause.

If the Senate should pass the bill simply with the clause pertaining to future taxation and leave out the ratification, and the ratification should be passed as a separate bill, it would not be in conference in the House. It ought to be passed with the other bill, so that both provisions could be in conference, both provisions being in the House bill. The committee, as I understand, authorized the Senator from Pennsylvania either to offer it or to consent to the offering of it as an amendment to this bill, in view of that legislative situation, and I think it should be adopted as a part of this bill.

Mr. GLASS. Very likely the committee did give that authorization, but as a member of the committee I did not. As a matter of fact, some members of the committee regarded this proposed amendment with a great deal of skepticism as to its constitutionality, and they would not have agreed to report the bill with the two amendments combined in one measure except by reserving the right to vote against it on the floor. I am not a lawyer, and it would seem rather venturesome for a layman to set up his opinion against that of trained lawyers, but I do not think the proposition now pending is constitutional, and I can not vote for the bill if it is incorporated in it.

Mr. CALDER. Mr. President, this amendment is known as the validating provision. I realize that there is some doubt in the minds of lawyers as to the constitutionality of this provision, but it seems to me, from a layman's examination of the subject, that it is in order and not in violation of that instrument.

As a representative of the State of New York in this body I am naturally deeply interested in this matter. Some twenty-odd years ago we were in the habit in New York State of considering bank stock and securities of like character in the

same way that we would consider personal property generally, and laid a tax upon it at the same rate as real property whenever we could reach it; but, of course, in the main we never got at it. So, 21 years ago—I think 21, to be exact—our State legislature passed a bill taxing the value of the stock and of the surplus 1 per cent. That has been the law ever since. We have been collecting that tax, and it was not until three years ago, when we passed our State income tax law, taxing incomes of every character, that the question came up as to whether or not we had done the thing in a legal way.

Mr. ROBINSON. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arkansas?

Mr. CALDER. I yield.

Mr. ROBINSON. In view of the statement which the Senator has just made, his amendment has very great significance. I recall that when the pending bill was first under consideration before the Senate the Senator from Pennsylvania [Mr. PEPPER], who was discussing the bill, expressed some doubt as to the power of the Congress to pass what he styled a validating provision relating to the taxes heretofore levied and collected by the several States; and I wonder if the Senator from New York, appreciating that fact, would be willing to let the proposals in his amendment be considered as a separate proposition?

I can see the very great importance of the amendment to the State of New York and to other States similarly situated, but the amendment raises constitutional questions which present some difficulty to the minds of lawyers who have studied the subject. I therefore think it would be good policy to separate the questions so as to permit those who desire the passage of this bill during the present session to have their end accomplished, and also permit those who are in sympathy with the provision contained in the Senate amendment to have that passed upon. I myself should be glad to see the matter take that course.

Mr. CALDER. Mr. President, we submit this amendment here to-day, believing that if we fail to put it in this bill the probability is that this particular validating provision will not get through at this session. We have collected in the State of New York something over \$20,000,000; and unless some such provision as this goes through, and we are given the opportunity of rectifying the mistake that we made in legislating on this subject, through our legislature, which is now in session, we shall have to return all of this money.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Virginia?

Mr. CALDER. I do.

Mr. GLASS. Let me propound this inquiry to the Senator from New York: The difficulty in New York is that that State exempted from the bank tax private banking corporations. Is it proposed now to pass some retroactive law in New York taxing these private banking corporations for the same period over which it is proposed to validate the tax upon national banks?

Mr. CALDER. Mr. President, I have not been advised whether it is the purpose or not, or whether it is the purpose of our tax commissioner or of our State authorities to ask for that legislation. For my part, I would do it if I could; and in enacting the pending bill we propose to provide that in the future these private banks must be taxed.

Mr. GLASS. Yes; and in the future you can provide to tax national banks as they ought to be taxed, and not tax them, as you did do, as they ought not to be taxed; but in equity there is just as much reason why New York State should pass a retroactive law, if they constitutionally may, to exact taxation from private banking corporations which hitherto have been exempt, as there is for validating the illegal tax that is levied on national banks.

Mr. CALDER. I am in perfect accord with the Senator's statement, and I repeat, if I could have my way about it that would be done; but for 21 years we have been levying this tax upon our national banks, upon our State banks, and upon our trust companies, the tax being the same on all of them.

No objection was ever made by any of them. In fact, this law was made in consultation with them. The State tax commission and the city of New York authorities sat down with them and agreed upon the terms of the law. It was not until the last three years that an opportunity presented itself to get out from under; and now through a decision of our court of appeals the national banks apparently are going to secure a refund of the tax paid by them and the State banks and the trust companies will be compelled to pay the tax. I submit that

these taxes were paid in the main without protest; the amount was something like \$20,000,000; and unless this validating provision is agreed to the city of New York alone will have to return something like \$17,000,000.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Florida?

Mr. CALDER. I do.

Mr. FLETCHER. I think it ought to be made perfectly plain, and I think the Senator from New York ought to say whether or not that is his idea—because in construing acts of Congress the courts often look to the discussion here to see what was the intention of Congress—that Congress has not the authority and we do not now claim the authority to say to the State how it shall tax and what it shall exempt from taxation. No authority or power rests in Congress to validate any State law. That is a matter entirely with the State. All that this can possibly accomplish and all, I hope, that the Senator means to accomplish by it—and, if so, that is what he ought to say now—is to say to the State of New York and to these other States where these taxes have been levied heretofore: "If you can find a way to validate your legislation, if you can find a way to make valid these assessments which are now said to be illegal because of some defect in the law, the Federal Government will make no objection to your doing so." That is all we propose to do by this bill.

Mr. CALDER. That is all we propose to do, and your provision offered by me is perfectly clear. That is the purpose of the amendment, and my only purpose.

Mr. SMITH. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. CALDER. I do.

Mr. SMITH. I propose to offer as an amendment to the Senator's amendment, on line 9, after the words "banking association," the words "private banker."

Mr. KELLOGG. Mr. President, wait a moment. That would invalidate the whole thing. It would absolutely invalidate any ratification by the State of New York. We must validate the taxes which have been levied or else the whole tax is void.

Mr. SMITH. I understand that one of the troubles with which we are now faced is the mere fact that private bankers have escaped taxation. If this thing is to be operative in the future, we might pass legislation that would not be retroactive as to the private banker, but it would take care of him in the future.

Mr. KELLOGG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield, and if so, to whom?

Mr. CALDER. I yield to the Senator from Minnesota.

Mr. KELLOGG. This ratification has nothing to do with the future. In the future, according to this bill, all banking capital is to be taxed the same, whether it is in the hands of private banks, national banks, State banks, or trust companies. Let me say to the Senator from South Carolina, however, that in 1920, 1921, and 1922 the State of New York had a banking tax system which taxed the stock of all banks and trust companies, State banks, and national banks at 1 per cent—concededly a low rate—but it also taxed to the individual the income from dividends or stock. Private bankers were individuals, and were taxed as individuals on an income basis. Now, the only way to ratify the tax for the last three years is to ratify the tax which was levied. The State of New York has to pass the ratifying act, and if it desires retroactively to cure the tax, it can do it, and it can also add to the private bankers an equal amount of tax; but the Congress can not do it. There is only one way for the Congress to consent to this ratification, and that is to consent on the basis that the taxes were levied.

Would the Senator have the city of New York lose \$20,000,000, and the banks entirely escape taxation, simply because three or four private bankers have paid an income tax rather than 1 per cent on their capital?

Mr. SMOOT. No matter in what form the law may have been worded, as I understand the Senator, the private bankers paid their pro rata share in another form, along with banks and trust companies.

Mr. KELLOGG. No; the private bankers as individuals paid an income tax, and the Supreme Court of the State of New York held, principally on the ground that as national banks were taxed 1 per cent, and money and credits in the hands of individuals were taxed on an income basis, that therefore the income tax was void. There is no man on earth who will claim that the tax of 1 per cent was an excessive tax, and if this bill is not passed, New York State will have to pay back from \$25,000,000 to \$30,000,000, and the banks absolutely escape any

taxes whatever. If the Senate wants to turn it down, it can do so.

Mr. SMOOT. Let me ask the Senator a question.

Mr. KELLOGG. I will answer it.

Mr. SMOOT. The Legislature of the State of New York has to validate the legislation?

Mr. KELLOGG. Certainly.

Mr. SMOOT. Therefore, why should we pass it?

Mr. KELLOGG. Because they can not validate it without the consent of Congress. The Legislature of New York can not validate anything along this line without the consent of Congress, because banks can only be taxed by the consent of Congress, and in the manner Congress provides.

Mr. SMOOT. I doubt very much whether the Congress of the United States has that power.

Mr. KELLOGG. The Supreme Court has held over and over again that Congress has the power, and there can not be any doubt about it.

Mr. FLETCHER. The Senator means national banks?

Mr. KELLOGG. National banks, certainly. The court has held over and over again that Congress has the power to direct how national banks are to be taxed, and Congress has the power to consent to the ratification of any tax which Congress could originally have consented to.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Mississippi?

Mr. CALDER. I do.

Mr. WILLIAMS. Of course, it is undoubted that Congress has the right to tax national banks.

Mr. SMOOT. There never was any doubt about that.

Mr. WILLIAMS. But after the Supreme Court of the United States had decided, very early in our history, that a State could not tax them because they were fiscal agencies of the Federal Government, and the power of taxation carried the power to destroy, it has been equally fixed that the States can not do it. Now, there is presented rather an interesting question as to whether Congress can authorize a State to perform an unconstitutional act.

Mr. KELLOGG. The Senator misunderstood me.

Mr. WILLIAMS. One moment, if the Senator please. In other words, the question is presented whether Congress can waive any of the constitutional immunities and privileges of the Federal Government. If Congress could do that, it seems to me Congress could change the Constitution itself.

Mr. KELLOGG. Mr. President, the Senator from Mississippi entirely misunderstood me. I said that the States could not tax national banks except by the consent of Congress. Congress consented in 1864 and in 1868 to the States levying a tax against the stock of national banks, provided the tax was not greater than that levied on other moneyed capital in the hands of individual citizens.

Mr. WILLIAMS. Is that the proper statement? Did not Congress itself levy the tax and enact that it should go to the States?

Mr. KELLOGG. No; Congress did not levy the tax. Congress simply consented that the States might levy the tax. Congress has never levied a tax on banks or bank stock. The point I make is that what Congress could originally consent to it can consent to the States ratifying. That has been held by the authorities over and over again, and I say right now that unless the Congress gives this consent, not only the State of New York but the State of Massachusetts and many other States are going to lose entirely from three to six years' taxes levied on national banks.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. CALDER. I do.

Mr. SMOOT. So that the Senator from Minnesota may know what I had in mind, I want to make this statement: I have no doubt but that the Congress can give consent to the States to impose taxes upon national banks, but the question arises in my mind, Has Congress the power, under the Constitution, to grant to a State the power to remit taxes which have already been collected?

Mr. KELLOGG. That is not what this bill provides for.

Mr. SMOOT. That is what it would accomplish, or there is no need of its being here.

Mr. KELLOGG. The bill simply authorizes the State to ratify the taxes which have already been collected by the State. That is all it does.

Mr. SMOOT. Not for the future.

Mr. KELLOGG. No; but for the past.

Mr. SMOOT. The taxes have been collected in the past.

Mr. KELLOGG. If the Senator wants me to read the authorities—

Mr. SMOOT. I have no doubt but that from the time of the passage of the act they would have the authority to do it, but I doubt whether—

Mr. KELLOGG. If I must read to the Senator from Utah again all the authorities which I read the other day, I will do it. The Supreme Court of the United States have settled it.

Mr. SMOOT. I do not ask the Senator to do that at all.

Mr. KELLOGG. I can read them again. They are in a brief here.

Mr. PEPPER. Mr. President—

Mr. CALDER. If the Senator from Pennsylvania will permit me just to make one statement, I shall be glad to yield. I just want in a word to make New York State's position clear again, if I may.

Under the Federal authority for 18 years the State of New York taxed national banks 1 per cent upon the value of their stock, and we collected it. Previous to passing the law levying that tax, however, we were attempting to collect from the individual owner of national-bank stock the personal tax we levied upon all personal property. We agreed with the trust companies, with the State banks, with the National banks, that the tax upon them should be 1 per cent.

That went on for 18 years and the tax was not disputed. It was not until we passed a State income tax law that it was disputed, and now our courts have held that we must return twenty-odd million dollars to the national banks in our State. We are not required to turn the taxes back to the State banks and trust companies. Unless we have some such relief as this, validating the previous collection, and permitting our legislature to pass an act to conform to the decision of our Supreme Court the State of New York will have to give back about \$20,000,000.

I submit that the lawyers of New York, the lawyers there of great capacity familiar with tax matters, who saw the loophole in this thing, have gone through it, and we should do our part here to permit the States to save this sum if it can be done.

Mr. GLASS. Is it quite accurate to say that it is \$25,000,000? I have seen the statement made that it is less than \$12,000,000.

Mr. KELLOGG. I have the statement of the tax commissioner of New York that it is \$20,000,000 in the city of New York alone.

Mr. SMOOT. It would not make any difference in the principle whether it was one million or twenty million.

Mr. KELLOGG. It makes a good deal of difference to the city of New York, and to Boston, in the State of Massachusetts, it means over \$12,000,000. I do not know what it is going to be in Minnesota and South Dakota and other States where suits are now pending.

Mr. PEPPER. Mr. President, I wish to advert to what was said by the Senator from Virginia a few moments ago respecting the attitude of the committee upon the question now under discussion. The committee conceived that the question involved in this so-called validating proposal is not a question of power on the part of Congress or a question of delegated power on the part of the State. The committee understood, I think, that the statement last made by the Senator from Minnesota is the correct one, namely, that the States have inherent power to tax property within their limits, including the shares of national banks, but that they are restricted from the exercise of that power in the case of national banks, because, as they are fiscal agencies of the Federal Government, and the power to tax is the power to hamper or destroy, the exercise of the power by the State might be inimical to the National Government and contravene its fiscal policy.

Therefore the Congress, in order to make it clear that the exercise of taxing power by the State in the case of national-bank shares is not inimical to the Federal policy, enacted the legislation which is now embodied in section 5219 of the Revised Statutes. That section specifies certain conditions and limitations upon which the power of the State to tax may be exercised. Those conditions and limitations were not observed by certain States, and taxes were levied in the exercise of the States' plenary power of taxation, but in such a way as not to conform to the conditions of consent stated by the Congress in the legislation to which I have referred.

Thereupon the question arose whether taxes collected under that State legislation would have to be refunded to the taxpayer or whether the State might retain them. It seemed to the committee that that gave rise to the question whether or not a State legislature may constitutionally declare that taxes already collected under legislation which did not observe the restrictions imposed by Congress could, nevertheless, be kept

in the treasury of the State, and the committee conceived that the answer to that question was clearly no, unless the Congress were to declare that, so far as the Federal policy is concerned, there were no objections on the part of the Congress to the doing of that thing by a State if it constitutionally could be done.

The question whether, after such a declaration by Congress, the State may constitutionally do that thing is a question upon which members of the committee are divided. The Senator from Virginia and I were among those who were at least skeptical on the subject. I think that both of us felt that when the time comes for the State to pass such legislation it may well be determined by the courts that the legislation is inoperative, notwithstanding the declaration by Congress that there is no Federal policy in the way.

Mr. SMOOT. Mr. President, I understood the Senator from Minnesota to say that there is decision after decision of the Supreme Court covering that very question. That is the question over which I am skeptical, and I do not want to vote for any provision which I think is unconstitutional.

Mr. PEPPER. As I regard the proposed act of Congress, embodied in the amendment now before the Senate, there is no question respecting its constitutionality, because, as pointed out by the Senator from Florida, it is merely a declaration of the policy of the United States in regard to the taxation of national banks. The purpose of the declaration, if made, is merely to enable the question of validation to be raised in the several States. Without the declaration by Congress, the States are foreclosed from raising the question. With the declaration of Congress, they may raise the question, and whether they raise it effectively and to their own advantage is a question which will then have to be decided by the courts.

I say that some members of the committee, including the Senator from Virginia and myself, do entertain the opinion that when that question is finally decided it will be decided against the validity of the State act, but some of us felt that it was at least fair for Congress to make a declaration of what is undoubtedly the fact, namely, that there is no policy of the Federal Government antagonistic to the retention of these taxes, if they can constitutionally be retained, and it is only to make it possible to raise the question that this amendment has been introduced.

It is true, as pointed out by the Senator from Virginia, that the committee were of the opinion in the first instance that the permanent legislation amending section 5219 ought to be kept separate from this emergency measure, which deals with temporary validation, and therefore the committee were of opinion that two bills should be reported out and not one. But when it was drawn to the attention of the committee that that procedure would keep the validating question out of conference and that without a validating provision annexed there was serious doubt as to our ability to get the permanent legislation through, the committee yielded to the suggestion, and I was authorized by the chairman of the committee, as the member in charge of the measure, to make no objection to the consideration of the amendment as a part of the bill which has been under discussion.

I have made this statement, Mr. President, to clear up the question of fact as to what the action of the committee was and to make plain that those members of the committee like the Senator from Virginia [Mr. GLASS] and myself, who are skeptical about the ultimate legislation of the States, may still be in a position of willingness that the question shall be raised and properly decided, which can not be unless this measure is passed by the Congress.

Mr. GLASS. Mr. President, the Senator from Pennsylvania [Mr. PEPPER] has stated the facts of the case quite clearly and correctly, so far as my knowledge of them extends. I did not know, however, that the Senate Committee on Banking and Currency had authorized a change of the program to the extent of accepting the amendment now proposed by the Senator from Minnesota [Mr. KELLOGG]. I was not present at that meeting.

There was one question involved to which no reference has been made in the discussion, so far as I recall, and that was the moral right, the propriety, of the Congress of the United States giving its assent to a proposition which involves the overthrow of a decision already rendered by the courts. The Senator from Minnesota has cited authorities to establish his contention that in the matter of taxation a State may do at a given time what it might have done at some other time but did not do. But I noted, even in one of the authorities cited by the Senator from Minnesota, that the court itself raised the question as to whether this could be done after litigation had already been had and the court's decision rendered.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Minnesota?

Mr. GLASS. I yield.

Mr. KELLOGG. It was done in a case where Congress had failed to authorize a tax, and Congress ratified the tax after judgment had been rendered in the court recovering it. In many cases it is said that the fact that a judgment had been rendered or decision had does not in any way detract from the power of ratification of the tax. The Congress ratified a tariff act after suit had been brought and the money recovered back because there was absolutely no authority originally to levy it. Congress ratified it after it had been paid and after suit had been brought and the money had been recovered back.

Mr. GLASS. Of course, I would not presume to enter into a legal controversy with the Senator from Minnesota or any other lawyer who is contributing to the discussion, because I am not a lawyer. But I again insist that one of the decisions cited by the Senator from Minnesota raised the issue as to whether the taxing power of the State could be used to overthrow the decision of the court already rendered. However, whether it may legally be done or not, I think a moral question is involved as to whether the Congress of the United States should give its assent to a proceeding of that sort by a State if the State concluded to adopt that measure of relief.

Also involved is a question of the escape from all this kind of taxation of the private banks of the various States. I say in equity it would be just as reasonable for the States to pass an ex post facto law, a tax law that would refer back to exact taxation from the private bankers, as it would be to permit the States to retain money illegally collected after the decisions of the court had been rendered. Action of Congress would simply mean assent to a proceeding that would nullify the decisions of the State courts in these tax matters. I doubt very much whether it ought to be done.

Mr. JOHNSON. Mr. President, there is just one aspect of the case in which I want to respond to the Senator from Virginia. I do not discuss at all the legal aspect of the situation, because that has been ably presented by the Senator from Minnesota and the Senator from Pennsylvania. With their conclusions I think we may all agree. But the moral aspect of the situation is one that is very appealing to me, and I want to answer what has been said in that behalf by the Senator from Virginia by reading an excerpt from a letter to the Senator from New York [Mr. CALDER] by the comptroller of the city of New York. I may say that in a letter from the corporation counsel of the city of New York to myself the same facts were stated.

The equities, the moral aspects, of the situation appeal wholly in behalf of the amendment that is presented by the Senator from New York, and any relief that we may afford, anything that we may do to correct a situation that is practically intolerant, ought to be done. Here is what Comptroller Craig, of the city of New York, said in his communication, and I read it upon the aspect that has been suggested by the able Senator from Virginia:

The practical effect of this decision, if the law remains unchanged and the relief can not be had by curative legislation, is that national banks in New York City are exempt from all forms of taxation whatever, except the tax upon the building in which their banking house is located, if the bank happens to be the owner of such building. Such an exemption, coming at a time when under postwar conditions the burden of taxation upon all other classes for National, State, and local purposes is regarded as oppressive, is at least most inequitable and unjust. The national banks in New York City have enjoyed a high degree of prosperity all during the war, as well as subsequent thereto. The city of New York has carried on deposit with the national banks in New York City an average daily balance of approximately \$40,000,000, on which it has received but a small rate of interest, usually 2 per cent. I believe I am well within the facts when I say that some of the larger national banks in New York City who have been the beneficiaries of these deposits have loaned money so obtained in markets which have frequently netted them rates of interest from five to ten times as great as that allowed by them to the city of New York. A rule of the clearing house, which includes in its membership all the national banks, precluded the city of New York from obtaining a higher rate of interest upon deposits in National as well as State banks, but no rule of any kind whatever precluded the national banks in New York City from profiteering to the limit of all possibilities with the moneys obtained from the city's deposits.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Virginia?

Mr. JOHNSON. I yield.

Mr. GLASS. The vice of Mr. Craig's statement is that it is totally inaccurate. He refers to all interests being taxed. If all interests had been equally taxed, there would have been no litigation and there would have been no decision such as there was in the New York courts. As a matter of fact, all interests were not taxed. The great private banking corporations of New York were not taxed.

I may say, just in a word, that I am making no plea for the national banks. I am making a plea against Congress or the State legislatures either undertaking by legislative enactment to overthrow the deliberate decisions of the courts. That is what we are proposing to do here.

Mr. CALDER. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from New York?

Mr. JOHNSON. I yield.

Mr. CALDER. There is no proposition here to tax the national banks any differently from what we tax the State banks and trust companies and have taxed them for 21 years.

Mr. GLASS. The Senator is entirely mistaken about that. The decision of the New York court was rendered on the basis that the private banker of New York can escape this very tax levied upon national banks and required by the Federal statute.

Mr. CALDER. The Senator from Virginia disputes my statement that the proposition here is to permit the taxing of national banks exactly as we tax State banks and trust companies.

Mr. GLASS. The proposition is to overthrow a decision of the courts of the State of New York to the effect that New York State did not tax private banking capital as it taxed banking capital in national banks.

Mr. JOHNSON. The Senator is in error, because it was the individual of whom he was speaking and not the banks.

Mr. LODGE. Mr. President—

Mr. JOHNSON. I yield to the Senator from Massachusetts. Mr. LODGE. I merely wish to say that the condition of affairs in my State is almost precisely the same as the Senator has described in New York. The effect of having no validating legislation would be to leave the banks without any tax whatever for three years. There ought to be some opportunity at least to adjust it, and I think the amendment in its proviso adjusts it very fairly.

Mr. JOHNSON. That is the theory upon which the amendment is offered by the Senator from New York. Baldly put, the proposition is, Shall we, if we can, provide a mode by which a just taxation shall be put upon the banks, or shall we hesitate in affording what remedy is possible to such States as New York, Massachusetts, and others involved, in order that national banks may escape their just and fair share of taxation? Baldly put, that is the question, and I submit it to the Senate.

Mr. GLASS. Baldly put, I contend that is not the question at all. It is not within the power of the Congress of the United States to say what shall be the method of taxation by States. It can only say that whatever method is adopted it shall not discriminate against the agencies of the National Government. That is what it did provide, and New York disregarded the Federal statutes and discriminated against the agencies of the Federal Government by exempting from this very tax the private banking capital. Therefore the decision.

Aside, from that, baldly put, the proposition here is for the Congress of the United States to give its assent to the overthrow of the judicial determination of State courts, and I think that is a very much greater question than the question of returning a few million dollars to the great wealthy State of New York or some other great wealthy State.

Mr. President, I shall not prolong the discussion, because while I have said it may be presumptuous for me to set up my opinion against the opinion of lawyers here, I have no idea on earth that the courts will hold that a State has the right to pass a retroactive law to upset the determination of the courts already rendered.

Mr. PEPPER. Mr. President, I am as much opposed as is any other man to undertaking by legislation to discredit or otherwise disturb the decision of a court, but I wish to point out to the Senator from Virginia that the ultimate question of the constitutionality or unconstitutionality of the State law will rest with the court. If it be ultimately determined that this measure is one in which Congress has attempted to declare a right vested by judicial decree to be invalid and inoperative, then the act will be unconstitutional; but if the view of the Senator from Minnesota [Mr. KELLOGG] shall prevail, that we are merely removing an inhibition upon the State by declaring that there is nothing inimical to the fiscal policy of the Government in the enactment of this legislation, then we shall not be doing anything in despite of the courts or of any judicial decision.

Mr. GLASS. Mr. President, what the Senator from Pennsylvania has stated is technically true; but, in a great measure, if the State court shall decide, or if ultimately the Federal court shall decide, that the proposed validation is unconstitutional, Congress will occupy the position of having attempted here by

legislation to do what the court may say is an unconstitutional act.

Mr. SMOOT. Mr. President, I have had a great many doubts in my mind as to whether or not it would be proper for me to vote for this validating amendment. I think, however, I shall do so, but I wish it understood, so far as my record hereafter may be concerned, that I vote for the amendment with a great deal of apprehension. I think if the validating amendment shall be adopted and the State of New York shall then undertake to pass a validating act, that, of course, it will be fought in the courts. The question will then be decided upon the act of the legislature of the State of New York; and it is my opinion, when the question comes before the Supreme Court, that the court will hold to be unconstitutional any act of the State legislature to validate the tax collected. That is what I believe as much as I believe that I live, although I am willing to vote to postpone the date of the final decision. If, however, I were an official of New York or of Boston, I would anticipate the payment of the amount of money received by taxation effected by this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. CALDER] to the committee amendment.

Mr. SMITH. Mr. President, before the vote shall be taken on the amendment to the amendment, I wish to get this matter clear in my mind. The court of New York certainly must have decided this question in the light of the facts presented to it. As I understand, the law required that all capital engaged in banking business, if taxed, must be taxed uniformly. It seems as if the court has found that in the State of New York, and perhaps also in the State of Massachusetts, that was not the case, and therefore, as some banking capital, perhaps that of private banks, was not taxed uniformly with the capital of national banks, the national banks were not liable to the tax under the State law. If that be true, then we are attempting here to provide that the rule of uniformity in taxation shall be overturned and to allow the very thing to be done which the court has decided may not be done.

The private banker in lending money necessarily comes in competition with all other banking capital, and especially has he a privilege if he does not pay a tax equal to that of his competitors. The courts have decided that as he did not pay a tax equal to that of his competitors, it was detrimental to the interests of a Government function, namely, the national banks, and that, therefore, such a tax was null and void.

It is not the proposition here to ask New York and Massachusetts to pass acts that are in conformity with the law, but we are now attempting to pass an act to establish a condition which the court has said can not and ought not to be maintained.

The reason I offered the amendment which I have offered was that, if adopted, it would clear up the situation so far as Congress is concerned. The Senator from Minnesota has stated that my amendment, if agreed to, would invalidate the entire legislation, because the State had not imposed the tax in that form on the private bankers in New York; that the State of New York would then have to legislate in order to collect a tax from the private bankers that it had never imposed, and that the amendment, if adopted, would upset the whole plan. On the other hand, however, if we do not provide that private bankers shall be specifically included in the proposed legislation, we shall be ratifying the very act which the court has said should not and shall not be done.

Mr. KELLOGG. The Senator from South Carolina is entirely mistaken as to that.

Mr. LODGE. Mr. President—

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. LODGE. I merely wish to say a single word in reply to the statement of the Senator from Utah [Mr. SMOOT], who, it seems to me, misunderstands the situation. The Senator from Utah spoke about advising the States not to go on and spend the money. There will be no spending of money by the States or the cities under this proposed law. The entire object of the legislation is to get back from the States and from the cities the money for the banks in the amount of \$20,000,000 in New York and \$12,000,000 in Massachusetts, which would leave the banks untaxed during the past three years. The proviso of this amendment limits the amount the States can recover.

Mr. KELLOGG. Mr. President, I do not wish to prolong this discussion, but the Senator from South Carolina [Mr. SMITH] is mistaken in the statement he has made. The Supreme Court of New York has merely decided that the tax was void because it was in violation of an act of Congress which required that

national banks shall not be taxed at a greater rate than other moneyed capital in the hands of the individual citizen; and because such capital in the hands of individual citizens was not taxed at the same rate as were banks, therefore it was in violation of the act of Congress.

This proposed law simply consents that the imposition of that tax for three years may be ratified if the State of New York desires to do so. The State of New York may ratify it or part of it or reenact the tax or a part of it, any way it sees fit; that is all there is to it; but Congress must consent to ratify the tax that was levied. We can not name any other condition, for if we do they can not ratify.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. CALDER] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read three times, the question is, Shall it pass?

Mr. LA FOLLETTE. I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. HALE (when his name was called). I transfer my pair with the Senator from Tennessee [Mr. SHIELDS] to the senior Senator from Iowa [Mr. CUMMINS] and vote "yea."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the Senator from New Mexico [Mr. BURSUM] and will vote. I vote "yea."

Mr. LODGE (when his name was called). In the absence of my general pair, the Senator from Alabama [Mr. UNDERWOOD], I transfer the pair to the Senator from Connecticut [Mr. BRANDEGEE] and will vote. I vote "yea."

Mr. ROBINSON (when his name was called). I have a pair with the Senator from West Virginia [Mr. SUTHERLAND], which I transfer to the Senator from Missouri [Mr. REED] and will vote. I vote "nay."

The roll call was concluded.

Mr. COLT. I transfer my general pair with the junior Senator from Florida [Mr. TRAMMELL] to the junior senator from Vermont [Mr. PAGE] and will vote. I vote "yea."

Mr. HARRISON. I have a general pair with the junior Senator from West Virginia [Mr. ELKINS]. I therefore withhold my vote. If at liberty to vote, I should vote "nay."

Mr. McCUMBER. I have a general pair with the junior Senator from Utah [Mr. KING]. I observe that he has not voted, and therefore I withhold my vote, being unable to secure a transfer.

The PRESIDING OFFICER (Mr. MOSES). The present occupant of the chair will announce that he has a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. He transfers that pair to the junior Senator from Idaho [Mr. GOODING] and votes "yea."

Mr. ERNST (after having voted in the affirmative). I transfer my pair with my colleague, the senior Senator from Kentucky [Mr. STANLEY], to the Senator from Oklahoma [Mr. HARRIS] and will let my vote stand.

Mr. CURTIS. I have been requested to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS].

The result was announced—yeas 50, nays 18, as follows:

YEAS—50.

Ball	Frelinghuysen	McNary	Spencer
Borah	George	Moses	Stanfield
Brookhart	Gerry	Nelson	Sterling
Calder	Hale	New	Townsend
Cameron	Johnson	Nicholson	Wadsworth
Capper	Jones, Wash.	Norris	Walsh, Mass.
Colt	Kellogg	Oddie	Warren
Couzens	Kendrick	Pepper	Watson
Curtis	Keyes	Phillips	Weller
Dillingham	Ladd	Poindexter	Williams
Ernst	Lodge	Reed, Pa.	Willis
Fletcher	McCormick	Shortridge	
France	McKinley	Smoot	

NAYS—18.

Bayard	Harris	Overman	Smith
Caraway	Hedlin	Pomerene	Swanson
Cuberson	Hitchcock	Ransdell	Walsh, Mont.
Dial	La Follette	Robinson	
Glass	McKellar	Sheppard	

NOT VOTING—28.

Ashurst	Fernald	McCumber	Reed, Mo.
Brandeggee	Gooding	McLean	Shields
Broussard	Harrell	Myers	Simmons
Bursum	Harrison	Norbeck	Stanley
Cummins	Jones, N. Mex.	Owen	Sutherland
Edge	King	Page	Trammell
Elkins	Lenroot	Pittman	Underwood

So the bill was passed.

THE CALENDAR.

The PRESIDING OFFICER. The calendar under Rule VIII is in order.

Mr. LADD. Mr. President, I ask unanimous consent to bring up House bill 8086, Order of Business 963, to prohibit the shipment of filled milk in interstate or foreign commerce.

The PRESIDING OFFICER. The Senator from North Dakota asks unanimous consent for the consideration of House bill 8086. Is there objection?

Mr. DIAL and Mr. ROBINSON. I object.

The PRESIDING OFFICER. Objection is made.

Mr. BALL. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution—

Mr. SMOOT. I ask that we proceed with the calendar.

The PRESIDING OFFICER. The regular order is demanded. The Secretary will state the first bill on the calendar.

Mr. SMOOT. The order of the Senate was that we should consider the calendar beginning with Order of Business No. 961.

The PRESIDING OFFICER. The order of the Senate made this morning was that the call of the calendar should begin with Order of Business 961, which has been disposed of. Order of Business 963 goes over under objection. The Secretary will state the next bill on the calendar, Order of Business 964.

EXTENSION OF CIVIL SERVICE RETIREMENT ACT.

The bill (S. 4167) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, in order to extend the benefits of said act to certain employees in the Panama Canal Zone, was announced as next in order.

Mr. ROBINSON and Mr. DIAL. Let that go over.

Mr. STERLING. Mr. President, I did not understand clearly what Senator did object, but I hope whoever objected will withhold the objection. This is simply a bill to extend the benefits of the civil service retirement act to the employees of the Panama Canal Zone who are citizens of the United States and whose work is not intermittent but permanent in its character. I have a letter from the Secretary of War in regard to it. He warmly recommends the passage of this measure. I also have a reference to the desire of the Governor of the Panama Canal Zone in regard to it. I hope there will be no objection to the consideration of this bill.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. STERLING. Yes; I yield.

Mr. ROBINSON. What is the number of persons affected by the provisions of the bill?

Mr. STERLING. It is ascertained, I think, that there are about 2,100, all told, who will be affected by the bill.

Mr. ROBINSON. What is the increased cost to the Government, as estimated by the committee?

Mr. STERLING. There has been no estimate of the increased cost to the Government, and I hardly know how we could get an estimate.

Mr. ROBINSON. Why was not the original act made applicable to the employees of the Panama Canal Zone?

Mr. STERLING. It did apply to those in the classified service. Such employees as stenographers, typewriters, clerks, and so forth, are already included in the benefits of the retirement act; but there are a number of others in the employ of the Government and in the employ of the railroad, too.

Mr. SMOOT. Mr. President—

Mr. ROBINSON. Is it proposed by this bill to extend the provisions of the retirement act to persons not within the classified service?

Mr. SMOOT. That is what I wanted to ask the Senator.

Mr. STERLING. To some who are not in the classified service.

Mr. ROBINSON. That would be a very important precedent; and I suggest that the bill go over in order that Senators who are not familiar with it may have an opportunity to look into it.

Mr. STERLING. I want to say to the Senator that under the provisions of the act the President may by Executive order extend the benefits of the act to those who are in the service of the Government.

Mr. ROBINSON. Yes; but this provides, in effect, for covering them into the service by law, which is very different.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

Mr. SMOOT. Mr. President, I want to ask the Senator one other question before the bill goes over. If the Senator has not the information at hand as to the meaning of the proviso on page 2, beginning on line 9, I wish he would get from some source the object of that proviso. It reads:

That the inclusion of said employees within the provisions of the civil service retirement act shall not be construed as in any way affecting the regulations which may have been prescribed heretofore or which may hereafter be made applicable to appointments for isthmian service.

I do not know what that means, or what effect it has. It is a new provision in all of our civil service laws, and I hope before the bill comes up the next time the Senator will find out why that provision is incorporated in it.

Mr. ROBINSON. With the Senator's permission, it would seem to me that they would be taken into the service by political influence, covered into the classified service by legislative act, and given the benefit of the retirement provision.

Mr. STERLING. I hope other Senators, too, will take the opportunity to inform themselves in regard to that proviso. I shall, I will say to the Senator.

Mr. ROBINSON. In retort to that remark of my good friend the Senator from South Dakota, I suggest that the Senator in charge of a bill and the Senator who reports the bill ought especially to inform himself respecting its provisions and effect.

Mr. STERLING. I thought this particular proviso was harmless, so far as that is concerned. I did not give it very much study, and I can not now inform the Senator as to the basis of this particular proviso, but I shall take the trouble to inform myself accurately as to what is meant by it.

Mr. ROBINSON. Regular order.

Mr. POMERENE. May I ask one question?

Mr. ROBINSON. I withdraw the request for the regular order.

Mr. POMERENE. Some time ago there were a number of Isthmian Canal employees who were furnished with houses. Is that class of employees included?

Mr. STERLING. I do not think so. There may be some of them who are included in this measure.

Mr. POMERENE. There is another matter I want to ask about, of which I have some personal knowledge. Some time ago there was a movement on foot to enable certain classes of employees to perpetuate themselves in office. For instance, there was some legislation providing for an examining board, and only that class of employees were to be on the examining board. As a result, of course, had that legislation gone through, nobody would have been able to get a position in that branch of the service unless he would pass an examination to be held by that particular board.

Mr. STERLING. Does the Senator from Ohio state that there was some such legislation proposed?

Mr. POMERENE. There was.

Mr. STERLING. I did not know anything about it, and do not know anything about it now.

Mr. POMERENE. It was proposed, and it was called to my attention by one man who thought he had a particular claim on me because he was born in Ohio.

Mr. STERLING. I know nothing of the proposed legislation to which the Senator refers.

Mr. POMERENE. If no one else had made the objection, I would have made it at this particular time, because I think some of those things should be inquired into.

STANDARD AMERICAN DREDGING CO.

The bill (H. R. 5475) for the relief of the Standard American Dredging Co., was announced as next in order.

Mr. SMOOT. Mr. President, the Senator reporting this bill is not in the Chamber. I wanted to ask him about the amount after reading the report submitted by the Senator. He is not here, and therefore I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

ESTATE OF JAMES W. MARDIS.

The resolution (S. Res. 397) referring the bill (S. 3652) for the relief of the estate of James W. Mardis to the Court of Claims, was read and agreed to as follows:

Resolved, That the bill (S. 3652) entitled "A bill for the relief of the estate of James W. Mardis," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims in pursuance of the provisions of an act en-

titled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

LIEUT. HENRY N. FALLON.

The bill (S. 3553) for the relief of the family of Lieut. Henry N. Fallon, retired, was announced as next in order.

Mr. SMOOT. I ask some member of the Committee on Claims to give an explanation of the bill or else let it go over. Let it go over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

JOHN N. HALLADAY.

The bill (S. 4028) for the relief of John N. Halladay, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of John N. Halladay, former postmaster at Oak, Ala., with \$8,012.13, and to certify said credit to the general accounting office, said sum being a balance due the United States which is chargeable to the embezzlement of funds and theft of money-order forms which were printed for and stolen from the post office at Oak, Ala., and unlawfully uttered in Pensacola, Fla., and Mobile, Ala., by Mr. and Mrs. Leon W. Mendel.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALMEDA LUCAS.

The bill (S. 3328) for the relief of Almeda Lucas, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Almeda Lucas, the widow of Preston B. C. Lucas, the sum of \$5,000, out of any money in the Treasury not otherwise appropriated, as compensation for the loss of certain lands and buildings in Tillamook County, Oreg., as a result of a resurvey of the homestead of the said Preston B. C. Lucas after the issuance of a final patent.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF THOMAS N. AVERY.

The bill (S. 3988) for the relief of the estate of Thomas N. Avery was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Thomas N. Avery, deceased, the sum of \$2,047.70 in compensation for losses sustained by the explosions at the plant of the T. A. Gillespie Loading Co., Morgan Arsenal, Morgan, N. J., on October 4, 5, and 6, 1918.

Mr. FRELINGHUYSEN. Mr. President, this bill is for the payment of a claim to the estate of Thomas N. Avery for damages caused to certain buildings belonging to the estate when the Morgan ordnance plant, at Morgan, N. J., was destroyed. The Ordnance Department appointed a board to consider and determine the amount of all the claims arising as the result of that disaster. This concern was under the jurisdiction of the Federal courts in bankruptcy proceedings at the time, and therefore no claim was made to the board.

An estimate has been made of the damages to these buildings, the Federal courts having, under a compromise, settled the bankruptcy proceedings, and this claim is to pay for the damages caused by that explosion, amounting to \$2,047.70.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BERTHA N. RICH.

The bill (S. 4114) for the relief of Bertha N. Rich was announced as next in order.

Mr. DIAL. I would like to have an explanation of that bill, as to why the Government is liable. It seems to me a very large amount, and this is a very loose way of appropriating money. This kind of a claim ought to go to the Court of Claims, it seems to me.

Mr. FRELINGHUYSEN. Mr. President, this bill provides for the payment of \$15,000 to the widow of a man who was killed through the negligence of an Army detachment who were running a recruiting office at the Trenton State Fair in October, 1920.

The First Division of the United States Army were engaged throughout the country in exhibiting a circus at various fairs, and asked for permission to exhibit at the Trenton State Fair. They were accompanied by a recruiting squad, consisting of 34 noncommissioned officers and men, in charge of a first lieutenant. That was auxiliary to the circus squad of the First Division. Arrangements were made with the fair authorities for both these exhibits. The recruiting exhibit included the

exhibition of a machine gun, as well as different kinds of ammunition.

On October 2, 1920, the recruiting tent was exhibiting under these officers a machine gun. The first lieutenant in charge of the squad was not present, and the sergeant in charge had left to go to his supper, leaving several noncommissioned officers and privates in charge of the exhibition. Contrary to the rule, although there were no orders issued, there was a belt of live cartridges in the cartridge box of the machine gun, and a large number of loose cartridges lying around. The spectators were going in and out of the tent. The gun that was exhibited had been exhibited at various fairs, and the testimony of the witnesses for the Army shows that it was a defective gun and had fired prematurely at Louisville, Ky.

Mr. DIAL. Mr. President—

Mr. FRELINGHUYSEN. I will yield when I have finished my statement. During the absence of the sergeant this gun was exhibited by some men evidently not ordered to exhibit it. The testimony is very hazy as to what happened. There is evidence that private Abe Schwartz was pushed against the gun. There is other evidence from the Army that the gun was operated.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WADSWORTH. I ask unanimous consent that the Senator from New Jersey may proceed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator is recognized.

Mr. FRELINGHUYSEN. The spectators included Mr. and Mrs. Rich, a young married couple, who were looking at the exhibits. While the crank of the machine gun was being turned, the testimony shows that some of the spectators said, "Turn that gun the other way." Suddenly a shot was heard, and Mr. Rich, the husband of the claimant, said, "I am shot." He was shot through the forehead, and died while being taken to the hospital. The evidence shows that a fired cartridge was taken out of the machine gun.

I made a request of the Secretary of War that an investigation be made, a board of officers was appointed by General Summerall, their findings are in the evidence, and they recommended the court-martial of Lieutenant Kutschko and Sergeant Eatherly. The charges were dismissed; the board's findings were disapproved by General Summerall. Mrs. Rich had no means of support. It was shown conclusively that the negligence or the carelessness of the officers was the cause of the death of her husband.

The PRESIDING OFFICER. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. FRELINGHUYSEN. I shall be very brief. Secretary Baker, in a communication contained in the report of the committee, stated that he felt that reparation should be made to the young woman, and while I felt that \$25,000 was little enough to be paid to her, I submitted to the decision of the committee to make the claim for damages \$15,000.

Mr. TOWNSEND. Mr. President, I hope when we call the calendar the next time we may follow the practice of this morning and begin where we leave off to-day. Those of us who have bills near the end of the calendar have waited day after day to get action on some bill. I think it is but fair that when we next consider the calendar and commence the call of bills on the calendar we should begin with the bill that is now before the Senate.

The PRESIDING OFFICER. Does the Senator from Michigan ask unanimous consent for that purpose?

Mr. TOWNSEND. No; I do not think it is necessary.

Mr. STERLING. Mr. President, I ask unanimous consent that the Senate may proceed with the consideration of bills on the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of Washington. Yes; I object. We can not do that to-day. There is an appropriation bill which it is desired to take up, and for that purpose I ask unanimous consent that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PHIPPS, Mr. BALL, Mr. FRELINGHUYSEN, and Mr. DIAL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. FRELINGHUYSEN. Mr. President, will the Senator from Colorado yield to me for a moment?

Mr. PHIPPS. I will yield in just a moment. I move that the Senate proceed to the consideration of the bill (H. R. 13660) making appropriations for the government of the District of Columbia for the fiscal year 1924.

The PRESIDING OFFICER. Had the Senator from New Jersey concluded?

Mr. FRELINGHUYSEN. I had not.

The PRESIDING OFFICER. Then the Senator from New Jersey is still entitled to the floor and will proceed.

Mr. FRELINGHUYSEN. I simply wish to ask the indulgence of the Senate for the consideration of the bill to which I have been referring, and that it may come to a vote.

Mr. OVERMAN. No, Mr. President; we can not pass it to-day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey?

Mr. OVERMAN. I object.

The PRESIDING OFFICER. Objection is made.

Mr. FRELINGHUYSEN. Very well.

DISTRICT OF COLUMBIA APPROPRIATIONS.

The PRESIDING OFFICER. The Senator from Colorado [Mr. PHIPPS] moves that the Senate proceed to the consideration of the District of Columbia appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. PHIPPS. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Secretary will proceed with the reading of the bill.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the head "General expenses, executive office," on page 2, line 15, after the word "supplies," to strike out "\$250" and insert "\$350," so as to read:

Veterinary division: Veterinary surgeon for all horses in the departments of the District government, \$1,400, and for medicines, surgical and hospital supplies, \$350.

The amendment was agreed to.

The next amendment was, at the top of page 3, to strike out the head "Building inspection division," and at the beginning of line 2 to insert "Building inspection division," so as to read:

Building inspection division: Inspector of buildings, \$3,000; assistant inspector of buildings—1 \$2,000, 3 at \$1,500 each, 1 \$1,400; 9 at \$1,360 each, etc.

The amendment was agreed to.

The next amendment was, on page 3, line 14, before the word "each," to strike out "\$10" and insert "\$13," and at the end of the same line to strike out "\$360" and insert "\$468," so as to read:

To reimburse three inspectors of elevators for expenses incurred by them in the maintenance of their own motor cycles incident to the performance of their official duties, at the rate of \$13 each per month, \$468.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 17, to strike out "\$20" and insert "\$26," and, at the end of line 18, to strike out "\$1,200" and insert "\$1,560," so as to read:

To reimburse five inspectors for expenses incurred by them in the maintenance of their own automobiles incident to the performance of their official duties, at the rate of \$26 per month each, \$1,560.

The amendment was agreed to.

The next amendment was, on page 3, line 19, to strike out the subhead "Plumbing inspection division" and at the beginning of line 20 to insert "Plumbing inspection division," so as to read:

Plumbing inspection division: Inspector of plumbing, \$2,000; assistant inspectors of plumbing—2 at \$1,550 each, 6 at \$1,360 each, etc.

The amendment was agreed to.

The next amendment was, in the item for the plumbing inspection division, on page 4, at the beginning of line 4, to strike out "\$10" and insert "\$13," and, at the end of line 4, to strike out "\$600" and insert "\$780," so as to read:

To reimburse five assistant inspectors of plumbing for provision and maintenance by themselves of five motor cycles for use in their official inspections in the District of Columbia, \$13 per month each, \$780.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 5, to increase the total appropriation for the executive office from "\$154,080" to "\$154,828."

The amendment was agreed to.

Mr. PHIPPS. At this point I ask unanimous consent that the clerks at the desk be authorized to make the necessary changes in totals to correspond with the minor changes made in the amounts in the text.

The PRESIDING OFFICER (Mr. REED of Pennsylvania in the chair). Without objection, it is so ordered.

The reading of the bill was continued. The next amendment of the Committee on Appropriations was, on page 6, at the beginning of line 10, to strike out "three" and insert "four," and, at the end of line 13, to strike out "\$53,620" and insert "\$54,820," so as to make the paragraph read:

COLLECTOR'S OFFICE.

Salaries: Collector, \$4,000; deputy collector, \$2,000; chief clerk, arrears division, \$2,000; cashier, \$1,800; 2 assistant cashiers, at \$1,500 each; bookkeeper, \$1,600; 4 bailiffs, at \$1,200 each; clerks—6 at \$1,400 each, 13 at \$1,200 each, 4 at \$1,000 each, 5 at \$900 each, 1 \$720; clerk and bank messenger, \$1,200; 2 messengers, at \$600 each; in all, \$54,820.

The amendment was agreed to.

The next amendment was, under the subhead "Municipal Architect's Office," on page 10, line 6, after the word "respectively," to strike out "\$2,650" and insert "and four Ford runabouts of the 'slip-on' body type without self-starter, to cost not exceeding \$550 each, \$4,850," so as to make the paragraph read:

For purchase of one truck of 1½ tons capacity, and one truck of one-half ton capacity, to cost not exceeding \$2,000 and \$650 each, respectively, and four Ford runabouts of the "slip-on" body type without self-starter, to cost not exceeding \$550 each, \$4,850.

The amendment was agreed to.

The next amendment was, under the subhead "Public Utilities Commission," on page 10, line 19, after the word "law," to strike out "\$5,000, and no part of this or any other appropriation contained in this act shall be available for the employment of special legal services by the Public Utilities Commission," and insert "\$8,000," so as to make the paragraph read:

For incidental and all other general necessary expenses authorized by law, \$8,000.

The amendment was agreed to.

The next amendment was, under the subhead "Surveyor's Office," on page 11, line 18, after the word "teams," strike out "\$7,000" and insert "\$10,000," and at the end of line 18 to strike out "\$33,000" and insert "\$36,000," so as to make the paragraph read:

Salaries: Surveyor, \$3,000; assistant surveyor, \$2,000; clerks—one \$1,225, one \$975, one \$675; three assistant engineers, at \$1,500 each; computer, \$1,200; record clerk, \$1,050; inspector, \$1,275; draftsman—one \$1,225, one \$900; assistant computer, \$900; three rodmen, at \$825 each; chainmen—three at \$700 each, two at \$650 each; computer and transitman, \$1,200; services of temporary draftsmen, computers, laborers, additional field party when required, purchase of supplies, care or hire of teams, \$10,000, no part of which sum shall be expended without the written authority of the commissioners; in all, \$36,000.

The amendment was agreed to.

The next amendment was, under the subhead "Minimum Wage Board," on page 12, after line 2, to strike out the following proviso:

Provided, That until the constitutionality of the act creating this board shall have been determined by the Supreme Court of the United States there shall not be expended from this appropriation or from the appropriation for this board for the remainder of the fiscal year 1923 a greater sum than at the rate of \$1,600 per annum for personal services and \$400 per annum for contingent and miscellaneous expenses.

The amendment was agreed to.

The next amendment was, under the subhead "Rent Commission," on page 12, at the beginning of line 17, to strike out "\$42,500" and insert "\$51,750"; and in the same line, after the word "which," to strike out "\$13,750" and insert "\$23,000," so as to make the paragraph read:

For salaries and expenses authorized by section 103, Title II, of the "Food control and the District of Columbia rent act," approved October 22, 1919, as amended by the act approved August 24, 1921, extending the Rent Commission until May 22, 1922, and the act approved May 22, 1922, extending the said commission until May 22, 1924, \$51,750, of which \$23,000 shall be available exclusively for the salaries of members of the commission.

The amendment was agreed to.

The next amendment was, under the head "Free public libraries," on page 14, line 2, before the words "one \$880," to insert "one \$1,000," so as to read:

Southeast Branch Library—Librarian, \$1,400; first assistant, \$1,200; assistants—one \$1,000, one \$880, one \$780; janitor, \$600; page, \$420.

The amendment was agreed to.

The next amendment was, on page 14, line 4, to increase the total of the appropriation for salaries in the free public libraries from "\$83,140" to "\$84,140."

The amendment was agreed to.

The next amendment was, under the head "Contingent and miscellaneous expenses," on page 15, line 16, after the words "Board of Charities," to strike out "\$45,000" and insert "in-

cluding an allowance to the purchasing officer of the District and to the secretary of the Board of Charities, not exceeding the rate of \$26 per month for each, for the maintenance of an automobile to be furnished by them, respectively, and used in the discharge of their official duties, \$50,000," so as to make the paragraph read:

For printing, checks, books, law books, books of reference, periodicals, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; purchase of laboratory apparatus and equipment and maintenance of laboratory in the office of the inspector of asphalt and cement; damages; livery, purchase, and care of horses and carriages or buggies and bicycles not otherwise provided for; horseshoeing; ice, repairs to pound and vehicles; use of bicycles by inspectors in the engineer department not to exceed \$800 in the aggregate; and other general necessary expenses of District offices, including the personal-tax board, harbor master, health department, surveyor's office, office of superintendent of weights, measures, and markets, department of insurance, and Board of Charities, including an allowance to the purchasing officer of the District and to the secretary of the Board of Charities, not exceeding the rate of \$26 per month for each, for the maintenance of an automobile to be furnished by them, respectively, and used in the discharge of their official duties, \$50,000.

The amendment was agreed to.

The next amendment was, on page 16, after line 10, to strike out:

For maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and motor cycles owned by the District of Columbia and used exclusively for official purposes; for the pay of persons employed exclusively in maintaining, repairing, and operating such vehicles; for all expenses incident to the occupation of any building in whole or in part for the housing or repair of such vehicles; for allowances to officers and employees of the District of Columbia for supplying for official use their own motor-propelled passenger-carrying vehicles at not to exceed \$20 per month for an automobile and \$10 per month for a motor cycle, there shall be set up on the books of the Treasury a single appropriation to which shall be transferred on July 1, 1923, from appropriations contained in this act similar to appropriations which were properly available for such expenses during the fiscal year 1923, such sums as the Commissioners of the District of Columbia shall certify as being required for the purposes hereinbefore enumerated and, except as hereinafter provided, no part of any other appropriation contained in this act, after such transfers shall have been made, shall be available for any such expenses: *Provided*, That nothing herein shall be construed as affecting the appropriations herein made under the police, fire, and water departments, under the Superintendent of Public Buildings and Grounds, and under the Engineer Department of the Army, but no motor-propelled passenger-carrying vehicle or motor cycle acquired by purchase or otherwise by any of such excepted activities shall be transferred, loaned, or assigned to or for any other activity provided for in this act: *Provided further*, That during the fiscal year 1924 not more than 40 persons shall be paid an allowance for supplying their own passenger-carrying automobiles and not more than eight persons shall be paid an allowance for supplying their own motor cycles: *Provided further*, That the Commissioners of the District of Columbia shall report to Congress at the beginning of the next regular session the total sum expended under each appropriation during the fiscal years 1922 and 1923 for each of the purposes specified in this paragraph.

The amendment was agreed to.

The next amendment was, on page 18, line 14, after the word "acquired," to strike out "hereunder," and insert "under any provision of this act," and in line 18, after the word "authorized," to insert "other than motor vehicles for the police and fire departments," so as to make the proviso read:

Provided, That no automobile shall be acquired under any provision of this act by purchase or exchange, at a cost, including the value of a vehicle exchanged, exceeding \$650, except as may be herein specifically authorized other than motor vehicles for the police and fire departments.

The amendment was agreed to.

The next amendment was, on page 19, line 13, after the word "department," to insert "the assistant superintendent of the water department, the foreman of the water department, the inspector of valves of the water department," so as to read:

Telephones may be maintained in the residences of the superintendent of the water department, the assistant superintendent of the water department, the foreman of the water department, the inspector of valves of the water department, sanitary engineer, chief inspector of the street-cleaning division, assistant superintendent of the street-cleaning division, inspector of plumbing, secretary of the Board of Charities, health officer, assistant health officer, chief of the bureau of preventable diseases, chief engineer of the fire department, superintendent of police, electrical inspector in charge of the fire-alarm system, one fire-alarm operator, and two fire-alarm repair men, under appropriations contained in this act.

The amendment was agreed to.

The next amendment was, on page 20, at the end of line 3, to increase the appropriation for postage for strictly official mail matter, from "\$15,000" to "\$18,000."

The amendment was agreed to.

The next amendment was, on page 21, line 1, after the figures "\$5,000," to strike out the following proviso:

Provided, That hereafter no more than 1,000 copies of the pamphlet of taxes in arrears shall be printed, and a charge of not more than \$2.50 shall be made and collected from each person furnished with a copy of such pamphlet, the moneys to be covered into the Treasury of the United States to the credit of the revenues of the United States and the District of Columbia in the same proportions as appropriations for printing the pamphlet are paid from such revenues.

The amendment was agreed to.

The next amendment was, on page 22, at the beginning of the paragraph in line 8, to strike out "Hereafter the" and insert "The," so as to read:

The recorder of deeds of the District of Columbia is authorized and directed to pay for copying instruments filed for record in his office 40 per cent of the fees allowed by law for filing, indexing, and recording said instruments, and the same rate of compensation for making copies of the records of his office, and employees of his office when legally employed therein by the day shall receive compensation at the rate of \$2.50 for each day so employed, payable out of the fees and emoluments of said office.

The amendment was agreed to.

The next amendment was, under the head "Street and road improvement and repair," on page 24, after line 23, to strike out:

Northwest: For paving Georgia Avenue, Military Road to Dahlia Street, 60 feet wide, \$85,000.

Mr. ROBINSON. Mr. President, the amendment just stated covers an appropriation for the improvement of Georgia Avenue. I would like to have the Senator in charge of the bill explain why the committee struck out the provision.

Mr. PHIPPS. The subcommittee made an inspection of Georgia Avenue in connection with the other avenues and streets. The improvements provided for in the current bill have carried the repaving of that avenue, which is a main thoroughfare, quite a distance toward Walter Reed Hospital. The item placed in the bill by the other House would complete that repaving for about a block and a half beyond the hospital buildings, or, say, to the property line of the hospital. The committee felt that that street could well wait for another year, while residential streets that have been improved on both sides were sadly in need of initial paving. We felt that we could not provide for all of the improvements at this time, and that by eliminating this large item necessary appropriations could be provided for the improvement of three or four other streets where improvements are more needed.

Mr. ROBINSON. Will the Senator from Colorado state, in a general way, what is the condition of Georgia Avenue at the point where he has indicated the improvement will be abandoned under the amendment?

Mr. PHIPPS. It is surfaced with asphalt, but it has not been curbed except in patches here and there. The surface, however, is really in fair condition. We traveled over it in both directions by automobile. On that roadway the travel is one way on either side of the car tracks, and it is really not in bad shape at this time. It is an item that will require attention in the near future; but we felt it advisable to postpone it for one year. The same remarks apply to one or two other streets the appropriations for the improvement of which, as the Senator from Arkansas will note, have been stricken out by the Senate committee.

Mr. ROBINSON. Does the statement which the Senator from Colorado has just made apply to lines 6 and 7, on page 25, for paving Canal Road?

Mr. PHIPPS. Yes. Canal Road is in fair condition at the point indicated. It is a 30-foot street, and at least 20 feet of the roadway are available for travel. The repaving there would merely make it a full 30-foot street, with curbing on one side and the sea wall on the other side.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 25, at the end of line 2, to reduce the appropriation for paving Bladensburg Road NE. from end of asphalt northward, 60 feet wide, from "\$210,000" to "\$110,000."

The amendment was agreed to.

The next amendment was, on page 25, after line 5, to strike out:

Northwest: For paving Canal Road, Aqueduct Bridge to Foxall Road, 30 feet wide, \$40,000.

The amendment was agreed to.

The next amendment was, on page 25, line 14, after the name "Perry Place," to insert "and Spring Place," so as to read:

Northwest: For paving Perry Place and Spring Place, end of pavement to Sixteenth Street, \$6,000.

The amendment was agreed to.

The next amendment was, on page 26, after line 18, to insert:

Northwest: For paving Kenyon Street, Mount Pleasant Street to Eighteenth Street, \$11,000.

The amendment was agreed to.

The next amendment was, on page 26, after line 20, to insert:

Northwest: For paving Kansas Avenue, Quincy Street to Shepherd Street, \$12,600.

The amendment was agreed to.

The next amendment was, on page 26, after line 22, to insert:

Northwest: For paving Thirteenth Street, Allison Street to Iowa Avenue, \$5,600.

The amendment was agreed to.

The next amendment was, at the top of page 27, to insert:

Northwest: For paving Buchanan Street, Georgia Avenue to Fourteenth Street, \$18,000.

The amendment was agreed to.

The next amendment was, on page 27, after line 2, to insert:

Northwest: For paving Ninth Street, Quackenbos Street to Rittenhouse Street, \$4,800.

The amendment was agreed to.

The next amendment was, on page 27, after line 10, to strike out:

Northeast: For paving Sigsbee Place, Tenth Street to Twelfth Street, \$8,000.

The amendment was agreed to.

The next amendment was, on page 27, line 15, after the words "In all," to strike out "\$774,700" and insert "\$593,700," so as to make the paragraph read:

In all, \$593,700, to be disbursed and accounted for as "Street improvements," and for that purpose shall constitute one fund, and shall be available immediately.

The amendment was agreed to.

The next amendment was, on page 27, after line 18, to insert:

The appropriation of \$16,800, included in the District of Columbia appropriation act for the fiscal year 1923, approved June 29, 1922, for repaving Fifteenth Street NW., H Street to I Street, 70 feet wide, is hereby repealed.

The amendment was agreed to.

The next amendment was, on page 28, line 20, after the word "work," to insert "and including an allowance of not to exceed \$26 per month for an automobile for use for official purposes," so as to read:

Repairs: For current work of repairs of streets, avenues, and alleys, including resurfacing and repairs to asphalt pavements with the same or other not inferior material, and including the purchase of two motor trucks at a cost not to exceed \$800 each, and including the maintenance of motor vehicles used in this work, and including an allowance of not to exceed \$26 per month for an automobile for use for official purposes, \$550,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bridges," on page 29, line 23, to insert "including the allowance to the overseer of bridges for the maintenance of an automobile for use in performance of his official duties of not to exceed \$26 per month," so as to read:

For construction and repair, including the purchase of one special motor vehicle at a cost not to exceed \$2,000, including the allowance to the overseer of bridges for the maintenance of an automobile for use in performance of his official duties of not to exceed \$26 per month, \$30,000.

The amendment was agreed to.

The next amendment was, on page 31, line 9, before the name "Key Bridge," to strike out "Francis Scott," so as to read:

Georgetown Bridge, which shall hereafter be known as the Key Bridge, across Potomac River: For miscellaneous supplies and expenses of every kind necessarily incident to the maintenance of the bridge and approaches, \$2,000.

The amendment was agreed to.

The next amendment was, under the subhead "Trees and parkings," on page 31, line 21, after the word "items," to strike out "\$50,000" and insert "\$60,000," so as to make the paragraph read:

For contingent expenses, including laborers, trimmers, nurserymen, repairmen, teamsters, hire of carts, wagons, or motor trucks, trees, tree boxes, tree stakes, tree straps, tree labels, planting and care of trees on city and suburban streets, care of trees, tree spaces, maintenance of two motor trucks, and miscellaneous items, \$60,000.

The amendment was agreed to.

The next amendment was, under the head "Collection and disposal of refuse," on page 33, line 20, after the word "vehicles," to insert "or motor vehicles," and in line 23, after the word "vehicle," insert "\$26 per month for an automobile, and \$13 per month for a motor cycle," so as to make the paragraph read:

For dust prevention, sweeping, and cleaning streets, avenues, alleys, and suburban streets, under the immediate direction of the commissioners, and for cleaning snow and ice from streets, sidewalks, crosswalks, and gutters in the discretion of the commissioners, including services and purchase and maintenance of equipment, rent of storage rooms; maintenance and repairs of stables; hire, purchase and maintenance of horses; hire, purchase, maintenance, and repair of wagons, harness, and other equipment; allowance to inspectors and foremen for maintenance of horses and vehicles or motor vehicles used in the performance of official duties, not to exceed for each inspector or foreman \$20 per month for a horse and vehicle, \$26 per month for an automobile, and \$13 per month for a motor cycle; maintenance and repair of motor-propelled vehicles necessary in cleaning streets and purchase of motor-propelled street-cleaning equipment; purchase, maintenance, and repair of bicycles; and necessary incidental expenses, \$400,000.

Mr. McKELLAR. Mr. President, I should like to know why the words "or motor vehicles" are inserted in line 20, on page 33, in the bill, and what is intended to be done by the insertion of those words?

Mr. PHIPPS. The provision relates primarily to motor vehicles which the District now owns, which have been used in the street-cleaning service for some years past. I take it that it was through inadvertence that the words "or motor vehicles" were omitted from the bill. The motor vehicles have to be maintained, because they are in daily use.

Mr. McKELLAR. How many passenger vehicles are used by inspectors and foremen?

Mr. PHIPPS. We have been furnished with a list, which shows that the number of motor vehicles in the District for which a monthly allowance is made is limited to 45 automobiles and 8 motor cycles. It is the policy of the Commissioners of the District of Columbia to dispense with the arrangement as rapidly as possible, however, and to have the District own and maintain its own vehicles where necessary and not to allow them to be used except for official purposes or to be operated after business hours; but where motor vehicles, whether touring cars or Ford cars of the "slip-on" body type, are owned by the individual and used in the District service he is, under the schedule, allowed so much per month for maintenance.

Mr. McKELLAR. In other words, the employee owns his car and the Government furnishes the upkeep and the gasoline for running the car?

Mr. PHIPPS. In part. The figures which we have show that the average cost to the District of upkeep for vehicles of the type for which allowed \$26 a month is \$35; that is, including repairs of all kinds and the painting, but without regard to depreciation.

Mr. McKELLAR. To how many employees of the District government is \$26 a month allowed for the operation of cars?

Mr. PHIPPS. Allowance is made for 45 automobiles and for 8 motor cycles. We have items covering them scattered through the bill, whereas the House sought to put them all in one paragraph.

Mr. McKELLAR. What do those 45 employees do?

Mr. PHIPPS. The Senator's question covers all the departments of the District government; for instance, the building inspection, the surveyor's office, the engineer's department, and so forth.

Mr. McKELLAR. In the building inspection department how many employees own cars that are run at Government expense?

Mr. PHIPPS. In the building division 4 automobiles and 3 motor cycles are used; in the street-cleaning department 16 automobiles and no motor cycles are used; in the electrical department 3 automobiles and no motor cycles are used; in the health department 9 are used.

Mr. McKELLAR. How do the employees of the health department use their automobiles on official business?

Mr. PHIPPS. They are required to cover the entire territory of the District of Columbia; they are compelled to go to all sections of the city in line of duty.

Mr. McKELLAR. In their own cars?

Mr. PHIPPS. I understand that one or two ambulances are included in this number.

Mr. McKELLAR. In the number of eight cars?

Mr. PHIPPS. Yes.

Mr. McKELLAR. Let me ask the Senator another question. How long has the Senator had those figures? Has he had them for some days?

Mr. PHIPPS. This particular information is dated January 15.

Mr. McKELLAR. There was a resolution passed by the Senate some time ago requiring the District of Columbia authorities to furnish the Senate information in regard to the number of automobiles used by the District government. That information has not been furnished. Does the Senator know of any reason why it should have been furnished to him or other members of the committee and not to be furnished to the Senate by the city authorities?

Mr. PHIPPS. The Senator can readily distinguish between undertaking to make a report on a specific subject such as we have been discussing and making a full report as to all automobiles employed by the District government in its various activities. The information I have relates to automobiles for which allowances are made.

Mr. McKELLAR. Then, when the Senator said that there were 45 automobiles in use by the District, that was not all of them, but merely a part of them.

Mr. PHIPPS. It is not by any means all of them. The District owns, perhaps hundreds of automobiles in use in different activities. Many of them are work cars and some of them are passenger cars; but those to which I have been referring are privately owned cars.

Mr. McKELLAR. How many passenger automobiles does the city own and allow to be used by various employees?

Mr. PHIPPS. I can not furnish the Senator that information offhand; I do not possess it.

Mr. McKELLAR. The Senator, then, in referring to 45 is merely speaking of the 45 that are owned by employees of the District government, for which the District government furnishes gasoline and repairs and upkeep.

Mr. PHIPPS. Certainly; and that I understood to be the Senator's inquiry.

Mr. McKELLAR. How many horses and vehicles are furnished under this particular allowance?

Mr. PHIPPS. I do not have a complete list of horse-drawn vehicles before me; but the policy has been to dispense with such vehicles except for certain particular classes of work. For instance, in connection with garbage and ash collection experience has demonstrated that the work can be more economically accomplished by the use of horse-drawn vehicles, and therefore such vehicles are being maintained in that department of the service; but, as a rule, where it is desired to move from place to place in the shortest space of time possible the horse-drawn vehicles have been displaced by motor vehicles.

Mr. McKELLAR. Let me see if I understand the Senator correctly. Here is an appropriation of \$400,000 for street sweeping and cleaning, and, as I understand the Senator, in connection with that service and the expenditure of that \$400,000 there are 45 passenger automobiles used.

Mr. PHIPPS. Oh, no.

Mr. McKELLAR. There are that many used by employees and maintained by the Government. Is that correct or not?

Mr. PHIPPS. The question the Senator directed to me was as to the number of automobiles in this particular activity for which the Government was allowing upkeep. I gave him the number. He then asked me for the total number in the District cared for in the same way, and I read separately the number of such automobiles and motor cycles engaged in various District activities. That does not mean that 45 are utilized in the street-cleaning department at all. I gave the Senator the figures for the street-cleaning department, the number being 16 automobiles and no motor cycles.

Mr. McKELLAR. Here are 16 employees with 16 passenger automobiles engaged in the expenditure of \$400,000 in the street-cleaning department. Does not the Senator think that the upkeep of 16 passenger automobiles in the distribution of \$400,000, relatively a small sum, is a pretty good overhead charge in that connection?

Mr. PHIPPS. The Senator has confined his attention to the first item under this category of \$400,000. If he will pursue his reading of the bill, he will discover an item of \$900,000 which belongs to this same department, and that is the garbage-collection item.

Mr. McKELLAR. Oh, if the Senator will read the provision about the \$900,000, he will read this—

and allowance to inspectors for maintenance of horses and vehicles or—

Under the amendment of the Senate committee—

or motor vehicles used in the performance of official duties, not to exceed for each inspector \$20 per month for a horse and vehicle, \$26 per month for automobiles, and \$13 per month for motor cycles.

There is another appropriation under the \$900,000. That is to come out of the \$900,000.

Mr. PHIPPS. Yes; but under the two items of \$400,000 and \$900,000 there is included an allowance for the upkeep of 18 privately owned automobiles.

Mr. McKELLAR. Mr. President, I want to ask the Senator whether this is not the fact: There is no existing law under which these inspectors or other employees shall have passenger automobiles in which to ride around the city. There is no law for it. Yesterday I was assured by the senior Senator from Utah [Mr. Smoot] that there was no law providing for any such use of automobiles or the assignment of any such use of automobiles; it depended entirely upon these appropriation bills. Is it not a fact that in these various items there are fixed in an obscure way so many ways of obtaining automobiles and of obtaining the funds for running automobiles that neither the Senator nor anyone else can tell how many automobiles are actually in use by the city government here?

Mr. PHIPPS. Mr. President, I can not agree with the Senator that anything is obscure, or that the committee in considering the various items has not had full information and made diligent inquiry as to the expenditures. I have stated the desire of the committee, which is also the desire

of the commissioners, to get away from this method of allowing the use of privately owned machines.

Mr. McKELLAR. If that is the purpose, why report a bill that gives a right to use these automobiles just as before, and even enlarges the right? Why does the committee, if it wants to decrease them, offer amendments here, as it does offer them on pages 33 and 34, containing provisions that will increase the use of automobiles?

Mr. PHIPPS. Mr. President, if the Senator will permit me to make a statement, I will make it as concise as possible, but I should like to complete it.

Mr. McKELLAR. I am yielding to the Senator. I hope the Senator will not feel offended if I take a little of my own time.

Mr. PHIPPS. No; but the Senator on at least two occasions has placed a wrong interpretation upon my language for the reason that he did not permit me to complete my statement.

Mr. McKELLAR. All right; I shall be delighted to have the Senator complete it. I want the information.

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Colorado?

Mr. McKELLAR. I yield to the Senator.

Mr. PHIPPS. The Senator will find by referring back to the amendment adopted on a previous page that we have stricken out the provision adopted by the House on page 16, which provided for the entire number of automobiles and motor cycles privately owned that would be used in the District service. That meant, if we had permitted the language to rest as it was, that we would have had to have one account on the books of the District to keep track of all this, and then distribute it around among these various activities. The judgment of your committee was that it was better to allocate these motor vehicles to the various activities of the District in their proper place in the bill, following the custom of former years. We have made no amendment other than to split up the House amendment and put it in the separate places where it belongs in the bill.

Mr. McKELLAR. Under the Senator's amendment how many employees of the city government can be paid allowances for running automobiles? That is a perfectly frank question; a perfectly fair question.

Mr. PHIPPS. Yes; and that is the information I have already given the Senator, in that an allowance for 45 automobiles and 8 motor cycles is authorized in this bill. Those are privately owned, and those are the only privately owned vehicles whose maintenance is authorized in the bill.

Mr. McKELLAR. That is an increase over the House?

Mr. PHIPPS. That is an increase of five over the House, but it is a decrease as compared with the current law.

Mr. McKELLAR. There is not any current law.

Mr. PHIPPS. I speak of the appropriation bill for 1923 as the current law—the present fiscal year.

Mr. McKELLAR. In that sense it might be regarded as current law.

Mr. PHIPPS. Yes.

Mr. McKELLAR. It is just a temporary allowance to these officials for the upkeep and the gasoline for automobiles. How long has that been carried on by the District?

Mr. PHIPPS. Several years; I presume almost ever since automobiles came into use.

Mr. McKELLAR. It is just growing a little every year. We are getting a little more and a little more, or a little better and a little better, as Mr. Coué says.

Mr. PHIPPS. No; on the contrary, my own experience since I have been here and have had to do with this bill—and I think this is the fourth bill in which I have had a part—is that it has decreased; it is being kept down; we are cutting down.

Mr. McKELLAR. Then, if that is the Senator's policy, why does the Senator increase the number over that of the House?

Mr. PHIPPS. Because we have found that the House has cut under what they could get along with; that if we should adopt the House figures we would immediately have to appropriate the money to purchase five automobiles. The number of machines on which allowances are made has been decreased and the rate of the allowance has been decreased. Formerly they were allowed \$40 a month and \$20 a month.

Mr. McKELLAR. How many does the city own? The Senator says that we shall have to purchase some machines if we do not allow the upkeep of these privately owned machines. Does the city have some machines of its own in this service, besides the 45? How many does the city own in this service?

Mr. PHIPPS. That information the Senator will get in reply to his resolution of inquiry, which we all voted for.

Mr. McKELLAR. I should think that before the committee undertook to report here an increase of the 40 or 45 privately

owned machines, for the operation of which the Government is to furnish gasoline and oil and all the rest of the upkeep, they ought to know how many are used in this service, and that is what I am asking the Senator—how many are used in this service?

Mr. PHIPPS. Mr. President, I can not give the Senator the figures offhand. I desire, however, to call attention to this fact: Where an activity has been established it is carried along with a certain number of vehicles. If the work increases to the point where it can not be carried on with the number already appropriated, then the commissioners come in with a request for an increase, and that request is considered before any additional vehicles are appropriated for. It is not expected that each Senator sitting on the bill will have in mind and will every time call for the information as to how many automobiles are covered.

Mr. McKELLAR. Why should there be a mystery about how many automobiles there are in any particular department? Why ought we not to know how many there are before we spend the people's money for automobiles, and apparently in a very reckless way, without authority of law? Why should we not call upon the city authorities to tell us the number of automobiles that are being used? I should like to know how many employees there are in this department. I am wondering whether every employee in the department has an automobile to carry him around at Government expense.

Mr. CARAWAY. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield to the Senator from Arkansas.

Mr. CARAWAY. I do not know that the Senator from Colorado would have that information offhand, but what is the use to which five and seven passenger automobiles are put in the city government?

Mr. PHIPPS. Those cars are generally used for taking out a gang of men. Say in surveying, for instance, there will be a crew of four or possibly five surveyors, one man in charge, with his chainmen and others; and they take, of course, their surveying instruments or other things with them.

Mr. CARAWAY. They are rather expensive cars. They look like pleasure cars.

Mr. PHIPPS. Oh, no.

Mr. McKELLAR. And why should they be used at night? Do they survey in the District of Columbia at night?

Mr. PHIPPS. No.

Mr. McKELLAR. I see these large passenger cars running around at night, and I wonder whether they are inspecting houses at night, or surveying the city at night; and if so, what kind of a survey of the city have we.

Mr. PHIPPS. They occasionally would have cases of accident where they might be called on—not surveyors, of course, but certain Government activities—but the Senator and I are in accord in wanting to cut out the privately owned automobiles, and in wanting to keep the automobiles that are in the service of the District in the garages except during business hours, when they are actually working. I want to cooperate with the Senator in that regard.

Mr. McKELLAR. Does not the Senator think that if the Government is furnishing a lot of passenger automobiles for the pleasure of its employees, there ought to be a curtailment of that very unhappy practice?

Mr. PHIPPS. If it is doing so; yes.

Mr. McKELLAR. Has the Senator made any investigation before this bill was reported, adding to the list of automobiles?

Mr. PHIPPS. The point has come up repeatedly, and the commissioners and the other representatives of the District who appeared before our committee have been questioned time and again, and cautioned against the improper use of automobiles, just as the Senator himself, in sitting on the Post Office bill, will question the Postmaster General or his assistants or the supervisor as to the use of automobiles.

Mr. McKELLAR. We generally find out something when we question the Postmaster General or any official of that department.

Mr. PHIPPS. Yes; and if the Senator has the time to read the hearings before the Appropriations Committee, I think he will be satisfied that the details of the bill were very thoroughly inquired into, just as in the case of the Post Office bill.

Mr. McKELLAR. I am sure the Senator has read them, and I am sure the Senator has taken part in them; and if the Senator will just permit me to ask some questions—

Mr. PHIPPS. I shall be delighted.

Mr. McKELLAR. I want to ask the Senator whether each commissioner has an automobile at Government expense?

Mr. PHIPPS. There are three commissioners. Each one is accorded an automobile.

Mr. McKELLAR. Who else in the city government is accorded an automobile at Government expense?

Mr. PHIPPS. The health officer, for one; the chief of police, for another.

Mr. McKELLAR. Are they accorded passenger automobiles, or are they the usual police machines?

Mr. PHIPPS. Many of them are touring cars.

Mr. McKELLAR. Why should the chief of police or an Inspector of police be assigned a seven-passenger touring car?

Mr. PHIPPS. Does the Senator think he should have a limousine?

Mr. McKELLAR. Why should he be accorded a limousine, if he has a limousine?

Mr. PHIPPS. At times it is very useful. There is a limousine that I had the pleasure of riding in the other day on inspection. It belongs to the District. It is allotted to the commissioner, but it is not used by him exclusively. It is at the service of the man in charge of roads and highways, or anyone else, providing the commissioner is not using it.

Mr. McKELLAR. How many of those cars are provided by the city government at Government expense?

Mr. PHIPPS. There are a great number, but they are all under the restrictions of law, which prevent their use excepting for governmental activities.

Mr. McKELLAR. There is no law in the world which restricts their use. There is no law that even authorizes the purchase or the maintenance of an automobile. There is no law whatsoever about it, except what the Senate puts in these various appropriation bills.

Mr. PHIPPS. If I may read to the Senator from page 33, in this very item now being discussed, it is provided, "or motor vehicles used in the performance of official duties." It is clearly limited to those used in the performance of official duties.

Mr. CARAWAY. Does the Senator really think that confines their use to official duties? They could use them 1 day for official duty and 364 days for pleasure; that is, whenever they need them for official duties, they would so use them, but whenever they desire they can take their cooks or anyone else out for an airing.

Mr. McKELLAR. I ask the Senator to let this provision go over. Evidently the Senator has a list of some of the automobiles used by the city, and surely, after some two weeks, the city authorities can give us a list of all that are used. I want the Senator to permit that to go over until I can telephone to the Municipal Building and get the list of automobiles. Let us see where we are. The committee evidently does not know how many there are in use in the city, or how they are used, and it does seem to me that the Senate ought to have that information.

Mr. PHIPPS. Mr. President, I wish again to state to the Senator the method that is customarily followed.

Mr. McKELLAR. I understand the method perfectly.

Mr. WARREN. I rise to a matter of order, Mr. President.

The PRESIDING OFFICER. The Senator from Wyoming will state his question of order.

Mr. WARREN. As I understand the rules of the Senate, when a Senator is speaking and another Senator wishes to ask a question or break in, he must address the Chair and ask permission. I know we become remiss in that respect when considering the appropriation bills, but there is no reason why, if we are going to permit running conversation, each Senator should not have a chance to finish answering a question when it is asked, or in putting a question. This running fire, one Senator asking another a question and not waiting until he has a chance to receive an answer, is entirely beyond the rules of the Senate, and I ask for a better observance of the rules.

The PRESIDING OFFICER. The Senator from Tennessee was understood by the Chair to have yielded to the Senator from Colorado.

Mr. McKELLAR. Absolutely; and I will take pleasure to yield at any time, under any circumstances. There is no use of our getting "hot under the collar" over this matter. I am in perfectly good humor, and I hope Senators will remain in good humor about it. I know this automobile question is rather a ticklish one with many Senators. We are wasting the people's money in granting these appropriations for the use of automobiles here and elsewhere in the so-called use of the Government, but these automobiles are being used, and we all know it—

The PRESIDING OFFICER. Will the Senator suspend for an inquiry? Is the Chair to understand that the Senator refuses to yield further to the Senator from Colorado?

Mr. McKELLAR. Oh, no. I suppose, having the floor, I have a right to the floor; but I will yield at any time. I yield to either one of the Senators, or to both.

Mr. WARREN. Will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. WARREN. I do not want to be misunderstood. There is no matter of feeling at all; but in the due course of business the subcommittee reports to the full committee, the committee considers a bill, and then we appear on the floor with the bill. I know it is quite usual for questions to be raised as to bills presented by the committee, and that I take in good part; but when a question is asked of a Senator in charge of a bill, he ought to be allowed to answer it in full as he wishes to do, and when he asks a question in return of another Senator, it seems to me we ought to observe the rule and allow him to finish the question, and then get an answer to it. Nobody is of better nature than my friend the Senator from Tennessee. He is a friend of mine, I hope; I am a friend of his; but in his enthusiasm, by the time the Senator from Colorado answers half of one question, the Senator from Tennessee projects another, until we get very much confused. So I hope we may have a little better order.

Mr. McKELLAR. If I have offended in any way in the world either the Senator from Wyoming or the Senator from Colorado, I had no intention whatsoever of doing so; but I do want to get some information about the automobile question, and I am going to exert every resource of which I am capable in order to get it.

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Arkansas?

Mr. McKELLAR. I yield.

Mr. CARAWAY. In view of the rather gentle lecture from the Senator from Wyoming, who insists that if a Senator asks another a question he must wait until the other answers it, I would like to remark that if the one asked does not happen to have the information, I presume the Senate will have to adjourn until he looks it up, because we can not proceed until the Senator is answered.

Mr. McKELLAR. I have not yet gotten the information I want. I want to know how many automobiles the city government owns and operates, and their cost. I think that when the Appropriations Committee comes in with an amendment increasing the number of privately owned automobiles run at Government expense they ought to be able to give us the facts about them—how many there are in the possession of the city government, what they are being used for, and everything about them. That is what I am asking the Senator from Colorado, who has the matter in charge. He has not been able to give me that information, and in fairness it seems to me that the matter ought to go over until we can get definite information, and I ask the Senator to let it go over.

Mr. PHIPPS. Mr. President, I am perfectly willing to do that, but before agreeing to that I think it proper that I should explain my position.

Mr. McKELLAR. I yield to the Senator for that purpose.

Mr. PHIPPS. There is no feeling whatever on my part, and has not been. I have worked with the Senator from Tennessee so long that I know it is customary for him to interrupt in the middle of a question or an answer, and I am accustomed to it, perhaps more so than my friend from Wyoming.

The question directed to me now is one as to the number of automobiles owned by the city. I have already confessed that I am unable to answer that offhand. The intimation that the committee has been lax in not knowing the actual number in each department before appropriating for them I am willing to pass over. I have answered that by saying that the committees take account of what has been authorized by law, and look into a question when there is a request for an increase. I do not think any committee on which the Senator serves would do otherwise.

As to the number of privately owned automobiles, I have repeatedly stated that there are 45 motor vehicles and 8 motor cycles privately owned for which allowance is provided in this bill. That is not an increase of 5, it is an actual increase of 1 over the amount provided for in the current appropriation law for the year 1923, and that increase of 1 is due to the employment of additional building inspectors.

I am perfectly willing to pass over this item until the Senator gets his information from headquarters. Should he fail to secure that information to-day, I would not like to have that interfere with the final passage of this bill, because this item is an amendment, therefore an item that will have to go to conference; so that the information, if it comes later, will

be just as available for the use of the conferees as it would be at the moment.

Mr. McKELLAR. Mr. President, if the Senator has concluded his explanation of that item, I want to ask him why the Senate committee increased the amount of the allowance over the figure fixed by the House?

Mr. PHIPPS. The figure recommended by the House Committee on Appropriations was \$26 and \$13 per month, respectively, as against previous allowances in former bills of \$35 and \$17.50, and in a still earlier bill of \$40 and \$20 per month. The House recommendation of \$26 and \$13 was changed on the floor of the House, on motion, to \$20 and \$10. Our subcommittee took note of that and called on the commissioners for information as to actual cost of upkeep, and, as I said awhile ago, we found those costs to be \$35 and 60 per cent of \$20, the cost of the motor cycles. As against \$35 and \$20 we are allowing \$26 and \$13, the same as in the law for this year.

Mr. McKELLAR. The Senator knows that since the passage of the resolution which I offered some months ago to investigate the prices of crude oil and gasoline, gasoline has fallen very greatly, and my information is that it is still falling, and I expect it will continue to fall as long as the Committee on Manufactures continue its present excellent work in that regard. Of course, gasoline is the principal cost of running an automobile, or is one of the principal costs. Why, when the market for gasoline has fallen and is falling so considerably as it is, does the committee fix the same amount for upkeep as was allowed last year?

Mr. PHIPPS. The price of gasoline, according to my information, has fallen but very little.

Mr. McKELLAR. What is the price now?

Mr. PHIPPS. The price to-day is 22 or 23 cents a gallon.

Mr. McKELLAR. It was 29 and 30 cents when that resolution was passed.

Mr. PHIPPS. It was 23 or 24 cents when the present rate of \$26 and \$13 was established. The present bill is for the coming year, beginning July 1 next. I do not feel that the committee has a right to assume that there is going to be any further reduction of 10 or 20 per cent in the price of gasoline. I hope there may be.

Mr. McKELLAR. The Senator does not think that as soon as this investigation stops the price of gasoline will go up again?

Mr. PHIPPS. Stranger things have happened. I remember when we paid only 13 or 14 cents a gallon.

Mr. McKELLAR. The Senator is not basing his usual allowance of this very high price on the theory that as soon as Congress adjourns and the committee stops its investigation the price of gasoline will go up? I am sure he does not mean to do that.

Mr. PHIPPS. I have stated to the Senator the figures of cost that were submitted by the best authority we had at our command—that is, \$35 and \$20—and as against that we feel that \$26 and \$13 is low enough to discourage the use of these privately owned automobiles. We want to get rid of them.

Mr. McKELLAR. Has the Senator records showing the names of the employees who are provided for in this amendment; that is, the 45 who own private cars, and the positions they hold in the city government? If so, I would like to put them into the Record.

Mr. PHIPPS. Of course, the committee does not go to that extent in asking information of the commissioners. It deals with positions. I would be pleased to furnish the Senator a copy of the information we have. That gives the divisions but not the names of the individuals and their salaries.

Mr. McKELLAR. I would be glad for the Senator to put that in the Record if he has it. Then I would like to have the names of those employees and the positions they hold. I shall ask the city government to furnish me that information, and I ask unanimous consent at this point to put that in as a part of my remarks.

The PRESIDING OFFICER (Mr. STERLING in the chair). Without objection, it is so ordered.

Mr. McKELLAR. I ask unanimous consent that the document the Senator from Colorado has may also be printed in the Record.

There being no objection, the matter was ordered to be printed in the Record, as follows:

COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
Washington, January 15, 1923.

Hon. LAWRENCE C. PHIPPS,
Chairman Subcommittee on Appropriations, D. C.,
United States Senate.

SIR: Referring to the testimony of the commissioners before your committee on the District appropriation bill, and specifically to the matter of the cost of operation of motor vehicles and motor cycles,

I beg to advise you that an employee granted an allowance for the use of a motor vehicle should have his allowance fixed at \$26 per month. Such an employee would run his car on official business at least 700 miles per month, and the actual cost for this mileage would be as follows:

Gasoline.....	\$14.50
Oil and grease.....	1.10
Tire and tubes.....	4.00
Battery.....	1.00
Labor and repairs.....	14.40

Total..... 35.00

An employee using a motor cycle in public business should receive an allowance of \$13 per month. He would make at least 700 miles per month on official business, and the actual cost of operation for this mileage would be as follows:

Gasoline.....	\$7.00
Oil and grease.....	1.90
Tires and tubes.....	2.50
Labor and repairs.....	9.60

Total..... 20.00

Referring specifically to the limitation on allowances to employees for motor vehicles and motor cycles during the fiscal year 1924, as contained on page 17, lines 6 and 7 of the bill now pending before your committee, I would state that the limit as fixed by the House is allowances for not more than 40 persons for automobiles and not more than 8 persons for motor cycles. These figures were fixed by the House committee without consulting with the commissioners, and in order to cover existing allowances it should be changed so as to provide for the fiscal year 1924, that the allowances should be paid to not more than 45 persons for automobiles. The limitation of 8 persons for motor cycles is correct.

There is appended below a table showing the present allowances for automobiles and motor cycles:

	Automobiles, allowance \$26 per month.	Motor cycles, allowance \$13 per month.
Public schools.....	9	
Building division.....	4	3
Plumbing.....		3
Health department.....	9	
Water department.....		2
\$85 per month.		
Purchasing officer.....	1	
Board of charities (secretary).....	16	
Street cleaning, etc.....	2	
Surface division.....	3	
Electrical department.....		
Total.....	45	8

Very respectfully,

C. KELLER,
Engineer Commissioner.

Mr. JONES of Washington. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. JONES of Washington. At page 72 of the House hearings on the bill will probably be found substantially, at any rate, the information the Senator asked for awhile ago as to the number of automobiles owned by the District. This shows the number of cars to be maintained in the municipal garage during the fiscal year 1923, under contingent miscellaneous appropriations, as follows:

Commissioners, 3; assistant commissioners, 3; assessor, 1; Board of Children's Guardians, 2; surveyor, 4; building inspector, 1; city refuse, 3; electrical department, 4; health department, 1; inspector of plumbing, 1; corporation counsel, 1; municipal garage, 7; playgrounds, 1; municipal architect, 1; total, 33; with 1 truck and 10 motor cycles.

I take it that is substantially, though it may not be, all the automobiles owned by the District. They have asked for the purchase of two new ones, as will appear on page 73 of the same hearings. I thought that might give the Senator the information he wanted.

Mr. McKELLAR. I am very much obliged to the Senator for the information. As a matter of fact, there is but one way in which Congress is going to get rid of this drain upon the Treasury, this unauthorized drain, this drain that is little other than acquiescing in graft. That is about the best that can be said of it. Here we have three commissioners and three assistants to the engineer commissioner of the city of Washington, and each one has a touring car kept up at Government expense. That is a very extravagant situation. There is not a city in the country in which the mayor and members of the city council each have an automobile furnished by the city. That is what the three commissioners are; they are members of the city council, and then we have three assistants to a commissioner as well. The idea of giving them each an automobile is little short of willful waste of the people's money. It ought to be stopped. There is but one way to stop it, and that is by publicity. We will not get very much publicity about it in the Washington papers, because they will not publish anything said in reference to extravagance here; that

is, it is not their custom to do it, to say the least. But it ought to be known, and so far as I am able to do it I am going to see that it is done. We are going to have facts.

The city government has had ample time to furnish a list of every official who has a machine at Government expense and every employee who has a machine at Government expense. It appears in the list that there are 33 passenger cars now being used by the various employees of the city. Probably the cars cost the city government fully half as much as the salaries of the various employees of the city government, and in addition to that there are 45 employees who own their own cars which are kept up at the expense of the Government. There is no city government in the country that will stand for such a situation as that—such extravagance, such waste. It is little short of graft. The Senator from Colorado ought not to agree to it, and I hope he will not agree to it.

The Senator has stated that he will allow the item to go over, and I shall undertake to get the exact information for which I have asked before a vote is taken upon the amendment. I shall move to strike out the provisions for appropriations for this purpose. At the proper time I shall certainly move to strike out the appropriations by which the commissioners and the assistant commissioners are each given an automobile under the bill.

I find that the surveyor of the city of Washington has four passenger automobiles, according to this list. What can he do with four automobiles? It is impossible to use them all. Of course, he would not have them all unless the Government was paying the bill.

The PRESIDING OFFICER. To what provision in the bill does the Senator's request extend?

Mr. McKELLAR. To all that portion which refers to passenger automobiles in the city of Washington. It really begins with something that has already been passed—on page 16 of the House text. The House attempted in some way to limit the matter, and had a certain proviso which I think is good. I ask that the whole matter go over until it can be examined further.

The PRESIDING OFFICER. Is it understood the matter on page 34 relating to motor vehicles goes over?

Mr. McKELLAR. The matter on pages 33 and 34, and the House provision on page 16, as amended in respect to automobiles only. I am not asking that the rest of it go over.

The PRESIDING OFFICER. The Chair understands that the amendment on page 16 has been agreed to.

Mr. McKELLAR. I am asking unanimous consent that it may go over, notwithstanding it has been agreed to.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and the matter referred to will go over.

Mr. McKELLAR. May I ask the Senator from Colorado if there are any other provisions in the bill providing for automobiles?

Mr. PHIPPS. Yes. I desire to call the Senator's attention to another clause, in the set-up commencing on page 16 of the bill, which the Senate committee has divided and distributed throughout the bill, and, of course, the same or similar language occurs in several places throughout the bill. It would be my understanding that we would have to consider it all at one time, which is perfectly agreeable.

I would like to call the attention of the Senator from Tennessee to the language on page 18, beginning in line 15, reading:

All of said motor vehicles and all other motor vehicles provided for in this act and all horse-drawn carriages and buggies owned by the District of Columbia shall be used only for purposes directly pertaining to the public services of said District, and shall be under the direction and control of the commissioners.

Mr. McKELLAR. Whenever an employee rides to the office in the morning and drives back home in the afternoon, that is official business. We all understand that.

The PRESIDING OFFICER. The reading of the bill will be resumed.

The reading of the bill was continued.

The next amendment of the Committee on Appropriations was, on page 36, line 15, after the figures "\$11,032," to strike out the comma and the words "to be paid wholly out of the revenues of the District of Columbia," so as to read:

In all, for playgrounds, \$11,032.

Mr. ROBINSON. Mr. President, I inquire of the Senator in charge of the bill how the item for playgrounds has heretofore been paid, whether out of the District funds or out of the funds of the Government and the District jointly?

Mr. PHIPPS. I believe it has been paid in different ways at different times. For the present year, 1923, it is being paid out of the revenues of the District of Columbia; but in formulating the law, as the Senator will recall, the 60-40 basis was made a

definite plan and can be changed by legislation only and not on an appropriation bill. With that provision was carried the edict that the District revenues, which have heretofore been covered into the District treasury, such as court fines, automobile licenses, and other receipts from privileges, markets, and so forth, instead of going into the District treasury as heretofore, should be covered in 60 per cent to the District and 40 per cent to the Federal Government.

The total amount that has heretofore been paid solely out of the District revenues, to which the Federal Government has not contributed, amounts to \$136,000. It covers not only the playgrounds but the community centers, bathing beach, and outdoor sports. The committee felt that, having gone on to a definite 60-40 basis and having taken away from the District a portion of the revenues which it had heretofore enjoyed, there was no good reason for continuing separate items in the bill which should be paid wholly out of the District revenues, except in some cases, perhaps, where it came under a provision of the law.

The community centers, bathing beaches, and playgrounds are used largely by Federal employees. Perhaps it would not be unfair to state that 80 per cent of the use of the bathing beaches and the playgrounds is had by Federal employees who are not taxpayers in the District, and yet in former laws the District has been compelled to pay the entire cost.

Mr. ROBINSON. I am not contesting the major conclusion stated by the Senator from Colorado. I am interested to know how he reaches the conclusion that 80 per cent of the benefits of the playgrounds accrue to Federal employees. I had not understood that Federal employees used the playgrounds.

Mr. PHIPPS. These are not only children's playgrounds. We have tennis courts and other activities which the Government clerks use.

Mr. ROBINSON. I understand that; but I had not understood that 80 per cent of the value of the use of them accrued to Federal employees.

Mr. PHIPPS. I have not any figures upon which to base the statement, but we know how the golf courses and other activities where sports are indulged in are used by the employees of the Federal Government.

Mr. ROBINSON. The Senator has stated, as I understand him, that the justification for the amendment is that the existing law providing for the distribution of expenses of the District government between the Federal Government and the District of Columbia contemplates that a portion of the expense for playgrounds shall be paid out of Federal moneys rather than wholly out of District funds.

Mr. PHIPPS. I believe that is the way it was provided in the law which was enacted last year; that it is permissive; that there is no definite exception made. The activities which should be paid for entirely by the District of Columbia are not designated in the bill, but the 60-40 plan is set up and provided for except in certain cases, such as Congress may otherwise order in making appropriations.

Mr. ROBINSON. I had not recently examined the statute to which the Senator refers, and I assumed when he made the statement that the Senator had examined it.

Mr. PHIPPS. I have examined it.

Mr. ROBINSON. If the statement is justified by the facts, it would seem to be a good reason for the amendment which the committee proposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 36, line 15, the playgrounds item.

The amendment was agreed to.

The PRESIDING OFFICER. The amendment on page 34, line 16, has nothing to do with automobiles, and therefore will be stated.

The READING CLERK. At the end of the items for collection and disposal of garbage, inspection, and so forth, on page 34, line 16, strike out "\$825,000" and insert in lieu thereof "\$900,000."

The amendment was agreed to.

The next amendment was, under the head "Electrical department," on page 37, line 12, after the word "body," to insert "allowance for the maintenance of not more than three automobiles at not to exceed \$26 per month each"; so as to read:

For general supplies, repairs, new batteries and battery supplies, telephone rental and purchase, telephone service charges, wire and cable for extension of telegraph and telephone service, repairs of lines and instruments, purchase of poles, tools, insulators, brackets, pins, hardware, cross arms, ice, record books, stationery, printing, livery, purchase and repair of bicycles, purchase of one 1-ton Ford truck, and one Ford semitruck with "slip on" body, allowance for the maintenance of not more than three automobiles at not to exceed \$26 per month each.

Mr. McKELLAR. I ask that that amendment go over.

Mr. PHIPPS. Let the amendment go over.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was in the same paragraph, page 37, at the end of line 15, to strike out "\$27,500" and insert "\$32,000."

The amendment was agreed to.

The next amendment was, on page 38, at the end of line 13, to increase the appropriation for purchase, installation, and maintenance of public lamps, lamp-posts, street designations, lanterns, and fixtures of all kinds on streets, avenues, roads, alleys, and public spaces, etc., from "\$450,000" to "\$472,000."

The amendment was agreed to.

The next amendment was, on page 38, line 18, after the word "therewith," to strike out "\$20,000" and insert "\$35,000"; so as to read:

For replacing gas lamps and fixtures and older and less effective electric lamps and fixtures on streets, avenues, roads, and public spaces by improved electric installations, purchase of posts and fixtures of all kinds, and for all necessary expenses in connection therewith, "\$35,000."

The amendment was agreed to.

The next amendment was, under the head "Public schools," on page 39, line 13, before the word "assistant," to strike out "two" and insert "three."

Mr. CARAWAY. Mr. President, I wish to ask the Senator from Colorado [Mr. PHIPPS], who is in charge of the pending bill, if it deals with that burning question which has been so fiercely debated recently as to whether some colored high school should be furnished face powder and lip sticks?

Mr. PHIPPS. Mr. President, the committee has no authentic information on that subject; it has not charged itself with a decision of that question.

Mr. CARAWAY. There is no provision in the bill covering that matter, is there?

Mr. PHIPPS. If it is, it is so concealed that your committee was unable to locate it.

Mr. CARAWAY. I do not see how lip sticks and face powder could be concealed so that the committee could not find them.

Mr. PHIPPS. I appreciate the compliment.

Mr. CARAWAY. If the Senator obtains any information as to that question I wish he would let us know, for I have been somewhat interested in it.

Mr. PHIPPS. I shall be delighted to do so.

Mr. McKELLAR. Mr. President, is not the provision for "three assistant superintendents (one of whom shall have charge of business affairs)" new legislation?

Mr. PHIPPS. That item is similar to the item which the Senate approved last year. The committee recommended three assistants, one of whom was to be a business manager, and that recommendation was approved by the Senate but was stricken out in conference.

Mr. McKELLAR. I think the amendment is subject to a point of order, and I make the point of order against it that it is legislation on an appropriation bill.

Mr. PHIPPS. Mr. President, I hope the Senator from Tennessee will not insist on his point of order, as this matter will have to go to conference in any event.

Mr. McKELLAR. I insist upon the point of order.

The PRESIDING OFFICER (Mr. Moses in the chair). The Chair will hear the Senator from Tennessee on the question of the point of order.

Mr. McKELLAR. There is no law authorizing the proposed legislation. The clause reads:

Three assistant superintendents (one of whom shall have charge of business affairs).

It seems to me to be, and I think there can be no question but that it is, legislation.

Mr. PHIPPS. Mr. President, I call attention to the fact that this additional place proposed to be provided for here was estimated for by the Budget Bureau, and also that it was reported by a standing committee.

The PRESIDING OFFICER. The Chair understands the Senator from Colorado to state that the position covered by the amendment which is questioned by the Senator from Tennessee was contained in the estimate sent in by the Budget Bureau?

Mr. PHIPPS. It was.

The PRESIDING OFFICER. The point of order is overruled. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 39, line 14,

after the word "superintendents," to insert "(one of whom shall have charge of business affairs)."

Mr. McKELLAR. Is that appropriation also estimated for by the Budget Bureau?

Mr. PHIPPS. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, the Budget Bureau seems to be used for the purpose of increasing appropriations. My recollection is that when our Republican friends secured the establishment of the Budget system the purpose was stated to be to decrease appropriations and to aid us in running the Government more economically; but I notice that in the last two items, as has been frequently the case in other instances, the Budget Bureau is being used on the floor for the purpose of increasing items of expenditure in the various appropriation bills.

Mr. SMOOT. The Senator from Tennessee may find one or two items amounting to but a few thousand dollars which have been increased on the recommendation of the Budget Bureau, but the Budget Bureau has saved many hundred thousand dollars to the Government this year.

Mr. McKELLAR. But the Senator from Utah knows what is said about figures.

Mr. SMOOT. I will say to the Senator from Tennessee that there is not any question about the Budget Bureau having effected great savings in Government expenditures.

Mr. McKELLAR. I hope the Senator from Utah is right about it, but the principal use of the Budget Bureau on the floor has been for the purpose of increasing individual items of appropriations. The Senator from Utah knows that the Budget Bureau has been appealed to quite a number of times for that purpose.

Mr. SMOOT. The Senator from Tennessee can count such instances in this bill, I think, on the fingers of one hand.

Mr. McKELLAR. Thus far we have only reached two such items, but we may find more before we conclude the consideration of the bill.

Mr. SMOOT. I think that only a few such instances will be found in the pending bill. Such items are very small and really do not amount to anything in the way of dollars and cents. The Budget Bureau has been the means of increasing appropriations a few cents here and there, but it has reduced appropriations in other cases by millions of dollars.

Mr. McKELLAR. We hope so, but I have never as yet seen the figures which I have thought were reliable about the matter. I hope, however, the Senator from Utah is right about it. We are going to give the Budget system a fair trial, and I hope the Senator and his party will not use the Budget so often for the purpose of increasing appropriations of the people's money.

Mr. SMOOT. If there is any committee in this body or in the other which has watched the expenditures of the Senate more carefully than the one having charge of the pending bill I do not know where it is, and I have been here now for 20 years.

Mr. McKELLAR. There are increases all through this bill. The Senator from Utah knows that we are increasing the appropriations right along.

Mr. SMOOT. I do not think there is an increase in the pending bill over the existing law.

Mr. McKELLAR. I am not sufficiently familiar with that matter to say positively, but I think the Senator from Utah is mistaken. At any rate, the amendments which are brought in by the committee so far as we have yet come to them all provide for increases.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 39, at the end of line 23, to strike out "\$73,620" and insert "\$77,370," so as to make the paragraph read:

Salaries: Superintendent, \$6,000; 3 assistant superintendents (one of whom shall have charge of business affairs), at \$3,750 each; director of intermediate instruction, 13 supervising principals, supervisor of manual training, and director of primary instruction, 16 in all, at a minimum salary of \$2,400 each; secretary, \$2,000; financial clerk, \$2,000; clerks—1 \$1,600, 2 at \$1,500 each, 2 at \$1,400 each, 3 at \$1,200 each, 4 at \$1,000 each (one of whom to carry out the provisions of the child labor law); 2 stenographers, at \$1,000 each; messenger, \$720; in all, \$77,370.

The amendment was agreed to.

The next amendment was, under the subhead "Teachers," on page 42, line 18, after the word "including," to insert "administrative principals," so as to read:

Class 5, 233, at \$1,200 each, including administrative principals, vocational trade instructors, and teachers of Americanization work.

The amendment was agreed to.

The next amendment was, on page 44, line 24, after the word "work," to insert "administrative principals of elementary schools," so as to read:

For longevity pay for director of intermediate instruction, supervising principals, supervisor and assistant supervisor of manual training, principals of normal, high, manual-training high, and junior high schools, the assistant principals of the Central and McKinley Manual Training High Schools, the assistant principals (who shall be deans of girls) of the Central, Eastern, and Dunbar High Schools, principals of grade manual-training schools, heads of departments, director and assistant director of primary instruction, directors and assistant directors of drawing, physical culture, music, domestic science, domestic art, kindergartens, and penmanship, principal and teachers in Americanization work, administrative principals of elementary schools, teachers, clerks, librarians and clerks, and librarians to be paid in strict conformity with the provisions of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended by the acts approved May 28, 1908, May 18, 1910, and June 28, 1912, \$620,000.

The amendment was agreed to.

The next amendment was, on page 45, line 18, to strike out "\$40,000" and insert "\$25,000," so as to make the paragraph read:

For allowance to principals of grade school buildings for services rendered as such, in addition to their grade salary, to be paid in strict conformity with the provisions of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, \$25,000.

The amendment was agreed to.

The next amendment was, under the subhead "Community center department," on page 47, line 12, after the figures "\$35,000," to strike out the comma and the words "to be paid wholly out of the revenues of the District of Columbia," so as to read:

For salaries of directors, supervisors, teachers, clerks, and other employees for civic, educational, recreational, and social activities under the direction of the board of education; for payment of janitor service; for equipment and supplies; for lighting fixtures; for maintenance of automobiles (employees of the day schools may also be employees of the community center department); in all, \$35,000: *Provided*, That not more than 70 per cent of this sum shall be expended for salaries of directors, supervisors, teachers, clerks, and janitors.

The amendment was agreed to.

The next amendment was, under the subhead "Hygiene and sanitation," on page 48, line 15, before the word "exercise," to strike out "give his whole time to, and" so as to make the paragraph read:

Salaries: Chief medical and sanitary inspector, who shall, under the direction of the health officer of the District of Columbia, exercise the direction and control of the medical inspection and sanitary conditions of the public schools of the District of Columbia, \$2,500; 16 medical inspectors of public schools, 1 of whom shall be a woman, 4 shall be dentists, and 4 shall be of the colored race, at \$500 each; in all, \$10,500.

Mr. McKELLAR. Mr. President, I should like to have an explanation from the Senator in charge of the bill as to that amendment. Why should not the chief medical and sanitary inspector of the District give his whole time to the duties of his office?

Mr. PHIPPS. He should do so, and does within legal hours.

Mr. McKELLAR. Why, then, should the words be stricken out?

Mr. PHIPPS. The Senator, no doubt, gives his full time to his senatorial duties, but he is not precluded from looking after his personal and private affairs after he leaves his office.

Mr. McKELLAR. The law now requires this officer to give his whole time to the duties of his office.

Mr. PHIPPS. It does.

Mr. McKELLAR. Then, why is not the amendment subject to a point of order? It has not been estimated for by the Budget Bureau.

Mr. PHIPPS. He is the chief medical and sanitary inspector of the public schools—

Mr. McKELLAR. I understand that.

Mr. PHIPPS. And the amendment merely provides that he shall not be required to give his whole time to "the direction and control of the medical inspection and sanitary conditions of the public schools."

Mr. McKELLAR. I am wondering how such a provision can be defended. The amendment is legislation. The present law requires the officer to give his whole time to the work, and the amendment is designed to excuse him from that requirement of the law.

Mr. PHIPPS. Not at all. It does not change the law. The words proposed to be eliminated are merely surplusage.

Mr. McKELLAR. If it does not change the law, why is the amendment proposed? I make the point of order against the amendment on line 15, page 48.

The PRESIDING OFFICER. What is the point of order?

Mr. McKELLAR. That it is legislation and changes the existing law.

Mr. JONES of Washington. Mr. President, I merely wish to suggest that the amendment merely proposes to strike out certain words incorporated in the bill by the other House.

Mr. SMOOT. Yes; and, if the House had not entered the field, of course the Senator's point of order would be well taken; but the amendment simply proposes to strike out words that were in the House bill so that it can not be subject to the point of order.

Mr. McKELLAR. But the amendment is proposed by the Senate committee.

Mr. SMOOT. Yes; but as the words were in the House bill of course the point of order can not apply.

Mr. McKELLAR. It is general legislation on an appropriation bill. If there is any technical way of getting around it, I suppose that it will be availed of. Senators, however, can not rely on the Budget Bureau as they did awhile ago, because it is not such a matter as could be estimated for the Budget. So resort to the Budget estimate fails, and now it is suggested that the amendment is not subject to the point of order because the words proposed to be stricken out were adopted by the House. The House, however, did not adopt the amendment now under consideration because the Senate committee has changed the wording of the House bill. However, I submit the question to the Chair.

The PRESIDING OFFICER. Will the Senator state exactly the point of order which he makes against the amendment.

Mr. McKELLAR. That it is general legislation on an appropriation bill.

The PRESIDING OFFICER. The point of order is overruled. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was on page 49, line 14, to increase the appropriation for transportation for pupils attending schools for tubercular children, from "\$2,000" to "\$3,000."

The amendment was agreed to.

The next amendment was, on page 50, line 11, after the word "for," to insert "including an allowance of not exceeding \$312 per annum for a motor vehicle for each the superintendent of schools, the superintendent of janitors, the two assistant superintendents, the director of primary instruction, the school cabinetmaker, the supervising principal in charge of the white special schools, the chief medical and sanitary inspector of schools, and the supervising principal of the colored special schools, and" so as to make the paragraph read:

For contingent expenses, including furniture and repairs of same, pay of cabinetmaker at \$1,200 per annum, stationery, printing, ice, and other necessary items not otherwise provided for, including an allowance of not exceeding \$312 per annum for a motor vehicle for each the superintendent of schools, the superintendent of janitors, the two assistant superintendents, the director of primary instruction, the school cabinetmaker, the supervising principal in charge of the white special schools, the chief medical and sanitary inspector of schools, and the supervising principal of the colored special schools, and including not exceeding \$3,000 for books of reference and periodicals, \$79,200.

Mr. McKELLAR. Mr. President, I want to take enough time to call attention to the legislation about automobiles on this page. The automobiles referred to are privately owned, I presume. I will ask the Senator in charge of the bill if that is not so?

Mr. PHIPPS. It is my understanding that they are privately owned automobiles; yes.

Mr. McKELLAR. Is there any doubt about it in the Senator's mind.

Mr. PHIPPS. No; not the slightest.

Mr. McKELLAR. Very well. The amendment proposes to insert the words—

including an allowance of not exceeding \$312 per annum for a motor vehicle for each the superintendent of schools, the superintendent of janitors, the two assistant superintendents—

I presume that means the two assistant superintendents of janitors.

Mr. PHIPPS. No.

Mr. McKELLAR. Well, what are they assistant superintendents of?

Mr. PHIPPS. Assistant superintendents of schools, one white and one colored.

Mr. McKELLAR. How many assistant superintendents of schools are there?

Mr. PHIPPS. There have been two, but the bill now provides for one additional.

Mr. McKELLAR. That makes three; so that the superintendent of schools and each assistant superintendent of schools

have automobiles run at the expense of the Government; and then the superintendent of janitors has an automobile that is run at the expense of the Government; and then the amendment provides that the director of primary instruction shall have an automobile run at the expense of the Government, and the school cabinetmaker shall likewise be provided for. What does he do?

Mr. PHIPPS. He goes from school to school and mends chairs and repairs furniture. By allowing \$312 for the automobile a year the District is saved two or three times that amount at least.

Mr. McKELLAR. There is a saving in his time, at any rate, and of course his time is very valuable. He has to go very rapidly from one school to another to repair a chair here and a chair there, and so, of course, I can understand why the cabinetmaker should be provided with an automobile.

Mr. PHIPPS. The alternative would be to send a chair or a desk to a cabinetmaker, and we would have transportation both ways and the bill of the cabinetmaker, which would be several times the amount involved when the work is done in this way.

Mr. McKELLAR. To show the ludicrousness of it, Senators and Congressman who have to visit the various departments every day of their lives, if they do what their constituents want them to do, at any rate—and most of them do—are not furnished automobiles or furnished the upkeep and gasoline and other means of operation of automobiles; and yet we find here in this amendment, which I think is clearly subject to a point of order—and I am going to make it a little later—a motor passenger car provided for each of the superintendents of schools and the superintendent of janitors and the two assistant superintendents. They may be assistant superintendents of schools, as the Senator says, or they may be assistant superintendents of janitors; I do not know, and the language itself does not tell.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. McKELLAR. Just one moment. The director of primary instruction, the school cabinetmaker, the supervising principal in charge of the white special schools, the chief medical and sanitary inspector of schools, and the supervising principal of the colored special schools have passenger automobiles furnished them by the city government. It does seem to me that we have carried this system of furnishing cars for employees of the Government to an extent that no man can possibly defend. I do not see how the committee can defend this wholesale granting of automobiles—

Mr. PHIPPS. Mr. President—

Mr. McKELLAR. Just one moment.

Mr. PHIPPS. The Senator promised to yield.

Mr. McKELLAR. I will yield in a moment.

Mr. PHIPPS. I only want to call the Senator's attention to the fact that he is talking about an item that we have agreed to carry over until certain information can be obtained.

Mr. McKELLAR. Why, of course, I know that.

Mr. PHIPPS. These are part of the 45.

Mr. McKELLAR. Of course, I understand exactly what we have done; but I am calling the attention of the Senate now to this amendment which gives to these employees of the Government the money for the upkeep and operation of their privately owned machines in the city of Washington. I have been calling this temporary legalized graft. I think we have investigated it now to the point where we can call it just plain graft. That is all there is in it. The idea of furnishing automobiles and furnishing the means of keeping up and maintaining and operating machines for all these employees of the Government in the city of Washington is little short of a legislative outrage.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. McKELLAR. I am through.

Mr. PHIPPS. I just wanted to ask the Senator, if he were the superintendent of schools, if he would not expect to visit the different schools in the District from time to time, and, in fact, daily, to know what was going on, so that he might keep himself informed; and if so, how would he travel? Would he patronize the street cars or would he walk?

Mr. McKELLAR. The Senator from Tennessee would perform his duties as assistant superintendent or superintendent, as the case might be, just as he performs his duties as a Senator. He gets a taxi or he rides on the street car or he walks, and pays for it himself; and that is what these petty officers of the Government should do. It is astonishing to me that the Appropriations Committee will offer here amendments of this kind; and at this time I make a point of order against all of

these amendments, because they are legislation on an appropriation bill for which there is no warrant of law.

Mr. PHIPPS. Mr. President, the Senator again forgot his promise to allow me time in which to complete a statement, and that was this: If the Senator did travel from place to place and visit these schools, if he did it at his own expense, and furnished the automobile or hired the taxis, he would expect his compensation to be increased accordingly so as to cover that expense. Now, it is a question whether it is wiser to allow \$312 a year for them to use their own cars or to allow them enough additional salary to pay for their taxicabs, and in my judgment it would exceed the \$312 allowance. It would involve an increase of at least \$500 a year in each one of these salaries.

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). The Chair overrules the Senator's point of order, on the ground that it is an amendment reported by a standing committee.

Mr. McKELLAR. Mr. President, I should like to ask the Senator from Colorado, if these cars are so necessary, why did not his committee report in favor of giving each of these officials or employees an automobile? The committee seems to have given mighty nearly everybody else connected with the city government an automobile. Why not give it to these men? Why require them to buy their own automobiles at their own expense? Of course it is very nice of the Government to contribute to their operation and upkeep, but why not let the city furnish automobiles for each of them?

Mr. PHIPPS. Mr. President, if the Senator has finished his question, my reply is that the Senator can perhaps bring about that result by going before the Bureau of the Budget and having the automobiles properly estimated for, but the committee could not consider giving these officials new automobiles in lieu of travel allowance without a properly estimated allowance, passed upon and approved by the Budget, and it is not produced. The committee did not have such a Budget item for consideration.

Mr. McKELLAR. Did the Budget approve this?

Mr. PHIPPS. The Budget approved the allowance for the upkeep of automobiles, but presented no item for the purchase of new automobiles.

Mr. McKELLAR. Then I think the committee is to be complimented to that extent, anyhow, that they did not disregard the Budget and furnish the money to pay for automobiles for all of these employees. I think the committee is to be very highly complimented for not giving automobiles to all these gentlemen and all these superintendents and all these assistant superintendents and cabinetmakers. Why, every cabinetmaker working for the city of Washington ought to have an automobile, and the committee no doubt has performed a good service in saving the expense of actually turning over an automobile to these various employees of the Government.

The PRESIDING OFFICER. Does the Chair understand that the Senator in charge of the bill has consented to have this item go over?

Mr. PHIPPS. I have.

The PRESIDING OFFICER. The Secretary will state the next amendment of the committee.

Mr. HARRISON. Mr. President, I understood that the point of order was overruled by the Chair.

The PRESIDING OFFICER. It was.

Mr. HARRISON. I wanted to address myself to that proposition. I am not so much interested in the controversy between the Senator from Colorado and the Senator from Tennessee with respect to these automobiles, except in this respect: I think it would be much better to make an increased allowance to the respective officers of the schools, so that they could pay out of it any fares that they have to pay in order to travel from one school to the other, because the trouble in providing automobiles is that they use them a great deal for their own private use, and so on, and it is a habit that has grown up here as well as a custom that should be stopped. I think that these persons who have to travel from school to school should be provided by the Government with funds enough to do it, and that their salaries should be increased accordingly; and I should much prefer to see that than to see them given automobiles by the Government so that they can ride around with their families, and so forth.

Mr. SMOOT. I will say to the Senator that the trouble with that is this: If we increased the salary now, instead of using the increase for maintaining an automobile they would still want to have an automobile furnished to them; and not only that, but the employees in the other departments of the Government would immediately point to the salaries paid to these

individuals and want their own salaries increased. So if we are going to give them any kind of an automobile, I think the plan here is very much better than to furnish them an automobile and have the Government pay the expense of it, because, if it is done in that way, it will cost a great deal more than \$312 a year, as the Senator from Tennessee quoted the figures on yesterday in this discussion.

Mr. McKELLAR. We may as well do it right if we are going to do it at all. Why not let us equip every employee of the city government with an automobile, and furnish a chauffeur for him, and gasoline, and all the expense of upkeep, and get him a new one about once a year?

Mr. SMOOT. No; I will say to the Senator that I would rather limit the ones to whom we are already giving automobiles. I think we shall have to work out some kind of a plan, and I am going to try to work it out between now and next year to regulate this whole automobile business, because I know as well as the Senator from Tennessee knows that it is abused, and has been abused ever since the first automobile was granted to an employee of the Government.

Mr. HARRISON. May I ask the Senator a question? I want to get the construction that the committee places upon this amendment. It is proposed here to give to each one of these parties \$312.

Mr. SMOOT. Yes.

Mr. HARRISON. And out of that \$312 they can spend what is required for fares and traveling from one place to another, can they?

Mr. SMOOT. No; they use their own automobiles, and have the wear and tear of them, and furnish their gasoline, and make all of their repairs.

Mr. HARRISON. If they want to buy a Ford automobile, or what not, they can do it; but the Government gives them \$312 a year?

Mr. SMOOT. That is right.

Mr. HARRISON. If they spend only \$150 a year, they make the difference between the two?

Mr. SMOOT. Yes; and if they spend \$600 they lose the difference.

Mr. HARRISON. And the superintendent here estimated, as well as other parties, that \$312 was about the right figure? Is that the idea?

Mr. SMOOT. I think that is about the right figure on a car of ordinary cost for the first three or four years. After that the repairs will be more than that.

Mr. HARRISON. I had gathered the impression that we were furnishing an automobile to each of these parties. I like this plan much better than the other; but there is more to it than that. A point of order was made and the Chair overruled the point of order. I suppose, in overruling the point of order, the Chair assumed that the Director of the Budget had made his estimate specifically for these sums. If he had, of course, that may be all right; but may I ask the Senator from Colorado whether the Budget Bureau estimated for this?

Mr. PHIPPS. It did, yes; and it was reported by the House; but before the Senator came in that item was explained. The House had the entire lot of automobiles and motor cycles permissible under that heading grouped in one place. The Senate committee found it advisable to separate them, and put them in the different parts of the bill where they properly belong.

Mr. HARRISON. I think the Chair is eminently correct. I did not know that.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 52, at the end of line 2, to strike out "\$4,500" and insert "\$6,000," so as to make the paragraph read:

For purchase of apparatus, fixtures, specimens, technical books, and for extending the equipment and for the maintenance of laboratories of the departments of physics, chemistry, biology, and general science in the several high and junior high schools and normal schools, and for the installation of the same, \$6,000.

The amendment was agreed to.

The next amendment was, on page 52, line 8, after the word "Navy," to insert "and children of other employees of the United States stationed outside the District of Columbia," so as to make the paragraph read:

The children of officers and men of the United States Army and Navy and children of other employees of the United States stationed outside the District of Columbia shall be admitted to the public schools without payment of tuition.

Mr. HARRISON. Mr. President, may I ask why this change is made in the language?

Mr. PHIPPS. We restored the language of the appropriation bill of 1923.

Mr. HARRISON. That is carrying out the purposes of that law, then?

Mr. PHIPPS. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Buildings and grounds," on page 52, line 19, after the word "contract," to insert "or contracts," so as to read:

For beginning the remodeling of and the construction of an addition to the Western High School, to provide a new assembly hall, a gymnasium for boys, a gymnasium for girls, and additional classrooms, \$100,000, and the commissioners are hereby authorized to enter into a contract or contracts for said remodeling and extension at a cost not to exceed \$550,000.

The amendment was agreed to.

The next amendment was, on page 53, line 6, after the word "land," to strike out "adjacent to" and insert "in the vicinity of," so as to read:

For the purchase of additional land in the vicinity of the Slater-Langston (Cook) Schools, \$50,000.

The amendment was agreed to.

The next amendment was, on page 53, line 14, after the word "fund," to strike out the semicolon and the following provisos:

Provided, That none of the money appropriated by this act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which shall not have been awarded in one or a single contract separate and apart from any other contract, project, or undertaking, to the lowest bidder complying with all the legal requirements as to a deposit of money or the execution of a bond, or both, for the faithful performance of the contract: *Provided further*, That no architect's fee shall be paid or obligated for plans, specifications or any professional services whatever, unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress for the building or other project: *Provided further*, That nothing herein shall be construed as repealing existing law giving the commissioners the right to reject all bids.

Mr. ROBINSON. Mr. President, I have had no opportunity of studying that amendment, but I should like to have the Senator in charge of the bill make an explanation of it. The language stricken out here seems to constitute a limitation on the use of the funds appropriated. What is the basis for the controversy involved in the provision stricken out?

Mr. PHIPPS. The appropriation bill of 1923, as it came from the House, had similar language in it, which was stricken out by the Senate. When the bill went to conference it was found that the House conferees were insistent upon that proviso. The representatives of the Senate reluctantly consented to adopt their language as a try out to see how it would work.

Mr. ROBINSON. Then, it is the language of the present law?

Mr. PHIPPS. This language proposed to be stricken out is the language of the present law, but we decided to strike it out because the Senate committee is not convinced that it is a proper proviso. We think it undoubtedly restricts the commissioners in entering into contracts, and therefore the contracts they make are at times less favorable than they would otherwise be.

Mr. ROBINSON. The language seems to include a number of limitations or restrictions. In the first place, it prevents the use of any of the funds appropriated for the construction of a building, or any addition to a building, the whole and entire construction of which shall not have been awarded in a single contract separate from any other contract, project, or undertaking. I presume the object of that restriction was to make it appear on the face of the statute and of the proceedings under it just what amount is being expended for a particular building.

Mr. PHIPPS. True, but the practical working out is this: The general contractor has to be entrusted with the installation of the heating appliances, the electric wiring, and other special work, which can better be left direct to the specialists who produce those things; and by putting it into the general contract, we not only have to pay the ordinary profit to the heating contractor or the electrical man but we have to pay the general contractor's profit on top of it.

Mr. ROBINSON. What is the practice of the commissioners with respect to the letting of these contracts? Do they uniformly or usually let them to the lowest bidder?

Mr. PHIPPS. Usually, I should say. There has been only one exception I know of in the past four years, and that was a justifiable exception, in that the difference between the lowest bidder and the next highest was a very small amount, less than a quarter of 1 per cent of the contract price; but time was a consideration, and the second highest bidder offered to and did, as a matter of fact, complete the building in 60 days less time

than the lowest bidder had been willing to contract for; so that the commissioners in that one instance only, to my knowledge, exercised their authority to reject the lowest bid.

Mr. ROBINSON. The experience of the commissioners has shown that the provision requiring the construction of a building to be let under a single contract has caused an increase in the cost of building as a whole. I believe the Senator has made that statement.

Mr. PHIPPS. I would not like to put the commissioners on record as having made that statement. That is my belief, and it is my impression, from talking with the commissioners and the architect; but I have had no direct statement to that effect.

Mr. ROBINSON. I do not want to take any position which would unduly bind the commissioners or impair the activities of the commissioners in the construction of these buildings, but on its face the restriction appears to be a wholesome one in many of its provisions. For instance, I notice, in addition to the two provisions already discussed, there is a requirement as to the execution of a bond for the performance of the contract.

Mr. PHIPPS. That is always required.

Mr. SMOOT. That is always required, and even before there was any law the District required that.

Mr. ROBINSON. There is no objection, then, to that requirement?

Mr. SMOOT. None whatever.

Mr. ROBINSON. May I ask either the Senator from Colorado or the Senator from Utah whether the committee gave thought to modifying the provision so as to retain the requirements which are admittedly justified? For instance, if the Congress strikes out the provision requiring the execution of a bond by the contractor, the commissioners might take the view of the matter that that was an invitation to proceed in another way.

Mr. SMOOT. I hardly think so, because it has been the practice ever since there was a commission.

Mr. ROBINSON. It is now the law; and if you change the law it might be regarded by the commission as an expression of an opinion on the part of Congress that the contrary course should be taken; certainly it would leave the commissioners free to enter into a contract without a bond. What objection can there be to requiring the execution of a bond if it is right and proper to have that precaution taken?

Mr. PHIPPS. That would not be the result. The commissioners are required under the law to have a bond executed, and they do so in all cases. The language used in this proposed proviso necessarily couples up the fact that this must not be construed as relieving them from the requirement of a bond. If we eliminate the proviso, it disappears, and the law still remains that the contractor to whom a contract is awarded must furnish a bond.

Mr. ROBINSON. A statute separate and apart from this provision requires the execution of a bond?

Mr. PHIPPS. That is correct.

Mr. ROBINSON. That would seem to be an answer to my inquiry, and I thank the Senator for the explanation.

What is the meaning and effect of the next proviso?

That no architect's fee shall be paid or obligated for plans, specifications, or any professional services whatever, unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress for the building or other project.

Mr. PHIPPS. Mr. President, the committee feels that that is unnecessary, because it has insisted and the commissioners insist that all plans and specifications be drawn by the municipal architect, or under his supervision, and there are no contracts let to outside architects for the preparation of plans. This is an unnecessary provision. It is surplusage, and would have no effect.

Mr. ROBINSON. That is, provided the commission continues its present method of procedure. If this provision were eliminated, would there be anything in the law to prevent the commissioners, if they chose to do so, from allowing fees to outside architects?

Mr. PHIPPS. There is provision in the law.

Mr. ROBINSON. That is already in the law?

Mr. PHIPPS. It is already in the law. This is surplusage.

Mr. ROBINSON. If that is the case it is really not necessary.

Mr. SMOOT. The substance of the whole thing is the first provision, that there should be one single contract. I think the Senator has had experience enough himself in building to know it is very unwise to build in that way. I think it should be so arranged that bids can be asked from painters and bricklayers and carpenters, and for all the furnishings, and the lowest bids taken, the whole contract made in conformity with the lowest bids in all cases, and not take one contractor's bid for the whole thing.

Mr. ROBINSON. The practical experience of the Senator from Arkansas would not be of any very great value in determining a question of this nature; but I can see that there is force in the suggestions made that the probable effect of such a restriction would be to increase the cost of construction as a whole rather than to reduce it, and so far as I am concerned I am going to follow the conclusion of the committee.

Mr. WILLIS. Mr. President, I desire to offer several amendments. I request that they may be read for information and lie on the table until we come to them in regular order.

The PRESIDING OFFICER (Mr. Moses in the chair). The Secretary will read as requested.

The reading clerk read as follows:

On page 68, in line 4, after the word "officers," insert: "Director, probation department, \$2,400."

On line 6, after the figures "\$1,500," insert: "Case supervisor, at \$1,880; 2 probation officers, at \$1,400 each."

In line 10, after the figures "\$1,200," insert: "Stenographer at \$1,200."

The next amendment of the committee was, on page 54, line 11, to strike out "\$250,000" and to insert in lieu thereof "\$300,000," so as to read:

For repairs and improvements to school buildings and grounds and for repairing and renewing heating, plumbing, and ventilating apparatus, and installation of sanitary drinking fountains in buildings not supplied with same, \$300,000.

Mr. KING. Mr. President, I would like to inquire of the Senator from Colorado, having the bill in charge, whether in the items recommended for school buildings the committee had in view the fact that a committee of the House and Senate have conducted a rather exhaustive investigation with a view to determining the mechanical needs of the school system—that is, the necessary schoolhouses, and so forth—as well as the character of legislation needed to give to the District an efficient and proper educational system? What I want to know is whether or not the committee availed itself of any of the findings of that committee or whether in their recommendations for school buildings they have made provision only for those which could be completed quickly, which seem to be indispensably necessary.

Mr. PHIPPS. I assume the Senator refers to the committee of 1920, headed by the Senator from Vermont [Mr. DILLINGHAM], of which he, together with the Senator from Mississippi, was a member?

Mr. KING. There is a joint committee of the House and Senate, of which the Senator from Kansas [Mr. CAPPER] is chairman, and Mr. WALTERS, Representative from Pennsylvania, is vice chairman. They have been taking testimony, and have had before their committee educators of the highest standing throughout the United States, and have canvassed the question as to the kind of buildings which should be required, the curriculum which should be established, and, generally, the entire educational system of the District. That committee, I hope, will be able to report before we adjourn, and I think the committee will recommend a program of school building which will call for perhaps \$6,000,000 to \$10,000,000. I was wondering whether the committee preparing this bill attempted to deal with that progressive program or provided only for buildings which they deemed to be imperatively needed now.

Mr. PHIPPS. Mr. President, as the Senator is well aware, we have not caught up with our delinquencies due to the World War and the aftermath, and all we have put in this bill does not enable us to get up within two years of where we should be in a comprehensive building program. The committee has given careful study to the various locations for the proposed new buildings incorporated in this bill and visited them in person. We have made some additions, and recommended some rather large items of money expenditure over the recommendations of the House, looking to further expansion and the necessities of the future in the rapidly growing communities. The Senator will find those items in the printed amendment, to which I called his attention on Saturday last, and he is familiar with them, no doubt. I feel sure, speaking for the committee, that not one single item of appropriation for the acquisition of property as a building site or the erection of a building will be found not to fit in with any program that a committee such as the Senator refers to will present to the Senate. We would like very much to have the benefit of that investigation and that report, certainly before we take up the consideration of next year's bill, and if it is available now—and regarding that I have not been informed, although I am familiar with the Dillingham report—if we should come into conference with the House on any of these items, we would be glad to avail ourselves of that information.

Mr. KING. Let me say to the Senator that owing to press of other official duties I have had no opportunity to examine

the bill or the amendments which the Senator was kind enough to place upon my desk on Saturday last.

I only want to say that the committee, after a very full examination and after having visited the schoolhouses of the District, reached the conclusion that many of the buildings were archaic and needed either complete demolition or complete rehabilitation, and that a large number of improvements were needed immediately in the school buildings of the District; further, that a broad and comprehensive plan should be adopted for the construction of a number of buildings in various parts of the city that would meet the demands not only of the present but the demands of the city as we believe it will expand during the next 10 or 15 years. I think that program will call for a very large appropriation, as I said, perhaps \$6,000,000 to \$10,000,000.

There is no doubt but what a considerable sum is needed immediately for the improvement of school buildings and for the erection of other school buildings. I sincerely hope that the committee, of which I happen to be a member, will be able to report before adjournment, and hand to those who are dealing with appropriations, a plan which will enable us to provide a proper system of education, not only so far as curriculum is concerned, but giving the necessary school buildings for the city.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, on page 54, line 22, after the word "buildings," to insert "and for the purchase of land for school purposes"; so as to make the paragraph read:

The appropriations herein made for the construction of school buildings and for the purchase of land for school purposes shall be available immediately.

The amendment was agreed to.

The next amendment was, on page 54, after line 23, to strike out:

The total cost of the sites and of the several and respective buildings herein provided for, when completed upon plans and specifications to be made previously and approved, shall not exceed the several and respective sums of money herein respectively appropriated or authorized for such purposes.

Mr. ROBINSON. Mr. President, this provision inserted by the House limits the commissioners in the purchase of sites to the amount appropriated or authorized. It would seem to be a wholesome provision. I ask the Senator in charge of the bill whether, by striking out the provision, it is the intention of the committee to leave the commissioners with authority to create deficits or to make contracts for the purchase of sites in excess of the sum authorized for those sites?

Mr. PHIPPS. The question came up for discussion and we had it up with the Comptroller General. I call the Senator's attention to the language found on page 53 preceding the language now under consideration. On page 53, line 12, the provision is:

In all, \$700,000, to be disbursed and accounted for as "Buildings and grounds, public schools," and for that purpose shall constitute one fund.

The two provisions were evidently conflicting, and the attention of the Comptroller General was called to them. We had his letter stating that it would be in conflict undoubtedly, and if it were desired to handle the appropriation so that a little loss in one case might be eked out by a little taken from another item where there was a surplus, we should strike out the language which is now under consideration and allow the amount to remain as one fund in the same manner that the appropriations for the year 1923 were provided for.

Mr. ROBINSON. The Senator in his statement has assumed that there would be no abuse of the authority if the commissioners were vested with absolute power to spend amounts in their discretion for the purchase of sites within the limitation of \$700,000. I do not mean to imply that any discretion vested in the commissioners in this respect would be abused, but I see no serious conflict in the two provisions, assuming that it is the desire of the Congress to require the commissioners in making purchases to act within the authorization. The language of the provision proposed to be stricken out by the committee amendment now under consideration is as follows:

The total cost of the sites and of the several and respective buildings herein provided for, when completed upon plans and specifications to be made previously and approved, shall not exceed the several and respective sums of money herein respectively appropriated or authorized for such purposes.

Now, is it the intention of the committee to constitute as a single fund the \$700,000 referred to by the Senator from Colorado and give the commissioners discretion, if they desire to do so, to expend that entire fund on one, two, or three sites, or on one, two, or three buildings, or is it the intention of the

committee, and the effect of the provision as amended by the committee, to require the purchase of all the sites and the construction and completion of all the buildings within the limitation of \$700,000, allowing the commissioners latitude as to the respective sites and buildings but requiring them to complete the whole project within the sum authorized?

Mr. PHIPPS. To illustrate what has sometimes happened in the past, I would cite the two items which will be found in the bill on page 52. Beginning in line 22 is an item of \$25,000 for the purchase of a new site for the Tenley School, while on page 53 we find an item of \$50,000 for the purchase of additional land in the vicinity of the Slater-Langston Schools.

There have been similar cases, and I am not drawing on my imagination. In the one case it may happen that the owners of the Tenley land, for instance, say we can not have that land for \$25,000. The commissioners, of course, say that that is all they can spend for it, and so they condemn it. They can not take it otherwise unless they come back for an additional appropriation. On the other hand, they come to the Slater proposition and find that they can save two or three thousand dollars in their purchase there and by applying it on the Tenley proposition they can obtain both pieces of property and save years of time.

I do not believe we are giving the commissioners too much latitude in intrusting them with the authority to use any savings they may make on one contract or in one project to eke out and finish another project. In that connection, when we provide a site for a building, as the Senator knows, we ordinarily make an appropriation for its construction, say, \$50,000, on account of construction, and the commissioners are authorized to enter into contracts for the total amount of the complete structure not exceeding, say, \$160,000 or \$200,000, as the case may be. So we have the limitation there as to the amount of the expenditure on the contract.

Mr. ROBINSON. May I ask the Senator how the items of appropriation in this part of the bill are arrived at? How did the committee find the amount which should be appropriated in the two cases which he has taken as illustrations—the Tenley School site \$25,000 and the Slater School site \$50,000? Is it not true that the purchase of the particular tract of ground is in contemplation, and that the committee or the commissioners for the committee have ascertained either the value of the site or the price at which it can be purchased, and that the item as fixed in the bill responds to that information?

Mr. PHIPPS. The first move made by the commissioners is to look up the assessed value of the property and the assessed value of neighboring property so as to get a square-foot average price, and to know of actual sales that have been made in the neighborhood recently and are of record, and then to make inquiry of the owners, knowing that under the law they have the power to condemn and if the case goes to court they would have to pay in the aggregate not more than the assessed value plus a certain percentage.

Mr. ROBINSON. Of course the whole object to be conserved is the best interests of the Government, and that object, I apprehend, is uppermost in the minds of the committee reporting the amendment. Does it not occur to the Senator that if the Congress expressly authorizes an appropriation of \$50,000 for the purchase of a particular tract of land, even though that may exceed the amount at which the land might otherwise have been purchased, the owner of the land or the real-estate agent authorized to sell it will insist upon the maximum amount authorized by Congress?

How many instances can the Senator cite that have come to his knowledge where Congress has authorized the expenditure of a definite sum for a particular tract of land, and that land has been purchased by the Government for less than the amount Congress had authorized to be expended therefor?

Mr. PHIPPS. I know of two or three offhand within my own knowledge within the last two or three years, since I have been endeavoring to follow the progress of legislation affecting the District. The fact that the outside figure is named in the bill does not mean that the commissioners are going to go to the owner and say, "We will give this much for the property and no more." They do not do it in that way.

Mr. ROBINSON. The Senator does not state quite accurately the language of the bill in that particular. It is true that the commissioners are not compelled to expend any amount or the whole amount authorized by Congress, but the language employed is:

For the purchase of a new site • • • \$25,000.

Now, the real-estate agent having that land for sale, knowing the language employed, knows he can get \$25,000 if he insists upon it for that particular tract of land. The conclusion the

committee has reached after investigation reflects the conviction of the committee that the tract is worth that much.

The committee might make an error, in the opinion of the real estate agent or the owner of land, and fix the price too low; but I apprehend that the result of this method of procedure, while undoubtedly it would be quite convenient to have the fund treated as a single fund, would be to secure to the owners of sites who are willing to sell for the respective amounts the maximum authorization by Congress, and give others encouragement, at least, to insist upon larger sums for their tracts where they feel the amount is insufficient, inasmuch as larger sums may be taken from the appropriation as a whole.

Mr. PHIPPS. Mr. President, I shall say only a few words in answer to the Senator from Arkansas. Frankly, if it were a personal matter of my own, and I had an agent who was comparable with the District Commissioner who handles these transactions, I would not limit him in amount as to any one item. I would say, "Here is so much money; there are so many pieces of property to be acquired; go and do the best you can." That is the only way we could acquire property to better advantage than under the methods now employed. The committee recognizes the unfortunate fact that a price has to be fixed in the appropriation bill as the upset price for a piece of property. It would be much better if we could proceed under the other plan, giving the commissioner so much money to expend for school sites, and then let them make the best bargain they could.

Mr. ROBINSON. I am not at all sure that the Senator's conclusion in that particular would prove correct. The net result of all legislation specifying certain amounts for sites and buildings has been that the commissioner has often spent more for one site than the act authorized, provided he could purchase other sites or construct the buildings contemplated for less than the respective appropriations for those particular sites and buildings. I fear that such practice is not in the interest of economy, but that it will tend to encourage extravagance rather than to promote economy.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. KING. Mr. President, I was absent from the Chamber when page 53 of the bill was considered, and particularly the item to which I desire to call attention. I now invite the attention of the Senator having the bill in charge to lines 1 and 2, on page 53. The provision of the bill reads:

For the purchase of land for school purposes adjacent to the Langley Junior High School, \$215,000.

I wish to say to the Senator that I have no knowledge of this matter except such as has been furnished me by a letter which I have received from Mr. Clinton R. Thompson, chairman of the school committee of the Piney Branch Citizens' Association. Mr. Thompson has recommended an amendment to this provision of the bill. His amendment is to strike out the language which I have just read, and to insert in lieu thereof the following:

For beginning the construction of a new McKinley Manual Training School on land now owned by the District of Columbia, adjacent to Macfarland Junior High School, \$215,000; and the limit of cost of said McKinley Manual Training School is hereby fixed at \$1,500,000.

Mr. PHIPPS. I call the Senator's attention to the fact that under agreement we are now considering committee amendments. I am not even now offering amendments which have met with the favor of and have been recommended by the committee. The particular amendment to which the Senator refers is one which has been in print for several days, having been offered by the senior Senator from Kansas [Mr. CURTIS]. At the proper time, if the Senator from Kansas desires to propose the amendment, or if the Senator from Utah desires to do so, it may be considered.

While we are on that question, however, I may say that the subcommittee visited the alternative site proposed and decided in favor of the one which received the approval of the other House—the neighborhood of Langley Junior High School rather than the Macfarland Junior High School.

Mr. KING. In view of the agreement first to consider reported amendments, I shall not press this matter until we shall have concluded the program agreed upon.

The PRESIDING OFFICER. The Secretary will state the next amendment.

The reading of the bill was resumed at line 20, page 55, and continued to the end of line 5 on page 57, being the clause providing for the salaries of the Metropolitan police.

Mr. LODGE. Mr. President, I have not investigated and have had no time to enter into an investigation of the police

needs of the city of Washington, but it seems to me that there must be some method of improving the conditions which surround traffic in the streets of this city. We have here a city of something less than half a million inhabitants. It has as a whole—I am not speaking now of individual avenues—the widest and best streets, perhaps, of any city in this country and, probably, in the world.

Mr. KING. Except the city in which I reside.

Mr. LODGE. Except possibly the home city of the Senator from Utah; but I still insist on my original statement. Yet, so far as my experience goes in American cities, I think Washington is the most dangerous city in the country for travelers, whether in motor cars or on foot.

Within the past week the record of one day's serious automobile accidents was nine persons injured, five of whom were killed. They had been knocked down by automobiles; and from the accounts in the newspapers of those occurrences in every case the injuries and deaths were caused by reckless and careless driving.

Despite the wide streets of Washington, there is an amount of automobile parking permitted which reduces them to narrow streets. Anyone who has occasion to go to the principal shopping streets, F Street and H Street, for instance, finds permanent parking there to such an extent that it is impossible to get up to the shop doors, and there is apparently no limitation, as there is in other cities, of the time during which a vehicle may be halted in front of the shop.

Mr. ROBINSON. Mr. President, will the Senator permit a statement there?

Mr. LODGE. Certainly.

Mr. ROBINSON. I think the Senator is in error about that, particularly as to F Street, because there is a limitation as to the length of time any vehicle may be parked on F Street.

Mr. LODGE. I very seldom go shopping; but the Senator's statement is contrary to my experience and my observation. If the Senator is correct, then I should say the law is not enforced.

Mr. ROBINSON. If the Senator will pardon me further, I think the trouble goes even deeper than that. I think the police are very prompt in the enforcement of the parking regulations.

Mr. LODGE. In making automobiles move on?

Mr. ROBINSON. Yes, sir. The difficulty is that in the shopping centers of the city business is so congested that to permit parking at all upon those streets brings about the condition which the Senator has described. The only way, so far as I can see, to relieve it would be to prohibit for any period of time, other than that necessary to take on or discharge passengers, the parking of automobiles on F Street. Certainly the traffic conditions, so far as heavy trucks are concerned, might be very greatly improved by further regulations and their rigid enforcement.

Mr. LODGE. That is precisely what I am aiming at. The streets of the old portion of Boston, my native city, are very narrow—Boston being an old city—and the same statement applies to lower New York. In those streets of the cities referred to if vehicles were not compelled to move on traffic would be congested, it would become impossible for it to move. The same thing is true, of course, of London with its narrow streets. In Washington, however, automobiles draw up to the curb and remain there a sufficient length of time almost to block continuously passage along certain streets. Between the White House offices and the State Department there is a short but wide street on both sides of which automobiles are parked from morning until night, making the passageway, the fairway, as it is called on the water, extremely narrow. Those automobiles are parked there for the convenience of clerks in the departments, I have ascertained on inquiry. That is but one of many instances. It seems to me that something ought to be done by the commissioners or by the police to make traffic safer, and there ought to be more traffic policemen at the points of crossing where there is a great deal of business passing both ways.

There is also very reckless driving in Washington. The law against reckless driving may be adequate; certainly there are ordinances against it, but they are not enforced. I have not studied the question sufficiently to know whether that is because the police are incompetent or whether they are too few.

I have been looking at the figures for New York and Boston, they being the two cities which I happen to know best—and that is the reason I take them for comparison—and I find there are 34 patrolmen to the square mile in New York and 37 to the square mile in Boston, while in Washington, I think, there are 9 to the square mile. We may be imposing a burden

on the police beyond their power; but certainly there are many crossings in this city where there ought to be very efficient traffic policemen stationed all the time.

There is no reason why Washington should not be the safest as well as the best paved and best lighted city in the country. It is not a commercial city; it is not an industrial city, and heavy traffic is not very great in volume in comparison with such traffic in other cities. That may be one reason for the extreme rapidity with which automobiles are driven through the streets the moment they get out of sight of a policeman. Particular sinners, so far as my observation goes, are delivery wagons of shops, driven generally by boys, and motor vehicles belonging to the Government of the United States. There are not as many as there used to be at one time, which is perhaps a good thing, but they add very much to the perils of pedestrians in this city. It has become serious enough, it seems to me, for Congress to give some attention to it; and the District Commissioners ought to feel that the first person to be considered are not the minority of automobile owners, but the first persons to be considered are the great majority of the population who walk or who do not park and block the streets with automobiles.

It seems a pity that in this, the Capitol of the Nation, there should not be proper regulation, and, if necessary, enough police. I do not think we have enough police. I am not going to offer an amendment, for I have not investigated the matter sufficiently; but we certainly ought to have more than nine to a square mile.

Mr. FLETCHER. Mr. President, I quite agree with what the Senator from Massachusetts [Mr. LODGE] has said. I do not know whether the remedy lies in increasing the police force or not; but something ought to be done about this matter in the city of Washington. It has become the most dangerous city in America, according to the information that I have and according to the reports that we get. Foot passengers seem to have no rights at all that an automobile or truck or taxi driver is bound to respect.

I have always understood that a man on foot in a city had the right to have safe sidewalks and safe streets upon which to travel, and the municipality is held responsible if those highways are kept or permitted to be in such a state that an accident is likely to happen to any citizen passing along; but here in Washington a man takes his life in his hands nearly every day when he attempts to cross a street anywhere.

I do not know whether or not the number of policemen ought to be increased, but it would appear so from the fact that in practically every case where an accident happens there is no policeman anywhere about, and when a person who is walking properly and legitimately on the streets is run down and killed there is nobody to testify in the case except the operator of the automobile. That operator appears in court and says: "Why, this woman, or this man, ran against my running board and attacked my car and committed suicide," and there you are. There is nobody there to question it. Nobody has seen the accident except the man operating the car, and the unfortunate victim is silent forever; and when the case comes up in court the man operating the car is discharged, and that ends the matter. That closes the incident.

I think in the recent case here of Mrs. Hill, the person who ran that car and killed her was discharged when the case came into court; and so it is in nearly every instance. He had a hearing, and was discharged, and that is the record right along. There are no policemen, no officers anywhere about, to testify regarding the facts. The only witness is the person who operated the car, and he testifies, and the case is thrown out of court; and so it is day after day. Those things are happening here right along.

I introduced a bill at one time, and have offered it as an amendment to the pending bill, regulating traffic in the District, changing the rule of evidence so that when an accident occurs a presumption of fact shall arise that the person operating the car was guilty of negligence. Instead of putting upon the person who is maimed or killed the burden of proving negligence, the man operating the car must establish by a preponderance of the evidence that he was not negligent. That would have some effect, I think. Changing the rule of evidence with respect to that condition would have a good effect, and I think would have a tendency to make more careful these people who operate automobiles, taxis, and trucks; but I am inclined to think that we do need more policemen, because in many of these dangerous places I never see a policeman at all. I walk quite a good deal, and I rarely see a policeman, although I have seen many instances of careless driving, reckless driving, endangering human life. I see it every day, and particularly with reference to passing street

cars. When people are getting on or getting off street cars, half the time the automobile drivers do not observe the rule that they must stop to allow people to get off a street car or get on a street car. They run around them, and take all sorts of chances, and I never see a policeman. Many a time I have looked about to try to find one to make complaint, but I can not see them; and I do not think the policemen are neglecting their duty, either. I do not intend to charge that at all. I think there are not enough of them in the city.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. McKELLAR. I was just wondering whether the Senator had heard the Washington definition of "the quick or the dead"—the quick being those who are able to get out of the way of automobiles, and the dead those who are not quick enough to get out of the way.

Mr. PHIPPS. Mr. President, I should like to say for the Record that last year's bill came to the Senate with an increase of 17 patrolmen. The Senate committee added 75. In conference that number was cut down to 42, so that the net addition to the bill was 59; but at the same time, by reason of the passage of a separate bill creating the White House special police force, we released 54 patrolmen from the White House grounds, and their services became available for the regular force. This year's bill comes to us with an increase of only one captain and five patrolmen. That was the Budget estimate, approved by the House, and, of course, the commissioners were rather precluded from coming to the committee to ask for an increase. They did not ask for an increase over the Budget. We had no intimation that they thought the allowance was too light or that they favored an increase. They made no expression on the subject. In addition to the 1,087 policemen who are on the rolls to-day there are a number of crossing policemen who are paid by the tramway companies. The exact number of those officers I have not at the moment, but there are quite a number of them, and they care for the down-town section and the crowded centers; but the committee had no basis or authority on which to propose an additional increase this year.

Mr. ROBINSON. Mr. President, the Senator from Massachusetts [Mr. LODGE] and other Senators have discussed at some length a question that is not pending before the Senate. That is to say, no provision in this bill and no amendment proposed to it contemplates any reform of the conditions complained of. It is doubtful whether an increase in the number of policemen will accomplish the very wholesome purpose of protecting the public in Washington from avoidable traffic accidents. The difficulties grow in part out of the way in which the city of Washington is laid out.

In nearly every city in the country other than the city of Washington, the streets run at right angles to one another, and the points of intersection are not so numerous as they are here. While our city is beautifully laid out, the manner in which the streets are extended certainly is not calculated to promote the safety of the public, especially under the conditions that obtain with respect to automobile traffic.

We have a system of streets at right angles, the city being divided into four sections with reference to the compass, and the streets being arranged in each of these four sections practically identically, the streets running north and south commencing near the Capitol being numbered, the streets running east and west commencing near the Capitol being lettered, all the letters being used, as I remember, except J, X, Y, and Z; so that at almost every important point in the city we not only have the streets crossing one another at right angles but we have intersecting them a system of avenues at obtuse angles, and also a system of "roads" and "places" which make the plan of the city quite complex, and which make the efficient handling of traffic, in so far as it affects the safety of the public, more difficult than it is in any other city within my knowledge.

Boston has been referred to by the Senator from Massachusetts [Mr. LODGE] and is mentioned by my colleague [Mr. CARAWAY]. In that city the streets are very narrow, and in many instances they are not straight. Nevertheless the principle that I have laid down is applicable even to the city of Boston, with its many crooked streets; so that is one condition that it is fair to take into consideration when discussing this subject.

Another is that with the enormous increase in automobile traffic, particularly in the shopping districts, it has become necessary further to revise the regulations. There ought not to be any parking of automobiles on F Street, and there are other

localities in the city where parking must be prevented by action of the city authorities or of the Congress.

Mr. FLETCHER. Mr. President, may I suggest to the Senator that possibly some rule might be laid down requiring some of these congested streets to be made one-way streets?

Mr. ROBINSON. Yes.

Mr. LODGE. Yes; that is a very good suggestion.

Mr. ROBINSON. But I think the desired end can be better accomplished for the convenience of the public by simply allowing automobiles to appear on those streets where the traffic is so greatly congested only for the purpose of taking on or discharging passengers and requiring them to find their parking spaces elsewhere; and, in addition to that, I would make this suggestion—

Mr. LODGE. I think that reaches the great point of difficulty.

Mr. ROBINSON. I do not know to what extent the city authorities have gone into the subject. I know that they are intelligent men and they must have given thought to it, and probably they have prescribed some regulations to control it; but one of the worst difficulties, one of the greatest dangers that menaces the safety of pedestrians in the District of Columbia and persons riding in passenger automobiles grows out of the manner in which large trucks are operated, and the places where they are permitted to go. There is no excuse for permitting a heavy truck to go on F Street, or on Pennsylvania Avenue for that matter, except when it goes there for the purpose of taking on or discharging merchandise. There is no Senator present who has not observed recklessness approaching criminality among the operators of trucks in the District of Columbia. They disregard every traffic regulation respecting right of way. It is the common, the general practice of truck operators in the District of Columbia to take the right of way in spite of the regulations in the District of Columbia, and they take it by the mere weight and power of the vehicle they are driving. The result is that a citizen who is operating an automobile or an individual who is walking along the street, relying upon the operator of a truck to observe the traffic regulations, takes the right of way when he is entitled to it, expecting the truck driver to respect the regulations, only to find his automobile destroyed or his person injured, if not his life taken by the criminal negligence of the truck driver. That condition can be quickly remedied, and it ought to be remedied, by the District authorities.

The remedy suggests itself. If policemen would arrest the operators of trucks in the District of Columbia when they see them violating the regulations respecting the right of way, that condition would end, particularly if the driver were deprived of his license.

In addition to this, the regulations should be modified so as to permit heavy trucks to go upon certain streets only under conditions which make it necessary for them to go there. If such precautions be taken it will not be necessary, in my judgment, to increase the number of policemen to handle traffic in the District of Columbia. The traffic policemen in the District of Columbia are as efficient as are to be found in any city in the United States. They display a degree of patience and tolerance that at times is amazing, and they certainly are not to be condemned, but are to be commended. But, with all that, you can not remedy the evil conditions respecting traffic in the District of Columbia by doubling the number of the policemen, because you can never have a sufficient number to have one present at all places where danger may arise or where accidents may occur. So that the proper remedy would seem to be to enforce the regulations, particularly those respecting the right of way; keep the heavy trucks off the streets where pedestrians are compelled to go and where automobiles customarily go; and deny operators of automobiles the right to park on certain streets in the shopping district for any considerable length of time.

Mr. LODGE. I agree with the Senator in his suggestion that trucks be allowed to go only on certain streets, and that things would be better if the laws were strictly enforced; but I must say that I think that the stopping of speeding, which, after all, is the principal source of accident, is best achieved when we have more police than we have in certain parts of the city here, so as to make people who speed entirely uncertain as to when they will see the next policeman.

Mr. ROBINSON. I think if the Senator will investigate the matter he will find that speeding, while very dangerous, is more rarely the cause of injury or accident than would at first appear. Every traffic man knows that the rapid moving of traffic often relieves congestion quickly and averts the danger of collision. In some cities you will find that if you drive slowly you will be arrested for doing so, because the

traffic must move with a certain degree of speed. I want to make this suggestion: We talk about these matters with a great deal of earnestness and come to no conclusion except to agree among ourselves that something ought to be done. This whole subject ought to be studied by a subcommittee of the Committee on the District of Columbia, and if necessary the advice and opinion of experts ought to be procured, a plan ought to be devised and brought into the Congress, and whatever legislation is necessary to put it into effect ought to be considered by the Congress and enacted.

Mr. FRELINGHUYSEN. Mr. President, I do not know whether I can contribute anything to the wisdom that has already been displayed in regard to the regulation of traffic in Washington, but I want to suggest to the District Committee that they might find a remedy in following the provisions of the automobile acts in the various States, which provide for the examination of chauffeurs under a yearly license and a penalty of cancellation of the license when they evade the law or when any accident happens through their negligence. If the commissioners should adopt a regulation of that character and deprive the driver of his license when he disobeys the law, you will find that they will observe the speed and traffic regulations. That was applied in New Jersey and the number of accidents was reduced fourfold.

Mr. ROBINSON. Will the Senator yield?

Mr. FRELINGHUYSEN. Certainly.

Mr. ROBINSON. I merely desire to say that that identical suggestion was made to me when I took my seat by my colleague, the junior Senator from Arkansas [Mr. CARAWAY]. He also made this suggestion, that a person operating an automobile which injures anyone should have the onus of proving that the injury occurred without the negligence of the operator of the automobile, and should remain in custody until the investigation has been made and a conclusion has been reached. I do not know whether it would be possible to enact legislation so stringent as that, but I am satisfied that if it could be enacted such a measure, together with the revision of the regulations in the particulars mentioned, would go a long way toward making the individual who visits Washington feel that he is not guilty of gross negligence in appearing upon the streets of the city.

Mr. FRELINGHUYSEN. I may say to the Senator that I have been informed that the accidents in the city of Washington are twice the number in any other city in the United States. That is the report of the accident insurance companies, and the companies which insure automobiles. If you regulate that by penalizing the driver of the automobile, first, compelling him to take an examination, licensing him under the regulations, and then, if he evades the law or disobeys the law, deprive him of his right of livelihood and his right to drive, these careless men who kill people in Washington will be more careful and the number of accidents will be reduced.

Mr. FLETCHER. May I ask the Senator whether any of those acts provide for a forfeiture of the machine? It seems to me that the act should go even further, and not only provide for a forfeiture of the license but for a forfeiture of the machine.

Mr. FRELINGHUYSEN. Of course, I suppose you could bring a suit for damages against the owner of a commercial truck or a commercial automobile. The law to which I have referred was applied in New Jersey, and that was the initial law passed in this country. It has been copied by 33 States in the Union. The District of Columbia, I understand, has not adopted similar regulations; but if you would examine a driver and see that he is competent to drive an automobile, instead of allowing school boys and little colored boys to drive machines, as is done in the city of Washington, if you would ascertain, through some proper department, that a man was competent to drive, you would minimize the number of accidents in this city, whether you had more policemen or not.

Mr. CARAWAY. Mr. President, I want to add just one thing to what the Senator from New Jersey has said. In the first place, if a driver is denied the right to operate a machine after he has been the cause of an accident, that is about the only punishment you can inflict on him that he really would appreciate, and seek to avoid. I think, however, the law ought to go far enough to make every man who owns a machine liable for whatever damage may occur, regardless of who drives it, because the owner of the machine ought to know the character of the man he puts in charge of his vehicle, and ought to be liable for any injury which may be occasioned by the reckless driving.

Mr. McKELLAR. That is the law now, is it not?

Mr. FRELINGHUYSEN. He is liable under the law as it is now.

Mr. CARAWAY. He is liable, but with so many modifications that he always finds a modification that gets him out of it.

Mr. McKELLAR. Will the Senator yield?

Mr. CARAWAY. I yield.

Mr. McKELLAR. The Senator says that the only thing that would bother the chauffeur would be depriving him of his license. Does not the Senator think that if moderate jail sentences were given instead of fines, it would have a wholesome deterring effect on others as well as the man himself? My judgment is that one of the great troubles here in Washington is that chauffeurs who are guilty of negligence and bring about accidents are either turned loose or fined. They care nothing in the world about fines. They ought to be put in jail even for a few days in the case of a light offense, and more days in jail in case of greater negligence. If the judges would put them in jail, I am quite sure there would be very much fewer accidents.

Mr. CARAWAY. I am sure of that, too; but the ordinary chauffeur regards a jail sentence as just so much time lost if he can get his machine as soon as he gets out. He ought to be deprived of his right to drive, and anybody who causes an injury to a person ought to go to jail. I have become thoroughly disgusted. In the city of Washington nearly every day some child is killed, and the coroner investigates and finds that it is an unavoidable accident. There are no unavoidable accidents. Whenever a man hits somebody when driving a motor car, he could have avoided it. When anybody looks after the driving of his vehicle and observes the street, however reckless the pedestrian may be, he can avoid the accident. I have driven a car myself—if you will permit a Ford to be so classified—and I know from years and years of experience there is never a time, if a man is driving with any care for those who walk, when he should injure anybody. Two men driving cars may run into each other, but that can be avoided; and if the coroner would quit always accepting the statement of an irresponsible driver of a car that the child who was killed ran into the street in front of him or that somebody walked out from behind another vehicle and he could not avoid striking him, and if the authorities would enforce the law, they could protect life.

I am sure, from years of experience, that there is absolutely no excuse for a man who, in driving a car, kills another. Of course if he wants to go out and hold hands with somebody, I rather imagine he might be guilty of hitting some one and be able truthfully to swear that he did not see the person he struck; or if he wants to talk and look off while driving, he might be able to truthfully say he did not see the person in time to avoid the accident; but if he is paying attention, he can avoid accidents. A man who drives a car in a crowded street ought to have so much regard for human life, and especially for the lives of children, as to watch the street, and I know he can avoid accidents. He should keep both hands on the wheel, as the Senator from South Carolina [Mr. SMITH] suggests.

The regularity with which the coroner, regardless of how an accident occurs, always find that the person who is injured or killed was at fault is a crime. If there is no law sufficient to punish people, Congress should enact one, raising to the grade of homicide cases where somebody recklessly kills another through negligence in driving an automobile. We read every day of some reckless driver of a car which he does not own dashing around the corner and killing some little child playing in the street. Let us make the punishment so severe that he will never drive another car while he lives. I am out of patience with the way these cases are handled. There is no excuse for it. There have been 8 or 10 deaths in the city of Washington within the last 30 days due to reckless automobile driving, and every man who caused one of those deaths is as guilty as if he had gone out and cut somebody's throat, because he could have avoided it. I do not care what the coroner may say in relieving him of punishment, I know he could have avoided it.

The authorities should take the license away from any man who causes an accident. For a second offense or disregarding the traffic regulations, take the license away from them and let them do something else for a living. A man who does not observe regulations ought not to be entrusted with a car. Make the owner liable wherever the injury is to individuals, and wherever one strikes an individual send him to jail until the facts are thoroughly investigated and it is determined that he is not responsible. That may be drastic, but the man who is so reckless as to kill, and particularly the one who kills children in the street, ought to be punished, and the punishment can never be too severe.

I want to say that the traffic policemen here are efficient, but a traffic policeman ordinarily retards and does not expedite traffic. Only in the most congested centers ought there to be

traffic policemen. Put them at crossings up and down the streets generally, and they actually retard and do not facilitate traffic. Make the drivers responsible, and let the traffic seek its natural flow. We would not gain safety by increasing the number of policemen and we do not gain safety by traffic policemen. We simply cause all the traffic to congest, and when there are turned loose frequently 8 or 10 or 15 cars in one body, turning from right to left, accidents are caused. Remove the traffic policemen except at the most congested corners, punish the driver and punish the owner of the motor vehicle, and we can get rid of the condition.

Mr. PHIPPS. Mr. President, may I state just a word in this connection? While it is not the province of the subcommittee or the Committee on Appropriations to deal with the question of the methods of affording ample protection as against automobile traffic, the members of the committee did take occasion to call the attention of the various officials of the District to the existing situation. We learned at the time that they were in conference with representatives of the State of Maryland and trying to get together on a new plan for licensing automobiles, and at the same time to have the same character of road regulations, traffic regulations, and so forth.

I am not at all meaning to say that it is not a proper time for the Members of the Senate to discuss the question. I am merely trying to say for the Appropriations Committee that while it did not feel within its province to suggest as an appropriations committee what should be done to cure the existing situation, yet it did call the attention of the city authorities to the very well-grounded complaints which have been made because of the excessive number of accidents which have been occurring in the District.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Mississippi?

Mr. PHIPPS. I yield.

Mr. HARRISON. May I ask the Senator if the clause the Senator has been discussing had to do with the exchange of automobile licenses between the District of Columbia and the State of Maryland?

Mr. PHIPPS. That question is not up for consideration. We were discussing the personnel of the police department.

Mr. HARRISON. I was in hopes that the Senator would discuss, before the bill is passed, the question of some kind of a reciprocal agreement, about which we see something in the papers, between the District of Columbia and the State of Maryland touching the use of District licenses in Maryland and of Maryland licenses in the District.

Mr. PHIPPS. I would say to the Senator that that was not in the bill as it came to us, nor did the committee feel that it was justified in presenting something in regard to it, and particularly at the moment when the commissioners and other authorities are in conference with representatives of the State of Maryland in an effort to arrive at a mutual understanding and agreement covering the matter. That would come in some other bill perhaps more suitably than in the bill under discussion at the moment. I think it is really legislation. It is a matter that could be brought in very promptly by the Committee on the District of Columbia rather than the Committee on Appropriations.

Mr. HARRISON. So the commissioners representing the District of Columbia are now conferring with the authorities of the State of Maryland to try to adjust the matter?

Mr. PHIPPS. They are. They are trying to arrive at an agreement not only as to licenses and gasoline tax, but also traffic regulations.

Mr. HARRISON. So nothing will be done in connection with the pending bill touching that matter?

Mr. PHIPPS. Nothing has been proposed in the bill as yet. The committee has not considered doing so. It felt that it should be the province of the Committee on the District of Columbia to formulate such legislation.

Mr. HARRISON. I may say in this connection that I do not care what committee does it, but I was in hopes that some kind of an agreement could be reached so that some understanding between the State of Maryland and the District of Columbia with respect to the use of automobile license tags might be had. I do not like to take the chance of being arrested when I go over into Maryland, and I am sure the genial Senator from New Hampshire [Mr. MOSES], now presiding over the Senate, would not like to be arrested if he went over there. Of course we both conduct ourselves in such way that there is no opportunity to get arrested, but just because one does not have a tag carrying a Maryland number should not, it seems to me, justify his arrest. There ought to be some sort of reciprocity about the matter. I hope it will be worked out, and that during

the present session of Congress we may be able to pass the proper legislation which will put it into effect.

The reading of the bill was continued.

The next amendment of the Committee on Appropriations was, under the head "Metropolitan police, miscellaneous," on page 57, line 15, to increase the appropriation for fuel from "\$7,000" to "\$10,000."

The amendment was agreed to.

The next amendment was, on page 58, line 19, to increase the appropriation for maintenance of motor vehicles and the replacement of those worn out in the service and condemned from "\$25,000" to "\$35,000."

The amendment was agreed to.

The next amendment was, on page 58, after line 19, to insert:

For marking traffic lines for cross walks at street intersections, including personal services, materials, and supplies, \$2,500.

The amendment was agreed to.

Mr. KING. Mr. President, we are making very rapid progress with the District appropriation bill, and, to disturb the monotony of the consideration of the bill, I ask permission to read an editorial from a very great paper—the Chicago Tribune—upon another matter which will be before us within a few days. I do it in the hope that the committee having in charge the bill to which the editorial refers will be admonished to pursue an economical course in dealing with it.

Mr. PHIPPS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Utah yield to the Senator from Colorado?

Mr. KING. Certainly.

Mr. PHIPPS. May I inquire if the editorial relates in any way to the measure now before the Senate, and if it would not be better to have it printed in the RECORD so that all Senators might see it, or does the Senator think it is going to be well to have those present considering the bill take the time necessary to hear it, when it can be read in the RECORD?

Mr. KING. Mr. President, the Senator from Colorado asks the question in such a naive way, and with so much apparent innocence, that I am almost inclined to abandon the resolution which I had to read the editorial. But I will tell the Senator that it is a very important editorial, and while it does not relate directly to the matter under consideration it does relate to appropriations. Knowing that the Senator is upon the Committee on Appropriations, I am sure he will be doubly interested in the editorial, particularly as it comes from a Republican newspaper. The editorial is from the Chicago Tribune of January 20, 1923, and reads:

The pork barrel again.

That is an expression with which we are familiar, particularly in dealing with appropriation bills.

Mr. MCKELLAR. Does it speak of automobiles?

Mr. KING. No. I read:

In the palmy days of the rivers and harbors pork barrel appropriations used to run to about forty millions. It is something of a shock, therefore, to learn that the chairman of the House Rivers and Harbors Committee asks for \$56,539,910.

Why this enormous inflation? What are the sudden needs for river and harbor expenditure which justify such a demand? We used to be free spenders in those days before the Great War debt, yet our \$40,000,000 barrels were a scandal which brought on budget reform. How is it, then, that now, with American business and the American taxpayers, which includes us every one, urging economy, we are asked for \$56,500,000?

We know the old game well, the converging pressure of local appetite for Government money. It was a tremendous pressure, and Congress usually yielded to it until the facts of the outrageous waste it covered were forced into the open. But now, apparently, the system has revived, and its vitality is shown by the fact that it revives in the face of a universal demand for economy and relief from mountainous taxation.

The greed of localities and special interests can not be killed, but it should be fought to a standstill in the interest of the Nation. We have poured hundreds of millions into creeks that could not float a raft and rivers that hardly know a barge. The story has been told while the Nation gasped, and that was when our taxes were a joke compared to what they are to-day. Must we fight that fight all over again? It looks as if we should have to, and the quicker we begin the better.

Fortunately, we have entrenchments now to fight from. They are the new Budget system in Congress.

The editorial must have been written before the House—and I speak with all due respect to the body at the other end of the Capitol—flouted the report of the Budget Bureau, took the bit in its own teeth, and appropriated, I think, a larger sum than is indicated in this editorial:

What we really are fighting for is that system, the system of consistent, orderly appropriation of Government funds in proper relation to our needs and our revenue. A business nation should tolerate no other method of expenditure. If we could be reckless before the Great War debt, we can not afford to waste public money to-day.

Now, how does this rivers and harbors appropriation stand in the light of Budget control as directed by the House Committee on Appropriations?

That committee recommended a new appropriation of \$27,000,000. There is a balance of \$12,000,000 in this fund. That makes \$39,000,000,

or virtually the sum of the old pork barrel before the war. Then pressure was brought to bear and the committee added \$10,000,000 to the original recommendation. Thus the total to be appropriated ran up to \$49,000,000.

But the chairman of the Rivers and Harbors Appropriation Committee was not satisfied. He wants \$7,500,000 more, or a total of over \$56,500,000.

At a time when appropriations for the vital purposes of the national defense have been cut below the minimum of its needs, when there is general demand for retrenchment and most urgent need for economy, such a demand for inflated expenditure on rivers and harbors should not be granted. The Appropriations Committee, which has cut the Army and the Navy ruthlessly, and even dangerously, should have stood by its original recommendation. But there is supposed to be no politics in maintaining the Army and the Navy. When it comes to wasting the Nation's money on river contracts, there is something doing.

I would like to add by way of parentheses that the attitude of the writer of the editorial with respect to appropriations for the Navy, I think, is not accurate. We have appropriated, directly and indirectly, more than \$300,000,000 for the Navy, perhaps \$325,000,000 to \$330,000,000 for the next fiscal year for the Navy.

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. KING. It was an extravagant appropriation rather than the reverse, as is indicated in the editorial.

I yield to the Senator from Arkansas.

Mr. CARAWAY. That is what I was going to ask the Senator. The Senator realizes that the editor does not know what he is talking about when he refers to naval appropriations, does he not?

Mr. KING. I will not say that he does not know what he is talking about.

Mr. CARAWAY. At any rate, he does not represent the fact as the Senator sees it?

Mr. KING. Yes.

Mr. CARAWAY. Then, why should the Senator have any faith in what he says about rivers and harbors? Possibly he knows nothing more about rivers and harbors than he does about appropriations for the Navy.

Mr. KING. The Senator from Arkansas knows many things upon many subjects, but I fancy that there are some subjects upon which his knowledge may not be very profound. So this editorial writer knows perhaps many things and knows them well as to many subjects; and when he comes to deal with the Navy, he may know all about the Navy; and he may think that an appropriation of \$335,000,000 is not too great; possessing, as he does, a navalistic if not a militaristic mind.

Mr. CARAWAY. Yes; and he doubtless lives upon the sea. May I ask the Senator from what paper the editorial is quoted?

Mr. KING. I am quoting it from the Chicago Tribune.

Mr. CARAWAY. Well, there is a lake there, and there is a naval training station. It is difficult sometimes, the Senator knows, for a man who does not know a river when he sees it, to realize that rivers need improvement.

However, I was going to ask the Senator another question. The Senator is one of the very best lawyers the Senate ever had.

Mr. KING. I thank the Senator.

Mr. CARAWAY. I say that seriously. The rule of evidence prevails, I think, everywhere that when a witness testifies recklessly about a material fact that the jury is entitled wholly to dismiss his testimony if it sees fit to do so, does it not?

Mr. KING. Unless his testimony shall be corroborated by other credible testimony.

Mr. CARAWAY. But so far as that witness is concerned, the jury may totally disregard his statement. So when we find this editor does not know what he is talking about in reference to one subject, would we not be justified in saying that we should totally disregard his opinion about other matters?

Mr. KING. I think he knows so much about the river and harbor appropriations that I am inclined to give a great deal of credence to his testimony upon that subject.

Mr. CARAWAY. That is simply because the Senator from Utah is familiar with but one river, which rises where nobody knows and ends where nobody cares, and he naturally presumes that a river is without use because the only river he has in his State rises somewhere and ends somewhere, but goes nowhere, and the water in it contains so much salt that one can not drink it, although, of course, that does not interfere with its use, and fish can not be put in it because they would get pickled before they could be taken out. [Laughter.] It is not navigable, because it is like some of the speeches in the Senate, it is very long but very shallow [laughter] and therefore not subject to be improved. Of course, I do not refer to the speeches of the Senator from Utah, but I was referring to my own.

I suggest, however, in view of the facts, that if I did not believe that the editor knew much about the Navy I would not put much faith in what he has said about rivers and harbors.

Mr. KING. Mr. President, I regret that the Senator from Arkansas should interject personalities into the discussion of this matter.

Mr. CARAWAY. I beg pardon. I was not doing that.

Mr. KING. The Senator may quarrel with the editor as much as he pleases, and he may attribute to myself as much ignorance with reference to rivers and harbors as he pleases. When the river and harbor appropriations shall be discussed, undoubtedly there will be demonstrated how much knowledge the Senator has about the rivers and harbors of the United States.

I might add, parenthetically, that we have had river and harbor bills before us ever since I have been in the Senate. I took occasion to spend more than six months in a critical examination of every report that I could obtain showing the appropriations for rivers and harbors from the beginning of our Government until the year 1919. I examined every report that had been submitted to the Senate and to the House of Representatives, and every report prepared by the engineers of the Army and by those who had to do with the rivers and harbors, the appropriations for which aggregated more than \$1,000,000,000. I have not any hesitancy in stating, Mr. President, from a critical examination of nearly 20,000 pages of the record that more than one-half of the more than \$1,000,000,000 appropriated by the Government of the United States for rivers and harbors was wasted.

I will now pursue the reading of this editorial:

Our expenditures run nowadays in the billions, so a few tens of millions more or less may not seem worth a fight. But every dollar is worth a fight, and in this case there is an issue involved of first-rank importance to the American people. It is the issue of Budget control. It is the issue of orderly, consistent appropriation in the interest of sound government finance and the general welfare, as against the old system of logrolling and waste. That means billions saved in years to come, and they, at least, are worth fighting to save. The House should take a stand on this issue. And if the House will not, the Senate should not fail to defend the public interest against private and local greed. The time to save Budget control is now when public opinion is unanimous for economy. The unnecessary expenditure of ten or twenty millions may or may not be a small matter. The assertion of Budget control is one of the most important duties before Congress to-day, if not indeed the most important.

I commend the editorial, Mr. President, to the Committee on Appropriations, that will have before it the river and harbor appropriations as they come from the House of Representatives.

Mr. CARAWAY. Mr. President, I wish to apologize to the Senator from Utah. I had no intention of being offensive, but probably I had but a poor sense of humor.

I was not criticizing the Senator's knowledge of rivers and harbors except in a facetious way. I have observed, however, that when expenditures are to be made in the section of the country with which one is familiar, and therefore can properly appreciate the need, they are rarely criticized.

The people of the West have built up great reclamation projects. They have erected dams, have reclaimed deserts, have made fertile fields where theretofore there was nothing but waste land, and have added to the permanent wealth of the Nation, but, comparing the results obtained, it has cost \$2 for every acre of land that has been reclaimed in the West to \$1 that has been used in river and harbor improvements. Honestly, the only investment in this country of Government funds that has actually paid a dividend is that which has been made to reclaim land along the great rivers of this country.

I naturally presumed the Senator from Utah had in view the appropriation contained in the bill to which he refers for the improvement of the lower Mississippi River. I can remember, if I may be permitted to say so, one county in Arkansas—Mississippi County—where twenty-odd years ago I taught school; and, incidentally, I did not teach a second session because nobody asked me to do so. In that county at that time there was not a quarter section of land that would have sold for \$40 an acre. There were a few farms lying along the river banks and bayous, because those localities were higher than the back country, but 90 per cent of the county was a swamp. During 23 years that county has made such progress under river improvements that this year it grew 100,000 bales of cotton; it grew one-tenth of all the cotton that was grown in the State of Arkansas; it grew almost one-fifth as much as was grown in the great sovereign State of South Carolina; it grew one-eighth as much as was grown in the State of Mississippi; it grew 1 per cent of all the cotton that was grown in the United States. In addition to that, it was one of the foremost counties of the South in the production of corn, alfalfa, and wheat. Those figures show the result of river improvement in one

county alone. That county has paid back to the Government, in the shape of income and excess-profits tax, ten times more than the Government ever expended in improving the river front of that county, in addition to all the advantage derived by traffic on the river. What is true of that county is true in a lesser or greater degree of other counties in these United States. In other words, every dollar that this Government ever expended on river improvement has paid a dividend, while the expenditures which have been made in many other directions, including those for the Army and Navy, have paid at least merely moral dividends.

I am not criticizing the reclamation projects of the West, where the Senator from Utah lives, although it costs three times as much to reclaim a homestead there as it does to reclaim a homestead in the great fertile valleys of the rivers, against the expenditure of public money for the improvement of which the Senator from Utah so eloquently declaims.

The Senator from Utah said he had critically examined 20,000 pages of evidence. The word "critically" explains the manner in which it was done. A man ought to examine such questions sympathetically and not "critically."

HOOR OF MEETING TO-MORROW.

Mr. WALSH of Massachusetts obtained the floor.

Mr. WARREN. Mr. President, may I interrupt the Senator to make a request in regard to the hour of meeting to-morrow? Mr. WALSH of Massachusetts. I am glad to yield to the Senator.

Mr. WARREN. I ask unanimous consent that when the Senate concludes its business to-day it shall take a recess until to-morrow at 11 o'clock a. m.

The PRESIDING OFFICER (Mr. FREELINGHUYSEN in the chair). The Senator from Wyoming asks unanimous consent that when the Senate concludes its business to-day, it shall recess until 11 o'clock a. m. to-morrow. Is there objection? The Chair hears none, and it is so ordered.

THE TARIFF AND INCREASED COST OF WOOLEN GOODS.

Mr. WALSH of Massachusetts. Mr. President, I wish to occupy the time of the Senate for a few minutes to call attention to a statement in the press to-day which confirms the claim made by the Democratic minority in this Chamber last summer that the high duties levied in the Fordney-McCumber tariff act upon raw wool would lead to a substantial increase in the price of clothing. That claim was made repeatedly by the manufacturers of clothing in this country and by the members of the Democratic minority in this Chamber. It was denied most emphatically by leading members of the majority party.

Before I present the facts which are disclosed in the press of to-day I wish to call the attention of the Senate to the language used by certain leaders of the Republican majority in making the claim that there would be no increase in the cost of clothing to the consumers by reason of the imposition of a rate of 33 cents per pound upon raw wool. I first desire to quote from the Senator from Utah [Mr. SMOOT], who took, perhaps, the most prominent part in presenting the views of the majority when the wool schedule was under consideration. I quote from page 10558 of the CONGRESSIONAL RECORD of date July 22 last. The senior Senator from Utah was asked this question by me:

Mr. WALSH of Massachusetts. I want to ask one question. What does the Senator say will be the increased cost on the wool in a suit of clothes, the average suit of clothes worn by the average American citizen, by reason of this duty?

Mr. SMOOT. Over existing law?

Mr. WALSH of Massachusetts. Yes.

Mr. SMOOT. On the ordinary clothing in the United States, under existing law to-day, there will not be any increase, and I can prove it to the Senator.

Later on the following colloquy took place:

Mr. WALSH of Massachusetts. The Senator says to me and to this body that we are proceeding to increase the protective duty upon raw wool, and consequently the compensatory duties upon the manufactured articles, but that there will not be any increase in the cost of clothing. That is absurd, and even a child would not believe such a proposition as that.

Mr. SMOOT. The Senator misunderstood me. I did not say there was not any increase.

Mr. WALSH of Massachusetts. I asked the Senator what, in his opinion, would be the increased cost of a suit of clothes. He said not anything. Then I say to him that we are proceeding to increase the duty upon raw wool, and consequently the compensatory duties to the manufacturers, and he has the hardihood to say it will have no effect at all upon the consuming public.

Mr. SMOOT. The Senator certainly did not understand what I said.

Mr. WALSH of Massachusetts. Perhaps I did not. I will give the Senator another chance.

Mr. SMOOT. I said that on the general run of clothing worn by men throughout the United States, under the existing rates, there is no increase.

In other language the Senator from Utah reiterated the statement that there would be no increase in the cost of clothing to the consumers. The Senator from North Dakota [Mr. McCUMBER], in discussing the effect of the rates of duty on raw wool upon the increased cost of clothing to the consumers, made this statement; and I quote now from page 10566 of the RECORD of date July 22:

You talk about raising the price of woolen goods. The duty to-day is 45 cents a pound upon the scoured content of the wool. The duty under the pending bill is 33 cents a pound, or 12 cents a pound less. Then, in God's name, how can any man claim that reducing the tariff 12 cents a pound upon the scoured content is going to increase the cost of woolen goods?

It is not going to affect the price of the woolen goods. The price of those goods is coming down. It is bound to come down.

I have not the time to quote from statements of a similar character made by other Senators upon the other side of the Chamber, but all of us will recall that again and again it was claimed in this Chamber that the tariff rates that were levied in that bill would not result in increasing substantially prices to the consumers in America. Particularly was the claim made by those advocating the high rates upon wool.

Then Senator from New York [Mr. CALDER], when he was presented with some figures by leading clothing manufacturers of that State, claiming that the increased cost of a suit of clothes under the rates that it was proposed to levy in that bill would be about \$5 per suit, and on overcoats from \$5 to \$10 each, wrote to the Tariff Commission, asking their opinion on the subject. They gave their opinion, and he gave his; and the opinion of the Senator from New York was that the increased price to the consumer as a result of the rate of 33 cents per pound on raw wool would be 92 cents on a suit of clothes, and \$1.71 upon an overcoat. The Tariff Commission claimed a much higher increase but the Senator from New York rejected their estimates.

Mr. President, the Daily News Record, a newspaper published in the city of New York, nonpartisan, without any editorial policy, confining itself to furnishing the trade, particularly the textile trade, with accurate and full information about the textile business and the prices of textiles, states that yesterday the American Woolen Co. opened its samples of woolen and worsted goods and announced its prices. The American Woolen Co. controls 25 per cent of all the woolens and worsteds manufactured in America. It is the leader in fixing prices of woolen and worsted cloths, and all the independent companies wait until it sets the price, and they follow with the same price. That is not disputed. Yesterday the prices were fixed upon woolen cloths and worsteds, the first prices announced since the tariff law was passed in September, and the American public now know somewhat the effect of the high tariff duty levied in that act upon raw wool.

This newspaper states that 50 leading worsted staples show an advance of 12½ per cent over the fall line of last year. It further states that staple overcoatings have advanced about 16 per cent. The advance in the price of staple worsteds is from 5 to 55 cents per yard. The class of worsteds and woolens that were displayed yesterday for the first time to the manufacturers of clothing, who then and there were present to place their orders for cloths from which to make up clothing that will be sold to the American consumers next fall, were the goods that go into overcoats only. I am not now talking about suitings. At that price and sample opening yesterday the clothing manufacturers of the country were asked by representatives of the press to make comment upon the increased prices and the result of the increased prices in the increased cost of clothing to the American consumers.

I now read from a statement contained in this paper, the Daily News Record, under the title "What clothing manufacturers think":

In the face of the opening quotations of independent piece-goods operators . . . majority opinion was inclined to the belief that the prices represented the best that might be expected. The consumer will be called upon to pay an advance of \$5 to \$10 on his overcoat for next fall, on the basis of the American woolen quotations, the trade figures. As for suits, nobody was predicting anything, for the prices of cloths on which the bulk of next fall's suit business will be done have not yet been announced, it was said.

Five to ten dollars increase in the price of overcoats to the American consumers next fall!—a higher figure than anybody estimated on the floor of this Chamber; a higher price than Goldman, who was abused and vilified for his prophecy by Senators in this Chamber, estimated. The cheapest overcoat that the American man or boy will buy next year will cost him \$5 more by reason of this tariff bill. The estimate which I made, representing the minority, was that the maximum would be about \$5 on overcoats.

What answer are the majority going to make now to the assertions that were made by clothing manufacturers and the press at the opening of the prices of woolen and worsted cloths

yesterday in the city of New York? Will they still claim that this high duty of 31 cents per pound on raw wool has not resulted in increasing prices to the consumer?

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from South Carolina?

Mr. WALSH of Massachusetts. I do.

Mr. DIAL. I should like to ask the Senator if he thinks the top has been reached yet? Perhaps they are just starting to increase prices. Possibly the top has not yet been reached.

Mr. WALSH of Massachusetts. The Senator's observation is a very valuable one, because this newspaper states that the top has not been reached; it is only the beginning of the increases in the prices of overcoats and suits. Of course, the burdens of this iniquitous law will not be fully fixed upon the poor, unorganized consumers for months.

I want to read from this newspaper some views given out by the clothing manufacturers, who were there at the opening in large numbers, anxiously waiting to see what increase in prices there would be in the worsted and woolen cloth which they were to buy and send to their factories to make up into clothing to sell to the American people. Understand, there had been an increase in the fall prices as compared with the spring prices of 1922, and here is another increase in the prices that are made at this time which will become operative to the consumer when he buys his clothes next fall. Where, I ask, are our people to turn for relief from such tax burdens on their clothing? The prices are going up, up, up; the farmer is impoverished; wages are not increasing; the pay of the salaried men and women of this country, the clerks in the stores and the shops and banks, and the income of professional men remain undisturbed. There is no increase to meet this increase in the cost of clothing, and this statement can not be denied. These figures tell eloquently, as well as pathetically, by whom tariff duties are paid. Fifty samples were displayed, showing advances of from 5 to 55 cents per yard. What will be the story when it comes to blankets? What will be the story when it comes to woolen underwear? What will be the story when it comes to sweaters? What will be the story when it comes to woolen socks? Here is the proof. We had to wait months for it. Now we have it. Here are the figures, and here are the increases in prices. Here is what your iniquitous tariff law is going to do to the pocket-books of our people—pick them continuously and to the last farthing.

Returning to the news article and to the interviews that were collected from clothing manufacturers who were present, I quote:

One factor expressed the belief that buying would be curtailed as a result of the substantial advances recorded over prices for fall, of 1922, the fear of consumer purchases slowing up as a result of the increase that would be passed on to him was also expressed.

Even some of the manufacturers of clothing felt disturbed lest these increased prices, when passed on to the consumer, would slow up their business. Let me read further. This comment was expressed especially by those in touch with the retail end of the business:

Another prominent operator emphasized that indications pointed to the complete fulfillment of the prophecy made by William Goldman, of Cohen, Goldman & Co., before the present tariff law was passed, when he said that it would increase the price of clothing to the consumer between \$5 and \$10.

Mr. Goldman himself, when interviewed, said that the prices reflected the opinion generally expressed throughout the trade as of January 1, though more optimistic expressions have been commonly heard recently. Regarding the increase that the prices would necessitate at wholesale and retail, Mr. Goldman said:

"The advance on an all-wool ulster-raglan type overcoat at 30 to 32 ounce weight at wholesale will vary according to the maker and according to the way it is trimmed and made, from \$3.50 to \$7, or from \$5 to \$10 at retail, over last year."

To the retailer the increase is from \$3.50 to \$7, to the consumer the increase is from \$5 to \$10. I quote Mr. Goldman further:

Fabrics that contained reworked wool will show an advance of about \$2.50 to \$4 at wholesale, or from about \$4 to \$6 at retail.

Even the clothing of the poor, made with reworked wool, is to be increased from \$4 to \$6. Mr. Goldman said further:

It is to be borne in mind that in all of these calculations I have taken into account not only the increases in the cost of cloth but the increased cost of trimmings and also a slightly more liberal markup.

I would say this: That on a basis of the openings I do not believe that the present market for wool is fully reflected.

That confirms the observation made by the Senator from South Carolina.

I believe that the mills, if they had to figure their wools on the basis of the present market, would have to get somewhat more for their goods. This is surely true of the staple suitings that are open, but it would be different yet to forecast the advance in suitings until fancy suitings on which the bulk of the business is done, both in wool and worsteds, are open.

The prices of staples alone were opened yesterday. The prices of fancy suitings have not yet been made known, and it is fancy suitings that are used largely in the making up of suits of clothes.

We will all be interested in hearing what the Senator from Utah has to say. I am sorry the Senator, who is here now, was not in the Chamber when I quoted his words from the CONGRESSIONAL RECORD used on this floor last July, when he said that there would be no increased prices reflected in the cost of clothing.

Mr. SMOOT. I said there should not be; I did not state there would not be.

Mr. WALSH of Massachusetts. The Senator said there should not be?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. I have quoted the Senator's exact words. Does the Senator still think there should not be?

Mr. SMOOT. Absolutely.

Mr. WALSH of Massachusetts. So the Senator says that either the manufacturers or the clothiers are profiteering, and the increase in tariff duties is not responsible. Then I ask him, as a good Republican, as a man who loves his party, and his country more, to offer a resolution to investigate the increased cost of woolen cloth and woolen goods, and find out if it is an effort of these manufacturers and clothiers to profiteer upon the American people, and is not an honest increase due to their having to pay a higher price for the raw wool which goes into the manufacture of clothing.

Mr. President, I am not going to prolong the discussion. I want to give the Senator plenty of time, but I do want to hear from him. I do want to have him make some explanation about this. The country wants to hear it. I know he is disturbed about it.

Mr. SMOOT. Not in the least.

Mr. WALSH of Massachusetts. He does not have to make the explanation to-day if he does not want to, but he must face the fact that there has been this increase and that there will be an increase of from \$5 to \$10 in the price of overcoats. I repeat, it is due either to the tariff upon raw wool or to the spirit to profiteer upon the part of the manufacturers of this country, whose cause nobody has championed more insistently than has the Senator from Utah. He must take his choice. The increase is due to either his high tariff or to the fact that his friends the manufacturers are proceeding to extort this increased price from the American public.

I want to apologize to the Senator from Colorado, who has charge of the pending bill, for injecting these remarks at this time. I know the subject is somewhat foreign to the bill under discussion, but I knew that the Senator from Utah especially would be interested in the information which I have given to the Senate, as conveyed through the press of New York this morning. I wait with very much interest the denial of the press reports or the explanation as to why the American public must pay from \$5 to \$10 more for their overcoats next fall.

Mr. PHIPPS. Mr. President, I am not at all disturbed by the injection of the interesting remarks of the Senator from Massachusetts. We expect such interruptions.

Mr. WALSH of Massachusetts. Not always from me.

Mr. SMOOT. Mr. President, I was called from the Chamber to a committee meeting, and I am sorry that I was not here when the Senator began his address; but I have heard enough of it to judge as to what he said before I arrived in the Chamber and the object of his remarks.

During the discussion of the tariff bill, when the Fordney-McCumber bill was before the Senate, I stated that, as far as the duty of 31 cents per pound on the scoured content of wool was concerned, there should be no increase in the price of cloth. I maintain that to be an absolute fact to-day. The duty that was paid upon clothing wools before the Fordney-McCumber bill passed was higher than the duty provided in that bill, and I defy any living soul to say that it was not. I will let the Tariff Commission themselves be witnesses.

Mr. WALSH of Massachusetts. Of course there is no dispute that at the time the McCumber-Fordney tariff law was enacted there was upon the statute books the emergency tariff law in which the duty upon wool was higher than that named in the McCumber bill. It is also true that that law was only upon the statute books about a year, and that in anticipation of its enactment the woolen manufacturers of the country filled their storehouses. There was little increase in the price of wool during that time, and the law did not, in fact, become operative, because of business depression and the inclination of the wool trade to hold off buying new stock until the permanent tariff was enacted.

Mr. SMOOT. Mr. President, the figures contradict that statement from beginning to end.

Mr. WALSH of Massachusetts. While the McCumber tariff law lowered the rate somewhat upon wool, in view of the embargo joker contained in the emergency tariff law, yet it increased the cost of wool greatly, for we had no duty for 10 years before the emergency tariff law on raw wool. I ask the Senator how he explains the increased cost of overcoats, when he claims that his tariff bill reduced the rates upon raw wool?

Mr. SMOOT. Mr. President, that is so easy to answer that it seems to me a Senator who comes from a State that produces overcoatings, and is so interested in the subject, would never have asked the question. Can a cotton manufacturer make cotton cloths with cotton at 28.9 cents, the price of cotton yesterday, as cheaply as he can with cotton at 13 cents? I do not ask the Senator from Massachusetts to take the price of wools here in the United States to-day and compare them with the price the day we passed the McCumber bill. Let him take the markets of the world; take the London market, where most of these wools are purchased, and he will see the reason why the cloth is higher. It is not on account of the tariff.

Mr. WALSH of Massachusetts. That has nothing to do with the increase?

Mr. SMOOT. Yes; the increased world price of wool has something to do with the increase. The Senator knows they have increased, and the Senator knows they have not increased to equal five and ten dollars a suit because of any tariff or because of the increased price of wool, and I am going to show the Senator that that is true.

Mr. WALSH of Massachusetts. Does the Senator deny the fact that at the opening yesterday of the American Woolen Co. samples there was shown to be a substantial increase in the price of woolen cloths?

Mr. SMOOT. Certainly the Senator does not deny that. It is reported the increase on clothes was about 12 per cent.

Mr. WALSH of Massachusetts. The Senator says it is not due to the tariff duty levied upon wool in the McCumber bill. Then, I ask him to what it is due?

Mr. SMOOT. I will tell the Senator in a few minutes the cause of it. The price of wool to-day, as compared with the price of wool when the McCumber tariff law went into effect, will make, perhaps, two and a half to three dollars difference in a suit of clothes.

The Senator has read a statement to the effect that it makes a difference of \$10 in the price of the wool in an overcoat. Does it? There are 4 yards of cloth in an overcoat. The cloth was 32 ounces per yard, according to the article as read. Being 2 pounds to the yard, 4 yards would make 8 pounds, and 8 pounds at \$1.25 a pound is \$10, and thus far not the tariff on the wool but the cost of the wool in an overcoat, if the coat is all wool. Mighty few overcoats made in this country or any other country are all virgin wool. Most of them are made in part of reworked wool, as the Senator knows.

Mr. WALSH of Massachusetts. Will the Senator permit me to ask him this question: When a manufacturer increases the price of his product it is due usually to one of three things, is it not, a desire for more profits, an increase in the price of labor, or an increase in the cost of raw material. Am I correct in that proposition?

Mr. SMOOT. Yes; that is true in the main.

Mr. WALSH of Massachusetts. I am claiming that the increase in the price of woolen cloths, as announced yesterday in New York, is due to an increase in the price of raw wool to the woolen manufacturer, caused in fact by the high tariff duties on wool, and the Senator says it is not.

Mr. SMOOT. No; I did not say any such thing.

Mr. WALSH of Massachusetts. Then we agree.

Mr. SMOOT. I say that to-day in the markets of the world wool is higher than it was at the time the Senator referred to, and the Senator will admit it; just the same as cotton is higher to-day.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. I yield.

Mr. ROBINSON. Did the increased tariff on raw wool have anything to do with the increased price of wool?

Mr. SMOOT. There was a decrease in the rate of duty on wool in the present tariff act.

Mr. WALSH of Massachusetts. A decrease in the rate fixed by the emergency tariff law, which was enacted for a limited time and which preceded only by a few weeks the drafting of the permanent tariff law we are now operating under.

Mr. ROBINSON. Oh, yes; over the emergency tariff act.

Mr. SMOOT. The Senator from Massachusetts knows that during the time the emergency tariff act was in effect they had to purchase wool for a light-weight season and for a heavy-

weight season, and those were the prices which they compare now with present prices, and therefore the tariff rate now should be compared with the tariff rates upon the wools of which the cloth was made.

Mr. ROBINSON. Of course, the object of the high tariff on raw wool was to increase the price of raw wool?

Mr. SMOOT. Some duties are, I will say to the Senator.

Mr. ROBINSON. Any protective duty.

Mr. SMOOT. I mean on articles where there is not enough produced in the country to fill all the wants of the consumers. I do not mean to say that all the rates of duty are added to the price of the article. I have in my desk clippings from English publications in which it is stated that upon articles where increased rates of duty were imposed, the amount of the rate was deducted from the English price. I have a statement from the purchaser for Gimbel Bros. of dresses from Paris, that they were no more than they were before, that France had taken off the price the increased rate of duty, in other words, deducted from the price just the amount of the increase in the last tariff law.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER (Mr. Moses in the chair). Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. Certainly.

Mr. ROBINSON. Does the Senator contend that the emergency tariff rates were reflected in the price of raw wool?

Mr. SMOOT. Why, certainly they were, just the same as the present tariff rate is. The emergency tariff rates saved the wool producer in this country.

Mr. ROBINSON. The Senator, of course, understood the Senator from Massachusetts to maintain that under the peculiar conditions which existed surrounding the trade and the length of time that statute was in force and the conditions under which it went into effect, the tariff under the emergency act was not fully reflected in the price of the raw material. I am asking if the Senator fully concurs in the view?

Mr. SMOOT. No; but let me say to the Senator that America does not produce much more than one-half the amount of wool she consumes. So any act of Congress could not be in force a year or more unless the rates proposed in the act would have a bearing upon the price of the goods during that time we had to import wool.

Mr. ROBINSON. If the supply of wool was such that importations were not imperative, it might be true that the rate might be increased indefinitely and for quite a period not reflect itself in the price of the material.

Mr. SMOOT. I admit there is no doubt about that, but what were the facts in the case? While the Fordney-McCumber law was under consideration in the Senate there was scarcely any wool actually imported into this country. There was 110,000,000 pounds of it brought here but held in bond until the Fordney-McCumber tariff law went into effect. Why was that done? It was because the rates were just a little more than half the emergency tariff rate on clothing wool. In other words, under the emergency tariff law the rate upon the scoured content of clothing wool shipped into this country was 55 cents. Under the Fordney-McCumber law it was reduced to 31 cents. That is why they piled up 110,000,000 pounds of wool in the bonded warehouses here and took it out of those warehouses after the tariff bill became a law.

I simply want the American people to understand that if there is any increase whatever upon the cloth from which the clothing and overcoats are made, whether it be cheap or whether it be the finest made in the land, it does not come on account of the tariff rate.

Mr. WALSH of Massachusetts. From what does it come?

Mr. SMOOT. The reason that could be advanced comes from the fact of the increase in the price of wool in the markets of the world. I want to say to the Senator that some time or other the American people will understand that no tariff law will impose a cost upon clothing as great as all the wool costs with the tariff added. They can not get away with that fable forever. It is impossible. I say now that the American people will sooner or later understand that if it takes 4 pounds of wool to make the cloth in a suit of clothes and that the wool costs \$1.25 with the tariff included, then all of the wool in a suit of clothes, including the tariff, amounts to only \$5, and if it were given to them—

Mr. WALSH of Massachusetts. Does the Senator claim that the clothing manufacturers are profiteering?

Mr. SMOOT. That I can not say. I do not know what their prices are. I have not seen the samples.

Mr. WALSH of Massachusetts. Either the clothing manufacturers or the woolen manufacturers are profiteering, and if they are I charge the Senator and his party with the responsibility, because they have increased the protective duty levied

in favor of the clothing manufacturer and also the manufacturer of woolen cloth.

Mr. SMOOT. That has nothing to do with the proposition previously made by the Senator from Massachusetts.

Mr. WALSH of Massachusetts. It is not competition from abroad.

Mr. SMOOT. Competition where?

Mr. WALSH of Massachusetts. Competition from abroad.

Mr. SMOOT. All there is of competition in clothing, the Senator—

Mr. WALSH of Massachusetts. There is not any, because the duties have been so high they could not come in. The duties upon clothing and upon woolen cloth coming into this country have been so high that there has been a monopoly here in the clothing manufacturing business and the woolen and worsted woven-cloth industry, and the Senator knows it.

Mr. SMOOT. The Senator knows nothing of the kind. The manufacturer in this country pays his duty upon the wool, and with the duty he has to compete, of course, with the foreign country, but where is there a country on earth that makes ready-made clothing as cheaply as we do in this country? Why, the duty was not placed on manufactured clothing, as I said to the Senator time and time again upon the floor of the Senate, because of a need of protection. He knows it. He knows that Kirshbaum, Kuppenheimer, the Royal Tailors, and similar manufacturers can manufacture ready-made clothing as cheaply as any place in all the world. The only reason why the duty was placed upon it was to catch these—

Mr. WALSH of Massachusetts. The wealthy class who import fancy clothing.

Mr. SMOOT. Yes; I will use the term "highbrows." They are not satisfied with wearing clothing made in America; they must have it from England or Scotland. I wanted them to pay something for the privilege. That does not cost the American people one cent; and if we could get some of the money out of them to help pay the expenses of the Government, that is what I wanted to do. I think the American people approve of it. I think when I get into a state of mind that I can not wear a piece of cloth made in America, and I want a certain Scotch plaid or Scotch tweed, I ought to pay for it.

Mr. WALSH of Massachusetts. Mr. President, will the Senator permit an inquiry?

Mr. SMOOT. I yield.

Mr. WALSH of Massachusetts. I understood the Senator to say that he wants the American people to understand that the reason for the increase in the price of woolen cloth and clothing is due to the world-wide increase in the price of wool?

Mr. SMOOT. I do in part.

Mr. WALSH of Massachusetts. Am I right in the statement?

Mr. SMOOT. I think that is a part of it.

Mr. WALSH of Massachusetts. Then I ask, if that is true, does not the Senator think the tariff does not help the American farmer in increasing the price of wool?

Mr. SMOOT. Oh, yes; it does.

Mr. WALSH of Massachusetts. It is the world market that has made the price go up, and not the tariff, according to the logic of the Senator from Utah.

Mr. SMOOT. The tariff is less to-day than it was before September 22 last; the day the present act became effective. If we produce in the United States all the wool that could be consumed in the United States, then the Senator's statement would be correct.

Mr. WALSH of Massachusetts. Does the tariff affect the price to the American wool grower?

Mr. SMOOT. Certainly it does.

Mr. WALSH of Massachusetts. Is not that paid ultimately by the consumer?

Mr. SMOOT. Yes; to the amount of the tariff or approximately so.

Mr. WALSH of Massachusetts. How much is it in an overcoat?

Mr. SMOOT. It is not paid in the form in which the Senator said it was.

Mr. WALSH of Massachusetts. But the Senator will admit it finally.

Mr. SMOOT. The rate now is 31 cents a pound on scoured wool. If there were four pounds of wool in a suit of clothes, that would be \$1.24 per suit. If every cent of it was reflected in the suit of clothes, so far as that is concerned, it would only be \$1.24. I ask any Senator here if he would say that is not true? But the good people of America have been led to believe, through Goldman and his clique, that the wool grower was the man who was getting it. They had figures here to prove that the duty upon wool cost the American consumer something like \$275,000,000, but the fact was at the same time all of the wool that was raised in America did not cost over \$75,000,000. But

they repeated it over and over again, and the Senator from Massachusetts seems to have taken it upon himself to try to convince the American people it is true.

Mr. WALSH of Massachusetts. I wanted to emphasize the fact that Goldman got some confirmatory testimony yesterday from the prices quoted by the American Woolen Co. I think his prophecies were pretty well confirmed.

Mr. SMOOT. There is not a word in the article as read that says anything about the price of wool.

Mr. WALSH of Massachusetts. In the New York Daily Record?

Mr. SMOOT. I mean the increased price of wool in the world market.

Mr. WALSH of Massachusetts. I was talking about the increased price of woolen cloth and of clothing, and not of wool.

Mr. SMOOT. The increased price of cloth is reflected by the increased price of wool and the increase in the world wool price has nothing whatever to do with what the tariff upon wool costs in a suit of clothes.

Mr. President, I do not know whether it is worth while to say anything more upon the subject.

Mr. WALSH of Massachusetts. We will have some more to say later when the prices on the worsteds and the woolen suitings are announced.

Mr. SMOOT. I will add, however, while we are on the subject, that I have here the daily statement of the United States Treasury for January 19, 1923. In looking at one particular item I am reminded of the fact that the Senator from Massachusetts stood upon the other side of the Chamber, week in and week out, month in and month out, claiming that if the Fordney-McCumber bill passed it meant the closing of the ports for all importations of goods into the United States. Has it proven so? Let us see. Do not take my word for it. Take nobody's word except that of the Secretary of the Treasury as to the amount of money that has been received.

The customs receipts up until the 19th of this month have been \$276,766,391.37. For the corresponding period of the preceding year the amount collected was \$164,829,465.07. In other words there have been importations into the United States upon which tariff duties were collected that went into the Treasury of the United States amounting to \$112,000,000 more this year than during the corresponding period last year. The law went into effect September 22, 1922. So all the dire predictions have fallen to the ground, as we said they would.

On the other hand, it was claimed by our Democratic spellbinders it would be impossible for us to export goods as soon as the tariff law went into effect. What are the facts?

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Virginia?

Mr. SMOOT. I yield to the Senator.

Mr. GLASS. Is the Senator seriously contending that under a high tariff our imports are greater than under a low tariff?

Mr. SMOOT. I think generally they are greater in quantity under a low tariff; I am quite sure they are; but I want to say to the Senator that up to the present time, in the operation of the present tariff law, the statistics and the comparisons do not show that to be the fact.

Mr. GLASS. That does not signify anything, as the Senator knows.

Mr. SMOOT. It signifies that all the statements which were made on the other side of the Chamber as to the meagerness of the revenue which would be collected, and as to drying up the resources of the Government, if the bill went into effect, have proved to be unfounded.

Mr. GLASS. The Senator had better wait until the first year of the operation of the law has passed, and not merely take a month or two after the bill has gone into effect.

Mr. SMOOT. It is not a question of a month or two. Nearly seven months of the fiscal year have elapsed, and while the new tariff act has not been in operation all of that time, the emergency tariff act was in operation before the new tariff act went into effect, and the revenues have been increasing all the time. So far as I am concerned, Mr. President, I believe that every prediction that was made on this side of the Chamber for the bill is going to be fulfilled beyond question by the revenue which the Treasury will derive from imports; and I trust that our exports will remain as great in volume as they are to-day.

Mr. FRELINGHUYSEN. Mr. President, I should like to ask the Senator in charge of the pending bill if it is his intention to ask the Senate to take a recess very soon?

Mr. PHIPPS. It was the intention to take a recess at the conclusion of the present discussion.

Mr. FRELINGHUYSEN. I inquire if the Senator from Utah has concluded?

Mr. SMOOT. I should like to complete what I was about to say when interrupted. I should like to finish that thought; that is all.

In 1913, the year before the World War, our exports were \$2,488,018,292, whereas our exports for 1922—and I am referring to calendar years, not fiscal years—were \$3,831,516,735. That is a comparison of our exports for the years named.

BERTHA N. RICH.

Mr. FRELINGHUYSEN. I ask unanimous consent for the immediate consideration of the bill (S. 4114) for the relief of Bertha N. Rich. The consideration of the bill was interrupted this morning by the call for the unfinished business.

Mr. HEFLIN. What is the purpose of the bill?

Mr. McKELLAR. I should like to know what the bill provides.

Mr. FRELINGHUYSEN. It is a bill reported by the Committee on Claims to pay remuneration to a woman whose husband was killed by the discharge of a defective machine gun in the hands of the Army at a recruiting office at the Trenton State fair.

Mr. SMOOT. Mr. President, I will ask the Senator not to request consideration for the bill at this time, as I desire to secure some information in regard to it. I will have the information here to-morrow, and I shall then have no objection to the bill being considered.

Mr. FRELINGHUYSEN. I merely want to say to the Senator that the case involved is one of the most deplorable that has ever come to my notice, and a great deal of criticism has been leveled at me because I have not pressed the measure. I am desirous to see that justice be done this poor woman. Unless the bill may be passed within a reasonable time, we will not be able to secure action on it by the House. In the few weeks' time remaining of the present session I should like very much to have the Senate consider and act upon the bill; and I hope I may be allowed to bring it before the Senate and secure its passage.

Mr. SMOOT. I will have no objection against the consideration of the bill to-morrow.

Mr. FRELINGHUYSEN. What objection has the Senator to the bill?

Mr. SMOOT. First, I have objection to the amount carried by the bill; and, second, I desire to know something in relation to the responsibility of the Government.

Mr. FRELINGHUYSEN. If the Senator wants to ask any questions, I have all of the evidence here. I have made a careful investigation of the case.

Mr. SMOOT. I have read the report in full.

Mr. FRELINGHUYSEN. Has the Senator read the evidence?

Mr. SMOOT. I have not read the evidence; but, as I have stated, I have read the report.

Mr. FRELINGHUYSEN. I have the evidence all here.

Mr. HEFLIN. Mr. President, I should like to inquire of the Senator the character of the bill.

Mr. FRELINGHUYSEN. It is a bill reported by the Committee on Claims proposing to appropriate \$15,000 as compensation to a poor woman whose husband was killed by the accidental discharge of a machine gun in the hands of a United States officer.

Mr. HEFLIN. Has it been unanimously reported by the committee?

Mr. FRELINGHUYSEN. It has been unanimously reported by the committee.

The PRESIDING OFFICER. Objection has been made to the consideration of the bill.

THE MAKING OF TARIFFS.

Mr. CAPPER. Mr. President, I have before me an able and illuminating article written by William S. Culbertson, of the United States Tariff Commission, printed in the January issue of the Yale Review, on the making of tariffs. I know it will be of interest to the Congress and to the people, and I ask unanimous consent that the article may be printed in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article referred to is as follows:

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THE MAKING OF TARIFFS.

(By William S. Culbertson.)

Tariff making by Congress presents enormous difficulties. These difficulties are technical, economic, and political. They increase from decade to decade, and their interaction becomes increasingly complex, if not dangerous. They were dramatically forced upon our minds during the general revision which came to a close on September 21, when the President signed the tariff act of 1922. For about 18 months Congress had struggled with the making of this law. Over 10,000 pages of "information" for the committees of Congress were

printed, and millions of dollars were expended directly on the revision of the tariff. There were long hearings, committee conferences, and debates. Manufacturers, farmers, stock raisers, miners, lumbermen, publishers, importers, representatives of department stores and mail-order houses, and consumers descended upon Washington to press their claims on Members of Congress in open hearings and private interviews. Some prophesied disaster if rates were not increased; others with equal zeal urged low duties or free trade for the articles in which they were personally interested. Floods of letters, briefs, and telegrams were sent by those who attempted to interpret the needs of special economic groups or pointed out the political consequence of this or that decision by the tariff makers.

All this controversy seriously diverted the attention of Congress from the consideration of other pressing problems. Those who expect to benefit from the tariff revision are not the only persons who have chafed at the delay in the enactment of the tariff act. Dissatisfaction has been freely expressed. There has been fruitless denunciation of "lobbies," and some cheap criticism of individuals. These profit little. Criticism should be directed not against our political leaders, who have worked devotedly and conscientiously, but against the traditional system which they felt themselves bound to follow. The difficulty with this system is not that private "interests" seek to present their claims. Under our form of government this is inevitable. Private parties are entitled to present their points of view and to produce information which they believe to be relevant. Moreover, they are an almost indispensable source of information. If the system by which a tariff law is made does not provide a regular channel and an orderly procedure for the presentation of the facts by the interested parties, they will find some means to bring their case before those vested with the power of final decision. An appreciation of this situation makes obvious the futility of talk about private interests "lobbying" in the Capitol and has directed attention to the improvement of the method of tariff making.

Impetus was given to this movement by a number of factors. At the outset a tariff revision was recognized as involving questions of general policy of the utmost importance which Congress, and Congress alone, could determine. Any modification of the tariff-making process must recognize this fundamental principle. The tariff is not a narrow subject. It affects every phase of our economic life. Considered from the standpoint of revenue, it becomes a fiscal problem and raises many questions of public finance. Viewed from the standpoint of the producer, it becomes an industrial problem and requires a careful analysis of all the factors which relate to the actual and potential competitive strength of our many industries. Considered from the standpoint of the consumer, it raises the questions of the incidence of taxation, of the cost of living, and of distribution. Viewed from the standpoint of our foreign relations, it presents some of the most complex and difficult questions in the field of international commercial policy. In 1921-22 there were added to these aspects of the tariff question problems not previously encountered. We had emphasized, as never before, for example, the interest of our exporters of manufactured goods and of our financial groups in tariff legislation.

Difficulties in tariff making, however, have not resulted from the determination of general policy but from the details of rate making, for which Members of Congress, except in rare cases, have no time or aptitude. The framing of a wise tariff law requires, in addition to judgment and common sense, accurate statistical and technical knowledge upon the thousands and thousands of issues which arise at every turn in the making of the bill. To vote intelligently on the tariff a Congressman must distinguish between raw silk, thrown silk, spun silk, and artificial silk; between *crêpe de Chine*, *georgette*, and *habutai*; between tapestries, pile fabrics, and damasks. He must understand "cloths woven with eight or more harnesses, or with Jacquard, lappet, or swivel attachments." He must know the quality and quantity of manganese ore produced in the United States and estimate the likelihood of an increase or decrease in production. He must differentiate crocus, tulip, and hyacinth bulbs. He must know the weight of nutshells and how much cowhide there is in a pair of shoes whose uppers are of kid. He must know the use of pieces of glass of areas respectively greater and less than 144 square inches; and he must have similar information about the 4,000 different articles mentioned in the tariff. Otherwise he must either make a guess at the proper rates or accept the suggestions of interested parties. A vast amount of information of the nature just indicated is needed in making a tariff by any other method than simply asking the parties what rate they would like. Congress must depend upon outside sources for this information. The Tariff Commission stands ready to provide it, but under the old system there was no assurance that Congress would give it serious consideration in the face of political pressure from the interested groups.

The tendency is toward greater complexity in tariff making. This is an inevitable consequence of our expanding population and of the growing intricacy of commercial and industrial life both in the United States and in competing foreign countries. A hasty survey of the results of our Federal census is sufficiently impressive, but the great and growing diversity of American industrial life is not fully appreciated until it is analyzed in detail. In the field of the tariff particularly it is frequently not the large-scale industries which present problems; it is the new and small industries, whose products may be of extremely small value but whose significance is very great in the industrial life of the country. The stimulus of the war of 1914-1918 to American industry was very great. Products never before produced in this country are now produced in substantial quantities. New industries have sprung up and are presenting in a new form the old industry argument for protection. A number of these new industries are also so-called "key" or essential industries, the encouragement and maintenance of which might be justified on the grounds of national self-sufficiency. As materials which have received attention for the first time, or which for the first time have presented serious problems, may be mentioned cerium, molybdenum, manganese, tungsten, ductile tantalum, and other metals used in steel and nickel alloys. The increasing diversification of American agriculture and the development of more intensive types of production have brought to the front as tariff issues semitropical fruits and nuts, including peanuts. Problems relatively unimportant a decade or two ago have become prominent in respect to dairy products, eggs and egg products, cereals and cereal products, canned and preserved fruits and vegetables, seeds, beans, and a considerable list of vegetable oils.

The consideration at one time in a general tariff revision of all these interests is a most serious defect of the old system. The merits of particular cases are often overlooked or disregarded. Politics and personal influence thrive. The deepest political forces in the country

are brought into play, and they are frequently in conflict. Compromises must be reached in order to make any progress, and frequently the weight of decision is upon that side which can command the most effective political and personal influence.

An important factor, which finally turned the scale in the consideration of new methods in tariff making, was the unusual rapidity of the changes in economic conditions now taking place in the United States and in foreign countries. The conviction grew during the recent revision of the tariff that rates adequate to meet a given situation might soon prove either excessive or insufficient under conditions which might arise six months or a year later. There loomed the possibility that Congress would have to consider the tariff problem continuously. Economic conditions in the United States were fluctuating under the influence of postwar adjustments, including liquidation, in practically all of our industries. The changing of conditions, sufficiently serious in the United States, was infinitely more perplexing abroad. The situation abroad was created not only by the demoralized condition of European industry resulting from the war but also by the unbalanced budgets, the depreciation of currencies, and the failure to reach a decision in the reparations question. There seemed to be no stability whatever in European industry. The force of foreign competition, though equalized by the tariff at one moment, might suddenly be modified in a way to affect seriously American industry. Congress, in many instances fixed rates at a point which gave American industry the benefit of the doubt, but with the realization that rapidly changing conditions would probably necessitate readjustments in the future.

These conditions brought to the front as had never before been done the subject of our methods of tariff making. It was realized at the outset that the rule or principle or policy upon which tariff rates are to be determined is distinctly a legislative problem, and that a legislative function under no conditions can be delegated. The finding of the facts and the application of the rule or principle to these facts were, however, recognized as essentially administrative problems. Congress has attempted to gather facts by means of hearings, but more and more it has looked to such organizations as the Tariff Commission to furnish unbiased and impartial information. And in the actual framing of the bill the committees of Congress not infrequently, after hearing the interested parties on both sides, appealed to experts for assistance in applying to the facts as presented the principle upon which the bill was being framed. The tendency of tariff making has been toward Congress laying down the rule or guiding principle and entrusting to a few men the application of the rule to the facts. In a general way, therefore, the new method of tariff making embodied in section 315 of Title III of the tariff act of 1922 is a natural development.

Before we discuss this important step in tariff making a glance at past efforts in the same direction will disclose the tendencies. The desire of the American people to see better methods pursued has been summed up in the phrase, "The tariff should be taken out of politics." But constitutional objections and the absence of a practical plan made the early attempts to a large extent ineffective, although they were useful in laying a foundation. During the last half century several efforts at reform have been made. As far back as 1866 the need of expert advice was recognized in the law creating the office of the Commissioner of Revenue. In 1882 a temporary commission was created to prepare for the general tariff revision then imminent. It conducted no field investigations, but gathered its information through hearings, much as do committees of Congress. Not until 1909 was an attempt made to establish a permanent board with an expert staff ready at all times to advise on tariff subjects. A minor clause in the tariff act of 1909 authorized the President "to employ such persons as may be required" to assist him in administering the maximum and minimum provisions of that law. About the "persons" appointed grew up the Taft Tariff Board, which did valuable pioneer work in investigating costs of production. Less direct, but nevertheless just as real, evidence of the desire for improved methods in tariff making was the cost of production study of the Department of Labor under the act of June 13, 1888, and of the Cost of Production Division of the Bureau of Foreign and Domestic Commerce from August, 1912, when the tariff board was discontinued, to April, 1917, when the present Tariff Commission was organized with broad investigational powers but with no right to determine or even to recommend tariff rates.

These attempts have been useful and cumulative in experience, but they had little effect upon the actual making of rates because they stopped with the finding of facts. They were predicated on the erroneous theory that if long columns of figures and other statistical data were laid before Congress the conclusion would be obvious to all. Accurate information is, of course, desirable. During the revision of 1920-1922 Congress had more than ever before—not, indeed, all that could be desired but much more than it had time to digest. But tariff making is not a matter of mathematics or statistics solely; it is a matter of common sense and judgment. The way to reform lies not in more general investigations and reports of findings for the use of Congress, but in the vesting of the power in the Executive to find the facts in particular cases and to fix a rate which those facts warrant under a rule laid down by Congress.

And this is precisely what the elastic provision of the new tariff act does. It therefore represents a distinct departure in the United States from former tariff-making methods. The President has spoken of it as the "greatest contribution toward progress in tariff making in a century." Under it the President has power to adjust upward or downward individual tariff rates after an investigation by the Tariff Commission has shown that this action is necessary to equalize "the differences in costs of production in the United States and the principal competing country." He may also change the classification of articles specified in the act, and, in the case of articles subject to ad valorem duties, when it seems to meet the requirements of the law more exactly, he may, without increasing the rate, change the basis for the assessment of an ad valorem duty by substituting the selling price of the similar competitive American article for the value of goods in the principal market of the country whence exported at the time of exportation. This emergency power over valuation and the duties on coal-tar dyes are, it may be noted in passing, all that is left in the act as a result of the extensive propaganda for American valuation. Certain limitations are placed on the President's power, as, for example, that no rate can be increased or decreased more than 50 per cent of the rate fixed by law; otherwise his power is plenary. Whenever an investigation results in the finding of facts which warrant a change under the cost of production rule, the President may issue a proclamation changing the rate in question, and 30 days thereafter the new rate becomes effective at our customhouses.

The criticism is occasionally heard that costs of production can not be found, and that if they could be they would not form a sound basis for tariff making. Such criticism results either from ignorance or from a design to defeat scientific tariff methods. It has been

pointed out that the application of the principle of equalizing the difference in costs of production might be used to justify tariff rates of any height. It seems to have been forgotten that common sense and judgment will be exercised in the application of this or any other rule laid down by Congress. No attempt will be made to make profitable the production of coffee in Maine! In fact, no such attempt can be made under the law, for Congress has already determined what articles are to be dutiable and has prohibited the transfer of an article from the free to the dutiable list. Congress also, by fixing a maximum limit of duties under the "flexible tariff" section, has prevented the maintenance of any industry which is really not adapted to the economic conditions of the United States.

The objection that costs of production are difficult to find is not so serious as it has been made out. In 1912 it was pointed out as a result of the experience of the tariff board that, while absolutely accurate finding of comparative international costs was not always practicable, it was possible "in the case of most staple articles of manufacture to determine the ratio of costs between two different countries."

Cost accounting is the only means by which certainty can be introduced into business organization. It presents no insuperable difficulties to industrial leaders. Difficult as it is to find costs of production, every manufacturer knows that the finding of them is the basis of successful business. Even now costs are determined generally with a degree of accuracy sufficient for the purpose of control and even as an aid in the fixing of prices. Costs as a matter of fact are no more uncertain nor do they vary more than industrial life as a whole. Variety and difference are inherent in the problem. Cost accounting is an attempt to measure scientifically the uncertainty and change in industrial life. To reject it would be to abandon the most effective means of measuring actual and potential competition. Considering the purpose for which Congress has laid down the rule, the term "cost of production" will undoubtedly be broadly construed. In determining these costs we shall take into consideration all conditions of production, including wages and other cost items, wholesale selling prices, and advantages and disadvantages in competition. This method will disclose, as no other can, the competitive strength of industries in the United States and competing foreign countries, and will thus provide a sufficiently accurate basis for tariff making.

To these comments concerning the cost of production it should be added that the new system of tariff making does not stand or fall upon the desirability or practicability of the cost of production principle. This principle, for the time being, embodies the policy of Congress. It is a principle upon which it is possible for Democrats and Republicans to agree. But, if for any reason, political or economic, it becomes desirable subsequently to change the rule which the Tariff Commission is to apply, this can be done without disturbing the new method of tariff making.

Uncertainty to business has been urged as another of the objections to this new power conferred upon the President. On the contrary, it is more likely that greater stability will result therefrom. Under the old system individual rates were practically never changed except as a part of a general revision. Nothing could be more disturbing to business than the long-drawn-out tariff controversy through which we have just passed. For a year and a half Congress has been working on the tariff, and business has been held in suspense. The alternative is an orderly method of procedure by which individual rates may be changed when conditions require. Under the new powers conferred upon the President it is not necessary to await a general revision of the tariff in order to obtain relief in the case of particular rates. Those interested in the tariff should welcome a measure which affords them adequate opportunity to be heard and to have individual rates modified to meet changing conditions without the serious upheaval which always accompanies a general revision of the tariff.

The new provision has been attacked on the ground that it transfers legislative power from Congress to the Executive. Careful consideration was given by Congress to the question of constitutionality, and it was agreed that judicial decisions point to the validity of the provision. Congress lays down a definite rule for the guidance of the Executive and leaves to the latter simply the finding of the facts and the application of the rule. The constitutional distinction was summed up in a quotation cited with approval by the United States Supreme Court, as follows: "The legislature can not delegate its power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes or intends to make its own action depend."

The law provides that all investigations under the new sections of the law are to be made by the United States Tariff Commission. Prior to this enactment, the duty of the commission was to make general investigations. It had no power whatever over rates and could offer to Congress no recommendations except those of a general character. It was granted extensive powers to obtain accurate information, particularly from the trades and industries affected with a tariff interest, and it developed a staff of men professionally equipped and technically trained for handling tariff problems. Thus the accumulation of a large body of carefully interpreted scientific facts was made possible. These general powers remain in the Tariff Commission; in fact, they have been greatly extended, and in addition the commission has now laid upon it the duty of investigating particular cases and of making specific recommendations which may result in a change of rate by presidential proclamation.

The commission has, as a result of these new responsibilities, completely reshaped its organization. Under the commission there are now four broad divisions: (a) The office of the chief investigator; (b) the office of the chief economist; (c) the legal division; (d) the secretary's office.

The secretary handles the routine business of the commission. To the legal division are referred questions of customs laws and procedure and any other legal question that may arise in the commission's work. General investigations which the commission may conduct under its general investigational powers will be supervised by the chief economist, and special investigations made necessary by the new powers vested in the President will be under the direction of the chief investigator.

The commission's organization under the direction of the chief economist and the chief investigator consists of a series of divisions each with a chief and other experts. These divisions deal with chemicals, pottery and glass, metals, wood and paper, sugar, agricultural products, textiles, leather, sundries, preferential tariffs and commercial treaties, and accounting. In addition, the commission has provided for the establishment of a New York office and for the conduct of investigations in foreign countries.

The work of the commission's staff is coordinated in an advisory board, which reports only to the commission and is under its immediate direction. The chief investigator is chairman of this board.

Its other members are the chief economist, a representative of the legal division, and the chief of the division of the commission concerned in the subject matter under consideration at any given time.

The first step in defining the commission's procedure was the issue on October 7 of an Executive order by the President directing that all applications for investigation under the new provisions "be filed with or referred to the United States Tariff Commission for consideration and for such investigation as shall be in accordance with law and the public interest, under rules and regulations to be prescribed by such commission."

The commission has issued rules of procedure. They set forth how applications for investigations shall be made and under what conditions and in what manner the commission will conduct formal investigations upon which the President may change the tariff law. Anyone can apply for an investigation. The application need not be in any special form, but it must be in writing. It must also recite the relief sought and the reasons therefor. Obviously, the mere filing of an application does not obligate the commission to proceed formally. It will not order an investigation unless the application or a preliminary investigation discloses to its satisfaction that there are good and sufficient reasons for doing so under the law. The commission can order a formal investigation upon its own initiative as well as upon application. And it is not confined to the issue presented in an application; it may broaden, limit, or modify the issues to be determined.

When the commission finally decides to proceed formally with an investigation it will issue and publish a notice of the nature and scope of the investigation. Any person who then can show to the commission's satisfaction an interest in the subject matter of the investigation may enter his appearance in person or by a representative. He will be notified of public hearings and afforded opportunity to offer such testimony as may be deemed necessary for a full presentation of the facts. The commission's hearings will be open to the public unless the commission believes that a private conference is necessary to protect trade secrets or processes. Evidence submitted will be subject to verification from the books and records of the parties in interest. In conjunction with hearings the commission will conduct field investigations both in the United States and in foreign countries.

In all formal investigations the Tariff Commission's procedure will be judicial in character. Its rules provide for the attendance and examination of witnesses, the production of documentary evidence, the issuance of subpoenas, and the taking of depositions. The commissioner or investigator in charge of any investigation will summarize the hearings and the information obtained by field investigations and will prepare a report. Parties of record will be permitted, before they file their briefs, to examine this report as well as the record, except such portions as relate to trade secrets and processes.

Final hearings will, of course, be before the commission. Parties of record may file briefs, and in some cases may present oral arguments. The commission's findings will be in writing, and will be transmitted with the record to the President for his action.

This article, as will be evident, deals not with the merits or demerits of the rates of duty imposed by the tariff act of 1922, but only with the method—the process by which rates of duty are fixed. Obvious as are the needs for improvement in our system of tariff making, the elastic tariff provision will not be supported by certain groups in the United States. One group of opponents prefers to get its tariff claims accepted through political and personal pressure. Another consists of those politicians who traffic in such wares, and still another of those stationarily minded persons who are afraid to brush the cobwebs down for fear the ceiling will fall. The vast majority of Americans, however, believe in going forward in the improvement of our governmental machinery. The tariff-making methods heretofore in force do not command their confidence, and when they understand the new method thoroughly they will welcome a change which, while reserving to the legislative branch of the Government the determination of policy, will elevate the details of rate making above the level of personal and political influence and give it a judicial character. The present tariff act embodies this fundamental principle. If in operation it develops minor defects, they will be used by its opponents as an argument for discarding this fundamental principle and reverting to the old system. But, whatever the difficulties of administration and whatever minor modifications experience may show as necessary in the new system in the next few years, the act provides the only feasible method of reducing the political element in tariff making; and if the people will actively support it against the opposition which will develop its success is certain.

Perhaps not so fundamental as the provision just discussed, but closely resembling it in the power over rates which they give the President, are two other provisions of the act of 1922. In sections 316 and 317, as in section 315, Congress has prescribed general rules in accordance with which the President, acting upon the advice of the Tariff Commission, may order a change of rates. Method and procedure under these three sections are approximately the same, but the purposes are altogether distinct, and in its way section 317 is almost as revolutionary as is section 315. Section 317 directs our general commercial policy along new lines, whereas section 316 may be regarded as an extension of the principle embodied for many years in our tariff laws (section 303 of the present act), that the Executive shall determine the rate of countervailing duty to be levied to offset any bounties that foreign Governments may from time to time grant to the manufacturers or exporters of articles dutiable upon entry into the United States.

Section 316 applies what is in effect the system of countervailing duties throughout the field of unfair competition. It aims to protect American industry against all unfair methods of competition and unfair acts in the importation of goods. For many years, antidumping legislation has been recognized as a justifiable form of protection supplementary to tariff duties. The usual type of antidumping law, however, is not regarded as sufficiently broad to cover all unfair trade practices, or as sufficiently flexible to meet the unusual conditions of the present day. Section 316 extends to import trade practically the same prohibition against unfair methods of competition which the Federal Trade Commission act provides against unfair methods of competition in interstate trade. Under this section, additional duties may be imposed on the importations of any individual engaging in unfair price cutting, full line forcing, commercial bribery, or any other type of unfair competition; and if the unfair practices are of an aggravated character, the offending individual may be prohibited from importing goods into the United States. These provisions make it possible for the President to prevent unfair practices even when engaged in by individuals residing outside the jurisdiction of the United States. It is a difficult field, but it must be evident that in some such flexible provision as this lies the only hope of an effective protection of American

industry against the variety and subtlety of attacks which may be included in the term "unfair competition."

The other feature of the new law is found in section 317 and is designed to aid American industry by protecting American export trade. Particularly since 1914 has our interest in international commercial policies increased. This interest has been stimulated by the rapid development of our export trade, by our growing dependence for raw materials upon foreign sources, particularly colonial sources, and by the increasing export of American capital and its investment in the development of the so-called economically backward parts of the world.

Before 1914 necessity did not force us as a nation to concern ourselves greatly with the protection of our overseas interests. We allowed our commercial treaty structure to become antiquated, and it is now ill adapted to the new conditions which confront us. We have not had a settled policy of tariff bargaining. Under the tariff acts of 1890 and 1897 we tried two methods of bargaining which, because of their meager results, were finally abandoned. In the recent tariff discussion these methods were considered and rejected. One method rejected was designed to provide "for special negotiations whereby exclusive concessions may be given in the American tariff in return for special concessions from foreign countries."

Offers to concede reductions in American tariff rates in return for reductions in foreign rates make a superficial appeal. They seem to arise from friendliness and to lead to a general moderation of tariff rates, but this view results from centering attention on single transactions. The experience of European countries during the last generation shows that the concessional method of tariff bargaining by its very nature leads to bickerings and to tariff wars. At best it results in concealed, if not open, discriminations against third countries. The outcome has been higher tariffs. Each country makes generous advances in rates to fortify its position for bargaining purposes; and the concessions which it grants are frequently, if not usually, less generous than the preliminary increases.

The other method rejected during the recent tariff discussion was designed to place in the hands of the President power to penalize the commerce of any foreign country which imposes on its imports, including those coming from the United States, duties which, in comparison with the duties imposed by the United States, he deems to be "higher and reciprocally unequal and unreasonable." Probably no more objectionable method of tariff bargaining than this has ever been suggested. The aim of this method is not, at least primarily, to remove discriminations, but to batter down tariff rates, equally applicable to all countries, which American export interests may regard as too high, but which the foreign country may think justified by its fiscal and industrial needs. From the beginning of our history we have been very insistent upon our right to impose any duties which we thought our domestic needs required. Frequently, foreign nations have objected to our high duties, but their claims have been denied. In view of this fact, it was inevitable that Congress would reject a method which was designed to employ penalty duties to force down the level of foreign tariffs. Furthermore, such a method was almost certain to lead to retaliation, and even when it did not provoke retaliation, the method was likely to be ineffective in opening foreign markets.

Congress finally adopted in section 317 a method of commercial negotiation that followed the precedents established by the maximum and minimum provision of the Payne-Aldrich Act which, to quote the conferees who finally shaped the act, "had for its purpose the obtaining of equality of treatment for American overseas commerce." "The United States offers under its tariff (section 317) equality of treatment to all nations and at the same time insists that foreign nations grant to our external commerce equality of treatment." In detail, this section empowers the President, when he deems it to be the public interest, to impose additional duties or even prohibition upon the whole or a part of the commerce of any foreign country that places the commerce of the United States at a disadvantage compared with the commerce of any other foreign country. The phraseology of the law is designed to secure real and not merely nominal equality of treatment. It is designed to secure the removal not only of open discriminations but of discriminations concealed in customs and sanitary regulations and in classifications.

This new section, while similar in principle to the penalty provision of the Payne-Aldrich Act, differs in method and also, in part, in object from its predecessor. In method the Payne-Aldrich provision was inflexible, clumsy, and unworkable. Under it the President may be said to have been debarred for practical purposes from recognizing any discrimination unless it were of sufficient magnitude to justify the imposition of an additional 25 per cent ad valorem upon all the products of the offending country. The law permitted no adjustment according to the nature of the discrimination against American trade or according to the nature of our imports from the offending country. Under the present flexible law, any country which continues to discriminate against American trade may find its trade suffering from exactly those penalties which will do it the greatest amount of harm with the least possible injury to American importing interests.

Obviously, the object of section 317 is to obtain for American commerce equal treatment in accordance with accepted standards of negotiation between nations, but it goes further and includes within its scope discriminations often referred to as of only domestic concern. Most serious from a standpoint of both trade and world peace are the systems of import and export preference which to-day characterize the colonial commercial policies of the United States, Great Britain, France, Italy, Spain, Portugal, and Japan. Preferential import duties are levied by mother countries to give home industries an advantage in colonial markets, and preferential export taxes are imposed to give home industries a preferential position in supplies of essential raw materials. So long as we maintain our policy of preference in the Philippines we are hardly in a position to penalize the colonial preferences of other nations. The term "foreign country" is, however, defined in section 317 to include dominions, colonies, protectorates, or other subdivisions of government wherein separate tariff rates are enforced. It can, therefore, no longer be said that Congress regards colonial preferences as "domestic questions."

An indiscriminate use of penalty duties against colonial preferences was probably not contemplated by Congress. The removal of systems of preference deeply embedded in the economic and political policies of countries may call for serious negotiations rather than for retaliatory steps which might result in trade wars. In this respect the significance of section 317 is that foreign nations can no longer ignore his views if the President raises with them some of the fundamental issues of international commercial policy. The world is drifting more and more toward commercial conflict. There is evident in many countries a desire to use commercial devices for the purpose of furthering narrow national interests. Nations are not looking ahead nor visualizing the

situation which may result from every country pursuing a discriminatory policy in its commercial development. A wider application of the principle of the "open door," which is already a recognized part of America's international policy, will do much to stay the drift toward imperialistic and exclusive commercial policies. Much can be done by the negotiation of commercial treaties, but the most fundamental and serious of the commercial issues between nations to-day must be worked out in an international conference. Merely agreeing to grant equal access to markets and to sources of raw materials is not sufficient. Nations must cooperate to make their agreements effective. Too often the "open door" has been nominally accepted only to be evaded in practice. After all, there are some things which nations must do together. Nationalism, useful and essential in some fields, has its limitations. "In many ways," the President said, on October 11 1922, in his letter to Mr. MONDELL, "real protection comes from cooperation with other nations. The best intelligence of the day recognizes the need to encourage intimacy and understanding in the social, economic, and political family of nations."

We need prophets who can see clearly the dangers of economic rivalry between the nations and who will point the way of escape. It is a false nationalism which emphasizes self-interest to the point of destruction. Men and women will not love their nation less if they come to understand its place in the family of nations and to realize that the judicial settlement of disputes is the only road to security and progress. National control reaches a point sooner or later where it breaks down. Beyond this point national security depends on international security. Economic issues, such as the struggle for markets and raw materials, if not solved by genuine international cooperation, will destroy the nations. By adopting cooperation as a means of solving such world problems, a nation gives up nothing that is worth keeping, and it takes the only course which in the long run will preserve the finest features of nationality.

SALARY OF ALIEN PROPERTY CUSTODIAN.

Mr. SMOOT. Mr. President, I have just received a letter from Col. Thomas W. Miller, Alien Property Custodian, in which he states:

In looking over the debate on the independent offices appropriations bill in Senate proceedings on January 22, page 2199, I note that Senator MCKELLAR, of Tennessee, asked if the salary of the Alien Property Custodian was not \$10,000 a year, to which an affirmative reply was made by you.

I do not remember making the reply, although I heard one of the Senators on my right say he thought that was the amount; but, be that as it may, I participated in the discussion which followed. Colonel Miller proceeds in his letter to say:

I appreciate the great mass of detail you must carry in the position you occupy in the Senate. This is merely to advise you that my salary is \$5,000 a year as fixed by statute. I took occasion to note the rest of your discussion with the Senator from Tennessee regarding minor matters pertaining to this office, and appreciate the manner in which you handled them.

Sincerely yours,

THOMAS W. MILLER,
Alien Property Custodian.

I merely desired to bring to the attention of the Senator from Tennessee and the Senate the contents of the letter received by me.

RECESS.

Mr. PHIPPS. I move that the Senate take a recess in accordance with the unanimous-consent agreement entered into earlier in the day.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Wednesday, January 24, 1923, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, January 23, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the gates of Thy mercy are open day and night. Thy throne is not of iron, but of love. Thou art our Father and the path of duty is the path that leads to Thee. We bless Thee that, as Thy children, Thou dost give joy to life, elevation to our aims, sweetness to our experiences, and peace to our souls. This day let the way be bright and help us to walk more precisely in it. We thank Thee for the privileges, the opportunities, and the fellowships that make life useful and sweet. Safely direct, shape, and control our national life. Always may the influences of this assembly go out for the welfare and the happiness of all the people. In Thy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

BRIDGE ACROSS THE MISSISSIPPI RIVER.

Mr. FAVROT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 11626.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to take from the Speaker's table the bill which the Clerk will report by title.

The Clerk read as follows:

H. R. 11626. An act to extend the time for constructing a bridge across the Mississippi River at or near the City of Baton Rouge, La. The Senate amendments were read.
Mr. FAVROT. I move to concur in the Senate amendments. The motion was agreed to.

TAX-EXEMPT SECURITIES.

The SPEAKER. The gentleman from Iowa.

Mr. GREEN of Iowa. Mr. Speaker, I understood there was a conference report to be presented.

The SPEAKER. It is not in yet.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution H. J. Res. 314.

Mr. GARRETT of Tennessee. Mr. Speaker, does the gentleman from Iowa remember how much time there is left for general debate?

Mr. GREEN of Iowa. The timekeeper there can give it to the gentleman.

The SPEAKER. The Chair understands the gentleman from Iowa has 39 minutes and the gentleman from Texas 38 minutes.

Mr. GARRETT of Tennessee. Has the gentleman considered the desirability for extending the time for general debate upon this very important matter?

Mr. GREEN of Iowa. Well, I thought possibly if the time was extended it would be better to extend it on the proposed amendment of the gentleman from Texas [Mr. GARNER] than on the general debate, if that would be equally satisfactory.

Mr. GARNER. I hope that the gentleman will ask that there be an hour on a side.

Mr. GREEN of Iowa. There are some gentlemen very anxious to go away. Will the gentleman be satisfied by making it 45 minutes on a side?

Mr. GARNER. Additional time?

Mr. GREEN of Iowa. No; that would increase the time to 45 minutes each, and some additional time, if the gentleman desires it, for discussion on his amendment.

Mr. GARNER. The gentleman does not mean to say we are going to get through here in time for anybody to leave at 3 or 4 o'clock?

Mr. GREEN of Iowa. Well, I do not know; that may not be possible in any event. But I think it will be almost necessary to get through this evening.

Mr. GARNER. I agree with the gentleman.

Mr. GREEN of Iowa. The gentleman's amendment to the joint resolution will be pending.

Mr. GARNER. We can take up the entire day and have a vote by 5 o'clock. Let us have an hour on a side for general debate, even have three hours in all, and then take up the amendment. It is a short resolution, only covers one page.

Mr. GREEN of Iowa. Mr. Speaker, pending that motion, I ask unanimous consent that the time for general debate be extended so that each side have one hour.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the time for general debate be extended so that each side have one hour. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The question is on the motion of going into the Committee of the Whole House on the state of the Union.

The question was taken, and the Chair announced the ayes seemed to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for a division. The House divided, and there were—ayes 60, noes 40. So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the joint resolution (H. J. Res. 314) proposing an amendment to the Constitution of the United States, with Mr. McARTHUR in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 314, which the Clerk will report.

The Clerk read as follows:

H. J. Res. 314. Joint resolution proposing an amendment to the Constitution of the United States.

Mr. GREEN of Iowa. I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the joint resolution be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Will the gentleman from Texas use some time?

Mr. GARNER. Mr. Chairman, I thought the gentleman from Iowa was going to explain the provisions of his resolution. However, if he desires, I will proceed. Mr. Chairman, I want to take up five minutes' time for the purpose of calling the attention of the gentleman from Wyoming to what appears to be at least an inconsistency on his part. I am sure he does not intend to deceive anyone, because the leader of a great party ought not to deceive even Democrats, much less members of his own party. The gentleman from Wyoming the other day suggested the reason why he had not permitted a consideration of the Muscle Shoals proposition was that there was no chance of passing it in the Senate. Now, I suggested to the gentleman from Wyoming that he should not consider this pending resolution, because he knew it could not be considered and passed in the Senate.

Mr. MONDELL. Will the gentleman yield?

Mr. GARNER. In just a moment and then I will—and the gentleman from Wyoming in his heart knows that there is no chance for this resolution to be considered in the Senate, much less that it shall be passed. Now, how can he take the position before his Republican colleagues and make to them the excuse that the reason why he has not given Congress an opportunity to vote on Muscle Shoals is because the Senate could not consider and would not consider the legislation and pass it at this session, when at the same time he brings this resolution before the House for consideration? As I say, I hope he is not trying to deceive anybody, but undoubtedly he is a little bit inconsistent.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. GARNER. I yield to the gentleman.

Mr. MONDELL. One of the minor reasons I gave when I expressed the view that it was not highly important that we should consider Muscle Shoals at this time was the fact that the Senate could not consider the Muscle Shoals matter at this session. But there were other reasons, and I gave them in advance of that reason. There are many other reasons why it is not highly important that we should consider Muscle Shoals at this time, compared with which the matter of the failure to consider it in the Senate is minor.

Mr. GARNER. Oh, Mr. Chairman, there is not a Member in this House who heard the gentleman from Wyoming and the gentleman from Ohio [Mr. LONGWORTH] apologize for the fact that they were being whipped into line by their party on Muscle Shoals but knows it was an apology, used as an excuse for the Republican Party's failure to consider that bill. The Members know that they have failed to get an opportunity to consider the Muscle Shoals matter and vote on it for reasons other than that it will not be considered in the Senate.

Now he brings before you a measure that has not been discussed on the floor of the House except for one day, and he asks you to vote on the most important matter that has been brought before Congress at this session, considered from the standpoint of the interests of the General Government, and he brings it before you and presses for its consideration when he knows that there is no chance for its enactment by the Congress. It can not be considered in the Senate and it can not be passed there, and everybody knows it.

Mr. Chairman, I see my genial friend from Michigan [Mr. FORDNEY] has just arrived. His arrival suggests to me the remark that was made here the last time this measure was considered, when he told you he voted against it in committee and felt in his heart that it should not be passed, and that if he were a member of the Legislature of Michigan he would not support it; and when I asked him why he supported it here, his answer was he believed we should submit it to the States and let them vote on it, and thus relieve himself from the responsibility. I asked him if he was willing to support a proposition that has been presented by a prominent statesman in the Senate proposing the recall of decisions of the Supreme Court, and he said it was "bunk." [Laughter.] I am informed, however, that in the State of Michigan they have both the recall and the referendum.

I am informed, I say, by a Member from the State of Michigan that they have the referendum and the recall. I refer to Mr. JAMES, a Member of Congress from Michigan, who says he was chairman of the committee that reported the bill and passed it through the State Legislature of Michigan.

I do not think gentlemen should take the position that they will vote to submit an amendment merely to give the people of the States an opportunity to vote upon it. Members should take such a position as their conscience and intellect dictate. I undertake to say, Mr. Chairman, that if you vote on this amendment according to your intellect and your conscience and the impression you have had made on your judgment by the debate here, by the analysis of the amendment, this measure would

not have a chance to get a majority, not one-third, much less two-thirds, in the House of Representatives. But the trouble is that while many of you have realized the importance of the proposition, and you believe that it should not be submitted to the States, that it is death to the States and dangerous to the Federal Government, yet you have gotten yourselves in the position where you think you should vote "yea" in order that you may transmit to the States the obligation you now have. [Applause.]

Mr. Chairman, I reserve the balance of my time, and I ask the gentleman from Iowa [Mr. GREEN] to use his time.

Mr. GARRETT of Tennessee. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Tennessee moves that the committee do now rise.

Mr. GARRETT of Tennessee. On that I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. GREEN of Iowa and Mr. GARRETT of Tennessee to act as tellers.

The committee divided; and the tellers reported—ayes 30, noes 67.

The CHAIRMAN. So the committee declines to rise.

Mr. GREEN of Iowa. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. LONGWORTH].

The CHAIRMAN. The gentleman from Ohio is recognized for 15 minutes.

Mr. LONGWORTH. Mr. Chairman, the gentleman from Texas [Mr. GARNER] says that in his opinion there is no possible chance of the Senate acting upon this measure if we send it to them. He may be right, although I hope he is not. But that fact, even if it be only a guess, should not absolve us from the duty of passing it here ourselves, for it is designed to remedy an evil, a great and growing evil, which, in my judgment, is not exceeded by any other that afflicts our body politic to-day.

Let me see if I can put in plain, simple language just what this evil is. Statistics show that something more than 7,000,000 people in this country earn an income somewhere between \$20 and \$200 a week. That would be an average, say, of \$50 a week. Now let us try to visualize this class of persons as one single entity and imagine the transaction that takes place between that entity and the tax collector of the Government on tax day. That entity approaches the tax collector, and the tax collector says, "What was your income last year?" He says, "\$2,500," and the tax collector says, "How did you get it?" He answers, "I earned it." "Oh, very well, if you earned it, step up to the counter and pay \$275,000,000."

Now let us suppose that another entity, a small but ever-growing class of persons whose money is all invested in tax-exempt securities, is approached by the tax collector, who says, "How much money did you make last year?" He replies, "\$25,000." "Well, how did you get it?" "Why, I got it from investments in certain things which the Constitution of the United States says are not taxable." "Very well," says the tax collector, "in that case you are immune and there is nothing to pay."

There is the whole proposition involved here. A man who earns his income or derives it from investment in any industrial enterprise, or something that gives employment to labor or produces things which are of vital interest to the American people, has to pay a tax, but the man who puts his money into nontaxable securities and whose only work is to deposit the check in his bank account is absolutely free from any taxation whatever.

The worst vice of it all is that slowly but surely earned incomes are paying more and more of the cost of government and unearned incomes are day by day getting rid of any tax whatever. The returns for this year show that men who earn their incomes are paying almost twice as much relatively of all the taxes as they were a year ago. That is utterly and absolutely vicious, gentlemen. There is no other country on the face of the earth that permits any such thing to exist. On the contrary, most enlightened countries discriminate in favor of earned incomes as opposed to unearned incomes. Great Britain does, France does, Japan does, and a number of other countries do.

Mr. LONDON. Will the gentleman yield?

Mr. LONGWORTH. I beg the gentleman's pardon. My time is very short. I myself drafted a provision which for a time was incorporated in the committee's bill of the 1917 revenue law, which made a discrimination of 20 per cent in favor of earned incomes as opposed to unearned incomes, and the committee were for it unanimously in principle; but the trouble was we were informed by the Treasury Department that it could not be administered with their machinery, and it went out of the bill. I repeat that from no point of view can the

proposition be justified for a moment that earned incomes should be taxed at a higher rate than unearned incomes. What has happened? In 1913, and, if I remember correctly, for some years previously, only something between \$300,000,000 and \$400,000,000 was borrowed every year by the States and their political subdivisions on an average. To-day the average is more than a billion and a half of dollars every year—five times what it used to be. No one here wants to hurt or to limit the borrowing capacity of the States for legitimate purposes, and the most that can be said against this proposed amendment in that regard is that it will restore the precise condition that existed in 1913 before the new income-tax system went into effect.

Now, you may say, "Why do these very rich men try to avoid taxes by putting their fortunes into these nontaxable securities?" It never occurred before the war. It did not occur during the war, because men were willing in those days to pay half or three-quarters of their incomes for the support of the Government in time of war, but it is not human nature to do that in time of peace.

Mr. GARNER. Will the gentleman yield for a question?

Mr. LONGWORTH. Yes.

Mr. GARNER. It is not hard to explain how rich men will put their money into securities, but it is most difficult to explain why all the rich men are in favor of taking this privilege away from themselves.

Mr. MACLAFFERTY. They are not.

Mr. GARNER. All that I have heard of are.

Mr. LONGWORTH. That is the first time I have heard that argument, and I should like to have the gentleman from Texas cite me such a case.

Mr. GARNER. I cite to the gentleman the Exchange National Bank of New York, the City National Bank of New York, the Secretary of the Treasury, Mr. Mellon, and every other man like Mr. Kahn, of Kuhn, Loeb & Co., and every one of these wealthy men who has appeared in print on the subject, who is supposed to be holding these exempt securities, is in favor of the proposed amendment.

Mr. GREEN of Iowa. Will the gentleman yield right there?

Mr. LONGWORTH. Yes.

Mr. GREEN of Iowa. The gentleman from Texas well knows that the first two he mentioned have their money invested in active business, and they do not benefit by this tax exemption.

Mr. GARNER. I understand, then, that Mr. Mellon, who is supposed to be the second richest man in the United States, and Mr. Rockefeller, and Mr. Ford, and those people are engaged in active business, and therefore they are not concerned with this amendment!

Mr. LONGWORTH. The gentleman from Texas [Mr. GARNER] may be in the confidence of Mr. Ford, who is possibly his candidate for the Presidency. I do not know. I am not in his or Mr. Ford's confidence. I assume that the position of Mr. Mellon, the Secretary of the Treasury, and he is in entire agreement with the President in his position, is in the interest of the people of the United States. Professor Seligman, a very distinguished scientist, a professor of political economy in Columbia University, who, I assume, is not attempting to dodge taxes, did not, I think, overestimate this evil and the situation that it is surely leading to when he said, before the Ways and Means Committee:

The issue of tax-exempt securities creates a class of nontaxable individuals that constitutes a fundamental infraction of democratic justice in taxation. In France, under the ancient régime, the clergy were not taxed, the nobility were not taxed, the lawyers were not taxed. It was this series of class exemptions and privileges which finally led to bring about the French Revolution. What we are doing at the present time is to create a class of privileged individuals, privileged not because of their theology, of their escutcheons, or their knowledge of the law, but privileged because of the amount of money they possess. That is the worst kind of privilege in a democratic community.

I do not think that Professor Seligman exaggerated the situation. If this continues much longer, gentlemen, we are going to break down absolutely our whole theory of the principle of a graduated income tax. It is as plain as the paper on the wall that the man whose income runs up to the high brackets and is subjected to a tax of more than 50 per cent, if he can put his money where it is not to be taxed at all he will do it. I have not the slightest question but that my friend, Mr. GARNER, an able attorney, if a rich client came to him whose estate was invested in 6 per cent industrial bonds, 6 per cent railroad bonds, and in 6 per cent farm mortgages, subject to a tax of 50 per cent, and he should ask my friend, Mr. GARNER, whether it would not be to his advantage to put that money into securities which would bring him 5 per cent, and on which

there would be nothing to pay, that my friend from Texas would advise his client to do so at once.

Of course he would. There is nothing unpatriotic either in the lawyer to advise his client to put his money where it is not taxed as it is for the man himself in a time of peace. In order to net on an industrial bond what you can net on a nontaxable bond provided you are a very rich man and the tax goes into the high brackets, that bond would have to net you at least 12 per cent. There is no such thing in existence as a 12 per cent bond, but if there was here would be the situation: You would have to pay at least \$200 to get that bond at all. In other words, for the very rich man a 5 per cent nontaxable bond is worth \$200, and he can get it for \$100. What is he going to do? Why, of course, he is going to put his money wherever he can in these tax-exempt securities.

As I say, the average yearly output has increased from between three and four hundred million dollars to a billion and a half dollars to-day. The amount outstanding is estimated to-day according to various estimates, somewhere between ten and eighteen billion dollars.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. GARRETT of Tennessee. It lies within the power of any State to-day to prevent the issuance by itself of tax-exempt securities and the issuance of tax-exempt securities by subdivisions.

Mr. LONGWORTH. Why, of course, but what State is going to do that when they can under this system issue bonds in unlimited quantities for anything they please. That is one of the vices of the system. We are getting to the point where the political subdivisions of a State are getting to be absolutely reckless in the way that they spend money. In my own State in the last election there were two constitutional amendments before the people. One of them was to prohibit the issuing of bonds to pay current expenses of the government, and the other provided that no bonds could be issued to provide for a specific project extending for a longer period than the existence of the project. Both of these amendments were beaten by a large majority. No State is going to do what the gentleman from Tennessee suggests. On the contrary, the States are being encouraged by the bankers to issue as many bonds as possible.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. LONGWORTH. Can I have three minutes more?

Mr. GREEN of Iowa. I yield three minutes more to the gentleman.

Mr. LONGWORTH. In old days when the little town of Podunk wished to issue bonds its officials when they approached the banker had a hard time to be admitted to his presence. To-day these officials are welcomed with glee; they smoke the banker's cigars, and put their feet on his desk, so to speak, because the banker is anxious to sell all the bonds that he possibly can to his rich clients.

The fact is, gentlemen, if you consider this situation an evil, and it is undoubtedly the greatest evil that afflicts us to-day, there are but two alternatives to cure it. One of them is to reduce the surtaxes to a level where the very rich men are willing to leave their money in industrial enterprises and the other is to pass this amendment. We all know that it is utterly impossible in this Congress, and I assume in the next Congress, to very substantially lower the higher income taxes. So our only way, then, is to amend the Constitution, put this class of securities in the same class that every other security is in, so that the hole from which all this money which should flow into the Treasury is leaking out may be blocked up. And more than that and above that, to relieve that condition, utterly unjustifiable from any point of view, where the clergyman, the lawyer, the doctor, the small business man, are called upon to pay a heavy tax to the Government, and the rich man, who has millions locked up in State and municipal bonds, can enjoy his income without one stroke of work for the benefit of the people and be absolutely exempt from all taxes. [Applause.]

Mr. GARNER. Mr. Chairman, I yield to the gentleman from Arkansas [Mr. OLDFIELD] eight minutes.

Mr. OLDFIELD. Mr. Chairman and gentlemen of the committee, I am opposed to this resolution and shall vote against it, and will use the eight minutes allotted to me in telling why I am opposed to it. I attended the hearings of the committee and have given this question a great deal of study and thought. In the beginning I was rather inclined to support the resolution, but I find from the propaganda which came to members of the Ways and Means Committee and from the gentlemen who were backing the resolution, that I was forced to the conclusion—in fact, I think there is no doubt about it—that the very rich of the country are the ones who are favoring

the resolution, and I believe I now know why. I know that that is what the propaganda indicates. One crowd that was most insistent in the propaganda was the Farm Mortgage Bankers' Association. I think they have written more letters and sent more briefs and arguments to the members of the Committee on Ways and Means than any other organization in the country. Of course, it is easy to understand why they would like to see this adopted, because they want to go on as they have always done, charging the farmers of the country 7, 8, and 10 per cent interest on farm-mortgage loans, and they want to kill off, if possible, the farm loan act.

The gentlemen who ask for this proposition seemed to me to be inconsistent, indeed. The report says that it grants a private subsidy to certain interests, and Mr. MILLS, of New York, one of the ablest Members on the Republican side, said that it meant a bonus to people who own and purchase these tax-exempt securities, and that it also meant a bonus to the States. I can not understand why a Republican who would support a ship-subsidy bonus would object to the States having that bonus, and yet the gentlemen who supported the ship-subsidy bonus are very much opposed to what they call a bonus to the various States, when they issue these tax-exempt securities. Here is the trouble with this proposition. It says that it encourages extravagance of governmental agencies.

The gentlemen who support this proposition do not want the various States and the subdivisions of the States to issue road bonds, school bonds, reclamation bonds, because those bonds come in competition with the great industrial bonds of the country who want to have a monopoly of the bond market of the country. If they would place in this resolution the proposition suggested by my friend from Texas [Mr. GARNER], we could all support it. I am not in favor of anybody getting out of paying his just proportion of the taxes. I was not in favor of reducing the high surtaxes on the rich or of lowering their taxes, but the majority of you gentlemen on the Republican side favored it; and I notice those same gentlemen are the most enthusiastic for this proposition. I opposed and the Democrats opposed and a great many of the Republicans opposed the repeal of the excess-profits tax, whereby we lost \$450,000,000 a year in taxes from the great corporations of the country; but the very gentlemen who were in favor of repealing the excess-profits tax are urging this legislation, and they make it appear that they are urging it in the interest of the poor. In other words, they put themselves in the attitude of the rich coming to the Congress of the United States and urging something to their disadvantage and, on the contrary, to the advantage of the poor. I do not take much stock in that sort of argument; but under this resolution Congress could discriminate against the States, and the States could discriminate against the Federal Government by taxing the income of the Federal securities, by taxing the income of State securities more than they would tax the income of industrial bonds; and if they do that, what happens? You drive all of the money into the industrial bonds of the country, and you take away from the States and the subdivisions of the States and the Federal Government itself an advantage which they ought to retain, because the Federal and the State Governments protect all of the people of the country. Suppose we had war, would you want the States and the Federal Government to be at a disadvantage as compared with the securities of the great industrial of the country? Oh, you say that they will not do that. Why, they will do anything. Any outfit that will come in here and ask for a ship subsidy, any outfit that will come in here and demand such a piece of legislation as the Fordney-McCumber tariff law, the repeal of the excess-profits tax, and the lowering of the high surtaxes, will demand anything; and I have come to the conclusion that I would not believe any man on oath who would come before the Committee on Ways and Means and try to get the advantage of all of the rest of the people of the country, which they are always doing. They ought to be compelled to go under oath, and they ought to be compelled, if possible, to tell the truth when they are wanting this Congress to do something to their interests; and when they come here and say that this is in the interest of the masses of the people, they are saying what I think they know not to be the facts.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. OLDFIELD. Yes.

Mr. LAZARO. The gentleman from Ohio [Mr. LONGWORTH] was asked this question awhile ago, whether there was anything to prevent the States from taxing securities, and the answer was no. I would like to know if there is anything right now to prevent the Secretary of the Treasury from issuing tax-bearing bonds in exchange to those that fall due now?

Mr. OLDFIELD. No, I do not think so, and I think he ought to do it. Just to show you how inconsistent these gentlemen

are, and I mean the Republican members of the Committee on Ways and Means, in 1921 when they were amending the revenue act, any man who had the money to go and buy them could purchase Federal bonds to the amount of \$160,000 and they would all be tax exempt, and yet they came right along in the face of that and increased that from \$160,000 to \$165,000. I think every man in this House ought to vote against this resolution, and I am satisfied that half of you will.

Mr. LINTHICUM. The gentleman from Ohio [Mr. LONGWORTH] spoke about the millions of dollars in these tax-exempt securities being in the hands of the rich. Has the gentleman any estimate of how much it would enhance the value of those bonds in the hands of the rich if we should pass this resolution prohibiting any further tax-exempt bonds?

Mr. OLDFIELD. Yes. If a great many of them are in the hands of the rich of the country it would instantly increase their value to have this resolution passed. If there are \$11,000,000,000 of the bonds out, untaxed, the very moment that this resolution is adopted and ratified by the States it will increase the value of those bonds anywhere from \$1,000,000,000 to \$2,000,000,000. There can be no question about that.

Mr. ROSENBLOOM. In case this resolution were adopted and municipalities wish to borrow money, would they not be compelled to go to New York and borrow the money at whatever rate of interest New York might want to fix?

Mr. OLDFIELD. Well, yes, I think so. At any rate they would be put to very great disadvantage. It is difficult enough now, as you know, for the States to compete even with the Federal Government, as everybody would rather have Federal bonds because all of the States are behind them. If you pass this resolution and it is ratified you will make it almost impossible to build roads, to dig ditches, to reclaim overflowed lands, to irrigate dry lands out in the West, because you will have no place to sell the bonds. The great industrialists, the Steel Trust, the Standard Oil Co., the railroads, the public utilities of Washington and other cities, will have a monopoly of the bond market, and I think it is just as important that the various States and subdivisions thereof should be shown as much consideration in the bond market as the Federal Government or these great industrialists, and I hope that gentlemen will vote against it. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GREEN of Iowa. How does the time stand?

The CHAIRMAN. The gentleman from Iowa has 42 minutes and the gentleman from Texas 43 minutes.

Mr. GREEN of Iowa. I yield five minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, the argument of the gentleman from Arkansas [Mr. OLDFIELD] seems to be based on a comparison between Government securities and those of industrial concerns. I can not see the line of comparison between the two types of securities. The man who takes a chance in an industrial bargain naturally looks for a higher return of revenue than if he buys gilt-edge municipal or State securities. You can not draw a comparison between those rates of interest. Further than that, he says that the moment we adopt this resolution we then put a premium on the present tax-exempt bonds. How can we avoid doing it, even admitting it will be done? The estimate of tax-exempt securities ranges from ten to eighteen billions. Why increase that enormous amount and make a still further loophole for the high-income man to escape taxation? That seems to be what the gentleman wants to do.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. TREADWAY. I can not, I regret; I have only five minutes. That is exactly the argument of the gentleman from Arkansas. Now, Mr. Chairman, it seems to me that this whole question ought to be considered on an entirely impartial and on an unselfish basis. We are here as the representatives of the people, interested in both the State and the Federal Government, and we ought to base our decision on the exact merits of the case rather than from any selfish viewpoint, whether we come from a particular district desiring to sell irrigation or roads or schoolhouse bonds, and when we do that, Mr. Chairman, and when we take into full consideration the merits of this case and study the testimony submitted pro and con, there can be but one decision reached. The gentleman from Georgia [Mr. CRISP], when the subject was under debate before, brought this very clearly before the House. He analyzed in his very careful and judicial manner the testimony that had been submitted to the Ways and Means Committee, and there could be no question the decision is impartial from the evidence submitted. We had great scholars before us; we had the

authorities in the Treasury Department; we had men that had previous experience in the Treasury Department; and the one whom I looked to more during the period of the war for advice and suggestions than any other one man was Assistant Secretary Leffingwell, and if you gentlemen, Members of the House, not having studied this problem, will read his testimony in an impartial and fair light, I am sure you will realize the merits of this tax-exemption amendment we are considering here to-day. The gentleman from Ohio [Mr. LONGWORTH] has also stated the case very effectively when he says that unless we adopt this amendment in a very short time the whole system of graduated income tax will fall. It can not help but fall when those having the highest incomes are able to place those incomes in tax-exempt securities in such enormous quantities as the Treasury officials to-day estimate they are doing. Briefly, the situation is this: People of large incomes can purchase securities aggregating eighteen billions and pay no taxes, whereas the average business man and the persons of small means must meet the entire tax levy. The rich man escapes; the business man, earning a livelihood, pays. There can be no question of comparison, Mr. Chairman, between the two classes of investments, and therefore it seems to me that an impartial judge must decide in favor of voting for this amendment. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GARNER. Mr. Chairman, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, the gentleman from Massachusetts [Mr. TREADWAY] speaks of testimony pro and con taken by the Ways and Means Committee. The testimony, so to speak, was only pro. There is hardly any testimony, if any at all, upon the other side. Now, I think from a practical point of view that the best reasons given against this resolution are contained in the questions which were asked and in the statements made by the very able chairman of the Ways and Means Committee during the progress of the hearings. They are almost convincing, it seems to me, to any disinterested mind that the resolution ought to be rejected. I wish to quote another distinguished Republican on the principle that is involved. It is our duty to consider this matter from the viewpoint of the States, from the viewpoint of the Federal Government, and from the viewpoint of both as a dual system of government. When the sixteenth amendment was under consideration Hon. Charles E. Hughes was Governor of New York. He was of the opinion that the amendment, as framed, would enable the Federal Government to impose an income tax upon State securities and the securities of the political subdivisions of the States. It turned out that the Supreme Court held differently, but nevertheless the argument that was made at that time by Governor Hughes still stands in all its force and strength.

It is embodied in a message that he sent to the New York Legislature on January 5, 1910, from which I wish to read two or three extracts. He says:

But the power to tax incomes should not be granted in such terms as to subject to Federal taxation the incomes derived from bonds issued by the State itself, or those issued by municipal governments organized under the State's authority. To place the borrowing capacity of the State and of its governmental agencies at the mercy of the Federal taxing power would be an impairment of the essential rights of the State which, as its officers, we are bound to defend.

Governor Hughes is no fantastic advocate of any ancient or vague theory of State rights, but a statesman who takes a comprehensive view of the entire situation. He says further at another point:

To permit such securities to be the subject of Federal taxation is to place such limitations upon the borrowing power of the State as to make the performance of local government a matter of Federal grace.

And he says in conclusion:

While we may desire that the Federal Government may be equipped with all necessary national powers in order that it may perform its national function, we must be equally solicitous to secure the essential bases of State government.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. I am sorry I have not the time to yield.

Mr. GREEN of Iowa. The present amendment does not go anything like as far as that amendment.

Mr. MOORE of Virginia. It goes exactly as far as Governor Hughes supposed the sixteenth amendment would go.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. LONGWORTH. I understand that the gentleman is quoting Governor Hughes to show that Congress now has the power to tax State securities, because that was the pending amendment at the time.

Mr. MOORE of Virginia. Governor Hughes thought that under the sixteenth amendment it would have the power, and he argued against the power being granted; and now you are seeking to accord the same power, and Governor Hughes's opposition stands against this proposed amendment as well as against the sixteenth amendment in the light of the construction he put upon it.

Mr. LONGWORTH. But, as I recall, Governor Hughes's opposition to that provision in the New York constitution was based on the proposition that under the sixteenth amendment Congress has the power to tax State securities.

Mr. MOORE of Virginia. The gentleman misapprehends the point altogether. I am quoting from Governor Hughes's message to show that fundamentally he is opposed to this disturbance of the balance of powers; on the one hand the powers enjoyed by the States, and on the other hand the powers enjoyed by the Federal Government; and his argument is not diminished or weakened by the fact that you have the so-called reciprocity provision in the pending amendment.

In his message Governor Hughes quoted from the opinions in several cases decided by the Supreme Court. In one case the court said (p. 74):

It is admitted that there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication, and is upheld by the great law of self-preservation; as any government, whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government. Of what avail are those means if another power may tax them at discretion?

In another case the court said (p. 75):

The right of the States to administer their own affairs through their legislative, executive, and judicial departments, in their own manner through their own agencies, is conceded by the uniform decisions of this court, and by the practice of the Federal Government from its organization. This carries with it an exemption of those agencies and instrumentalities from the taxing power of the Federal Government. If they may be taxed lightly, they may be taxed heavily; if justly, oppressively. Their operation may be impeded and may be destroyed if an interference is permitted. Hence the beginning of such taxation is not allowed on the one side, is not claimed on the other.

[Applause.]

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. May I have two minutes more?

Mr. GARNER. Mr. Chairman, I yield to the gentleman two additional minutes.

The CHAIRMAN. The gentleman from Virginia is recognized for two minutes more.

Mr. MOORE of Virginia. I want to say this: It is almost absurd, I think, with due respect to the House and those in control, after a very casual hearing before the Committee on Ways and Means and only one side presented, to confine this House to a very brief period for the discussion of a very great question like this. The amendment, in my opinion, is full of defects. It will be an opening door for litigation such as some of the gentlemen on the other side do not now apprehend, and when we come to its discussion under the five-minute rule I shall endeavor to point out how uncertain, and for that reason how dangerous, even should it be assumed that the general proposition is a good one. [Applause.]

Mr. GARNER. Mr. Chairman, the gentleman yields back the remainder of his time.

The CHAIRMAN. The gentleman yields back two minutes.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLACK].

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

TAX EXEMPTION OF INCOME DERIVED FROM UNITED STATES GOVERNMENT BONDS AND BONDS OF THE STATES AND MUNICIPALITIES.

Mr. BLACK. Mr. Chairman, I have given a considerable amount of study to this proposed constitutional amendment and to the arguments which have been used against its adoption. I have given more study to the arguments against it than I have to the arguments for it, because, if I know my own thoughts and purposes, I would not do anything which would even remotely endanger the sovereignty of the States or threaten the perpetuity of the State governments. But I can not bring myself to share the fears and apprehensions which have been so eloquently and ably expressed by gentlemen who have spoken against the submission of the amendment.

Under the law and the Constitution as it exists at present, what is the condition in which we find ourselves? Here it is,

The Federal Government levies a graduated income tax and comes, we will say, to four of its citizens—Jones and Smith and Dubb and Dough, and each one of them is earning a \$25,000 income annually—and Uncle Sam, through his tax collector, says to Jones and Smith and Dubb, "Come in here; I want to have a little word to say to you. I need some of your income. I want it to help support the Army and the Navy. I want it to help pay the expenses of the national defense. I need it to pay compensation to the wounded and disabled of the World War and their dependents. I need it to pay interest on the national debt and to provide a sinking fund for its ultimate retirement." Now, Jones earns his \$25,000 as a manufacturer, and Smith earns his \$25,000 as a live-stock producer and a farmer, and Dubb earns his \$25,000 as a professional man, and Dough is a retired capitalist and his money is invested in State and municipal bonds, and it yields him an income of \$25,000. But Uncle Sam says, "Dough, you can stay on the outside. I can't take any of your money because it is income from State bonds, and the courts have said I have not the power."

And then here is a State, Texas, we will say, and it levies an income tax for the support of its State government, and comes to four of its citizens, Jones, Smith, Dubb, and Dough. Jones is a manufacturer, Smith is a farmer and live-stock producer, Dubb is a professional man, and Dough is a retired capitalist and has his money invested in bonds of the United States Government. Each of them has an income of \$25,000. The State of Texas, through its tax collector, comes to Jones and Smith and Dubb and says, "Come in here, I want to have a word to say to you. I need some of your income to carry on our public schools. I need some of your income to build public roads. I need some of your income to provide the State's eleemosynary institutions. I need some of your income to build asylums for the insane and hospitals for the blind."

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLACK. Will the gentleman yield to me two or three minutes more?

Mr. GREEN of Iowa. I yield to the gentleman two minutes more.

Mr. BLACK. Smith and Jones and Dubb say, "All right; we are willing to do our part; but why don't you call Dough also? He is just as much interested in the maintenance of schools and asylums and hospitals and good roads as we are, and has just as much income."

"Yes," says Texas, "I know what you say is true; but if I should call him in, he won't come, because the Supreme Court of the United States has said he need not come. That court has repeatedly ruled that under present constitutional limitations I have no power to require him to pay any part of his \$25,000 income earned from United States Government bonds to the support of the State government under which he lives and whose benefits he enjoys."

Now, gentlemen, that is the situation in which we find ourselves at present. What do we propose to do by this amendment, if it is adopted? This is what we propose to do: When the amendment becomes a part of the Constitution the Federal Government will enact a graduated income tax law, and it will come to these same four citizens, Jones and Smith and Dubb and Dough, and say to them, "Come in here, Jones and Smith and Dubb; and you also come in this time, Dough. We now afford you the happy privilege of contributing to your Government's support on the same basis as Jones and Smith and Dubb, a pleasure which you have been hitherto denied." [Applause.] And in goes Dough with the rest to do business with the tax collector, not to be held up and robbed, but simply to pay the same amount as is paid by his neighbors and fellow citizens, Jones and Smith and Dubb.

Is there anything wrong about that? The only reason that I have heard as to why it should not be done is because the opponents of this amendment say to bring Dough in and tax his income will be to destroy the sovereignty of the States and undermine our dual system of government.

Well, I will simply say, I can not see it that way. If our dual system of government is no better founded than to be overturned by an act of justice of the kind I have just mentioned, then it rests upon much more flimsy foundation than I have always been led to believe. Such objections are of the wave and not the rock. Our Republic will only cease to be an indestructible union of indestructible States when in the bosoms of its citizens the spirit of liberty is dead and when their virtue shall become a jest and love of country a forgotten sentiment. Then is when America shall die and not before then. [Applause.]

Mr. ROSENBLUM. Will the gentleman yield?

Mr. GARNER. Will the gentleman yield?

Mr. BLACK. I regret that my time is so limited. I can not yield.

Mr. GARNER. I will yield to the gentleman one minute to answer my question.

Mr. BLACK. I yield with pleasure to my colleague from Texas.

Mr. GARNER. The gentleman from Texas then would give the State of Texas or the Federal Government the power to say to Mr. Dough, "You shall pay ten times as much as Mr. Smith."

Mr. BLACK. No. I would not give that power.

Mr. GARNER. Yes; you do give the State of Texas and the Federal Government that power. You say they will not exercise it, but you are giving them the power.

Mr. BLACK. I will answer my colleague's question very frankly. I am not saying that I would not favor any amendment to the resolution.

Mr. GARNER. That is all right.

Mr. BLACK. But I do say that I do not share the fears and the apprehensions of my colleagues who have so ably argued against the submission of this amendment, and if there is an amendment offered which I think will better safeguard the resolution, I will be very glad to support it.

Mr. GARNER. But the gentleman would give that power to the Federal Government to discriminate.

Mr. BLACK. I do not agree that the amendment would be open to that construction. That is a point on which I disagree with my colleague from Texas, but at the same time I am perfectly willing to safeguard the power granted by any proper amendment. [Applause.]

Mr. GARNER. I yield 10 minutes to the gentleman from New York [Mr. HUSTED.]

Mr. HUSTED. Mr. Chairman, the distinguished gentleman from Ohio [Mr. LONGWORTH] referred to the testimony of Professor Seligman before the Ways and Means Committee in advocacy of this amendment. Professor Seligman is a very eminent economist. He has been on the staff of Columbia University in the city of New York for many years. He is a man of great reputation; but Professor Seligman is not infallible. I remember that many years ago Professor Seligman was the first man in the United States, so far as I know, to advocate the initiative, the referendum, and the recall. He advocated those political processes to his pupils in the classroom at Columbia University.

Professor Seligman got his ideas from the Swiss Cantons, but he was not practical enough to realize that while those political processes might be well adapted to the form of government in the Swiss Cantons they were not well adapted to our form of government. I also remember that more recently Professor Seligman has been very loud in his protest against a sales tax. I also assume that, like all other college professors who are political economists, he is absolutely opposed to a protective tariff in any form. [Laughter.]

I am opposed to this amendment, first, because I do not believe in tinkering with the Constitution of the United States, unless it is absolutely necessary. I think we are too quick to resort to constitutional amendment, when other remedies would serve the purpose. When we have any serious difficulties with our political system somebody gets up and advocates an amendment to the Constitution. Well, I have so much respect for that venerable document that I do not want to see the Constitution amended unless it is absolutely necessary, and I do not believe it is necessary in this case.

We are suffering from a very real evil. There is no question about that. A great deal of income is being invested in securities which are exempt from taxation. But they are not exempt from taxation because the Constitution says they are. They are exempt from taxation because the Federal Government and the State governments have seen fit to make them so. This amendment is paraded under a misnomer. This is not an amendment to make municipal securities and Federal securities taxable. It is a very different thing. It is an amendment proposed to the Constitution to make Federal securities taxable by State authorities and State securities taxable by Federal authority.

But as I have said, we are suffering from a real evil and it is an evil which has arisen since the war. Why did it not arise during the war? Because in war time men are patriotic and give up their income, no matter how highly it may be taxed, for the support of the Government. But when peace comes, if surtaxes are unreasonably high, so as to be unwise and foolish, so high as to be uneconomic, then a certain portion of income goes into tax-exempt securities. The remedy for this situation is not by amending the Constitution of the United States and taking off all brakes on taxation. The remedy is to reduce the

high surtaxes to a reasonable amount. If those surtaxes are reduced to a reasonable amount, the money will not flow into tax-exempt securities but it will flow into business. It will flow into enterprise. Your present system of surtaxes is throttling industry, is throttling initiative. It is all right in time of war, because then it is essential, but it is all wrong and all unwise and all foolish in time of peace.

But what do you propose to do? You propose to take off all the brakes, and if you take off these brakes do you suppose this situation will ever be corrected? Do you suppose it will ever then be possible to get the high taxes reduced to a reasonable amount? Never in the world, and everybody knows it. So far (under the amendment) from getting the unreasonably high surtaxes reduced, the probability is that they will be increased to higher ranges until they amount almost to confiscation of all income.

But there is another reason why I am opposed to this amendment, and a more serious reason than any I have advanced. I believe it is utterly inconsistent with our conception of a dual form of government. [Applause.] The income tax law worked great changes in our form of government. Before we adopted the income tax law our revenue was comparatively small, but since its adoption it is practically unlimited. We can raise as much money as we want for any use to which we see fit to put it. The result has been that under the income tax law with the new-found theory of cooperation and with the utilization of the welfare clause of the Constitution, the Federal Government is constantly invading the domain of the States. The tendency is growing, and I regard it as a dangerous tendency. I do not want to see our Government become more paternalistic than it is. And so now under this proposed amendment you seek to remove the last barrier of the State against invasion by Federal authority. [Applause.] It is not necessary to do it, it is not wise to do it, and I do not believe it is patriotic to do it. [Applause.] Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. MOORE of Virginia. Mr. Chairman, I ask unanimous consent to extend my remarks, and to incorporate therein some extracts from the decisions of the Supreme Court.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] has 30 minutes remaining and the gentleman from Texas [Mr. GARNER] has 27 minutes remaining.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Chairman and gentlemen of the committee, one of the most serious dangers that confronts the country to-day is the creation of special privileges and the enactment of legislation which creates discrimination between different classes of the population. That which is a crime for one is an innocent transaction for another. We have the formation of blocs in this country; I do not know what is the cause of the bloc, whether it is the discriminatory legislation or whether the blocs cause the discriminatory legislation. They act and react on each other. The fact that we have enacted these statutes which create discrimination makes it possible to bring into the body politic this dangerous feature of blocs.

Nothing should be more equal than taxation. Let me point out to you some of the evils of the present system. We have the high surtaxes. Surtaxes are proper and natural. They are necessary in order that the burden of taxation may be equal and that the burden may rest upon those most able to pay. Along with the creation of the surtaxes you provide an avenue of escape for the very rich men who desire to invest in tax-free securities. More than that, you create a leisure class, you create a class which loses interest in the industrial progress of the country and is satisfied to rest upon the income derived from securities which pay no taxes to the country. [Applause.] You fetter industry, you take the resources which should be invested in those developments which create employment and stimulate the growth and production of the country, and put them into tax-free securities.

I differ with the utmost diffidence from my good friend, Secretary Hughes, in his expressions in 1916. The evil had not then assumed the proportions which it now assumes. The amount issued in the year, 1921—I have not the returns for 1922—was about \$1,300,000,000. The quantity has increased

by leaps and bounds, and it will not be long before the total issues reach \$2,000,000,000 per annum, and the aggregate between \$20,000,000,000 and \$30,000,000,000.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. GREEN of Iowa. There is this difference between this amendment and the one Secretary Hughes was speaking of. That gave the Federal Government absolute power to tax State securities entirely out of existence.

Mr. BURTON. Yes; it is a different situation and the proposition is a different one. Now, I am not at all afraid that this amendment will hamper the States or municipalities in borrowing all they need. I do think one beneficial thing would be wrought by it in that it would put some restraint on the wild riot in the issue of securities. We have had much extravagance in municipalities and too much extravagance right here in Congress.

Mr. GARNER. Will the gentleman yield?

Mr. BURTON. I beg the gentleman's pardon, but I have only a minute more. But there is no danger that the municipalities and the States can not borrow all that they ought to have. They are a prime security. They are regarded as having a degree of stability and certainty which does not belong to most other investments. There is not the same risk that there is in industrial enterprise, and the rates of interest on the bonds of municipalities and States will range below those on industrial securities, very naturally. Let us have the same taxation for all securities. One of the three platforms of the French Revolution, along with liberty and fraternity, was equality, and there is nothing in which equality is more desirable than in the burden of taxation and in treating all alike. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GARNER. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. HAYDEN.]

Mr. HAYDEN. Mr. Chairman, John Marshall, the Chief Justice, in an opinion, once said that the power to tax is the power to destroy. In granting this power, which may be that of either life or death over the credit of the Nation and over the credit of the States, we should proceed with caution. I do not intend to discuss this proposed amendment to the Constitution from the viewpoint of its effect upon the sovereignty of the States. That issue has been fully presented in the course of this debate and may be disposed of by stating the undisputed fact that sovereignty without credit is no sovereignty at all.

But let us look at this amendment solely from the aspect of its effect upon the finances of the Federal Government, the States, and the political subdivisions of the States. As to the national finances I am sure that we are all convinced that the adoption of this amendment is in the interest of the Federal Government. The gentleman from New York [Mr. MILLS] has demonstrated that at the present time, while the United States gains about \$111,000,000 annually in reduced rates of interest because of the fact that certain Federal securities are not taxed the Treasury is losing \$250,000,000 each year by the inability to collect taxes on the income from these same securities. From a purely Federal point of view it therefore may be reasonably conceded that such a change in the Constitution is financially desirable.

DEBTOR STATES WILL NOT RATIFY.

There are certain older States of the Union, where conditions are more or less stabilized, which will also benefit by the taxation of the income from all securities. These States will not be under the necessity of borrowing so much money in the future because their road systems are practically completed, new school houses are not so urgently required, and they have but little land to be drained and none in need of irrigation. The natural resources of these States are, to a large extent, developed. Within these older States are many persons who have for a long time worked and saved and now have surplus capital to invest in securities issued by or under the authority of other States. Since each State is to be authorized to collect taxes on the income from securities owned by its residents these States will no doubt be glad to obtain additional revenues, the original source of which is outside of their borders. As there are creditor nations in the world, so are there creditor States in the Union and this constitutional amendment is primarily in their interest.

The United States, until a very few years ago, was a debtor nation. Throughout its history that fact was very properly taken into account by statesmen in determining our relations with other countries. McKinley repeatedly gave it as a reason

for the adoption of a protective tariff. Therefore the people of the West and South, those vast regions whose adequate development requires the borrowing of large sums of money, have a right to consider their own welfare at a time when it is proposed to make a profound change in the financial and economic relationship which one State shall bear to another and to the Nation as a whole. There are more than 12 of the 48 States of the Union that are now, and for years will continue to be, borrowers rather than lenders. Their legislatures will not voluntarily surrender the privilege of obtaining loans for public purposes of every nature at as low a rate of interest as is possible, and consequently they will not be in any haste to ratify this amendment.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. With pleasure.

Mr. MONDELL. Why did not the gentleman think of that when he supported the sixteenth amendment, the income-tax amendment, authorizing the Federal Government to levy upon the income of all of the States and the subdivisions of the States?

Mr. HAYDEN. That case is not at all analogous.

ROAD BONDS.

There are a number of States which have not taken complete advantage of the appropriations made by Congress to promote the construction of good roads. There is now to their credit several millions of dollars in the Federal-aid road fund which their legislatures have declined to match by an equal appropriation, presumably because more improved roads are not greatly needed. The State of Arizona, like practically all of the States of the West and South, has utilized every dollar of Federal aid and would like to see Congress appropriate more money for highway construction. To meet the allotments of Federal funds it has been necessary to issue road bonds in many instances. These securities have been sold to the residents of other States, and the State of Arizona would gain no revenue by making the income from them taxable.

SCHOOL BONDS.

The people of Arizona take just pride in the fact that their public-school system ranks third among all the 48 States of the Union. They have taxed themselves to the limit to maintain this proud position, and they will of necessity be forced to borrow money to keep pace with the demands for buildings to care for an ever-increasing school population. Of course they will want to secure the needed funds as cheaply as they can.

These securities must likewise be disposed of to residents of other States who desire safe investments. Arizona can not tax the owners of these school bonds because they do not live within the State and therefore can not be compelled to share in the cost of the local government. If one were to strike a balance, as did the gentleman from New York [Mr. MILLS], in the case of the Federal Government, it is certain that the taxpayers of my State have more to lose than to gain by the adoption of this proposed change in the Constitution.

MUNICIPAL IMPROVEMENT BONDS.

Those of us who have fought what we thought was a good fight in favor of the municipal ownership of water works and other public utilities are blandly told that we have gone entirely too far. The report on this resolution says that the power of a city or town to issue tax-free securities

amounts to a subsidy offered to every such corporation. It also operates as an inducement to every municipality to have all kinds of public utilities owned and controlled by the municipality itself. It is obvious that this condition of affairs makes it difficult for public utilities privately conducted to maintain their financial condition.

Granting that all that I have quoted is true, yet I fail to see anything in the argument that would induce a member of a State legislature, who believes in municipal ownership, to vote for the ratification of an amendment to the Federal Constitution which will make taxable the bonds issued by his city or town for a water system or other public improvements.

IRRIGATION AND DRAINAGE BONDS.

There are millions of acres of land in the West and South awaiting reclamation, either by irrigation or drainage. Experience has demonstrated that the most successful way to bring these waste places under cultivation is through the organization of irrigation or drainage districts. In either event the district is a municipal corporation organized under the authority of the State with power to issue bonds. The reclamation law now requires the organization of such districts on all new projects. The Smith-McNary bill, which has been favorably reported to both the Senate and the House, specifically provides that whenever the lands within an irrigation or drainage project are appraised by the Federal Farm Loan Board and found to be worth more than twice the cost of their reclamation then the bonds of

the district shall be sold and the United States reimbursed for the entire cost of the project. It is not denied that these district bonds, which may now be issued tax free, will have to bear a higher rate of interest if that privilege is withdrawn. The adoption of this constitutional amendment will therefore result in the imposition of an additional burden upon the settlers on all future reclamation projects.

FEDERAL FARM LOAN BONDS.

I have a further objection to this amendment which is most serious. I am convinced that, so far as securities of the United States are concerned, it is aimed directly at the taxation of Federal farm-loan bonds. It is true that the National Grange and the American Farm Bureau Federation, both representative of farmer's opinion throughout the United States, have gone on record in favor of an amendment to the Constitution to prohibit further issues of tax-free securities, but I seriously doubt whether the membership in general of either of those great organizations have studied this question in all of its phases. Last January the President called a national agricultural conference in the city of Washington, which was composed of about 350 delegates from all sections of the United States. At that conference the following resolution was adopted:

We recommend: * * * A constitutional amendment prohibiting issuance of tax-free securities: *Provided*, That inasmuch as agricultural lands and mortgages are both taxed, and that agriculture is a fundamental industry upon which all industries depend, nothing in these resolutions shall apply to bonds, debentures, certificates of indebtedness issued under authority of the Federal farm loan act on any amendment thereto.

The war with Germany is over and the amount of our national debt will gradually decrease. This amendment is not retroactive and the outstanding obligations of the United States can not be taxed. The only new Federal securities likely to be issued in any large amount in the future are the farm-loan bonds. If it is not the purpose to tax these bonds, then the adoption of this amendment would be a nullity, because under its terms there can be no discrimination in favor of any class of securities. The income from all bond issues authorized by the Federal Government must be taxed at the same rate as the income from State securities of every character. The time may come when it will be proper to tax Federal farm-loan bonds, but I am unwilling to do anything at present which will interfere with the widest possible extension of the benefits of the farm loan act that may be consistent with sound business principles.

FEDERAL FARM LOAN SYSTEM SHOULD BE ALLOWED TO EXPAND.

We are told in the report on this resolution that only 5 per cent of the American farmers who have borrowed money have obtained it from the Federal land banks. That may be true, but there are good reasons for the comparatively small amount which has been loaned. The United States entered the World War shortly after the farm loan act was passed and the bond market was taken up by vast issues of Government securities. Then there was the long delay before the Supreme Court determined whether the act was constitutional. The Federal farm-loan system is yet young. It is just beginning to properly function. Do not cripple it now by taxation, but let it expand and render the service for which it was intended. When the Federal farm-loan banks have supplied the long-time credit needs of 25 or 50 per cent of our farmers, we may then stop to consider whether such bonds shall be taxed.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HAYDEN. Certainly.

Mr. GREEN of Iowa. The gentleman is making a very fair argument and I want to compliment him on it, but the gentleman surely is aware that Congress can tax these farm-loan bonds now?

Mr. HAYDEN. But the States can not.

Mr. GREEN of Iowa. That is true.

Mr. HAYDEN. The United States can not tax a State security unless it also taxes the Federal farm-loan bonds.

Mr. GREEN of Iowa. Very true.

Mr. HAYDEN. Then this constitutional amendment is designed to tax Federal farm-loan bonds?

Mr. GREEN of Iowa. I do not know how the farmers of other States are, but I know the farmers in my State say if they have an even chance, if they are not obliged to compete with tax-exempt securities, they are willing those securities shall be taxed.

Mr. HAYDEN. But the farmers have not been getting an even chance. The only way that they have obtained any kind of equality is through the Federal farm-loan system which this amendment to the Constitution seeks to destroy.

Mr. STEAGALL. Will the gentleman yield?

Mr. HAYDEN. I yield to my friend from Alabama.

Mr. STEAGALL. A number of distinguished persons have recently been before one of the committees advocating an increase in the maximum amount of loans by the farm-loan banks, and opposing tax-free securities. They have no difficulty in reconciling the two positions.

Mr. GREEN of Iowa. They have got all the money they need.

CENSUS BUREAU NOW GATHERING STATISTICS ON INDEBTEDNESS.

Mr. HAYDEN. Mr. Chairman, I can see no need for haste in the submission of this proposed amendment to the State legislatures. No one to-day can tell the value of the outstanding tax-free securities. Practically all of the figures submitted in support of this resolution are based upon data gathered by the Census Bureau in 1912. That bureau is now engaged in an investigation which will show the total indebtedness of the Nation, the 48 States, the counties, and all other civil divisions. Within a year these new facts will be available. Congress and the State legislatures can then act intelligently, so why not wait until the effect of such an amendment can be properly estimated.

TAXES ALWAYS PASSED ON TO BORROWER.

I fully appreciate the desire of the great majority of our citizens that the owners of no form of wealth shall escape taxation. It was this same desire that induced many States to impose a tax on mortgages. The result was a positive injury to the borrowers, because since no one is compelled to make a loan the interest rate was raised to offset the tax. The owner of a mortgage does not pay the tax, and neither will the owner of any taxable security issued by the United States or by authority of any State. The tax will be passed on to the borrower, either through the purchase of the security below par or by increasing the rate of interest. In other words, those who have money to loan will always find a way to obtain a net return for its use which equals the current rate of interest, and no law ever passed has effectively changed this fundamental economic fact.

INCOME FROM EXISTING TAX-FREE SECURITIES EXEMPT.

In conclusion let me say that no one pretends that this amendment will result in the taxation of incomes derived from the more than ten billions of State, county, and municipal securities that are now tax exempt. Yet these are the very incomes that everyone says should be taxed. That is the universal desire, whether it be voiced by a demagogue who hates the rich because they are rich or by a patriotic rich man who honestly and sincerely desires that every form and kind of wealth shall bear its just share of the burdens of taxation. No one denies that if all future issues of securities are taxed then the value of the existing tax-free issues will immediately increase because there will be no more like them. If this increase is only 10 per cent, over a billion dollars of unearned wealth will accrue to those who now hold these tax-exempt securities.

Would it not be well to pause before we take this step? We are asked to amend the Constitution, which not only guarantees to each of us our civil liberties but protects us all in our rights to property. It is the supreme law of the land. Certainly in time a way can be found to perfect this or any other amendment so that at least a thousand million dollars will not be handed over to a few men who have not earned it and who have no moral right to its acquirement. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I yield to the gentleman from Kentucky [Mr. JOHNSON].

Mr. JOHNSON of Kentucky. Mr. Chairman, contrary to the advice of my physician, I got out of bed to-day to come over here that I might hear the arguments against this resolution, with the hope that I might hear something said or some argument advanced which would enable me to vote with the seeming majority upon my side of the aisle. I regret to say that thus far I have not heard one single argument that in the least changes my opinion relative to this subject. Taxation always has been and always will be the greatest question before the American people. We have had from the foundation of this Republic until now what we call tax experts. The more I have seen of them the quicker I am prepared to run from them, just as I would from the smallpox. [Laughter.] There is no tax expert who is pushing himself forward in our Nation's affairs to-day who is not a paid expert of the rich, unless it be the rich himself who does the talking. The argument has been advanced here to-day that if we impose a tax upon securities which now go untaxed, that they will advance in value. That argument is contrary to every economic principle that I have ever heard advanced before, but I hope it is true. If a town or a city or a county or a State wishes to borrow money

and the placing of a tax upon the proposed loan will advance the price of the securities, then Heaven knows I would be pleased, and I think everybody else ought to be. Then, again, we have just heard advanced by the gentleman from New York [Mr. HUSTED] that he is opposed to tinkering with the Constitution. I would like to ask the gentleman if there has ever been a single amendment made to the Constitution of the United States that he opposes, unless it be the sixteenth amendment, which authorizes the income tax? The per cent is all against the gentleman. He is for every one of them, unless it be the sixteenth, and to-day his argument or his speech against this resolution is but another evidence that he would like to have certain property escape taxation.

The gentleman from Ohio [Mr. BURTON] just a moment ago advanced the correct theory about this subject; and that is that certain classes of property and certain classes of persons are constantly being made for purposes of discrimination being made in their favor. To me this is the easiest solved subject that has ever been presented to me since I have been in this legislative body. Down in Kentucky, my native State, we have the most infamous tax law that is on the statute books of any State in the whole Union. There money deposited in bank pays a tax of only 10 cents, but money invested in farms and other projects or undertakings that the public or the people must have bears a tax of 40 cents.

Capital seeks not only the largest return, but it also seeks the lowest tax rate. Neither the largest returns nor the lowest tax rate is to be found in investments in farming lands. I do not mean farm mortgages. I mean money invested in the actual purchase of farm lands. When we come to realize that cultivation of the farm is man's first necessity, we should, without hesitation, undertake to relieve that necessity of as much burden as possible.

However, the whole trend for many years has been to increase the burden on that greatest of necessities and to lessen it on other property until now, as the gentleman from Ohio [Mr. LONGWORTH] has just said, there are eighteen billions of securities upon which no tax is imposed, and a billion and a half are annually being added to that already enormous amount.

Only the other day I saw in one of the Louisville papers the statement that 10 banks alone in that city held on deposit more than one hundred millions of dollars.

I am not advised how much is on deposit with the hundreds of other banks in the State, but it is safe to say that the amount just mentioned is multiplied over and over again.

And all that money pays a tax of only 10 cents, as compared to 40 cents which farming lands bear. And, worse than that, the banks are now claiming that they should pay no tax at all.

Reference to the unholy tax law in Kentucky may seem to some to be foreign to the subject now under discussion, but it is not, for it tends to show the drift to saddle the bulk of taxation on man's very first necessity, instead of upon luxuries, has reached the point where an end to it must come.

Every dollar that is invited to securities upon which there is little or no tax is a dollar driven from the farm, where taxes are highest.

If the tax on cultivated land were made our smallest tax and that on idle lands and intangibles made the largest, then capital would go to cultivated lands. And when capital had gone into cultivated lands there would be better farming, better products, and more upon which human life must be sustained.

Banks throughout the country are paying 4 per cent and even 5 per cent on deposits. They can not live on the difference between what they pay for money and what the law allows them to charge. The system begets usury; usury carried into business compels higher prices; and higher prices add to the cost of living. So I advocate turning the stream of money from the small bank tax, from untaxed securities, and from lightly taxed securities to the cultivation of the fields and the working of the coal mines—of the one to give food and raiment to humankind, and the other to give warmth to the cold.

About the only redeeming feature of the Kentucky tax law is that it does not tax farm products for the year of their production. This gives the producer time to put his grain, and so forth, on the market, and by taxing it after the first year has some tendency at least to prevent the granaries from holding it back from consumption.

Coal, like wheat, should be taxed out of the ground. But when out neither should bear more tax than barely enough to hurry it along to the needy. Bread, blankets, clothing, and coal—the prime necessities of man—should go to man bearing the smallest possible tax; and this can not be so as long as other property, like the \$18,000,000,000 just mentioned by the gentleman from Ohio [Mr. LONGWORTH] goes scot free, to say

nothing of the untold millions of intangible personal property which bear a minimum tax.

Never was there a greater fallacy than that a small tax on intangibles produces more revenue than a larger tax. The smaller tax does not increase the per cent of property listed for taxation. It does, however, increase the volume or total. But, while the small tax on intangibles increases the total amount of that class of property given in for taxable purposes, it at the same time lessens the volume or total amount of other property given in for assessment. When capital is withdrawn from investment in any class of property and put into another, the one is increased and the other decreased. If Kentucky's tax system were reversed—if producing lands bore the smaller rate and idle capital the larger rate—then the tide of capital from the farm to tax-free securities would change and flow toward the farm and the smaller rate. Wherever the smaller rate of taxation is found there you will also find an increasing volume or total of taxable returns, and with it a larger revenue. I wish I had sufficient time to go further into demonstrating this position, but I hope I have already made it clear.

Gentlemen who oppose this resolution seem to forget that they are not acting finally. All that the resolution proposes is to submit the proposition to the several States. I for one say let it go to the people for their acceptance or rejection.

One gentleman has said in substance that because those of the Republican Party who usually speak for the rich are in favor of the resolution that he is disposed to oppose it. That is not a safe test of the merits of the proposition. The public-spirited man who relies on the worth of his own good judgment is in much safer hands than when simply opposing those whose motives he prefers to suspect. The best fee I ever received and the biggest case I ever won in the courthouse was accomplished by not combating the position taken by opposing counsel. As long as he was coming my way I offered no resistance.

Uniform taxation and economical expenditures are Democratic doctrines. So let the Republicans come on our way; do not stop them. Their motives in supporting this resolution to abolish nontaxable property perhaps comes as a result of the dressing down they got at the recent election.

Mr. GARNER. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. JOHNSON of Kentucky. Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HAYDEN. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. OLIVER. Mr. Chairman, it is not often that my good friend from Kentucky [Mr. JOHNSON], who has just spoken, draws erroneous conclusions from what others have said. His speech, however, shows that he wholly failed to catch the significance of the arguments advanced by some—that if the pending resolution should be submitted and finally ratified by the States it would serve to largely enhance the value of all tax-exempt securities issued prior to the amendment's adoption. No one undertook to say, as the gentleman seems to have understood, that the ratification of the amendment would increase the value of the securities thereafter issued, but on the other hand it has been contended that the interest rates on securities thereafter issued will be increased, and that there will be a large increase in the value of all tax-exempt securities now outstanding or hereafter issued prior to the ratification of the amendment. Attention was further called to the fact that it is claimed that a large part of the outstanding tax-exempt securities are now held by the rich.

If the Members of the House will take time to read the speeches favoring the resolution, which have been made to-day, as well as those made in December, when the resolution was first discussed, you will find that the only reason advanced by those favoring the submission of the pending constitutional amendment is simply that an opportunity and an encouragement to avoid the burdens of taxation is now afforded the very rich by investing their money in tax-exempt securities. I repeat, this is the one and only reason given in the speeches delivered on the floor of the House, so far as I can discover, for favoring this resolution. In other words, the advocates of the resolution point alone to an individual abuse of an unrestricted privilege now open to individuals, part-

nerships, corporations, and estates to buy and hold tax-exempt securities in unlimited amounts.

I recognize there may be some force in that argument, and that there may be some ground for the fear expressed by some that the abuse and evil, to which they call attention, will grow, unless some method can be found to check it. I will go even further and state that if the pending amendment is the sole and only remedy to correct the abuse and evil referred to, then there is reason for now giving serious consideration to the submission of the pending amendment. I submit, however, in all candor, that the pending resolution is not only not the sole and only remedy but it is not even the best remedy—yea, it is neither a sound nor reasonable remedy. It is not a remedy which the States will ever ratify, and if you submit the pending amendment as a remedy for the evil complained of the result will be a long postponement in the submission of a reasonable and effective remedy. This proposed amendment, when understood, will never be ratified by the requisite number of States, but its submission may cause the early issue of a large volume of bonds bearing tax-exempt privileges—so that such bonds can be sold in advance of any possible ratification of the amendment.

Its submission will lead to propaganda by the very rich, who desire to invest money in tax-exempt securities, seeking to encourage States, municipalities, and school districts to issue bonds at once, for the reason, forsooth, that unless issued and sold before the ratification of the submitted amendment, all tax-exempt privileges will be denied such bonds. Now, I submit there is an effective remedy for the evil complained of, and I now propound this question to the gentleman from Ohio [Mr. BURTON], who has spoken in favor of the pending resolution: Could not the evil and abuse you complain of be met by the submission of an amendment giving the right to levy a tax on tax-exempt securities hereafter issued, when held by any individual, estate, partnership, or corporation in excess of a reasonable limit [applause], thus making the income from all tax-exempt securities hereafter issued, when owned by an individual, estate, company, or corporation, in excess of an amount to be fixed, subject to the levy of a tax? [Applause.]

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. OLIVER. Yes.

Mr. BLACK. If those happen to be State and municipal securities, I would like to know how the gentleman would tax them under the decision of the Supreme Court?

Mr. OLIVER. The gentleman misunderstands my position. Of course, it will necessitate the submission of a constitutional amendment. My position is, if the abuses complained of are so great as to now suggest the submission of an amendment to the Constitution, then instead of submitting an amendment which will hereafter deny to the United States, and to all States, the sovereign right that they now enjoy, why not submit an amendment, involving simply the right to impose on securities, hereafter issued under the authority of any State, a tax, when such securities are owned by any individual, partnership, or corporation in excess of an amount which you may determine as a reasonable limit? Now, unfortunately, the reason given in the speeches that have been delivered, favoring the pending amendment, are not the only purposes, which some have in mind, who strongly favor the submission of this amendment. The gentleman from New York [Mr. MILLS] possibly represents the richest constituency of any man on the floor of the House. He strongly favors the pending resolution, and made what I consider a very damaging admission, before the committee, during its consideration of the resolution. We find, however, no reference to it in his speeches on the floor. This was his statement to the committee in reference to the pending resolution:

We have got to look at this from the national standpoint. We are giving to the States the privilege, to be sure, of taxing national securities, but in return we are getting the great mass of securities that on the whole are going to constitute a much larger tax base than the Federal securities are, and what is more, we are asking for the benefit and we are getting the benefit of taxing them at a much higher rate than the States are likely to do.

His answer may be that the resolution requires that the National Government levy a like tax upon any securities that it may hereafter issue. The gentleman from Texas [Mr. GARNER] has well pointed out that for years to come, if this resolution should be ratified by the States, there may thereafter be no occasion for the issuance of national bonds and securities. The resolution, you will note, only deals with securities issued by the Federal Government or under the authority of any State after the ratification of the amendment by the States.

How many States are likely to ratify this amendment, if the gentleman from New York was correct in his statement before

the committee as to the power it confers on Congress? I repeat again, the individual abuses urged by those who have spoken in favor of the pending amendment can be corrected without denying to the United States or any State an important sovereign right it now enjoys.

The gentleman from New York [Mr. HUSTED] well characterized the pending amendment as a "quack remedy." Every evil and abuse suggested by the gentleman from New York [Mr. MILLS] or by the gentleman from Georgia [Mr. CRISP], who, in December, spoke in favor of this resolution, can be effectively met by an amendment such as I have suggested. There is some ground for hoping that the States might grant to Congress the right to impose a tax on securities hereafter issued under the authority of the State, when such securities are held by an individual, estate, partnership, or corporation in excess of, say, \$100,000, or some other amount which you may determine is reasonable. You would simply then give to the Federal Government power to levy a tax on the income from securities thereafter issued under authority of a State when such securities were held by any single interest in excess of a reasonable amount. A market for securities issued under authority of a State can always be found on advantageous terms, even though the income from tax-exempt bonds issued by such State may be subject to a reasonable tax when such securities are held by any single interest in excess of a reasonable amount. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. OLIVER. Under leave to extend my remarks, I simply wish to set out how section 1 will read if the amendment, which I will later offer, is adopted thereto:

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by or under the authority of any State, when such securities are owned by any individual, estate, partnership, or corporation whose ownership of tax-exempt securities, Federal or State, exceed \$100,000 in amount, according to the par face value of such securities, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its secretaries, announced that the Senate had agreed to the conference report on the disagreeing votes of the two Houses, had further insisted upon its amendments numbered 7, 12, and 13 to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the House of Representatives, had asked a further conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. STERLING, Mr. PHIPPS, Mr. McKELLAR, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes.

The message also announced that the Senate had passed the following resolution:

Senate Resolution 415.

Resolved, That the Senate has heard with profound sorrow of the death of Hon. THOMAS E. WATSON, late a Senator from the State of Georgia.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The message also announced that the Senate had passed with amendments the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, in which the concurrence of the House of Representatives was requested.

AMENDMENT TO THE CONSTITUTION.

The committee resumed its session.

Mr. GREEN of Iowa. I yield 10 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, I listened with a great deal of interest to the speech of the gentleman from Alabama [Mr. OLIVER], who has just taken his seat, because at the beginning of his remarks he said that, admitting a grievous condition of affairs and one that should be cured, the remedy proposed was

not a proper one, and he would suggest a sufficient, proper, and wise remedy. And then he proceeded to suggest that the Federal Government should attempt to limit the amount of State and municipal securities that an individual might hold. Now, I am not a constitutional lawyer—

Mr. OLIVER. Will the gentleman yield a moment?

Mr. MONDELL. No; I can not yield. I am not a constitutional lawyer. I do not pretend to know as much about the Constitution as the gentleman from Alabama does; but unless I have an entirely erroneous idea of that instrument, in order to accomplish what the gentleman from Alabama seeks to accomplish it would be necessary not only to amend the Constitution but to rewrite it from stem to gudgeon and to entirely change its principles.

Mr. OLIVER. Unquestionably it would be necessary to amend it.

Mr. MONDELL. Why, surely; and that would be a lovely amendment.

The gentleman from Texas [Mr. GARNER], following the practice frequently indulged in by people who have not a good case, talked about everything except the matter before us. Among other things, he charged me with inconsistency because I believe we should vote on this matter at this time. That was just a little smoke screen intended to cover the monumental and unfathomable inconsistency of the gentleman from Texas in the position he now takes.

The gentleman from Texas has been noted as one of those who claimed to be after the rich. He has insisted, or assumed to, that they should be taxed and taxed a plenty. And now that we are endeavoring to present to the people of the United States for their adoption a proposal under which the rich can not escape taxation, the gentleman offers as an excuse for his opposition the fallacious argument that we are invading State rights. Well, the gentleman should have thought of that when he favored so earnestly and vigorously the adoption of the sixteenth amendment to the Constitution, one of the greatest invasions of the rights of the citizen in the State ever accomplished since the foundation of the Government, if we may except the eighteenth amendment, for which both the gentleman and I voted.

Mr. GARNER. I beg the gentleman's pardon. I did not vote for the eighteenth amendment. [Laughter.]

Mr. MONDELL. Oh, no; I recall the gentleman did not. I accept the gentleman's apology. The gentleman did not vote for it. He did, however, favor the adoption of the sixteenth amendment, and in doing so we created a condition in this country in some respects as inconsistent and illogical as it is possible for the human mind to imagine. We are now proposing to give the people an opportunity to cure that situation.

The gentleman from Texas, in his alleged desire to tax the rich a plenty, insists on maintaining a 50 per cent surtax on top of an 8 per cent normal tax on large incomes. The gentleman says he wants to tax the rich. It is true that the 58 per cent normal and surtax is not reasonable, sensible, consistent, or wise in time of peace. It is true it does not secure so large a tax return from the rich as a lower tax would, but the gentleman from Texas insists upon it. He insists, so he says, that gentlemen who have great wealth shall pay large sums into the Federal Treasury—sometimes. Having insisted upon that he would have us leave open an avenue as wide as the horizon through which the rich may escape all income taxation. He would continue a condition under which eventually no productive industrial enterprise in America, unless it were earning a return that would be extraordinarily burdensome on the people, will be utilized by men of large wealth as a theater of activity and investment. Henry Ford with his great wealth can afford to build automobiles just so long as he can make upward of 15 or 18 per cent on the manufacture of automobiles. But the moment conditions arise under which the American people are not to be compelled to pay those great returns Mr. Ford, and all like him, will get out of industrial enterprises and invest their money in tax-free securities. The gentleman from Texas and those who share his view and who have assumed his attitude can not fool the people by any pretense that here is an invasion of State rights. We now have a situation under which the very rich are continually taking their funds out of industrial enterprises and investing them in tax-free securities. Within a week word has come to me of a transfer in New York of more than \$40,000,000 from great industrial enterprises of very great importance to the Northwest, in which eventually hundreds of millions of dollars would have been invested—a transfer of more than \$40,000,000 from that enterprise into tax-free securities. Ah, the gentleman from Texas—

Mr. HARDY of Texas. Will the gentleman yield?

Mr. MONDELL. No; I can not yield.

Mr. HARDY of Texas. On that particular point?

Mr. MONDELL. I can not yield. The gentleman from Texas [Mr. GARNER], adroit as he is, can not successfully ride these two horses, going in exactly opposite directions. Either he is in favor, as he claims, of compelling great wealth to make a large contribution to the Federal Treasury or he is not in favor of it, one or the other. [Applause.] He can not hold both beliefs and he can not carry out both intents and purposes at the same time. We shall either tax great wealth under this amendment when adopted or the holders of great wealth shall continue to enjoy the privilege of investing in classes of securities on which they pay no penny of tax into the Federal Treasury. Which shall it be? I do not favor a 50 per cent surtax. The gentleman from Texas [Mr. GARNER] does. This amendment would be just as necessary if the surtax were reduced by half, for even then men could not afford to retain their investments in productive enterprises except when they paid great profits, so long as the field of tax-free securities remained open before them. I suggest to the gentleman from Texas [Mr. GARNER] and those who hold the view he claims to hold that they leave the company of gentleman who do not believe in income taxes, who do not believe in surtaxes on large incomes, who are against even a moderate surtax, and get over on the side of the people who believe that wealth should pay a fair income tax and be deprived of the avenues of escape therefrom. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, there will be only one more speech on this side.

The CHAIRMAN. The gentleman from Texas [Mr. GARNER] has seven minutes remaining.

Mr. GARNER. Mr. Chairman, I want to take the seven minutes remaining to me to use the illustration of my friend and colleague [Mr. BLACK], and I thank him for giving it to me. I want to propound to him this question: Take Mr. Jones, a merchant; Mr. Smith, a farmer; Mr. Dubb, a professional man; and Mr. Dough, a retired capitalist. Are you willing to say to the Congress we are going to give you power to say to Dough, because you invest in State and municipal securities which we think ought not to be used or issued in too great quantities—are you willing to say to the Federal Government, "We are going to give you the power to tax Dough ten times what you tax Smith"?

Mr. BLACK. I am not willing to do that.

Mr. GARNER. I say to the gentleman that if you adopt the Green amendment without any amendment to it you give the Government that power.

Mr. BLACK. I am willing to safeguard it so the taxation shall be on an absolutely equal basis.

Mr. GARNER. That is all right, but I want to ask the gentleman this question—the gentleman from Texas was making an argument in favor of the Green amendment, and I now ask him if he is willing to vote for it if it will do what I have said, and he says "No."

Mr. BLACK. I have not accepted the gentleman's interpretation of the Green amendment.

Mr. GARNER. I think I can convince any jury on the face of God's green earth that if you will give me the power granted in the amendment I can pass any law that I please, and I can pass a law providing that when any man holds State or municipal securities that his income therefrom shall be taxed ten times the income of an individual. I could do that under this amendment, can I not? I yield to the gentleman to answer.

Mr. BLACK. The income of an individual may include many classes of income. What does the gentleman mean?

Mr. GARNER. For illustration, the income of the gentleman from Texas [Mr. BLACK] is \$10,000 from the grocery business and the income of the gentleman from Alabama [Mr. OLIVER] is \$10,000 from State bonds; I can pass a law requiring the gentleman from Texas to pay \$100 and the gentleman from Alabama to pay \$1,000 on that income.

Mr. BLACK. The Green amendment provides that the Federal Government in levying the tax does not have power to levy any greater tax on State or municipal bonds than it does on its own bonds. It is inconceivable—

Mr. GARNER. Oh, the gentleman is assuming what all men assume who support the amendment. He is assuming that Congress will not do a foolish thing. You can not afford to assume that Congress will not exercise the power that the State has surrendered. Why ask the State to surrender the power unless you are going to use it? I ask why you do not amend this so that you can not tax the income of all of the people more than you do an individual?

Mr. HARDY of Texas. Will the gentleman yield?

Mr. GARNER. I will.

Mr. HARDY of Texas. Is it not possible, as the gentleman from Alabama [Mr. OLIVER] stated, that the Federal Government shall virtually cease to issue bonds hereafter for the purpose of absolutely stopping the issue of State bonds, and then levy very high or confiscatory taxes on State bonds or municipal bonds?

Mr. GARNER. Let me say that the record is full—the gentleman from Ohio [Mr. BURTON], the gentleman from New York [Mr. MILLS], and every gentleman that has argued this question has come back to the original proposition that the States and municipalities are becoming too extravagant in the issue of bonds. That may be true, but are we to surrender the power of the State to issue them because they are temporarily displaying extravagance and unwisdom in issuing bonds?

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARNER. I will yield to the gentleman from Ohio.

Mr. LONGWORTH. Do I understand the gentleman to say that under his conception of this amendment it would be possible to tax the income from municipal bonds at ten times that of any other security?

Mr. GARNER. I did not say any other security; I said income of an individual.

Mr. LONGWORTH. Does the gentleman claim the limit under the present law is 58 per cent?

Mr. GARNER. Yes.

Mr. LONGWORTH. Does the gentleman say that Congress has the power to tax 58 per cent?

Mr. GARNER. It would. I want to ask the gentleman from Ohio if we adopt this amendment if he would vote to pass a law that would double the tax on incomes from municipal bonds over what the individual pays on his personal income?

Mr. LONGWORTH. The gentleman from Texas said he could multiply it indefinitely. The gentleman will withdraw that?

Mr. GARNER. Yes; for the sake of the argument, I will withdraw it.

Mr. MONDELL. The gentleman was one-fifth correct.

Mr. GARNER. All right; let the gentleman from Ohio agree to my proposition that the amendment authorizes Congress to place a tax of twice as much on bonds of Cincinnati as he would on the income of the individual.

Mr. LONGWORTH. The gentleman modifies his statement.

Mr. GARNER. Does the gentleman agree to my premise?

Mr. LONGWORTH. No; I do not.

Mr. GARNER. Then the gentleman does not understand the amendment. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

The CHAIRMAN. The gentleman from Iowa has 16 minutes remaining.

Mr. GREEN of Iowa. Mr. Chairman, in the few minutes remaining to close general debate I have no time for introduction or preliminaries, but must come down to some of the main objections made to this resolution. It has been claimed that the real object and purpose of the resolution is to prevent absolutely the issuance of any further tax-exempt securities by States and municipalities. This argument is based on some statements made by the President and the Secretary of the Treasury in support of the resolution, when they called attention to the flood of tax-exempt securities that are now being poured out. It is an all-sufficient answer to this claim to state that example and experience show that such will not and can not be the case.

No other country in the world gives such an exemption. Canada does not, and the securities of Canada, taxable at home and taxable here, are sold freely upon our own markets at rates below some of the rates required on our own tax-exempt securities. England does not permit any such exemption, and the securities of the cities of England sell at a lower rate as a rule than those of this country. France does not, and even poverty-stricken, ruined France has no trouble in negotiating the bonds of her cities. The error in this respect is all the greater because the claim is made in behalf of the small municipality and of the district far away from money centers that this resolution ought not to be adopted because it would prevent those securities from being negotiated.

The fact is that they do not get any appreciable benefit out of the present situation. On January 17 I introduced a set of tables in the RECORD which showed that the bonds of small towns in the South, of irrigated districts in the far West, bore a rate of 6 per cent, and they were getting no benefit out of this situation, while the bonds of high-class railways, taxable so far as the income was concerned, were in some instances be-

ing negotiated at a rate lower than 5 per cent. What is the reason for this? The reason is that security is first, and not the rate. The large investor wants to have his money in well-known securities, readily marketable and upon which he can readily realize. The real beneficiary of this tax exemption is not the small town or the irrigated district. The real beneficiary is the man of great wealth who does not have his money invested in active business and great estates like that of Marshall Field, entailed upon a person who never has or ever will lift his hand or use his brain in productive enterprise. It is proposed now that we shall maintain in behalf of such people this bounty of the Government, while we shall lay the burdens of taxation upon the high-class artisan, upon the salaried man, upon the man in active business who supports not only himself but large communities by his energy and his enterprise.

I have often heard the charge upon this floor from gentlemen on the other side that those of large wealth who invested their money in tax-exempt securities are tax dodgers and tax evaders. I do not consider them such. If it is right as a principle and practice to issue tax-exempt securities, it is right to buy them.

The wrong against the Government is the wrong in permitting them to be issued. Who will be responsible for the continuance of this condition if this amendment is defeated? Upon whom will rest the blame for the failure of these men of great wealth to contribute in proportion to their incomes to the support of the Government? Upon those who vote against the resolution. No one can escape from the conclusion that those who advocate the continuance of this condition, those who vote against this amendment, in reality favor and advocate men of great wealth being able to exempt their property from taxation.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. TILSON. The gentleman has referred several times to men of great wealth and to estates investing money in these tax-free securities. Was there not information of a specific character before the committee that that has occurred? The fact has been doubted by some.

Mr. GREEN of Iowa. Testimony was offered before the committee to that effect. I know there are some, not many, some on each side of the aisle, who frankly admit that they believe that wealth is now overtaxed, and they wish to provide this avenue of escape, but all admit, on the other hand, that those who are opposed to the resolution are in favor of providing this avenue of escape to the extremely wealthy.

There are some who believe that they can find a defense for their vote against the resolution in the amendment which will be offered by the gentleman from Texas [Mr. GARNER], an amendment which I trust will be rejected. The gentleman from Texas has all along been against this resolution. The Secretary of the Treasury has told us that this amendment which the gentleman from Texas proposes would absolutely nullify the resolution which is before us; but the gentleman from Texas says that he wants to prevent discrimination against State securities which he claims could be made under this resolution, made by the Representatives of the State in Congress. If Congress was disposed to so act, let me call the attention of the gentleman from Texas to the fact that discrimination can be made now. We can discriminate now against these securities, and if this resolution is defeated we will be forced to do so. There are a half dozen ways in which we can discriminate against these State securities, but Congress has never wished to levy discriminating taxes. It never has wished to put any tax upon these securities in such a way as would absolutely put them out of existence, but the gentleman from Texas says that the power to tax may be abused. What power to tax was ever given any government that could not be abused? It is impossible to give the power to tax without giving something that may be abused. If you do so limit it, you nullify it.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Pardon me. I have not the time. If this fair and equitable method, this method that puts the States and the Federal Government upon perfect equality, be rejected, then we must use some other method, even though it be something that Congress in the first instance would not wish to put into effect and a tax that does not in all respects work justly.

Mr. Chairman, it has been said that there has been propaganda in favor of this resolution. It is not propaganda. It is an all-embracing feature of this matter that from everywhere—the laborer, the salaried man, the farmer, the man in active business who has to compete with tax-exempt securities—comes the cry that they should and must be abolished. [Applause.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein). That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —.

"SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State."

Mr. GREEN of Iowa. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Page 1, line 9, strike out the word "section" and insert "Sec."

Mr. GREEN of Iowa. Mr. Chairman, this is merely a misprint.

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

Mr. GREEN of Iowa. I have another amendment, which I desire to offer.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa: Page 1, line 12, after the word "State," strike out the comma and insert a semicolon.

The CHAIRMAN. Without objection, the amendment will be agreed to.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. Was the first amendment adopted?

The CHAIRMAN. The Chair said, without objection, the amendment will be agreed to.

Mr. STAFFORD. I would like to make some inquiry of the chairman of the committee. I notice in referring to the printed copy of the Constitution where articles include more than one section the word "section" is printed in full. Take article 15. Why should not we conform to that rather than follow the abbreviated style of spelling the word "section"?

Mr. GREEN of Iowa. The drafting clerk informs me that in the original draft the form is the same as in this amendment, and therefore it was thought best—

Mr. STAFFORD. Here we have with respect to amendments to the Constitution the various sections where the word "section" is spelled out in full and not abbreviated, and why should not we conform to that?

Mr. GREEN of Iowa. We do conform—

Mr. STAFFORD. The gentleman from Washington says every one is that way.

Mr. GREEN of Iowa. It may not in the print the gentleman has before him.

Mr. STAFFORD. Here we have the print of the Constitution and in every article containing more than one section the word "section" is printed out in full.

Mr. TILSON. Is the gentleman sure his copy follows the original Constitution?

Mr. STAFFORD. The authority is the manual, and it is copied directly, and I should hold that any person who would take undue liberties by submitting something that has not been adopted by the people—

Mr. GREEN of Iowa. Let me call the attention of the gentleman from Wisconsin that in the copy of the resolution in one place the word "section" is spelled "Section," and in the other it is "Sec."

Mr. STAFFORD. Why do not you make them conform?

Mr. GREEN of Iowa. I do not care which way it is.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Iowa will be agreed to.

Mr. STAFFORD. I object and ask for a vote.

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Iowa.

Mr. GREEN of Iowa. I ask unanimous consent to withdraw the first amendment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to withdraw the first amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. The other amendment is simply the insertion of a semicolon instead of a comma.

The CHAIRMAN. Is there objection?

Mr. LONDON. Mr. Chairman, I object.

The CHAIRMAN. The question is on agreeing to the amendment proposed by the gentleman from Iowa.

Mr. LONDON. Mr. Chairman, I rise in opposition to the amendment proposed by the gentleman from Iowa and ask why a semicolon is grammatical and a comma is not. What is the necessity for the amendment?

Mr. GREEN of Iowa. The amendment is made under the general rules of punctuation that where there are main divisions in the paragraph and some smaller divisions, the smaller divisions are separated by a comma and the main divisions should be separated by a semicolon.

Mr. LONDON. I think it is bad grammar. I think the gentleman's amendment is an infraction of the rules of grammar. A semicolon can not divide a sentence which contains only one subject and only one predicate. Now, the entire section contains one sentence, and there is only one subject and only one predicate, and a semicolon can not split up a sentence. I object to bad grammar. The amendment is bad enough, but why the bad grammar?

Mr. GREEN of Iowa. I do not agree with the gentleman at all, nor does the drafting clerk.

Mr. LONDON. I think I am right about the grammar, anyway.

The CHAIRMAN. The question is on the amendment.

Mr. WINGO. Mr. Chairman, I think the gentleman from Iowa ought to offer some reason why the rule of punctuation is violated. The gentleman from New York is correct. You can not cite any rule of punctuation that would justify what the gentleman proposes to do. With all respect to the gentleman it is absurd to say you are going to separate—

Mr. HERRICK. Is an amendment to the section in order?

The CHAIRMAN. Not until we vote on this amendment.

Mr. TILSON. While on the subject of punctuation I should like to call attention to the punctuation in lines 10 and 11 of the first section. My attention has been called to a possible ambiguity. At the end of line 10 there is a comma after the word "issued." Clearly this clause is meant to refer to securities issued after the ratification of this article, but it is feared that it may be construed to reach back further and made to mean only that after the ratification of this article the United States shall have power to lay and collect taxes on these securities. It makes a great deal of difference which interpretation is put upon it. It ought to be made perfectly clear and certain that it means that it shall apply only to securities issued after the ratification.

Mr. WINGO. If the gentleman will permit, if that is what it is intended to do, apply only to securities issued after the ratification of this article, then the comma, of course, ought to come after the word "securities." As you have got it now after the ratification of this article, then you can tax these securities.

Mr. TILSON. Yes; that is the idea of some who fear that there may be an ambiguity.

Mr. WINGO. If you mean that the limitation shall apply to the time of issue, then your comma ought to come after "securities."

Mr. TILSON. If I understand the meaning intended to be conveyed, it is that this will apply only to securities issued after ratification.

Mr. WINGO. If you think that, do not you think the comma should come after "securities"?

Mr. TILSON. I wish to have the comma come in at the right place to make it mean securities issued after the ratification, and I wish to have no uncertainty about the meaning of the constitutional amendment. That is the reason why I have directed my inquiry to the gentleman in charge of the bill, so that it may be made very clear and express just what it means.

Mr. GREEN of Iowa. Mr. Chairman, there are two contingencies applied to the securities issued: First, that they shall be issued after the ratification of this article; second, by or under the authority of any State. The punctuation, except as proposed to be corrected by the amendment that I have offered, is correct, as is believed unanimously by the drafting bureau. This House has always heretofore accepted the conclusions of the drafting bureau about matters of punctuation. I think the meaning is perfectly clear, and it can not be construed the other way.

Mr. TILSON. What is the meaning? I should like to have the gentleman state it for the RECORD.

Mr. GREEN of Iowa. I can not understand fully the difficulty under which the gentleman from Connecticut labors.

Mr. TILSON. I should like to have the gentleman's construction placed in the RECORD, so that hereafter, if necessary, it can be used in construing this amendment.

Mr. GREEN of Iowa. I have just stated that there are two limitations placed upon the securities issued under the provisions of this amendment, and which may be, first, those issued after the ratification of this article, and, second, by or under the authority of any State.

Mr. TILSON. That is the gentleman's interpretation of it, and that, I understand, is the meaning he intends to convey in this section. Whether the gentleman's interpretation is the correct one or the one that would necessarily be given to it by a court in its interpretation, I do not know. I should like to have it made certain.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. WINGO. Let me suggest to the gentleman from Connecticut and the gentleman from Iowa that there are two limitations upon the word "securities." "Securities" is the substantive thing you are legislating about. There are two limitations upon the word "securities." One is "issued after the ratification of this article" and the other is "by or under the authority of any State." Now, by putting the comma after the word "issued," what are you doing? You are putting that qualification to the whole thing that goes before the comma, and that is, "The United States shall have power to lay and collect taxes on income derived from securities issued." The word "issued" in that event is mere surplusage. "Securities" is what you are talking about, and I submit in all seriousness that if I know what the gentleman intends, it is that the limitation on the securities should apply after the securities are issued.

Mr. GREEN of Iowa. This has been discussed before the committee for months. The limitation is upon the securities issued, upon the word "issued."

Mr. WINGO. No; I think the limitation is upon the securities, not upon the issues.

Mr. TILSON. I suggest the propriety of transposing those two phrases.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. LITTLE. There is a comma after "securities issued" at the end of line 10, and then after the words "securities issued" on line 1 of page 2. Is it intended that these commas shall remain in? You do not intend to keep those commas in, do you?

Mr. TILSON. There is no motion to strike them out, and so I am inquiring as to the meaning of the section with the commas as they are.

Mr. MONDELL. I can get no other meaning except that suggested by the gentleman from Iowa.

Mr. TILSON. I confess that my own first interpretation of it was in accord with that of the gentleman from Iowa and the gentleman from Wyoming, knowing that to be the intent of the committee, but the question has been raised by people in whose good judgment I have great confidence, people who have studied this matter, and who contend with able argument and great zeal that there is ambiguity here and liability to misconception.

Mr. MONDELL. What is the ambiguity which these distinguished people have mentioned?

Mr. TILSON. The one referred to by the gentleman from Arkansas [Mr. Wingo] that the comma after the word "issued," at the end of line 10, carries the meaning of the clause following the word "issued" back to the beginning of the section, so that it will mean only that after the ratification of this article Congress shall have power to lay and collect taxes on incomes derived from securities issued by or under the authority of any State; or possibly so that it will refer to income derived from such securities after the ratification of this article. Neither would be the meaning intended by the committee in reporting the resolution.

Mr. MONDELL. I presume the gentleman from Connecticut knows from long experience that gentlemen who are experts never agree, and that you can change this half a dozen times and yet never get the approval of all the objectors.

Mr. TILSON. All I desire is to get it right.

Mr. HERRICK. Mr. Chairman, has this matter been disposed of.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. GREEN] to insert a semicolon in lieu of a comma after the word "States," in line 12.

Mr. HUMPHREYS of Mississippi. Mr. Chairman, I offer a substitute for that.

The CHAIRMAN. The gentleman from Mississippi offers a substitute, which the Clerk will report.

Mr. HUMPHREYS of Mississippi. In line 10 strike out after the word "issued" the comma and insert in lieu thereof

the words "by or under the authority of any State." Then it will read as I imagine it is intended to read, "The United States shall have power to lay and collect taxes on income derived from securities issued by or under the authority of any State after the ratification of this article." I do not think it will put all my merit into it, but at least it will have some sense then. [Laughter.]

The CHAIRMAN. The Clerk did not catch the gentleman's amendment.

Mr. HUMPHREYS of Mississippi. In line 10, page 1, after the word "issued" strike out the comma and insert in lieu thereof "by or under the authority of any State." Of course, subsequently in line 11 we should strike out the words "by or under the authority of any State." Or I will suggest that we put it all in one amendment, and after the comma strike out the words "by or under the authority of any State."

Mr. LITTLE. Will the gentleman yield for a question?

Mr. HUMPHREYS of Mississippi. Yes.

The CHAIRMAN. Will the gentleman from Mississippi send his amendment to the desk in writing? The Clerk can not get it.

Mr. HUMPHREYS of Mississippi. He can get it easily enough.

Mr. GARNER. Mr. Chairman, a parliamentary inquiry. Would it be in order now to move to send this bill back to the committee, so that they may consider it with a view of getting it into shape to be considered by the Committee of the Whole?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. HUMPHREYS of Mississippi. The amendment I offer is at the end of line 10, page 1, to strike out the comma and insert in lieu thereof the words "by or under the authority of any State;" and, after the comma in line 11, strike out the words "by or under the authority of any State."

Then it will read as follows:

The United States shall have power to lay and collect taxes on income derived from securities issued by or under the authority of any State after the ratification of this article.

The CHAIRMAN. And what punctuation would the gentleman suggest to follow that?

Mr. HUMPHREYS of Mississippi. The comma will still be there.

The CHAIRMAN. The gentleman from Mississippi offers an amendment which the clerk will report.

The clerk read as follows:

Amendment by Mr. HUMPHREYS of Mississippi: Page 1, line 10, after the word "issued," strike out the comma and insert the words "by or under the authority of any State"; and in lines 11 and 12, strike out the words "by or under the authority of any State."

The CHAIRMAN. The question is on agreeing to the substitute.

Mr. GREEN of Iowa. Mr. Chairman, the danger of trying to amend in this kind of a way in Committee of the Whole is very well illustrated by the amendment offered by the gentleman from Mississippi. If his amendment should prevail, it would greatly expand the purposes of this constitutional amendment and would do something which I am sure he does not want to do. As he has it, it would read:

Income derived from securities issued by or under the authority of any State after the ratification of this article.

If the gentleman's amendment should prevail and the constitutional amendment in that form should be adopted, we could tax income derived from past issues of securities.

Mr. HUMPHREYS of Mississippi. You can do it under the amendment as it now stands. As it now stands, there is no question but that is what would happen.

Mr. GREEN of Iowa. This was all carefully gone over in the committee, and these words were put in the order in which they now are after full consideration.

Mr. HUMPHREYS of Mississippi. The way it reads now is:

The United States shall have power to lay and collect taxes on incomes derived from securities issued, after the ratification of this article.

Mr. GREEN of Iowa. Issued after the ratification?

Mr. HUMPHREYS of Mississippi. Oh, no; you shut that off with commas. When shall the United States do that? As soon as this amendment is ratified you can levy a tax on income derived from State securities and Government securities and all other securities which are now exempt from taxation, if you leave it as you have it now.

Mr. GREEN of Iowa. If you should strike out that comma, there might be something in your contention.

Mr. HUMPHREYS of Mississippi. I would like to have it all stricken out.

The CHAIRMAN. The question is on the substitute.

Mr. MILLS. Mr. Chairman, I rise to oppose the substitute. It seems to me that the House should not vote hastily to change

the words of a constitutional amendment carefully considered by the committee in favor of words which are merely read and which it is impossible to compare with the text of the proposed amendment. I do not say that the gentleman's substitute will accomplish what I propose to suggest, but I do say that if we make the transposition which he demands it is open to the interpretation that the words will refer back to the words "income derived," and that the amendment may then read that the United States may tax incomes derived after the ratification of this amendment. If that be so, then that means that the United States could tax the income from bonds now exempt, and that is not the purpose of this amendment. I do not say that it would accomplish this, but I do say that it is open to that interpretation; and being open to that interpretation, in the future men will claim that interpretation and it will result in litigation.

Mr. HUMPHREYS of Mississippi. Will the gentleman yield?

Mr. MILLS. In one minute. I, for one, though I think this proposition is perfectly correct as it now stands, can see no objection to striking out both of the commas that seem to be giving so much trouble to some of the gentlemen here, in lines 10 and 11, so that the words "after the ratification of this article" will not be separated from the word "issued" nor will they be divorced from the words "by or under the authority of any State." It would be a little clumsy, but it would not be open to any of the objections that have been urged on the floor to-day.

Mr. HUMPHREYS of Mississippi. Does not the gentleman think this amendment which has been so carefully considered by the committee, with the comma after the word "issued" and the comma after the word "article," is capable of being interpreted as meaning that after the ratification of this amendment the United States shall have power to lay and collect taxes on securities issued?

Mr. MILLS. If the gentleman asks me the question, frankly, I do not believe it is open to that interpretation.

Mr. HUMPHREYS of Mississippi. If it refers to securities issued after ratification of this article, will the gentleman suggest any reason why the comma should have been inserted there, separating "issued" from "after the ratification"?

Mr. MILLS. As I see it, I would say to the gentleman that you might have included those words "after the ratification of this article" in parenthesis, if so desired. It is a parenthetical clause and obviously should be inclosed in commas, but if the commas bother the gentleman so much I for one am perfectly willing that they should go out, though I think they are correctly there.

Mr. HARDY of Texas. Mr. Chairman, may I suggest the insertion of two words which I think would relieve all obscurity, if there is any. In line 10, if you insert after the word "securities" the words "which are," then you would have it read, "the United States shall have the power to lay and collect taxes on incomes derived from securities which are issued," and so forth.

Mr. GREEN of Iowa. I have no objection to both commas going out.

Mr. KNUTSON. Mr. Chairman, in view of the fact that the experts can not agree, I move that both commas be stricken out.

Mr. GREEN of Iowa. Mr. Chairman, I will withdraw the last amendment in order that the gentleman from Wyoming may address the committee.

Mr. MONDELL. Mr. Chairman, this matter has been very carefully considered by the committee and I am inclined to think that the committee is correct in its phraseology. It might have been phrased somewhat differently but the phraseology is reasonably clear and understandable. I think the committee was also correct from the standpoint of most authorities as far as the punctuation is concerned. Not being an expert on punctuation and not claiming to know over much about these things, I should have left out both commas, the one after the word "issued" in line 10 and the one after the word "article" in line 11. I do not, however, think it makes any material difference. I think it makes it a little clearer, and I am going to ask unanimous consent to strike out the comma after the word "issued" at the end of line 10, page 1, and the comma after the word "article" in line 11.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to amend the resolution as the Clerk will report.

The Clerk read as follows:

Mr. MONDELL asks unanimous consent to strike out the comma after the word "issued" in line 10, and also to strike out the comma after the word "article" in line 11.

The CHAIRMAN. Is there objection?

Mr. DENISON. Reserving the right to object, I want to ask the gentleman from Wyoming a question. If you strike out the

comma in line 11, it will then read "issued after the ratification of this article by or under the authority of any State."

Mr. MONDELL. I am not at all insistent. I do not think it makes any great difference, but I thought if we could get an agreement it would be well to do so.

Mr. GARNER. Mr. Chairman, I want to ask if this is in accord with the view of the gentleman from Iowa.

Mr. GREEN of Iowa. I will say that we went over this question time and time again, and discussed it with the drafting bureau, and we punctuated it according to the best advice we could get.

Mr. GARNER. I can not consent to having this changed after the subcommittee has gone over it for month after month with the experts from the Treasury Department and the experts of the drafting bureau. I can not consent to having it changed by unanimous consent. It is a reflection on the committee, and I am not willing to have the record show any such thing. I am a member of the Committee on Ways and Means, and I do not propose to have it reflected upon in any such manner.

Mr. MONDELL. I am glad to know the attitude of the gentleman from Texas. Everyone knows who has had any writing to do that there is a wide difference of opinion in the matter of punctuation. Some folks use few or no commas at all and some scatter them in almost anywhere. The committee has taken the best advice that is obtainable. I think their punctuation is as it should be, but if anybody objects to those two commas, let us take them out. Otherwise I think the resolution should remain exactly as it was presented.

SEVERAL MEMBERS. Regular order.

The CHAIRMAN. The regular order is called for.

Mr. LITTLE rose.

The CHAIRMAN. For what purpose does the gentleman from Kansas rise?

Mr. LITTLE. I rise to get permission to ask a question and reserving the right to object.

The CHAIRMAN. It is too late to reserve the right to object. The regular order has been called for. The question is on agreeing to the substitute amendment proposed by the gentleman from Massachusetts.

The question was taken, and the substitute amendment was rejected.

The CHAIRMAN. The question is on the original amendment offered by the gentleman from Iowa [Mr. GREEN].

Mr. HILL. Let the amendment be reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment by Mr. GREEN of Iowa: Page 1, line 12, after the word "State," strike out the comma and insert in lieu thereof a semicolon.

Mr. CHALMERS. Mr. Chairman, will another substitute be in order?

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this amendment—

The CHAIRMAN. The gentleman from Ohio has the floor.

Mr. CHALMERS. Mr. Chairman, in place of the amendment offered by the gentleman from Iowa to strike out the comma after the word "State," in line 12, I offer a substitute to strike out the comma after the word "State" and substitute a period. Then strike out the words "but without discrimination," in line 12, and substitute "However, the United States shall not discriminate against."

The CHAIRMAN. The Clerk will report the substitute amendment.

The Clerk read as follows:

Amendment by Mr. CHALMERS as a substitute for the amendment offered by Mr. GREEN of Iowa: On page 1, line 12, after the word "State," strike out the comma and insert in lieu thereof a period, and strike out the language "but without discrimination" and insert in lieu thereof "However, the United States shall not discriminate against."

Mr. CHALMERS. Mr. Chairman, the difficulty seems to have been that we have here an involved compound sentence with the subject only in the first member. I am breaking it up into two sentences, putting in a period and putting the subject in the second member. That seems to me to clarify the provision.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate upon this amendment and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Ohio.

The substitute was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Iowa.

The amendment was rejected.

Mr. MANSFIELD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: Page 1, line 11, strike out the words "after the ratification of this article."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. LITTLE. Mr. Chairman, I offer the following amendment, which I send to the desk.

Mr. GARNER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARNER. It has been usual heretofore in the House, when in Committee of the Whole, for the Chairman of the Committee of the Whole to at least consider amendments that will likely be offered by members of the committee. I do not desire to cut off anyone else.

The CHAIRMAN. Was the gentleman on his feet desiring to offer an amendment?

Mr. GARNER. I was on my feet asking for recognition. I merely call the attention of the Chair to the situation and ask him at some time to glance in this direction.

The CHAIRMAN. The Chair was unaware that the gentleman from Texas was on the floor for the purpose of offering an amendment. The Chair will recognize the gentleman as soon as the gentleman from Kansas yields the floor.

Mr. MOORE of Virginia. Mr. Chairman, is there an amendment pending?

The CHAIRMAN. The gentleman from Kansas rose for the purpose of offering an amendment, which the Clerk is about to report.

The Clerk read as follows:

Amendment offered by Mr. LITTLE: Page 1, line 10, strike out the comma at the end of the line, and in line 1 on page 2, strike out the comma after the word "issued."

Mr. LITTLE. Mr. Chairman, I wish to make an apology to the gentleman from Texas [Mr. GARNER], if I seem to have been trying to take the floor away from him. I thought I had been standing here steadily and frantically trying to get recognition myself.

Mr. GARNER. I am glad that the gentleman obtained recognition.

Mr. LITTLE. It seems to me that it is hard work here to get a little recognition to talk about a stray comma, a little punk punctuation. It seems a very plain, simple question to me. You have a comma after the word "issued," at the end of line 10 on page 1. How it ever got there I do not know. You can not find a well-written English book in the Library that has a comma in such a connection and at such place as that. Just what the effect of it will be one hardly knows off-hand, because nobody ever saw that thing done before with a comma. This is also true about the comma after the word "issued" in line 1 on page 2. One reason I was trying to get recognition was that no one had any interest in this last little comma, which is in exactly the same position as the other.

If we are going to fix it, why not fix this also? If the comma were absent it would mean that they could tax securities issued after the ratification of the article. When you put the comma in you make a change. What is it? You have set off to themselves the words "after the ratification of this article" for some purpose. The comma makes a pause for some reason after the word "issued," a slight pause, long enough to say when, for example. When will they have the power to tax securities? Why, the answer after the comma is, as soon as this article is ratified, of course. If that is not the purpose of the comma, for pity's sake why is it there? If instead of setting off those words between the two commas you had inserted them in the first line after the words "The United States," they would have the same effect as they have now with a comma at each end and would say, "The United States, after the ratification of this article, shall have power to collect taxes on income derived from securities issued." The gentleman from New York [Mr. MILLS] criticized the amendment of the gentleman from Mississippi [Mr. HUMPHREYS] because it might have that result, but the resolution as it stands now would probably have exactly the same result as would spring from Mr. HUMPHREYS's resolution. Why make a case for the Supreme Court when your resolution will be perfectly plain if you strike out this comma?

If this amendment goes through into the Constitution just as it is written, the law business will become more profitable than it has been for a hundred years. You had better have

lawyers, not professors, writing your amendments to the Constitution, gentlemen of the Ways and Means, or punctuating them, rather.

Mr. LONDON. Does anybody know of any reason that dictates this amendment?

Mr. LITTLE. This amendment is presented to strike out the comma and restore the language to what the Ways and Means Committee say they meant. Replying to the suggestion of the learned gentleman from Virginia with regard to the commas in the Constitution interpreted, yes. Just as the Bible was written without punctuation, and just as Homer was written, and just as the English people, formerly at least, read their laws, without reference to commas. If you will look at this you will find that there is no earthly reason for the comma after either of these words, and it can not do any good and it may do a lot of harm. Gentlemen, the simplest and least complicated English is best for the purposes of such legislation. God knows the difficulties in interpreting and applying it will be amply sufficient without these involved and complicated sentences. There is no earthly excuse for having one long sentence in this resolution. Certainly nobody has such pride of authorship as to insist on retaining a wicked and useless little comma that probably will start a prairie fire of litigation unless the Senate cuts it out. If you take the comma out after the word "issued," it would then read:

The United States shall have power to lay and collect taxes on income derived from securities issued after the ratification of this article.

And if you leave that comma in, the resolution will mean:

The United States shall have power, after the ratification of this article, to lay and collect taxes on securities issued.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes; certainly.

Mr. TILSON. As I understand the purport of the gentleman's amendment, it is to strike out the comma after the word "issued" in both parts of the sentence.

Mr. LITTLE. Yes. There is no earthly reason for commas being there. What harm they might do you can not so quickly estimate.

Mr. GREEN of Iowa. Mr. Chairman, I think the provisions would be construed just the same whether those commas stay in or go out. I move that all debate upon this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. LITTLE) there were—ayes 71, noes 76.

So the amendment was rejected.

Mr. GARNER. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GARNER: Page 2, strike out lines 2, 3, and 4, and insert in lieu thereof the following: "from any other source."

Mr. GARNER. Mr. Chairman, I call the attention of the membership of the House to the fact that there are two prints of this proposed amendment from the Printing Office. The one that Mr. GREEN is using and the one they are using at the desk have four lines in the first section of the second page, and I am going to offer in my time another proposed amendment to section 2. I make this explanation so that gentlemen can read on their prints where there are only three lines of section 1 on page 2, so that they may understand the second amendment.

The Clerk read as follows:

Amendment offered by Mr. GARNER: Page 2, line 10, strike out all after the word "from" down to and including the word "State" in line 11, and insert in lieu thereof the following: "any other source."

The CHAIRMAN. The second amendment will be considered as pending.

Mr. GARNER. Now, Mr. Chairman, I want to say to the House that all I am doing is this—

Mr. MONDELL. Will the gentleman from Texas allow his first amendment to be again reported? We did not get it.

Mr. GARNER. Will the Clerk report the first amendment again?

The CHAIRMAN. Without objection, the first amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. MONDELL. I ask that the gentleman give the words stricken out.

Mr. GARNER. I will ask that the gentleman from Wyoming get a copy of the bill. If he has a copy of the bill which has the print other than the one referred to, the one the Clerk is using and the one Mr. GREEN is using, and he will turn to page

1, strike out all after the word "income." In other words, page 1, I strike out the word "derived."

A MEMBER. What line?

Mr. GARNER. Line 13. You strike out all on page 2 in lines 1, 2, and 3 in place of 2, 3, and 4, after the word "from."

Mr. LONGWORTH. In line 1.

Mr. GARNER. You strike out the words, if you have your print, if the Chair will wait a minute—I do not know what print he has, and not knowing what print I can not tell you what to do. I will read it as amended.

Mr. MONDELL. If the gentleman will read what is proposed to be stricken out.

Mr. GARNER. All right, I will do it.

Mr. PARKER of New Jersey. It is absurd to refer to the print at all, if the gentleman will simply give us what he is going to strike out.

Mr. GARNER. If my amendment were adopted, Article I would read as follows.

Mr. MONDELL. If the gentleman from Texas will follow the suggestion of the gentleman from New Jersey and give us the exact words he proposes to strike out.

Mr. GARNER. I will do that, but one gentleman makes the suggestion that I read it as amended, and another that I read the words stricken out. I will try again.

On page 2 of the print of the bill which most of you have strike out all after the word "from," the language to be stricken out being this—

Securities issued, after the ratification of this article, by or under the authority of the United States or any other State—

And insert after the word "from" the words "any other source," so that it will read:

The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from any other source.

Now, I do not know whether the House wants to adopt that amendment or not. Mr. GREEN of Iowa says he does not want to adopt it. But if you do want to limit the power of Congress to tax income from State and municipal bonds at the same rate as income of individuals is taxed, you are compelled to adopt this amendment or a similar one. Now, I am told by the experts of the legislative drafting service that there is an amendment on the desk that will reach the same purpose and have less objection. But to my mind its language is confusing and obscure, and that is the reason I offer the amendment which I am now discussing.

With all due respect to the legislative drafting expert, and he is an expert and deserves much credit for his work in this Congress and in other Congresses, and for one I voted and expect to continue to vote to continue his services, but this is such a technical subject, it has been drawn in such a manner by the committee that nobody can understand it, not even the best grammarian in the House will agree as to what the man who drafted the section means, and I offer a plain amendment that any average man can understand; that is to say, I want to limit the power of Congress to levy on income from United States bonds, county bonds, and municipal bonds the same rate of taxes as is levied upon all other classes of individual income. I think that is what Congress wants to do.

Mr. BUTLER. That is what we want to do.

Mr. GARNER. And I am trying to fix it so the amendment will insure it; and, Mr. BUTLER, unless you do adopt this amendment you will give to the Congress the power to levy ten times as much taxes on income from the city of West Chester's bonds as might be levied upon the salaried income of individuals. Will that be right?

Mr. BUTLER. No; it will break the city of West Chester up.

Mr. GARNER. Why, I do not think you want to do it; and not wanting to do it, I have offered this amendment in order that I may, as far as I can, protect the city of West Chester and other municipalities against a Congress that might want to stop its issues by imposing too heavy a tax, and the record in this case shows that some of the very people who are proposing this amendment want to limit and discourage the issuance of these bonds.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. GARNER. I want to fix it so that whenever you levy a high tax on income from State and municipal bonds you will also levy the same rate on other income of individuals and thereby give protection against unfair and dangerous discrimination.

Mr. MONDELL. Mr. Chairman, will the gentleman yield there?

Mr. GARNER. Yes.

Mr. MONDELL. I suppose we shall have the benefit of the gentleman's influence to pass the resolution if the gentleman's amendment is adopted?

Mr. GARNER. I will say this to the gentleman, that if you adopt it the House will pass the resolution, and if you do not it will not have much chance.

Mr. MONDELL. How about the vote of the gentleman from Texas?

Mr. GARNER. It does not make any special difference about my vote. Results are what you want, I suppose. If you are looking for results, my amendment should be adopted.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. BLACK. Under the present law, when the 3½ per cent Liberty bonds were issued they were made entirely tax exempt?

Mr. GARNER. They were.

Mr. BLACK. If the gentleman's amendment is adopted it would preclude Congress from writing into future revenue laws a provision that would exempt income from these bonds, it seems to me.

Mr. GARNER. Certainly not. My amendment applies to securities issued after the ratification of the article.

Mr. BLACK. No. The gentleman strikes all that language out.

Mr. GARNER. No; I do not.

Mr. BLACK. The first part of section 1 refers to State obligations which are issued after the ratification of the article.

Mr. GARNER. Yes; and then I go down and deal with Federal obligations issued after the ratification.

Mr. BLACK. The gentleman's amendment is to strike out the part of section 1 found on page 2 of the resolution.

Mr. GARNER. "By and under the authority of the United States"; all right.

Mr. BLACK. The gentleman's amendment does more than that; it strikes out from the section this language, "securities issued after the ratification of this article by or under the authority of the United States or any other State" and inserts in lieu of the language stricken out this language, "income from any other source." These words would include income from the 3½ per cent Liberties. In my judgment, a provision of that kind would nullify the whole effect of the amendment so long as the 3½ Liberties are outstanding.

Mr. GARNER. I am levying taxes now against State securities, am I not?

Mr. BLACK. Yes.

Mr. GARNER. Then I am going to levy them against State securities at the same rate as is put on income from all other sources.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GARNER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GARNER. This paragraph undertakes to tax incomes from State and municipal securities, does it not?

Mr. BLACK. Yes.

Mr. GARNER. I am going to limit the rate that you levy against such income to the same as other income of individuals. In the next section the resolution reciprocates and gives the States the right to levy a tax against the income from United States Government bonds, and I say the State shall not levy a higher tax against the income from Federal Government bonds than it does against any other income of its citizens. Is not that fair?

Mr. BLACK. Yes; that is undoubtedly fair and furnishes the main reason why I am going to vote for the submission of this amendment. But at the same time we can not repudiate the tax exemption which is already in the 3½ Liberties and which is no doubt in some of the State and municipal bonds, and the resolution as now drawn provides for a recognition of these outstanding commitments. If I understand my colleague's amendment, it would not give any recognition to these outstanding commitments and would therefore nullify the whole amendment.

Mr. GARNER. The gentleman from Texas undoubtedly does not understand this proposed constitutional amendment, and I do not think there are a dozen men in the House that do. I know that if the gentleman from Texas understood what its effect would be he would not support it, because he is a sound Democrat. I was surprised when I heard his speech to-day in which he stated he favored this resolution. The attempt is being made here to give the Congress the power to levy on the incomes from Federal, State, and county securities more than

other income of its citizens, if it sees proper to do it. I want to limit the authority conferred to the same rate of taxation that the taxing power will levy against the gentleman from New York [Mr. MILLS], for example.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. GARNER. In just a moment. You say that Congress will never levy a heavier rate of tax on income derived from State and municipal bonds than it levies on other income of individual citizens. Gentlemen, is it possible that you can consider for a moment that you are going to surrender to Congress a power so broad and inclusive because you contemplate it will never be used? Is there a man sitting in front of me who knows of a single amendment to the Constitution that is not being exploited by Congress to the extent of about all it will bear? Do you contend that you will give this power to Congress and it never use it? The idea of investing Congress with a power involves the idea that Congress will use that power. You should not console yourselves, as my colleague [Mr. BLACK] does, with the idea that there is no reason to be alarmed. That may be true in your day, but your children and your grandchildren may rise up and say, "Here is something that makes sure the destruction of our local government by the Federal Government."

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. SUMNERS of Texas. Does not the evidence of a lack of disposition to limit Congress indicate a purpose on the part of Congress to use the power?

Mr. GARNER. Undoubtedly. If you take the record in this case, if you take Mr. MILLS's speech, if you take the declaration of the Secretary of the Treasury, if you take the message of the President of the United States, you will find that all of them show that the principal purpose of this amendment is that an appeal may be made to Washington to stop this alleged extravagance in the issuance of State and local bonds. In place of trusting your own people, in place of appealing to the communities, and the States through their legislatures to stop this alleged extravagant issue of bonds, they say, "Washington is the easiest place at the present time." But, gentlemen, when you surrender that power once, then it is gone forever. Their sovereignty is gone. Their credit is gone; and I appeal to you that if you are going to surrender the sovereignty, the police power, the credit, the morals—I ask you, what is the necessity of continuing State boundaries?

Mr. MILLS. Will the gentleman yield?

Mr. GARNER. I yield to the gentleman from New York.

Mr. MILLS. Some 15 minutes ago when I first asked the gentleman to yield, he was mentioning the dangers of not adopting his amendment, and he was stating to the House that unless it was prepared to adopt his amendment the United States Government would find itself in a position to discriminate against State securities in favor of certain individuals.

Mr. GARNER. I did.

Mr. MILLS. I want to ask the gentleman to give us an example of what he has in mind, and to state the class of citizens who could conceivably so profit.

Mr. GARNER. All right. I will take the gentleman from New York, who is as shining an example as you can find here or elsewhere, because he understands taxation as well as any man in the entire country, not only in Congress but in the entire country. He has had both experience and duties to perform. If Congress wanted to stop the city of New York from issuing bonds—and by the way they now have outstanding \$1,700,000,000—if Congress wanted to stop what it deemed extravagant issue of bonds by your city, it would meet in session and Mr. GREEN would bring in a bill under this amendment if it was a part of the Constitution, providing that all incomes from securities issued by the Federal or State governments shall pay into the Treasury a tax of 50 per cent. Could you issue any bonds under that?

Mr. MILLS. Yes; because the United States Government would in that same law under the terms of this constitutional amendment have to provide a 50 per cent income tax on every security issued in the country, and so there would be no discrimination.

Mr. GARNER. What other security?

Mr. MILLS. Every security.

Mr. GARNER. Why?

Mr. MILLS. On every security owned by any man.

Mr. GARNER. The gentleman from New York does not mean what he says.

Mr. MILLS. I mean every word of what I say, because the gentleman knows that this bill provides that the United States may not only not discriminate in favor of its own securities

and that it may not discriminate in favor of the securities issued by any individual State, but that it can not discriminate in favor of any of the securities issued by authority of any State, and that means all corporate securities.

Mr. GARNER. All right.

Mr. MILLS. Therefore if the United States wants to tax the incomes derived from municipal securities at the excessive rate suggested by my friend from Texas, it would in that same law have to tax the income derived from any other securities issued in the United States, and that would mean no discrimination against municipalities. [Applause.]

Mr. GARNER. All right. Would it have to levy the same rate that it levies against a Congressman's salary?

Mr. MILLS. No. And therefore what the gentleman's amendment is intended to do is to prevent the Government of the United States ever discriminating in favor of income earned as contrasted with income derived from securities. [Applause.]

Mr. GARNER. Oh, that is the gentleman's construction of it.

Mr. MILLS. Therefore the gentleman's amendment is a discrimination against the professional man and wage earner and in favor of the man who derives a fixed income from property. [Applause.]

Mr. GARNER. Mr. Chairman, I hope that I may have at least a part of my time in which to conclude. When the gentleman from New York admits that this amendment will discriminate, will permit Congress to discriminate, he makes the strongest kind of an argument in favor of my amendment to the pending section. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. GARRETT of Tennessee. I ask that the gentleman from Texas may have five minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the time of the gentleman from Texas be extended five minutes. Is there objection?

Mr. GREEN of Iowa. I should like to have the other side of this stated.

The CHAIRMAN. Is there objection?

Mr. GARNER. All right, Mr. Chairman, I will yield the floor to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, it will not take very long to show how utterly impossible it would be to put this resolution into effect for any purpose if the amendment of the gentleman from Texas [Mr. GARNER] is carried. It provides that the United States shall not discriminate against incomes from any source. In the first place, we have three billion of 3½ per cent bonds outstanding.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield for me to make a request for information?

Mr. GREEN of Iowa. If the gentleman will wait a moment until I get through with this line I will be very glad to yield to him. As I stated, in the first place we have \$3,000,000,000 of 3½ per cent bonds out which are entirely exempt from taxation. We could not put this amendment in force until those bonds have been paid up, if the amendment of the gentleman from Texas were adopted. Besides that, we can not at this time levy any tax on the salaries of judges of the various courts. It would take still another amendment to the Constitution to make this resolution of any effect, if the amendment of the gentleman from Texas should prevail. Then, on the other hand, the various States can not now levy any tax on the incomes of Federal officials, and that would require still another amendment. The gentleman says he fears discrimination, that we are going to put a higher tax or might put a higher tax on the incomes from State securities than we would on rents, for example. Does not the gentleman know that if we want to discriminate against these securities, we can do it now?

We can put an extra tax on any of these State or municipal securities that form a part of the estate of a deceased person if we wish to do so without waiting for the adoption of this amendment. We can put a tax on any man who deals in them at the present time, and prevent their being put on the market by investment brokers. Possibly we could also put a tax upon the transfer of these securities which certainly would force them out of existence entirely.

Now, there is another thing. Under our present system we levy a certain tax upon corporations. We provide that dividends from corporations shall be exempt from the normal tax. We would have to revise our whole tax law in that respect if the amendment of the gentleman from Texas were put into effect. We would have to, in fact, revise the whole income tax law, besides the corporation tax law, in order to make it

work. The gentleman from Texas says he fears this tax might be abused, and therefore we should put such a limitation on the power that it could not be used at all. The gentleman from Texas really desires to fix the resolution so that it will not have any effect—that is the real purpose of his amendment, and it will have that effect exactly if his amendment prevails. Who is there here that wants to discriminate against the securities of the State? Time and time again the proposition to discriminate against them by these taxes has come up and been suggested to the Ways and Means Committee, but the proposition has been rejected because it was deemed that a discriminatory tax was unfair. You can not limit the amendment in the manner proposed by the gentleman from Texas without absolutely nullifying it. The statement of the Secretary of the Treasury to that effect is positive. Why do we need anything of this kind to hold in check the representatives of the State themselves against imposing undue taxes on the inhabitants of the State whom they represent? The contention is absurd. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MILLS. Mr. Chairman, this constitutional amendment is very carefully drafted with one particular end in view. True, it gives to the Federal Government the right to tax the income from State and municipal securities, but it guards the credit of the State and municipality by very carefully providing that the Federal Government can not discriminate against those securities. If there be no discrimination, there can be no undue restrictions on credit. If you do not tax any securities, they are all on a par. If you then levy a 5 or 6 per cent income tax on all securities—State, municipal, and industrial—they are still on the same basis and you do not in any way injure the credit of the State.

This amendment is so carefully drafted that the Federal Government not only can not discriminate in favor of its own securities, but it can not discriminate in favor of the securities of any State, or of any industrial securities, or any public utility, or any other securities issued by any corporation throughout the United States. Therefore the United States can not under any conceivable circumstances discriminate against State or municipal securities, and can not in any conceivable way injure the credit of the State or municipality. Therefore the quotations which the gentleman from Virginia [Mr. MOORE] read this morning from statements made by the distinguished Secretary of State do not apply to this constitutional amendment but to the sixteenth amendment as he read it, which did not contain any of these limitations with reference to discrimination and the other safeguards which have been outlined here this afternoon.

Now, my friend from Texas [Mr. GARNER] has been driven hard to pick a flaw in this constitutional amendment because it has been so carefully guarded, and he says let us amend it so that the United States can not discriminate in favor of income derived from any source. But when I asked him to illustrate what he meant he was finally driven to one possible discrimination that the United States might exercise in favor of earned incomes as contrasted with incomes derived from property. But if that be so, then that is an argument not in favor of the gentleman's amendment but in opposition to it, because if there is one right the Federal Government and the State government should reserve, it is the right some day to make a discrimination in favor of the man who earns his income as compared with the man who derives it without any effort from property inherited or acquired in some other way.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. MILLS. I will yield to the gentleman.

Mr. HARDY of Texas. Is not the income of corporations earned income, and under the gentleman's argument could not the Government discriminate in favor of corporations against the State bonds?

Mr. MILLS. Very clearly not.

Mr. GARNER. Will the gentleman yield?

Mr. MILLS. Yes.

Mr. GARNER. Does the gentleman consider the income of interest on money loaned to an individual on a note earned income or unearned?

Mr. MILLS. The gentleman knows that in a previous debate I stated that there were one or two examples—one of rent—in which there could be a discrimination, but you have got to weigh that in opposition to the tremendous advantage to be derived from distinguishing between earned and unearned income. But the thing that surprises me most, however, is that the gentleman has already announced that when we come to section 2, in the interest of consistency, he is going to offer the same amendment. Then we will have the amazing spectacle

of the gentleman opposing this constitutional amendment in the name of State rights actually proposing to amend it so as to put the States into a strait-jacket. [Applause.]

Mr. GARNER. Will the gentleman yield?

Mr. MILLS. Yes.

Mr. GARNER. They have what they call "call loans" in New York.

Mr. MILLS. Yes; and elsewhere.

Mr. GARNER. Is the interest derived from these "call loans" earned or unearned income?

Mr. MILLS. That would be earned income because it is derived by men whose business it is to make these loans. It is a part of their current business.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TILSON. Mr. Chairman, I ask unanimous consent that the time of the gentleman from New York may be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MILLS. Mr. Chairman, as this constitutional amendment now stands the States are granted the privilege of taxing the income from Federal securities. The State can get that privilege by not discriminating against them as compared with its own securities. If we adopt the amendment suggested by my friend from Texas [Mr. GARNER], what is going to happen to the great majority of the States that do not have an income tax law and that tax all securities on a property basis? If the gentleman's amendment be adopted, in order to reach the billions of dollars or that proportion of the billions of dollars of Federal securities located within their borders they will have to abandon their general property tax and go to an income tax. In other words, if you adopt the gentleman's amendment the Congress of the United States will be dictating to the States of this Union what form of taxation they must adopt in order to reach personal property, and many of these States, I will say to the gentleman from Texas, can not do it under their constitutions, so that we are going to say to the States: "If you want to avail yourselves of this reciprocal privilege, if you want to tax securities of the United States Government held by your citizens, you have to repeal your present constitution, repeal your property tax and adopt an income tax, and when you adopt that income tax you can not adopt an income tax of your own choosing, because the gentleman from Texas in the name of State rights has provided in this Federal amendment the kind of income tax that you citizens of the States must pass. You must pass an income tax, for instance, in which you do not discriminate between earned and unearned income, you must pass an income tax in which you do not discriminate as between dividends and interest upon bonds."

In other words, what my friend from Texas is proposing to do in the name of State rights is to destroy the most fundamental right possessed by the States to-day—the right to levy its own taxes in its own way. So that I say, and I say it without hesitation, that both from the interest of the National Government and of the States—but much more, because of the vital interest of the States—the gentleman's amendment should be rejected without question by every man, whether he believes either in a strong centralized Government or in State rights. [Applause.]

Mr. LANKFORD. Mr. Chairman and gentlemen of the committee, I am very much in favor of the amendment proposed by the gentleman from Texas [Mr. GARNER]. I am, however, opposed to the resolution as a whole. The Garner amendment only makes it less objectionable. If this resolution passes, the State of New York can not discriminate against securities issued by the National Government and in favor of its own securities—that is, securities issued by New York—but New York will be taxing securities issued in Michigan, Nevada, and other States.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LANKFORD. Yes.

Mr. GREEN of Iowa. Is the gentleman aware that the State of New York can now tax bonds of other States held by its own citizens?

Mr. MILLS. Yes; and we do.

Mr. LONGWORTH. A property tax and every kind of a tax.

Mr. LANKFORD. If this is done, it should be remedied. I shall later, before this resolution is voted upon, offer an amendment for this purpose.

At this time I wish to address myself more fully to the merits of the original resolution.

Mr. Chairman and gentlemen of the committee, should there be a constitutional amendment preventing the issuance of tax-exempt securities in the future? Yes is the answer that suggests itself to the average man. None of us who are poor are in favor of relieving the multimillionaires of the Nation from taxation. The idle rich have no right to avoid paying their share of the expenses of the Government. So at first blush it would seem that we can not escape the conclusion that the resolution to do away with tax-exempt securities should be passed. I confess the question has given me very serious concern, not because I found very great trouble deciding what is right, to my mind, but because I found many of my best friends at variance with my ideas on the question.

I have spent much time weighing the arguments of my friends and viewing the question from every angle and I find that much that appears at first to be argument in favor of the resolution falls and will not stand the acid test of close analysis. The bitterest pills bear the thickest coats of sugar. The most vicious bills offered here bear the prettiest and most attractive titles and oftentimes appear to be in behalf of the great common folks when, as a matter of fact, they are designed for the undoing of the great common people. "All is not gold that glitters." Those of us who are poor and represent the great masses of laboring men and farmers may not agree among ourselves as to whether or not this resolution should pass, some favoring it and some opposing it; but I find that every millionaire in this House is for the resolution. Every Member here who votes every time for the big rich and to relieve the big rich of all the taxes possible is for this resolution. I wonder why? The forces which would if possible put a sales tax into effect, thus saddling millions of dollars of taxes annually on the backs of the poorest of the poor and who would gladly relieve the big rich of surtaxes, are for this bill. Why, oh why is this true? The men who believe that the big rich are the great benefactors of the race and that all legislation should be shaped for their special benefit are for this bill. The men who believe that the common folks are only good to work and produce for the big rich profiteers of the country are for this bill. Those who believe that the common folks should pay the taxes and fight the wars are for this bill. Have the big rich and their champions here suddenly had a change of heart? Have they decided to legislate for the poor and to make themselves pay more taxes? If so, then certainly the millennium is at hand.

One of my good Democratic friends the other day in arguing for this resolution said he, too, was worried and wondered why those who always fight for the big rich now are for this resolution, and finally said he had decided that this millionaire crowd had decided to act this way for patriotic reasons and that he was going to vote with them this time. The big rich will admit that they are influenced by patriotic motives.

The only trouble, Mr. Chairman, is that the brand of patriotism of the big rich means to take care of the big rich, while many of us here, thank God, have the brand of patriotism which impels us to legislate for the common folks as best we can, God being our helper. The Washington Daily News in an editorial in its issue of January 16 last so fully expressed my apprehensions until I must quote that editorial, which is as follows:

WHY SO HORRIFIED?

For many days Representative OGDEN L. MILLS, millionaire representative of New York's financial aristocracy, has been telling a committee of the House all about the horrors of tax-exempt securities.

But OGDEN is no "voice in the desert crying alone." No, indeed. He is ably seconded by multimillionaire Secretary of the Treasury Andrew Mellon, by many of Mr. Mellon's friends and partners, by the Western Farm Mortgage Association, another multimillionaire concern; by the National City Bank, the Morgan interests, the Kuhn-Loeb interests, the Saturday Evening Post, the Wall Street Journal, and a host of other "tribunes of a downtrodden proletariat."

Why all this sudden and tender solicitude for the common people? Why this sudden hatred of the wealthy by the rich? What has happened?

Well, friends, admitting there are two sides to this question, we desire to offer the following facts in extenuation of the principle of tax-exempt municipal and State securities—a principle which seems to lack press agents just now.

If there had been no tax-exempt securities, San Francisco would still be in the throes of a corrupt, inefficient, and nerve-wrecking street car monopoly; Los Angeles would be buying water and hydraulic power from a private monopoly, as many less-favored cities are doing; Detroit would have no municipal street railroad; there would be mighty few State or county paved highways; and the electric power of the future would be securely held "in trust" by the first friends of Messrs. OGDEN MILLS, Mellon, et al.

These rich lovers of the common folk may be perfectly pure in their protestations, but somehow we're suspicious of the whole Greek gift-bearing outfit.

Ah, Mr. Chairman, this bill has a good name but is afflicted with secret vices which everlastingly condemn it. It is sugar-coated, but when the sugar melts away it will be found to be a bitter pill. There is a "nigger in the woodpile" somewhere.

Many of those parading as the friends of the common folks are only "in sheep's clothing, but inwardly are ravening wolves." Let us quit calling the bill by its pretty name. Let us see what it really is. Let us scrape off the sugar and examine the pill and see how bitter it is and decide whether or not we want to take it.

It may be sugar-coated and yet contain too much arsenic or strychnine for use. The question is not, Shall the idle rich pay taxes? If this resolution passes, there will be just as many idle rich as were before its passage. As a general proposition, this bill will not hurt the idle rich. They will still be rich and still be idle. When they are not idle they are planning and scheming to profiteer on and steal either directly or indirectly from the great mass of common people. I much prefer an idle band of thieves and robbers rather than a busy band. This is fast becoming a nation of profiteers and financial crooks. Especially is this true among the big rich. The argument is made here that the man who makes a hundred thousand dollars a year profits, or \$500,000 a year, or even several million dollars a year profits by financial manipulation, profiteering, or plundering the great common consuming public should be taxed lightly and should receive at our hands the tenderest consideration and care; and that the man or woman who does not profiteer, but who loans his or her money at 4 or 5 per cent to build schoolhouses, to drain wet lands, to reclaim arid lands, to build good roads, to pay the expenses of a city, county, or State, should be classed as idle rich and a special amendment to the Constitution adopted so as to mulct him or her in taxes.

It is urged that special congressional consideration should be given the speculator who makes unconscionable profits out of nitrates which the farmers buy; who makes millions out of the coal which a shivering, freezing, country of men, women, and children need, and who pile up immensely his ill-gained profits by inflating the price of calcium arsenate and everything which a farmer must buy and use to make a crop, and who, still not satisfied, makes a middleman's enormous profit out of the farmer's crop and leaves the farmer nothing but debts and an enslaved family. It is urged that this profiteer is a great benefactor of the race and deserves the plaudits of a thankful populace, and that the man of money is a bad man who does not profiteer, but who buys farm-loan bonds yielding him 4½ per cent and thus furnishes money at a low rate of interest to the farmers of our Nation. Is the profiteer the patriot and the man whose money at a low rate of interest is saving our people the financial slacker? I think not. Who was the patriotic, good citizen during the recent Great War? The man, woman, or child who bought war savings stamps and Liberty bonds to the last dollar, until it hurt, or the individual who said, "No; I will not put my money in Liberty bonds; I will use it. I will profiteer and grow rich off of my country's misfortune. I will pile up my millions of money while there is grief and anguish everywhere and while the children of men are dying by the millions." Do you think that this Government did very bad wrong when it did not inflict a penalty in the form of a tax on the people whom the Government begged and almost forced to buy Liberty bonds? Do you think that the Government ought to go to its citizens and beg for funds when we are in the midst of an awful war and yet say to the citizens of this country, "If you loan your money to the Government, the same Government which you help will punish you by a tax for doing what the Government so anxiously seeks?"

The Government would say, "Yes, I will punish you for helping with your money and I will let the greedy taxgatherers of New York and other big commercial centers also punish you." The Government would say, "I need money. Loan me your money; I promise you 5 per cent interest but I reserve the right to tax your bonds so as to take all or a part of your interest. I may charge even a part of your principal as taxes, and I will then deliver you to the big commercial centers for the infliction of further penalties in the form of taxes." Many people even believed that the Government should have made Liberty bonds a form of money and kept them worth their face value instead of allowing them to sell for less than par for a long time.

The Government could well have offered to spend a little money to keep these bonds stabilized at par so the people who bought them would not lose on them rather than injure them still further by taxation. Alexander Hamilton, the first Treasurer of our Nation, in 1795, speaking of the Government taxing its own indebtedness, made a statement as follows:

To tax the funds is manifestly either to take or to keep back a portion of the principal or interest stipulated to be paid.

To do this, on whatever pretext, is not to do what is expressly promised; it is not to pay that precise principal or that precise interest which has been engaged to be paid. It is, therefore, to violate the promise given to the lender.

But is not the stipulation to the lender with a tacit reservation of the general right of the legislature to raise contributions on the property of the State?

This can not be supposed, because it involves two contradictory things—an obligation to do and a right not to do; an obligation to pay a certain sum and a right to retain it in the shape of a tax.

It is against the rules, both of law and reason, to admit by implication in the construction of a contract a principle which goes in destruction of it.

The Government by such a construction would be made to say to the lender: "I want a sum of money for a national purpose, which all the citizens ought to contribute proportionately, but it will be more convenient to them and to me to borrow the money of you. If you will lend it, I promise you faithfully to allow you a certain rate of interest while I keep the money and to reimburse the principal within a determinate period, except so much of the one and the other as I may think fit to withhold in the shape of a tax."

Is such a construction either natural or rational? Does it not, in fact, nullify the promise by the reservation of a right not to perform it?

Speaking further along this same line, Mr. Hamilton, the Treasurer during Washington's administration, said:

Suppose the Government to contract with an individual to convey to him a hundred acres of land upon the condition of paying a hundred dollars. When he came to pay the \$100 and demand his title could the Government require of him to pay \$50 more as a tax upon the land before it would consent to give him the title? Who would not pronounce this to be a breach of contract, a fraud, which nothing could disguise?

This case is parallel with that under examination, with circumstances that fortify the right of the lending creditor.

The Government agrees with him that for \$100, which he delivers to the Government, it will deliver to him at the end of each year \$6. Here the \$6 to be delivered answer to the land to be conveyed, with this stronger ground of right, that the consideration for them has actually been given and received. Yet when the creditor comes to demand his \$6 he is told that he can not have them except with the reservation of \$1 as a tax upon the \$6, or that he can not have them except upon the condition of returning \$1 as that tax. What is this but to say that his title to the money in this case, as to the land in the other, must depend upon his paying or allowing a further consideration for it not contemplated in the contract? Can there be a doubt that this also would be a breach of contract, a fraud?

Again, Mr. Hamilton, in discussing the advisability of the Government taxing its own securities, hit the keynote of the situation. From his report I quote the following:

But without undue refinement the lender of money to the public may be affirmed to have paid his tax when he lends his money.

Relying upon the engagement of the Government, express or implied, that he will receive what is promised him without defalcation, he is content with a less interest than he would take if subject to any such defalcation, and especially if it was to be arbitrary as to its extent. In this lower rate of interest he may be truly said to pay his tax or to purchase an exemption from it.

Here also we find what is decisive on the point of expediency.

If the Government had a right to tax its funds, the exercise of that right would cost much more than it was worth. The money lender would exact exorbitant premiums, not only as an indemnification for the use which the Government might probably make of its right, and which, in practice, would be likely to be qualified by some regard to equality of contribution but as an equivalent for insurance against the risk of possibility of a more extensive use. Hence the Government would be likely to pay much more in premiums upon its loans than it would draw back in taxes; and the former being supposed but equal to the latter, there would be no advantage in exercising the right.

But it will be, perhaps, more safe to affirm that there would be no borrowing at all upon such terms. The first precedent of a tax upon the funds might be expected to compel the Government to an express renunciation of the right in every future loan. Solid capitalists would not be much inclined to adventure their money upon so precarious a footing as is implied in a power of taxing their credits.

So it may be safely said that the so-called tax-exempt securities are exempt only because the purchaser of them paid his tax when he bought them. Because they are exempt the purchaser pays more for them. If they were not exempt, he would hold back enough money not only to pay all his taxes on the bonds but enough to pay him for the risk of an increased rate in the future. Taxes are hard to collect. When a purchaser of a bond pays a bonus when he purchases there is no doubt about that tax or profit being paid. One tax that the Government, the State, the municipality, the country gets in full without cost or expense of collection is the extra amount paid by purchasers for the so-called exempt bonds. Others may hide their property, not so with the purchaser of National, State, county, or municipal bonds. Others may delay the payment of their taxes. Not so with the purchaser of these bonds. They are tax free because the taxes were paid in full promptly and without question at the time they were sold.

All property is tax free after all taxes have been paid on that property. Tax-exempt securities are tax free because all taxes have been paid on them. So the so-called idle rich are not dodging taxes by buying farm-loan bonds, school bonds, drainage or municipal bonds so much as you heard they were, are they? Why not let the purchaser of these bonds pay the taxes on these sort of bonds when he buys them? If he does not pay a premium at the time he buys the bonds and thus, then, and there pay his taxes, he will play safe and hold back more than enough to pay all taxes demanded of him on these bonds in the future. If there is any way of escape which he can possibly find, he will probably avail himself of it and never pay in as taxes the money he held out to use in payment of taxes. Un-

told millions of notes and securities in hands of the very wealthy are concealed and dodged about and no taxes whatever paid on them. Here is where the big rich escape taxation. They do not escape by buying bonds and paying their taxes in advance. All they do is simply get through with the tax proposition once and for all.

Why should he not be allowed to do this? He may pay slightly less in some instances. It is at least certain. In many cases if he does not pay when he buys he will never pay. In all cases, even if the purchaser of Government bonds pays later all he held back at the time of the purchase, the Government in the end gets less, much less, for the Government must pay the expense of collecting this tax. Again, the Government will also lose millions of interest, for the Government will lose the use of the money between the time the purchaser of the bonds buys the bond and the time the Government collects as taxes the money held back by the purchaser for the purpose of paying taxes. A definite amount of taxes collected is worth much more than a larger amount which may never be collected, and if collected must be collected later at great cost.

A bird in the hand is worth two in the bush.

The United States Government can not possibly gain anything by taxing its own bonds and by allowing the States in which those bonds are owned to tax them. The man buying the bond will hold back every cent he has to pay the United States as a tax. The Government will lose the interest on this money while it is held back and will have to pay some one to try to collect it later, and may never get it. Then, again, the bond purchaser will also hold back enough of this bond money to pay the taxes in his home State of New York, Massachusetts, Illinois, or Pennsylvania. The bond purchaser will not be hurt. He will play safe. He will pay less for his bonds. He will hold back a nice, fat sum and use it. The Government may or may not get at great expense less than half of what is held back; the other half he keeps, unless his State gets it. If his State gets it he is still playing safe, for it goes to his beloved New York, or Massachusetts, or other big commercial State, and helps to lessen the other taxes he and other bondholders must pay.

Practically all Government bonds are held by citizens of New York, Boston, Chicago, Philadelphia, and other great northern cities. If this resolution passes, these money centers will reap a rich harvest; but where will Georgia and other such States come in? They will be doing the paying, as they have always done. The Government will be trying to sell a few million dollars of farm-loan bonds to get money to loan to Georgia farmers, and the buyer will be holding back five to ten dollars on the hundred dollars, fifty to one hundred on the thousand dollars, and \$50,000 to \$100,000 on the million dollars to be used for taxes, part to New York State or other wealthy States where the bonds are sold. Where does the Southern and Western States come in? Where does the farmer come in? I repeat they will do the paying.

The farmers who get money from our present rural-credit system, or from any credit system, will pay the taxes by paying a higher rate of interest. They must pay a higher rate for the Government will be getting less for the bonds and must charge a higher rate. The farmers who borrow from private loan companies will also be paying a tax which will never go to the Government, but will go as loan commissions to lawyers and as high interest to big life insurance companies and other big concerns which make long-term loans to farmers. If we pass legislation which makes the rural-credit system of the Government charge higher interest, all other concerns will do the same. If we can only pull the rate of loans of the Government loan system down, others will be forced to come down. It is estimated that only one dollar out of every twenty now loaned to the farmers on long-term loans are loaned by the Government agencies, but that one-twentieth is large enough to effect mightily the rate of interest of all loans. It controls the rate of interest. For God's sake, let us not do anything to run up the interest rate of money the farmers must have. For every dollar the Government gets out of farm-loan bonds as taxes the buyer will hold back two or more, and for every dollar the farmer loses who borrows through the rural-credit system 20 other farmers will each lose a dollar while borrowing from private long-term loan companies. One farmer in borrowing \$100 pays \$5 interest to the Government as taxes and \$5 indirectly to the State of New York or Massachusetts as a tax, and also at the same time interest rates are held up and 20 other farmers who can not yet get a Government loan and must get a private loan each pay \$10 extra, or \$200 extra. In other words, the Government of the United States would get less than \$1 out of every \$40 lost by the farmers of the Nation by this bill. How can anybody who loves the man who tills the soil and who sees this bill in its true light vote for it? Men

here who love the farmers of the Nation and favor this resolution are, to my mind, the worst mistaken that honest men have ever been on an important issue.

Several folks have asked me why the big rich favor this resolution with this pretty name, which provides for the taxation of tax-exempt securities and which, some say, means to tax the idle rich. I have demonstrated that the purchasers of bonds in the future have all to gain and nothing to lose. Then, again, many of these future purchasers are also interested in life insurance companies and other wealthy corporations, which will be loaning money all the time at a high rate of interest to the farmers. Everyone who stops to think knows full well why the big loan concerns are so anxious about this resolution. They are deathly afraid of the Government farm loan system. They are afraid it will take their loans away from them, and they are still more alarmed lest the rate of interest which is so dear to their hearts will be forced down.

The wealthy men in Congress, in the President's Cabinet, and in the Nation mean to not only cripple the rural credit system of our Nation but are determined to strangle it to death. They are waging a campaign of propaganda which has no other purpose than to kill the present rural credit system and prevent any future credit system for the farmers which would insure cheaper money for the farmers with less red tape and less delay. They mean to strangle to death any and all cooperative marketing systems which may now or hereafter seek money by the sale of bonds. If they succeed in this the middleman will still reap a rich profit from the products of the farm which he did not produce, and the producer and consumer will as heretofore still suffer—the producer getting too little, the consumer paying too much, the middleman getting that which rightfully is not his. This resolution, if passed, will hinder very much any and all efforts to work out a system of drainage of the low, wet lands of my section of Georgia and other similar sections. I am very anxious about this reclamation of the wet lands of my section and of all sections. It means so much to my section. Irrigation bonds of the West will sell for less and irrigation projects will suffer.

There is an effort to get a drainage program through now, along the same line as that followed in irrigating the arid lands of the West. I look with alarm upon any move which means the death knell of that program, which so many of us here hope to finish in the near future. Mr. Chairman, the more I study the effects of this resolution, the more vicious they appear. The resolution stripped of its pretty name is unworthy of consideration, and would have no support except the big rich who will profit so much by the measure. Think what will happen. The big rich, who already have bonds which can not be taxed now even if this resolution passes, will be greatly benefited, for it can only apply to future purchasers of bonds, and present owners know that if this resolution passes it can not reach them, and they owning all the tax-exempt securities which will ever be issued, will reap millions and millions of dollars of unearned profits as their bonds soar upward on the market. Another class of big rich, who favor very much this resolution, is composed of those who loan money to the farmers and want no competition. The profiteering multimillionaires of the Nation, who make \$100,000 a year profits and up to millions of dollars of profits, favor very much this resolution, because they hope to get some of the surtaxes off of their ill-gained profits. The millionaire crowd, who are so much for this resolution, are the ones who are fighting hardest for a reduction of taxes on incomes of over \$100,000 a year. They are not fighting for a reduction of income taxes on the fellow who makes a few thousand. A man must be getting a hundred thousand or more a year income before this crowd begs for him. This resolution if passed will not help the man who pays a small income tax. It will not help the man who pays no income tax. It is a move by the big rich for the big rich and against the poor man and the common folks. Another class of people who favor this bill is composed of large taxpayers of the big money centers. All bonds are sold largely in the big money centers and will be taxed there.

The taxes raised in New York and other money centers on Government bonds and bonds of other States held and owned there will run into millions and will lower tax rates on other property in those States. People in my State of Georgia buy very few bonds, and thus could raise no considerable amount of money from taxes on bonds issued in the future and sold in Georgia. It simply means that the people of Georgia are to get less for all bonds sold by the State, by her people, by her cities, and by her counties, and that her farmers are to suffer as the farm-loan bond sells below par, and all this to help the big rich, as heretofore. It means that my State and the States of yours, my friends from the South and West, are to pay part

of the taxes of New York, Boston, Chicago, and other money centers.

Did some one say they were puzzled and wondered why the big rich were for this bill? I think I know, and I know they—the big rich—know. Oh, my friends, if we could only secretly hear some of the multimillionaire crowd explain to the rest of them the features of this bill at some of their social functions, when no one is near except the big rich, we would hear a very different speech from what they put in the papers and very different from what their leaders say here in Congress. Mr. Chairman, I believe I can make here one of the speeches one of this rich crowd would make to his fellows. See if I miss it much. He would say, "Fellow suffering millionaires, draw nigh unto me and listen while I explain a matter of importance to you. There are many more of the class who are not rich than there are of our beloved and much favored big rich, but we have controlled and we can control, for we have the money, and money is power. We have lost to a certain extent our grip on the situation. We have made our money out of the common folks of the South and West—out of laboring men and the farmer. We have received big interest on our money from them. We have made enormous profits out of the products of the farm, as we bought them at our own prices and sold them at our own prices to a freezing, naked, starving, consuming people. We have controlled prices. We have manipulated finance, and the profits have been great, and we are the elect. We have made the common people pay, either directly or indirectly, nearly all the taxes. We have controlled, manipulated, and profited. Why not? We have the money and money is power. We let the common folks do the toiling, slaving, and paying. Why not? They can expect nothing else. They have no money. They have no power. Things have gone a little wrong, though."

"The laboring man is demanding more and is getting more than ever before. The farmer is demanding more and getting more than ever before. There is a rural credit system backed by the Government which is getting our loan business and lowering interest rates on the loans we keep. The Government is selling tax-free bonds in order to help this system. The Government is figuring on tax-free bonds to injure us in other ways, such as additional credits for farmers, additional marketing facilities, and may go to the extent of adopting Henry Ford's Muscle Shoals plan or some other similar plan, thus insuring cheaper nitrates to the farmers, but at the same time injuring very seriously our friends who make so much money out of Chilean nitrates and out of supplying the fertilizers of the country. Again much of our money is paid to the Government as taxes on the honest millions we make and the Government is actually letting the States have much of this money to build roads."

"The people of the rural sections of the South and West are building schoolhouses, irrigating dry lands, and beginning to plan very seriously for further drainage of swamp lands. The taxes on our beloved millions of profits is very heavy and is out of proportion to what is assessed against people who do not serve this country by amassing millions each year. In fact, people who make only a few hundred dollars a year or only a few thousand dollars a year pay no income tax. Then again, the very idea of it, the people with large families are generally relieved of all income taxes. But," says this millionaire, talking to his beloved fellow millionaires, "a better day is coming, unless I am very much mistaken." Says he, "We are fighting every inch of the ground and now we have in Congress a resolution to prevent the issuance of tax-exempt securities and to tax the idle rich. It has a pretty name, hasn't it? Ha! Ha! 'Aye, springs to catch woodcocks.'"

"But, brother sufferers in the millions, speaking confidentially, very confidentially, here is what it is and here is what it does. It does not hurt those of us who own now millions of bonds, as no law passed in future can affect bonds sold before its passage; in fact, these bonds will increase in value and we will, in the twinkling of an eye, make for us many, many millions the minute the amendment is ratified." (Just here is loud applause in the Millionaires' Club.) Further speaking, the millionaire says: "Those of us who buy bonds in the future can fully protect ourselves by holding back sufficient funds." (Just here there are many cries in the club of "You bet." "You bet we can.") Again the speaker says: "The measure means that when the farmer borrows from the rural-credit system of the Government he will pay much more as interest and we will hold this extra money and may pay half of it to the dear U. S. A. or we may keep it. The other half goes to the dear old New York State of ours. The poor boobs who sell bonds will not get any tax, for they will not have any bonds to tax. They will be paying the tax when we buy their bonds. We will be the trustees. We will

hold the funds. It simply means more interest for us in every way," says the rich speaker. "It means more profits and less taxes. We can get the high surtaxes reduced when this bill is passed. The measure is simply a monkey wrench in the rural-credit system, in the proposed and growing marketing system, in the good-roads schemes, in the better-schools movement, in the irrigation and drainage programs, and in every move to make us lose any of our rights. We have all to gain and nothing to lose." (Just here there is prolonged, loud, and vociferous applause, with the millionaires all standing as the speaker resumes his seat.)

Mr. Chairman, I venture the assertion that I have not in this picture missed very far what has happened and what is happening. As I see it there are so many reasons why this bill should not pass. Millions and millions of tax-exempt bonds have been issued and the money arising from them has been used to build up the North and East. These bonds can never be taxed, it matters not what bills may pass. We can only reach the future. Why should we now endeavor to put a burden on the money the South and West must use if these sections are to develop as we hope for them to develop?

My district, for instance, will need much money in the future to be used in rural credits, in marketing, in drainage, and in numerous other ways. Why should we now tax the very credit by which my people and your people are to live and grow? Other sections have developed without this burden. Why start now? Why begin on my section? Why begin just when we are so anxious for the farming sections to grow and develop? They must grow to a large extent on a credit. Why tax our credit? Why tax the credit of our cities, the credit of our counties, of our State, and of our Nation? Credit is oftentimes worth more than money. A city, county, or State may have little or no money but a good credit. Why should the National Government be given the right to tax the credit of the States or its subdivisions? Why should the State be given the right to tax the credit of the United States? Mr. GARRETT of Tennessee expressed so forcibly my views on this floor on December 19 last, when he said:

There is a phase much more fundamental, gentlemen of the House, than the economic question. This is a proposition to commingle with the powers of the State and the Federal Government in a manner which no amendment ever yet adopted, or ever proposed so far as I know, has attempted to do. It is designed by this amendment, sir, to give to the Federal Government a certain power, and it may amount to a power of life and death over the credit of the States. [Applause.] On the other hand it is proposed—and herein comes the commingling—to give to the States a certain power which it is possible in the development of human society may reach the point where the States will possess the power of life and death over the credit of the Federal Government. Neither of these conditions is desirable from my standpoint. [Applause.]

Chief Justice John Marshall said:

The right to tax is the right to destroy.

Why should either branch of the Government be given the right to destroy the other? If this resolution passes, the big money centers where bonds are sold will have power to absolutely destroy other sections of the Nation. Why should people of other States, of the North and East, who do not know my people, who are not familiar with their customs, and who do not like them, have the power to destroy my people? Mr. GRAHAM of Pennsylvania, in speaking on this resolution, said:

This right of a sovereign State to control the issue of its securities, to regulate its taxes, is a fundamental right and one necessary to its very existence. [Applause.] If you invade that right, you destroy the sovereignty of the State.

Gentlemen, if we are going to do this, let us obliterate all State lines and make of this a strong central Government. "Oh," they say, "we want to check these municipal departments from issuing freely, too freely perhaps, these securities." What? Transfer to another and a foreign jurisdiction the right to say what shall be issued for a local improvement? Who is there that can better be trusted than the people in the different localities? Home rule there is an essential element of safety and security.

There is no argument in the statement that this is a refuge for the rich. As my friend from Pennsylvania [Mr. CRAIG] said, if a rich man wants to pay the penalty at the beginning and invest money in bonds that are tax free, with a very limited income, let him do it. But they say "You are diverting this money from the industries of the States." The money must come from some source and must be used. What for? Why, in maintaining the government, managing and developing the institutions, and the developments and improvements of the community. And what better use could the money be put to than that?

It is urged that money put into bonds is tied up and its use lost to the country. Let us see about that. Several million dollars go into farm-loan bonds. The buyer of the bonds gets a piece of paper; the money, far from becoming idle, goes into the hands of the farmers, on to the merchants, the bankers, the laborers, and then on to the wholesale men and the big banks and proves a benediction to all. So it is with all money obtained for bonds. The money does not become idle. It gets very busy helping thousands of people. Yet the great desire

of those who favor this resolution is not to raise taxes so much as to stop the loaning of money at all on any form of municipal, public improvement, county, or farm-loan bond. They all want to tax these bonds so as to stop them. Openly they favor killing the credit of the United States, the States, and its subdivisions. Alexander Hamilton once said:

But credit is not only one of the main pillars of the public safety, it is among the principal engines of useful enterprise and internal improvement. As a substitute for capital it is little less useful than gold or silver in agriculture, in commerce, in the manufacturing and mechanic arts.

Again he said:

Credit is an entire thing; every part of it has the nicest sympathy with every other part; wound one limb and the whole tree shrinks and decays.

Secretary of State Charles Evans Hughes, while Governor of New York State, said he opposed the National Government assessing an income tax against State and municipal bonds and urged that to do so—

Would place such limitations on the borrowing power of the State as to make the performance of the functions of local government a matter of Federal grace.

Why, oh, why, should we let a few States control the credit of all other States and the Nation? Why let the National Government control the credit of the States? Why do this when we are to lose so much by the scheme? Why not each control its own credit and the credit of each be left perfect by the other? There is involved here not only a question of State rights, there is involved a question of county rights, of municipal rights, and of individual rights. What doth it profit a nation, State, or individual to make a gain, if by the gaining there is a sacrifice of rights, of privileges, and of life itself, worth infinitely more than is gained? "For what is a man profited if he shall gain the whole world and lose his own soul—or what shall a man give in exchange for his soul?"

Shall we so far forget our duties here as to sell for a mess of pottage the birthright of the people of our Nation, of their children, and of their descendants for all time? May God help us in this and all matters to see the right and to do the right. [Applause.]

Mr. CONNALLY of Texas rose.

Mr. GREEN of Iowa. Mr. Chairman, I move to close debate upon this amendment.

The CHAIRMAN. The gentleman from Texas [Mr. CONNALLY] was already on his feet, and the Chair feels constrained to recognize him.

Mr. MONDELL. But the gentleman from Iowa was on his feet also.

The CHAIRMAN. The Chair will put the question then.

Mr. GREEN of Iowa. Mr. Chairman, I move to close debate upon this paragraph and all amendments thereto.

Mr. GARRETT of Tennessee. Oh, the gentleman ought not to include the paragraph.

Mr. GREEN of Iowa. Then I move to close all debate on this amendment and all amendments thereto in five minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and there were—ayes 74, noes 122.

So the amendment was rejected.

Mr. MONDELL. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

Mr. GARRETT of Tennessee. Will the gentleman withhold that for a moment?

The CHAIRMAN. The gentleman from Wyoming moves that all debate on this section and all amendments thereto do now close.

Mr. HUDDLESTON. Mr. Chairman, I move to amend that by making debate close in 10 minutes.

The CHAIRMAN. The gentleman from Alabama moves as a substitute—

Mr. MONDELL. I accept that.

Mr. BLACK. Make it 20 minutes.

Mr. HERRICK. I want to ask a question. Is there anything pending?

The CHAIRMAN. The question is on the substitute offered by the gentleman from Alabama that debate close in 10 minutes.

Mr. BLACK. I move to amend the substitute by making it 20 minutes.

The CHAIRMAN. The question is upon the substitute of the gentleman from Texas.

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Alabama [Mr. HUDDLESTON].

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. HUDDLESTON) there were—ayes 94, noes 92.

The CHAIRMAN. The question recurs upon the motion of the gentleman from Wyoming as amended by the substitute of the gentleman from Alabama.

The question was taken, and the motion was agreed to.

Mr. HUDDLESTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDDLESTON: Page 1, line 9, after "Section 1," strike out the remainder of the section and insert the following: "In the exercise of the power to lay and collect taxes on incomes as granted by Article XVI, Congress shall lay and collect taxes on incomes derived from securities issued by or under the authority of the United States and by or under the authority of any State, Territory, or possession, and on incomes derived from salaries or compensation by all public officers, and on incomes derived from all other sources whatsoever, all without discrimination on account of the source from which derived."

Mr. GREEN of Iowa. Mr. Chairman, I reserve a point of order on that. I make the point of order on that on the ground that it is not germane.

The CHAIRMAN. The gentleman from Iowa makes a point of order against the amendment. The Chair will be glad to hear the gentleman from Iowa.

Mr. GREEN of Iowa. Mr. Chairman, as I understood the amendment, it authorizes the collection of incomes upon other matters than those provided for in the original resolution.

Mr. STAFFORD. If the Chair has any doubt about its not being germane, permit me to say that the amendment offered by the gentleman from Alabama includes not only the subject matter included in the section proper, but it attempts to authorize the levying of a tax by a State, which is included in the next subdivision.

Mr. HUDDLESTON. Oh, no.

Mr. STAFFORD. So I understood it. Not only that, but as I heard the reading of it, it permits the levying of a tax on salaries, which is not the proposition before the House at all. This is a measure to levy a tax on incomes derived from bonds, which is quite another proposition.

Mr. BLANTON. Mr. Chairman, clearly the amendment offered by the gentleman from Alabama is germane. What is the purpose of this resolution? It is to permit the Government in levying taxes to reach incomes that are now escaping taxation. What are those incomes? The gentleman from Wisconsin [Mr. STAFFORD] objects to reaching some salaries that are escaping taxation.

Mr. STAFFORD. The purpose of this resolution is to reach only one character of income, and that is income derived from securities of the National Government and of States and municipalities.

Mr. BLANTON. It ought to be to reach incomes of all kinds, and in my judgment the amendment is in order.

Mr. STAFFORD. The question is not what it ought to be, but what it is.

The CHAIRMAN. The resolution brought in by the Committee on Ways and Means, H. J. Res. 314, deals with State securities, public securities, bonds; while the amendment offered by the gentleman from Alabama [Mr. HUDDLESTON] deals with income-tax questions, the salaries of public officials, and other matters, and in the judgment of the Chair it is clearly not germane to the resolution pending.

Mr. HUDDLESTON. Mr. Chairman, will the Chair not hear me for a few minutes? I have offered this amendment and I ought to be heard if the Chair has any doubt about it. The Chair is dealing unfairly with me. I want to say that.

Mr. GARRETT of Tennessee. Mr. Chairman, before the debate is closed, which will be in 10 minutes, I wanted to ask the gentleman from Iowa a question about the nomenclature of this resolution.

Mr. GREEN of Iowa. The gentleman is aware that the time is running.

Mr. SWING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California is recognized.

Mr. SWING. Mr. Chairman, I offer an amendment on line 2, page 2, to strike out the last word on line 2, the word "other."

Mr. STAFFORD. Mr. Chairman, may the amendment be reported?

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from California.

The Clerk read as follows.

Page 2, line 2, at the end of the line, strike out the word "other."

Mr. SWING. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SWING. Mr. Chairman, the motions already made to amend this section and the debate on them shows, it seems to me, grave uncertainty as to the meaning and effect of this section. The insertion of the word "other," in line 2, page 2, I believe, only adds to this uncertainty. A mere reading of the section, it seems to me, is sufficient to demonstrate that the word ought to be stricken out.

But, Mr. Chairman, I desire to devote the short time that has been allotted to me to a consideration of the relative merits of this resolution.

I think I appreciate the serious condition which has developed in our country and which has called forth this resolution as a remedy. A large amount of tax-exempt securities have been issued during and since the war, totaling, I believe, nearly \$18,000,000,000, and rich men have invested their money to a large extent in these securities and are thereby escaping the payment of taxes that the income tax law says men of that income should pay.

Mr. Chairman, I started out at the beginning of the debate on this matter intending to support this resolution. It had a pleasing sound and seemed like a panacea for many of our present-day ills. We were told that it would greatly increase the revenues of the Government; that it would push over onto the shoulders of the rich who had large incomes more of the burden of Government, lessening proportionately the load on the backs of the laborer, the farmer, and the man of small means; that it would drive capital from its present hiding place in nonproductive securities into investments in the productive securities of industry, with the result that business would flourish and that the country would once again be prosperous and all the people happy. Everybody was said to be for the resolution. The man with a small income advocates it, thinking that here is a chance to catch the rich tax dodger and compel him to contribute his just share toward the support of the Government. And strange to relate these very rich men are also favoring the resolution, believing that it will redound to their benefit. What I want to know is, can both be right; and if so, which will prove to be the bigger gainer? If one must be wrong, which is it more likely to be, the rich man who makes money with money and who employs high-priced experts to advise him, or the laborer and farmer who are not skilled in the intricacies of finance and whose time is largely taken up with earning their daily bread?

Mr. Chairman, while there are arguments in favor of the resolution, it seems to me that we should proceed with considerable caution in destroying a relationship between State and Nation which has existed since the creation of our Government and which had the approval of those master minds who brought this Government into being. The existing inability of the Federal Government to tax State bonds and of the State to tax Federal bonds arises from the dual form of our Government, consisting as it does of sovereign States federated into a Union which is also sovereign. The Supreme Court of the United States early said:

That the great law of self-preservation prevents each in conducting its operations from employing means which would subject the other to the control of another and distinct Government; if the instruments of one can be taxed lightly by the other, they may also be taxed heavily. Their operation may be impeded and may be destroyed if an interference is permitted. Hence the beginning of such taxation is not allowed on the one side, is not claimed on the other.

The argument against giving the Federal Government power to tax State securities was never more forcefully put than by Hon. Charles E. Hughes when Governor of New York. He then said:

But the power to tax incomes should not be granted in such terms as to subject to Federal taxation the incomes derived from bonds issued by the State itself, or those issued by municipal governments organized under the State authority. To place the borrowing capacity of the State and of its governmental agencies at the mercy of the Federal taxing power would be an impairment of the essential rights of the State, which, as its officers, we are bound to defend.

Governor Hughes is no fantastic advocate of any ancient or vague theory of State rights, but a statesman who takes a practical view of the situation. He says further at another point:

To permit such securities to be the subject of Federal taxation is to place such limitations upon the borrowing power of the State as to make the performance of local government a matter of Federal grace.

And he says in conclusion:

While we may desire that the Federal Government may be equipped with all necessary national powers in order that it may perform its national function, we must be equally solicitous to secure the essential bases of State government.

Before making so vital and radical a change in our organic governmental structure it might be well to first determine

whether the trouble of which we complain is destined to be permanent or whether it is likely to be temporary and passing. The consequences of the war upset normalcy in many particulars, yet there is hope of most disturbed conditions righting themselves in time. Our Federal Government during the war period issued some \$20,000,000,000 worth of securities tax exempt and partly tax exempt. The adverse effect of these issues is passing and, except for the first issue, will soon cease to be a factor in the problem before us. True, the States, counties, districts, and municipalities have shown an unusual activity in issuing bonds since the war, but I believe this to be largely due to the prohibition against public improvements during the war, and that this condition will return to normalcy in the near future.

Let us see what will happen if this resolution is passed. One result will be that before the proposed amendment can be ratified by the necessary number of States every city, county, district, and State will have made it a point to have issued and sold all the bonds for which it can possibly anticipate needs. The subsequent ratification of the amendment after the issuance of these new issues in addition to those already out will be like closing the stable door after the horse has gotten out. The Governments, State and Federal, will have to wait a long time after the adoption of the amendment before it can expect much revenue from that source.

But the contention is made that if this amendment is adopted it will result in forcing capital out of tax-exempt securities and into industrial and productive investment. However, this benefit will not be brought about for 20, 30, or possibly 40 years, because the capital is already very largely invested in these tax-exempt securities, and the very reasons which prompted capital to invest in that class of securities will prompt it to remain there until the securities are paid off. Of course, it must also be self-evident that the only way the money now invested in tax-exempt securities could be taken out of such investment prior to the maturity of the bonds would be for an equal amount of money to be withdrawn from some other field to take its place.

But while it is thus seen that the benefits to be derived are deferred until the next generation it seems certain that disadvantages resulting from the adoption of the amendment will take effect immediately. After the adoption of this amendment the rate of interest borne in future public bond issues must be increased to cover the taxes which may be levied on them, because it is the net return and not the gross which draws money out for investment.

Secretary Mellon, before the Ways and Means Committee, stated that it is probably true that a 3½ per cent tax-free Government bond can be put out at par, and then adds:

Now, to sell a security at par that is not tax free, the Government would have to pay a rate of interest to-day of more than 4 per cent, of course.

He adds—

I suppose it would depend upon the length of time they would have to run, but it would be somewhere from 4½ per cent to perhaps 5 per cent, depending on the length of time they would run.

And Mr. McCoy, the Government actuary, in a memorandum to Secretary Mellon, dated January 24, 1922, and included in the Report of the Secretary of the Treasury, page 321, says:

There is little doubt that under these conditions the future investor in what are now tax-exempt securities would demand that they bear a higher rate of interest or be sold at a discount sufficient, at least, to meet this tax.

It will be found, therefore, that we have not shifted any burden to Wall Street or the capitalists, because they are shrewd enough to pass it back to the people and, in the last analysis, the taxpayer in every community that undertakes public improvement must bear the added burden.

Furthermore, the wording of the present amendment is unfortunate in that it is merely permissive. This uncertainty will operate so that the local taxpayer must in any and all event bear the burden of an increase in rate of interest, whether the Government, State or Federal, gets any benefit in taxing incomes derived from the bonds or not, because the investor in long-term bonds will safeguard himself against every known possible deduction and will insist upon the bonds he buys bearing a rate of interest sufficient to cover all future taxes, both Federal and State, which may possibly be levied. The rate of the future taxes will always be uncertain, and that uncertainty will operate against the people, because the investor will insist that the rate of interest in the bonds he buys be high enough to cover the highest tax that might be levied during the life of the bonds.

Let me briefly suggest some additional objections to this resolution. The amendment, if adopted, will work an unfair discrimination against the West, which has many needed public

improvements yet to put through. The East has had 100 years the start in doing its public improvements on tax-exempt money.

It is a move aimed against public ownership of public utilities, and is designed to favor private corporations in this field. How would Los Angeles have fared with its aqueduct and harbor or San Francisco with its Hetch-Hetchy project if their bonds had had to carry an extra 1 to 1½ per cent interest? What will San Diego say with its water supply and harbor improvements yet to be completed? And where will Imperial Valley be when it comes to building the all-American canal if it has to pay this extra interest? The fact is that the strongest propaganda in favor of this resolution has come from those who are fighting public ownership of public utilities.

In this connection, the amendment will operate against the Federal Farm Loan Board in making loans to farmers at low rates of interest. It is no answer to say that 85 per cent of the total mortgages on farms in this country are not under the Federal farm loan act, but are held by private parties. The bankers who make a business of farm loans hate the Government as a competitor, because they know that it was the Federal farm loan act that brought down the general rates of interest in farming sections of the country from 8 and 10 per cent to 6 per cent, which is now the average rate. If you need proof of this, be advised that the Farm Mortgage Bankers' Association of America is unanimously in favor of this proposed constitutional amendment and has been spending large sums of money advocating its adoption. If the Government must pay higher rates for its money it must charge the farmers higher rates, and when the Government raises its rates, then these bankers can raise their rates also.

It will immediately operate as a gift of a billion or more of dollars to present holders of tax-exempt securities, because if the future issues of this class of bonds is prohibited the present outstanding tax-free bonds will advance greatly in value.

It is proposed that the Federal Government will let the States tax Federal bonds in exchange for the States allowing the Federal Government to tax State bonds, but the exchange is an unfair one to the States. The National Government, after the adoption of this amendment, will probably not issue any more bonds in large quantities for a good many more years to come. The States, counties, and municipalities will continue issuing bonds, the income from which the Federal Government can tax without the States being able to collect a tax in anything like a proportionate amount on Federal bonds. Few States have an income tax law. Counties, districts, and cities probably can never have an income tax law, and must bear the disadvantage of having their bonds taxed by the Federal Government without any corresponding benefit to them.

The majority of the bonds of this country are located in New York, Chicago, and the other big cities of the East, and the States in which these bonds are domiciled will get whatever benefits there are from taxing these bonds. California, I fear, will gain proportionately little.

There has been only one argument advanced in favor of this resolution which has seriously worried me, and that is that the present tax-exempt securities are furnishing an avenue of escape for those of very large incomes from their just share of the burdens of our Government. I strongly believe in the graduated income tax. It is the most just tax that the mind of man has yet devised; and if I thought for one minute that the only way to prevent that tax from being undermined and overthrown was to adopt this resolution, I would vote it notwithstanding the many objections which I feel can properly be urged against it.

However, such a radical change is not necessary to effect a cure of the present conditions of which we complain. If we sincerely desire to stop the gap through which the rich tax dodger is now escaping without throwing an unnecessary additional burden upon the taxpayers of progressive communities, this can easily be done by adopting a middle course which will remedy the evil without creating a worse ill.

In a general way, the recent issues of Federal bonds have been made tax-exempt on incomes up to \$100,000 per year. My suggestion is to embody this idea in this proposed constitutional amendment, so that it will then read:

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by or under the authority of any State, when such securities are owned by any individual, estate, partnership, or corporation whose ownership of tax-exempt securities, Federal or State, exceeds \$100,000 in amount, according to the par face value of such securities, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State.

In my opinion, the resolution so worded will leave an ample market for all future issue of public securities at a price which will not necessitate any increase in their rates of interest, and

at the same time do the thing so many on this floor have said ought to be done—stop the loophole through which the very rich of the country are now escaping from the necessity of paying their just and proper share of the expenses of this Government.

Mr. OLIVER. Mr. Chairman, I ask recognition on an amendment that I have sent to the Clerk's desk.

The CHAIRMAN. The question is first on the amendment offered by the gentleman from California [Mr. SWING].

Mr. MOORE of Virginia. Mr. Chairman, I rise in opposition to the amendment for the purpose of asking the chairman of the committee a question.

The CHAIRMAN. Five minutes remain for debate. The Chair will recognize the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, I understand that this reciprocal tax provision that we have here applies on the one hand to securities issued by the States and political subdivisions of the States, and on the other hand to securities issued by the United States. That is the general purpose. Now, I find that at both ends it is provided that in addition there shall be subject to the reciprocal taxing power securities issued under authority of the States and securities issued under authority of the Federal Government. I wish to ask this question: Take, for instance, the securities issued under the authority of the Federal Government. Is it intended that if this amendment is adopted we shall involve Philippine bonds issued by the authority of the Federal Government? Are there to be included the securities that are issued in the interest of the farming classes, the land-bank bonds, and so forth, and the prospective issues of similar securities if legislation now in progress of passage should be enacted, and also are there to be included issues of railroad bonds following the adoption of the amendment?

The Esch-Cummins law, I believe, forbids the future issue of railroad bonds except under the authority of the Government. Is it the purpose of the gentleman to make this amendment as broad as the suggestion that I have offered would seem to contemplate?

Mr. GREEN of Iowa. If I correctly understand the gentleman, it is the purpose to include all securities that are issued by or under the authority of any act of Congress.

Mr. MOORE of Virginia. Then the States would be unable to impose a higher income tax upon hereafter-issued railroad bonds than on the bonds issued by the United States itself, and at the same time the States would be permitted to attach an income tax to farm securities. That is the purpose, is it?

Mr. GREEN of Iowa. I do not understand the gentleman at all.

Mr. MOORE of Virginia. I have tried to make it as plain as possible. As I understand, the design of the proposed amendment is not only to restrict the reciprocal provision very carefully to securities that are issued by the States and the subdivisions of the States on the one hand and by the United States on the other hand but has gone far beyond that field and has included a large number and a great variety of other securities. He does that by the use of the words "under authority."

Mr. GREEN of Iowa. The gentleman forgets that it is only discrimination in favor of the United States securities on the one hand or in favor of the State securities on the other hand.

Mr. MOORE of Virginia. Yes; but it goes beyond that. It does not stop with the State securities and the United States securities, but takes in this great range of securities that are issued under the authority of the different sovereignties.

Mr. GREEN of Iowa. The gentleman is contemplating some matter that I do not fully understand. I do not think the amendment has that effect.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California [Mr. SWING].

The question being taken, the amendment was rejected.

Mr. OLIVER. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER: Page 1, line 12, after the word "State," insert "when such securities are owned by any individual, partnership, or corporation, whose ownership of tax-exempt securities, Federal or State, exceeds \$100,000 in amount according to the par face value of such securities."

Mr. OLIVER. Mr. Chairman, may I ask—

The CHAIRMAN. Debate is closed.

Mr. OLIVER. May I ask that the section be read as proposed to be amended?

The CHAIRMAN. Without objection, the section as proposed to be amended will be read by the Clerk.

The Clerk read as follows:

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by or under the authority of any State, when such securities are owned by any individual, partnership, or corporation, whose ownership of tax-exempt securities, Federal or State, exceeds \$100,000 in amount according to the par face value of such securities, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State.

Mr. ROSENBLUM. Mr. Chairman, I wish to offer an amendment to the amendment to insert after the word "individual" the word "estate."

The CHAIRMAN. The gentleman from West Virginia offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROSENBLUM to the amendment of Mr. OLIVER: After the word "individual" insert the word "estate," so that as amended it will read: "Page 1, line 12, after the word 'State,' insert 'when such securities are owned by any individual, estate, partnership, or corporation whose ownership of tax-exempt securities, Federal or State, exceeds \$100,000 in amount according to the par face value of such securities.'"

The CHAIRMAN. The question is on the amendment to the amendment proposed by the gentleman from West Virginia [Mr. ROSENBLUM].

The question being taken, the amendment was rejected.

The CHAIRMAN. The question recurs upon the amendment proposed by the gentleman from Alabama [Mr. OLIVER].

The question being taken, the amendment was rejected.

Mr. GARRETT of Tennessee. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARRETT of Tennessee: Page 1, line 9, after the word "the" strike out "United States" and insert "Congress."

Mr. GARRETT of Tennessee. That makes it conform to the rest of the language of the Constitution.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the amendment was rejected.

Mr. MOORES of Indiana. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. MOORES of Indiana: Page 1, line 7, after the word "by," strike out the words "the legislatures of" and insert "convention duly called by authority of law in."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

Mr. GARRETT of Tennessee. That is subject to debate, I believe.

The CHAIRMAN. No; the debate has been closed on section 1. The question is on the amendment offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were 60 ayes and 91 noes.

So the amendment was rejected.

Mr. LONDON. Mr. Chairman, I offer the following amendment as a separate section, section 1 (a).

The Clerk read as follows:

Amendment by Mr. LONDON: Insert a new section, section 1 (a): "This section shall go into effect in 1945."

Mr. LONDON. I offer this amendment for the purpose of obtaining the floor.

Mr. GREEN of Iowa. Mr. Chairman, under the rule this is an amendment to section 1, and all debate has been closed on section 1.

The CHAIRMAN. This is a new section.

Mr. KELLEY of Michigan. But it says "this section."

Mr. LONDON. It should read "the above section" shall go into effect in the year 1945.

Mr. LONGWORTH. Debate is closed on the first section, which this is an amendment to.

Mr. LONDON. I offer it as a new section, to read section 1 (a), and I modify my amendment so it shall read "This article shall go into effect in the year 1945."

Mr. GREEN of Iowa. I make the point of order, Mr. Chairman, that the rule as to a new section requires that it must be offered as an amendment to something, and this is offered as an amendment to the preceding section. I think the Chair will find that there are authorities on that subject. The gentleman surely has got to offer it as an amendment to something, and if it was not offered as an amendment to something you can

not tell whether it was germane to the subject, and it could go on forever.

The CHAIRMAN. The later decisions hold that this is debatable. The earlier decisions held it was not. The Chair holds that the question is debatable, and the gentleman from New York has a right to discuss it for five minutes.

Mr. LONDON. Mr. Chairman, I offer this amendment for the purpose of presenting my views on the merits of the proposition. I am going to vote against the proposed constitutional amendment. [Applause.] I do not believe in demagoguery; I believe in teaching the people, not in deceiving them. When the gentleman from New York [Mr. MILLS], the gentleman from Michigan [Mr. FORDNEY]—when Mr. Mellon announces that they are the friends of the people, I feel like examining their pockets to see if they do not contain burglar's tools. [Laughter and applause.] I have no confidence in propositions that are proclaimed to be for the benefit of the people by the leaders of the Republican Party. I want to say to the Republicans who come from the progressive West, let them look out when they vote for this amendment. It will come to plague them. The reciprocity provision is a fraud and a deceit, as was so clearly shown by the gentleman from Tennessee [Mr. GARRETT] when he dissected the bill. It gives the power to the Federal Government to destroy every municipality, to destroy every State. So far as some Members of Congress from the State of New York are concerned, it means transferring to the floor of Congress a fight which has been going on in the State of New York between the great empire city of New York and the plutocrats who want to prevent the municipalization of the rapid-transit system. It is a blow at the great city of New York.

I want to warn you as a Socialist, who is interested in the development of public ownership, against the concentration of governmental power in the city of Washington. I want to warn you as a Social Democrat against the danger. What has saved the United States from revolutionary upheavals is the distribution of governmental responsibility among 48 State governments and among numerous municipalities. If municipal ownership is practical, let the municipality be free to try it. It is by the cooperation of free units from the bottom up that democracy may expand.

Whatever the pretensions of the advocates of this measure may be, there is only one object behind the proposed amendment, and that is to prevent municipalities and States from utilizing their respective resources for public undertakings.

With this a part of the Constitution, a reactionary Congress would have taxed out of existence the bonds of North Dakota when that State challenged the rule of the financial oligarchy. I warn you against conferring upon the Congress this extraordinary power. Whenever a municipality, whenever a State, shall attempt to extend its public activities the representatives of lumber here, the representatives of the banks and of the various protected interests here will strangle it by destroying its bonds and credit. The proposed amendment should be defeated. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the section offered by the gentleman from New York.

The section was rejected.

The Clerk read as follows:

SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued, after the ratification of this article, by or under the authority of the United States; but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of such State.

Mr. HUSTED. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 2, line 5, strike out the word "income."

Mr. HUSTED. Mr. Chairman, I offer this amendment for the purpose of emphasizing the fact that there are only four States of the American Union that are now in a position to take advantage of the provisions of this resolution if it should become a part of the Constitution of the United States. Many of the States would have to enact income-tax laws which now have no income-tax laws, and other States would have to amend their constitutions in order to permit their legislatures to tax the income derived from governmental securities.

Mr. GREEN of Iowa. This provision gives the State power to levy taxes, and the Constitution of the United States of course supersedes a State constitution.

Mr. HUSTED. Of course it does; there is no question about that; but that does not affect the question in the slightest degree. There are States that have no income-tax laws. My point is this, that any Member of Congress here who lives in a State which has not an income-tax law is practically imposing upon his State an income-tax law, because if the State does not enact an income-tax law it can not take advantage of the provisions of this proposed amendment. It does not affect my own State of New York, because we have a State income-tax law, and under that law we can tax Government securities; but in the State of New Jersey there is a provision in the constitution that the legislature of the State can not tax such securities; and there are many States of this Union which have no income-tax laws and do not want any income-tax laws, and yet you will be imposing an income-tax law upon them, because they will have to enact an income-tax law in self-defense. If they do not enact an income-tax law, the Federal Government will be able to tax the income from securities of the State; but the State in its turn will not be able to tax the income derived from the securities of the Federal Government; and you gentlemen know, who come from States where they have no income-tax laws, whether you want to assume the responsibility of imposing upon your States income-tax laws against their will.

Mr. GREEN of Iowa. Mr. Chairman, I move to close debate upon this section and all amendments thereto.

The CHAIRMAN. The question is on the motion of the gentleman from Iowa that all debate upon this section and all amendments thereto do now close.

Mr. LONDON. Mr. Chairman, I rise to a preferential motion. I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from New York that the committee do now rise.

The question was taken; and on a division (demanded by Mr. LONDON) there were—ayes 52, noes 117.

So the committee refused to rise.

Mr. MONDELL. Mr. Chairman, I move to amend the motion of the gentleman from Iowa that debate close in 10 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Wyoming, as an amendment to the motion of the gentleman from Iowa, that debate close in 10 minutes on this section and all amendments thereto.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move as a substitute to amend that by providing that debate close in half an hour. There are a great many here who want to say something, and I do not know of any measure that has been before Congress that is of such vital importance as this one of submitting a constitutional amendment.

The CHAIRMAN. The question is on the substitute of the gentleman from Pennsylvania that debate close in half an hour.

The question was taken; and on a division (demanded by Mr. GRAHAM of Pennsylvania) there were—ayes 66, noes 101.

So the substitute was rejected.

The CHAIRMAN. The question now is on the amendment of the gentleman from Wyoming that debate close in 10 minutes.

The question was taken; and on a division (demanded by Mr. SWING) there were—ayes 49, noes 107.

So the amendment was rejected.

The CHAIRMAN. The question now recurs upon the motion of the gentleman from Iowa that all debate upon the section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the Husted amendment.

Mr. HUSTED. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. TUCKER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TUCKER: Amend by adding at the end of section 2 the following:

"Provided, That the revenue derived from any income tax that may be levied by the Congress of the United States under this amendment shall be applied to the payment of the public debt of the United States and for no other purpose."

Mr. HICKS. Mr. Chairman, I make the point of order that that is not germane.

The CHAIRMAN. The Chair is of opinion that the amendment is germane, and overrules point of order. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GREEN of Iowa: Page 2, line 4, strike out "Sec." and insert in lieu thereof "Section."

Mr. GREEN of Iowa. That is to make it conform with the first section.

The question was taken, and the amendment was agreed to. Mr. GREEN of Iowa. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GREEN of Iowa: Page 2, line 7, after the word "States," strike out the semicolon and insert a comma.

Mr. GREEN of Iowa. That is to make it conform with the first section.

The question was taken, and the amendment was agreed to.

Mr. MOORE of Virginia. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman from Virginia rise?

Mr. MOORE of Virginia. To offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: Add a new section, as follows—

The CHAIRMAN. This is a new section and it is not in order at the present time.

Mr. PARKER of New Jersey. Mr. Chairman, I desire to offer an amendment to the section.

The CHAIRMAN. The gentleman from New Jersey offers an amendment, which the Clerk will report.

The Clerk read as follows:

After the section insert "or any other State."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New Jersey.

The question was taken, and the amendment was rejected.

Mr. LANKFORD. Mr. Chairman, I desire to offer an amendment to the section.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LANKFORD: Page 2, line 8, after the word "securities," insert the words "or against income derived from securities issued under authority of any other State."

Mr. LANKFORD. I ask unanimous consent that the section be read as amended.

The CHAIRMAN. Is there objection?

Mr. HERRICK and Mr. RICKETTS. Mr. Chairman, I object.

The CHAIRMAN. The question is upon the amendment of the gentleman from Georgia.

The question was taken, and the amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I move to close all debate on the resolution and all amendments thereto.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point of order that it is not in order.

Mr. KETCHAM. Mr. Chairman, I have an amendment to add a new section.

The CHAIRMAN. The Chair is of the opinion that the motion is not in order.

Mr. STAFFORD. Mr. Chairman, the committee can at all times control the time for debate. True, before the committee rises, and I will ask the attention of the parliamentary clerk, we can not forbid the offering of amendments. That is always the privilege of any Member on the floor, but we can limit debate.

Mr. BLANTON. Not in committee.

Mr. STAFFORD. We can limit debate on the resolution. The committee has read the resolution, every section of it. Now, a motion is made to close debate on the resolution. That does not foreclose the offering of germane amendments as independent sections or as perfecting amendments to the section, but it is within the power of the committee to close debate, otherwise we might be for all time offering new sections.

Mr. DOWELL. Debate is already closed.

Mr. GARRETT of Tennessee. Mr. Chairman, of course the committee can close debate on each paragraph as it is read. The committee can not close debate on the entire bill. The committee can rise whenever it gets ready, but the committee can not close debate on the entire bill so long as the committee remains in session.

Mr. MONDELL. The committee can not rise while amendments are being offered.

Mr. GARRETT of Tennessee. No; if there is an amendment offered as a new section the committee can not close debate until it has been debated at least five minutes.

Mr. MONDELL. The committee can close debate on the resolution and all amendments to it.

The CHAIRMAN. The Chair thinks the motion of the gentleman from Iowa is not now in order. The Chair recognizes the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman, I offer an amendment as a new section.

Mr. JONES of Texas. Mr. Chairman, I offer an amendment to the previous section.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 10, after the word "State," insert the following proviso: "Provided, This article shall not apply to or affect income derived from securities issued under the provisions of the Federal farm loan act or any amendments thereto."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, I offer an amendment proposing an additional section.

The CHAIRMAN. The Chair had recognized the gentleman from Michigan [Mr. KETCHAM] to offer an amendment.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise and report the resolution back to the House with the amendments, with the recommendation that the amendments be agreed to and that the resolution as amended do pass.

Mr. BLANTON. Mr. Chairman, I make the point of order that that is out of order while amendments are pending and being offered.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point of order that, if there is any gentleman who desires to offer an amendment as a new section, the motion is not now in order. There is a distinct ruling on that, made by the gentleman from Kentucky, Mr. Sherley, many years ago, in which he held that such a motion was in order, and the next day, after an examination of the precedents, he rose and stated that his ruling was wrong; and since that time the statement made by the gentleman from Kentucky on the succeeding day has been followed continuously. So long as there is an amendment to be proposed by way of a new section, a motion to rise is not in order.

Mr. LONGWORTH. If that were true, how is it possible for the Chair to know in advance whether any gentleman desires to offer an amendment or not? It is for the House to decide and vote down the motion to rise in case it thinks there are some amendments to be offered. The motion of the gentleman from Iowa is certainly in order.

The CHAIRMAN. The Chair had recognized the gentleman from Michigan [Mr. KETCHAM] to offer a new section.

Mr. LONGWORTH. If the gentleman from Michigan had been recognized, that is a different thing. But after the submission of the motion of the gentleman from Michigan it is undoubtedly in order for the gentleman from Iowa [Mr. GREEN] to move that the committee rise and report the bill.

The CHAIRMAN. The gentleman from Michigan offers an amendment by way of a new section, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KETCHAM: Add a new section to the resolution, to be known as section 3, to read as follows:

"Nothing contained in this amendment shall be construed to refer to securities or bonds issued under the terms of the act known as the Federal farm loan act."

Mr. GREEN of Iowa. Mr. Chairman, I move to close all debate.

Mr. CHINDBLOM. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. It is that this matter has already been disposed of by the action of the committee on the motion made by the gentleman from Texas [Mr. JONES] in a proviso, which was voted down. This is in effect the same motion as that made by the gentleman from Texas.

Mr. KETCHAM. Mr. Chairman, may I say that at the same time I was on my feet asking for recognition? It seems hardly fair that one should be taken off his feet by a purely parliamentary situation.

Mr. STAFFORD. Mr. Chairman, this is not a new section. It is really an amendment to the preceding section, and, being an amendment to the preceding section, you can not evade the order of the committee by calling it a new section and trying to get recognition under that guise.

Mr. KETCHAM. Mr. Chairman, will the Chair hear me?

The CHAIRMAN. Yes.

Mr. KETCHAM. I think at the same time, or probably previous to the time the Chair recognized the gentleman from Texas [Mr. JONES], I had been recognized to present this very matter.

Mr. TILSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TILSON. Is this a new section or not?

The CHAIRMAN. It is offered as a new section.

Mr. TILSON. In the face of the ruling made a moment ago, I make the point of order that the debate has closed, and therefore I object to the amendment of the gentleman from Michigan on that ground. I wish to cite some precedents.

The CHAIRMAN. The gentleman from Wisconsin also made a point of order against the amendment.

Mr. STAFFORD. I did, on the ground that it was really an amendment to the preceding section and in violation of the order of the committee.

The CHAIRMAN. The gentleman from Wisconsin has made the same point of order.

Mr. TILSON. I withdraw my point of order.

Mr. CHINDBLOM. Mr. Chairman, I made the first point of order that this matter was already disposed of by the action of the committee on the amendment offered by the gentleman from Texas [Mr. JONES].

The CHAIRMAN. The point of order made by the gentleman from Connecticut is the same as that made by the gentleman from Wisconsin.

Mr. CRISP. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRISP. If an amendment to a section is offered and is rejected by the House, is it then in order to offer in substance that same proposition under the form of a new section?

The CHAIRMAN. The amendment proposed by the gentleman from Michigan [Mr. KETCHAM] as a new section in substance is similar to the amendment proposed by the gentleman from Texas [Mr. JONES], but in form it is not the same. It has been held by occupants of the Chair, including the late Mr. Speaker Clark, that a verbal change sometimes will make an amendment in order, although similar to an amendment ruled out of order. Mr. Speaker Clark on one occasion ruled that the change of one word in the language of a second amendment caused a deviation making that second amendment in order. Therefore the Chair will overrule the point of order and recognize the gentleman from Michigan [Mr. KETCHAM].

Mr. GREEN of Iowa. Mr. Chairman, I move that the debate on this section close in five minutes.

The CHAIRMAN. The gentleman from Iowa moves that the debate on this section close in five minutes.

Mr. JONES of Texas. Mr. Chairman, I make the point of order that there has been no debate on the amendment, and that motion can not be made until after five minutes of debate.

Mr. HUSTED. Mr. Chairman, I make the point of order that you can not even move to close debate until there has been some debate on the amendment. After debate has been had, then the motion can be made.

The CHAIRMAN. The Chair sustains the point of order of the gentleman from New York and recognizes the gentleman from Michigan.

Mr. KETCHAM. Mr. Chairman and gentlemen of the committee—

Mr. TILSON. Now, Mr. Chairman, I renew my parliamentary inquiry. Is this offered as a new section?

The CHAIRMAN. Yes.

Mr. TILSON. Then, Mr. Chairman, I wish to raise the point of order that debate has been closed and that no debate on the new section now offered is in order.

Mr. SWING. I make the point of order against the gentleman's point of order that debate has already been begun by the gentleman from Michigan.

The CHAIRMAN. The Chair has recognized the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman, I am not an expert on financial matters, but I know something about the burden that rests upon the millions of farmers in the United States who have mortgages on their farms and the residents of cities and villages who have mortgages on their homes. In the interest of farm ownership and in the interest of home ownership I claim the attention of the committee for a few minutes while I ask your careful consideration of the amendment that I have introduced.

There are in the United States 1,461,306 farms that have upon them the burden of mortgages totaling the sum of \$4,000,000,000. Three out of every eight farms in the whole country operated by their owners are carrying the burden of mortgage indebtedness. The total number of such farms is 1,461,306 and

the total mortgage burden \$4,000,000,000, in round numbers. In that great group of States classified by the Bureau of the Census as East and West North Central States and including Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North and South Dakota, Nebraska, and Kansas there are such mortgaged farms to the number of 694,000 out of a total of 1,477,000, or 47 per cent as an average. The high point is reached in North Dakota, where the percentage of owner-operated mortgaged farms is 71 per cent of the total of such farms, while in Ohio the low point of the group is reached with 28½ per cent. The total burden of mortgage on owner-operated farms in the North Central group of States is \$2,360,000,000, or 59 per cent of the total for the country. Speaking particularly to the Representatives from the North Central group, may I call your attention to the practical effect of this resolution without my amendment. It will without question raise the interest rate on farm-loan bonds, and so both directly on the 15 per cent of farm loans now made by the Federal farm loan banks and indirectly in the raising of the competitive rates on the 85 per cent of farm loans made through other channels will the practical effects of this resolution show. Estimates vary as to the amount of this increase. Some say it will not exceed one-half per cent, others say 1 per cent, and high authority says it will reach 1½ per cent.

If you vote for this resolution without my amendment you will be compelled to say in effect to your farmer constituents, "While there is a great and acknowledged evil in connection with tax-exempt securities, yet, gentlemen, I so far forgot your interests in this matter that I allowed myself to vote for an increase of from one-half to one and possibly one and one-half per cent in your mortgage interest rates."

Upon the assumption that the increases in mortgage interest rates will be as above indicated, I am sure the committee and my colleagues from the North Central States will be interested in noting just how much in increased interest this resolution will require the farmers to pay. If the increase is one-half per cent, the amount of additional interest required from the farmers of the whole country will be \$20,000,000 yearly, and from those of the north central group of States \$11,800,000. If the increase should be 1 per cent, the amount of interest added to the farm mortgages of the country would be \$40,000,000, and to the north central group, \$23,600,000. If the increase should be 1½ per cent, the respective amounts would be \$60,000,000 and \$35,400,000.

My friends, your farmer folks are very practical fellows, and while they will not go into the intricacies of this very fine and learned financial discussion, I am here to tell you that they know the difference between one-half of 1 per cent and 1 per cent, and possibly 1½ per cent increase in their interest rate, and if you go back and say to them that under the guise and lure of punishing the rich you allowed yourselves to vote for this proposition, in my opinion you will make a serious mistake, and I want to bring the seriousness of this thought home to you. [Applause.]

A few moments ago, Mr. Chairman, I referred to home ownership whether in country or city as a matter of vital concern. Forty per cent of the owned homes of the country are mortgaged and these too will feel the added burden which a lessening of the competition in mortgage rates will impose. Just how important this is to those Members whose constituencies are found in cities above 100,000 is shown by a few illustrations: Akron, Ohio, has 12,376 mortgaged homes and 6,703 free from debt. Boston, 19,609 mortgaged and 9,998 free. Chicago, 102,719 mortgaged and 58,382 free. Detroit, 49,509 mortgaged and 31,506 free. Grand Rapids, 8,239 mortgaged and 7,655 free. Milwaukee, 22,031 mortgaged and 14,994 free. New York, 123,865 mortgaged and 33,358 free. Philadelphia, 107,974 mortgaged and 45,802 free. Seattle, 18,010 mortgaged and 17,543 free. Springfield, Mass., 6,442 mortgaged and 1,907 free.

In the matter of homes owned, Des Moines leads the country with a percentage of 51.1, with Grand Rapids, Mich., second, percentage 50.2, while New York City draws the cellar championship with 12.7 per cent. It seems very clear to me, Mr. Chairman, that both farm and home ownership will be adversely affected by this resolution unless amended as I propose.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. KETCHAM. I yield to my colleague.

Mr. McLAUGHLIN of Michigan. If this becomes effective it will relate only to the future, and there will be no tax on the income of bonds already issued.

Mr. KETCHAM. My colleague has lost sight of the fact that the direct effect is not so great as the indirect effect. And he well knows, because of his long and valuable experience on the Committee on Agriculture, when the Federal farm loan act was first proposed interest rates on ordinary farm mortgages

ran as high in some sections of the country as 8, 10, and 12 per cent, and he also knows that upon the enactment of the Federal farm loan act the interest rate went down so that the average interest rate on farm mortgages now is 6 per cent. He knows that that reduction in the interest rate was an indirect effect of the passage of the farm loan act, because 85 per cent of the total mortgages on farms in this country are not under the farm loan act but they are held in the general run of business as between farmer and banker.

Speaking on this same subject a few days ago, I said:

Mr. Chairman and members of the committee, my amendment proposes to exempt from the provisions of the constitutional amendment the bonds or securities issued under the terms of the Federal farm loan act. The total amount of Federal farm-loan bonds sold to November 30, 1922, is \$641,208,375. If the total of tax-exempt securities issued amounts to \$16,000,000,000, then the amount of such total affected by my amendment is approximately 4 per cent. I am aware that there should be unusual merit in any proposition that seeks to modify the application of a proposed amendment to the Constitution. In support of my amendment, therefore, I present the following considerations:

1. The Federal farm-loan system has clearly established itself as a sound, practical, and indispensable credit agency for American agriculture. Its operations have been interrupted by hostile interests through court procedure and limited by the natural hesitancy our people manifest in adopting a new plan in so vital a matter as mortgage loans. Its present popularity is shown by the fact that during the period from November 1, 1921, to November 1, 1922, the Federal land banks loaned \$219,780,649 to 70,993 farmers and sold Federal farm-loan bonds to investors to the amount of \$278,150,000. The Treasury holdings of these bonds have been reduced \$69,650,000, and Secretary Mellon says that—

"The system is rapidly approaching a condition which meets the original intention that it should be a mutual organization operated under Government supervision and control with the capital stock supplied by the borrowing farmers and not by the Government."

Until such time shall come it appears clear to me that no action should be contemplated by this committee that will seriously limit, if not entirely suspend, the operations of the Federal farm-loan system by advancing the interest rates.

Showing that my proposed amendment has very substantial backing, Mr. Chairman, I further quote from my remarks on December 20:

Probably no farm conference in the history of the United States has created so much interest as the one held not quite one year ago here in Washington, and I now quote from the committee on taxation in the report of the National Agricultural Conference, page 141. I quote the second recommendation, which, by the way, was adopted unanimously by more than 400 delegates from various agricultural activities attending this conference:

"We recommend—

"Second, a constitutional amendment prohibiting issuance of tax-free securities: *Provided*, That inasmuch as agricultural lands and mortgages are both taxed and that agriculture is a fundamental industry upon which all industries depend, nothing in these resolutions shall apply to bonds, debentures, and certificates of indebtedness issued under authority of the Federal farm loan act or any amendments thereto."

My amendment to the resolution will give point to this recommendation unanimously adopted by this great gathering of farmers uniting in one of the best expressions of farm opinion that we have ever had in this country.

Believing, Mr. Chairman, that the confidence the farmers of the country have shown in the Federal farm-loan system as indicated by its growth since recent court restrictions have been removed, is most wholesome and guarantees a promising future for it. I present my amendment in the hope that the committee will adopt it and thus insure the continuance of its most beneficent work. Undoubtedly we have gone to extremes in issuing tax-exempt bonds, but in our desire to remedy this difficulty we should not impose heavier burdens on an already overburdened agriculture, and in all this discussion I do not want you to lose sight of the fact that the great proposition here, so far as farmers are concerned, is whether you want to increase the interest rate on farm mortgages. Do not forget that when you vote on my amendment. [Applause.]

Mr. TILSON. Mr. Chairman, I make the point of order that all debate has been closed. While amendments may be offered indefinitely, either as simple amendments or in the form of a new section or paragraph, they can not be debated after debate upon the pending section, or paragraph, as the case may be, has been closed. I think that a few moments ago the Chair, by inadvertence, or without having the precedents at hand, rendered a decision that if allowed to go unchallenged will prove to be detrimental to the orderly procedure of this House. If the Chair will hear me, I should like to have just a few moments to call the attention of the Chair to some authorities on this subject.

My position is, Mr. Chairman, that an amendment offered as a new section is, for parliamentary purposes, an amendment to the preceding section. Debate having been closed on the preceding section debate is closed on any amendment that may be thereafter offered, whether it be offered in the form of a new section or otherwise. I would refer the Chair to a decision rendered by the gentleman from Iowa [Mr. Good].

On July 19, 1919, the prohibition enforcement bill was under consideration in the Committee of the Whole House on the state of the Union. On motion of the chairman of the committee in charge of the bill all debate on section 7 and all amendments thereto had been closed in 15 minutes. Under this motion all debate was exhausted, and the gentleman from Washington [Mr. MILLER] offered an amendment. He attempted to debate his amendment when the point of order was made, and after being debated Chairman Good ruled as follows:

The Chair will state the parliamentary situation. Time has been fixed for the debate on section 7 limited to 15 minutes. That time has expired.

The Chairman then made reference to an earlier ruling to the same effect. He then continues his ruling as follows:

Any amendment in the nature of a new section, under the former ruling of the Chair, has been held to be an amendment to that section, and therefore all debate on section 7 has been exhausted. The gentleman from Washington will be permitted to have his amendment put as an amendment, but it is still an amendment to section 7, and the debate on section 7 has been concluded.

Again on the same day, when section 26 of the prohibition enforcement bill had been reached and debated, on motion of Mr. VOLSTEAD all debate on the section and all amendments thereto had been closed, Mr. Saunders, of Virginia, offered an amendment as a separate section, and proceeded to debate, when the Chair advised him that debate had been closed. The Chairman [Mr. Good] said:

Debate has been closed on section 26, and the Chair has already held in a previous ruling that an amendment offered as a new section was an amendment to the previous section, and where debate has been exhausted upon that section debate was also exhausted on the amendment offered as a new section.

On September 12, 1919, the Sweet bill was under consideration, the gentleman from Kansas [Mr. CAMPBELL] being in the chair, when a similar question arose, and, upon a parliamentary inquiry as to whether closing debate on the section would preclude the offering of a new section, the Chairman said:

The Chair holds that it would not, but the amendment would not be subject to debate if the motion of the gentleman from Iowa [Mr. SWEET] should prevail.

On May 6, 1921, the Army appropriation bill being under consideration, I was in the chair when the same question arose in almost exactly the same form as in the cases already referred to. I then cited the decisions of the gentleman from Iowa and the gentleman from Kansas, and ruled the same way as they had ruled.

On May 10, 1921, the Army bill being still under consideration, I was still in the chair when the question again arose, and I made exactly the same ruling. I have made such examination of the authorities as I have been able to make during the time I have had since the question first arose this afternoon, and I have not been able to find a single contrary decision. I was informed that there was a different ruling made by the distinguished gentleman from Minnesota [Mr. ANDERSON], but upon investigation I find that the question was not submitted to him for a ruling, and that he only expressed an opinion as to what he thought would be the proper ruling should the question be presented for decision. I contend that this line of decisions, although not long, should be followed. The rule established by them is founded upon sound principles. If it should be established otherwise, there might never be an end to debate, and the committee would find itself powerless if anyone inclined to obstructive tactics should see fit to offer one new section or paragraph after another and claim the right to debate each as an amendment. I think that the chairman will make a mistake, so far as the rules and the orderly procedure of the House are concerned, if he does not in this case sustain the point of order.

Mr. JONES of Texas. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. JONES of Texas. Is it not possible that at the end of a bill an amendment might be offered which would not be germane to the preceding section?

Mr. TILSON. I can not conceive that there would be any case that might arise wherein it ought to be allowed that an indefinite number of amendments should be allowed to be offered and debated. Therefore I insist that for parliamentary purposes every amendment should be considered as an amendment to the preceding section.

Mr. BLANTON. Mr. Chairman, I want to call attention to a precedent. The gentleman from Connecticut will remember that when the war resolution was being adopted this very question arose and the Chair then held that he would entertain the new amendment offered as a new section until it developed to his satisfaction that they were frivolous, and for the purpose of

killing time, and whenever that point was reached he would shut it off and not until then.

Mr. TILSON. I was not referring to amendments but only referring to debate on amendments.

Mr. JONES of Texas. I make this suggestion in connection with the argument of the gentleman from Connecticut that an amendment may be offered as a new section at the end of a resolution or bill which is not germane to the previous section but is germane to the general purposes of the bill. Therefore a motion to close debate on the previous section would not logically apply to a new section which might not be germane to the previous section but was germane to the general purposes of the bill.

Mr. GARRETT of Tennessee. Mr. Chairman, if I caught correctly the precedents cited by the gentleman from Connecticut they were on matters that were offered in the body of the bill.

Mr. TILSON. It does not appear whether they were or not.

Mr. GARRETT of Tennessee. And not at the end of the bill.

Mr. TILSON. It does not appear whether they were in the middle or at the end of the bill; it simply refers to the preceding section.

Mr. GARRETT of Tennessee. It seems to me that there would be a difference; in fact, there ought to be a difference, in practice as regards a paragraph that might be offered in the midst of a bill, and, by the by, I think the precedents cited were all on appropriation bills and not upon legislative bills. Of course, I realize that there has to be some reasonable and decent limitation about these matters; but it does seem to me that upon a legislative bill or resolution such as this, that if a section be offered at the end of the bill as a new section there ought to be an opportunity for debate until such time as the committee gets ready to close debate, which it can do at the end of five minutes.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. TILSON. As to a part of the question submitted by the gentleman from Tennessee, whether these decisions were all on appropriation bills, I desire to state that two of the decisions—the two rendered by the gentleman from Iowa [Mr. Good]—were on the prohibition enforcement bill, then in charge of the gentleman from Minnesota [Mr. VOLSTEAD].

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. HICKS. From a parliamentary standpoint, is not a new section in effect an amendment to the preceding section?

Mr. GARRETT of Tennessee. No; it is not, particularly when it is at the end of the bill, unless it shows on its face that it is.

Mr. HICKS. But from a parliamentary standpoint a new section is the same thing as an amendment.

Mr. GARRETT of Tennessee. I do not think so.

Mr. TILSON. Mr. Chairman, I made my point of order simply to maintain the rights of the House and because of my sincere interest in the proper interpretation of our rules and the orderly procedure of the House. I did not make it for the purpose of blocking or obstructing proceedings. If it will facilitate matters, as seems to be the present impression, I am quite willing to withdraw temporarily the point of order, and I now do so.

Mr. MONDELL. Mr. Chairman, I move that all debate upon the pending amendment and all amendments thereto do now close.

The motion was agreed to.

Mr. HUDSPETH. Mr. Chairman, I desire to offer an amendment to the amendment offered by the gentleman from Michigan by adding, after the words "Federal farm loan," the words "and joint-stock land banks."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH to the amendment offered by Mr. KETCHAM: At the end of the amendment after the word "Act," insert the words "and Federal joint stock land banks."

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. HUDSPETH) there were—ayes 57, noes 102.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Michigan.

Mr. KETCHAM. Mr. Chairman, I ask unanimous consent that it be again reported.

The CHAIRMAN. The gentleman asks unanimous consent that the amendment be again reported. Is there objection?

Mr. SNYDER. I object.

Mr. GARRETT of Tennessee. I am informed that the amendment never has been reported from the desk.

SEVERAL MEMBERS. Oh, yes; it has.

Mr. MONDELL. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. KETCHAM) there were—ayes 70, noes 102.

So the amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

Mr. MOORE of Virginia. Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Virginia. Some 15 minutes ago the Chair looking at me recognized me to present an amendment which I stated was an additional section to the resolution. The Chair, however, in a few minutes said that it was not in order at that time for the reason that an amendment was being proposed to the second section. The Chair knows that I was desirous of offering the amendment which is now on the Clerk's desk. I think under the ruling made awhile ago by the Chair, and the parliamentary law that seems to be admitted by everyone here, I am entitled to have the amendment read and voted upon.

Mr. STAFFORD. Mr. Chairman, there is no question whatever that before the motion to rise and report the resolution can be considered any gentleman offering an amendment has the right to have it submitted. I was the Member who offered the amendment in the Committee of the Whole when Mr. Shirley was chairman, and disallowed my offering it, when a motion was made to rise and report the bill. Mr. Shirley shortly afterwards admitted that he was in error, because all the precedents are the other way.

Mr. MOORE of Virginia. There are two or three amendments that I desire to offer. Of course, I do not claim the right to debate any of them.

The CHAIRMAN. The gentleman has the right to offer his amendment before the Chair puts the question to rise.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment which I have sent to the desk.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: Add a section as follows: "Sec. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution, as provided in the Constitution, within five years from the date of the submission thereof to the States by Congress."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment as a new section, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: Add a section as follows: "Sec. 3. The term 'without discrimination' shall be construed to require as far as possible equality and uniformity in the rates of taxation."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment, adding a new section.

Mr. GREEN of Iowa. Mr. Chairman, I think it is quite obvious that we can not go on doing this forever. I insist upon my motion to rise.

The CHAIRMAN. The Clerk will first report the amendment offered by the gentleman from Virginia.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: Add a section as follows: "Sec. 3. This amendment shall not be construed to permit legislation intended to curtail or regulate in any manner whatever the power of any State over the issue of securities, or that will have that effect."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was rejected.

The CHAIRMAN. The Chair will now put the motion of the gentleman from Iowa, that the committee do now rise and report the joint resolution back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that

that committee had had under consideration House Joint Resolution 314, proposing an amendment to the Constitution of the United States, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution, as amended, do pass.

Mr. GREEN of Iowa. Mr. Speaker, I move the previous question on the joint resolution and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment; if not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read the third time; was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. MCARTHUR. Mr. Speaker, I make the point of order it is an automatic roll call provided for by the Constitution.

Mr. MONDELL. Mr. Speaker, I ask for the yeas and nays. The yeas and nays were ordered.

The question was taken; and there were—yeas 223, nays 101, answered "present" 3, not voting 101, as follows:

YEAS—223.

Almon	Faust	Kreider	Rogers
Anderson	Fields	Lampert	Rose
Andrew, Mass.	Fish	Langley	Rouse
Andrews, Nebr.	Fisher	Larsen, Ga.	Sabath
Anthony	Fitzgerald	Larson, Minn.	Sanders, Ind.
Appleby	Fordney	Lawrence	Sanders, N. Y.
Arentz	Foster	Leatherwood	Schall
Barbour	Frear	Lee, Ga.	Scott, Tenn.
Beck	Free	Lee, N. Y.	Shaw
Beedy	Freeman	Lineberger	Shelton
Bird	French	Little	Shreve
Bixler	Frothingham	Longworth	Siegel
Black	Fuller	Lace	Sinclair
Bland, Ind.	Gensman	McArthur	Sinnot
Boies	Gerner	McFadden	Slomp
Bond	Gifford	McKenzie	Smith, Idaho
Brennan	Gilbert	McLaughlin, Mich.	Snell
Britten	Glynn	McLaughlin, Pa.	Snyder
Brooks, Ill.	Goodykoontz	MacGregor	Speaks
Brooks, Pa.	Gorman	MacLafferty	Sproul
Brooks, Tenn.	Graham, Ill.	Madden	Stafford
Brown, Wis.	Green, Iowa	Magee	Steenerson
Burtess	Greene, Mass.	Maloney	Strong, Kans.
Burton	Griest	Mapes	Summers, Wash.
Byrns, Tenn.	Hadley	Merritt	Swank
Campbell, Kans.	Hardy, Colo.	Michener	Sweet
Campbell, Pa.	Haugen	Miller	Taylor, Colo.
Chalmers	Hawley	Mills	Taylor, Tenn.
Childs	Hays	Mondell	Temple
Christopherson	Henry	Moore, Ohio	Thomas
Clague	Herrick	Murphy	Tillman
Clarke, N. Y.	Hersey	Nelson, Me.	Tilson
Clouse	Hickey	Nelson, A. P.	Timberlake
Codd	Hicks	Nelson, J. M.	Tincher
Cole, Iowa	Himes	Newton, Minn.	Tinkham
Cole, Ohio	Hoch	Newton, Mo.	Towner
Cooper, Ohio	Hogan	O'Connor	Treadway
Cooper, Wis.	Huddleston	Paige	Upshaw
Copley	Hukriede	Parker, N. Y.	Vaile
Coughlin	Hull	Parks, Ark.	Voigt
Cramton	Humphrey, Nebr.	Patterson, Mo.	Walters
Crisp	Hutchinson	Patterson, N. J.	Ward, N. Y.
Crowther	James	Paul	Watson
Dallinger	Jeffers, Nebr.	Perkins	Webster
Darrow	Johnson, Ky.	Pertman	White, Kans.
Denison	Johnson, S. Dak.	Porter	Williams, Ill.
Dickinson	Johnson, Wash.	Pringle	Williamson
Dowell	Kearns	Ramsayer	Winslow
Driver	Kelley, Mich.	Ransley	Wood, Ind.
Echois	Kincheloe	Reece	Woodruff
Edmonds	Kissel	Reed, N. Y.	Wright
Elliott	Klecza	Rhodes	Wurzbach
Ellis	Kline, N. Y.	Ricketts	Wyant
Evans	Kline, Pa.	Roach	Young
Fairfield	Knutson	Robison	
	Kopp	Rodenberg	

NAYS—101.

Abernethy	Connolly, Pa.	Hayden	London
Ackerman	Crago	Hill	McClintie
Aswell	Curry	Hooker	McCormick
Bacharach	Dale	Hudspeth	McDuffie
Bell	Davis, Tenn.	Humphreys, Miss.	McSwain
Bland, Va.	Deal	Husted	Mansfield
Blanton	Dominick	Jacoway	Martin
Bowling	Doughton	Jeffers, Ala.	Montague
Bor	Dupré	Johnson, Miss.	Moore, Ill.
Briggs	Favrot	Jones, Tex.	Moore, Va.
Buchanan	Fenn	Kendall	Moore, Ind.
Bulwinkle	Fulmer	Ketcham	Ogden
Burdick	Garner	Kraus	Oldfield
Byrnes, S. C.	Garrett, Tenn.	Lanham	Oliver
Cable	Garrett, Tex.	Lankford	Parker, N. J.
Cannon	Goldsbrough	Lazaro	Pou
Collier	Graham, Pa.	Lea, Calif.	Quin
Collins	Hammer	Linthicum	Radcliffe
Connally, Tex.	Hardy, Tex.	Logan	Raker

Rankin
Rayburn
Riordan
Rosenbloom
Rucker
Sanders, Tex.
Sandlin

Sears
Sisson
Smithwick
Steagall
Stedman
Stevenson
Summers, Tex.
Swing
Tucker
Turner
Tyson
Vinson
Ward, N. C.
Weaver

Wilson
Wingo
Wise
Woods, Va.

ANSWERED "PRESENT"—3.

Norton

Stephens

Underhill

NOT VOTING—101.

Ansorge
Atkeson
Bankhead
Barkley
Begg
Benham
Blakeney
Bowers
Brand
Burke
Burroughs
Cantrill
Carew
Carter
Chandler, N. Y.
Chandler, Okla.
Clark, Fla.
Classon
Cockran
Colton
Cullen
Davis, Minn.
Dempsey
Drane
Drewry
Dunbar

Dunn
Dyer
Fairchild
Fess
Focht
Funk
Gahn
Gallivan
Gould
Greene, Vt.
Griffin
Hawes
Huck
Ireland
Jones, Pa.
Kahn
Keller
Kelly, Pa.
Kennedy
Kiess
Kindred
King
Kirkpatrick
Kitchin
Knight
Kunz

Layton
Lehlbach
Lowrey
Luhling
Lyon
McLaughlin, Nebr.
McPherson
Mead
Michaelson
Morgan
Morin
Mott
Mudd
O'Brien
Olpp
Osborne
Overstreet
Park, Ga.
Petersen
Purnell
Rainey, Ala.
Rainey, Ill.
Reber
Reed, W. Va.
Riddick
Robertson

Rossdale
Ryan
Scott, Mich.
Smith, Mich.
Stiness
Stoll
Strong, Pa.
Sullivan
Tague
Taylor, Ark.
Taylor, N. J.
Ten Eyck
Thompson
Thorpe
Vestal
Volk
Volstead
Wheeler
White, Me.
Williams, Tex.
Woodyard
Yates
Zihlman

So, two-thirds having voted in favor thereof, the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Begg and Mr. Carter (for) with Mr. Cullen (against).

Mr. Gahn and Mr. Gould (for) with Mr. Kindred (against).

Mr. Stephens and Mr. Fess (for) with Mr. Norton (against).

Mr. Strong of Pennsylvania and Mr. Reber (for) with Mr. Lyon (against).

Mr. Kiess and Mr. Kennedy (for) with Mr. Sullivan (against).

Mr. Rossdale and Mr. Kelly of Pennsylvania (for) with Mr. Mead (against).

Mr. Morin and Mr. White of Maine (for) with Mr. Griffin (against).

Mr. Davis of Minnesota and Mr. Morgan (for) with Mr. Carew (against).

Mr. Focht and Mr. Smith of Michigan (for) with Mr. Drewry (against).

General pairs:

Mr. Burroughs with Mr. Gallivan.

Mr. Funk with Mr. Williams of Texas.

Mr. Thompson with Mr. Kunz.

Mr. Atkeson with Mr. Bankhead.

Mr. Dunbar with Mr. Clark of Florida.

Mr. Kahn with Mr. Drane.

Mr. Knight with Mr. Hawes.

Mr. Keller with Mr. Taylor of Arkansas.

Miss Robertson with Mr. Brand.

Mr. Mudd with Mr. Kitchin.

Mr. Purnell with Mr. Rainey of Alabama.

Mr. Michaelson with Mr. Lowrey.

Mr. Dempsey with Mr. O'Brien.

Mr. Lehlbach with Mr. Rainey of Illinois.

Mr. Volk with Mr. Overstreet.

Mr. McPherson with Mr. Tague.

Mr. Dunn with Mr. Park of Georgia.

Mr. Colton with Mr. Stoll.

The result of the vote was announced as above recorded.

Mr. GREEN of Iowa. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GREEN of Iowa. Is it in order to move to reconsider and lay that motion on the table?

The SPEAKER. The Chair thinks so.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

Mr. GERNERD, Mr. HILL, Mr. KNUTSON, Mr. DALE, Mr. LANKFORD, Mr. ANDREWS of Nebraska, Mr. DAVIS of Tennessee, Mr. RAKER, Mr. OLIVER, and Mr. LONDON were granted leave to extend their remarks in the RECORD on this resolution.

The extension of remarks referred to is here printed in full as follows:

Mr. GERNERD. Mr. Speaker, the one great problem which has always confronted the leading minds of the Government has been that of taxation. It has played a dominant part ever since

governments have been organized. Up to 1909 the revenues of the Federal Government were raised entirely through duties upon foreign imports and taxes upon tobacco and spirituous liquors, but with the great expansion of our Government the revenues from these sources became inadequate and a new source of income had to be provided. This resulted in the adoption of a direct income tax, which was made possible through the adoption of the sixteenth amendment to the Constitution. By the imposition of a nominal percentage upon the net incomes of corporations and individuals in excess of \$5,000 a sufficient sum was raised, together with those amounts realized from accustomed sources, to meet the increased operating expenses of the Government.

With the advent of the World War the question of raising revenues through taxation presented a most difficult and perplexing problem. Billions of dollars were immediately required and every conceivable plan was thought of by Congress to raise the colossal sums of money that were needed to finance our part of the war. This great emergency brought about the adoption of a graduated income tax with its surtaxes and excess-profits taxes as added features for the collection of large sums of moneys from those who were abnormally profiting through the war. Naturally it was not possible to raise all of the moneys which were immediately needed to conduct the war through taxation, so the Government issued \$23,250,000,000 worth of securities, which were sold to the American people.

More than \$10,000,000,000 of this total were issued exempt from all taxation as an inducement for their speedy sale. At the time this was thought a justifiable policy. But with the advent of peace it was thought that all war-time taxation would be repealed and that there would be a return to a normal income tax. Subsequent events, however, have dissipated this idea, for it was soon realized that a very strong sentiment prevailed that war-time taxes should be continued, so that Government revenues might be enriched by those making what many regarded as excessive profits. After a long and vigorous struggle, Congress finally passed a new revenue bill which proved a partial compromise, so that to-day we still retain some of the war-time features, to wit, a maximum surtax of 50 per cent and a nominal tax of 8 per cent upon net incomes above \$2,500.

The practical operation of the present revenue bill, with its high surtaxes, has clearly revealed its inherent weaknesses, for it has encouraged men of wealth to buy tax-free securities, thereby affording them an escape from bearing their just burdens of taxation. The result has been that the revenues realized through the imposition of the surtaxes have shrunk so greatly that billions of dollars have been drawn out of productive industry and invested in tax-free securities. The question this extraordinary situation presents is whether or not the stability and the prosperity of the Nation can long endure if we permit the great wealth of the Nation to continue to flow into channels from which this gigantic capital is secure from taxation. It is estimated that about thirty billions of the Nation's wealth is so invested and that this amount is annually increased by more than a billion dollars. It is safe to assume that there is very little danger of the Federal Government in the future issuing any more tax-exempt securities and that it will retire those that are now outstanding as rapidly as it can by law; but the great menace rests with the States, cities, and minor units of government that are at present issuing excessively these securities. They have increased their indebtedness in the last 10 years from \$4,500,000,000 to approximately nine billions at the close of 1922. It is only by a realization of these stupendous figures that we can appreciate the irretrievable harm that is bound to come unless we check this unnatural competition to secure the wealth of the Nation.

In practically every city of the Union there is a shortage of homes. Building has fallen far short of the demand. One of the dominant factors in building operations is the ability to finance the operations, and this ultimately means the placing of mortgages upon the homes as they are sold to the purchasers. Upon investigation one will learn that mortgage money is hard to get except at a premium, for the reason that millions of dollars that were formerly invested in first mortgages have been withdrawn from the market and invested in tax-free securities. Trust companies and large insurance companies formerly were eager to secure mortgage investments, but statistics will show that in the past three years they have invested millions of dollars in tax-exempt securities, and that their investment in mortgages have decreased alarmingly. Not only has mortgage money taken a decisive slump in the cities but farm mortgages have been affected even more seriously. The hardship falls far heavier on the man of small income who desires to acquire a home and the farmer who wishes to own his farm for the reason

that he is obliged to pay a much higher rate of interest and in addition encounters greater difficulty in his ability to finance his wants. Such a situation creates an unequal opportunity and stifles the incentive, which in the past has been such a vital factor in the development of our country. It is the home owners in our villages and cities and the farmer whose productive lands have always been his pride that has made this country the marvel of the world. Any economic evil that destroys this natural incentive must be corrected, and no time can be wasted in doing it.

We are confronted by another danger that is most menacing in its effects, and that is that capital which used to stimulate and maintain industry is being withdrawn and invested in these tax-free securities, at a time when every encouragement should be extended to industry so that employment may continue and new wealth created. It may be asked, "Why is capital deserting industrial investments?" The answer is simple when we realize that a man who has an income of \$250,000 a year, and has his money invested in industrial bonds or stocks must realize 12 per cent on his investment to secure a net return to himself after paying his Federal tax of 5 per cent. In other words, if he has his money invested in 5 per cent tax-free bonds he has just as much as if though his industrial bonds netted him 12 per cent, for the reason that he must pay upon his income of \$250,000 a total Federal tax of 58 per cent—a normal tax of 8 per cent and an added surtax of 50 per cent. Naturally, no sane and responsible business man will agree to pay 12 per cent interest for money. Only the promoter of uncertain securities would undertake to do so, for only few legitimate industrial investments produce a net return of 12 per cent; therefore the man of large wealth will not expose his capital to such dangers when he can secure safe and certain investments that yield him a net income equal to that of a gross income of 12 per cent.

There was a time in the history of our country when Government bonds were bought mainly by the man who had accumulated a moderate capital, but who wished to invest his income in the safest security available and was content to receive a low rate of interest. These bonds held forth little attraction to the man of large wealth for he desired a far higher return upon his money, but to-day we find the situation changed. It is the rich man who formerly dealt almost exclusively in industrial and railway securities who now seeks these tax-free bonds with all the benefits accruing to him by their exemptions.

Another field of activity that has been very seriously embarrassed by the issuance of tax-exempt securities are the steam railways. They are the arteries of trade; but the transportation rates have been so high that they have seriously impeded the natural interchange of commerce. One of the greatest problems that the railroads have to grapple with is that of finance. Before the World War it was comparatively easy for railroads to secure what financial assistance they required to keep up their rolling stock and for legitimate expansion. But the past few years their market for capital has been restricted to such a degree that they have been unable to finance their requirements, and what financial assistance they have gotten has been acquired at an exceedingly high rate of interest and excessive expense. In the past the very rich of the Nation always found railroad securities most attractive, but since their earnings have been so precarious and the stability of the investment so impaired, they have turned their backs on them and are finding safety and refuge in tax-free securities.

All of this increased cost in the financing of the railroads reflects itself in the transportation rates, which continue to be one of the principal contributing factors which are responsible for the high price of merchandising. It affects everybody alike in that the ultimate consumer must pay the bill. What is true of the railroads is equally true of the public utilities. The street railways, gas and electric plants have had, and are still having, their embarrassments. Very few present a healthy condition. They no longer find a ready market for their securities.

Their customers of former days are no longer willing to assist them by buying their bonds, even though they are willing to pay as high as 8 per cent interest. It is stated with reliability that the railroads and the public utility corporations of the country require annually about \$2,000,000,000 with which to finance their operating needs. In order to secure this great assistance one can readily see what great difficulties they must meet with, and what great expense they are put to in order that they may be permitted to live. All of these increased burdens are paid for in increased trolley fares, gas and electric-light service by the consuming public.

Another very serious aspect of this proposition is the fact that the very rich of the Nation are relieved from taxation

and that with each year the available taxable property is growing smaller by the refuge which the rich man finds for his capital in tax-free securities. It is estimated that the Federal Government loses this year \$300,000,000 in taxes by reason of these exemptions. What is the natural result? None other than those least able to pay must carry the national burden of government. In other words, those who earn their incomes must pay the taxes, whereas those who have an unearned income flowing in from tax-free securities pay nothing. This situation creates two classes of Americans—the taxable and the nontaxable. To-day 7,000,000 persons are paying the taxes of the Federal Government. Next year this number will decrease, thereby adding an additional burden upon the remainder whose incomes are earned. What justice can there be where a man who has an earned income of \$10,000 pays to the Federal Government a tax of \$520, whereas the man who has a \$10,000 income derived from tax-free bonds pays nothing? A manufacturer who has an earned income from his business of \$300,000 pays to his Government a Federal tax of \$144,000, whereas the millionaire who has a like income of \$300,000 from tax-free bonds pays nothing. When the truth of such a glaring injustice becomes generally known to the public, I feel confident that an overwhelming public sentiment will respond in condemning a national situation that will permit of such gross injustice being practiced, and that it will insist upon the immediate adoption and ratification of the proposed constitutional amendment prohibiting the further issuance of tax-free securities.

It is contended that by the adoption of the proposed amendment that those who invested in these tax-free securities would be greatly enriched by their advance in value and that it would be unfair to give these favored holders of tax-free securities an additional advantage. No one will dispute the fact that the outstanding securities will increase in value for the reason that the amendment is not retroactive, but only proposes to prevent the issuance in the future of any more of these free securities.

Whatever the gain to the present holders of these securities may be, I feel confident that the correction of so great a national evil will far outweigh any added consideration that these present holders might gain through the proposed elimination of so vicious a system of unequal taxation. Thus it will be seen what a serious situation has been developed throughout the country by the excessive issuance of these tax-free bonds, which has resulted in the tying up of the great surplus wealth of the Nation into passive investments.

In order that a nation may be prosperous, its wealth must be elastic and have a natural flow. It should be accessible to the farmer, the merchant, the manufacturer, the home builder, and all other active enterprises at all times, based upon natural merit and attraction, and not be stifled by unnatural economic favoritism. This present condition is unhealthy and unsound, and unless we act speedily to correct this economic evil we may, in the not far-distant future, encounter an economic catastrophe which may require the confiscation of private property to again restore the Nation's wealth into active channels in order that the stability and well-being of the Nation may be preserved.

Mr. ANDREWS of Nebraska. Mr. Speaker, the methods of Federal taxation have been radically changed during the last 10 years, and other equally important changes will follow during the next 10 years.

Before the World War we were collecting, under the general fund of the Treasury, about equal amounts from customs and internal revenue. The postal receipts at that time approximated \$266,000,000, making the total Federal revenues for all purposes about \$990,000,000. The total revenues now collected for all purposes approximate \$3,500,000,000.

The wise foresight of a Republican Congress under the administration of President Taft submitted to the States the sixteenth amendment to our Federal Constitution empowering Congress to lay and collect taxes on income. This was the most important change in our methods of Federal taxation. That amendment was proposed to the legislatures of the several States by the Sixty-first Congress and was declared, in a proclamation of the Secretary of State, dated February 25, 1913, to have been ratified by the legislatures of the requisite number of States, 36. Accordingly, it became a part of our Federal Constitution, and the way was thus prepared for income-tax legislation that followed soon thereafter. That amendment reads as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

Without this additional constitutional authority Congress would have been seriously embarrassed in providing funds to

meet the requirements of the World War. During the fiscal years, 1918, 1919, 1920, \$12,835,000,000 were secured through internal-revenue taxation, chiefly from taxes on incomes.

Prior to 1913 the Treasury received internal revenues ranging from \$250,000,000 to \$300,000,000 dollars annually. These figures show the results from revenue legislation enacted under the sixteenth amendment. The usefulness of this amendment is further disclosed by the revenues that must be secured under it permanently for an indefinite period of time, perhaps permanently.

Thus it appears that the income tax is now a permanent part of Federal taxation. It is quite important that taxpayers generally should draw a clear distinction between a property tax and an income tax. The States generally levy taxes on property, while the Federal Government does not employ property taxes in any form. Under the sixteenth amendment, however, the Federal Government taxes the incomes of individuals and corporations within fixed limitations. We now have an annual fixed charge of nearly \$1,000,000,000 to pay interest on our public debt; about \$450,000,000 to \$500,000,000 for the benefit of the disabled soldiers of the World War; approximately \$1,500,000,000 for the annual running expenses of the Government, and about \$500,000,000 to cancel obligations growing out of the World War and such public improvements as the interests of the people generally may require; these facts and figures clearly prove that a large amount of revenue must be secured annually from a tax on incomes.

An income tax should be intelligently graduated so that great wealth will be compelled to bear its full share of Federal expenses.

The pending resolution will, if submitted to the States and ratified by them, close an avenue—tax-exemption securities—through which billions of dollars are now seeking refuge from taxation. It is estimated that fifteen hundred million dollars of taxable wealth was invested in tax-exempt securities during the last calendar year—1922—and that the total investments in such securities now approximate \$16,000,000,000. Unless we are seeking to release great wealth from any share in the burdens of taxation we must vote for the submission of this amendment, and the States must ratify it. How can any Member consistently vote to levy taxes upon great wealth and then vote against this amendment? Such inconsistency is not expected from any Member of this House or from any State. The resolution reads as follows:

ARTICLE —.

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State.

SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued after the ratification of this article, by or under the authority of the United States; but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under authority of such State. (H. J. Res. 314, Report 969.)

The revenue act of November 23, 1921, provides for an individual tax of 8 per cent of the amount of the net income and also a surtax of 1 per cent of the amount by which the net income exceeds \$6,000 and does not exceed \$10,000. The rate of surtax gradually increases with the increase of net income until it reaches 50 per cent of the amount by which the net income exceeds \$200,000. Beyond the limit of \$200,000 net income the Government is to receive 50 per cent or one-half of the total net income. At this point those who are receiving large incomes begin to search for lines of investment. When they find that a tax-exempt security will yield a better rate of return without risk and care than productive enterprises will yield tax-exempt securities become very attractive. They furnish in this way not only an escape of capital from taxation and productive enterprise, but they also encourage idleness on the part of many people who would otherwise be producers.

The Member who voted as I did for these higher rates of surtaxes is logically compelled to vote for the adoption of this resolution.

Otherwise a vast amount of wealth will withdraw from productive pursuits and go on deposit in a "bank of refuge," called "tax-exempt securities."

A vote against this resolution leads inevitably to that result. That means that the people with moderate incomes will pay more taxes while the rich will pay less.

Take an illustration: The man who has a net income of \$200,000 will pay a normal tax of \$15,680 for 1922 and a surtax of \$70,960, or a total of \$86,640, or 43.3 per cent of his net income. If his net income should be \$300,000, his surtax would

be \$70,960 plus one-half of the excess over \$200,000 (\$50,000), or \$120,960, while his normal tax would be \$23,680 and his total tax \$144,640, or 48.2 per cent of his net income. A net income of \$500,000 would pay 52.1 per cent, or \$260,640, into the Federal Treasury, while one of \$1,000,000 would pay 55 per cent into the Treasury, or \$550,640. These taxes would be secured from capital employed in productive business pursuits. Like net incomes from tax-exempt securities, however, would pay nothing. It is our imperative duty to amend our Federal Constitution by the adoption of this resolution.

STATE RIGHTS.

It is argued by some that we dare not confer upon the Congress the authority to tax the incomes from State, county, municipal, and school bonds, because it might go so far as to levy rates of confiscation upon such incomes. That argument proves entirely too much. It involves the idea that we dare not risk the Congress in this matter because of the fear that State credits might be destroyed. This argument logically implies that it is dangerous to delegate the taxing power to Congress for any purpose whatever. How, then, would the advocate of such a doctrine secure Federal revenues to pay the expenses of the Government?

According to that kind of political doctrine we dare not vest the legislatures of the States with the power of taxation. Where, then, would you lodge such power? Human beings somewhere must exercise that authority. The record of legislative bodies in the States and the Congress of the United States throughout the entire history of the Government refute that fallacious doctrine.

The submission of this resolution to the States for ratification will discharge the present duty of Congress. The States will then have an opportunity to say by ratification or rejection whether the great wealth of the country shall bear its just share of Federal taxation or whether on the other hand it shall go free while the people of moderate incomes must carry the principal part of the Federal burdens. To my mind there can be no reasonable doubt as to our imperative duty to submit and ratify this constitutional amendment and thereby equalize the burdens of taxation according to possessions and ability to pay. Let us therefore hasten this resolution to speedy submission and ratification.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted as follows:

To Mr. McLAUGHLIN of Nebraska.

To Mr. McDUFFIE, on account of illness in his family.

To Mr. LAYTON, on account of illness.

Mr. WASON. Mr. Chairman, I ask leave of absence for my colleague [Mr. BURROUGHS] for to-day and to-morrow on account of illness.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I ask unanimous consent that the independent offices appropriation bill be taken from the Speaker's table, that the Senate amendments thereto be disagreed to, ask for a conference, and the conferees be appointed.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.

The Clerk read as follows:

Mr. WOOD of Indiana, Mr. WASON, Mr. DICKINSON, Mr. BYRNS of Tennessee, and Mr. GRIFFIN.

RECORDING OF A VOTE.

Mr. APPLEBY. Mr. Speaker, I voted "aye," and I do not know whether I am recorded or not.

The SPEAKER. The gentleman can be counted now if he ought to have been recorded. Does the gentleman make that statement?

Mr. PATTERSON. I heard the gentleman vote.

The SPEAKER. The gentleman can correct the RECORD to-morrow or now.

Mr. APPLEBY. I ask to have the RECORD corrected.

The SPEAKER. Does the gentleman know he was not recorded?

Mr. APPLEBY. A friend telephoned me that I was not recorded.

The SPEAKER. Without objection, the RECORD will be corrected.

There was no objection.

LEAVE OF ABSENCE.

Mr. CHINDBLOM. Mr. Speaker, I ask leave of absence for Mr. WHITE of Maine on account of illness.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that all who spoke on the bill or the amendments be given five legislative days to extend their remarks.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The extension of remarks referred to is here printed in full as follows:

Mr. DEAL. Mr. Speaker, I shall cast my vote against the resolution under consideration. I regard it as another move on the part of those favoring a centralized government to weaken and break the power of the States. I can well understand that many of those who may vote for the submission of the proposed amendment can be and probably are prompted by other motives. Indeed, the debate indicates a diversity of reasons which no doubt have blinded some to the fact that each additional power delegated to the Federal Government is a liberty, reserved to the people by the Constitution, surrendered forever. A priceless heritage, purchased with the blood of our Revolutionary ancestors, exchanged for a "mess of pottage." Liberties intrusted to our care for the "peace, happiness, and prosperity" of our posterity are to be sacrificed at the demand of a class already favored with wealth far beyond its needs. Under the camouflage of reaching the "tax dodger" it is proposed to ask the States to surrender to the Federal Government their credit. Well may we invoke the adage, "Beware of the Greeks coming bearing gifts." Who are they most persistent in demanding the submission of this amendment? First comes the Secretary of the Treasury, a man whose ability and success in life commands our highest admiration, firing a broadside smoke screen for the proposed amendment upon the ground that surplus wealth is going into tax-exempt securities rather than into industrial development. It may be pertinent to refer to the remarks of Hon. JAMES A. FREAR on November 25 and December 7, 1922, in which he charges the Secretary with failure to enforce section 220 of the 1921 revenue act in not collecting surtaxes upon accumulated surpluses of certain corporations whose profits have ranged as high as 100 per cent. Mr. FREAR said:

I have briefly charged that upward of \$2,000,000,000 in corporation-accumulated surpluses are disclosed to be given out as stock dividends. That Secretary Mellon's own Gulf Oil Co. started the wild melon-cutting race. That one purpose of sudden disclosures of huge profits is due to fear by great interests that tax laws by future Congresses may reach the enormous excess profits and tax dodging now practiced under Secretary Mellon's régime. That the tax administration of the Internal Revenue Office is still influenced by a small group of men in and out of the office, whose activities have become a public scandal, and that millions of dollars in penalties and surtaxes can be collected if the law is enforced affecting surpluses. I repeat that in my opinion Secretary Mellon should impose the 25 per cent penalty provided by section 220 on the enormous accumulated surpluses of corporations not needed in the business, leaving it for the corporation, wherever possible to do so, to justify its acts. In this I believe one of his own companies by declaring a 200 per cent stock dividend served to invite others to follow, until 900 per cent stock dividends, and even 1,600 per cent stock dividends, have been among the surpluses that are reported, and will thus avoid payment of personal surtaxes.

I do not agree with all that Mr. FREAR has said. I do not charge that Secretary Mellon has violated any law or sought by unfair means to evade the just payment of taxes by himself or those industries in which he is financially interested, nor do I claim that he has aided others so to do; but I do think that it ill becomes one of his reputed wealth to attack and seek to take from the people by constitutional amendment any part of their credit, so necessary for the development of our roads, our schools, our sewerage, our water supply, or public utilities.

The President, acting, it may be, upon the advice of his Secretary of the Treasury, recommended the submission of the resolution under consideration upon the ground that it is necessary to "lawfully restrict the issues of tax-exempt securities" and to curb the "extravagance of the States and municipalities." Has there ever been a more unwarranted attack upon an enlightened people? He whose every power has been delegated by those whose credit he now seeks to impair and whose remaining power he would absorb would thus destroy the most valuable asset of local government. Apparently the President ignores restrictions placed by State laws upon such issues. In my State the limit upon municipalities is 18 per cent of the assessed value of real and personal property, and State issues

are not in excess of 10 per cent, while the average assessments do not exceed 50 per cent of real values. There has been no difficulty in borrowing from the most scrupulous lender even when there was no tax upon incomes from any source, indeed the lender will always regulate the danger line, but it would seem that the President and his Secretary want to stop the people from building roads for their own profit and comfort and pleasure. Good roads are competitors of the railroad, so highway building must be stopped and the money diverted to big business and the railroads. The power to tax is the power to destroy. Poverty is weakness. Wealth is power. Our principal financial reservoir has been absorbed by the Federal Government through the medium of the income tax. Yield our credit to the tender mercies of the Federal Government, and the advocates of a centralized Government will have accomplished their purpose.

Curb the "extravagance of the States," indeed. Nothing is rich or poor, strong or weak, extravagant or penurious except by comparison. Let us examine briefly the real situation: Prior to the World War and for many decades the per capita tax by the Federal Government, direct and indirect, had been and was about \$9. The per capita tax of the States ranged around \$5 to \$7; of counties, \$5 to \$10; or cities, varying amounts from \$10 to \$30. There was no fear then of the downfall of the Republic by reason of State and municipal extravagance. There was not the slightest suggestion of bankruptcy, but now danger has been sensed, the red flag has been hoisted. The States and subdivisions thereof, notwithstanding the high cost and values, superinduced by the war and the abnormal extravagances of the Federal Government, have scarcely increased the average per capita tax upon their citizens in excess of 12½ per cent. While the Federal Government, the head of which fears such dire results unless the "extravagance of the people" can be curbed, is laying a per capita tax of more than \$40 upon the people, or an increase of more than 400 per cent. These figures may not be absolutely correct, but it will scarcely be denied that they are approximately so. Sufficiently so to illustrate the absurdity of the suggestion that the people can not be trusted to tax themselves. Briefly, let us examine that for which these taxes are laid and bonds issued and the returns that we get.

The Federal Government is spending \$40 per capita, the State and municipalities combined \$40 per capita. That is about the tax in my State and city, which does not differ materially from the ratio of taxes in other States. From the Federal Government we receive protection from invasion by foreign foes, a guaranty of a republican form of government, \$65,000,000 for roads, \$42,000,000 for rivers and harbors, less than \$5,000,000 for maternity and education, while we pay from incomes alone \$1,150,000,000, and from all sources more than \$4,000,000,000 to the Federal Government annually. From the State and city we receive education for our children, sewerage and water to promote health, paved streets, sidewalks, drainage, police protection, fire protection, roads, and other advantages not enumerated, all conducing to the peace, health, happiness, and contentment of our people. It is to curb and take away from us these things in part that the resolution under consideration is intended. On this floor, leading most vigorously the fight for the resolution, we find the great captains of wealth in the forefront asking that State securities shall hereafter be taxed, pleading that wealth be taxed, and at the same time inveighing against the high surtaxes. "Beware of the Greeks coming bearing gifts." If State and municipal securities need being taxed, the State now has that power. If Federal securities need being taxed, Congress has the power so to do. If the people want them taxed, it will be done. It should not be done in opposition to their uninfluenced will in the interest of capital and those who seek to raid the Federal Treasury.

The ratification of the sixteenth amendment enabled the Federal Government to absorb the principal financial reservoir of the States. Had the States foreseen the lengths to which the Federal Government would go in taxing incomes and its results the sixteenth amendment would never, in my opinion, have been ratified. Had it not been done, there are few, if any, States that would need to issue a bond for any amount.

The Federal income tax taken from my State during the past fiscal year, and it is below the average income yield from all of the States, covered into the State, county, and city treasuries annually would far more than provide for all of our public needs, including the development of our waterways, our harbors and terminals, without the aid of one dollar from the Federal Treasury. Were Congress denied the right to tax incomes and forced to lay a direct tax, economy would be practiced, the reckless orgy of spending, wasting, and un-

heard-of extravagances by the Federal Government would have been to a large extent avoided. The war gave warrant for excessive taxation, but what defense can we offer for our enormous expenditures five years after the war? The gentleman from the seventeenth district of New York, Mr. OGDEN MILLS, in a speech delivered on the floor of the House December 19, 1922, submitted a table of income yield from municipal and industrial bonds through a period of 52 years, showing but a slight difference in favor of the municipal bonds. From this it is undertaken to show that the value of the tax-exempt municipal bond would not be materially impaired should the Federal Government be empowered to tax the same and exercise that power. We should not lose sight of the fact that during 43 years of this period incomes were not taxed from any source and for nearly 5 years after the ratification of the sixteenth amendment the income tax, relatively, was nominal. From the declaration of war until now the disturbed condition of business and values would not suggest this as a period in which a normal comparison can be justly made. The suggestion that a tax-exempt bond would not yield far more on the market than a taxed bond seems strange and illogical. I submit that he who purchases a tax-exempt bond is not a tax dodger. I submit that he pays the tax in the enhanced value of the bond and the lower rate of interest that he receives for his money.

Water seeks its level, and so does the market for money. To whom are State and municipal bonds sold? Do we peddle them out in small amounts to local investors? Certainly not. They are usually sold in bloc to trust, insurance, or banking companies and are absorbed by those whose incomes are subject to the higher brackets of the graduated income tax. Now, when the bond is offered for sale the prospective purchaser first wants to know the rate of interest it bears. When told that the rate is, say, 4½ per cent, he next inquires what discount from the par value will be allowed; when told that the par value is expected, he will naturally decline to purchase. If requested to make an offer for the same, he begins to figure the amount the Government will take from him, and then he inquires if the State will also tax the income. Suppose he finds that the State will lay a tax of 2 per cent and the Federal Government takes a flat tax of 8 per cent and then a surtax of 50 per cent, altogether 60 per cent of the income, leaving only 1.8 per cent net. Can anyone think for a moment that the investor would purchase such bonds at par? Certainly not. He would probably offer 50 to 60 cents on the dollar, and thus the "extravagance of the people" would be curbed. Incidentally, civic development, with all of its attendant evils, would be curbed. Would the public install sewerage, pave streets, build roads and water systems at the price? No; local government would collapse and we would be forced to go to the Federal Government for aid, and surrender other privileges and liberties for that aid. We would have to contend with Federal red tape, with all of the inefficiency, waste, and graft incident to a bureaucratic régime. It would, in my opinion, lead to a Federal land tax, license tax, and a multiplicity of Federal agents, detectives, and spies.

I suppose the proponents of this resolution will ridicule these suggestions. If so, permit me to call your attention to the Federal enforcement of the sixteenth and eighteenth amendments to the Constitution, with the hosts of detectives and spies dodging the footsteps of men who thought that they were free until the State legislatures, responding to the maudlin sentiment of the demagogue and fanatic, ratified the sixteenth and eighteenth amendments. What man or woman can now boast of freedom? Of what protection is the fourth amendment of the Constitution when a Federal officer can and does walk into your office or home and examines your private books and papers and personal effects without a warrant; when the Federal Government supports these underlings in the assumption that every man and woman is a thief who has made two blades of grass grow where one formerly grew, and places the burden upon the citizens of proving his or her innocence? Congress alone is empowered to make laws; when in violation of the spirit, if not the direct mandate of that Constitution which each Member takes a solemn oath to support and keep inviolate, Congress delegates to the administrative department of the Government the power to make rules and regulations for the enforcement of law—in reality the power to make laws which can be changed every morning before breakfast, to the confusion and persecution of American citizens. What man or woman in full possession of his or her faculties would knowingly surrender one atom of his or her liberty and that of their children and their children's children to the mercy of a Congress that has so abused its trust? The sixteenth amendment has done more to break down and destroy the sovereignty of the States

than all other acts combined since the foundation of our Government, and why, because if the States surrender to the Federal Government an inch of the power reserved to the citizen Congress immediately proceeds to take the proverbial ell.

In the case of the sixteenth amendment, where is the warrant for taxing one man or woman at one rate and another at a different rate? Is this equality before the law? Is it just? Is it fair? Is it honest? Can we censure the man for disloyalty who, under the promise of his Government that if he will labor and practice self-denial he and his posterity shall enjoy the fruits of that labor, only to find in old age that his Government seeks his financial destruction by unjust taxation and persecution? The ratification of the resolution under consideration I submit would intensify the evils of the sixteenth amendment and vastly aid in the destruction of local self-government. The gentleman from the first district of Ohio is quoted as having said that "unless we adopt this amendment in a very short time the whole system of graduated income tax will fall." I think, Mr. Speaker, that it will fall if it does not fall, because a graduated tax is an unjust tax; but the solicitude of the gentleman from the first district of Ohio, the gentleman from the seventeenth district of New York, and the gentleman from the first district of Massachusetts for the preservation of the system of the graduated income tax law is hardly consistent with their attitude in fighting to reduce the maximum graduated tax from 50 to 32 per cent. I voted with them then, not because I thought the principle was right, but because it was a step in the right direction and the best that could be had. There was no difference in the principle of those who supported the 32 per cent maximum and those who supported the 50 per cent maximum tax. I am opposed to any graduated tax. The principle is wrong, but these gentlemen supposed to represent especially great wealth have proven by their acts that they have no love for the graduated tax.

Can their solicitude for the destruction of tax-exempt securities be prompted in part by the thought that if the market for State and municipal securities is weakened, perhaps destroyed, the people will clamor for a repeal of the graded tax in order to market their bonds? In part to discourage the growing tendency of municipalities to enter those fields of endeavor heretofore exclusively enjoyed by private capital? In part through fear that the large bonded issues will place upon them a heavier burden in carrying charges and sinking funds? In part to enhance the value of the exempted bonds now claimed to be in the hands of the wealthy? In part to stop the sale of State bonds and thereby create a market for industrial bonds? In part to prevent highway development and thus reopen the field for watered stocks and bonds of industrials and transportation? I submit that the danger of an overissue of State tax-exempt securities is negligible; all States limit by law bond issues. Investors in such securities will not purchase in excess of this limit. The taxpayer will not stand for excessive land taxes, and State representatives are afraid to impose heavy direct taxes, just as Congress shies at a sales tax. The Secretary of the Treasury and the President first proposed, in the interest of capital, to reduce the graduated tax. Failing in part, they felt out the sales-tax idea in connection with the soldier bonus. Seeing that this could not be worked, the tax-exempt securities scheme has been handed out from the Treasury Department. If, as its proponents claim, State securities will under the tax plan drop back to pre-war sales, probably less, where will the Government get the cash to meet its proposed bonuses and pensions and gifts to sugar speculators, and Russian gifts and Liberian loans, and the proposed German loan of \$1,000,000,000 to be spent for wheat in America, and finally to pay our \$23,000,000,000 debt?

Mr. Speaker, tax-exempt securities are not reducing the Government revenues, because the Government never had the revenue from this source. The unreasonable, foolish, unjust graduated income tax, and the persecution of business men by Mr. Mellon's bureau, and not tax-exempt securities is driving capital out of industry, closing the door of opportunity in the faces of our young men, destroying credit, and "drying up" the wells of enterprise and ambition. Our population and wealth have greatly increased. The demands of civilization are in proportion. Improved highways are a recognized necessity. There is more wealth to invest in bonds without in any sense disturbing the status quo heretofore obtaining. Improved highways will increase the values of realty, the base of State and municipal revenue. This source of revenue must take the place of income taxes, of which a monopoly has practically been assumed by the Federal Government. It seems to me, Mr. Speaker, that every man representing his State in Congress should bend his every effort to curb the extravagance of the

Federal Government, rather than throttle the necessary development of those things that touch so closely the prosperity and happiness of those whom he is supposed to represent. As to the provision that the State may tax incomes from Federal securities, no human mind can foresee the confusion to which such an attempt would lead, if indeed it should lead anywhere. Forty-eight States acting separately could scarcely reach an accord as to a proper rate, or upon any rate, for taxation. It means nothing save to becloud the situation and as an argument that the State is to receive some return for its concession, or to present the semblance of fairness.

The passing of the sovereignty of the State must sooner or later lead to the dissolution of the Republic. Congress can only enact laws that will apply to all alike; laws affecting the domestic relations of life on the Atlantic seaboard may not, and probably would not, in any sense appeal to the happiness of the people living upon the Pacific coast, or vice versa. It would be impracticable and a dead letter. Cast aside, if you please, every other consideration and weigh the President's words:

I suggest the submission of an amendment so that we may lawfully restrict—

And so forth.

I renew that recommendation now.

So that who may control? "We," the President and Secretary Mellon and his capitalistic class, of course. And what does he propose to control? Why, the people. Can there be anything plainer than that the free exercise of the liberty of the people to control as they please that for which they labor is to be denied to them, is to be taken away from them; that they are to be reduced to subserviency, to the absolute will of the king?

Mr. Speaker, if there were no other reason than the proposed surrender of control for ever and ever to a central power a liberty of the people I would oppose it to the death. Caesar Augustus, as consul, chafing at the restraints of the Roman law and the power of the senate, recommended to the Roman senate that it pass a resolution abolishing the republic and the creation of an empire with himself as emperor. The resolution was passed, and it is said that a Roman senator, when asked why the senate betrayed the trust of the people, replied that some one offered the resolution and the rest were afraid to vote against it. I am wondering if there are any of this body who will vote for this resolution counter to his judgment.

ADJOURNMENT.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock p. m.) the House adjourned until to-morrow, Wednesday, January 24, 1923, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 6423. A bill to detach Pecos County, in the State of Texas, from the Del Rio division of the western judicial district of Texas and attach same to the El Paso division of the western judicial district of said State; without amendment (Rept. No. 1444). Referred to the House Calendar.

Mr. WINSLOW: Committee on Interstate and Foreign Commerce. H. R. 13760. A bill to amend an act entitled "An act to authorize the construction of drawless bridges across a certain portion of the Charles River in the State of Massachusetts," approved November 14, 1921; with an amendment (Rept. No. 1446). Referred to the House Calendar.

Mr. COOPER of Ohio: Committee on Interstate and Foreign Commerce. H. R. 13808. A bill granting the consent of Congress to the commissioners of Venango County, their successors and assigns, to construct a bridge across the Allegheny River, in the State of Pennsylvania; without amendment (Rept. No. 1447). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FULLER: Committee on Invalid Pensions. H. R. 13980. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; without amendment (Rept. No. 1445). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MacGREGOR: A bill (H. R. 13975) amending the provision contained in the sundry civil act approved July 19, 1919 (41 Stat. L. 164) for the remodeling and repair of the customhouse and post office at Buffalo, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. FAIRFIELD: A bill (H. R. 13976) providing for uniform marriage and divorce laws in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BLANTON: A bill (H. R. 13977) providing for the election of a Delegate to the House of Representatives from the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PARKER of New York: A bill (H. R. 13978) granting the consent of Congress to the Hudson River Bridge Co. at Albany to maintain two bridges, already constructed, across the Hudson River; to the Committee on Interstate and Foreign Commerce.

By Mr. LINEBERGER: A bill (H. R. 13979) making eligible for retirement under certain conditions officers of the United States Army other than officers of the Regular Army who incurred physical disability in line of duty while in the service of the United States during the war; to the Committee on Military Affairs.

By Mr. FULLER: A bill (H. R. 13980) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; committed to the Committee of the Whole House on the state of the Union.

By Mr. DEMPSEY: A bill (H. R. 13981) to amend section 6 of an act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved June 5, 1920; to the Committee on Printing.

By Mr. FAIRFIELD: A joint resolution (H. J. Res. 426) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SNYDER: A resolution (H. Res. 490) for the immediate consideration of House bill 13835; to the Committee on Rules.

By Mr. McFADDEN: A resolution (H. Res. 491) for the immediate consideration of House bill 13878; to the Committee on Rules.

By Mr. ROUSE: A resolution (H. Res. 492) directing the Postmaster General to furnish to the House of Representatives certain information regarding the filling of vacancies in postmasterships since May 10, 1921, and for other purposes; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FIELDS: A bill (H. R. 13982) granting an increase of pension to Roena C. Caskey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13983) granting an increase of pension to Nancy J. Cooper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13984) granting an increase of pension to Sarah A. Fitzgerald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13985) granting an increase of pension to Sarah J. Moody; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 13986) granting an increase of pension to Jacob Shank; to the Committee on Invalid Pensions.

By Mr. KLINE of New York: A bill (H. R. 13987) for the relief of John N. Knauff Co. (Inc.); to the Committee on Claims.

By Mr. LINEBERGER: A bill (H. R. 13988) granting a pension to Angeline Preston; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 13989) granting a pension to Mary Sullivan; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 13990) granting a pension to Elizabeth A. Limes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13991) granting a pension to Adaline Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13992) granting an increase of pension to David H. Whitehead; to the Committee on Pensions.

By Mr. CHRISTOPHERSON: Memorial of the Legislature of the State of South Dakota, urging Congress to amend section 2 of House Resolution 8744, approved December 21, 1921, and enact in lieu thereof an act to require the completion of

a steel bridge at Chamberlain, S. Dak., as required by act of Congress approved April 28, 1916, said bridge to be completed during the year 1923; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of South Dakota requesting and demanding that Congress modify and reduce the present freight rates for grain and live stock by appropriate legislation; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of South Dakota requesting Congress to modify and revise the present Federal standards for grading grain; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Dakota urging Congress to give immediate and careful consideration to Senate bill 4130, raising the limit on Federal farm loans from \$10,000 to \$25,000; to the Committee on Banking and Currency.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7000. By Mr. CRAMTON: Petition of Cary H. King and other rural carriers at Marlette, Mich., urging passage of the Ketcham bill; to the Committee on the Post Office and Post Roads.

7001. By Mr. DARROW: Petition of the Philadelphia Chamber of Commerce, favoring the Chinese indemnity resolution, S. J. Res. 85; to the Committee on Foreign Affairs.

7002. By Mr. GARNER: Petition of 22 citizens of Texas, favoring immediate aid being extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7003. By Mr. KISSEL: Petition of National Legislative Committee of the American Legion, Washington, D. C., recommending that Congress enact legislation adopting a policy regarding the disposition of the Muscle Shoals plants; to the Committee on Military Affairs.

7004. By Mr. MacGREGOR: Petition of six citizens of Buffalo, N. Y., urging Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7005. Also, petition of 66 citizens of New York, favoring immediate aid being extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7006. By Mr. McLAUGHLIN of Michigan: Petition of Frank Trude and 41 others, of Traverse City, Mich., opposing a discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7007. By Mr. NEWTON of Minnesota: Petition of Mr. Albert C. Schwaab and other residents of Minneapolis, petitioning the Congress to pass resolution providing relief for Germany and Austria; to the Committee on Foreign Affairs.

7008. By Mr. PERKINS: Petition signed by H. Krueger, of Hackensack, N. J., and others of surrounding towns, in support of legislation extending immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7009. Also, petition signed by Frank C. Osmers and others, of Haworth, N. J., and surrounding towns, in support of legislation extending immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7010. By Mr. PERKINS: Petition signed by Caroline P. Weeks, of Tenafly, N. J., and 375 others, living at Creskill and Tenafly, indorsing Senate Joint Resolution 232, proposing an amendment to the Constitution of the United States relative to child labor; to the Committee on the Judiciary.

7011. By Mr. ROSE: Petitions of citizens of Altoona, Blair County, Pa., favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7012. By Mr. SNELL: Petition of various citizens of Canton, N. Y., favoring the abolishing of discriminatory tax on small-arms ammunition and firearms, internal revenue bill, section 900, paragraph 7; to the Committee on Ways and Means.

7013. By Mr. STRONG of Pennsylvania: Letter of W. P. McCartney, Punxsutawney, Pa., favoring repeal of tax from admissions of 25 cents or less to motion pictures and other amusements; to the Committee on Ways and Means.

SENATE.

WEDNESDAY, January 24, 1923.

(Legislative day of Tuesday, January 23, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Ernst	Lodge	Phipps
Bayard	Fletcher	McCormick	Ransdell
Borah	Frelinghuysen	McCumber	Reed, Pa.
Brookhart	George	McKellar	Robinson
Calder	Glass	McKinley	Sheppard
Cameron	Hale	McLean	Shortridge
Capper	Harrell	McNary	Smith
Caraway	Harris	Moses	Spencer
Colt	Harrison	Nelson	Sterling
Couzens	Heflin	New	Wadsworth
Culberson	Johnson	Nicholson	Warren
Curtis	Jones, Wash.	Norris	Willis
Dial	Keyes	Oddie	
Dillingham	La Follette	Pepper	

Mr. WILLIS. I desire to announce the absence of my colleague [Mr. POMERENE] on account of illness.

Mr. McKELLAR. I wish to announce the unavoidable absence of the Senator from North Carolina [Mr. OVERMAN] on account of illness.

The VICE PRESIDENT. Fifty-four Senators have answered to their names. There is a quorum present.

MANUFACTURERS OF POSTS AND POLES (S. DOC. NO. 293).

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, pursuant to law, a report relative to the activities of trade associations composed of manufacturers of posts and poles in the Rocky Mountain and Mississippi Valley territory, which was referred to the Committee on Interstate Commerce and ordered to be printed.

PETITIONS.

Mr. JONES of Washington presented petitions of sundry citizens of Outlook and Grandview, both in the State of Washington, praying for the passage of legislation extending payments under reclamation projects over a period of 40 years, which were referred to the Committee on Irrigation and Reclamation.

Mr. ROBINSON presented resolutions adopted by the board of directors of the Crittendon County Chamber of Commerce, at Marion, Ark., favoring amendment of the immigration laws to permit more liberal immigration so as to relieve the present labor shortage in the United States, which were referred to the Committee on Immigration.

REPORTS OF COMMITTEES.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 4113) for the relief of Helene M. Layton (Rept. No. 1034);

A bill (S. 4191) for the relief of Harry E. Fiske (Rept. No. 1035);

A bill (S. 4313) for the payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (Rept. No. 1036);

A bill (S. 4366) for the relief of W. Ernest Jarvis (Rept. No. 1037);

A bill (H. R. 369) for the relief of the owner of Old Dominion Pier A (Rept. No. 1038);

A bill (H. R. 3836) for the relief of Nolan P. Benner (Rept. No. 1039); and

A bill (H. R. 7583) for the relief of Henry Peters (Rept. No. 1040).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

A bill (S. 1280) for the relief of Eli N. Sonnenstrahl (Rept. No. 1041);

A bill (S. 4333) for the relief of Howard R. Gurney (Rept. No. 1042); and

A bill (S. 4345) for the relief of E. J. Reynolds (Rept. No. 1043).

Mr. NEW, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 1103) for the relief of Frank Vumbaca (Rept. No. 1044);

A bill (S. 3071) to extend the benefits of the employers' liability act of September 7, 1916, to Edward N. McCarty (Rept. No. 1045); and

A bill (S. 4085) for the relief of Samuel H. Butler (Rept. No. 1046).

Mr. NEW, from the Committee on Claims, to which was referred the bill (S. 4254) for the relief of Elizabeth McKeller, reported it with an amendment and submitted a report (No. 1047) thereon.

He also, from the same committee, to which was referred the bill (S. 4218) for the relief of E. G. Crews, reported it adversely and submitted a report (No. 1048) thereon.

Mr. HARRELD, from the Committee on Claims, to which was referred the bill (S. 3854) for the relief of Liberty loan subscribers of the National Bank of Cleburne, Tex., reported it adversely and submitted a report (No. 1049) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6134) for relief of estate of Anne C. Shymer, reported it without amendment and submitted a report (No. 1050) thereon.

Mr. HARRELD (for Mr. STANFIELD), from the Committee on Claims, to which was referred the bill (S. 661) for the relief of Arthur Frost, reported it without amendment and submitted a report (No. 1051) thereon.

Mr. ERNST, from the Committee on Claims, to which was referred the bill (S. 1517) for the relief of Antti Merihelmi, reported it with an amendment and submitted a report (No. 1052) thereon.

Mr. NEW, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4310) for the relief of the owners of the steamship *Mohican* (Rept. No. 1053); and

A bill (S. 4311) for the relief of the owners of the steam lighter *Comport* (Rept. No. 1054).

Mr. NEW, from the Committee on Foreign Relations, to which was referred the bill (S. 3701) for the relief of Blattmann & Co., reported it with an amendment.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the joint resolution (S. J. Res. 266) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by the Almas Temple, Washington, D. C., 1923 Shrine Committee (Inc.), and for other purposes, reported it with an amendment and submitted a report (No. 1055) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRIS:

A bill (S. 4402) to amend the tariff act of 1922; to the Committee on Finance.

By Mr. HARRISON:

A bill (S. 4403) to amend the act entitled "An act to limit the immigration of aliens into the United States," approved May 19, 1921, as amended and extended; to the Committee on Immigration.

By Mr. SMITH:

A bill (S. 4404) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.; to the Committee on Military Affairs.

By Mr. JONES of Washington:

A bill (S. 4405) granting an increase of pension to Nancy C. Pease (with an accompanying paper); to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 4406) authorizing the appointment of John T. Henderson as captain of Field Artillery; to the Committee on Military Affairs.

THE MERCHANT MARINE.

Mr. McNARY submitted sundry amendments intended to be proposed by him to the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, which were ordered to lie on the table and to be printed.

INVESTIGATION OF CROP INSURANCE.

Mr. McNARY. Mr. President, I desire to ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 413. I am sure it will not lead to debate. I have no purpose to delay the consideration of the pending bill. In September of last year a committee was appointed to study farm crop insurance. That committee, under the resolution, was to report in February next. Because of various reasons

they have been unable to do so. The resolution for which I intend to ask immediate consideration simply proposes that the time may be extended for the report of the committee until January 1, 1924. The resolution is not on the calendar, but I now, from the Committee on Agriculture and Forestry, to which it was referred, report it favorably without amendment and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. For the information of the Senate, the Secretary will read the resolution reported by the Senator from Oregon from the Committee on Agriculture and Forestry.

The Secretary read the resolution S. Res. 413, which was submitted by Mr. McNARY January 19, 1923, as follows:

Resolved, That the time for making report required of the committee appointed under Senate Resolution 341, agreed to September 9, 1922, is hereby extended to January 1, 1924.

Mr. McKELLAR. To what does the resolution relate?

Mr. McNARY. The committee have been making a study of crop insurance, but have been unable to complete its work.

Mr. McKELLAR. I have no objection to the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I desire to have read a unanimous-consent proposal which I expect to submit to the Senate to-morrow.

The VICE PRESIDENT. The Secretary will read as requested.

The reading clerk read as follows:

It is agreed by unanimous consent that on and after the calendar day of Monday, January 29, 1923, no Senator shall speak more than once or longer than two hours upon the shipping bill, nor more than once or longer than 30 minutes upon any amendment offered thereto, and on and after the calendar day of Monday, the 5th day of February, 1923, unless the bill is already disposed of, no Senator shall speak more than once or longer than 30 minutes on the bill, nor more than once or longer than 10 minutes on any amendment that may be offered thereto.

Mr. McKELLAR. I do not see the Senator from Florida [Mr. FLETCHER], who is on the Committee on Commerce, in the Chamber.

Mr. JONES of Washington. I am not asking for immediate action on the proposed unanimous-consent agreement. I shall ask for its consideration to-morrow.

Mr. McKELLAR. Very well.

IMPOSITION OF TARIFF DUTY ON WHITE ARSENIC.

Mr. SMITH. Mr. President, the District of Columbia appropriation bill is pending before the Senate, but I wish to call attention to a matter of, perhaps, more importance to the public at large than any other subject which could engage our attention. During the discussion and consideration of the tariff bill before its passage I offered an amendment to the bill proposing to put white arsenic on the free list. That amendment was adopted by an overwhelming vote on the Republican side, as well as the Democratic side, of the Chamber. It was done largely because it was made apparent that, perhaps, the greatest source of income to American commerce was being jeopardized. Even those Republicans who originally advocated a tariff duty on the commodity were willing to waive their views in order to aid in the fight against the pest that is rapidly destroying the cotton crop of the South. Billions of dollars of property are being destroyed, and the prosperity of the New England and the southern cotton mills is at this moment jeopardized because of the ravages of the boll weevil. The ginners' report for the middle of January, which came out yesterday, discloses that we have only a little over 9,500,000 bales of cotton to supply a 15,000,000-bale demand. The consumption of cotton by the American mills before the World War was on an average of about 4,500,000 bales yearly. Under the stimulus of war and the demand for cotton goods the consumption of cotton by American mills rose to something like 7,000,000 bales. Last year we made a little less than 8,000,000 bales. We carried over a surplus from preceding crops and preceding consumption which supplemented that short crop and gave an approximately adequate supply for the consumption year which ended August 1, 1922.

Now, we are in the consumption year extending from August 1, 1922, to August 1, 1923, with a probable demand of nearly 14,000,000 bales of cotton and with less than a 10,000,000-bale supply, or, with the surplus carried over, not to exceed a 12,000,000-bale supply of American cotton; so that the outlook for an adequate supply of this indispensable article of human

consumption seems to be almost hopeless unless we can find some means by which to meet and overcome the ravages of the boll weevil.

I am quite sure that there is not a Senator on this floor who fully appreciates the disastrous results of the impending destruction of the southern cotton crop. Mr. President, in the State of South Carolina I venture to assert that already 30 per cent of the tenants have left the State. On my own farm 80 per cent of the labor that has heretofore been engaged in the production of cotton has gone. I am informed that they have gone to the Northern and the Middle Atlantic States; some have gone to Maryland; others have gone to Pennsylvania and Ohio; they are leaving by the thousands. Not only is there a tremendous menace in the loss of this American monopoly but there is involved demoralization in every department of our industry, due to the fact that the keystone of the arch has been knocked out. The effect will be felt by every industry east of the Rocky Mountains.

In the time that I propose to occupy I shall not go into the details in reference to this matter, but I wish to call attention to the ruling of the customs department in reference to the compound that we use in fighting this insect, namely, calcium arsenate. As I have said, under the amendment which I offered on the floor and which was adopted by an overwhelming majority we put sulphide of arsenic and arsenious acid or white arsenic on the free list under paragraphs 1512 and 1513 of the tariff act. The customs officials, however, claim that calcium arsenate is dutiable at 25 per cent ad valorem under the basket clause for the following reasons, which I should like Senators to hear:

In paragraph 1 there is a duty placed on the different articles therein mentioned, and arsenic acid bears a duty of 3 cents per pound. According to the definition of chemists arsenic acid and arsenious acid are interchangeable terms. We put arsenic acid or white arsenic on the free list, and the bill should have been corrected so that arsenic acid should also have been put upon the free list, because, as I have said, according to the chemists they are interchangeable terms; they are the same thing.

The paragraph under which calcium arsenate is held to be dutiable is the following:

All chemical elements, all chemical salts and compounds, all medicinal preparations, and all combinations and mixtures of any of the foregoing, all the foregoing obtained naturally or artificially and not specially provided for, 25 per cent ad valorem.

The Senate specifically put arsenious acid or white arsenic on the free list and the sulphide of arsenic on the free list.

Yet, by spelling the same thing in a different form, they have put the compound of arsenic acid, mainly a mixture of lime, on the dutiable list. If there were a difference between arsenic and arsenious acid, it would not apply to calcium arsenate, because calcium arsenate is made from white arsenic, which is on the free list. Therefore, since calcium arsenate is made from white arsenic, which is on the free list, and from lime, which is unlimited—we have mountains of it—no form of which is on the dutiable list, I claim that the customs department is in error in putting calcium arsenate, which is a compound of free articles, upon the dutiable list, because that compound is not named in the tariff specifically at all.

I have come to the Senate in order to advise my colleagues here that the object of our putting white arsenic on the free list, and sulphide of arsenic on the free list, was to give the markets of the world to those who were attempting to save the American cotton crop from the ravages of this pest. Now, when we have gotten the ingredients on the free list, what advantage is it to us if the form in which the article must be used is on the dutiable list? It defeats the very object of the legislation that you so splendidly granted not only the South but the American people in fighting to maintain their great monopoly of the textile production of the world; and I am waiting to-day to find if the customs department is going to change this ruling. If not, I shall introduce a resolution asking that calcium arsenate, which we had in view at the time we put these ingredients on the free list, shall be placed upon the free list, so that wherever this thing is manufactured and can be sold in this country at the lowest possible cost to the already overburdened producers of cotton, they shall have the benefit thereof.

I thought I would take this occasion this morning to call the attention of the public to the fact that the intent and purpose of Congress was to put this ingredient on the free list, and allow the public to get it where they could—not white arsenic alone but the compound that was proposed

by the Agricultural Department as being the ingredient that would in a manner help to eradicate or control this pest.

If we are to have our calcium arsenate dutiable, it is the very form in which white arsenic is made available as an insecticide; and if the department claim that under the terms of the present law they must impose this duty, then I shall offer a resolution immediately upon the receipt of that knowledge from the department, and ask my colleagues here to see that the intent of Congress is carried out.

DISTRICT OF COLUMBIA APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed consideration of the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes.

Mr. PHIPPS. Mr. President, I ask that the Secretary proceed with the reading of the bill.

The VICE PRESIDENT. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Harbor patrol," on page 59, line 21, to increase the appropriation for fuel, construction, maintenance, repairs, and incidentals from "\$3,000" to "\$3,500."

The amendment was agreed to.

The next amendment was, under the head "Fire department, miscellaneous," on page 61, line 17, to increase the appropriation for forage from "\$4,500" to "\$5,000."

The amendment was agreed to.

The next amendment was, under the head "Health department," on page 65, at the end of line 5, to strike out "\$6,000" and insert "\$6,500," so as to make the paragraph read:

For maintenance of disinfecting service, including salaries or compensation for personal services when ordered in writing by the commissioners and necessary for maintenance of said service, and for purchase and maintenance of necessary horses, wagons, and harness, \$6,500.

The amendment was agreed to.

The next amendment was, under the subhead "Bacteriological laboratory," on page 65, line 17, to strike out "\$650" and insert "\$750," so as to make the paragraph read:

For maintaining and keeping in good order, and for the purchase of reference books and scientific periodicals, \$750.

The amendment was agreed to.

The next amendment was, under the subhead "Chemical laboratory," on page 65, at the end of line 23, to strike out "\$750" and insert "\$1,000," so as to make the paragraph read:

For maintaining and keeping in good order, and for the purchase of reference books and scientific periodicals, \$1,000.

The amendment was agreed to.

The next amendment was, on page 66, line 7, after the word "month," to insert "or motor vehicle at not to exceed \$26 per month," so as to read:

For necessary expenses of inspection of dairy farms, including amounts that may be allowed the health officer, assistant health officer, chief medical inspector in charge of contagious-disease service, and inspectors assigned to the inspection of dairy farms, for maintenance by each of a horse and vehicle at not to exceed \$20 per month, or motor vehicle at not to exceed \$26 per month for use in the discharge of his official duties.

Mr. PHIPPS. That goes over for consideration with other items in the same category.

The VICE PRESIDENT. The amendment will be passed over.

Mr. PHIPPS. The next amendment is on line 9.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, at the end of line 9, to strike out "\$6,000" and insert "\$8,000," so as to read:

And other necessary traveling expenses, \$8,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," on page 67, after line 4, to insert:

For repairs and improvements in dog pens at dog pound, \$250.

The amendment was agreed to.

The next amendment was, on page 67, line 14, after the word "supplies," to strike out "\$15,000" and insert "\$18,000," so as to read:

For establishing and maintaining a child hygiene service, including the establishment and maintenance of child welfare stations for the clinical examination, advice, care, and maintenance of children under 6 years of age, payment for personal services, rent, fuel, periodicals, and supplies, \$18,000.

The amendment was agreed to.

The next amendment was, on page 72, line 1, after the word "expenses," to strike out "\$637" and insert "\$325; maintenance of motor vehicle used in performance of official duties, at not to exceed \$26 per month, \$312," so as to make the paragraph read:

Probation system: Probation officer, \$2,200; assistant probation officer, \$1,400; stenographer and typewriter and assistant, \$900; contingent expenses, \$325; maintenance of motor vehicle used in performance of official duties, at not to exceed \$26 per month, \$312; in all, \$5,137.

Mr. PHIPPS. That also is an item which will go over in accordance with the understanding.

The VICE PRESIDENT. The amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head "Charities and corrections, Board of Charities," on page 75, line 8, to increase the appropriation for maintenance of four motor ambulances from "\$1,600" to "\$1,800."

The amendment was agreed to.

The next amendment was, under the subhead "Jail," on page 75, at the end of line 12, to increase the appropriation for screening doors and windows at the jail from "\$1,500" to "\$4,750."

The amendment was agreed to.

The next amendment was, under the subhead "Reformatory," on page 78, line 9, after the word "items," to strike out: "\$52,000, and all moneys hereafter received at the reformatory as income thereof from the sale of brooms to the various branches of the government of the District of Columbia shall remain available for the manufacture of additional brooms to be similarly disposed of" and insert "\$60,000," so as to read:

For maintenance, custody, clothing, care, and support of inmates; rewards for fugitives; provisions, subsistence, medicine and hospital instruments, furniture, and quarters for guards and other employees and inmates; purchase of tools and equipment; purchase and maintenance of farm implements, live stock, tools, equipment; transportation and means of transportation; maintenance and operation of means of transportation; supplies and labor, and all other necessary items, \$60,000.

Mr. McKELLAR. Mr. President, will the Senator give us an explanation of that item?

Mr. PHIPPS. Mr. President, the practice of allowing an activity to collect money through the sale of articles it manufactures and use it to pay for the running expenses of the institution is one which we are trying to discourage. We did not permit this last year. It has been suggested heretofore; and instead of permitting them to use the money received from the sale of brooms for current expenses we think the practice of covering it into the Treasury should be followed. Therefore we raised the amount to \$60,000.

Mr. McKELLAR. I agree with the Senator that that should be done.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 78, line 17, to increase the total appropriation for the reformatory from \$132,000 to \$140,000.

The amendment was agreed to.

The next amendment was, under the head "Medical charities," on page 80, line 8, to increase the appropriation for Eastern Dispensary and Casualty Hospital from \$5,000 to \$15,000.

The amendment was agreed to.

The next amendment was, under the subhead "Gallinger Municipal Hospital," on page 82, line 7, to increase the appropriation for repairs to buildings from \$3,000 to \$5,000.

The amendment was agreed to.

The next amendment was, under the head "Child-caring institutions, Board of Children's Guardians," on page 83, line 1, before the words "at \$1,000 each," to strike out "two" and insert "four," and, at the end of line 3, to strike out "\$28,140" and insert "\$30,140," so as to make the paragraph read:

Salaries: Agent, \$1,800; supervisor and placing officer, \$1,740; investigator and placing officer, \$1,500; clerks—1 \$1,200, 1 \$900; stenographer, \$900; placing and investigating officers—6 at \$1,200 each, 4 at \$1,000 each, 10 at \$900 each; record clerk, \$900; messenger, \$500; laborer, \$500; in all, \$30,140.

The amendment was agreed to.

The next amendment was, under the subhead "Industrial Home School for Colored Children," on page 85, line 7, to increase the appropriation for additional amount for erection of cottage for boys from \$5,000 to \$7,000.

The amendment was agreed to.

The next amendment was, under the subhead "Home for Aged and Infirm," on page 86, line 14, after the figures "\$360," to strike out "one at \$180" and insert "two at \$180 each," and at the end of line 20 to strike out "\$21,052" and insert "\$21,232," so as to make the paragraph read:

Salaries: Superintendent, \$1,200; clerk, \$900; matron, \$600; chief cook, \$720; baker and laundryman, at \$540 each; chief engineer, \$1,000; assistant engineer, \$720; mechanic, \$1,000; physician and pharmacist, \$480; second assistant engineer, \$480; nurse, \$600; two male attendants and two nurses, at \$360 each; two female attendants, at \$300 each; orderly, \$360; three firemen, at \$360 each; assistant cooks—one \$360, two at \$180 each; foreman of construction and repair, \$840; blacksmith and woodworker, \$540; farmer, \$720; truck gardener, \$600; four farm hands, dairyman, and tailor, at \$360 each; seamstress, \$240; laundress, hostler, and driver, at \$240 each; three servants, at \$144 each; night watchman, \$240; temporary labor, \$2,000; in all, \$21,232.

The amendment was agreed to.

The next amendment was, on page 88, after line 12, to insert:

NATIONAL LIBRARY FOR THE BLIND.

For aid and support of the National Library for the Blind, located at 1729 H Street NW., to be expended under the direction of the Commissioners of the District of Columbia, \$5,000.

Mr. PHIPPS. Mr. President, I find that a correction is necessary in the location of the building. I send it to the desk in order that the amendments may be corrected to conform to the facts.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The READING CLERK. In the amendment proposed by the committee strike out "1729 H Street NW." and insert "1800 D Street NW."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 88, after line 17, to insert:

COLUMBIA POLYTECHNIC INSTITUTE.

To aid the Columbia Polytechnic Institute for the Blind, located at 1808 H Street NW., to be expended under the direction of the Commissioners of the District of Columbia, \$1,500.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Public Buildings and Grounds," on page 91, after line 22, to strike out:

For foremen, gardeners, mechanics, and laborers employed in the public grounds, \$31,200.

Mr. PHIPPS. Mr. President, at that point I should like to make a little explanation as to these activities coming under the park service. They have been carried in a number of separate items—various small items of \$2,000 and \$3,000, and some even smaller amounts. We think it unnecessary to carry separate items for those matters and that better administration may be had by combining them. They are all under the charge of the superintendent in any event. Colonel Sherrill has charge of the buildings and grounds; and we have stricken out quite a lot of the language covering these separate items in the bill and combined it in two or three items, commencing on page 96.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, where is it on page 96?

Mr. PHIPPS. Beginning at the top of page 96 we give one item of \$343,750, and then we have the separate items necessary to take care of the activities already in the bill. They are all in the bill as it came from the House. There is no change in the amounts, excepting beginning on page 96, line 16, where there are committee amendments; but the four items beginning at the top of page 96 take the place of the ones stricken out on pages 91, 92, 93, 94, and 95.

Mr. CARAWAY. Mr. President, may I ask the Senator a question? Is not this merely getting away from making specific appropriations and giving a lump-sum appropriation?

Mr. PHIPPS. No; because the various items are considered in the estimates made by the various minor officials and approved by the commissioners, and they go to the Budget, and all of that detail is available to the committee in considering the total appropriation.

Mr. CARAWAY. But it is not in the appropriation bill.

Mr. PHIPPS. So that the effect is this, if I may explain to the Senator: Where an item is \$1,000 in one case and there is another item of \$1,500, they might average \$1,250 each without violation of the appropriation.

Mr. McKELLAR. Mr. President, I think I can answer the Senator from Arkansas. I call attention to the wording of the amendment on page 96:

For improvement and care of public grounds in the District of Columbia, including foremen, gardeners, mechanics, laborers, office rent, maintenance, repair, exchange, and operation of not to exceed three

motor-propelled passenger-carrying vehicles, and the maintenance, repair, exchange, and operation of motor cycles and bicycles for division foremen, \$343,750.

It will be noted that this lump-sum appropriation is very admirably arranged to increase the number of motor-propelled passenger vehicles for the use of another class of our office-holders in the District of Columbia, namely, for division foremen, whoever a division foreman may be. I call attention to it for the purpose of showing that whenever it is possible these lump-sum appropriations are used for passenger-carrying vehicles for the various officials and employees and others connected with the Government.

Mr. PHIPPS. Mr. President, I think at this point I should call the attention of the Senator from Tennessee to the language on page 94, which is identical with the language as transferred now to page 96, namely, "For improvement, care, and maintenance," and so forth. There is no intention to combine these with the idea of covering up anything. The language is identical with the language in the current law and the language as it came to us from the House.

Mr. McKELLAR. But the lump-sum appropriation is added to so that it can be switched around and the money utilized for the purpose of having as many motor passenger vehicles as possible.

Mr. PHIPPS. I can not agree with the Senator in that statement.

Mr. CARAWAY. Let me ask the Senator from Colorado if any purpose can be served here other than merely to save the printer's bill? The items which constitute the explicit directions to the commissioners for the expenditure of this money are stricken out and then a lump sum is appropriated for all these activities, as I gather from the bill.

Mr. PHIPPS. The intention of combining was not merely the saving of the cost of printing which might be involved, but it was in order to secure more latitude and better administration.

Mr. CARAWAY. Then the real purpose is to permit them to switch a fund from one purpose to another and use it wherever in their judgment they consider best?

Mr. PHIPPS. That is correct in a sense.

Mr. CARAWAY. Let me make a suggestion to the Senator from Colorado. It is easy to be critical, and I hope I do not impress the Senator that I merely want to criticize.

Mr. PHIPPS. Not at all.

Mr. CARAWAY. Under this peculiar form of government in the District of Columbia, I rather think there is less actual care given to the use of money appropriated than in any other municipality in the world. Let us take Irving Street, on which I live. It was dug up during the early fall three or four times, repaired, and resurfaced, and the next week it was dug up again from end to end. It was somewhat repaired, and then a lot of holes were dug in it two or three weeks later. There is no government except the government of the District of Columbia that would tolerate such a wasteful expenditure of money. I think a water main was laid after it was resurfaced. Just about the time it got so that one could get along without sticking to it, it was dug up again.

We have a rather ornamental commission in charge of affairs here. One of the members of the commission devoted all of his time for a while to trying to outrun Ford cars and seeing who were in them; if another member had any activities, nobody ever found it out, and the engineer commissioner put in most of his time trying to defend himself for not stopping to explain to every citizens' association what he intended doing. I believe the Senator from Colorado will agree with me that the government here has practically no administrative head.

Mr. PHIPPS. I will say very frankly that I could not agree with the Senator in that proposition. I have been in contact with the engineer commissioner, and I have a very high opinion of his ability as a business man, as a worker, and as a man with good ideas, and one who is earnest in his efforts to give good administration.

Mr. CARAWAY. Nobody said he was not earnest; but how many projects do they commence and quit? What became of the curbing along Connecticut Avenue?

Mr. PHIPPS. The proposition is to continue that as far as Chevy Chase Circle, and I think it is a good plan.

Mr. CARAWAY. Why was it abandoned?

Mr. PHIPPS. It was not abandoned. The fact is it was put in as an experiment, to demonstrate what was in the minds of the commissioners, and to draw forth comment. They were waited upon by a delegation of automobile users, who did not want to give the people who ride on trolley cars any consideration at all. The motive of the commissioners is to adopt that form where the roadway is wide enough.

For one-way traffic a 20-foot street would be wide enough for automobiles to pass, traffic moving in only one direction, thereby saving the expense of paving between and inside the tracks, because if the tramway company is compelled to expend that money in paving it becomes an investment, on which the authorities have to allow the companies to make earnings; and we are trying to get the car fares down.

Mr. CARAWAY. The fares in the District of Columbia are never reduced anyway. I am not saying it is not a wise thing, but there is no use expecting the present commission ever to reduce the rates of a utilities company in the District of Columbia. The commission always finds that the rates are reasonable, except where they find they are too low and raise them. They never find them to be too high.

Mr. BALL. Mr. President, the Public Utilities Commission reduced the fares about a year ago.

Mr. CARAWAY. The Senator remembers the row about the fares and how the commissioners have always found, as they did in the case of the telephone company, the companies get so much that even they themselves can not afford to say there should not be some kind of a reduction.

Returning to the experiment on Connecticut Avenue, great expenditures should not be made as an experiment.

Mr. PHIPPS. The place where the curbing was put in extends for about two and a half blocks.

Mr. CARAWAY. I know; I have seen it.

Mr. PHIPPS. It shows what the completed street would be under that plan. The object to be attained is to avoid, as they see it, unnecessary further capital expenditures on the part of the tramway company, so that they will not be in a strong position to say, "We can not reduce fares, because we are not making earnings."

Mr. CARAWAY. Everybody knows they will never reduce their fares. That is such an improbability that it does not amount to a reason at all. Recurring to Irving Street, can the Senator, as a great business man, justify the tearing up of the same street three or four times in that many months?

Mr. PHIPPS. No; certainly not; but, as a business man, if a resident on the street, I would have gone personally to the commissioners and endeavored to stop that right at the time; and I would like to ask the Senator if he made complaint in writing to the commissioners, calling their attention to it?

Mr. CARAWAY. No; I have never put in my time trying to tell another man how he ought to conduct his business. But the Senator is trying to defend the business administration of the District of Columbia, and I merely call his attention to it. If the commission do not know that Irving Street is in the District of Columbia, it might possibly have been wise for some one living upon it to call their attention to the fact, but it is a tolerably well-known street, it has been opened for a long number of years, it extends clear across the city, and I had naturally presumed that the city government would know there was a street by that name in the city.

Mr. PHIPPS. I do not think the Senator would expect the commissioner in charge of that particular work to visit Irving Street every week or every day. I should think that one having in mind the public interest and seeing a dereliction of that nature would call the attention of the commissioners to the fact.

Mr. CARAWAY. Who has the authority to authorize streets being torn up?

Mr. PHIPPS. The commissioner in charge of the street, or whoever he delegates.

Mr. CARAWAY. Why should I call his attention to it, when he has issued an order to have it done?

Mr. PHIPPS. In the public interest, I should think one would.

Mr. CARAWAY. He made the order. He knew, did he not, that he made the order to tear up the street? I know, and if the Senator was not overzealous to defend the District he would, that where you have divided authority, where public sentiment is not very acute as to the expenditure of the public funds, there is always waste. The taxes in the District of Columbia are so comparatively light, the Government of the United States pays such a large amount of the expenditures of the District, that the ordinary taxpayer is interested only in getting the appropriation, not in what is done with it after the appropriation has been made.

Mr. PHIPPS. Mr. President, I do not think I have been overzealous in trying to defend those in charge of the District government. There have been times when I felt that it was advisable and proper to encourage them in things they were doing, such as the very paving we have spoken of. At other times I have not hesitated to criticize them, nor have I hesitated to call their attention to things coming under my observa-

tion which I did not feel were being carried out as they should be.

Mr. CARAWAY. I rather think that the time the Senator felt like criticizing them was some time ago. All I have ever heard from him recently has been commendation. Possibly that is as it should be; and I hope that I am not indulging in mere criticism. I was calling attention to the very evils which can come about from transferring a whole host of items, including the activities of the city government, into one lump-sum appropriation, and then letting people who have not a very great regard for what becomes of it to expend it as they see fit.

The very incident I called to the Senator's attention, as to the way Irving Street was handled, should challenge our attention. The Senator now undertakes to justify the city government by saying I am derelict in my duties because I did not quit the Senate and go and hunt up the man in charge of it and tell him to go down and see what they were doing when they knew they were doing it.

Mr. PHIPPS. The Senator is probably not aware of the fact that the items under discussion here do not come under the commissioners. As I stated, this comes under Colonel Sherrill, who is in charge of public buildings and grounds.

Mr. CARAWAY. Suppose it does come under Colonel Sherrill; I am talking about the unwisdom of gathering up all the items and letting one do just as he pleases with them. I know the Senator is a business man of rare ability, and I know he would not conduct his own business in that way. Since he speaks now for the people who pay the taxes of the District of Columbia he ought to see that the business of the District of Columbia is conducted as economically and as wisely as he would the business he himself has conducted in the past. I do not mean to apply my remarks to the Senator personally.

Mr. PHIPPS. I do not take any of those remarks as being personal. I say to the Senator, however, that the proposition of combining these items into one, or under two or three separate heads, instead of a great number, being all under the operation of the man in charge of parks, was considered by the subcommittee, and it was felt advisable to combine them. That proposition met with the favor of the Appropriations Committee when the bill was under review. We thought it was advisable to take it to conference with Members of the House and to discuss it there with them.

Mr. CARAWAY. I am not finding fault with the manner in which it was done; I am just venturing to suggest that it is an unwise system. If it were wise to combine these items, why not say, "We make an appropriation for the District of Columbia of so many millions of dollars. Here it is. Expend it as may seem wise."

Mr. PHIPPS. I am very glad to have the Senator's views on the point. If the items go to conference, I shall certainly bear them in mind. Admittedly there is force in the argument which he has presented.

Mr. CARAWAY. I have watched the matter of appropriations for some time. While I have never had the honor of being a member of the Appropriations Committee, and never sought such membership, I have noted the tendency on the part of those who are expending public moneys to have the appropriations handed to them freed of all restriction. The argument of all the departments has always been, "If we had that money so we could use it as we see fit, we could effect economy." I have heard that argument ever since I have been a Member of Congress. The present provision seems to me to be a yielding to that general desire to have the money turned over and expended in that way. I think it is unwise.

Mr. McKELLAR. Mr. President, the Senator from Arkansas had something to say about the fixing of street car fares in the District of Columbia. I want to call the attention of the Members of the Senate to a contract which seems to have been ignored by everybody, including the Utilities Commission and those in charge of the Washington government.

I call attention to the contract entered into between the Capital Traction Co. and the city of Washington, in which it is said in part:

Said company shall receive a rate of fare not exceeding 5 cents for each passenger for each continuous ride between all points of its main and branch lines, but shall sell tickets in packages of six each for not exceeding 25 cents per package.

In the Washington Railway & Electric Co. contract a similar provision about fares is contained in section 19:

That said company shall receive a rate of fare not exceeding 5 cents per passenger, but six tickets shall be sold for 25 cents: *Provided*, That the said company and the Capital Traction Co. are hereby required to issue free transfers, whereby a passenger on the said East Washington Heights Traction Co. shall be entitled to a continuous ride over the line of the other company, or vice versa.

During the war, I understand, as a war measure, the Utilities Commission authorized the companies to violate their contracts.

My recollection is from newspaper stories which I read at the time that the Capital Traction Co. protested against being required to raise its fares to 8 cents, but was required to do it anyway, and the public of Washington, who have to use the street cars, are still charged 6 tickets for 40 cents, or, where they pay cash, an 8-cent fare.

Mr. President, I want to protest against this action of the Public Utilities Commission and the city government. It ought not to be permitted. The Congress owes it to the people who have to use the cars here to require the two companies to stand by their contracts. It is remarkable that someone has not already tested the question in the courts as to the right of the commission to increase fares, and especially the right of the commission to increase them over the protest of one of the companies. I hope the Committee on the District of Columbia will look into the matter. I had hoped they would report a bill by this time requiring the companies to stand by their contracts and to furnish the people fares at 5 cents or six tickets for a quarter, as they should.

I looked over a statement of their earnings the other day, and I am sorry I have not the figures before me at this time. I shall undertake to get them and put them in the Record. My recollection is that one company passed to some improvement fund over a million dollars. I am just informed by a colleague sitting near me that it was over \$3,000,000. At any rate, the annual reports of the companies show that they are making money and are doing splendidly. They could do splendidly and abide by their contracts and stand by their contracts to furnish the people of Washington service at 5 cents or six tickets for a quarter, as they have contracted to do. The war has been over several years.

Mr. SMITH. Was that in their contract?

Mr. McKELLAR. Of course it was in their contract, and if it were a contract with a State they could not violate it. A State government has no right to enact a law violating the terms of a contract or impairing the obligation of a contract, as it is usually termed, and we ought not to permit it in this case. I doubt if it is lawful, but even if it were lawful, even if it should by a technicality be held not to apply to the National Government, the Congress ought to protect the people of this city who are compelled to use street cars, the people who do not have automobile transportation legislated for them by the Congress, the people who have not enough pull with the Congress to have the Congress legislate private automobiles for their private use as well as for their public use. Their interests ought to be looked after, and I regret that the Committee on the District of Columbia have not reported a bill requiring the companies, long after the war, to reduce their fares in accordance with their contracts.

Mr. PHIPPS. Mr. President, of course that is legislation to which I believe the Committee on the District of Columbia has been giving consideration. Naturally, it could not be treated in any manner on the appropriation bill now under consideration.

Mr. McKELLAR. If the Senator will permit me, of course I understand that, but it is a matter which has been running on for a long time in the District. The citizens who have to use the street cars have had this enormous tax burden to bear for so long and the District Committee has been so dilatory when the matter was brought up by other Senators, that it seemed to me some Senator ought to speak out in behalf of the people of this city who have to use the street cars. There is no reason in the world why the street car companies should not be required to live up to their contracts.

Mr. CARAWAY. Mr. President, may I make a suggestion?

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). Does the Senator from Colorado yield to the Senator from Arkansas?

Mr. PHIPPS. Certainly.

Mr. CARAWAY. I should like to suggest to the Senator that, as I now recall, the Washington Railway & Electric Co. paid for their properties here about \$8,000,000, certainly not to exceed \$9,000,000, and now they have the properties capitalized for \$30,000,000, and want the people to pay dividends on that capitalization.

Mr. McKELLAR. Of course, and they are paying the bill, and so far as I know the Committee on the District of Columbia have done nothing in the world about it, and there has been no move whatever to prevent this enormous tax being continued upon the people of the District.

Mr. CARAWAY. That is what I want to call attention to in connection with the efficient government which the Senator

from Colorado was eulogizing a moment ago—the active city government taking care of the interests of the people, when such a condition as that arises with their approval.

Mr. McKELLAR. It was a violation of the plain contract, and there has never been a protest on the part of any city official. There has never been a demand by any city official to require the companies which are confessedly making large sums of money, splendid incomes, and paying splendid dividends by charging the people of Washington more than is charged, I believe, in any city of the country, to reduce their rates. If we go to New York we can travel anywhere within the confines of that city for 5 cents. While the New York companies may not be making as much money as the Capital Traction Co. and the Washington Railway & Electric Co., they are managing to get along, and I have no doubt are doing fairly well. Surely the Congress ought to protect the people of Washington who have to use the street cars.

Mr. PHIPPS. At that time I was not a resident of Washington; I was a resident of the city of Denver, and I know what happened there. The War Labor Board ordered that the tramway lines there pay increased rates of compensation to their employees. The average increase in the city of Denver, as my recollection serves me, was about 60 per cent in the wages of labor. Those rates of pay were put into effect. Coincidentally the War Labor Board, having no right to order an increase in the passenger fares or rates, strongly recommended to the authorities of the city of Denver that permission be granted to increase the rates of fare.

I remember the telegram that was sent by the joint chairmen of the War Labor Board. The city authorities refused that permission, claiming a 5-cent fare contract similar to the one to which the Senator referred here. The business was conducted on the 5-cent fare for less than two years, when the company went into the hands of receivers, just as the New York transportation companies finally went into receiverships. That question is being thrashed out to-day. When the Denver company went into the hands of receivers and the United States court took jurisdiction the court ordered an increase in fares so that the company might be compensated for the extra outlay ordered by the War Labor Board. The question is now up for determination in the Supreme Court of the United States.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). Does the Senator from Colorado yield to the Senator from Arkansas?

Mr. PHIPPS. Certainly.

Mr. CARAWAY. I desire to ask the Senator, because I am curious to know, what authority the War Labor Board had over the public utilities of the city of Denver?

Mr. PHIPPS. I tried to make my statement clear. The War Labor Board had authority over the pay for labor under the war exigency, and ordered that the rates of pay be increased. It could not order the authorities to permit an increase in fares, but strongly recommended such increase.

Mr. CARAWAY. I so understood the Senator. I did not know before that the War Labor Board had the right to say to a purely city public utility that it should raise its wages. Under what provision of the law did such an order go forward? It certainly was not issued here affecting the rates in the city of Washington.

Mr. PHIPPS. As I said, I was not a resident of Washington at that time and am not familiar with the action taken here, but I assume that the same action was taken here that was taken in Denver, in New York, and in other cities.

Mr. CARAWAY. I never knew before that the War Labor Board undertook to regulate the price of labor of street car companies.

Mr. PHIPPS. That is the fact.

Mr. CARAWAY. I rather imagined it was merely a matter of recommendation.

Mr. PHIPPS. Oh, no; it was an order.

Mr. CARAWAY. That is one thing that I am rather interested to know about. I knew they regulated practically everything else, but I never knew before that they regulated street car motormen's and conductors' wages.

Mr. PHIPPS. I believe the Senator will find that is correct. Mr. CARAWAY. I am not questioning the Senator's statement. I know it is true. I was merely thinking about the War Labor Board's usurpation of authority.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Tennessee?

Mr. PHIPPS. I do.

Mr. McKELLAR. Has the District Committee given any attention at all to an investigation of the question of fares on the street car lines here in the city of Washington?

Mr. PHIPPS. I am not a member of the District Committee, I will say to the Senator.

Mr. McKELLAR. I was under the misapprehension that the Senator was.

Mr. PHIPPS. I am not.

Mr. McKELLAR. In the Senator's capacity as a member of the Committee on Appropriations, having to do with District business, I am wondering whether or not the question of the salaries of the officials of the street car companies has ever been brought to his attention or that of the committee?

Mr. PHIPPS. No; in my recollection, it has not been.

Mr. McKELLAR. The Senator does not know, then, what salaries are paid to the presidents and other officers of the street car companies?

Mr. PHIPPS. I will say to the Senator that I have heard those salaries mentioned, but not by any authentic source of information, and I do not now even recall them.

Mr. McKELLAR. The officials of the street car companies are paid in keeping with the 8-cent fare on the cars, I apprehend, are they not?

Mr. PHIPPS. I will say to the Senator that I have no information that would throw any light on that point.

Mr. McKELLAR. I wish to call the attention of the Senate—

The PRESIDING OFFICER. Does the Senator from Colorado further yield to the Senator from Tennessee?

Mr. PHIPPS. I do.

Mr. McKELLAR. As I understand, the Senator from Colorado had yielded the floor. I wish to be recognized in my own right.

Mr. PHIPPS. I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. McKELLAR. Mr. President, on this subject I wish to call the attention of the Senate to the constitutional provision that no State shall pass any "law impairing the obligation of contracts." Of course, the provision does not, in terms, declare that Congress shall not pass such a law; but I doubt whether a commission has the right to establish a rule impairing the obligation of the contracts between the two street railway companies here in the District of Columbia and the city of Washington or with the Congress itself. Whether a commission has such a right or not, surely that right ought not to be exercised to impair the obligation of the contracts which have been made. Even having done so, assuming that by some act of Congress it has been done, we surely ought not to continue it any longer. Congress owes it to itself and to a proper interpretation of the intent of the Constitution to see to it that these contracts are no longer violated. I hope the District Committee will report out a bill requiring the two street railway companies which are located here to live up to their contracts in reference to fares in the city of Washington.

Mr. KING. Mr. President, the subject referred to by the able Senator from Tennessee is one which has received attention at the hands of the District Committee, of which, Senators may recall, I am a member. A number of propositions have been submitted to the committee for consideration, tending to solve what might be denominated the street car problem of the city of Washington. In my opinion, the committee has not been as diligent in the prosecution of this important task as it should have been. However, the conditions following the World War, the attempt to get down to a peace basis, have produced such mutations from day to day that the committee probably have looked upon these changes as an excuse for not offering some concrete plan and forcing legislation in reference to this matter.

Mr. President, I wish to say that the question of dealing with the street car companies throughout the United States and in the various municipalities is a very serious one. A few years ago there was a great deal of building of street car lines and extensions of such lines in municipalities; millions of dollars were expended in building up interurban electrical systems. In the great States of Indiana, Ohio, and Illinois, particularly, and many others, the names of which will readily recall themselves to Senators, there were hundreds, if not thousands, of miles of interurban street car lines established. Those street car line systems brought great benefit to the people; they brought the country in contact with the cities; they reduced freight charges; they enabled the farmers and the agriculturists to get their products, particularly milk products, and their vegetables to the cities at rates far less than those which had previously been established by the steam railroads. I venture the assertion,

however, that during the past 10 or 15 years but very few miles of street car lines or of interurban electric lines have been built. I do not pretend to say that the street car lines and the interurban lines were improvidently managed or that incompetency characterized their administration; indeed, I am inclined to think that, generally speaking, the owners of such roads tried to operate them efficiently, so as to reap reasonable rewards. However, it may be said that many scandals have arisen in municipalities growing out of street car franchises. A franchise would be obtained and would be put into a corporation with an enormous capital. We know of the scandals in many of the cities—I shall not mention them—growing out of the improvident use of street car franchises and the corruption which was incident to the establishment of new street car lines within the cities.

During the past few years the road of the street car companies and of the interurban electric companies has been, generally speaking, in the language of the street, a "very rocky road." Many of the lines have gone into the hands of receivers. I repeat whether it was through improvidence and extravagance and maladministration I shall not pretend to state, but it is a fact that most of the street car companies for the four or five years immediately preceding our entrance into the Great World War proved unprofitable and paid but small, if any, dividends, and, in many instances, there were actual deficits.

Then the World War came on, and, as was stated by the Senator from Colorado [Mr. PHIPPS], the Labor Board projected itself—whether properly or improperly, I shall not pause to say—into the domestic affairs of the States, into the affairs of the municipalities, and into the contractual relations of private individuals. Rates were raised, and, of course, wages were advanced, as they should have been under the conditions then existing.

Mr. President, the condition in this city is very unsatisfactory with respect to the street car lines. I think that Congress ought immediately to deal with this subject. The two street car companies should be compelled by proper legislation, legislation that would not be destructive but constructive and would adequately and properly protect the right of bondholders and stockholders, to consolidate the lines, and then a just and fair rate should be fixed for the carrying of passengers within the District. Certainly the present situation is not only unsatisfactory but it is anomalous.

This question is before the District Committee, and during the next Congress—and if there should be a special session then during that special session—I hope the committee will take the matter up and report out one of the bills pending before it now, or a composite bill or a new bill, a measure of some kind, that will deal with this subject in a proper, in an effective, and in a just way.

ODD-LOT COTTON EXCHANGES.

Mr. DIAL. Mr. President, some days ago I introduced a bill providing penalties for persons who fraudulently fail to settle with parties who deal in future contracts, buying and selling agricultural products. That bill was referred to the Judiciary Committee, but has not as yet been reported by that committee. I hope that it will soon be reported.

I have in my hand a statement of the Odd-Lot Cotton Exchange of New York, the acts of which exchange particularly directed my attention to this matter. I see in the circular, which is "corrected to September, 1922," a list of firms eligible to that exchange. The circular states:

The following commission houses have complied with the requirements of the clearing-house department and are entitled to solicit general commission business.

After that, in alphabetical order, are named nine firms; but notwithstanding this list was corrected down to September 20, 1922, three out of those nine firms have since failed. My information is that some of the firms mentioned are of some standing, but that a number of them have been failures in other lines of business, have been kicked out of other exchanges, and are in bad repute.

There is no reason in the world why these firms should have failed if they had carried on a legitimate business. Their business is buying and selling odd lots, less than 100 bales, 100 bales being the minimum dealt in on the New York Cotton Exchange. The smaller exchanges appeal to people who are not well informed as a rule and to those who can ill afford to lose.

I have some correspondence in my office from some of my constituents, and also from people in other sections of the South, stating that they sent margins to some of these firms, naming them, and, notwithstanding handsome profits had been made, the firms refused to pay the profits or even to return the margin, and that at least one of these firms had

itself placed in bankruptcy, showing that it owed over \$100,000 and had assets of less than \$10,000. Upon investigation, I find that that firm made money, or should have made money, because its clients were on the bull side of the market, and there is no reason why they should have lost money.

I am strongly of the opinion that Congress ought to pass a law punishing those who fraudulently neglect to settle with their clients; and that is the object of the bill which I have introduced and which I hope may be reported by the committee and passed at an early date.

The circular goes on to say:

Membership in the exchange is zealously guarded. Unadjusted claims of one member against another constitute a first lien on memberships. Cooperation and assistance of all members and of the public is cordially invited in keeping our membership up to the highest possible standard. Information in regard to any of our members will be kept confidential by the board of managers if requested.

Mr. President, my opinion is that they have robbed the South, going and coming.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Arkansas?

Mr. DIAL. Gladly.

Mr. CARAWAY. That is all a cotton exchange is ever organized for, is it not, namely, to rob the producing public? All the activities ever manifested and all the results that ever flowed from it show that, do they not?

Mr. DIAL. I would not like to put it that strong, although I am no defender of cotton exchanges.

Mr. CARAWAY. Did the Senator ever know anybody to make any money out of them legally?

Mr. DIAL. Very seldom.

Mr. CARAWAY. Did the Senator ever know anybody to make any money out of them?

Mr. DIAL. I think the statistics show that 98 per cent of those who deal with them lose; and that is a pretty strong indictment.

Mr. CARAWAY. And the 2 per cent that win are the professional gamblers who use them?

Mr. DIAL. I do not put it that way. Mr. President, it is time Congress was taking cognizance of the subject, and not only of these odd lots; of course, my bill did not refer to odd lots alone; it referred to the members of any exchange.

Mr. CARAWAY. May I ask the Senator another question?

Mr. DIAL. Yes.

Mr. CARAWAY. When does the Senator expect really to insist upon some action upon this measure?

Mr. DIAL. I am insisting every day.

Mr. CARAWAY. Has the Senator ever moved to make it the order of business in the Senate?

Mr. DIAL. The Senator misunderstands me. This last bill is before the Judiciary Committee, and they have not reported it. I am trying to get a report every day.

Mr. CARAWAY. I was referring to the Senator's bill regulating cotton exchanges.

Mr. DIAL. That amends the law. We had a vote on that the other day, and I hope to bring it to another vote pretty soon. That is a different proposition from the one I am speaking of now. This is before the Judiciary Committee, and provides a penalty for parties who refuse to settle with their clients.

Mr. CARAWAY. The Senator does not expect to hear from it soon, then?

Mr. DIAL. Yes; I hope so. The Judiciary Committee, I think, is looking into it, and I hope to have a report at an early date.

I merely want to bring to the attention of the Senate the great importance and necessity of quick action on this subject. I can not see why anyone should oppose a bill along the line of the one that I now have before the Judiciary Committee. As I understand, a great number of these people are experts in the business of defrauding their clients. I do not care to call names. I have the names in my office if anyone cares to see them. I merely want to show here that out of nine eligible members three have failed since the 20th of September, 1922. That shows the great mistake that people make in dealing with members who are not of good financial standing.

DISMISSALS FROM GOVERNMENT SERVICE.

Mr. CARAWAY. Mr. President, I dislike very much to delay the speedy passage of this appropriation bill, but my attention has been called to an item which appeared in the

Washington Herald of date Tuesday, January 23, 1923, under this headline:

Ousted Engraving Bureau workers vindicated.

I read:

SCANDAL PROBE FAILS TO SHOW ANY SHORTAGES IN OLD RÉGIME—TWENTY-EIGHT FORMER OFFICIALS ARE TO HAVE CIVIL-SERVICE RIGHTS RESTORED TO THEM—MAY BE GIVEN NEW JOBS—THREE WOMEN ALREADY PLACED, BUT NONE WILL GET AS GOOD POSITIONS AS THE ONES LOST.

(By John A. Kennedy.)

Withdrawal of the veil of suspicion shrouding the dismissal of 28 Bureau of Engraving and Printing officials from their posts last March will be accomplished within a few days, it became known yesterday.

Carrying with that gesture the complete vindication of what was generally conceded as political slaughter, the bureau officials will have their civil-service rights restored "without prejudice" after every investigating agency of the Government had probed deep into their activities.

TO GET SPEEDY ACTION.

Such a recommendation is in the hands of President Harding, and will probably be one of the first matters of importance cleared up when he returns to his desk, it was stated yesterday at the White House.

I shall not read the remainder of the article, but I ask that I may have the consent of the Senate to include the entire article in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The remainder of the article is as follows:

But the order comes too late for at least one and possibly some others of the 28 summarily dismissed "for the good of the service" last March. E. I. Beech, one of the group, is dead. His death is attributed to worry over the stigma attached to his name after he had faithfully served the Government for more than a quarter of a century. Two others have taken jobs elsewhere.

FAIL TO FIND SCANDAL.

The administration by its failure to uncover any alleged "bureau scandal" adds the second chapter to the dramatic dismissal carried out at dusk on March 31, when President Harding issued an order discharging one set of officials who had served for many years and in their posts placing a complete new group to handle the bureau affairs.

On that night the men and women affected were separated from the service without notice and were forced to leave their desks under guard of secret-service agents. Hints of general shortages and similar character-damaging allegations were heard on every side in the weeks that followed.

The first word that the former administrators of the bureau were guiltless of any wrongdoing came in statements from high administration officials yesterday.

Three of the twenty-eight are already back at work in the Treasury Department, and according to the recommendation the rest will soon be "taken care of."

Cabinet officers and White House officials refused to estimate when the President will make the remainder of the group eligible to again work for the Government or to again enjoy the rights of retirement and raises in pay accorded those in the civil service. At the White House Secretary Christian said that when the President does sign the order it will be made public through the Treasury Department.

But when the men are given back their civil-service rights the old jobs in the bureau will not be for them. This was stated very positively last night by a Cabinet official. Similarly, Louis Hill, present director of the bureau, when asked if any of the men were coming back to his bureau, said, "They will not, sir."

Instead they will "be taken care of," according to the words of Secretary Mellon, who admitted yesterday afternoon that three women are already back in the service.

Under this plan it is understood the officials will be sent to posts in various other bureaus and departments of the Government at greatly reduced salaries.

Nor will the order be retroactive. The loss of 10 months' work and pay will stand, it is said.

WOMEN GIVEN WORK.

The women who have been returned to work, according to information furnished by the Secretary of the Treasury, are:

Mrs. Margaret S. Kerfoot, chief of the numbering division, who had a record of service of more than 38 years at the time of her dismissal. She was given a position in the Register of the Treasury on September 5 at a salary of \$1,200 per year plus the special bonus. According to the Treasury officials, she was receiving \$2,500 per year when she was summarily dismissed last April.

Miss Elizabeth Scott, who was chief of the packing division with a salary of \$2,000 per year at the time of her dismissal, is now in the office of the Register of the Treasury. She had a record of 37 years of service. She was taken back on December 14 at a salary of \$1,100 per year, plus the special bonus.

Miss Nellie Wilding, chief of the stamp-perforating section at a salary of \$2,000 per year at the time of her dismissal, has been placed in the loans and currency section of the Treasury Department at a salary of \$1,100 per year, plus the special bonus. She had been in the service for more than 24 years.

The three women each applied for restoration of their civil-service rights. Each case was sent to the President, and he "offered no objection in any of the cases," according to explanations made yesterday. No presidential order was issued in any of these instances, it was said.

Ralph H. Chappell, who was drawing \$3,250 per year as a section chief, is now under consideration for appointment in another bureau at a salary of around \$2,200 per year, it was said at the Treasury Department.

Coming on the heels of an announcement made two weeks ago by Director Louis A. Hill of the bureau that the double investigation made by the Department of Justice and by the Treasury Department revealed

no shortage of any kind in the bureau accounts, the recommendation of the Secretary of the Treasury, which are appended to the Treasury investigators' report, are taken as a vindication of the director, James L. Wilmeth.

Those who were dismissed last year and who have not so far been given back their civil-service ratings are: B. R. Stickney, E. H. Ashworth, Adam P. Ruth, J. J. Fisher, P. J. Farrell, James A. Chamberlain, George Jacobs, H. H. Ashworth, Frank Campbell, Ralph H. Chapell, George C. Cole, F. J. Crocker, William C. Deane, J. J. Deviny, George P. Jackson, John T. Howard, Thomas F. Roche, Frank W. Lerner, William C. McKinney, George V. Rose, Thomas F. Slattery, A. C. Steinbrenner, B. R. Stickney, Jesse E. Swigert, H. I. Wilson, Benjamin Goldsworthy, and G. F. C. Smilla.

Mr. CARAWAY. Mr. President, all now know that the removal of the heads of the bureaus in the Bureau of Engraving and Printing was merely the beginning of a wholesale removal of civil-service employees for the purpose of supplanting them by active Republican politicians, regardless of what effect it might have upon the efficiency of the bureau. Had not the public reacted so violently to this outrageous act, it was to have been, as I am informed, repeated in all the departments. A word was coined, and much used, and came from some one close to the administration, that "they" were going to "Hardingize" the administration. After the investigation of the Attorney General, with all his love (?) for law and order and justice, for which he is so famous (?), and after all the activities of the Treasury Department in order to find some reason to justify the President for this hasty and unlawful action, it now becomes apparent that there was no justification for the removal of these people, and a recommendation is upon the desk of the President of the United States asking him to issue an order, which it is necessary that he shall do, revoking his former order striking down the reputation of these men and women and restoring them to the eligible list, so that they may be eligible to reemployment in the Government service.

As the article says, it comes too late for one. Doctor Beech, for 30 years a faithful servant of the Government, died of a broken heart, so his son says, because of the injustice done him by this wrongful removal. Three women, who through all the years have toiled up under the disadvantages that formerly beset women in Government employment and the discriminations that were practiced against them, had reached responsible positions with comfortable if not adequate salaries. Their good name, their right to earn an honest living, was stricken down by this order of the President of March 31, 1922.

Since then the President, ashamed of that act, has issued an order permitting these three women to go back into the Government employ, but at just half their former salaries. He gave to the henchmen of the administration their old places and permitted these women to creep back into the service at salaries where people who are just entering the public service are starting. Twenty-five and thirty years of faithful service and promotion were wiped out merely to give the places to some active Republican.

I called attention the other day to, and I intend to repeat, something of the character of these men.

Hill, the man who was put at the head of the bureau in the place then filled by Mr. Wilmeth, was being sued by his wife on charges that I should not care to rehearse. Shortly after he got his place his wife had to go into court and restrain him from throwing her and her children and her furniture in the streets to make room for somebody else.

McCully, who took the place of Mr. Ashburton as the chief of the bureau of rolls, dies, and plates, was being sued by his wife, and among the exhibits was a letter that he had written to a 15-year-old girl in the District of Columbia asking her to call upon a certain doctor, to whom he would direct her, and would pay whatever expenses were involved. Of course, everybody knows what the necessity of her going to the doctor was. That sort of a man was given the place of a man by the name of Ashburton, who, at 4 o'clock on the day he was dismissed, was given a letter by the committee that investigated his department commending him for his efficiency, his faithful discharge of his duties, and his intelligent administration of his bureau. At 6 o'clock he was dismissed "for the good of the service," so the order said. These men and women were not even permitted to go to their desks to get their private effects except under the custody of a detective. They could not remove their hats from the pegs where they had hung them without being shadowed. The detectives went to their homes and required their families to give the numbers of the Liberty bonds they had bought, to cast suspicion upon them. One woman came to my office this morning and said that she was hooted by other employees when she left the service, and later was told that if she made any complaint they would bring people to show that she was a common streetwalker, though the mother of three helpless children, making a decent living for them, and nobody had ever reflected on her good name before.

I say the President ought to issue this order. It ought to be the first thing he does, and in doing it he ought to go further; he ought to put the people back in the places from whence they came. If, as it is said, it will disarrange the present bureau, the fact is that the other shakeup disarranged it, and justice ought to be done under the Government if the heavens fall. The humblest man or woman that walks the earth ought not to feel that his Government will not do him exact justice. If he shall have reason to doubt that the Government is going to deal justly with him, of course it ends all effective appeal to his loyalty. It breeds disloyalty. No government is worth defending that is not just. All should know that no one, simply because he is temporarily in high place, may strike him down without redress.

It is said that a king of France, leading his army on the eve of battle, was appealed to by some peasant to redress a wrong that he had suffered at the hands of a military commander. The king halted the march of his army until he could right the wrong of the humble peasant. The President of these United States ought to be as big a man and as just a man as the king of feudal France, and I am going to say this: I do not believe the President would have done this if he had been properly advised. It was some overzealous partisan who was seeking places for friends who advised the President to do this. He has not time to go into all those matters, and I am sure that had he been properly advised he would not have done it. But now, knowing that he has been imposed upon, he ought to right the wrong, whatever the inconvenience may be. The people of this country will be sorely disappointed in the President of these United States, it now being admitted, as it is said here it is, coming from the White House, that these people were done a wrong, if he does not right it. All the glories of his administration must necessarily pale and tarnish if he does not so act in this matter that all will know that he is just enough to do justice; and he can not do justice, if this article is correct, unless he issues an order restoring these people to their eligibility and putting them back in the places from whence they were so unjustly taken.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LENROOT in the chair). Does the Senator from Arkansas yield to the Senator from Utah?

Mr. CARAWAY. I yield to the Senator.

Mr. KING. For information I should like to ask the Senator, was there authority for the President of the United States to oust these people from office in a way which, on the record, seems to have been unwarranted and unjust?

Mr. CARAWAY. There was no authority. Three of them were ex-service men who were protected by a special statute; but the Senator from Utah will remember that when I called attention to that fact and introduced a resolution to have it investigated the chairman of the Committee on Civil Service opposed it and had it sent to his committee, and everybody knew what would happen to it in that committee.

It was just as certain there to go to its death as the fly in the famous story we used to have in the readers—

Walk into my parlor, said the spider to the fly;
It's the prettiest little parlor that ever you did spy.

The great friends of civil service in the Senate seem to be very much more the friends of the arbitrary power of the party that can promote and demote.

Mr. KING. If the Senator will pardon me, is there nothing that can be done by Congress to right the wrong that has been done to these faithful men and women who were in the Government service for so many years?

Mr. CARAWAY. Can an act of Congress go down into the muddy grave that holds the body of Doctor Beach and resurrect him and restore to him life and faculty to comprehend that justice is being done to his memory?

Mr. KING. No; of course, that is obvious. But it does seem to me that Congress ought to make such an investigation as will focus attention upon this great wrong—indeed, almost a crime—and hold up to the public those who are responsible for the grave injustice and the tragic consequences to which the Senator has referred.

Mr. CARAWAY. I wish the Senator from Utah would introduce a resolution asking for an investigation. The facts are now developed as to all the probings of the sleuths and detectives who wove themselves around these people's lives, trying to find out something they had done to justify the President for their removal. The paper says, and I take it that it speaks the truth, that information comes from the White House now that these probes have shown that the removals were without any justification at all. Congress could, of course, do them financial justice.

Nothing can recompense them for the humiliation and for the loss of reputation and good standing among the people where they have spent their lives. No act of Congress can remove the sense of injustice, which will stay with them all their lives, which they feel when they reflect that after years of faithful service they should be dismissed merely to make places for politicians, but with the stigma that it was done "for the public good." If they had been kicked out for the real reason that led to their removal—that is, to make places for politicians thought to be more actively supporting the administration—that would not have carried with it disgrace, but the infamy of it was that their removal was said to be for the good of the service, which implied and was interpreted everywhere as meaning that they were guilty of wrongdoing. We all know a propaganda went around the city that they had committed all kinds of outrageous crimes. A Republican Senator took me out into the corridor and told me I was fixing to be tremendously humiliated, that he was assured by people who knew that their speculations were frightful, and if it should become known it would almost destroy the credit of the Treasury, whatever that might be; and he believed it. He was certain of it, because he had been told. That was the infamous propaganda that went forth to destroy these people's reputations.

If the Senator will permit, I particularly complain of the dismissal of three women, who toiled there 25 or 30 years, through all the adverse circumstances that the Senator knows used to surround a woman in Government employ, discriminated against in favor of men who were more active politically, but who, by the sheer worth of character and intelligence and faithful employment, had risen until they were the heads of bureaus, only to find themselves removed "for the public good" and private detectives sent with them to get their little personal effects. Then, finally, by an Executive order, permitted to go back to work at just half their former salaries. Nothing can wipe out the infamy of that conduct. Nothing ever can be done that can compensate those poor people for the humiliation and the heartaches they have suffered through all these months they have labored under this stigma. I only hope the President will be as ready to issue an Executive order removing from their fair names the infamy placed upon them. When he has done that I suppose that will be as much as we may expect him to do, because the politicians have the places.

Mr. KING. Mr. President, when we were considering an appropriation bill a few days ago, there was some discussion concerning the Civil Service Commission and the administration of the civil service law. Criticism was voiced concerning the method in which the law was enforced, and views expressed that provisions of the law were being violated. Since I have been in the Senate, Senators have frequently called attention to what they considered were evasions of the law and flagrant infractions of both its letter and spirit. Undoubtedly a majority of Senators and Representatives are in favor of the civil-service system, but there are those among this class who are so dissatisfied with the administration of the law that they feel that perhaps a return to what is called the spoils system would produce no greater evils than those found under the unsatisfactory administration of the civil service law.

I have said upon a number of occasions that the law, as administered, was a farce and that the evils existing in the executive departments of the Government prior to the passage of the civil service law were perhaps no greater than those found in the executive branches of the Government to-day. I have felt that the civil service law in too many instances was used as a shield to protect incompetents and political favorites and that the law had so many loopholes and that its administration was accompanied by so much partisanship and incompetency that the benefits to be expected from an honest civil service law, honestly and fairly administered, were not realized.

There is no doubt that politicians in both political parties have attempted to use the law to protect incompetent officials and to secure positions for individuals purely because of political reasons. Within the executive departments of the Government can be found thousands of competent and efficient men and women. They earnestly and patriotically devote themselves to the discharge of duties required under the law. Many of them came into the service without having taken a civil-service examination. Some were blanketed into the service, and others entered the Government service before the civil service law was enacted. Still others, entrenched behind the civil-service ramparts, are wholly incompetent and are indifferent to their obligations and to the welfare of the Government.

This class do as little as they can, and they are indifferent and inefficient and compel the employment of a larger force than otherwise would be required. It is, I think, conceded

that employees of the Government, in the aggregate, do much less than employees doing the same character of work in private life. The faithful and efficient employees of the Government are compelled to suffer because of the incompetent and inefficient ones. The faithful suffer because of the faithlessness of the others.

Perhaps an important reason for the failure of the civil-service system, as it is administered in the United States, is found in the fact that many of the heads of Federal agencies seek to use their positions to induct into office individuals of their political faith. To accomplish this end the civil service law and the regulations promulgated to bring about its administration are evaded and oftentimes contemptuously disregarded. Faithful and competent employees whom they find discharging with fidelity the duties imposed upon them are demoted or assigned to other positions or transferred to less favorable stations or subjected to such embarrassments and humiliations as to compel their resignations. I believe the failure of the civil-service system is largely due to the animosity exhibited by those having executive authority. When a change of administration comes changes are made in the more important positions of the departments and of Federal and executive agencies. Those who come in with the new administration in many instances seek positions for their political protégés or for those who are indorsed by politicians of their party.

I think it may truthfully be said that under both Republican and Democratic administrations many individuals who are under civil service, and who are faithfully performing their duties, are improperly and in many instances unjustly dealt with by chiefs of bureaus and those who are placed in authority over them. In many instances, as I have indicated, they are changed or moved or transferred and their places filled by others who have the indorsement of persons of influence in the party in power. I do not think there is any particular loyalty to the civil-service system upon the part of many of those within the Government service whose duty it is to enforce the law, both in letter and spirit; and, as I have indicated, there are many persons holding inferior and subordinate positions who feel that they are entrenched for life, who in an apathetic and indifferent way perform the work assigned them.

I have heard much criticism of the Civil Service Commission and the methods employed by it in its examinations and in the methods employed in its ratings. I confess that I have been disappointed in some of its activities. I think, generally speaking, the civil service commissioners have been men of character and ability, and they have sought to build up a genuine civil-service system. I have, however, been compelled to take the view that some holding less important positions in the civil service administration have been partisan and have used their positions to advance the interests of applicants for Federal positions who belong to their political faith. Nor have I been satisfied with the methods employed to determine the competency of applicants for positions under the civil service. I believe that under the system employed injustices have been done and the least efficient have often been certified as eligible for appointment.

Mr. President, the civil-service system has been on trial for a number of years and it has not satisfied the people. I do not mean to say that the people would vote for the repeal of the law, but I am convinced that a majority of the American people are not satisfied with the law or with its administration. They are unable to determine where the fault lies. Some attribute it solely to the Civil Service Commission; others solely to executive departments and those charged with administering it. Without expressing any opinion as to where the fault lies, I am satisfied that there must be material changes either in the law or in its enforcement, or there will be a demand, formidable in character, for the sweeping away of the Civil Service Commission and the entire system.

I think the time has come when those who believe in genuine civil service should address themselves to the purification of the system and the rectification of faults which are now apparent. I am not prepared to say that the Civil Service Commission should be abolished, but I do take the position that we must have an honest and genuine civil service or none at all. To have a sham and farcical system can not be tolerated. The law must be amended and its administration must be materially changed if the results which honest civil-service reformers desire are accomplished.

The method adopted by the President in selecting postmasters is calculated to bring the civil-service system into still greater disrepute. Examples of the character just referred to by the Senator from Arkansas will arouse indignation and lead to vehement demands for the abolition of the entire system or for drastic reforms. Unless reforms are effectuated,

I shall not be willing to support these annual appropriations for the Civil Service Commission. I am willing to vote the necessary sums to inaugurate and perpetuate a civil-service system that will promote efficiency and advance the interests of the Government.

The President of the United States, if we are to believe the statements made by the Senator from Arkansas, has done a grievous wrong to a large number of faithful Government employees. Some one has imposed upon the President and he has used his authority in such a manner as to do irreparable wrong and injury to the persons referred to.

Mr. President, this is not the only instance of an abuse of the law. In my opinion, there are hundreds of cases where competent employees have been removed or demoted because of political reasons. Complaints have been made to me of flagrant violations of the civil service law by the Treasury Department under the present administration. In the Internal Revenue Department I am advised that many injustices have been done and the letter and the spirit of the civil service law have been disregarded.

Mr. President, let us not be insincere and hypocritical. Let us have a civil service law and enforce it—one that will meet the highest demands of a progressive people and a progressive Government or abolish it entirely and say to the political party in power "the offices belong to the victor."

Mr. President, a friend of mine who is a man of high character and great ability handed me an article which he prepared which deals with the civil-service question. There is so much of merit in the article that I feel like bringing it to the attention of the Senate by asking that it be placed in the RECORD, whereby it may secure wide circulation and proper publicity.

There has recently been considerable controversy over the enforcement of the prohibition law and the efforts which it is alleged are being made to pervert the law and the spirit of the law by placing within the civil service the great army of employees who are engaged in enforcing the Volstead Act. Of course, everybody knows that many of those who have been employed by the Treasury Department in the enforcement of this act have been corrupt and inefficient. The evidences daily demonstrate that many of those now in the service are incompetent and corrupt. Certainly the friends of prohibition and the friends of civil service can not support any proposition which looks to the issuance of a blanket order placing the thousands of individuals employed in the prohibition branch of the service under the civil service law. Mr. Dudley Foulke, vice president of the National Civil Service Reform League, has recently had something to say about this matter. His statement appears in the New York Times of the issue of January 8, 1923. I ask that it, as well as the article to which I have referred, be inserted in the RECORD.

There being no objection, the articles referred to were ordered to be printed in the RECORD, as follows:

IS CIVIL SERVICE THREATENED?

Civil service has become an almost sacred institution with the American public. There is something so sordid and selfish and wasteful and unbusinesslike about the spoils system of operating Government institutions that it weakens people's respect for service and confidence in the sincerity of those who profess concern in economy and efficiency.

Certain national publications of civil-service organizations are asking the question, "Is civil service threatened?" For the first time in 25 years there seems to be a feeling of apprehension, not only on the part of Government employees but on the part of the general public, 95 per cent of which is not concerned with the political complexion of employees.

While there is no danger of the law being repealed, there have been a number of occurrences during the past year and a half, according to the CONGRESSIONAL RECORD, which seem to justify the misgivings of everyone except that class which might be barred from appointment on the ground of "pernicious political activity."

The system seems to have taken on a new aspect and character during the past year. Once seriously considered and highly respected, it has become an ambushade for its opponents to work behind.

It is true that President Harding issued a proclamation putting all postmasters in civil service, as had President Wilson four years before. But the order of March 31, 1917, placed all such positions beyond the reach of partisan influence and control by giving the appointment to the applicant receiving the highest rating in every examination held; under this order President Wilson appointed more Republicans than Democrats in States north of the Mason and Dixon line.

Four years later, at the suggestion of the national chairman of the Republican Party and under the advice of an Attorney General who avowedly does not believe in civil service, President Harding issued his three-pronged order, by which all Democrats or inactive Republicans, no matter how faithful in the discharge of official duties, no matter how popular, experienced, or highly indorsed in their respective communities, are adroitly eliminated. In the selection of postmasters at present, an applicant armed with the indorsement of his local party committee may receive as a reward for political activity a responsible position in which political activity is expressly forbidden.

This is not civil service as expressed by the law, as implied in the Executive order, or as explained by advocates of the system, but it is the civil service of to-day.

The civil-service law provides that the President may issue executive orders perfecting the means of its enforcement or for making it

more effective, which is clearly an executive function. But the President may not issue an Executive order which has the effect of repealing an act of Congress or of nullifying its evident purpose. This has been the opinion of the Department of Justice for a half century. In other words, while the President may extend the scope of the civil-service system and is authorized to include in its operation any class of appointees he may designate, he can not legally change the law in its application to employees or officials thus included. That is a question of legislation, and it is doubtful if Congress could, even if it desired, confer on an executive the power to legislate.

When the President issued an order placing all postmasters in the classified service he was acting within his rights. His order became a part of the law, adding another class to those already affected by its restrictions and protection. It was not, on its face, a contradictory or subversive mandate. It merely designated additional positions to which the well-defined and generally recognized provisions of the law should apply.

What is the acknowledged purpose of this law? As indicated by its wording, the intention of its makers was to guarantee equal opportunities to all applicants for appointments to positions classified by legislation or proclamation, regardless of politics or religion, and to protect classified employees of the Government against the whims, bargains, and machinations of superiors who might seek to fulfill personal or political obligations at the expense of public service. If it fall in these essentials, of what avail is the law? If applicants are rejected because they have been identified with one party or another, if they are appointed because of their political affiliations or activities, what does the law amount to, anyhow?

Defenders of the spoils system, which is now masquerading in civil-service garb, compare the practice of selecting appointees from three certified applicants for postmastership, with the established plan of choosing one of the highest three on an eligible list in a post office. If these latter selections were based on partisanship or the recommendations of party organizations, the President and Postmaster General would be shocked and indignant. Any postmaster actuated by such considerations in recommending appointments would be summarily dismissed from office.

According to the provisions of the law and the rules of the commission, "no discrimination shall be exercised, threatened, or promised against or in favor of an applicant, eligible, or employee in the classified service because of his political or religious opinions or affiliations."

"Political discrimination," according to the rules governing the application of the civil service law, "consists in giving appointment, promotion, or any other favor to an appointee, eligible, or candidate because of his politics, or withholding appointment, promotion, or any other favor from an appointee, eligible, or candidate because of his politics."

"An appointing officer who appoints or refuses to appoint an applicant because the applicant does or does not entertain certain political opinions" violates the civil service act and rules. "The removal of a large number of employees of the same political faith" or, conversely, the selection of a large percentage from one political party, will be presumed to have been done for political reasons, according to the rules governing the commission.

Even a President of this Republic should not hold himself above the law and rely upon the numerical strength of political backing to validate his disregard of Federal statutes. There is little difference between the pernicious claim that "the king can do no wrong" and the equally pernicious doctrine that "the President may ignore a law which he expects others to observe."

Section 6 of the civil service act provides that "no person in the classified civil service of the United States shall be removed therefrom except for such cause as will promote the efficiency of said service, and for reasons given in writing, and the person whose removal is sought shall have notice of the same and of any charges preferred against him and be furnished with a copy thereof, and also be allowed a reasonable time for answering." President Harding has ignored the law in both appointments and removals. He has commissioned postmasters in violation of his own Executive order, as well as of the law, and has removed faithful employees in the classified service against whom no charges had been preferred and to whom no hearing was accorded. All of which goes to prove that while the law may not be repealed or the system abolished, one has become a travesty and the other a farce.

At the beginning of the present administration there were many promises made to carry out the civil-service policy inherited from the previous administration. Postmaster General Hays, in his first official statement, declared himself in favor of the merit method, against the spoils system. Later, in his annual report of 1921, he designated the Post Office Department as a purely business institution, which should be removed entirely and immediately from political control. He said: "You can not expect men and women to give good service if they are to be the shuttlecocks of politics. I have said, and I reiterate, that the postal establishment is most certainly not an institution for politics nor for profit, but an institution for service."

And he further declared that the first step in postal improvement "is to make certain that honest and efficient service shall be honestly recognized and that the merit system shall control without any subterfuge under any circumstances whatever."

That was the promise but it is necessary to consider the fulfillment to ascertain the sincerity of those who administer the law. While this theory was expounded by the Postmaster General, by and with the advice, consent, and knowledge of the President, let us look at the practice. As explained by a Senator from the President's home State and in his confidence, on page 6783 of the CONGRESSIONAL RECORD for 1922, it is this: "We have asked the successful candidate (for postmaster) to secure the indorsement of the Republican county committee, which is the body upon which the party must depend for its work back home."

Apologists for the policy of applying political tests to applicants for positions placed in civil service by President Harding's Executive order say that "it is hard to say how far the merit rule should go." The answer should be easy to any honest, oath-bound, law-abiding official. The rule should apply to those who are classified by law or Executive order. If certain positions are to be considered political, they should not be included with those who are entitled to protection of this law.

The proper extension of civil service was discussed by the First Assistant Postmaster General, Hon. John H. Bartlett, when he was president of the Civil Service Commission. He said: "The classified service should be extended to include positions, with few exceptions, which do not involve the determination of administrative policies and which are part of the permanent operating force of the Government, thereby making them available as rewards for exceptional talent developed

within the service, and also utilizing valuable experience in the lower grades. The exclusion of the administrative offices of real distinction and comfortable compensation from the legitimate ambition of employees operate not merely against careers in the service but against the appointment to positions of high responsibilities of the very person best qualified to fill them because of their training and experience. Heads of bureaus and local offices are appointed from the outside without expert knowledge and rarely serve more than two or three years, when they give place to others equally inexperienced. A wider application of the principle of filling the higher administrative positions by a system of promotion or appointment on merit would be distinctly in the interest of efficiency, stability, and standards in the personnel of the service."

That was high ground. But which positions pertain to the transaction of Government business, and which are concerned in the determination of administrative policies? Let Postmaster General Hays answer: "We expect to have political offices largely filled by members of the political party in whom we have voted to intrust the administration of our public affairs. But what are political offices and how far should the principle apply? Wise men will not propose that we carry it into the appointment of Army officers, nor in the appointments to technical or business positions. It is steadily growing in the minds of the public that if we are to have the most efficient Postal Service we must keep it as far as possible out of politics. This should be done." But he expresses a fear that the doctrine will have a long "fight for proficiency against plunder, of service against spoils."

Even the First Assistant Postmaster General has fallen from the high ground he took as president of the Civil Service Commission. Glance back over the sentiments expressed while acting in that capacity and read what he says now in an article printed in a recent issue of the Supervisory Bulletin. Explaining why certain positions should not be included in the operations of civil service law, he says that "an administration must surround itself with men and women whom it can trust, and when I say trust I mean trust with its secrets as well as its funds."

Of course, if an administration has secrets to be kept from the public, and desires postmasters who will transact secret business concerning only the party in power, it would be a serious mistake to let the law interfere. If the success of a faction is to be held above the welfare of the country, if service is to be sacrificed to spoils, and inexperienced officials are to be installed and paid to guard or utilize political secrets, then the President and the Postal Department may feel justified in treating the civil-service system as a farce.

But what about those restrictions against participation by postmasters of every class in political affairs which have been so rigidly enforced for several years? Are rules to be changed so that new appointees may take part in politics, or carry on the secret negotiations to which the First Assistant has alluded. If they are not to be changed, what is the object in taking energetic party workers and putting them in positions where all manifestations of political energy are expressly forbidden? Is their activity to be muzzled or to be secretly directed and utilized for the benefit of some faction to which they owe their appointments? That policy almost wrecked a party organization back in 1912.

No; the life of civil service is not threatened. But its natural force is abated. The respect once accorded the system is changing to ridicule. Its enemies are its keepers. Spoilsmen wear its colors. The law is becoming a travesty.

In so far as the filling of offices is concerned, involving the payment of public salaries for political services, the harm directly wrought by a prostitution of civil service is not so great as that which arises and spreads and grows from disregard of any law by those to whom its enforcement is intrusted. Contempt for one law breeds and fosters indifference to all laws and the Government and the taxpayers suffer accordingly.

[New York Times, January 8, 1923.]

FOULKE SAYS JOBS PAID FOR DRY LAW—ACCUSES ANTI-SALOON LEAGUE OF BUYING VOLSTEAD ACT WITH FEDERAL PATRONAGE—DENOUNCES ITS METHODS—NOW TRYING TO GET CIVIL SERVICE PROTECTION FOR CORRUPT ORGANIZATION. HE DECLARES—CHARGES "PARTY PLUNDER"—"CONGRESSMEN WANTED IT AND YOU LET THEM HAVE IT," HE SAYS IN LETTER TO NICHOLSON.

The charge that the Anti-Saloon League bought the Volstead Act with Federal patronage and that it was now attempting to put a corrupt prohibition organization under the protection of the civil service laws was made yesterday by William Dudley Foulke, vice president of the National Civil Service Reform League. Mr. Foulke's charge was contained in a letter to S. E. Nicholson, secretary of the Anti-Saloon League.

After Mr. Foulke made an attack on the Anti-Saloon League a short time ago in a speech, Mr. Nicholson wrote to him that neither the Anti-Saloon League nor any other agency at the time the Volstead law was passed "could have got into that law a civil-service provision, and for the league to have forced the issue would have been to jeopardize the passage of the enforcement bill." Mr. Foulke retorted in his letter that a provision exempting the prohibition officers from the civil service law had been inserted in the law and supported by the league.

"The plain fact is that the Congressmen wanted the plunder and you let them have it," wrote Mr. Foulke. "All we wanted was no provision at all and your explanation puts the league in a far worse position than what you say I charged, for you admit that its members, although knowing the Congressmen's views were wrong, yielded to them to get the bill passed. That means that you bought the bill with congressional patronage and paid for it not with your own money but, far worse, with offices paid for out of taxes levied upon the people. I do not at all suppose you understood the immorality of that act, but in any reasonable system of ethics it was far more indefensible than opposing the civil service law."

NO MOVE MADE FOR A CHANGE.

"Your league is not like an ordinary political organization which can compromise and give and take what it will for the sake of expediency, but you are professedly engaged in accomplishing a great moral reform, and this can not be done through immoral means. And even if you could not get your bill through except by excluding appointments from the classified service, you could at least have declared that you were not cooperating with that part of the bill and did not approve of it."

"Even if it were contended that the end justified the means, the league should have done its utmost to have this iniquitous provision

removed and appointments placed under civil service rules as soon as possible. Many years have passed since that time. What have you done? We have repeatedly sent our representative to confer with enforcement officers and have drafted a bill providing for the classification and reexamination of all persons in this branch of the service, yet you never lifted a finger to stay the abuses you had created and to substitute a nonpolitical system for the party plunder you had introduced."

"When the Wilson administration closed and the Republicans came into power, and when the maxim 'turn the rascals out' was more deservedly applied to the enforcement bureau than I ever knew it applied before, would not that have been a good time to substitute nonpolitical and competitive tests for the appointment of those who were to succeed the men dismissed? Yet you never budged."

CHARGES OPEN VIOLATIONS.

"I could give you lists by the score of subordinates involved in frauds. Liquor is openly sold in some of the largest New York restaurants and other public places in the country, and statements made as to how much is paid to the inspectors for permission to make these sales. Liquor is imported daily in enormous quantities from the Bahamas, Canada, and elsewhere in violation of the law. The service is corrupted from top to bottom by a set of depraved political officials appointed under the spoils system which you promoted. Even those who seem anxious to enforce the law are so ignorant and inefficient that they make illegal searches and arrests in violation of the fourth amendment to the Constitution, as recently decided by one of our Federal courts."

"I have been for many years in a very small way a contributor to your organization. I believe that national prohibition, if adequately enforced, would be a great benefit to the families of workmen and others who have suffered from the evils of intoxication, but in view of your past course I am entirely through with you and believe that you have brought nothing but discredit upon the cause you support and that some better organization ought to take your place."

Referring to the bill providing that the field service and prohibition agents should be transferred to the classified service without further examination, Mr. Foulke said the bill was supported by the Anti-Saloon League. "That would include in the classified service every derelict whom the bureau now has in its employ," said Mr. Foulke. "No test of their qualifications was to be imposed. If the bureau had a decent, efficient service now, that might do, but with the corrupt gang that now fills the positions this provision would only render more permanent the present abuses."

Mr. Foulke also made public Mr. Nicholson's reply, in which the secretary of the Anti-Saloon League said he could not agree in condemning prohibition enforcement wholesale. "Of course, it is true that congressional and political pressure has kept some people on the pay rolls of the enforcement office who have failed to do their duty and perhaps have been corrupted," said Mr. Nicholson. "The department has made remarkable headway in getting rid of a good many of these people, even in the absence of the civil-service provision."

Mr. NORRIS. Mr. President, as a Member of Congress I have, in my weak way, always tried to defend the principle of civil service. I have charged several times, the last time just the other day, that both of the great political parties had violated their pledges made to the people in their various platforms when they went into office.

I do not want to sit quietly here and have any intimation go out that my civil-service belief is of a partisan nature. Reference has been made to the silence of those who pretend to believe in civil service. I want to call attention to the fact that when Mr. Wilson was first elected to the Presidency, or some time after that, I called the attention of the Senate to what took place in the Government Printing Office. I charged the Democratic administration with a violation of the spirit as well as the letter of the civil service law, particularly as it applied to the Government Printing Office. I thought I established the fact by direct evidence.

At that time, both before and after the disclosures which I put into the RECORD, I had had consultations with members of the Civil Service Commission, one of whom was a Democrat and one a Republican. What I said was partially, at least, the outcome of conversations I had with members of the commission, who, without regard to politics, had agreed with me that there had been a very flagrant violation of the civil service act. I complained again during President Wilson's administration, while Mr. Burleson was Postmaster General, as it applied to the post office. I did the same thing the other day, and it was not the first time I did it under a Republican administration, when I charged that the Republican administration was not, in my judgment, carrying out the spirit of the civil service law.

We will not get very far in defending the civil service law unless we shall be just as anxious to expose the violation of the spirit of that act when our party is in power as we would be when the opposite party is in power. I said the other day that in the filling of the post offices I believed my own party had gone farther astray than the preceding administration, at least as far as the post offices were concerned.

I have listened to what the Senator from Arkansas has said and what the Senator from Utah has said about what has happened in the Bureau of Engraving and Printing. I was very much shocked when the Executive order was originally made, and it seemed to me that order could not have been made and would not have been made by any sane man unless there was some reason to back it up.

I know that the Senator tells the truth when he says that there was a rumor afloat, more or less certain, that some wonderful disclosures of corruption were going to take place and

that the President, to head off a very bad condition of affairs, had removed all these officials in the Bureau of Printing and Engraving and put in others. No other condition would have justified the order of the President.

I concede that the President ought to have issued the order if he was satisfied, upon investigation, that the things that were rumored to be going on were in reality taking place in that bureau. We were given to understand, for instance, by various rumors, that it would be disclosed later that these officials who were removed had been guilty of all kinds of indiscretions and even crimes.

One rumor that persisted, and was repeated over and over, was that a great many Liberty bonds had been issued illegally from the bureau and were in circulation. All Senators have heard those reports. I was one who believed that the President would not issue the order unless he at least conscientiously believed that there was some foundation for it, and I am not willing yet to give up that theory.

Mr. ASHURST rose.

Mr. NORRIS. I will yield to the Senator in just a moment. I was shocked when the order came, because I believed, without having any knowledge of it except my belief that no official would issue such an order without foundation for it, that without doubt investigation would disclose that the order was rightfully issued. It appears now that the order was not rightfully issued, that the charges made against the discharged civil-service people was unfounded; and, at least so far as I am able to see now, that is the fact. The article which the Senator from Arkansas read is undoubtedly one which came from administration sources, and discloses that fact. That has been only a few days ago. The President has not had time probably to realize just what a mistake has been made. I believe with the Senator from Arkansas that he must have been very badly advised. Of course he could not make a personal investigation, but he believed he was justified in issuing the order. We ought to give the President sufficient time, it seems to me, after the facts are disclosed, to enable him to rectify the wrong.

I yield now to the Senator from Arizona.

Mr. ASHURST. The Senator from Nebraska stated that one of the reasons given for the discharge of the employees in the civil service was the rumor at that time that there had been issued a duplication of Liberty bonds.

Mr. NORRIS. Yes.

Mr. ASHURST. Within four or five days after the order was issued dismissing those employees I called upon what in common parlance we term the Secret Service, but which in law is the Bureau of Investigation, and was assured that the idea of an issuance of duplicate or illegal or fraudulent Liberty bonds was absurd; that no Liberty bonds had been duplicated; that it was impossible to make an approach toward issuing spurious Liberty bonds; that not only were the individual finished bonds duly accounted for, but that even every square inch of the paper upon which a bond could be printed was so guarded and accounted for by a series of locks, keys, and combinations and inspections that it would be beyond the range of possibility for the Bureau of Printing and Engraving to print and issue spurious or unauthorized Liberty bonds.

Mr. NORRIS. I have made no investigation myself. I am glad to get the contribution of the Senator from Arizona. But I still feel and I have felt all the time that even though the President were wrong he acted from a good motive. I dislike very much to cast an aspersion upon Government officials. Why, Senators, does any one realize the seriousness of the aspersion which, indirectly at least, through all these rumors was cast upon these employees of the Government? A crime that is abhorrent almost must have been committed if the rumors were true. I can well see how faithful, honest men, like the one who it is said died of a broken heart, would feel as though all of the ideals of life had passed away, and that he would even lose his mind or that he would die as a result of the cruelty which must have come upon him if in fact he was innocent.

I can not conceive of much lower degradation to which a human being could be put than to utilize a false charge against a fellow citizen, which, if true, would be a crime of the worst nature, for the simple purpose of getting that person out of office and getting himself in. If that kind of trick has been accomplished through the President being wrongly advised, the President will not make it right by simply restoring these people to their rights, but it will be his patriotic duty to punish to the utmost those who have been guilty of practicing that kind of a fraud upon him. If anyone, through that sort of method, has succeeded in getting his name upon the pay roll of the Government of the United States, it ought to be removed immediately.

I take it that the suggestion contained in the article which the Senator from Arkansas has read, even if carried out according to its intent, would not be a full compensation for the persons who have been removed. It would still be an injustice when it is ascertained that the charges were wrongfully made and that the people who were removed by the order were in fact honest and efficient, because it would not put them back where they ought to be to simply put them back on the eligible list and let them begin again at the foot of the ladder, where some of them commenced 20 or 25 or 30 years ago.

Mr. CARAWAY. Mr. President, may I interrupt the Senator? Mr. NORRIS. Certainly.

Mr. CARAWAY. The issuing of an Executive order restoring the eligibility of three ladies who were dismissed is an admission that they were entitled to exoneration, is it not?

Mr. NORRIS. Yes; it would seem that way to me.

Mr. CARAWAY. Then justice has not been done in that way when they are merely put back to work.

Mr. NORRIS. No; justice has not been done to them. If we are going to proceed in that way, it would still leave the way open to discharge officials of the Government when they had by good service mounted the ladder and occupied positions of responsibility and increased salaries. It would be no full justice if we said to them, "We are mistaken. You are honest. You are all right. We will put you back at the foot of the ladder, where you can start again." That would not be fair. That would be going some distance toward justice, but it would not be all the Government of the United States ought to do with any of its officials.

Mr. DIAL. Mr. President, will the Senator yield?

Mr. NORRIS. Certainly.

Mr. DIAL. I would say to the Senator that in my State there was a postmaster who had been in the service 39 years and who stood highest in the examinations, and yet he was not appointed, but a man who had no experience whatever was appointed in his place.

Mr. NORRIS. While there may be some reason not apparent why that was done, it does not approach the thing we are considering here. A postmaster is appointed for a specific term; and there are many who believe, no matter how efficient he may be, that he should retire at the end of the term if another party is in power. I do not agree with that, but a lot of honest men believe in it.

But here is a different proposition. These men and women were actually under civil service. They were removed by an arbitrary order, without trial and without a hearing. That is sometimes necessary, but after it is done they ought to have a hearing immediately. If they have been wronged, they ought to be put back in the identical place from which they were removed.

I do not know how long the knowledge has existed which is published in the paper. It was in the paper of January 23, only yesterday; and I can not help believing yet that if it is a correct statement of the situation—and I take it that it is—the President will do ample justice to the people who have been removed, because I can not get away from the idea that he has been deceived by somebody. If he does full justice, he will not only restore these people to their places but will punish those who have been guilty of practicing the imposition upon him.

I will say to the Senator from Arkansas that if this is not done, I will join with him any time in seeking a full and complete investigation in any honest, fair way. If he has a resolution now slumbering in the pigeonholes of a committee, and will make a motion to discharge the committee, I would be glad to do what little I could to help him either have the committee report the resolution or have the committee discharged and the resolution put on the calendar.

Mr. CARAWAY. Mr. President, may I interrupt the Senator again?

Mr. NORRIS. Certainly.

Mr. CARAWAY. I certainly appreciate the Senator's statement, and I know he will do it. If the President, then, does not quickly act, I shall invoke the aid of the Senator in getting some kind of action.

Mr. NORRIS. I honestly think, I will say to the Senator, that the matter ought not to be permitted to stop where it is. It seems to me on the face of it now that an injustice has been done of a very serious and grievous nature. If these people were guilty, then the public ought to know it and everybody ought to know it. If they were not guilty, as appears from the article that they are not, and some of them have already been reinstated in a lower grade, then the public ought to know just exactly how and why the wrong came about.

Mr. CARAWAY. That is what I particularly wanted to appeal to the Senator's high sense of honor about, that if the

women who were removed were not guilty, because an order has been issued to restore them to the eligible list and to put them to work at very much reduced pay, they ought to have a forum where they can go, together with the rest of the employees involved, and vindicate themselves. There ought to be some power somewhere to put them back from whence they came.

Mr. NORRIS. Under the civil service law, as I understand it, where the head of a department—though in this case it is beyond the head of the department, because the President removed them—removes some one and thinks it is necessary to remove them arbitrarily and at once without investigation, then after it is done it becomes the duty of the official to make an investigation. I can see how it would be true in this case if these people were guilty of any of the things that rumor said they were guilty of, that they ought to have been removed instantly.

Mr. CARAWAY. And arrested.

Mr. NORRIS. But there ought to have been immediately an investigation made to disclose whether or not there was anything wrong about the removal. In other words, they ought to have been given an opportunity to be heard. One of the fundamental principles of American jurisprudence is that no man shall be convicted without he has an opportunity to appear in his own defense and face the witnesses against him and have a proper investigation made. That right ought to be accorded to every one of these people. If the President has been imposed upon, as I am inclined to think he has been, he ought to take the lead in seeing that they are vindicated and that those who were guilty of the imposition are properly punished.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhulse, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Wood of Indiana, Mr. Wason, Mr. Dickinson, Mr. Byrns of Tennessee, and Mr. Griffin were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 11626) to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La.

The message further announced that the House had passed a joint resolution (H. J. Res. 314) proposing an amendment to the Constitution of the United States, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bill and joint resolution, and they were thereupon signed by the Vice President:

H. R. 11626. An act to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La.; and

H. J. Res. 261. Joint resolution for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

INDEPENDENT OFFICES APPROPRIATIONS.

Mr. WARREN. I ask the Chair to lay before the Senate the action of the House of Representatives on House bill 13696.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist on its amendments, grant the request of the House for a conference on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. WARREN, Mr. SMOOT, and Mr. HARRIS conferees on the part of the Senate.

HOUSE JOINT RESOLUTION REFERRED.

H. J. Res. 314. Joint resolution proposing an amendment to the Constitution of the United States was read twice by its title and referred to the Committee on the Judiciary.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 24, 1923, the President approved and signed the following acts:

S. 3177. An act declaring a portion of the West Fork of the South Branch of the Chicago River, Cook County, Ill., to be a nonnavigable stream;

S. 4031. An act to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county;

S. 4032. An act granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 5, township 30 north, and section 32, township 31 north, range 13 east of the third principal meridian;

S. 4033. An act granting the consent of Congress to the State of Illinois, department of public works and buildings, division of highways, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River, in the county of Kankakee, State of Illinois, between section 6, township 30 north, and section 31, township 31 north, range 12 east of the third principal meridian;

S. 4069. An act to authorize the construction of a railroad bridge across the Colorado River near Yuma, Ariz.;

S. 4096. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the enunciation of the Monroe doctrine;

S. 4131. An act granting the consent of Congress to the city of Sioux City, Iowa, and to Union County, in the State of South Dakota, to construct, maintain, and operate a bridge and approaches thereto across the Big Sioux River at a point about 2½ miles north of the mouth of said river, between section 14, township 89, range 48, Woodbury County, Iowa, and section 15, township 89, range 48, Union County, S. Dak.;

S. 4133. An act granting the consent of Congress to the State of North Dakota and the State of Minnesota, the county of Pembina, N. Dak., and the county of Kittson, Minn., or any of them, to construct a bridge across the Red River of the North at or near the city of Pembina, N. Dak.; and

S. 4172. An act to authorize the building of a bridge across the Great Pee Dee River in South Carolina.

DISTRICT OF COLUMBIA APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed consideration of the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes.

The VICE PRESIDENT. Without objection, the amendment striking out lines 23 and 24, on page 91, is agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, under the subhead "Buildings and grounds," on page 92, after line 18, to strike out:

For improvement and care of public grounds, District of Columbia, as follows:

For improvement and maintenance of grounds south of Executive Mansion, \$4,000.

For tool shed and store yard for equipment used at the Executive Mansion and in the grounds south of the Executive Mansion, \$1,000.

For ordinary care of greenhouses and nursery, \$2,000.

For repair and reconstruction of the greenhouses at the nursery, \$3,000.

For ordinary care of Lafayette Park, \$2,000.

For improvement and ordinary care of Franklin Park, \$1,500.

For improvement and ordinary care of Lincoln Park, \$2,000.

For care and improvement of Monument Grounds and annex, \$7,000.

For improvement, care, and maintenance of Garfield Park, \$2,500.

For construction and repair of post-and-rail fences; repair of high iron fences, constructing stone coping about reservations, painting watchmen's lodges, iron fences, vases, lamps, and lamp posts; repairing and extending water pipes, and purchase of apparatus for cleaning them; hose; manure, and hauling same; removing snow and ice; purchase and repair of seats and tools; trees, tree and plant stakes, labels, lime, whitewashing, and stock for nursery, flowerpots, twine, baskets, wire, splints, and moss, to be purchased by contract or otherwise, as the Secretary of War may determine; care, construction, and repair of fountains; abating nuisances; cleaning statues and repairing pedestals, \$18,550.

For improvement, care, and maintenance of various reservations, including office rent, the maintenance, repair, exchange, and operation of three motor-propelled passenger-carrying vehicles to be used only for official purposes, and the operation, maintenance, repair, and exchange of motor cycles and bicycles for division foremen, \$40,000.

For improvement, care, and maintenance of Smithsonian grounds, \$4,000.

For improvement and maintenance of Judiciary Park, \$2,500.

For laying cement and other walks in various reservations, \$3,500.

For broken-stone road covering for parks, \$10,000.

For curbing, coping, and flagging for park roads and walks, \$2,000.

For care and improvement of Rock Creek Park and the Piney Branch Parkway, \$30,000.

For improvement, care, and maintenance of West Potomac Park, including grading, soiling, seeding, planting, and constructing paths and roads, \$30,000.

For oiling or otherwise treating macadam roads, \$8,000.

For care and improvement of East Potomac Park, \$35,000.

For the maintenance of a tourists' camp in East Potomac Park, \$5,000.

For care, maintenance, and improvement of Montrose Park, \$5,000.

For placing and maintaining special portions of the parks in condition for outdoor sports, \$20,000, payable wholly out of the revenues of the District of Columbia.

For improvement, care, and maintenance of Meridian Hill Park, \$25,000.

For care and maintenance of Willow Tree Park, \$1,500.

For care of the center parking on Maryland Avenue NE., \$1,000.

For operation, care, repair, and maintenance of the pumps which operate the three fountains on the Union Station Plaza, \$4,000.

To provide for the increased cost in park maintenance, \$50,000.

For care of the center parking in Pennsylvania Avenue between Second and Seventeenth Streets SE., \$2,500.

Tidal Basin bathing beach: For purification of waters of the Tidal Basin and care, maintenance, and operation of the bathhouse and beach, \$12,000.

For care and maintenance of Mount Vernon Park, \$1,000.

For purchase and repair of machinery and tools for shops at nursery, and for the repair of shops and storehouses, \$1,000.

And in lieu thereof to insert lines 1 to 7, inclusive, on page 96, in the following words:

For improvement and care of public grounds in the District of Columbia, including foremen, gardeners, mechanics, laborers, office rent, maintenance, repair, exchange, and operation of not to exceed three motor-propelled passenger-carrying vehicles, and the maintenance, repair, exchange, and operation of motor cycles and bicycles for division foremen, \$348,750.

Mr. PHIPPS. I suggest that the three paragraphs following should be considered as one amendment with that just stated.

The VICE PRESIDENT. In the absence of objection, it will be so considered.

The READING CLERK. It is also proposed to insert the following paragraphs as an amendment on page 96, beginning in line 8:

For placing and maintaining special portions of the parks in condition for outdoor sports, \$20,000.

For operation, care, repair, and maintenance of the pumps which operate the three fountains on the Union Station Plaza, \$4,000.

For purification of waters of the Tidal Basin and care, maintenance, and operation of the bathhouse and beach, \$12,000.

Mr. McKELLAR. Mr. President, I wish again to voice a protest against this method of legislation. For a number of years both the House of Representatives and the Senate have been trying to get away from lump-sum appropriations. I do not believe that there is any poorer way to legislate than by so-called lump-sum appropriations, merely turning a very large sum of money over into the hands of a department and telling them to spend it as best they can, without any restriction or limitation. That is what is proposed to be done here.

It will be noted that in the House provision beginning on page 92 and running down to the bottom of page 95, the uses to which the money is to be appropriated are specifically set out. That character of legislation has been found wise from time to time heretofore, and it certainly ought to be continued. Of course, the Republican majority in the Senate is so large that they will no doubt indorse these lump-sum appropriations as they have been reported by the committee.

I served in the other branch of Congress for a number of years; I know what views were then held there in reference to lump-sum appropriations; and I believe, from the form in which the pending bill came from that body, Members of the House still have the views which they then held in reference to lump-sum appropriations. I sincerely hope that the House conferees will stand up for their views on this subject and will prevent this method of lump-sum appropriations.

I sometimes think it would be better, instead of attempting to impose any limitation, to turn the entire appropriation carried in the bill over into the hands of the District Commissioners and say, "Boys, here are the millions for which you ask; go ahead and do the best you can with the city government." If we should pursue that course, I do not know but that we should have a better city government than under the method we are now pursuing.

Mr. President, if no one else wishes to discuss the matter, I am going to ask for the yeas and nays on the amendment, because I think it involves a principle of such importance that we ought to have a record vote of the Senate in reference to it.

Mr. KING. Mr. President, before the Senator from Tennessee asks for the yeas and nays, I should be very glad if the Senator from Colorado [Mr. PHIPPS] would explain what items in the House bill are comprised within the aggregate

appropriation of \$348,750 as found on page 96, line 7, and whether any of the remaining amendments which are found on pages 96 and 97 comprise new matter?

Mr. PHIPPS. I will say to the Senator, as stated this morning when the question came up, the item in the last two lines, on page 91, and the items beginning with line 19, on page 92, and running down to the end of page 95, have been consolidated into four paragraphs, beginning at the top of page 96.

Mr. KING. If the Senator will pardon me—

Mr. PHIPPS. Yes.

Mr. KING. I notice on page 95 an appropriation of \$12,000 for the Tidal Basin Bathing Beach. Is that a different item from the item which is found on page 96 proposing to appropriate \$12,000 for the purification of the waters of the Tidal Basin?

Mr. PHIPPS. It is the same item, there being merely a change in the language. It was thought advisable to keep that item separate from the others, and also the items "For placing and maintaining special portions of the parks in condition for outdoor sports," and the item "For operation, care, repair, and maintenance of the pumps which operate the three fountains on the Union Station Plaza." The other items stricken out of the House bill are included in the first paragraph on page 96.

Mr. KING. I should like again to ask the Senator from Colorado whether the total of \$348,750 is less or more than the aggregate of the other items to which he has referred?

Mr. PHIPPS. It is \$12,000 more. In the item approved by the House in the language stricken out on page 94, lines 1 to 6, we allowed the Budget estimate of \$50,000, instead of \$40,000; and in the item on line 21, page 94, we allowed the Budget estimate of \$10,000, instead of \$8,000. So there is an increase of \$12,000 in all in those two items.

Mr. KING. Let me ask the Senator, why did the committee increase the appropriation of \$40,000, which is found on page 94, line 6, of the bill as it came from the other House?

Mr. PHIPPS. Because it was the judgment of the subcommittee and of the full Appropriations Committee that the amount allowed for the various items, including office rent, maintenance, and so forth, of various reservations throughout the city was inadequate. As the Senator from Utah knows, there are over 600 such reservations, and the appropriation was deemed insufficient to enable them to be properly maintained. The committee thought that the judgment of the Budget Bureau that the amount should be \$50,000 was correct, and that the action of the House in paring that appropriation down to \$40,000 was not in line with our view of what should be allowed for the work.

Mr. KING. How does the Senator differentiate a reservation from a park? He says there are a large number of reservations, six hundred odd—

Mr. PHIPPS. Yes.

Mr. KING. What distinction does the Senator make between reservations and parks?

Mr. PHIPPS. To illustrate, the four blocks in the northeast section comprising Lincoln Park are properly called a park, whereas the triangular spaces created by the intersection of streets running at angles are called reservations; and likewise where circles are formed, such as Scott Circle, Thomas Circle, and Du Pont Circle, those circular spaces are called reservations. The larger areas, of course, are definitely set aside for park purposes.

Mr. KING. Who controls the reservations?

Mr. PHIPPS. These public grounds are under the jurisdiction and supervision of the Superintendent of Public Buildings and Grounds, that position now being held by Colonel Sherrill.

Mr. KING. Do I understand that the reservations and the parks and all of the grounds of the public buildings—for instance, the Agricultural Department and others—are under the jurisdiction of Colonel Sherrill?

Mr. PHIPPS. That is correct; yes.

Mr. KING. And Rock Creek Park?

Mr. PHIPPS. Rock Creek Park is also under his jurisdiction.

Mr. KING. None of these reservations or parks is under the control of the District Commissioners or any agency directed by them?

Mr. PHIPPS. None whatever; they are all under the jurisdiction of Colonel Sherrill at the present time, and he is known in that capacity as the Superintendent of Public Buildings and Grounds.

Mr. KING. Have there been brought under one heading or under one appropriation all of the items that would be involved in caring for public buildings and grounds, including parks and reservations, or are they scattered all through this bill and other bills?

Mr. PHIPPS. The building, for instance, used for administrative purposes for the city government, known as City Hall, is provided for in this bill separately; the building occupied by the Supreme Court of the District of Columbia is likewise provided for by the bill separately; and that is also true of the Municipal Court Building.

Mr. KING. My recollection is that in the independent offices appropriation bill which was passed a few days ago appropriations were carried for the care of some of the public buildings and grounds.

Mr. PHIPPS. That is true; but those were not District of Columbia buildings, but buildings such as those of the Interior Department and other departmental buildings.

As to the Agricultural Department Building, concerning which the Senator spoke, I thought he had reference to the grounds surrounding that building. Of course, for the upkeep of the building, which is the executive office of the Department of Agriculture, provision is made in a different bill, because that has nothing to do really with a District of Columbia activity.

Mr. KING. Then, as I understand the Senator the bill now before us carries appropriations for the maintenance and care of all reservations and all parks, including Rock Creek Park, and all of the grounds of the executive departments or bureaus or agencies, but not for the buildings of those departments?

Mr. PHIPPS. I am advised that provision for the care of the grounds surrounding the Agricultural Department does not come under this bill but under the independent offices appropriation bill, and also provision for Potomac Park and one or two other large reservations and parks.

Mr. KING. May I inquire of the Senator—because I have great confidence in his ability, and I know that he has addressed himself to these measures with a fidelity and zeal which merit the compliment and commendation of all—whether he has considered, or the committee have considered, the wisdom and propriety of transferring all these parks and grounds to the custody and care of the District Commissioners and taking them away from military or semimilitary control?

Mr. PHIPPS. They belong to the Government. We could not do that. We could not give the District officials control over this Federal Government property, and, certainly, it would not be proper to put it in any appropriation bill. That would have to come through a legislative bill. It is legislation.

Mr. KING. I appreciate that. It has occurred to me, I will say, that it would be in the interest of economy if the same agencies that care for the streets cared for the public parks and grounds; and that it would make for economy, and perhaps for a more satisfactory result in the beautification and development of these parks, etc., if they were all under one head; if the person or agency that handled the streets and the sidewalks controlled the parks and the public grounds. Some time ago I introduced a bill for that purpose, because it did seem to me that this divided responsibility was bound to increase the expenses, and would not secure as good results.

Mr. McKELLAR. Mr. President, I want to ask the Senator if the only purpose of the change of the House language is to consolidate those items?

Mr. PHIPPS. Absolutely; yes.

Mr. McKELLAR. Will the Senator point out where in the House amendments occur the words found on lines 2 and 3 of the amendment, "including foremen, gardeners, mechanics, laborers"?

Mr. PHIPPS. Page 91, lines 23 and 24, the first amendment that is taken into account—\$31,200 in that item.

Mr. McKELLAR. I will ask the Senator if it is not true that under this amendment the provision, for instance, "For care and improvement of Rock Creek Park and the Piney Branch parkway, \$30,000," can be used by the commissioners for that purpose or for any other of the various purposes cited on pages 93, 94, and 95?

Mr. PHIPPS. Yes; that could be done.

Mr. McKELLAR. In other words, instead of limiting to \$40,000 the amount "For improvement, care, and maintenance of various reservations, including office rent, the maintenance, repair, exchange, and operation of three motor-propelled passenger-carrying vehicles to be used only for official purposes, and the operation, maintenance, repair, and exchange of motor cycles and bicycles for division foremen," they would have the right to appropriate any amount within the \$343,750 for that purpose?

Mr. PHIPPS. That is correct.

Mr. McKELLAR. And, for instance, instead of improving and caring for and maintaining the Smithsonian grounds by expending \$4,000 on them, as provided by the House measure,

they would have the right not to spend a cent on those grounds? In other words, it is just left to their discretion?

Mr. PHIPPS. Yes; that is correct.

Mr. McKELLAR. I will take another one:

For care and improvement of East Potomac Park, \$35,000.

That is a very worthy appropriation, and it is very proper that the Congress should determine that that park should be improved; but under the Senator's amendment the commissioners would have a perfect right to spend that \$35,000 for passenger-carrying vehicles, if they saw fit, or for any other purpose they desired?

Mr. PHIPPS. There they would not have that right. That is to say, they could spend it for the maintenance or upkeep of them, yes; but not for the purchase of them.

Mr. McKELLAR. The Senator knows that they can switch them around and have as many as they want.

I call attention to another thing:

For placing and maintaining special portions of the parks in condition for outdoor sports, \$20,000.

By the way, it provides there that it shall be "payable wholly out of the revenues of the District of Columbia"; but that will not be provided for, and that will be changing the matter entirely, will it not?

Mr. PHIPPS. It would; and that point came up for discussion yesterday afternoon in connection with another item, at which time I called attention to the fact that, all told, the five or six activities which have been charged entirely to the District of Columbia the Senate committee feels should now go on the 60-40 basis, the same as other expenditures, and stated the reasons for that opinion.

Mr. McKELLAR. Yes; but we are changing law when we strike that out. We are changing the provisions of law, and I think it is really subject to a point of order, strictly speaking.

Mr. PHIPPS. I should have to take issue with the Senator on that statement.

Mr. McKELLAR. The Senator may be right about it, because I do not know whether I am right about parliamentary law or not. I never make an assertion about it, or at least I never make it without the reservation that I may be wrong about it. I am not sufficiently familiar with it to be accurate in my statement about it. However, here is an item reading:

To provide for the increased cost in park maintenance, \$50,000.

The commissioners can spend it for that or they can spend it for any of the other purposes mentioned herein and not spend a cent for that. Is not that true? How does that make for good legislation?

Mr. PHIPPS. They could, but we know they are not going to do that.

Mr. McKELLAR. Why not just turn over to them the lump sum and tell them to do the best they can with it? Why put any limitations on it if you do not put on a reasonable limitation? The Senator and his committee constantly rely on the Budget. Did the Budget recommend that these amounts be put in lump sums and not itemized? Did not the Budget itemize them? When the Budget recommended them, did they not recommend them as items?

Mr. PHIPPS. The Budget recommended them as items.

Mr. McKELLAR. Then the committee is going beyond its recommendation in consolidating them?

Mr. PHIPPS. The dictum of the Budget is not conclusive on the United States Senate.

Mr. McKELLAR. Oh, of course, it is not; and that is just what I have been urging for some time. I did not think you gentlemen intended to stand by it when you passed the Budget law; and most of the time now you refer to the Budget, not for the purpose of cutting down the expenditures but for the purpose of giving an excuse for increasing expenditures. I called the Senator's attention just a few moments ago to an item that was increased, where the provision for passenger-carrying vehicles and other things was put at \$40,000 by the House and increased to \$50,000 by the Senate.

Mr. PHIPPS. Yes.

Mr. McKELLAR. You then referred to the Budget as being your authority for it. You said that the Budget allowed \$50,000 instead of \$40,000, and you conformed to the Budget. Now, however, when you are asked about consolidating, and asked if the Budget provided for consolidation, you say no, and that you ought not to be bound by the Budget. When are you bound by the Budget and when are you not bound by the Budget?

Mr. PHIPPS. Mr. President, I call the Senator's attention to one item that we passed last night, where the Budget approved \$40,000 in a school item and the Senate committee made it \$25,000 on information that we had.

Mr. McKELLAR. I think for the committee to attack schools in reducing the Budget is a very, very poor point of attack. I want to say that if the Budget were going to be attacked I would never attack it on its appropriations for schools. I doubt very much whether we appropriate enough for schools. If the committee made the recommendation reducing the amount from \$40,000 to \$25,000 I think the committee made an error, and I would not support the committee in that contention.

Mr. PHIPPS. Mr. President, I have sat in committee with the Senator, and he knows the method of procedure. That regarding this bill is similar to that regarding the Post Office bill. The Senate committee obtains independent information for itself, supplementing information collected by the House committee and information obtained by the Budget. To say that we are criticizing the Budget because we change an item, and do not accept its findings, is not justifiable. That is not necessarily a criticism of the Budget. The Budget is useful as a guide, and has been efficient, and has enabled us to effect economies and make savings; but it does not take the place of the work that is performed in the committees of the Senate.

Mr. McKELLAR. Since the Senator has referred to the method which is pursued by the heads of departments, I will state that under the Budget law the heads of departments are prohibited from coming before committees of Congress and seeking to change the findings of the Budget; and, yet, in all the bills with which I have had anything to do since I have been here we find the heads of departments and officials of departments coming before the committee seeking to change the Budget recommendations whenever those recommendations are thought to be against the department.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. McKELLAR. Just one moment. I say that if we are going to have a Budget we ought to stand by it. If we have a prohibition in the Budget law against officials of the departments coming up and undertaking to set aside the findings of the Budget we ought to carry out those provisions and we ought to force the heads of departments and officials of departments to conform to that law. I want to say to you that from my observation this year in appropriation bills, in so far as the Budget is concerned, you are making it a laughingstock and a matter of ridicule; and after this year, if we continue as we have started, we are going to find that nobody, either in the departments or out of the departments, will pay any attention to the Budget. If a budget system were properly carried out and if the Congress were to stand by it it would result in an immense saving to the people of the United States; but, conducted as the present Budget system is being conducted, as soon as a department official finds that some little matter or some big matter connected with the appropriation is not satisfactory to him, if he is allowed to run up to the committee and say, "Oh, the Budget did not give us enough here, and we want more," it means nothing in the world, and we might just as well repeal the Budget law.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. PHIPPS. I asked the Senator to yield a few moments ago for the purpose of making the statement and calling his attention to the fact that in no single instance has any representative of a department or a bureau, during the consideration of this bill, been allowed to ask for more than the Budget had approved. I can say without fear of contradiction that during the consideration of this bill the rule has been absolutely enforced. They are precluded from asking for increases of salaries or increases in the amounts approved by the Budget. The Senator proceeds to set up a straw man and get very much worked up over some supposition when the facts do not exist.

Mr. McKELLAR. Oh, no. We belong to the same committee.

We have seen these officials come in and ask for increases. The Senator recalls it in the case of the post-office subcommittee. I heard a Senator who was a member of the Committee on Appropriations say that they had done it in other subcommittees, and warn our subcommittee against it. The Senator recalls the statement. Of course it is being done; but now I want to ask the Senator by whom was the provision at the top of page 96 prepared?

Mr. PHIPPS. It was prepared by the clerks of the Appropriations Committee.

Mr. McKELLAR. At whose suggestion?

Mr. PHIPPS. It was not at any suggestion other than their own in the interest of efficiency, as I am informed and believe; and it was brought to my attention by them, and not by any official of the District.

Mr. McKELLAR. Mr. President, I submit that this kind of legislation is improvident. It makes for inefficiency in the

control of the Government funds, and I ask for the yeas and nays on the amendment of the committee.

The yeas and nays were ordered.

The VICE PRESIDENT. The Secretary will report the amendment.

Mr. PHIPPS. The item at the foot of page 91, lines 23 and 24, is necessarily involved, and it should be reconsidered. That amendment was approved. Senators will understand that that is included in the present motion.

The VICE PRESIDENT. The amendment on page 91 was agreed to.

Mr. PHIPPS. That is included in the item now under consideration, and I request that the vote by which that amendment was approved be reconsidered.

The VICE PRESIDENT. Is there objection to the reconsideration of the vote by which the amendment at the bottom of page 91 was agreed to? The Chair hears none, and it is reconsidered.

The Secretary will state the pending amendment.

The READING CLERK. Strike out from line 19, page 92, to line 25, page 93, and at the top of page 96 insert:

For improvement and care of public grounds in the District of Columbia, including foremen, gardeners, mechanics, laborers, office rent, maintenance, repair, exchange, and operation of not to exceed three motor-propelled passenger-carrying vehicles, and the maintenance, repair, exchange, and operation of motor cycles and bicycles for division foremen, \$343,750.

For placing and maintaining special portions of the parks in condition for outdoor sports, \$20,000.

For operation, care, repair, and maintenance of the pumps which operate the three fountains on the Union Station Plaza, \$4,000.

For purification of waters of the Tidal Basin and care, maintenance, and operation of the bathhouse and beach, \$12,000.

The VICE PRESIDENT. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I transfer my pair with the junior Senator from West Virginia [Mr. ELKINS] to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. KELLOGG (when his name was called). I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. ROBINSON (when his name was called). I transfer my general pair with the Senator from West Virginia [Mr. SUTHERLAND] to the Senator from Missouri [Mr. REED] and vote "nay."

The roll call was concluded.

Mr. LODGE (after having voted in the affirmative). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Connecticut [Mr. BRANDEGER] and allow my vote to stand.

Mr. HALE. I transfer my pair with the Senator from Tennessee [Mr. SHIELDS] to the Senator from Maryland [Mr. WELLER] and vote "yea."

Mr. WARREN (after having voted in the affirmative). I transfer my pair with the junior Senator from North Carolina [Mr. OVERMAN] to the senior Senator from Maryland [Mr. FRANCE] and allow my vote to stand.

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL]; and

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS].

The result was announced—yeas 43, nays 19, as follows:

YEAS—43.

Ball	Hale	McKinley	Reed, Pa.
Bayard	Harris	McNary	Sheppard
Borah	Jones, N. Mex.	Moses	Smoot
Brookhart	Jones, Wash.	Nelson	Spencer
Caldor	Kellogg	New	Stanfield
Cameron	Keyes	Nicholson	Sterling
Capper	Ladd	Norbeck	Wadsworth
Curtis	Lenroot	Oddie	Warren
Ernst	Lodge	Pepper	Watson
Fernald	McCormick	Phipps	Willis
Frelinghuysen	McCumber	Polindexter	

NAYS—19.

Broussard	Gerry	King	Smith
Caraway	Harrison	McKellar	Stanley
Dial	Heffin	Pomerene	Swanson
Fletcher	Hitchcock	Ransdell	Williams
George	Kendrick	Robinson	

NOT VOTING—34.

Ashurst	Colt	Cummins	Elkins
Brandegee	Couzens	Dillingham	France
Bursum	Culberson	Edge	Glass

Gooding
Harrell
Johnson
La Follette
McLean
Myers

Norris
Overman
Owen
Page
Pittman
Reed, Mo.

Shields
Shortridge
Simmons
Sutherland
Townsend
Trammell

Underwood
Walsh, Mass.
Walsh, Mont.
Weller

So the amendment of the committee was agreed to.

The PRESIDING OFFICER (Mr. LADD in the chair). The amendment at the bottom of page 91, which was reconsidered, will be agreed to, without objection.

The next amendment was, on page 96, after line 15, to insert:

For commencing the preparation of designs and estimates for development of the Rock Creek and Potomac Parkway, \$4,000.

Mr. KING. I would like to ask the Senator what it is estimated the cost will be for preparing the designs and estimates for the development of the parkway. Four thousand dollars is here appropriated to begin with. I can not conceive how it can cost that much.

Mr. PHIPPS. The figure of \$4,000, I understand, is fixed as one that would cover the whole thing, but when they make the plans they may have to get into topographical work, and it is a question of just how far they would have to go. The plans should be complete as one unit so that as the development work goes along it will be a part of a plan already agreed upon that will be final, and in this way avoid the grading of roads or pathways and changing of grades which might afterwards have to be changed in completing the plan.

I feel confident that there is going to be no waste of money in that connection. The big thing is, as the Senator realizes, to put in shape the project for connecting up Rock Creek Park and Potomac Park to give a boulevard drive.

Mr. KING. May I inquire of the Senator just what territory is embraced within what is called in the item "Potomac Parkway"?

Mr. PHIPPS. Potomac Parkway would extend from the lower or southern end of Rock Creek Park, which would be about Massachusetts Avenue, as I understand it, though it may be nearer Connecticut Avenue or nearer the river, but in about that location, down through the intervening territory and coming out on the Potomac River at a point above the Lincoln Memorial, making a continuous driveway, and locating it as nearly as possible along the Potomac where the land which has already been recovered by the Government would be available for boulevard use, and in connection with the proposed new Arlington memorial bridge and all that development.

Mr. KING. That the project deserves the hearty support of Congress, no one will deny. I commend it very unreservedly. But it seems to me that with the officials already employed and already charged with caring for the parks and with the execution of work heretofore ordered, the appropriation is unnecessary.

Mr. PHIPPS. I will say for the information of the Senator that there is no intention to employ outsiders to prepare the plans. The work would be carried on with employees already in the Government service, but there is no authority of law now to delegate them to do the work. Their salaries from time to time have to be charged to the various items of appropriation. Of course, it involves the use of surveyors in order to get the plans in shape, because they are not merely plans which would give the metes and bounds of the property but plans that would have to take into account the contour of the land itself.

Mr. KING. Will the Senator kindly have read the data that were submitted to the Budget Bureau in support of the item?

Mr. PHIPPS. In the House hearings the item was submitted and the following took place:

Mr. CRAMTON. The next item is:

"For commencing the preparation of designs and estimates for development of the Rock Creek and Potomac Parkway, \$4,000."

To what extent has the property been acquired?

Colonel SHERRILL. That property is approximately 70 per cent complete, and it has been under acquisition for about seven years; and it is thought that, since the owners are not able and have not been since this project went through some six or seven years ago, to use the property, knowing this cloud was over it, I feel now is the time to take steps to finish the acquisition by condemnation.

Mr. CRAMTON. And preliminary to that you want to make some definite plans?

Colonel SHERRILL. Yes, sir; and we have not cared to develop any until we shall have bought all the land we can get, but now we will have to go to condemnation.

Mr. CRAMTON. Do you consider this an urgent item?

Colonel SHERRILL. Yes, sir; I put it in last year.

Mr. CRAMTON. What happened to it?

Colonel SHERRILL. Nothing, except, if you see the photographs I have showing the conditions there, I think you would agree that something ought to be done in the immediate future to improve the situation.

Mr. CRAMTON. You mean some land is being developed for other purposes?

Colonel SHERRILL. It is in such a dilapidated condition that we want in the near future to clean it up. [Exhibiting photograph.]

Now, it is to try to get this in shape for Congress to consider that I would like to have money for these plans.

Mr. EVANS. To get exactly what I have in mind, what change, if any, has been made in the paper I have just handed you and which you gave us last year? I am referring principally to the land remaining to be purchased.

Colonel SHERRILL. This figure does not show the percentage, but I can indicate what has been bought in 1922.

Mr. EVANS. It would be what proportion of that unpurchased last year?

Colonel SHERRILL. We have purchased about three-eighths of what we had to purchase last year.

Mr. CRAMTON. It is not three-eighths of the total, but of what remains.

Colonel SHERRILL. Of what remains; yes, sir.

Then we took it up before the Senate committee and had Colonel Sherrill before us.

Mr. KING. Did the Bureau of the Budget recommend the item?

Mr. PHIPPS. It was recommended by the Bureau of the Budget. It was estimated for.

Mr. KING. But not allowed by the House?

Mr. PHIPPS. For some reason it was not allowed by the House.

Mr. McKELLAR. Were all the items on page 96, from line 16 to line 24, recommended by the Budget?

Mr. PHIPPS. Yes; they were.

Mr. McKELLAR. What about those on page 97?

Mr. PHIPPS. That is a reappropriation, as the Senator will notice.

Mr. McKELLAR. I know; but I was wondering whether the Budget recommended it.

Mr. PHIPPS. They recommended it last year.

Mr. McKELLAR. They did not recommend it this year. Will the Senator state why?

Mr. PHIPPS. Because it is permissive. It has been approved as an appropriation. It was in the law of 1923. We desired to continue it and make it available and to allocate it to a certain designated piece of property recommended by the commission.

Mr. McKELLAR. I am not objecting to the item. That is not my purpose.

Mr. PHIPPS. It would not necessarily be submitted to the Budget this year.

Mr. McKELLAR. It ought to have been, because it is an item of appropriation that should have been submitted. I do not see how we can very well deal with it unless it has been submitted. The Senator will recall that it was held by the Appropriations Committee, in connection with the Post Office appropriation bill, that a recommendation by the Budget of last year did not hold good as to this year.

I did not rise for the purpose of opposing the item. I am perfectly willing that it should pass. I think it is a good thing. I merely wanted to call attention to the fact that the Senator's party is paying very little attention to its Budget system.

Mr. PHIPPS. My answer is that the Senate reserves to itself the right to put in any new items that may be just without referring them to the Budget, and the Senate Committee on Appropriations has the authority of recommendation.

Mr. McKELLAR. Oh, no; we have a rule about that; unless it is recommended by the Budget it is not in order. I am not going to make the point of order against it, because it is a proposition which I think ought to be in the bill, but I merely call the attention of the Senator again to the fact that in many of the items through all the appropriation bills the Senator's party is paying no attention whatever to the Budget law which was passed some time ago.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 96, after line 18, to insert the following:

For continuing the construction of a sea wall along the water front between the foot of New Hampshire Avenue and the north building line of G Street, including the grading and filling incident thereto, \$50,000.

Mr. KING. Mr. President, may I inquire of the Senator in charge of the bill whether the evidence before the committee justified so large an appropriation as \$50,000?

Mr. PHIPPS. I would say to the Senator that the item is only a very small one in connection with the work that necessarily should be carried on to make available the reclaimed land on the Potomac Flats. This particular sea wall will be erected a little upstream from the end of New York Avenue. It is quite a little distance above the Lincoln Memorial. The particular stretch is along that frontage of which the Government owned only a year or two ago obtained final possession.

The land had been "squatted" on, as the Senator will remember, by certain contractors or people in the contracting

business. The Government came into possession of the property later, and owns it in connection with the land in front of it down to low-water mark, which has been reclaimed by filling. Unless the retaining wall be erected within a reasonable length of time the banks will disintegrate and go into the river. Until the sea wall is built the land is not available for the particular purpose for which it has been set aside, to wit, the erection of the so-called *Titanic* memorial, a statue of bronze valued at some \$80,000.

Mr. McKELLAR. I think it is a perfectly proper appropriation and ought to be made, and I congratulate the Senator on having the backing of the merchants in connection with it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 96, after line 22, to insert the following:

For the construction of a comfort station and shelter at Haines Point, East Potomac Park, \$15,000.

The amendment was agreed to.

The next amendment was, at the top of page 97, to insert:

The appropriation of \$25,000 contained in the District of Columbia appropriation act for the fiscal year 1923 for the construction of a bathing beach and bathhouse for the colored population of the city is continued and made available during the fiscal year 1924 for the construction and maintenance of said bathing beach and bathhouse at the Virginia end of the Key Bridge.

The amendment was agreed to.

The next amendment was, on page 97, at the end of line 14, to strike out "\$24,000" and insert "\$37,000," so as to make the paragraph read:

Lighting the public grounds: For lighting the public grounds, watchmen's lodges, offices, and greenhouses at the propagating gardens, including all necessary expenses of installation, maintenance, and repair, \$37,000.

The amendment was agreed to.

The next amendment was, under the subhead "Water service," on page 98, line 18, after the figures "\$1,500,000," to insert a colon and the following proviso: "Provided, That the Secretary of War may enter into contracts for materials and work necessary to the construction of said project, to be paid for as appropriations may from time to time be made, not to exceed in the aggregate the sum of \$6,150,000, including all appropriations and contract authorizations herein and heretofore made," so as to make the paragraph read:

For continuing work on the project for an increased water supply for the District of Columbia, adopted by Congress in the Army appropriation act for the fiscal year 1922, as modified by the District of Columbia appropriation act for the fiscal year 1923, and for each and every purpose connected therewith, to be immediately available and to remain available until expended, \$1,500,000: *Provided*, That the Secretary of War may enter into contracts for materials and work necessary to the construction of said project, to be paid for as appropriations may from time to time be made, not to exceed in the aggregate the sum of \$6,150,000, including all appropriations and contract authorizations herein and heretofore made.

Mr. McKELLAR. Mr. President, I would like to have the Senator in charge of the bill tell us whether the Budget recommended the item of \$6,150,000 and to have him give us the reasons why the committee have recommended it.

Mr. PHIPPS. The law of 1923 carried an item which covered the adoption of a certain project which covers the second conduit from Great Falls, the filtration plant, the connection with the present filter beds, and the general expansion of the water-distribution system, at a cost, as I recall it, of \$9,150,000. We appropriated for the year 1923 \$1,500,000 toward that work, and authorized additional contracts to the extent of \$1,450,000. We now make a direct appropriation of \$1,500,000 and authorize them to go to the extent of \$6,150,000, including appropriations heretofore and herein made. That gives them the right to enter into contracts up to the amount of \$6,150,000, which would leave about \$3,000,000 yet to be provided for.

Mr. McKELLAR. What is the purpose of entering into the contract now, if they are doing the work year by year? Why would it not be more economical to do as we have been doing? We all know the prices of labor and material are coming down. Why would it not be more economical to continue the project that we have started? As I understand, last year, according to the Senator's statement, we appropriated \$1,500,000 and authorized the entering into contract at \$1,400,000 more. Why not put the same limitation this year?

Mr. PHIPPS. That is in round figures what we are doing. That is, we authorized contracting last year to the extent of \$3,000,000, in round numbers, and the pending bill carries it up to \$6,150,000, so it is a little more than \$3,000,000 this year.

Answering the Senator's question further, in entering into a contract for the second conduit, which comes from Great Falls down to the Dalecarlia Reservoir, it would have been unwise and not economical to split the contract. The rock work there is very expensive. The greater part of that work is tunnel work, and not merely trench work that can be dug from the surface and filled in, but it requires blasting in rock for the tunnel on a great portion of that line.

When it comes to contracting for the filtration machinery, which is a very large item, an up-to-date mechanical type of filter will be used. The engineers can not well split that contract, for they have to contract for the filtration machinery as a complete unit.

Mr. McKELLAR. Will the filtration machinery be bought before the conduit is built?

Mr. PHIPPS. It will have to be contracted for. I have not any information from the engineers on this particular point as to how long it will take to acquire that machinery after it is ordered, but from information I have as to similar matters—electrical machinery, for instance—I know it is necessary to contract for such machinery from a year to a year and a half in advance in order to secure deliveries and to enable the plans and details to be worked out.

Mr. McKELLAR. At what time is it proposed to finish this project?

Mr. PHIPPS. It was estimated that the work would be completed within four years, and, if possible, within three years, in order to meet the exigencies existing here, where we are right now approaching the limit of the ability of the city to furnish the amount of water which is required by the present population. With a growing population, unless the project can be completed within the next three or four years, a water shortage will be threatened. Even now during the summer months fountains are not permitted to operate all the time, but only permitted at certain hours when there is reserve water available for the purpose.

Mr. McKELLAR. I understand the situation, and I think it is very important that an adequate water supply should be provided; but it seems to me that now to authorize the appropriation of this aggregate sum of \$6,150,000 is rather unwise legislation. However, I do not know. If we had had the reasons furnished as to why it should be done, my opinion might be different; but surely we ought not to buy the machinery so far ahead of the time when the conduit will be completed. I should think that the machinery might be bought a great deal cheaper hereafter.

Mr. PHIPPS. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I shall yield in just a moment. I am not at all familiar with the work, and I merely desire to obtain information about it. I am not sufficiently familiar with the matter to know precisely what should be done.

Mr. PHIPPS. Mr. President, I will say that this year satisfactory progress has been made under previous authorizations. In making the contracts it has been found that a contractor who has to provide the machinery incurs a certain amount of overhead and other necessary expense in bringing his machinery to the point where it is to be used and then taking it away again; and so, if he only gets a contract for, we will say, a mile of the work, as against 2 miles that have to be done, his bid must be proportionately higher. We can get a lower bid from him if the contract is let for 2 miles at one time.

The day labor in connection with this work does not cut a very great figure in the total amount, as a great deal of the excavation and other work is done by machinery. This year we are only giving authority to contract for the second third of the complete unit. We gave authority last year for the first third of the unit; this year for the second third, and next year we ought to authorize the completion of the work.

As the Senator will recall, the appropriations carried in this bill will run until July 1, 1924. That is quite a long time in the future, but we had to make provision for it in this appropriation bill.

Mr. KING. Mr. President, I should like to inquire of the Senator from Colorado whether arrangements have been made with the riparian owners at Great Falls or the point on the river where the water is taken out to relieve the District from damages because of the diminution of the water supply. I recall a number of years ago, when I was in the other House, that a suit was brought against the Government and tried in the Court of Claims or in some other court, and judgment was rendered against the Government for \$400,000 or \$500,000 for having taken water out of the river. The suit was brought by the riparian owners of the land at Great Falls.

I recall that another conduit was built or that the former one was enlarged—I am not sure which—and that a second suit was brought, claiming \$400,000 or \$500,000 damages, the contention being that under the law which prevails here, which is the common law, a riparian owner may not be deprived of his water supply, and if water be taken from a stream it must be returned undiminished in quantity and undeteriorated in quality; otherwise the one who takes the water is subject to a suit for damages.

I understand that damages have been paid for the former takings of water from the river. Has arrangement been made with the riparian owners to compensate them for damages, or shall we have another lawsuit upon our hands by further invading the river and taking more of the water from the stream?

Mr. PHIPPS. I will say to the Senator from Utah that by the law of last year provisions covering the acquisition of rights to property were carefully considered, and they were made as broad as possible, conferring all the authority which could be conferred for the taking of the necessary property, providing for court proceedings, and so on.

Mr. KING. Was provision made for the taking of the water or the taking of the land, may I inquire of the Senator from Colorado?

Mr. PHIPPS. In taking the land, as the Senator knows, where it is riparian land, the water would go with it.

Mr. KING. Except as to riparian owners lower down the stream.

Mr. PHIPPS. As the Senator from Utah is aware, there is not any arable land bordering on the Potomac below the point where the water is taken which would be affected by the taking of water at Great Falls.

Mr. KING. But it might be affected for power purposes. I am not sufficiently acquainted with the Potomac to know whether or not the taking of water at that point might possibly interfere with the potential electrical energy at some point lower in the river.

Mr. PHIPPS. I think not.

Mr. KING. May I inquire of the Senator if this appropriation is merely to build another conduit?

Mr. PHIPPS. The building of an additional conduit is only a part of the entire scheme. We had last year on the walls of the Senate Chamber, as the Senator will remember, the plans in detail showing where the water was to be taken from the Potomac, the line of the conduit down to the Dalecarlia Reservoir, and the second conduit from that point to the District line, where the additional reservoir and new filtration plant are to be erected, and also the connecting lines to various parts of the city; so that when it is a completed scheme we shall have a dual source of supply. For instance, if one conduit may be out of commission, the other conduit will furnish water up to its full capacity. So in the distributing lines where a line is cut off, which would prevent water going to a distant part of the city with this new installation, if one of those main lines goes out, there will be another line going around another portion of the city and connecting up so as to have what might be called a return current of water.

Mr. KING. I should like to inquire of the Senator whether he has been advised as to the results of a project—whether it was promoted by the District alone or by some of the commercial and civic organizations of the city; I am not advised—for the acquisition of a water supply from some remote portion of the country in Maryland or Pennsylvania, I am not sure which? I remember the matter was discussed here two or three years ago, and it was urged by some engineers that a suitable water supply could be obtained from some of the springs in adjacent mountains which would be very much superior to the present water supply.

Mr. PHIPPS. The Senator refers to the project that was under consideration at the time the Potomac project was considered, and the recommendation on the part of all officials who participated in that investigation was favorable to the Potomac project, which has now been adopted by the Congress, while the project referred to by the Senator from Utah has been discarded. That project might have to be resorted to in later years if the city shall again double its population, but the project which has been approved and is now under way will provide water for a population of over a million.

Mr. KING. I had not learned of the result of the investigation of the project to which I have referred. It seemed to me from what I could learn that it was a very feasible project.

Mr. JONES of Washington. That project was considered before the one which has been adopted was passed upon.

Mr. KING. I was not aware of that fact.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. PHIPPS. Mr. President at this point I desire to offer the amendment which I send to the desk and ask the Secretary to read. I will say that the amendment was included in the bill as reported by the House committee, but went out in the House; I do not know for what reason, but, as I understand, on a point of order.

The PRESIDING OFFICER. The amendment proposed by the Senator from Colorado on behalf of the committee will be stated.

The READING CLERK. In the committee amendment, on page 98, line 24, after the word "made," it is proposed to insert a colon and the following:

Provided further, That no bid in excess of the estimated cost for that portion of the work or plant covered by the bid shall be accepted, nor shall any contract for any portion of the work, material, or equipment to constitute a part of the plant for which this appropriation is available be valid unless the Chief of Engineers of the United States Army shall have certified thereon that all its terms are within the requirements of the authorization and the revised estimates for the work: *Provided further*, That whenever the Secretary of War causes proceedings to be instituted for the acquirement by condemnation of any lands or interests therein needed for the said work, the United States, upon the filing of the petition in any such proceedings, shall have the right to take immediate possession of said lands, easements, rights of way, or otherwise, to the extent of the interest to be acquired, and to proceed with the work herein authorized: *Provided further*, That certain adequate provisions shall have been made for the payment of just compensation to the party or parties entitled thereto, either by previous appropriations by the United States or by the deposit of moneys or other form of security in such amount and form as shall be approved by the court in which such proceedings shall be instituted. The respondent or respondents may move at any time in the court to increase or change the amounts or securities and the court shall make such order as shall be just in the premises and as shall adequately protect the respondents. In every case the proceedings in condemnation shall be diligently prosecuted on the part of the United States in order that such compensation may be promptly ascertained and paid: *Provided further*, That the Secretary of War shall submit to Congress on the first day of the next and each succeeding regular session of Congress, until the entire project shall have been completed, a report on said water system and increase of water supply showing, among other things, the progress of the work, construction under way and proposed within the District, connections with the present system of distribution, and revised estimates of cost.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Colorado on behalf of the committee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Water department," on page 101, line 7, before the words "per month," to strike out "\$10" and insert "\$13," so as to make the paragraph read:

For maintenance of the water department distribution system, including pumping stations and machinery, water mains, valves, fire and public hydrants, water meters, and all buildings and accessories, and the purchase and maintenance of motor trucks, purchase of fuel, oils, waste, and other materials, and the employment of all labor necessary for the proper execution of this work, and to reimburse three employees for the provision and maintenance by themselves of three motor cycles for use in their official work in the District of Columbia \$13 per month each; and for contingent expenses, including books, blanks, stationery, printing, postage, damages, purchase of technical reference books, and periodicals, not to exceed \$75, and other necessary items, \$10,000; in all, for maintenance, \$450,000.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments, except those which have been passed over.

Mr. PHIPPS. Mr. President, there are some amendments which have been considered by the members of the subcommittee, as well as by the full Committee on Appropriations, which it was thought advisable to offer separately rather than to incorporate in the bill as reported by the committee. I have a series of them, which I will send to the desk and ask the Secretary to state in order. I offer the amendments.

Mr. HARRISON. Are these amendments purporting to carry out the program with respect to playgrounds and school buildings?

Mr. PHIPPS. They are included in this number. I am sending them to the desk now in the order in which they would properly occur in the bill.

Mr. HARRISON. As I understand, the amendments that the committee proposes at this time were adopted by the House Appropriations Committee, and were reported to the House, but went out on a point of order?

Mr. PHIPPS. Not all of them. Some of them are in that category, and others are new amendments proposed by the Senate Committee.

Mr. HARRISON. Yes; but these with respect to the schools are carrying out the school program as mapped out by the Senate Committee on Appropriations?

Mr. PHIPPS. Some of them. For instance, we restore, I think, in every instance the school items that were stricken out on the floor of the House, and in addition to that the Senate Committee proposes some others which we think should be gone ahead with, particularly as to the acquisition of land. The Senator will recognize those items as they come up, and I will indicate which ones were stricken out on the floor of the House and which ones were not recommended by the House committee.

The PRESIDING OFFICER. The first amendment will be stated.

The READING CLERK. At the bottom of page 14, it is proposed to insert a new paragraph reading as follows:

MOUNT PLEASANT BRANCH LIBRARY.

For the purchase of a site for a branch of the Free Public Library in the Mount Pleasant-Columbia Heights section of the District of Columbia, \$25,000, or so much thereof as may be necessary, and authority is hereby conferred upon the Commissioners of the District of Columbia to accept from the Carnegie Corporation of New York not less than \$100,000 for the purpose of erecting a suitable branch library building on such a site, subject to the approval of said commissioners and the board of library trustees.

Mr. PHIPPS. That is an item which was recommended by the House committee and was stricken out on the floor of the House.

Mr. KING. Mr. President, may I inquire of the Senator what the view of the committee is with respect to these libraries? We have the Congressional Library, and then we have the Carnegie Library. Has the committee inaugurated any plan as to the number of library buildings that are to be erected within the District? How many are there to be?

Mr. PHIPPS. It has not. We have now as branches, in addition to the libraries named by the Senator, the Takoma branch and the Southeast branch, the latter having just gone into commission, and being patronized to-day away beyond the expectations of the Library Committee.

The Mount Pleasant site now proposed is out Sixteenth Street in a very desirable location, and the site is one which the owner is willing to let go at \$25,000, though it would readily sell to-day for at least \$50,000 for building purposes. Immediately in front of the plot of ground, lying between it and Sixteenth Street, is one of these small reservations that we had in mind a short time ago; so that from every standpoint the site selected is most desirable. Then, too, it is in the center of a territory that is practically all built up immediately around it, but within easy reach. The property is now being developed out Sixteenth Street, over to Eighteenth Street, and on the other side to Fourteenth Street, Thirteenth Street, and all the way to Georgia Avenue; so that this is really an ideal location for a library to serve the public, and, as I say, the site is perhaps the most desirable one that could be found in that location.

Mr. KING. I should like to ask the Senator whether the committee are of the opinion that it is better to have a considerable number of libraries scattered throughout the District, rather small in proportions and not having a large volume of books, or to have one or two very large libraries, not only as to the size of the buildings but as to capacity to furnish a large number of books to the public?

Mr. PHIPPS. The committee have discussed that subject; and in that connection, we have had information as to branch libraries being carried on in other cities. One large city, New York, has as many as 34, I think. My own home city, Denver, Colo., has 8, and yet the population there is about 265,000 to 275,000 people. The plan of erecting these branch libraries in different sections of the city appeals to us as being the proper one, particularly if a corporation such as the Carnegie Foundation stands ready and willing to pay for the structure, providing the District furnishes a suitable site. There is no requirement as to further expenditure for upkeep, or anything like that, but it is left to the decision of the Congress as to what should be appropriated for maintenance. Taking, as an example, this new southeast branch, the branches really will be utilized, and will have a very fine educational effect upon the people of the community. They will patronize the branch libraries right at home when they would not think of going in to the central libraries.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado on behalf of the committee.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, there is a new item here which has not had the consideration of the House. I will ask the Secretary to state it.

The PRESIDING OFFICER. The amendment will be stated. The READING CLERK. On page 22, after line 19, it is proposed to insert:

For the erection of a fireproof addition to the courthouse of the District of Columbia for the use of the office of the recorder of deeds and such other activities of the District government as the commissioners may designate, including fireproof vaults and heating and ventilating apparatus, to be constructed under the supervision of and on plans to be furnished by the Architect of the Capitol and approved by the Commissioners of the District of Columbia, \$500,000.

Mr. PHIPPS. Mr. President, I think a word of explanation would be in order.

The condition as to the present quarters for the recorder of deeds has been discussed at length on this floor, and the Senators present are perhaps familiar with that situation. To-day the records are not in a fireproof structure, and the force is hampered in its work by reason of restricted quarters, working in an insanitary building, with artificial light all of the business hours. Some change must be made there. In addition to that, the municipal court is quartered in a rented structure. The annual rental for the recorder of deeds is \$6,000; for the municipal court, \$3,600; and for the juvenile court, which is housed in a dwelling, \$2,000.

In laying out Judiciary Square the original plan contemplated the erection of a building to duplicate the one now occupied by the court of appeals, which structure is a very beautiful piece of architecture. The proposed building would be located on the corresponding corner of the present Supreme Court Building, so that we now have the separate building to the right rear of the Supreme Court Building, and we would have this proposed new building to the left rear.

Mr. KING. Mr. President, may I inquire of the Senator whether it is intended to erect a complete building?

Mr. PHIPPS. A complete building. There is no structure there at present.

Mr. KING. Just for the recorder of deeds?

Mr. PHIPPS. No; for the recorder of deeds, the municipal court, and the juvenile court. We say in the amendment, "the recorder of deeds and such other activities of the District government as the commissioners may designate." It may be available for still other activities. Later on it might be used for the register of wills.

The Supreme Court Building is really crowded at the present time. There is no available space whatever there. We examined the Court of Appeals Building, and went over it from attic to cellar; and while it is a large building, and is housing only one activity, there is really no space there that could be converted to any of these uses.

Mr. KING. May I inquire of the Senator how many rooms there are in the Court of Appeals Building?

Mr. PHIPPS. It is rather a difficult matter to say how many rooms there are or what would be called rooms. For instance, under the roof there are unfinished spaces that might be converted into rooms, but they would not be lighted; they would not have proper air space, unless the architecture of the building were destroyed by cutting windows, for instance. In the basement all of that space eventually will be available for the storage of records. The building is as nearly fireproof as a building can be made, but in its architectural plan the space has not been economically laid out.

Mr. KING. Mr. President, I can not understand the necessity for so much space for an appellate court. I am familiar with the courts in some of the Western States. An appellate court has its chamber, in which the judges meet to hear arguments, a library, an office for the clerk—usually one or two rooms—a room for a stenographer, and then a room for each of the judges. Aside from those, there is no necessity for additional rooms in an appellate court. It seems to me that some of the officials and agencies of the Government here in Washington have gotten the idea into their heads that they must have more room than is necessary, more room than is furnished in the States, where the work is just as onerous, and there is just as much of it as the work devolving upon the agencies here.

May I inquire of the Senator what is the size of the building?

Mr. PHIPPS. It is quite large. I should say that there are about 11,000 or 12,000 square feet on each of two floors, but in the case of the second and third floors the court room itself goes right up through the structure to the ceiling. It is a very high room; and these other rooms—the Senator asked me how many rooms there were—are scattered all around the corridors. We were hoping to find in that building available space to house the recorder of deeds, and we were disappointed to find that it would not be a possibility, and that it would not be a possibility even to find suitable space for the juvenile court, to say nothing of the municipal court.

Mr. KING. I must confess that from the description which has been given of this building I am astonished to know that there is no room there for more than the judges of the appellate court of the District. The Supreme Court of the United States has a small room in which it meets, and the judges have rather limited quarters. I should assume from what the Senator says and from what I know—and my knowledge of this building is quite imperfect—that the appellate court of the District has more room than the Supreme Court of the United States.

Mr. PHIPPS. The Senator is quite correct in his statement. I hope very much that he will take occasion to stop some morning on his way down to the Senate and go into the Court of Appeals Building, and see the condition that exists there, and give us the benefit of any suggestions that may occur to him whereby we could utilize some of what seems to our committee to be waste space.

Mr. KING. If the committee will just recommend restriction of the space for the appellate court, and introduce a bill to utilize the residue for other legitimate purposes, I am sure the Senate will follow him.

Mr. PHIPPS. Mr. President, that is exactly what the committee hoped it would find possible, but after the inspection it made it was forced to the conclusion that no such plan was practicable. If the Senator can suggest wherein any of these three activities can be cared for otherwise I am sure the committee would be very glad of the suggestion. Not one of the members felt it was possible, on account of the plan of that building, the way it was designed, the way it has been laid out, in spite of the fact that there is a very large floor area there to utilize it.

Mr. KING. May I inquire of the Senator whether the committee examined the District Building, which is a large one, and, as I was led to believe, was constructed for the purpose of housing more activities of the Government than are found within its walls; and whether, after such examination, he is satisfied that we may not restrict the space of some of the agencies there, and put other agencies of the District into the building?

Mr. PHIPPS. I will say to the Senator that the committee did not go to the District Building this time with that idea in view. The objection to that is its geographical location. It would be almost impossible to connect up the court activities of the recorder of deeds with the municipal building. It is necessary for attorneys and others who are dealing with the records to find near by the court records in the form of the deeds as recorded in the books. As an attorney, the Senator will recognize immediately that it would be practically impossible to house the recorder of deeds—and that is the most pressing activity of the three—in a building a mile and a half distant from the courthouse.

Mr. KING. It would not be impossible, but it would be rather inconvenient for litigants and for the courts. There is no doubt about that.

Mr. BALL. Mr. President, I would like to ask the Senator if he has visited the office of the recorder of deeds.

Mr. KING. Yes; but it was some time ago, I think three years ago.

Mr. BALL. When the Senator is inspecting the courts, I trust he will inspect the office of the recorder of deeds, and I am sure, if he will, he will come back here well satisfied with this appropriation.

Mr. KING. Mr. President, I feel sure that there should be some provision made for the recorder of deeds, but I am not satisfied to vote for this appropriation with the limited information we have, and in view of the fact that we have made appropriations in this bill calling for such a large sum, and appropriations in the bill passed a few days ago for additional buildings in the District. I think we are getting building mad, and are appropriating too liberally for the erection of public buildings in Washington and in other parts of the United States. It seems to me we can afford to wait until next year before embarking upon this enterprise.

Mr. DIAL. Mr. President, I have not been able to follow the pending bill closely, but I sincerely hope some provision is made for the lighting of the school buildings, some of which have not a single light in them. Some of these buildings are down in hollows, and I am informed that on dark days the children can scarcely see how to read at all. No wonder so many little chaps are going around Washington wearing glasses. I happen to know about a particular case where the school is very dingy and very dark. If we are going to appropriate money at all, we could not appropriate it for a better purpose than immediately to put lights into these buildings. I trust the subcommittee on the District of Columbia appropriations will give the matter immediate attention, and not wait until

some future time. Is there anything in this bill on that subject?

Mr. PHIPPS. Mr. President, for the information of the Senator from South Carolina I will state that the Senate committee has recommended, and this bill now carries, an increase of \$50,000 over the amount recommended by the House, for repairs and improvements of school buildings, and the largest item to be cared for out of that is the lighting of the school buildings.

Mr. DIAL. I am happy to hear it, and I hope they will apply it immediately.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, the next amendment which I send to the desk is for the acquisition of two playgrounds. These items were recommended by the House committee and stricken from the bill on a point of order on the floor of the House.

The PRESIDING OFFICER. The Secretary will state the amendment.

The PRINCIPAL LEGISLATIVE CLERK. On page 36, after line 10, to insert:

For the purchase of a site now occupied by Hoover Playground, located in square 546, containing 65,000 square feet, at 25 cents per square foot, \$17,000.

For the purchase of a site at Twenty-seventh and O Streets NW., in square 1238 (lot 803), containing 10,000 square feet, at an estimated cost of \$5,000; and for the purchase of lot 804, square 1238, containing 3,840 square feet, at \$3,000; in all, \$8,000.

So much of any balance remaining after the purchase of sites for playgrounds authorized by this act as is necessary to clean up, grade, drain, fence in, and place such sites in safe and suitable condition for the purpose intended may be used for such purposes.

Mr. KING. Is it the purpose of this appropriation to round out some of the grounds already owned by the District?

Mr. PHIPPS. No; the Hoover playground is quite a good-sized tract, as the Senator will note, of which we have had the use for two or three years past. The owner has died and the property goes into the hands of the heirs, and the particular heir who now controls this property is willing to let us have it at 25 cents a square foot, which is, I would say, one-fourth of the present market price. It is in a built-up neighborhood in the northeast section of the city.

The other is for a playground for colored children at Twenty-seventh and O Streets, and the lot, offered at \$5,000, would readily sell for more than double that figure. It belongs to a colored order, the initials or name of which I do not recall, but it is a beneficial order, like the Odd Fellows. In their desire to provide playgrounds for the children of that section the members of the order are not only willing to turn over the land they own at about half its market value to-day but they guarantee to the commissioners that the adjoining property, containing 3,840 square feet, will not cost the city more than \$3,000, notwithstanding the fact that there is a fairly good brick building on the property, although it is old, and the owner will no doubt demand more than the \$3,000. These colored men are going to make it good. Eight thousand dollars in all gives a very sizeable piece of ground, and it will connect up with the Rock Creek and Potomac Park driveway, which we had under discussion a while ago; so that it is a very desirable piece of property to acquire.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, the next amendment relates to the purchase of sites and the erection of school buildings, and of those the first three items were approved by the House committee and stricken out on a point of order on the floor of the House. That extends down to line 9, page 2, of this proposed amendment. I will just say, for information of Senators, that those items approved by the House committee are, as follows:

For the purchase of a site on which to locate a 16-room building between Georgia Avenue and Sixteenth Street NW., north of Park Road, \$80,000;

For the erection of an 8-room extensible building on the site to be purchased in the vicinity of Georgia Avenue and Sixteenth Street NW., north of Park Road, \$130,000;

For the erection of an 8-room extensible building, including a combination assembly hall and gymnasium, on the site to be purchased in the vicinity of and to relieve the Tenley School, \$60,000;

For beginning the erection of a 16-room building, including a combination assembly hall and gymnasium, to replace the old John F. Cook School, \$100,000, and the commissioners are hereby authorized to enter into contract or contracts for such building at a cost not to exceed \$250,000;

For the purchase of a new site on which to locate a junior high school between Twentieth Street and Rock Creek and K and O Streets NW., or vicinity, \$50,000.

The remaining items are new ones recommended by the Senate Committee on Appropriations.

Mr. KING. Let the amendment be read.

The PRESIDING OFFICER. The Secretary will read the amendment.

The READING CLERK. On page 53, after line 11, insert:

For the purchase of a site on which to locate a 16-room building between Georgia Avenue and Sixteenth Street NW., north of Park Road, \$60,000;

For the erection of an 8-room extensible building on the site to be purchased in the vicinity of Georgia Avenue and Sixteenth Street NW., north of Park Road, \$130,000;

For the erection of an 8-room extensible building, including a combination assembly hall and gymnasium, on the site to be purchased in the vicinity of and to relieve the Tenley School, \$60,000;

For beginning the erection of a 16-room building, including a combination assembly hall and gymnasium, to replace the old John F. Cook School, \$100,000, and the commissioners are hereby authorized to enter into contract or contracts for such building at a cost not to exceed \$250,000;

For the purchase of a new site on which to locate a junior high school between Twentieth Street and Rock Creek and K and O Streets NW., or vicinity, \$50,000;

For the purchase of land adjoining the Ludlow School, \$15,000;

For the purchase of a site on which to locate a junior high school, north of Lincoln Park, \$50,000;

For the purchase of land adjoining the Dunbar High School, \$100,000;

For the purchase of a site near the Brightwood School, on which to erect a new school to replace the Brightwood School, \$20,000;

For the purchase of a site near Kittenhouse and Fifth Street NW., \$30,000;

For the purchase of a site north of Webster Street and east of Georgia Avenue, \$45,000.

Mr. McKELLAR. May I ask if these various items have been authorized by the Budget?

Mr. PHIPPS. Most of them have been approved by the Budget.

Mr. McKELLAR. I do not object to any of them; I think they all ought to be provided for; but I just wanted to see how far the committee comes into line with the Budget. Which items have the approval of the Budget and which have not?

Mr. PHIPPS. The items which were stricken out by the House had the approval of the Budget.

Mr. McKELLAR. Were the items remaining—those the Senator read awhile ago—approved by the Budget?

Mr. PHIPPS. They were approved by the Budget.

Mr. McKELLAR. And the remaining items, which the Senator did not read but which the Secretary has read, were not approved by the Budget?

Mr. PHIPPS. One or two of those were approved by the Budget but were not included by the House.

Mr. McKELLAR. Which ones were not approved by the Budget?

Mr. PHIPPS. The Budget did not approve the site for the location of a junior high school north of Lincoln Park.

Mr. McKELLAR. Was the matter presented to the Bureau of the Budget?

Mr. PHIPPS. I do not think our information will show how many of these were submitted to the Budget for their criticism. As the Budget comes to us, it is printed. It gives the recommendations of the Budget. In all cases it does not give the recommendation of the commissioners. In this matter the Board of Education has the first chance to recommend and does recommend to the commissioners. Then the commissioners, having in mind the amount of money they think they can afford to spend for school purposes, take out of the items what they think are the most important and recommend them to the Budget. Then the Budget may, and often does, cut out some of the recommendations of the commissioners.

Mr. McKELLAR. And then we come along and restore them.

Mr. PHIPPS. Yes; or we may add something entirely new. I want to be entirely frank with the Senator. If we go out on an inspection and find a location where there should be a school building which has not been approved by the Budget, our committee feel that we have the right to recommend that location to the Senate and let the Senate decide whether or not the appropriation should be made.

Mr. McKELLAR. Even though the whole matter had been submitted to the Budget and turned down by the Budget?

Mr. PHIPPS. In either case, whether it has or has not been passed upon by the Budget.

Mr. McKELLAR. In other words, it is one of those things about the Budget system, as it is being carried out, to which I have already called the attention of the Senate. The Budget plan is being violated whenever it is the desire of committees of the Senate to violate it and send in instructions to the contrary. I am not opposed to the proposition for schools, because I think we could make no mistake by building school buildings where they are necessary, and I am willing to take

the committee's recommendation for it. But it seems remarkable, if we have a Budget Bureau, that they should fall so short of finding out the facts and presenting them to the Congress. If they fall short as often as they have fallen short in the pending bill, and if they are to be overruled as often as they are being overruled in the pending bill, how much respect will we continue to have for any recommendations the Budget may make out of the ordinary?

Mr. KING. Mr. President, I would like some further explanation from the Senator in charge of the bill. I want to state to him, as I called attention to the matter yesterday, that the joint committee of the Senate and the House had devolved upon it the duty of investigating the school situation in the District. That meant not only the mechanical features of the school system, not only the buildings which were needed, but also to investigate the entire curriculum and the school system in its entirety.

As I suggested yesterday, some of the most eminent educators of the United States were brought before the committee. We took up the question of the size of the schoolhouse, whether it was to the advantage of a proper educational system to have larger units than heretofore had been erected or to maintain the present system, whether the system of high schools as it now exists in the District should be perpetuated or modified. All of those questions were gone into at very great length, as well as the educational features of the school system of the District.

I regret that our joint committee has not yet submitted its report. I think I can say without betraying any confidence that all of the members of the committee were of opinion that a number of schoolhouses should be erected, that material modifications should be made in the character of the buildings, and that perhaps as much as from \$5,000,000 or \$6,000,000 to \$8,000,000 or \$10,000,000 would be required within the next few years in order to erect sufficient and suitable buildings for educational purposes within the District.

There are a number of points upon which the members of the joint committee are not yet in agreement, or, at least, we have not sufficiently discussed all of the points, probably, to iron out unimportant differences which exist in the minds of the members of the committee.

I am not sure, Mr. President, that the amendment which has been offered by the distinguished Senator from Colorado in behalf of the committee will conform to the report which ultimately will be offered to the committee. I notice that the amendment indicates the size of the building. I feel sure that some of the buildings for which provision is made in the amendment will be different in character from what a majority at least of the committee will recommend. I was impressed by the testimony before the committee with the thought that the unit should be larger. The amendment seems to contemplate the old system of buildings—the 4-room, 8-room, and 16-room style.

I am not ready to vote for the amendment with the limited information which I have, not because there is no need for buildings; quite the reverse. I have been so impressed with the need for additional buildings that I have repeatedly said we would need from \$6,000,000 to \$10,000,000 in the near future to provide adequate buildings for the District of Columbia.

Mr. BALL. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. BALL. I would like to state that it is due to the failure of the joint committee to make its report that we have had to offer the amendments which we have offered, subject to the point of order. I was responsible for the appointing of the joint committee of which the Senator has spoken. Both the committee of the House and the committee of the Senate having to do with matters relating to the District of Columbia have refused to recommend any legislation governing the schools or school buildings, awaiting the report of the joint committee.

I was present in the House when the point of order was made against the various provisions for erecting the buildings as well as for the purchase of land. The House Committee on the District of Columbia was censured very severely for not having presented the necessary legislation to provide for the purchase. I feel that the necessary legislation has not been enacted for a very just reason. When we enact legislation we want to do it on the basis of the report of a committee which has made a thorough examination. I have requested the joint committee to make its report previous to the preparation of the District of Columbia appropriation bill, but, owing to the absence of one or two members of the joint committee and a desire to receive a report, I think, from some person from

whom some testimony was expected on some special feature of the building proposition, I was told they were not ready to make the report.

I do not believe we should hold up the building of the proper schools for the District of Columbia because we have not all the information we had hoped to get. We must meet conditions as they arise. I hope that the program submitted by the joint committee will agree with the program recommended by the Appropriations Committee. If not, we will try to adjust in the future whatever buildings may be erected now and the locations selected for those buildings with the joint committee's general plan; but I trust the committee will make its report so that early in the next Congress proper legislation may be reported and enacted.

Mr. PHIPPS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Colorado?

Mr. KING. I yield.

Mr. PHIPPS. I would like to call attention to the fact that the buildings which are now being constructed and planned for are all being erected on extensible sites, so called—that is to say, if we erect an eight-room structure, we could later add an additional eight-room structure and utilize the central heating plant and the other facilities, which would become joint for the 16-room building. The tendency is to erect larger structures to-day, rather than to scatter small ones over more territory.

Mr. KING. The statement made by the Senator from Delaware [Mr. BALL] is largely true. The joint committee has failed to report, and it is very unfortunate that the Committee on Appropriations did not have the report of the joint committee before them in drafting the bill dealing with educational matters. What I am afraid of, let me say to the Senator, is that, dealing with the subject in this piecemeal fashion, there will be much done that will have to be undone, or it will lead to extravagance and to an improvident course. It seems to me, in view of the fact that we are so short of school buildings and that so many of the present buildings have so deteriorated that they are unsuitable and ought to be torn down, that a plan ought to be devised to deal with the subject in a comprehensive and complete manner.

We are very much in the situation of a large city that has no public buildings to house its employees, its courts, and so forth. It is free from the restriction and inhibitions that would arise if it had a lot of incomplete or imperfect buildings which it felt as if it could not reject and must utilize as best it might.

Now, if we purchase all the places which are indicated and start the erection of the buildings which are indicated, I am afraid it will interfere with the comprehensive plan that would give us buildings which must cost, in my opinion, at least \$6,000,000 to \$10,000,000. I am entirely in sympathy with the program that calls for more buildings, but I want a program that will produce a unified system, a coordinated system, and buildings which are modern and up to date, scientifically and sanitarily constructed. I do not believe many of the buildings we now have ought to be used longer than is absolutely necessary to supplant them. They ought to be torn down. If we should develop a plan and build to that, coordinating all of the buildings we now have and then getting additional buildings, it would be far better than going at it in piecemeal style.

Mr. BALL. Mr. President—

Mr. KING. I yield to the Senator from Delaware.

Mr. BALL. I think I can assure the Senator that the purchase of the land will not interfere with his general plan, because we are purchasing the land in the different sections of the city which need the schools. We are securing locations in the most central part of the built-up densely populated sections of the city which are not properly provided with schools. The high schools are distributed to the different parts of the city.

So far as concerns the location proposed in the pending bill, I am sure it will not interfere with the plan of the joint committee. I am extremely sorry the joint committee did not make its report in time to get the general plan and size of the buildings before the Committee on Appropriations to use in the formulation of the District appropriation bill which we are now considering.

Mr. KING. May I inquire of the Senator whether in the proposed purchases the committee have taken into account the necessary grounds for playgrounds?

Mr. BALL. They have.

Mr. KING. The Senator knows, from an examination of the situation, that in some sections of the city there are no playgrounds at all.

Mr. BALL. I can assure the Senator that the proposition has been very carefully guarded in the selection and extent of the areas to be acquired.

Mr. McKELLAR. Mr. President, will the Senator from Utah yield to me to ask the Senator from Delaware a question?

Mr. KING. Certainly.

Mr. McKELLAR. I wish to ask the Senator from Delaware if, when these buildings are constructed, we will then have enough school buildings? I have seen a great many statements in the newspapers about our lack of school buildings. Of course, to my mind it is a very serious condition and one that ought to be remedied at once. Even though we may not have the plans, I am perfectly willing—aye, not only willing, but anxious—that it be done, by all means. We ought to have the necessary buildings. When we erect those which have been authorized in the amendment, will they furnish sufficient buildings for the school system of the city?

Mr. BALL. They will not. There were no school buildings erected during the World War; the population has continued to increase, and we are not more than meeting the growing demands of the last two years. It will take several years before we catch up on the construction of school buildings, and have a sufficient number to equal the increased demands.

Mr. McKELLAR. When is the report from the joint committee expected to be made?

Mr. BALL. I hope it will be made before the present Congress goes out of existence.

Mr. McKELLAR. Mr. President, it seems to be a very remarkable situation, that here, at the Capital of the richest country in the world, we have not enough school buildings for the school children of this city. I think we ought to leave no stone unturned in order to provide an adequate number of buildings and sufficient school facilities for the children of Washington at the earliest day possible.

Mr. KING. Mr. President, I shall not raise a point of order against this amendment, relying upon the statement of the Senator from Delaware [Mr. BALL] and the statement of my friend from Colorado [Mr. PHIPPS] that these recommendations will not interfere with any well-considered plan that may hereafter be offered to provide necessary school buildings. I shall not oppose the amendment, although I regret that we are not in a situation to adopt a plan that would provide for all needed school buildings and comprehend the needs of the District for a number of years to come.

In my opinion, we should devise and adopt a plan that would take into account the growth of the city—and its growth will be rapid—and provide buildings and a proper and modern school system adequate for present needs and elastic enough to meet future requirements. A plan of that kind, properly adjusted and properly coordinated and integrated, would call for the expenditure of, perhaps, \$10,000,000. If we could have such a plan and could locate the buildings with reference to the immediate and prospective needs of the people, it would in the long run be economy and would make for a better educational system. I am afraid, however, that if these amendments be adopted we shall do as we have done in the past, build in a piecemeal style; that we shall put a building in plot A of a certain size and have immediately to remodel or change it or transfer the school from that point to some other for the reason it will be found unsuitable to fit in with a general, comprehensive, and proper educational building system. However, Senators upon the committee have given considerable attention to this matter, and I shall rely upon their judgment, expressing my apprehension that we will soon find that we run counter to a more matured and comprehensive plan which will be adopted dealing with the educational needs of the District.

Mr. President, let me say in conclusion that I note that some of the buildings provided for in this bill, comprising but a few rooms, are to cost from \$135,000 to \$160,000. I have said before with respect to the cost of building in the city of Washington that prices are too high. Some builders and contractors and others have robbed the people, and assigned themselves to the category of profiteers. I think that there are conspiracies in the District upon the part of individuals and organizations and corporations to maintain extortionate prices.

Some time ago, on the suggestion of Secretary Hoover and myself, a committee was appointed under the auspices of the District Commissioners. I shall not characterize the conduct or the work of the committee, but it very soon developed, Mr. President, that the committee would fail in reaching the cause of continued evils; and it became manifest that impediments were being offered to an investigation of the profits that were being made by certain concerns and organizations, and that obstacles were being interposed to a proper and exhaustive in-

quity as to whether or not conspiracies and combinations in restraint of trade and for the maintenance of high prices existed in the District of Columbia. I think the whole matter ought to go before the grand jury; I think the district attorney of the District of Columbia ought to summon a grand jury to inquire into the matter of the high prices in building and building materials and supplies and all cognate matters. The idea of a little building, almost square, with four walls, costing such enormous prices as indicated in this bill can not be defended. It shows, Mr. President, that there is something wrong in the building situation in the District of Columbia, and I sincerely hope that the District Commissioners, or whoever lets the contracts, will, before they are let, make an investigation and will protect the interests of the taxpayers against the extortionate demands of combinations and conspirators within the District.

The PRESIDING OFFICER. Without objection, the amendment offered on behalf of the committee is agreed to.

Mr. PHIPPS. Mr. President, I send to the desk an amendment, to come in on page 66, with relation to dairy-farm inspection.

The PRESIDING OFFICER. The amendment proposed by the Senator from Colorado will be stated.

The READING CLERK. On page 66, line 10, after the figures "\$8,000," it is proposed to insert:

And this appropriation shall be available for such other and additional traveling expenses as, in the judgment of the health officer, may be necessary for the proper inspection of dairy farms.

Mr. PHIPPS. Mr. President, that language was stricken out on the floor of the House, the House committee having included it. To-day the inspectors of dairies are covering over 1,500 farms which are located in Maryland and Virginia. Many of those farms are more than 20 miles distant from the District line. There is no provision of law that will permit the allowance to inspectors of their traveling expenses for railway fares; so they have been compelled to use automobiles to go on these long trips. The object of this amendment is to enable the commissioners to allow the railway fares to the inspectors and to save the use of automobiles.

Mr. McKELLAR. That is quite an innovation. What is the appropriation that is asked for railroad fares? Is it \$8,000?

Mr. PHIPPS. Oh, no. The amendment relates to an appropriation of \$8,000 for necessary expenses in connection with the inspection of dairy farms, and will merely permit, if it shall be adopted, railroad fares to be included in traveling expenses. The Senator will find the provision at the top of page 66. There is one item included in it which involves the automobile question which we have passed over, but the amendment I have offered is separate and apart from that.

Mr. McKELLAR. Then it is proposed to permit the officials of this department to use automobiles and also allow them money for railroad fare?

Mr. PHIPPS. Of course they must have automobiles; they have them to-day.

Mr. McKELLAR. Mr. President, I wish to ask, Is the appropriation increased?

Mr. PHIPPS. The appropriation is \$8,000, and the amendment does not increase the appropriation at all.

Mr. McKELLAR. If the amendment does not increase the appropriation, I am not going to object to it. I would just as soon have them spending the Government money on railroad fare as to spend it on automobiles. I do not approve of the waste of the people's money for either purpose. I will not contest the amendment.

Mr. BALL. It is in the interest of economy; it will save the Government money.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Colorado on behalf of the committee is agreed to.

Mr. PHIPPS. On page 79, in connection with the item relating to the National Training School for Girls, an appropriation was estimated for. I send an amendment to the desk to cover the amount recommended and ask that it may be stated.

The PRESIDING OFFICER. The amendment proposed by the Senator from Colorado on behalf of the committee will be stated.

The READING CLERK. On page 79, after line 20, it is proposed to insert the following:

That the board of trustees of the National Training School for Girls of the District of Columbia, a body corporate, is hereby authorized and directed to purchase, subject to the approval of the Commissioners of the District of Columbia, a tract of land of not more than 160 acres, to be situated in the District of Columbia or in the State of Maryland or in the State of Virginia, for the use of said school, and the said board of trustees are hereby authorized to construct on said tract two buildings of sufficient capacity to accommodate not more than 150

persons, the plans and specifications for which shall be approved by the Commissioners of the District of Columbia before acceptance by said board of trustees: *Provided*, That the purchase price for the said tract of land, the erection of the said buildings, and all expenses incidental thereto shall not exceed the sum of \$62,000, which amount is hereby appropriated. The title to the said tract of land shall be taken directly to and in the name of the United States; and in case a satisfactory price can not be agreed upon for the purchase of said tract, or in case the title to said tract can not be made satisfactory to the Attorney General of the United States, then the latter is directed to procure said tract of land by condemnation, and the expense of procuring evidence of title or of condemnation, or both, shall be paid out of the appropriation herein made for the purchase of said tract. The said board of trustees may, within their discretion, transport to the aforesaid tract for such periods as they may see fit any of the girls which may have been committed to said school in the District of Columbia, and the said board of trustees shall have the same power and authority over such girls during the period of their commitment to said tract or while they are being conducted to or from said tract as they now possess over such girls within the limits of the District of Columbia.

Mr. KING. Mr. President, reserving the point of order on the amendment, I should like to have an explanation of it.

Mr. PHIPPS. The National Training School for Girls is an activity that necessarily has to be conducted. It takes care of girls who have been sent to the institution by the juvenile court. The present quarters, as I understand, are located on the Conduit Road close to the District line, and there are, as I remember, 66 inmates of the institution at the present time, some of them being white and some of them colored. There being just one such institution provided the girls of necessity are thrown together a good part of the time, for it is not possible fully to segregate the white girls from the colored girls so many of their activities being necessarily in common.

Mr. McKELLAR. If this amendment shall be adopted, will it provide for a separation of the races?

Mr. PHIPPS. It will provide for a separation of the races. It will enable a tract of land of 160 acres to be purchased. It is desirable that some such area should be acquired in order to allow an opportunity to carry on the gardening work and other out-of-door activities and to keep the colored girls and the white girls apart.

Mr. CARAWAY. Is it proposed to teach farming to the girls?

Mr. PHIPPS. Oh, no; not necessarily; but to teach them gardening, perhaps. I believe there are some female gardeners in various places. The total cost authorized is \$62,000.

Mr. KING. Mr. President, so many of these organizations and institutions are provided for in this bill that without very careful study one is apt to be confused. I find, on page 85, "Industrial Home School."

Mr. PHIPPS. Yes; and the Senator will find on page 83 provision for the feeble-minded.

Mr. KING. I find, also, "Industrial Home School for Colored Children," "Child-caring institutions," "Board of Children's Guardians."

Mr. PHIPPS. That is a heading in the bill. Under "Child-caring institutions" we have the Board of Children's Guardians, which is the board in control of these child-caring institutions, and which, under the advice of the courts and in pursuance of the court orders, provides the quarters for children in these various institutions or in private homes.

Mr. KING. Then we have "National Training School for Boys," "National Training School for Girls," "Reformatory," "Workhouse," "Charities and Corrections," and I do not know how many more of these public institutions. May I ask the Senator what relation there is between all of these organizations? And may not some of them be combined, in the interest of economy, and in the interest of the correction and salvation—if I may use so extravagant an expression—of those committed to their care?

Mr. PHIPPS. Mr. President, it would be rather a large undertaking for me to attempt to furnish the Senator information that it has taken me days and I should say weeks to acquire by devoting my time to visiting some of these institutions. I frankly confess that I am not qualified to tell him just where the lines of demarcation are drawn. That is the province of the Board of Charities—consisting of reputable men and women, who are performing service for the District of Columbia without pay, without reward of any kind—to carry on the activities that must necessarily be carried on in every large city. Whether or not Washington has a greater number of institutions or a greater variety than other cities of its size, I can not say offhand; but bear in mind that we have the necessity for segregating the white and the colored populations.

Mr. McKELLAR. Is this the establishment of a new institution?

Mr. PHIPPS. Not at all.

Mr. McKELLAR. What one is it in connection with—what provision of the bill?

Mr. PHIPPS. The Senator will find it at the top of page 79, as read from the amendment. The amendment—which has been printed and lying on the Senator's desk since the first of the week—shows that it is to continue and enlarge and properly provide for the activities of that institution. It is something that must be maintained. There is very great and serious complaint about the quarters where these girls are housed at present, and the capacity is too limited. They are unable to take care of the number that they should have in that institution at the present time. They should have a capacity of at least 125; and with that in mind we are providing now a capacity of 150, which is not an unreasonable excess.

Mr. KING. Mr. President, I am making no complaint about providing for all needful reformatory institutions. The point I am making is that there seems to be too many or at least a very large number of reformatories and correctional institutions; and I was wondering whether, in the interest of economy and in the interest of better service for those who are so confined or placed within these institutions, some of the institutions might not be combined. For instance, on page 77 provision is made for the reformatory, and a large number of employees, with salaries, clerks, and whatnot. Then, on page 78, provision is made for the National Training School for Boys, and on page 79 for the National Training School for Girls, with a large number of employees—

Mr. PHIPPS. That is the one we are speaking of—the National Training School for Girls—but a reformatory is a penal institution. You can not send to that institution children who have committed no crime.

Mr. KING. Then on page 85 is the Industrial Home School. How is that to be differentiated from the one we are talking about?

Mr. PHIPPS. That is quite a different activity. Where a child is not being properly cared for in its home and complaint is made, the juvenile-court judge passes on the case; and if it is found that in the interest of the child it should be removed, it is turned over to the custody of the Board of Children's Guardians. Under the present plan they will temporarily place the child in this Industrial Home School until they can find some one who will provide a home for the child and take care of it, and, in cases where they have the parents' consent or where the child has no parents, they will adopt the child. It is a question of finding proper and suitable homes for those young children. The institution we now have under discussion—the National Training School for Girls—is for older girls, girls from 10 to 14 or 15 years of age. They teach them dress-making and domestic science, teach them to wash and iron and do things like that, train them for proper life, so that they can care for themselves, with a view to making them self-supporting and able to go out by the time they are 18 years of age.

Mr. KING. The reformatory deals with those who have been convicted of some offense?

Mr. PHIPPS. Yes.

Mr. KING. And the authorities do not wish to send them to the penitentiary, and therefore commit them to the reformatory? I am trying to distinguish between the function of the reformatory and the function of the training school.

Mr. PHIPPS. It is for grown-ups and, as I stated, it is a penal institution. People who have committed crimes are sent there. It is known as the Occoquan institution.

Mr. KING. Oh, yes; whereas the National Training School for Boys and the National Training School for Girls deal with those who are immature?

Mr. PHIPPS. Yes.

Mr. KING. And whose offenses, if they are offenses, are unimportant? Perhaps they should be denominated their delinquencies.

Mr. PHIPPS. The present item seeks to do for the girls exactly what we have already done for the boys in providing a proper national training school.

Mr. KING. Mr. President, of course it is the duty of the Government to erect such needed institutions for persons of the character described as Congress deems proper. The point I am trying to get at is that there seems to be an overlapping of so many of these institutions. It occurs to me that it would be wise to investigate all of them, with a view to coordinating and perhaps eliminating some of these institutions. I do not know enough about this particular item to have any opinion on the subject.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado on behalf of the committee.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, on page 81, after line 14, the committee favors an amendment in language similar to that which was in the bill when it passed the Senate last year but to which the House conferees declined to agree.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 81, after line 14, it is proposed to insert:

Hereafter, patients may be admitted to the Tuberculosis Hospital for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia, and all moneys received from this source shall be credited to the current appropriation for maintenance of said hospital.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, on page 82, after line 7, a similar amendment is proposed with reference to the Gallinger Municipal Hospital, which was also carried in last year's bill as approved by the Senate, but was declined by the House conferees.

Mr. KING. What objection was there to it?

Mr. PHIPPS. The objection is, as to the Tuberculosis Hospital, that it is a charitable institution. There are some people who do not feel that they are in a position where they should accept full charity. They want to make a payment on account, to the limit of their ability. Perhaps they can afford to pay \$5 a week where they could not pay the full charge in some other institution. This would permit of their admission to this charitable hospital by their making a donation, if they so desire.

Mr. McKELLAR. Mr. President, I want to suggest to the Senator that in the committee amendment, on page 78, a different policy is adopted from the one that is suggested in these two amendments. In the amendment on page 78 it is provided that—

All moneys hereafter received at the reformatory as income thereof from the sale of brooms to the various branches of the government of the District of Columbia shall remain available for the manufacture of additional brooms to be similarly disposed of.

That was stricken out, and those moneys are to be covered into the Treasury on the ground, as the Senator stated this morning, that it is better for the Congress to appropriate the actual sums necessary to carry on the work and let the income go into the Treasury. I thought it was a very wise policy, and supported the Senator's amendment. Now the Senator offers two amendments here, and provides that the income that arises from these sources, instead of going into the Treasury, as is provided here, shall go to the institutions and be used by the institutions. I doubt the wisdom of that policy. I hope the Senator will change his amendment so as to strike out that particular part of it, let the money go into the Treasury, and let us appropriate for the institution. It is much wiser legislation.

Mr. PHIPPS. Mr. President, I submit for the Senator's consideration the fact that those items are not comparable at all. The one is a case of manufacture; the other is a case of manufacturing an article that is sold. They already have the labor, and we have provided the money for the material. There we feel that the money received from the sale should go back into the Treasury; but in this case we are making provision under which additional patients may be admitted to a hospital where there are ample facilities for caring for them, and permit them to make a payment on account. We are simply allowing them to contribute a part of the additional cost incident to their admission to the hospital. I do not think the items are comparable. I hardly feel that the Senator's point is well taken.

Mr. McKELLAR. I have no objection to the amendment if the amounts received are covered into the Treasury. Otherwise, I make a point of order against both of the amendments.

Mr. PHIPPS. Mr. President, I think one of them was adopted.

Mr. KING. May I inquire of the Senator the reason for the increase in the item on page 78 from \$52,000 to \$60,000?

Mr. PHIPPS. We have an additional number of inmates coming to the reformatory, and we did not agree to the House provision. We were well within the estimate in raising the amount. The estimate was for more than that.

Mr. KING. Will the proceeds derived from the sale of any property be covered into the Treasury?

Mr. PHIPPS. Yes; they must be.

Mr. McKELLAR. Mr. President, I shall make a point of order against the amendment unless the Senator is willing to modify it. I am perfectly willing not to make the point of order if it is modified.

Mr. PHIPPS. I ask a question for information. Was the first amendment, relating to the tuberculosis hospital, adopted?

The VICE PRESIDENT. That was agreed to.

Mr. PHIPPS. Then I understand the Senator is making a point of order against the amendment in relation to the Gallinger Hospital?

Mr. McKELLAR. I ask unanimous consent to go back to the preceding amendment, because the two amendments are exactly the same in that particular. I want to make a point of order against the other one unless my suggestion is followed.

Mr. PHIPPS. I do not see any serious objection to the Senator's proposal. Certainly there is no serious objection to having it done in that way. I was trying to point out to the Senator the reason why we thought this was not in the same category with the manufacture of brooms. However, we think it very desirable to have that incorporated in the bill; and therefore, in order to meet the Senator's views, I am willing to modify those two amendments, going back to the amendment for the tuberculosis hospital and striking out the language which reads, "and all moneys received from this source shall be credited to the current appropriation for maintenance of said hospital," so that under the law it would then go into the Treasury.

Mr. McKELLAR. That is entirely satisfactory.

The VICE PRESIDENT. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The VICE PRESIDENT. The question now is on modifying the amendment on page 81, line 14.

Mr. PHIPPS. There I move to further amend by striking out the language which has been read, "and all moneys received," and so forth.

The VICE PRESIDENT. Without objection, the vote by which the amendment was agreed to will be reconsidered, and the question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

Mr. PHIPPS. On page 83 the Senate committee proposes an amendment with reference to the home for the feeble-minded. When the appropriation bill for 1923 was under consideration the Senate Appropriation Committee recommended certain language and an appropriation for the acquisition of a home for the feeble-minded. That was introduced by the Senate, not having been contained in the bill as it passed the House. The bill went to conference, and after many inspection trips, requiring some days and much effort, on the insistence of the House the Senate conferees finally agreed to recommend and did recommend to the Senate the House contention that the home for the feeble-minded should be located on a piece of property belonging to the District and known as Blue Plains.

The buildings authorized have not yet been erected on that site. There is strong and general complaint against the utilization of that building site for the proposed home for the feeble-minded. I feel that there is undoubtedly good ground for that opposition, although at the time I felt that the need for the home was so urgent that it was much better to accept that objectionable site rather than to lose the project, and I know my fellow conferees had the same view. But we acceded to the House proposition. In view of the fact that the buildings have not been erected we desire now to have inserted the language of last year's bill by reporting the item as it was approved in the appropriation bill of 1923 and substituting the original language. I desire that the Secretary report the amendment.

Mr. KING. What provisions will now be made for the feeble-minded?

Mr. PHIPPS. There is practically none made, except housing them out, as may be, wherever they can be cared for. We have no institution in which to house them, and here we have the proposition not only of segregating the races but segregating the sexes as well, which is very important.

Mr. KING. Let the amendment be read.

The READING CLERK. On page 83, after line 5, insert the following:

The paragraph in the District of Columbia appropriation act for the fiscal year 1923, approved June 29, 1922, which reads as follows—

"The Commissioners of the District of Columbia are authorized and directed to use a site for a home and school for feeble-minded persons, said site to be located in the District of Columbia on lands owned by the District of Columbia and now allotted to the Home for the Aged and Infirm, and to erect thereon suitable buildings at a total cost not exceeding \$250,000, and toward said purpose there is hereby appropriated the sum of \$100,000, to be immediately available. The persons to be admissible thereto and the proceedings with reference to securing such admission to be in accordance with law"—is hereby repealed; and the Commissioners of the District of Columbia are authorized and directed to acquire a site for a home and school for feeble-minded persons, said site to be located in the District of Columbia or in the State of Maryland or in the State of Virginia, and to erect thereon suitable buildings at a total cost not exceeding \$300,000, of which not more than \$40,000 shall be expended for a site, and toward said purpose there is appropriated the sum of \$125,000 to be immediately available; if the land proposed to be acquired is

within the District of Columbia, and the same can not be acquired by purchase at a price satisfactory to the commissioners, they are authorized to condemn the same under the provisions of chapter 15 of the Code of Law for the District of Columbia. If the land can not be acquired within the District of Columbia, the Attorney General of the United States, at the request of the Commissioners of the District of Columbia, shall institute condemnation proceedings to acquire such land as may be selected for said site either in the State of Maryland or in the State of Virginia in accordance with the laws of said States, the title of said land to be taken directly to and in the name of the United States, but the land so acquired shall be under the jurisdiction of the Commissioners of the District of Columbia as agents of the United States, and expenses of procuring evidence of title or of condemnation, or both, shall be paid out of the appropriation herein made for the purchase of said site.

Mr. JONES of Washington. I ask unanimous consent that when the Senate concludes its business to-day it recess until 11 o'clock to-morrow.

Mr. KING. Mr. President, we have been meeting at 11 for some days, and some of us have committee meetings in the morning. Will not the Senator make it 12 o'clock?

Mr. JONES of Washington. We are very anxious to get started with the rural credits bill, which is for the benefit of farmers, and with another appropriation bill, which is to be reported to-morrow.

Mr. KING. What appropriation bill is that?

Mr. JONES of Washington. The legislative appropriation bill. It is very desirable that we should begin the consideration of business which the committees have actually reported, and which is on the calendar. I hope the Senator will not object.

Mr. KING. Does the Senator expect to take up the appropriation bill to-morrow? It has not yet been reported.

Mr. JONES of Washington. I heard the Senator from Utah [Mr. Smoot] say that he has it ready to report. I do not know whether he will report it to-day or not.

Mr. SMOOT. It will be ready to report just as quickly as we can have it printed after 12 o'clock to-morrow.

Mr. JONES of Washington. Senators are very anxious to get started on the rural credits bill.

Mr. SMOOT. I think the appropriation bill will be printed and ready to consider before the rural credits bill is disposed of.

Mr. JONES of Washington. That is probably true.

Mr. KING. Then the appropriation bill referred to will probably not come up to-morrow.

Mr. SMOOT. Not before 3 or 4 o'clock in the afternoon, anyway.

Mr. KING. As the Senator knows, that bill contains some important items, and there will be no chance to see what is in it before to-morrow morning.

Mr. SMOOT. This is the legislative bill, not the Army bill. The Army appropriation bill will not be ready for reporting until Friday, I think, perhaps Saturday.

Mr. KING. I shall not object to the Senate recessing until 11 o'clock, although I wish the Senator would fix the hour at 12 o'clock.

Mr. JONES of Washington. We are very anxious to get started on the rural credits measure.

Mr. DIAL. Mr. President, I regret to object to anything the Senator from Washington requests, but when we attend to our other business in the forenoon we can not get here at 11 o'clock. I think we will make just as much progress if we meet at 12, and I hope the Senator will not press his request. I am a great believer in work, but there is such a thing as becoming tired and not accomplishing as much as could be done in a shorter space of time. I think we will do just as well if we meet at 12 o'clock, and I hope the Senator will not urge his request.

Mr. JONES of Washington. I shall endeavor to have the Senate recess, when we conclude our business to-day, until 11 o'clock to-morrow.

Mr. HARRISON. In this connection I want to ask a question or two. I wish to inquire what it is intended shall be taken up to-morrow when the pending bill gets out of the way, if it does get out of the way this afternoon?

Mr. JONES of Washington. It is intended that the Lenroot rural credits bill shall be taken up.

Mr. HARRISON. Then, when any appropriation bill is ready Senators will sidetrack the rural credits bill and take up the appropriation bill, if the rural credits bill shall not have been disposed of in the meantime?

Mr. JONES of Washington. I am not certain as to that. I do not control that matter, but I imagine Senators all want to get the appropriation bills out of the way.

Mr. HARRISON. There are only two appropriation bills left, are there not?

Mr. JONES of Washington. I think so.

Mr. HARRISON. The legislative appropriation bill and the Army appropriation bill?

Mr. JONES of Washington. The legislative bill and the Army bill; and then whatever deficiency appropriation bill may come over from the House.

The VICE PRESIDENT. The Chair is not quite certain about the request of the Senator from Washington for unanimous consent.

Mr. JONES of Washington. I understood that there was objection, and I shall not make a motion at this time, but I expect to make a motion when the time comes to close the business of the day, unless we get along extraordinarily well.

Mr. HARRISON. Does not the Senator from Washington think we have been getting along pretty well with the pending District of Columbia appropriation bill?

Mr. JONES of Washington. I will be ready to answer that question along about 5 o'clock.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, on page 91, after line 15, we desire to recommend an amendment which I will ask the Secretary to report. It is new matter entirely.

The VICE PRESIDENT. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 91, after line 15, insert:

The Board of Engineers constituted by Public Act No. 441, approved March 2, 1911, is hereby directed to submit through the Chief of Engineers, United States Army, on or before the first day of the next regular session of Congress a report recommending such modifications in existing project for Anacostia Park above Benning Bridge as may now appear desirable and in the interest of economy.

Mr. PHIPPS. Mr. President, we desire that direction, and the engineers really want it also, the point being this: A survey was made some years ago and lines for property to be taken above the Benning Bridge approved. The work below the Benning Bridge has been nearly completed, so that the appropriation carried in this pending bill will enable them to complete all dredging and get well along with the sea-wall work. For the last three years we have declined to let any money appropriated to be used above the Benning Bridge, one reason being the thought the engineers had in mind that it would be necessary to put draw spans in a couple of bridges in order to get the dredges through. I think they are now convinced they can move those dredges and get them above the Benning Bridge without having to erect drawbridges. They can jack them up and move them along on rollers.

Now, next year the work of recovering lands above the Benning Bridge should be undertaken. Before doing that, the committee feel that the higher ground would cost too much to justify the taking; that eliminating some of the high ground we would have as a minimum 250 acres above the Benning Road that would be available for park purposes. It is the thought of the committee that the amount of land to be acquired should be restricted as far as possible, cutting down the amount, and therefore we are asking to have the engineers make a new survey and fix new lines.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PHIPPS. I offer an amendment to come in on page 97, after line 24. The amendment relates to Rock Creek Park. It is language which was stricken from the bill on the floor of the House.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 97, after line 24, the last line on the page, insert the following:

Provided, That the following areas and parcels described and delineated on map No. 2, contained in House Document No. 1114, Sixty-fourth Congress, first session, as a part of total area to be acquired for said parkway shall be excluded from the total area finally to be acquired, to wit, 815 square feet of lot 801 in square 2541, 349 square feet of lot 836, 1,303 square feet of lot 74 in square 2543, 549 square feet of lot 58, 2,106 square feet of lot 800 in square 1262, 3,600 square feet of lot 20 in square 23, 199 square feet of lot 80 in square 1238, and 60 square feet of lot 3 in square No. 1: *Provided further*, That the following described lots and parcels that are without the taking line shall be included in the area finally to be acquired, namely, 4,483 square feet of lot No. 1, 2,919 square feet of lot 2, 3,259 square feet of lot 3 in square 2510, 6,879 square feet of lot 1 in square 47, and about 902 square feet of lot 803 in square 2543: *Provided further*, That in order to protect Rock Creek and its tributaries, none of the moneys herein or heretofore appropriated for the opening, widening, or extending of any street, avenue, or highway in the District of Columbia shall be extended for the opening, widening, or extension of any street, avenue, or highway which shall or may in the judgment of the District Commissioners permanently injure or diminish the existing flow of Rock Creek or any of its tributaries, nor shall permission so to do at private expense be granted to any private person or corporation except by the joint consent and approval of the Commissioners of the District of Columbia and the officer in charge of public buildings and grounds.

Mr. PHIPPS. For the most part these are simply metes and bounds that are incorporated so that certain property heretofore authorized to be taken under condemnation or purchase is now eliminated. It simply provides that those areas shall be excluded from the taking for park purposes.

Mr. KING. Has suit been brought to condemn?

Mr. PHIPPS. They have acquired all they desire in the location covered by the particular area, and now they are declaring that they do not desire to take these certain pieces, which releases the owners of the property, so there is no cloud remaining on their title and they can go ahead and sell it or dispose of it as they please.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PHIPPS. On page 97, after line 24, relating to the same activity, I offer another amendment which is new; that is, it was not approved by the House. It was considered by the House committee.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. Insert after the amendment last agreed to the following:

The authority of the commission is hereby extended to acquire by purchase or condemnation or otherwise the following additional tracts of land for park purposes, to wit: The tract known as the Klinge Valley Park, containing about 8 acres, as shown on map filed in the office of the executive officer of the Rock Creek and Potomac Parkway Commission and designated as the map of Klinge Valley Park, dated January 12, 1923; the Piney Branch Valley Park, containing about 6 acres, as shown on map filed in the office of the executive officer of the Rock Creek and Potomac Parkway Commission and designated as the map of Piney Branch Valley Park, dated January 12, 1923; and a portion of the tract known as the Patterson tract, being parcel 129/2, except the portion of the west side of said tract, indicated as eliminated from said tract by a map filed in the office of the executive officer of the Rock Creek and Potomac Parkway Commission and designated as map of the Patterson tract, dated January 12, 1923, containing about 70 acres. The commission is further authorized to reduce the area to be acquired in either of said tracts, where by reason of improvements constructed or unreasonable prices asked or for other reasons in their judgment the public interest may require and the limit hereinafter fixed to be paid for said tracts shall be reduced accordingly: *Provided*, That if acquired by purchase the cost of the respective tracts shall not exceed the following sums: The Klinge Valley Park, \$155,950; the Piney Branch Valley Park, \$94,050; and that portion of the Patterson tract above designated, \$425,000, and there is hereby authorized and appropriated for the purposes specified herein the sum of \$675,000: *Provided further*, That the tracts authorized to be acquired by this act shall become part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army: *Provided further*, That Cleveland Avenue from Thirty-fourth Street eastward to Thirty-third Place is hereby declared closed and the title thereto re-ceded to the owner of the abutting property by whom it was dedicated, in consideration of the dedication by the same owner of a larger area for widening and extension of Thirty-third Place, as shown by the map of Klinge Valley Park herein referred to.

Mr. PHIPPS. Mr. President—

Mr. KING. I reserve the right to raise a point of order against the amendment.

Mr. PHIPPS. As relating to the Patterson tract, the Senate approved an item last year of \$600,000 for the entire tract, in round figures, 80 acres of land. That provision went out in conference. The Senate subcommittee again visited the tract and, through the Superintendent of Public Buildings and Grounds, Colonel Sherrill, were in touch with the owners of the Patterson estate, who, by the way, are not desirous of selling the property. It was found that we could work out a plan whereby the triangle nearest the railroad, the lowest ground and least desirable for park purposes, could be eliminated from the part that was to be taken, leaving 70 acres of desirable higher ground, and that by making that change in the entire tract we could acquire the property for \$425,000. It comprises 70 acres. That is, in round figures, \$6,000 an acre.

The owners of the property could utilize it to much better advantage, there is no doubt. It is in a section that is growing up. It is right near the city. It was Camp Meigs, and everyone knows what Camp Meigs was. It is beautiful-lying ground, and adjoining the asylum for the deaf and dumb.

The Klinge Valley tract, which it is proposed to take, would be a part of the connecting link between Rock Creek Park and Potomac Park. It is largely hilly, wooded ground, and yet there are no precipitous hillsides. They are such that people can walk over them, and they are undoubtedly available as park lands. Unless they are taken, and taken promptly, for park purposes, the lands are going to be used as a dump for filling material and built upon. Even now the amount that was originally proposed to be taken has been materially sheared down in area because of buildings encroaching on the park lands.

The same is true of the Piney Branch Park. There the recommendation covered in the bill is that we now take the minimum amount necessary to provide a proper entrance to the upper end of the park at Arkansas Avenue. The roadway

would come in under the cement-arch bridge crossing Sixteenth Street at that point.

The three items are items which the committee feel very strongly should be approved at this time. If the properties are not acquired now, the chances are it will be impossible to acquire them later.

Mr. KING. May I inquire of the Senator whether Mr. Glover, whose interest in the parking system of the District has been very great, and whose recommendations, so far as I know, have been exceedingly wise, appeared before the committee or made any suggestions relative to either of the tracts?

Mr. PHIPPS. Mr. Glover was not before our committee this year, but I have the information, I recall, from former hearings, that Mr. Glover favors the acquisition of the tracts.

Mr. BALL. I may say that I received a letter from Mr. Glover which I turned over to the Senator from Colorado.

Mr. PHIPPS. Yes; we have a letter from Mr. Glover recommending the acquisitions. I will say in this connection that I know Mr. Glover has been instrumental with the owners of the property in inducing them to put minimum prices on their holdings.

Mr. KING. The judgment of Mr. Glover would be very persuasive with me, because in a public way and in a very disinterested way he has for many years devoted himself to the building up of a park system in the District. I think he is entitled to the thanks of the people here for his disinterested services.

However, as to the last proposition, I am not sure that Congress ought to acquire the land. At the expense of wearying the patience of the Senate for a moment, I want to call attention to a memorandum which has been handed to me dealing with the question. I ask the attention of the Senator in charge of the bill, so that if he regards any of the reasons as obstacles to the execution of his purpose he will so indicate.

In the first place, the appropriation, I understand, was not recommended by the Budget.

Mr. PHIPPS. Two of the items were not. The Patterson tract item was not. It was in our bill last year.

Mr. KING. But the Patterson tract has not been recommended by the Budget, nor has it been recommended by the commissioners.

Mr. PHIPPS. I call the Senator's attention to the fact that it was recommended by the Senate in Senate bill 3098, which passed this body on February 20, 1922. That act specified the Klinge Road Valley Park and Piney Branch Valley Park. In that case it gave 16.3 acres, where we now have cut it down to 8 acres. The Patterson tract, known as parcel 129, subdivision 2, containing 81.76 acres, was recommended. The commission was further authorized to acquire it, and the prices were given: Klinge Road, \$186,800; Piney Branch, \$237,700; and the Patterson tract, \$600,000.

The same bill has been reported to the other House by the House committee, but the House has not yet taken action on it. The report made by Mr. Focht, of the District Committee, in the House was a favorable one and recommended the passage of the bill covering all three sites. So the matter has been acted on by the Senate and has received very careful consideration at the hands of the House committee.

Mr. KING. Mr. President, as I understand, the Budget Bureau did not approve of this item, nor did the commissioners, nor did the House of Representatives.

Mr. BALL. Mr. President—

Mr. KING. I yield to the Senator from Delaware.

Mr. BALL. The commissioners did approve of the bill in a letter which was written by them to the Senate committee.

Mr. KING. Let me say to the Senator that in the estimates for the fiscal year for 1924 the commissioners did not recommend the acquisition of the Patterson tract.

Mr. BALL. They recommended the acquisition of the Patterson tract to our committee before the bill was reported to the Senate, and the bill for that purpose has passed the Senate.

Mr. KING. But they did not appear before either the House committee or the Senate committee in the preparation of the pending bill and recommend the purchase of the Patterson tract.

Mr. BALL. That is true, but they were already on record as recommending it, from the fact that they had previously appeared before our committee in its behalf.

Mr. KING. At any rate, they did not appear before the Appropriations Committee, either of the House or of the Senate, nor does their testimony indicate that the commissioners approved of this appropriation.

The Senator has properly said that the owners of the Patterson tract, of which I am now speaking, are not favorable to the acquisition of that tract by the District. It has been

stated to me—and I have only made a very imperfect investigation, so I have not any settled opinion of my own—that the acquisition of a part of the Patterson tract will permanently block the future industrial growth of the city in this region.

Mr. PHIPPS. Does the Senator from Utah desire me to answer the points he suggests as he goes along?

Mr. KING. Let me complete this statement, and then I shall be glad to yield to the Senator. The property practically adjoins the heart of the industrial locality of the city. It is close to the center of population and is the natural location for distributing warehouses, enabling them to provide minimum delivery charges to the consuming public. It abuts the railroad along its entire western and northern frontage. It is the only tract of appreciable size suited for future industrial development in that region.

Now, I shall be glad to have the Senator from Colorado make any comment he desires upon the views which I have just expressed.

Mr. PHIPPS. Mr. President, attention has been called to the fact that it is proposed to eliminate about 11.6 acres of the Patterson tract and take 70 acres. Those 11.6 acres constitute a triangle along the line of the Baltimore & Ohio Railroad at New York Avenue. To set aside any more of the property adjoining the railroad on New York Avenue for sites for warehouses would not be practicable, on account of the contour of the ground. The ground rises rather rapidly 100 or 200 feet from Florida Avenue on one side, and New York Avenue crosses the Baltimore & Ohio Railroad by an overhead bridge; but, as New York Avenue is graded along the line of this property, to-day that bridge is standing up in the air and is not being used. This ground rises very rapidly from Florida Avenue to the crest of the hill. It adjoins the Columbia Deaf and Dumb Institution on the east, and the Baltimore & Ohio Railroad bounds it on the west.

Answering the Senator's other suggestion that there is no other ground available for warehouse sites, I will say that all that could be utilized for that purpose has been eliminated by the amendment and is not proposed to be acquired. The map clearly shows that the acquisition of the property as contemplated would not block development or the march of improvements in a northerly direction at that point.

Mr. KING. Mr. President, in view of the fact that the property abuts the railroad along its entire western and northern frontage, in view of the rapid growth of the city, and in view of its favorable location to the railroads and the evident necessity of further ground for industrial development, I most respectfully submit that the small part of the tract to which the Senator refers as having been eliminated from the purview of the amendment would not furnish adequate ground for industrial purposes, but that the entire tract is needed. I think the contention that it is the most available, if not the only available, tract for industrial development is one which is very appealing, and ought to cause Congress to hesitate before it embarks upon the expenditure of this huge sum.

Mr. President, there is another aspect to this question to which I desire to call the Senator's attention, namely, that, if the northeast section requires any additional park area at the present time, there is other land immediately available and at practically no expense. A large tract, of approximately 150 acres, abuts the Patterson tract on its entire eastern frontage. That tract is already partly owned and controlled by the Government and is largely maintained and supported by Federal appropriations. Much of the tract is used only for farm purposes, and a great deal of it is wooded and not used at all. If a park area is now required, the economical and practical measure would be the utilization for this purpose of the land already available and under Federal jurisdiction.

Mr. President, I have not investigated the facts regarding there being 150 acres available, but I know that there is a considerable tract of ground that is available for park purposes which is owned or controlled entirely by the Federal Government. I yield to the Senator from Colorado if he cares to make any observations in regard to that statement.

Mr. PHIPPS. Mr. President, the map which I showed the Senator also indicates the property on which the Columbia Institution for the Deaf and Dumb is located, and the estimate of 150 acres of ground is certainly entirely too high. There is not that great an acreage; I think it has about the same area as the Patterson tract, or approximately eighty-odd acres. A good part of that could and should be utilized as a park in connection with the proposed acquisition; but unless we acquire the Patterson tract, so far as we are able to see there is no land within the next 2 miles that would serve as a park for the northeast section of the city.

Mr. BALL. And that section has no park now.

Mr. PHIPPS. As the Senator from Delaware suggests, there is no park there now and there is no place where playgrounds can be located. If we could secure this piece of ground it would certainly eliminate the necessity of providing two or three playgrounds. As a matter of fact, when we had the appropriation bill under consideration last year and put in this item, we struck out two items for playgrounds in the north-east section. Unless this property is acquired within the very near future it is going to be impossible to secure it at all.

Mr. KING. I inquire of the Senator why not make use of the tract of land already controlled by the Government—whether it is 150 acres, as I have stated, or 80 or 90 acres, as the Senator suggests—for playground purposes and for park purposes instead of buying the Patterson tract at such a very large figure?

Mr. PHIPPS. I think even if we did not to-day own the ground around the Columbia Institution for the Deaf, and it were another piece of property contiguous to the Patterson tract, that the right thing to do would be to buy them both and not go half way.

I feel that the price at which the property can be acquired is, indeed, reasonable. We all know that the owners could undoubtedly take that property and develop it and sell it to much better advantage. We are getting a decrease in the price more than proportionate to the area eliminated by not including in the amendment provision for acquiring the lower area of ground adjoining the railroads.

If I gave the Senator the impression that the railway bounded the northerly side of the property, I did not mean to do so. The northerly boundary is New York Avenue and not the railroad property. The property is bounded on what I take to be its northerly side by New York Avenue, and the railway runs along but a very small portion of the frontage of the property. In any event, the item should be put in the bill.

Mr. KING. Mr. President, I dislike very much to raise a point of order. If the Senator will divide the amendment as I think it should be divided, so that we may vote upon the first two projects, I shall be glad to do that. I ask that the amendment may be divided.

Mr. PHIPPS. Mr. President, I do not understand on what the Senator would base a point of order as to the provision with reference to the Patterson tract. The opinion of the Senate has already been expressed by the passage of Senate bill 3080, to which I have called the Senator's attention.

Mr. KING. First, the item has not been estimated for by the Budget Bureau and it is not in the House bill.

Mr. PHIPPS. But it has been reported by the standing committee, and the committee has authority so to report.

Mr. KING. I do not understand that under the new rule even the report of a standing committee of an item for an appropriation would render it immune from attack upon the ground that it is not proper legislation on an appropriation bill under the circumstances that surround this bill. It is conceded that this item—I am speaking of the last one now, the appropriation for the Patterson tract—was not estimated for by the Budget Bureau; it was not recommended to the House by the Appropriations Committee of that body, and the House did not make any provision for it. So far as this bill is concerned the amendment is initiated by the committee and comes to the floor of the Senate without the approval of the Budget Bureau and without the approval of the House. I raise the point of order against the provision in the amendment covering the Patterson tract because it has not been estimated for by the Budget Bureau and is in contravention of the rules of the Senate.

Mr. JONES of Washington. Mr. President, I want to suggest that it is reported by a standing committee of the Senate, as the rules provide.

The VICE PRESIDENT. The Chair is of the opinion that this does not come within the prohibition, having been reported from a standing committee of the Senate.

Mr. KING. I ask for a division of the amendment. The Chair will see that there are really three amendments there.

Mr. PHIPPS. Mr. President, I recognize the justice of the Senator's request. There is no objection to having them treated separately. Let us take Piney Branch and Klinge Road and the Patterson tract separately.

Mr. KING. As far as I am concerned, I have no objection to the first two, and will vote for those two. I desire to have the Patterson tract voted on separately.

The VICE PRESIDENT. The question is on agreeing to the Klinge Valley and Piney Branch portions of the amendment.

The amendment indicated was agreed to.

The VICE PRESIDENT. Now the question recurs on the Patterson tract portion of the amendment.

Mr. KING. Mr. President, will the Senator leave the vote upon that until just before we recess? I do not want to call for a quorum, and if for any reason the matter should go over until to-morrow morning I should be glad. I shall not ask that it go over until to-morrow morning if the bill can be concluded to-night, however.

Mr. PHIPPS. We should like very much to conclude the bill to-night; but certainly there is no objection to postponing action on this particular amendment until we have cleaned up other matters with relation to the bill, even if it does have to go over.

Mr. KING. I do not want to put the Senate to the trouble of calling for a quorum if I can avoid it.

Mr. JONES of Washington subsequently said: Mr. President, when the amendment with reference to the purchase of park land was under consideration and the question was raised as to whether or not the provision as to the purchase of the Patterson tract was in order, I stated to the Chair that it had been reported to the Senate by a standing committee of the Senate. I think I ought to say that I did that, of course, on the spur of the moment; but, as a matter of fact, it was presented by the Senator from Colorado by authority of the committee, the committee feeling that on account of the doubt about it being in order it ought not to be reported as a committee amendment, thereby endangering the bill and possibly leading to its recommitment to the committee. The committee was in favor of it, but it was not proposed as a committee amendment. Under the new rule, I think the committee could not do that unless the Chair should hold that, independent of that, it would be in order upon the bill.

I thought that I ought to make this statement so that it might be in the RECORD when the question comes up to-morrow for a vote and possibly a reconsideration of the ruling on the point of order.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of Washington. The Senator from Tennessee [Mr. McKellar] has the floor.

Mr. McKellar. I yield.

Mr. LENROOT. I suggest that the statement just made by the Senator from Washington has a very material bearing upon the ruling made by the Chair with reference to the question. It appears that the amendment was not moved by direction of a standing committee, and therefore the amendment should be treated as an individual amendment not estimated for.

Mr. PHIPPS. Mr. President, there is one further amendment, on page 97, after line 24, providing for a permanent system of highway surveys. I ask to have the amendment stated. It is new matter.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 97, after the amendment agreed to at that place, it is proposed to insert the following:

The Commissioners of the District of Columbia under the authority of the act of Congress of March 2, 1893 (27 Stats., p. 532), providing for a permanent system of highways for the District of Columbia, are hereby authorized and directed to make a complete restudy of the highway system of the District of Columbia outside of the built-up portions of the District and outside of the limits of the old city of Washington, with a view to the location of the highways in accordance with the best city planning practice and with a view to maintaining the natural topographical features—hills, valleys, and wooded areas—as far as may be practicable, and such map as may be produced in accordance with this authority shall be submitted to the commission created by the above act of March 2, 1893, for its amendment or approval: *Provided further*, That no change of location of the roadways shall be made in any built-up subdivision, but changes of location as may be necessary in any unsubdivided areas or in subdivided areas unbuilt up may be made. There is hereby appropriated for this purpose the sum of \$50,000 for the payment of salaries of technical and clerical employees, the purchase of the necessary materials, and labor.

Mr. PHIPPS. Mr. President, a word of explanation.

When the plans for the old city, as we know it, were adopted they provided for regular squares and blocks, and then streets running on diagonals, with resultant circles, in different parts of the city. Then extension was made over as far as Georgetown, and the streets and avenues in the old city were projected on through the newer portions. As they were built up and became occupied further and additional property was brought in, additions were tacked on and laid out on the same plan of intersecting streets at right angles and at acute angles and all kinds of angles. To improve or build up any section of that outlying district, the owners to-day have to take into account the plan which is before them, and that requires the roads to go straight through on certain lines. The contour of the country may be such as to make it almost impossible, or, at least, unduly expensive, to continue those avenues along straight lines to connect up with those now established; and it not only means undue expenditure on the part of the property owners and the home builders but it necessarily entails added and unnecessary

expense on the city government in order to make the cuts and fills to carry out the grades that should be provided.

I may cite Connecticut Avenue as an instance of what I mean. Some of the cuts and fills there are greater than should be necessary, because to-day we have the automobile and the trolley car, and the road over the hill is not so objectionable as when we relied on horse-drawn vehicles. In some sections, however, instead of the avenue being projected on a straight line, a curve may be resorted to that will preserve proper contours and give passable grades, and at the same time save a great amount of expense for the home builder and the city as well.

Therefore your committee feels justified in recommending that a comprehensive topographical survey be made, so that it may be determined what changes should be made at this time in the projected streets where the property has not yet been built up, and we feel that it should meet the support of the Senate.

Mr. KING. It is a good idea.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado on behalf of the committee.

The amendment was agreed to.

Mr. PHIPPS. That completes the amendments in which the committee is interested, with the exception of one reserved for the final vote by the Senator from Utah [Mr. KING].

Now, I should like to inquire of the Senator from Tennessee [Mr. McKellar] if we may have action on the items reserved for his consideration?

Mr. McKELLAR. Mr. President, I wish to say that on yesterday, after the colloquy in reference to automobiles occurred here in the Senate, I telephoned to the secretary of one of the commissioners, Mr. Oyster, and he informed me that a statement would be prepared as to the number of automobiles and sent up to me either yesterday afternoon or early this morning. I have not heard from them at all further; but I find in the afternoon News this statement:

Full details on the use of District automobiles will be sent to the Senate within two days to answer charges of Senator McKELLAR yesterday that Government autos were used for private purposes, Daniel E. Garges, secretary of the commission, said to-day.

So I assume from this statement, if it is correct, that the figures will not be sent until after this bill is passed. I imagine that they will wait carefully until the two days are out and the bill is passed, and then they will send up the figures. Of course, if the city commission wishes to withhold those figures, it can do so; but there is no reason in the world why they should not have been sent. Whoever talked to me over the telephone yesterday afternoon said that they would be sent right away. I have had nothing further from them; so that there is but one thing for us to do, and that is to vote on my amendment to strike out these provisions about automobiles.

If the majority of the Senate think that this kind of practice may continue to be indulged in, and that it is the duty of the Government to appropriate these large sums for the maintenance of passenger-carrying automobiles, of course I am going to take my medicine like a man, and say no more about it for the present; but I serve notice here now that during the next six years, whenever these appropriation bills come up, I am going to protest against this wasteful and useless extravagance in the matter of passenger-carrying automobiles being used by the various officials of the Government. There are found in this bill innumerable places where automobiles are provided for, and in other places the upkeep and operation of automobiles is provided for.

As long as our Republican majority desire to keep that up, of course they have the votes over there, and can do it; but I do hope that enough economists will come to the front at some time to stop this practice, which is little short of a scandal.

Really, the way it is being done now is little short of a public scandal, and I regret that the city commissioners are not sufficiently considerate of the Senate to send these figures up here before a vote is taken. Of course, those officials knew that the consideration of the bill was in progress and that it was desired to finish it at an early date.

I am not going to ask the Senate to postpone the vote on this matter until to-morrow, because I know it would be a useless thing. The commission would not send up the figures until the next day if we were to postpone it until to-morrow. So, Mr. President, I am going to ask for a vote on one provision, or we might vote on all of them in bloc, if that is satisfactory to the Senate.

The VICE PRESIDENT. Is there objection to voting on them in bloc? The Chair hears none, and it is so ordered.

Mr. KING. Let them be stated first.

Mr. PHIPPS. Mr. President, before the vote is taken I should like to give an opportunity for the offering of other

amendments. The Senator from Delaware [Mr. BALL] has an amendment that I have asked him to withhold until this time, and I think there may be some others.

Mr. McKELLAR. The Senator is not ready to vote on this amendment now?

Mr. PHIPPS. I should prefer to have these other smaller amendments considered first.

Mr. McKELLAR. I judged from what the Senator had stated to me that all the other amendments had been disposed of, or I would not have brought up this matter.

Mr. BALL. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 47, line 2, in the item relative to Americanization work, it is proposed to strike out "\$6,480" in the House text and to insert in lieu thereof "\$9,980."

Mr. HARRISON. Mr. President, let us have an explanation of that.

Mr. KING. I should like some explanation from the Senator in regard to this item.

Mr. BALL. Mr. President, what does the Senator wish to know? It was not estimated for by the Budget.

Mr. KING. It is not estimated for and not allowed by the House nor by the Senate committee?

Mr. BALL. It is the same appropriation that was granted last year. There is a deficiency of \$4,500. I will state to the Senator that the deficiency is recommended by the Budget for this year, and it is to be allowed, under the bill, as I understand. Perhaps the chairman of the committee can give the Senator some further information about it.

Mr. PHIPPS. Mr. President, Americanization work is largely night-school work, though there are some day classes. The appropriation for the present year has been found to be inadequate, and unless a deficiency is allowed, the night schools will have to stop the 1st of April, instead of carrying along through April, May, and June, as it is desired they should do. The Budget is recommending \$4,500 as a deficiency for this year, I am informed, and while the Committee on Appropriations was not given an opportunity to consider this additional item of \$3,500, since it has been brought to my attention I have spoken to as many of the members as I can reach, and I find that they do not object to the inclusion of the item, and to carrying it to conference, so that the activity may be properly cared for, rather than have a deficiency again this year.

Mr. KING. Under whose auspices is this money expended?

Mr. PHIPPS. Under the auspices of the Board of Education; but they have collaborated with the Department of Labor for a time, and I think even yet the Department of Labor runs a day school in the department building. The work is most important. There was a provision in the bill as it went to the House this year, attempting to exclude people over 21 years of age, unless they paid tuition. That is one item the Senate committee did not favor. We think the amount included in this one item in the bill, \$6,480, is really insufficient. It ought to be about \$10,000, or, as they have it, \$9,980.

Mr. HARRISON. How many teachers are there doing this Americanization work? I notice the appropriation is to pay for a principal, \$1,800 a year, and janitors and teachers. How many teachers are there employed in that work? The language of the bill as it passed the House is:

For Americanization work and instruction of foreigners of all ages in both day and night classes, including a principal, who, for 10 months, shall give his full time to this work, at \$1,800 per annum, and teachers and janitors of Americanization schools may also be teachers and janitors of the day school, \$6,480.

Mr. PHIPPS. This year they had \$12,000, and the estimate they are submitting is for \$6,480. The saving was accomplished by the transfer of five teachers, or the work of five teachers was put under another heading, as I recall it.

Mr. HARRISON. They are not paid out of this sum, then?

Mr. PHIPPS. They are not paid out of this sum, but we have granted permission to the teachers who teach during the day in the regular day school to teach these night classes. We provide for vocational trade instructors and teachers of Americanization work. That number, I think, has been segregated. I did have the number, but at the moment I can not find the memorandum.

Mr. HARRISON. There are five teachers doing this work, in addition to the principal.

Mr. PHIPPS. I think there must be more than that number, because most of them are employed only at night. I am sorry I can not furnish the Senator with more information at this

time; but my suggestion would be to allow this item to go to conference, and then we can go into it and fully study it.

Mr. HARRISON. This is an important proposition. I do not know how much we appropriate for the Department of Labor for Americanization work, but it is quite a sum. We have been cutting it down in recent years, but it is quite important.

This bill should be rushed along as speedily as possible, and I think progress on the bill has been very speedy. I think it is a very splendid bill, taken as a whole, and the Senators who have drafted the Senate committee bill have done a wonderful work; but, in the interest of speeding it up, can not the Senator suggest that, say, to-morrow at 2 o'clock all debate shall close upon this bill, and in the meantime we can decide on the amendments?

Mr. PHIPPS. I do not see that it should be necessary to carry this bill over until to-morrow. We have only two items in dispute.

Mr. HARRISON. I make the suggestion because the Senator from Utah [Mr. KING] has an amendment pending touching the purchase of some land somewhere, and the Senator from Tennessee is framing one amendment and has another amendment to be voted on, and there is this great work of Americanization to be considered. The Senator from Ohio [Mr. WILLIS], I understand, has a very important amendment to offer. So we can speed it up by fixing a definite time to stop debate and vote upon the proposition. Just in the interest of the economy of time I suggested that at 2 o'clock to-morrow all debate close.

Mr. PHIPPS. Of course, we could include that in the motion to recess, and I understand from other Senators interested that 1 o'clock to-morrow would be acceptable.

Mr. HARRISON. Just let us fix some definite time, so that we will get through with the bill.

Mr. PHIPPS. I suggest to the Senator in charge of the unfinished business, then, that he incorporate that understanding in the agreement to recess to-night.

Mr. JONES of Washington. Mr. President, another Senator has said he desires to offer some amendments, and that he might discuss them somewhat. If the Senate will agree to close debate on the bill and all amendments at 1 o'clock to-morrow, I am willing that the Senate shall recess until 12 o'clock.

Mr. KING. We will agree to that.

Mr. McKELLAR. Mr. President, we may possibly get the figures from the District Commissioners by morning, and I think only an hour would be a very short time, because I have another amendment I want to offer.

Mr. JONES of Washington. I am willing that the Senate shall recess until 11 o'clock, then.

Mr. McKELLAR. Let us recess until 12 and vote at 2. I am sure that will give us ample time.

Mr. JONES of Washington. I do not think we ought to do that.

Mr. McKELLAR. I wish to say, in regard to meeting at 11 o'clock, that we met at 11 o'clock this morning, and it took exactly 21 minutes by the clock to get a quorum. I think it is a bad practice to meet at 11 o'clock. I do not believe much time is gained by it. I do not know what arrangements have been made about the time. It will take me but a very short time to submit the two amendments I have.

Mr. KING. Let me say to my friend from Tennessee that the amendment which I shall offer will take but a few moments, and he can have half an hour.

Mr. McKELLAR. I joined in an agreement to vote on a bill at a certain time the other day, and some other Senator took all the time; and I did not have an opportunity to present what I desired to submit. I think 15 minutes will be all the time I shall want to consume to-morrow. Let us make the time of meeting 1.30 o'clock.

Mr. JONES of Washington. Let me suggest to the Senator that he get recognition to-night and occupy the floor in the morning. Then he can present the matter and have his 15 minutes.

Mr. WILLIS. Mr. President, I understand of course that it is possible for Senators to agree on how they will parcel out the time, but I have an amendment which I think is of some importance. I am perfectly willing to go on with it now; but if Senators are to join in an understanding that the time is to be divided up to-morrow, I want it understood that I have an amendment that I desire to offer. I am perfectly willing to proceed with it to-night.

Mr. McKELLAR. I hope the Senator from Washington will make the hour of meeting to-morrow 12 o'clock.

Mr. JONES of Washington. Let us go on this evening and finish as much as we can, and then try to get agreement directly.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. BALL]. The amendment was agreed to.

Mr. WILLIS. Mr. President, I desire to call up an amendment offered by me on yesterday.

The VICE PRESIDENT. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On page 68, line 4, after the word "officers" insert: "Director probation department, \$2,400."

On page 68, line 6, after the figures "\$1,500" insert: "Case supervisor, at \$1,800; two probation officers, at \$1,400 each."

On page 68, line 10, after the figures "\$1,200" insert: "Stenographer, at \$1,200."

Mr. PHIPPS. Mr. President, I regret to call the Senator's attention to the fact that this is an item that has not been estimated for, it has not been approved by the Budget, and has not been reported by a standing committee. The Senate subcommittee working on the bill heard the judge of the juvenile court and called her attention to those facts, and later, in personal conferences, I called the attention of the judge to the fact that these very activities are provided for under the Board of Children's Guardians, and it was merely a technical question whether the work that it was suggested should be done by the officers now proposed in this amendment was not being done by the people we are already paying to do the work. I shall have to make a point of order against the amendment.

Mr. WILLIS. Mr. President, I desire to be heard on the point of order.

Mr. MOSES. May I ask the Senator from Colorado, in connection with the point of order, whether probation officers are not estimated for and reported?

Mr. PHIPPS. These are not.

Mr. MOSES. Then it is a mere question of terminology, and the Senator from Ohio can change the language so as to authorize the appointment of additional probation officers.

Mr. PHIPPS. They are not known as probation officers in the place where they are provided for; they are known as investigating and placing officers.

Mr. MOSES. The Senator can change it so as to provide for additional probation officers, can he not?

Mr. PHIPPS. No.

Mr. MOSES. Why not?

Mr. PHIPPS. Because they are not estimated for.

Mr. MOSES. I would like to know very definitely if the situation here in the Senate is such that a Budget Bureau or a committee is going to shackle the Senate if it wishes to increase the number of officers already named in a bill, or if we want to appoint an extra clerk.

Mr. LODGE. It could not be done under the old rules, even before there was a Budget Bureau.

Mr. MOSES. We have always done it.

Mr. LODGE. Not if it had not been reported by a standing committee.

Mr. MOSES. We have frequently increased the number of officers provided for in a bill.

Mr. LODGE. Yes; if there was a majority of the Senate in favor of it.

Mr. MOSES. That is the question before the Senate now, or will be before we get through with this matter.

Mr. LODGE. It could not be done without a committee recommendation first.

Mr. MOSES. We will find out whether a majority of the Senate will stand for this.

Mr. LODGE. I meant to say that a majority of the Senate could do it, after a committee had reported it.

Mr. MOSES. I understand that.

Mr. LODGE. If there was no report from a standing committee, it was out of order under the old rule.

Mr. MOSES. Then, Mr. President, we have to override a point of order plainly raised, in order to do something that the Senate wants to do and which ought to be done?

The VICE PRESIDENT. The Chair would like to be informed as to whether it has been estimated for.

Mr. MOSES. These particular additional officers, I understand, have not been estimated for, but if it is the judgment of the Senate that there should be more of them, is the Senate to be denied the right to name them?

The VICE PRESIDENT. The Chair would like to know further whether there is any doubt that the amendment would increase the appropriation?

Mr. PHIPPS. It undoubtedly would increase the amount of the appropriation.

Mr. WILLIS. Undoubtedly it would increase the appropriation, but I should like to be heard before the Chair rules.

Mr. PHIPPS. There are no employees of any of the three classes designated in the amendment who are employed under

the particular activity to which the amendment is proposed, the juvenile court.

Mr. FLETCHER. Not only is that true, but it increases the number of employees and, being in the same department, it necessarily increases the appropriation.

The VICE PRESIDENT. The Chair will hear the Senator from Ohio.

Mr. WILLIS. Mr. President, there is no doubt, of course, that the amendment would increase the appropriation. It increases the number of employees and therefore increases the appropriation. But my contention is that it is in conformity with an authorization already made in conformity with existing law. I have before me the estimate of the Budget, at page 941 of which appears the heading "Probation officers," and it goes on, then, with the different items under that heading. If there is no authority of law for the officials which I am proposing in my amendment, there is no authority of law for those already in the bill, so far as that is concerned. The amendment is to carry out a provision of existing law.

In order that there may be no misunderstanding about the purpose of the amendment, let me call attention to the fact that its purpose is to save the children and the homes and the money of the taxpayers all at once. Here is the situation:

As it stands now, a child is brought up before the juvenile court because of delinquency. It develops that the home is not a proper home. As it is proposed to be carried out, if the amendment shall be defeated, the only thing the court could do would be to commit the child to the Board of Guardians. Now it is proposed by the creation of these additional offices to give authority not only to put the child, as it were, on probation but to put the home on probation as well.

The natural instinct of the parent, which ought to have some consideration, will prompt the parents to say, "Let us take the child back home." That is all right, if the court has sufficient officers to enable it to supervise the home. That makes it possible to keep the child in the home and to keep from breaking up the home. I should prefer that a child be kept in a home, even an indifferent one, rather than to have it put in a public institution.

Furthermore, when the child is in the home the public is relieved of the burden of caring for it, and that is at least \$1 a day. The amendment would save the taxpayers money, the child, and the home. It is a matter which carries out the terms of existing law. I insist that the amendment is in order.

Mr. MOSES. May I ask the Senator from Ohio if the effect of the amendment is contrary to what has been stated, namely, to increase the amount of the appropriation, but that we would save money by it?

Mr. WILLIS. Without any question.

Mr. PHIPPS. I desire to correct a statement I made inadvertently. I said the probation officers were not included in the activity under which the amendment was proposed. That was an incorrect statement. They are so included.

The VICE PRESIDENT. What does the Senator from Ohio say is the provision of existing law which he proposes to carry out by his amendment?

Mr. WILLIS. I understand that the law now authorizes an appropriation for probation officers as estimated for in the Budget. There is no doubt about that. The law now provides for that. The amendment proposes to increase the number of officers. There is no question about that, and therefore it will increase the appropriation to that extent. But, as has been pointed out by the Senator from New Hampshire, without doubt it will save the public funds, because it would cost less to have one official to supervise 25 children in their own homes, where the public is relieved of the burden of supporting them, than it would to have those children put in public institutions.

I contend that the amendment is to carry out the terms of existing law, and therefore is in order.

The VICE PRESIDENT. The Chair does not understand the rule in accordance with the suggestion made by the Senator from Ohio. It would seem to the Chair that the Senator is undertaking to make some existing law and then provide an appropriation to meet it. Therefore the Chair rules that the point of order is well taken.

Mr. McKELLAR. Mr. President, I offer the amendment which I have sent to the Secretary's desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 10, after line 22, insert the following proviso.

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street railway companies in the District of Columbia at rates not in excess of the rates of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress, and,

on and after February 1, 1923, said companies shall receive a rate of fare not exceeding 5 cents per passenger, and six tickets shall be sold for 25 cents.

Mr. JONES of Washington. Mr. President—

Mr. McKELLAR. I yield to the Senator from Washington.

Mr. JONES of Washington. I ask unanimous consent that when the Senate conclude its business to-day it recess until 12 o'clock to-morrow, and that all debate on the pending bill and amendments close at 1 o'clock.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that when the Senate concludes its business to-day it will take a recess until 12 o'clock meridian, calendar day of Thursday, January 25, 1923, and that at not later than 1 o'clock p. m. on said calendar day all debate shall cease on the bill H. R. 13660 and all amendments offered thereto.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Tennessee [Mr. McKELLAR], on which that Senator is entitled to the floor.

Mr. PHIPPS. Mr. President, having heard the reading of the amendment, and speaking to the amendment, I regret that I shall have to make a point of order against the amendment that it is legislation upon an appropriation bill and therefore out of order.

Mr. McKELLAR. I differ with the Senator. It is strictly a limitation upon the appropriation made in the bill. It is not legislation; it is merely a limitation upon an appropriation. Is the Senator ready to take a recess now? Can not this matter go over until to-morrow?

Mr. PHIPPS. I am quite willing to let it go over if the Senator prefers.

Mr. McKELLAR. I desire to look up the authorities between now and to-morrow noon, and I hope the Senator, if the Senate is going to take a recess in a few moments, will permit the amendment to go over.

Mr. PHIPPS. That is agreeable to me.

Mr. JONES of Washington. Will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield to the Senator from Washington.

COLUMBIA RIVER BRIDGE, OREGON.

Mr. JONES of Washington. From the Committee on Commerce I report back favorably with amendments the bill (S. 4341) granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a toll bridge across the Columbia River at or near the city of Hood River, Ore., and I submit a report (No. 1056) thereon. I ask for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 1, lines 9 and 10, to strike out the words "and that the time for the commencement and completion of such bridge," and, on page 2, line 2, after the numerals "1906," to strike out "shall be commenced within one year and completed within three years, respectively, from the date of approval hereof," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the Oregon-Washington Bridge Co., a corporation organized under the laws of the State of Washington, and its successors, to construct, maintain, and operate a toll bridge and approaches thereto across the Columbia River at a point suitable to the interests of navigation at or near the city of Hood River, Ore., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BERTHA N. RICH.

Mr. FRELINGHUYSEN. Mr. President, I ask unanimous consent for the immediate consideration of the bill (S. 4114) for the relief of Bertha N. Rich. I do not think it will take very long to pass the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Jersey?

Mr. DIAL. I have looked into the measure, and it will involve some considerable discussion. Therefore I shall have to object to taking it up at this time.

The VICE PRESIDENT. There is objection.

Mr. FRELINGHUYSEN. Do I understand that the Senator from South Carolina objects to the present consideration of the bill?

Mr. DIAL. At the present time. It would involve considerable discussion, and I would not like to detain the Senate at this late hour.

FOX RIVER BRIDGES.

Mr. JONES of Washington. For the Senator from New York [Mr. CALDER], I report two bridge bills, in which the Senator from Illinois [Mr. MCKINLEY] is interested, and I shall ask for their immediate consideration.

I report favorably with amendments the bill (S. 4353) granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River, and I submit a report (No. 1057) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 1, line 11, to strike out the numerals "1908" and insert "1906," and on page 2 to strike out lines 1, 2, 3, and 4, in the following words:

SEC. 2. That said highway commissioner of the town of Elgin, be, and is hereby, further authorized and empowered to construct all necessary abutments, piers, and other structures for the accomplishment of this end.

And to renumber the section in line 5, so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the highway commissioner of the town of Elgin, situated in the county of Kane and State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Fox River in substantially a direct line, connecting Mill Street on the east side of the river with Spring Street on the west side of the river, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JONES of Washington. I report back favorably, with amendments from the Committee on Commerce, the bill (S. 4169) granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River, and I submit a report (No. 1058) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 2, to strike out lines 3 to 11, inclusive, in the following words:

SEC. 2. That said city of Aurora be, and it is hereby, further authorized and empowered to construct all necessary abutments, piers, and other structures for the accomplishment of this end, and to move, change, and reconstruct the existing dam, if necessary.

SEC. 3. That the authority empowered to construct said bridge and to initiate and consummate the actual erection of said bridge shall exist for a period of five years from and after the date of the passage thereof—

and to renumber the section in line 12, so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Aurora, a municipal corporation situated in the county of Kane and State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the west branch of the Fox River, reaching from Stolps Island to the mainland and connecting the west end of Main Street with the east end of Galena Street in said city, county, and State, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. FLETCHER. May I inquire of the Senator if these are free bridges?

Mr. MCKINLEY. They are bridges just within the limits of the city of Aurora.

Mr. FLETCHER. Not toll bridges?

Mr. MCKINLEY. Not toll bridges.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PRICE OF ANTHRACITE COAL.

Mr. WALSH of Massachusetts. I submit a resolution and ask for its immediate consideration. It simply seeks for information from the Interstate Commerce Commission, and I do not think it will lead to debate.

The resolution (S. Res. 418) was read, considered by unanimous consent, and agreed to, as follows:

Whereas it has been reported that large shipments of anthracite coal are being made from the United States to foreign countries, and that such coal is being sold at retail in foreign countries at prices considerably below the retail selling price of anthracite coal in the United States; and

Whereas in the present national emergency the inadequate supply of anthracite coal makes it imperative that the fuel requirements of the United States be first met; and

Whereas the Interstate Commerce Commission has authority under section 2 of the act entitled "An act to declare a national emergency to exist in the production, transportation, and distribution of coal and other fuel, granting additional powers to the Interstate Commerce Commission, providing for the appointment of a Federal fuel distributor, providing for the declaration of car-service priorities during the present emergency, and to prevent the sale of fuel at unjust and unreasonably high prices," approved September 22, 1922, to order an embargo on all shipments of anthracite coal to foreign countries until the national emergency declared by such act has been terminated: Therefore be it

Resolved, That the Interstate Commerce Commission is directed to report to the Senate (1) whether it has investigated the feasibility and advisability of ordering an embargo upon shipments of anthracite coal to foreign countries; (2) the action taken as a result of such investigation, if one has been made, together with the facts considered and the conclusions reached by the commission; (3) if no investigation has been made, whether such an investigation should not be immediately instituted to determine the feasibility and advisability of ordering such an embargo; and (4) what "other necessary and appropriate steps for the priority in transportation and equitable distribution of coal" (anthracite) have been taken "to prevent upon the part of any person, partnership, association, or corporation the purchase or sale of coal (anthracite) at prices unjustly or unreasonably high."

REGULATION OF MOTOR-VEHICLE OPERATORS.

Mr. BALL. Mr. President, I ask unanimous consent for the immediate consideration of the bill (S. 4283) to authorize the Commissioners of the District of Columbia to require operators of motor vehicles in the District of Columbia to secure a permit, and for other purposes.

Mr. MCKELLAR. What is the nature of the bill?

Mr. BALL. It is a bill giving the Commissioners of the District authority to annul licenses to operate automobiles under certain conditions.

Mr. LODGE. They ought to have the power to withdraw licenses from motor operators under certain conditions.

Mr. BALL. If the Senator from Tennessee will permit me, I believe I can explain conditions so that he will know that action is required. At present the law provides that for certain offenses certain fines and imprisonment shall be imposed.

Mr. MCKELLAR. Let us have the bill reported.

The VICE PRESIDENT. The Secretary will read the bill.

The reading clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and empowered to require operators of all motor vehicles in the District of Columbia to obtain a permit under such regulations as said commissioners may deem necessary; and said commissioners are hereby authorized and empowered to make, modify, and enforce all such regulations as they may deem necessary for licensing operators of motor vehicles in the District of Columbia, and to refuse or revoke any such permit after hearing by said commissioners, when for any reason in their judgment the issuance or continuance of such permit would be a menace to public safety: *Provided*, That nothing herein contained, or in the regulations of the commissioners made hereunder, shall be deemed to repeal the provisions of the act of Congress approved March 3, 1917, concerning the operation of motor vehicles in the District of Columbia by persons not legal residents of said District who have complied with the laws of the State of their legal residence, except, however, that the operation of motor vehicles in the District of Columbia by persons not legal residents or domiciled therein may be forbidden under like conditions as above set forth for resident operators.

Mr. MCKELLAR. Mr. President, as I understand, if this bill shall become a law the Commissioners of the District of Columbia will have the right to revoke an operator's license, whether it be issued by the city of Washington or in some other jurisdiction.

Mr. BALL. The bill provides for the revocation of a driver's license under certain conditions.

Mr. MCKELLAR. If the bill, if enacted, will have the effect of aiding in preventing so many accidents in this city, if it has that purpose, I am willing that it shall be passed.

Mr. BALL. If the Senator desires, I will cite a case or two, although I understand he has withdrawn his objection to the consideration of the bill.

Mr. MCKELLAR. I have already withdrawn my objection to the consideration of the bill, but I shall be very glad to hear the Senator from Delaware if he desires to make a statement.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. WADSWORTH. Mr. President, I have been engaged in conversation, endeavoring to ascertain the effect of this bill, and,

owing to my own fault, have not been able to do so. I wish the Senator from Delaware would once more explain the bill. I regret making this request of him.

Mr. BALL. Mr. President, the bill provides that the Commissioners of the District of Columbia may, under certain conditions, revoke the permits of operators of motor vehicles in the District of Columbia. It permits operators who are driving automobiles under permits issued by the States to do so, unless, of course, they should commit certain offenses, in which case the Commissioners of the District would have the right to revoke their permits, so far as operating in the District of Columbia is concerned only. If the Senator from New York will permit me, I desire to say that the concrete case which brought the attention of the Commissioners of the District to this matter was an accident which occurred a few weeks ago as the result of an intoxicated man operating an automobile. The commissioners attempted to annul his permit, but it was decided that he could only be fined and imprisoned, and he was fined and imprisoned in that case; but immediately he operated his car again and within a week was again arrested for intoxication. The commissioners again attempted to annul his permit, and they did take his District permit away from him, but he went over into Virginia and secured a permit there, as he was doing business in that State, and he continued to operate the car. Within two weeks, however, while driving his automobile when intoxicated he ran over a child. The commissioners appealed to the court, but the court decided that there was no authority for annulling a permit granted by another State.

Mr. WADSWORTH. I wish to ask the Senator from Delaware a question. Assuming that a person is operating an automobile in the District of Columbia and is not a resident of the District of Columbia but a resident of a State which does not require an operator's license, what power would the District Commissioners, under the terms of this bill, have over such a driver?

Mr. BALL. Under the terms of the bill, I would say that they would probably have a right to require such an operator to take out a permit here.

Mr. FRELINGHUYSEN. Is it not true that licenses relate to the car?

Mr. BALL. The bill refers to operators' permits. At present, Mr. President, the District Commissioners have absolutely no control over operators, except they may be imprisoned upon conviction.

Mr. FLETCHER. Do I understand the chairman of the committee to say that this bill has been considered by the District Committee and unanimously reported by the committee?

Mr. BALL. The bill was prepared by the Commissioners of the District of Columbia, but it has been considered by the Committee on the District of Columbia and reported unanimously.

Mr. WADSWORTH. Do I understand it to be a fact that if this bill shall be passed every person driving a car in the District of Columbia must have an operator's permit, whether he be a legal resident or a nonresident temporarily domiciled here?

Mr. BALL. I asked one of the District Commissioners that question last evening, and he told me that it would not interfere with those operating cars who come here from States, unless they drive while intoxicated or become involved in accidents, but that then they might afterwards be compelled to operate under a District permit.

Mr. WADSWORTH. Then it is discretionary with the District Commissioners?

Mr. BALL. It is discretionary with the District Commissioners.

Mr. WADSWORTH. And they could under this bill, if passed, require everyone to take out a District permit?

Mr. BALL. To take out a permit to operate cars. There is such a law now, but it is not compulsory.

Mr. FRELINGHUYSEN. There is a reciprocal law here.

Mr. WADSWORTH. The point of the matter is, as I read this bill—although I may be wrong about it—that this is one of those measures which pyramid the number of licenses to which the humble citizen is subjected. As I read the bill a person domiciled here, although not a legal resident, may be compelled to take out an operator's permit to drive a car which is not registered here, although he is compelled to take out a license in another State and may be obliged to secure licenses in several States. I am opposed to such a pyramiding of permits upon people who are not residents of the District of Columbia.

Mr. BALL. My construction of the bill is that the Commissioners of the District of Columbia may compel an operator to

secure a permit and that they would have control over that permit in the future.

Mr. WADSWORTH. We are having exactly the same kind of a situation in reference to the taxes on motor vehicles. In some instances several States have tried to tax the same automobile. The State of Maryland is trying to do it now on District of Columbia automobiles, pyramiding license costs. I wish to know whether this bill will have the effect of pyramiding operators' costs?

Mr. FLETCHER. I do not see how that could happen, but it looks to me as though a person ought to be required to have a permit to operate a car in the District of Columbia, whether that car is owned by a citizen of some State or whether the owner is a resident of the District of Columbia.

Mr. WADSWORTH. If that is correct, Mr. President, then the District of Columbia should also charge a license fee for a New York car which is operated in the District.

Mr. FLETCHER. I do not know that they need charge for it, but a permit ought to be required.

Mr. WADSWORTH. That would be the consistent and logical thing to do, and I am opposed to it.

Mr. McKELLAR. The commissioners ought to be in a position to revoke a license if the operator of a car is drunk or is otherwise unfit to operate it.

Mr. BALL. I feel that unless we are going to grant the commissioners some authority over those who operate motor vehicles in this city, they will not be able to control accidents.

Mr. McKELLAR. If the bill should be passed and become a law and should not work properly Congress would still have the power to repeal it or change it.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. WADSWORTH. Mr. President, I do not intend to adopt obstructive tactics, but I think this bill is of more importance than some of the Senators supporting it realize. I am opposed to its consideration at this time. I do not know whether I am too late in making the objection.

The VICE PRESIDENT. The Senator from New York can interpose objection at any time.

Mr. WADSWORTH. Then I object to the consideration of the bill at this time.

The VICE PRESIDENT. Objection is made.

EUGENE FAZZI.

Mr. FRELINGHUYSEN. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield to the Senator.

Mr. FRELINGHUYSEN. I ask unanimous consent for the immediate consideration of Order of Business No. 951, being the bill (H. R. 3461) for the relief of Eugene Fazzi.

Mr. McKELLAR. What is the purpose of the bill?

Mr. FLETCHER. Mr. President, I do not wish to object to considering the bill, but I submit it is a very bad practice just as we are about to adjourn to be taking up bills on the calendar. Not one-fourth of the Senators are present, and I think it a bad practice to consider bills under such circumstances.

Mr. FRELINGHUYSEN. I agree with the Senator, but there are on the calendar several bills which affect my State which have been reported from the Claims Committee, and naturally I am anxious that they should be considered and passed. I am merely trying to take advantage of the opportunity to have the bills acted upon. Unimportant bills are frequently presented and considered toward the close of a session of the Senate. I do not think the Senator will object to the bill when he understands it, and I do not want to delay him and keep him here.

Mr. FLETCHER. I do not know what the bill is, and I should like to accommodate the Senator, but I think it would be much better if he would ask that it be taken up to-morrow.

Mr. FRELINGHUYSEN. Will the Senator consent to the consideration of this one bill?

Mr. FLETCHER. I would prefer that the Senator let it go over until to-morrow.

EXECUTIVE SESSION.

Mr. LODGE. I move the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened; and (at 5 o'clock and 35 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Thursday, January 25, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 24 (legislative day of January 23), 1923.

ASSOCIATE JUSTICE OF SUPREME COURT OF THE UNITED STATES.

Edward T. Sanford, of Tennessee, to be Associate Justice of the Supreme Court of the United States, vice Mahlon Pitney, resigned.

ASSISTANT DIRECTOR OF BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

Robert A. Jackson, of New York, to be Assistant Director Bureau of Foreign and Domestic Commerce at \$3,000 per annum, vice Thomas R. Taylor, promoted.

RECEIVER OF PUBLIC MONEYS.

Raymond B. Lewis, of Montana, to be receiver of public moneys at Bozeman, Mont., vice James P. Bole, term expired. Morris S. Wright nominated September 14, 1922, and confirmed September 19, 1922, but declined.

COAST AND GEODETIC SURVEY.

Casper Marshall Durgin, of New Hampshire, to be hydrographic and geodetic engineer, with relative rank of lieutenant in the Navy, in the Coast and Geodetic Survey, by promotion from junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, vice J. D. Crichton, resigned.

Henry William Hemple, of Illinois, to be hydrographic and geodetic engineer, with relative rank of lieutenant in the Navy, in the Coast and Geodetic Survey, by promotion from junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, vice Benjamin Friedenber, resigned.

APPOINTMENT IN THE REGULAR ARMY.

CHAPLAINS.

Chaplain John Thomas Axton to be chief of chaplains with the rank of colonel for a period of four years beginning March 18, 1921, with rank from July 15, 1920. Colonel Axton was previously nominated March 11, 1921, and confirmed March 14, 1921. This message is submitted for the purpose of correcting an error in the date of commencement of the period of four years during which his appointment is to continue in force.

POSTMASTERS.

ALABAMA.

Margaret E. Stephens to be postmaster at Attalla, Ala., in place of M. M. Russell. Incumbent's commission expired November 21, 1922.

William L. Power to be postmaster at Blountsville, Ala., in place of D. P. Bynum. Incumbent's commission expired July 1, 1922.

Grova Grace to be postmaster at Dora, Ala., in place of Grova Grace. Incumbent's commission expired November 21, 1922.

ARKANSAS.

William D. Swift to be postmaster at Lincoln, Ark., in place of J. B. Dixon, resigned.

CALIFORNIA.

Daniel W. McGowan to be postmaster at Arcata, Calif., in place of George Marken. Incumbent's commission expired September 5, 1922.

COLORADO.

Gerald H. Denio to be postmaster at Eaton, Colo., in place of M. A. McGrath. Incumbent's commission expired September 5, 1922.

GEORGIA.

Lemuel S. Peterson to be postmaster at Douglas, Ga., in place of L. S. Peterson. Incumbent's commission expired September 28, 1922.

William C. Chambers to be postmaster at Fort Gaines, Ga., in place of Susie McAllister. Incumbent's commission expired March 16, 1921.

Harry M. Wilson to be postmaster at Waycross, Ga., in place of H. C. Bunn. Incumbent's commission expired September 28, 1922.

IDAHO.

Haly C. Kunter to be postmaster at Ririe, Idaho, in place of A. E. Bowen, removed.

ILLINOIS.

Harry R. Morgan to be postmaster at Aledo, Ill., in place of C. E. Duvall. Incumbent's commission expired October 24, 1922.

John Lawrence, jr., to be postmaster at O'Fallon, Ill., in place of W. H. Evans. Incumbent's commission expired October 24, 1922.

INDIANA.

Ralph W. Gaylor to be postmaster at Mishawaka, Ind., in place of J. A. Herzog. Incumbent's commission expired September 5, 1922.

Vernon D. Macy to be postmaster at Mooresville, Ind., in place of Emsley Roberts, resigned.

Henry D. Long to be postmaster at New Harmony, Ind., in place of C. P. Wolfe. Incumbent's commission expired September 5, 1922.

Ernest A. Bodey to be postmaster at Rising Sun, Ind., in place of C. A. Steele. Incumbent's commission expired September 5, 1922.

Orville B. Kilmer to be postmaster at Warsaw, Ind., in place of L. C. Wann. Incumbent's commission expired September 5, 1922.

IOWA.

Daniel H. Eyler to be postmaster at Clarion, Iowa, in place of W. E. Leshner. Incumbent's commission expired September 5, 1922.

Henry H. Gilbertson to be postmaster at Lansing, Iowa, in place of J. J. Dunlevy. Incumbent's commission expired September 5, 1922.

Spencer C. Nelson to be postmaster at Tama, Iowa, in place of A. E. Jackson. Incumbent's commission expired September 5, 1922.

KANSAS.

Frank H. Dieter to be postmaster at Oakhill, Kans., in place of F. H. Dieter. Office became third class April 1, 1921.

LOUISIANA.

James M. Cook to be postmaster at Oakdale, La., in place of J. M. Cook. Incumbent's commission expired September 5, 1922.

MASSACHUSETTS.

Clarence E. Deane to be postmaster at Athol, Mass., in place of E. J. Hayden. Incumbent's commission expired October 1, 1922.

MICHIGAN.

Ernest Paul to be postmaster at Pigeon, Mich., in place of G. H. Ankham. Incumbent's commission expired November 15, 1922.

Charles J. Kappler to be postmaster at Port Austin, Mich., in place of H. S. Morrow. Incumbent's commission expired November 21, 1922.

Dorr A. Rosencrans to be postmaster at Reed City, Mich., in place of D. A. Rosencrans. Incumbent's commission expired November 15, 1922.

MINNESOTA.

Benjamin H. Peoples to be postmaster at Detroit, Minn., in place of E. W. Davis. Incumbent's commission expired September 13, 1922.

MISSISSIPPI.

Mary E. Cain to be postmaster at Vaiden, Miss., in place of M. E. Cain. Incumbent's commission expired September 19, 1922.

MONTANA.

John M. Bever to be postmaster at Bridger, Mont., in place of A. D. G. Hough. Incumbent's commission expired September 13, 1922.

NEW YORK.

Walter F. Hawkes to be postmaster at Buchanan, N. Y., in place of M. A. Lynch. Office became third class October 1, 1920.

Henry S. Whitney to be postmaster at Manlius, N. Y., in place of L. R. Bell, deceased.

James G. Lewis to be postmaster at Naples, N. Y., in place of J. E. Lyon. Incumbent's commission expired September 28, 1922.

NORTH CAROLINA.

John C. Snoddy, jr., to be postmaster at Red Springs, N. C., in place of A. K. Brown. Incumbent's commission expired March 16, 1921.

NORTH DAKOTA.

William R. Jordan to be postmaster at Luverne, N. Dak., in place of M. S. Bothne. Office became third class April 1, 1921.

Carl E. Knutson to be postmaster at Portland, N. Dak., in place of S. K. Kringlie. Incumbent's commission expired May 10, 1920.

OHIO.

Mary E. Ross to be postmaster at Lebanon, Ohio, in place of C. B. Dechant. Incumbent's commission expired September 19, 1922.

Georgiana Pifer to be postmaster at Rock Creek, Ohio, in place of W. E. Brettell. Incumbent's commission expired November 21, 1922.

OKLAHOMA.

Perry E. High to be postmaster at Maysville, Okla., in place of C. L. Williams, resigned.

PENNSYLVANIA.

William P. Parker to be postmaster at Kittanning, Pa., in place of W. A. McAdoo, deceased.

William E. Housel to be postmaster at Lewisburg, Pa., in place of J. F. Kurtz, removed.

SOUTH CAROLINA.

Walter W. Goudelock to be postmaster at Trough, S. C., in place of W. W. Goudelock. Office became third class April 1, 1921.

SOUTH DAKOTA.

Evert D. Law to be postmaster at Bonesteel, S. Dak., in place of P. J. Donohue. Incumbent's commission expired September 11, 1922.

TENNESSEE.

Harold T. Hester to be postmaster at Portland, Tenn., in place of H. M. Moore. Incumbent's commission expired October 1, 1922.

TEXAS.

Joseph C. Council to be postmaster at Granger, Tex., in place of W. E. Thies. Incumbent's commission expired September 5, 1922.

Rufus H. Windham to be postmaster at Kirbyville, Tex., in place of Eyre Kennedy. Incumbent's commission expired September 5, 1922.

E. Otho Driskell to be postmaster at Mansfield, Tex., in place of E. O. Driskell. Incumbent's commission expired September 5, 1922.

Nathaniel B. Spearman to be postmaster at Mount Pleasant, Tex., in place of A. C. Cheney. Incumbent's commission expired July 21, 1921.

VERMONT.

Vernie S. Thayer to be postmaster at Readsboro, Vt., in place of H. H. Crosier. Incumbent's commission expired September 19, 1922.

WISCONSIN.

Frank E. Wieman to be postmaster at Washburn, Wis., in place of John O'Sullivan. Incumbent's commission expired September 5, 1922.

Simon F. Wehrwein to be postmaster at Manitowoc, Wis., in place of H. C. Schuette, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 24 (legislative day of January 23), 1923.

UNITED STATES DISTRICT JUDGE.

Albert L. Reeves to be United States district judge, western district of Missouri.

POSTMASTERS.

CALIFORNIA.

Julia M. Arbini, Fairfax.
Flora B. Reynolds, Mill Valley.

FLORIDA.

William H. Turner, Largo.
Ulysses D. Kirk, Sebring.

MASSACHUSETTS.

Edmund Spencer, Lenox.
Edgar O. Dewey, Reading.

NEW YORK.

Wade E. Gayer, Fulton.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, January 24, 1923.

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, be merciful unto us; forgive us our sins and help us to start the day with good cheer, hope, and courage. In our unwisdom and lack of knowledge may the fundamental principles of right and wrong be fulfilled in our daily practice. Endow our plain, common lives with the beauty and sanctity of unselfish service. Bless us with the consciousness that we have done that which is worthy and far beyond the thought of personal gain. Lead us on in a lofty faith and in deep desire to know and to do Thy will, and be with us until we reach the end of our days. Amen.

The Journal of the proceedings of yesterday was read and approved.

TERMINATION OF LEASES FOR POST-OFFICE IMPROVEMENTS.

Mr. STEENERSON. Mr. Speaker, I ask unanimous consent to strike from the calendar, No. 323, found on page 11 of the calendar, a bill that was enacted into law a year ago on an appropriation bill.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to strike from the calendar and lay on the table the bill of which the Clerk will report the title.

The Clerk read as follows:

A bill (H. R. 10244) repealing the law relating to the termination of leases for post-office premises.

Mr. GARNEZ. Mr. Speaker, what is the gentleman's request? The SPEAKER. To lay on the table a bill which has already been enacted into law on an appropriation bill. Is there objection?

There was no objection.

CORRECTION OF A PAIR.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to address the House for one minute in reference to a correction that should be made in the RECORD.

The SPEAKER. The gentleman from Iowa asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. GREEN of Iowa. This morning the gentleman from New York [Mr. COCKRAN] called me over the telephone and asked me how he came to be paired against the resolution which was voted upon yesterday. I told him I had not looked over the pair list, and he asked me if I had not received his telegram, and I told him that I had not. After I came into the House just a moment ago the following telegram was handed me:

NEW YORK, January 23, 1923.

Representative W. R. GREEN,
Washington, D. C.:

Regret can not reach Washington in the evening. Please pair me for the resolution.

W. BOURKE COCKRAN.

I regret very much that I did not receive this telegram until to-day. I knew the gentleman from New York was in favor of the resolution. I had seen him a few days prior to the time it was taken up, and he told me he was in favor of it, and that he expected to be here and vote for it.

Mr. BLANTON. Well, entire Wall Street is in favor of it. [Laughter.]

Mr. GREEN of Iowa. No; the gentleman is mistaken. The Wall Street Journal has been opposing it all the time.

Mr. Speaker, I would ask, somewhat in the nature of a parliamentary inquiry, whether the pair list can be corrected now?

The SPEAKER. The Chair at first blush thinks the pair list is like the roll call in that respect.

Mr. GARNER. Mr. Speaker, the pair list is a private matter. It is of no concern to the House of Representatives. If the gentleman from New York could find somebody to pair with him, somebody against the resolution, and wanted to ask unanimous consent that it be inserted in the RECORD, I can see no objection to that.

The SPEAKER. Of course that is true. The Chair thinks it is like correcting the RECORD; it can be done by unanimous consent. But of course this publicity practically accomplishes the same thing.

Mr. GREEN of Iowa. Of course I would have been pleased in any event to have attended to the matter of the gentleman from New York, but I would have been more than desirous

under the circumstance, if I had gotten the telegram, to put the matter the way he wanted it. Naturally, as the author of the resolution, if the gentleman from New York was to be paired, I wanted him to be paired in favor of the resolution.

Mr. BLANTON. As it is now, he is paired against the resolution in the RECORD?

Mr. GREEN of Iowa. Yes; because I did not receive his telegram until to-day.

Mr. BLANTON. And, of course, two men will have to be selected to be paired against him in the new adjustment.

Mr. COCKRAN. Mr. Speaker, I regret I was not here to vote for the amendment. I wanted to be paired for the measure, and I so telegraphed to the gentleman from Iowa, and I think the RECORD ought to be made to conform with the disposition of the Member.

The SPEAKER. The gentleman can ask unanimous consent that that pair be canceled.

Mr. COCKRAN. Yes; I will do that.

The SPEAKER. The gentleman from New York asks unanimous consent that the pair be canceled. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an article by Mr. Garrett in the edition of January 13 of the Saturday Evening Post with reference to tax-exempt securities. It is an extremely well-written article, written in a popular manner. I think it would be of very great information to the public in regard to the action of the House yesterday.

Mr. GARRETT of Tennessee. Yes; it is a very well written, but it is a copyrighted article. I do not think a copyrighted article should be inserted in the RECORD, except with the consent of the publication. I object.

The SPEAKER. Objection is made.

NO QUORUM—CALL OF THE HOUSE.

Mr. DOWELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Iowa makes the point of order that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ansoorge	Fish	Langley	Slomp
Anthony	Free	Larson, Minn.	Smith, Mich.
Bankhead	Gahn	Layton	Stiness
Barkley	Gallivan	Lee, N. Y.	Stoll
Benham	Goodykoontz	Lehlbach	Strong, Pa.
Blakeney	Gould	Linthicum	Sullivan
Bland, Ind.	Graham, Pa.	Little	Summers, Wash.
Bowers	Greene, Vt.	Lowrey	Sweet
Brand	Griffin	Lyon	Swing
Burke	Herick	McPherson	Tague
Burroughs	Hersey	Mead	Taylor, Ark.
Butler	Hickey	Merritt	Taylor, Colo.
Campbell, Kans.	Hill	Michaelson	Taylor, N. J.
Cantrill	Huck	Moore, Va.	Ten Eyck
Carew	Huddleston	Morgan	Thompson
Carter	Ireland	Morin	Thorpe
Chandler, N. Y.	Jefferts, Nebr.	Mudd	Tucker
Chandler, Okla.	Johnson, S. Dak.	O'Brien	Underhill
Clark, Fla.	Jones, Pa.	Olyp	Vestal
Classon	Kahn	Osborne	Volk
Codd	Keller	Overstreet	Weaver
Colton	Kelly, Pa.	Park, Ga.	Wheeler
Conley	Kendall	Perkins	Williams, Tex.
Cullen	Kennedy	Petersen	Winslow
Davis, Minn.	Kindred	Rainey, Ala.	Wood, Ind.
Dempsey	King	Rainey, Ill.	Woods, Va.
Denison	Kirkpatrick	Reber	Woodyard
Drane	Kitchin	Reed, W. Va.	Yates
Drewry	Kieczka	Rodenberg	Zihlman
Dunbar	Kline, N. Y.	Rossdale	
Dunn	Knight	Ryan	
Dyer	Kuiz	Scott, Mich.	

The SPEAKER. On this call 304 Members have answered to their names. A quorum is present.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to dispense with further proceedings under the call. Is there objection?

There was no objection.

REQUEST TO EXTEND REMARKS.

Mr. ROSENBLUM. Mr. Speaker, I ask unanimous consent to address the House for one minute and to revise and extend my remarks in 8-point type.

The SPEAKER. The gentleman from West Virginia asks unanimous consent to address the House for one minute and to revise and extend his remarks in 8-point type. Is there objection?

Mr. GARRETT of Tennessee. What about?

Mr. ROSENBLUM. "The voice is Jacob's voice, but the hands are the hands of Esau."

Mr. MONDELL. I demand the regular order, Mr. Speaker.

Mr. BLANTON. The subject the gentleman announces is too general. I object.

The SPEAKER. The gentleman from Texas objects.

Mr. BLANTON. If the gentleman will tell us exactly what he is going to talk about—

Mr. ROSENBLUM. On the resolution that was adopted yesterday proposing an amendment to the Constitution of the United States.

Mr. BLANTON. I withdraw the objection.

Mr. MONDELL. I shall have to object to taking up time on that subject to-day.

The SPEAKER. The gentleman from Wyoming objects.

Mr. ROSENBLUM. I have asked for only one minute.

The SPEAKER. The gentleman from Wyoming objects. To-day is Calendar Wednesday. The Clerk will call the roll of the committees.

RADIO.

Mr. GREENE of Massachusetts (when the Committee on the Merchant Marine and Fisheries was called). Mr. Speaker, I call up the bill (H. R. 13773) to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes.

The SPEAKER. The gentleman from Massachusetts calls up a bill, which will be reported by the Clerk.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar, and the House automatically resolves itself into the Committee of the Whole House on the state of the Union. The gentleman from Wisconsin [Mr. STAFFORD] will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. STAFFORD in the chair.

Mr. GREENE of Massachusetts. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to dispense with the first reading of the bill. Is there objection?

Mr. ROSENBLUM. I object.

The CHAIRMAN. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That the act of Congress entitled "An act to regulate radio communication," approved August 13, 1912, be amended by striking out sections 1, 2, and 3 thereof and by inserting in lieu thereof the sections 1, 2, and 3 following:

"SECTION 1. A. No person, company, or corporation within the jurisdiction of the United States shall use or operate any apparatus for radio communication as a means of intercourse among the several States or with foreign nations, or upon any vessel of the United States engaged in interstate or foreign commerce, or for the transmission of radiograms or signals the effects of which extend beyond the jurisdiction of the State, Territory, or the District of Columbia in which the same originate, or where interference would be caused thereby with the transmission or reception of messages or signals from beyond the jurisdiction of said State, Territory, or the District of Columbia, except under and in accordance with a license in that behalf granted by the Secretary of Commerce and except as hereinafter authorized.

"B. The Secretary of Commerce from time to time shall (a) classify licensed radio stations and the operators required therein; (b) prescribe the nature of the service to be rendered by each class of licensed station and assign bands of wave lengths thereto; (c) make, alter, and revoke regulations applicable to all licensed stations not inconsistent with this act or any other act of Congress or with the terms, binding on the United States, of any radio communication convention to which the United States is a party, concerning the service to be rendered by each class of stations so established; the location of any station; the wave lengths to be used by any station; the kind of instruments or apparatus in any station with respect to the external effect produced thereby; the power and the purity and sharpness of the waves of each station or the apparatus therein; the area to be served by any station and the times and methods of operating any station or the apparatus therein; (d) make such other regulations not inconsistent with law as he may deem necessary to prevent interference between all stations affected by this act. The Secretary shall have authority to exclude from the requirements of any regulations any radio station and the operators required therein, or to modify the same in his discretion, in any case in which he shall find that such action will facilitate commerce and will not be incompatible with the public interest.

"C. Every such license shall provide that the President of the United States, in time of war or public peril or disaster, may cause the closing of any station for radio communication and the removal therefrom of all radio apparatus, or may authorize the use or control of any such station or apparatus by any department of the Government, upon just compensation to the owners.

"D. Radio stations belonging to and operated by the United States shall not be subject to the provisions of paragraphs A and B of this section. All such Government stations shall use such wave lengths as shall be assigned to each by the President. All such stations, except

stations on board naval and other Government vessels while at sea or beyond the limits of the continental United States, when transmitting any message other than a message relating to Government business, shall conform to such rules and regulations designed to prevent interference with other radio stations and the rights of others as the Secretary of Commerce may prescribe: *Provided*, That upon proclamation by the President that there exists war or a threat of war or a state of public peril or disaster or other emergency, the President may suspend or amend, for such time as he may see fit, the rules and regulations applicable to any or all stations within the jurisdiction of the United States. All stations owned and operated by the United States and all other stations on land and sea shall have special call letters designated by the Secretary of Commerce, and such stations and the designated call letters shall be included in the list of radio stations of the United States as published by the Department of Commerce. Radio stations on board vessels of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall not be deemed to belong to or be operated by the United States or to be Government stations within the meaning and for the purposes of this act.

"Sec. 2. A. Paragraph A of section 1 of this act shall not apply to persons sending radio messages or signals on a foreign ship while the same is within the jurisdiction of the United States.

"B. The station license required hereby shall not be granted to, or after the granting thereof such license shall not in any manner, either voluntarily or involuntarily, be transferred to (a) any alien or the representative of any alien; (b) nor to any foreign government or the representative thereof; (c) nor to any company, corporation, or association organized under the laws of any foreign government; (d) nor to any company, corporation, or association of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned, controlled, or voted by aliens or their representatives or by a foreign government or representative thereof, or by any company, corporation, or association organized under the laws of a foreign country.

"Such station license, the wave length or lengths authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner, either voluntarily or involuntarily, disposed of to any other person, company, or corporation without the consent in writing of the Secretary of Commerce.

"C. The Secretary of Commerce, subject to the limitations of this act, in his discretion, may grant to any applicant therefor a station license provided for in sections 1 and 2 hereof.

"No license granted by the Secretary shall be for a longer term than 10 years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license the Secretary, in his discretion, upon application thereof, may grant a renewal of such license for the same or for a lesser period of time.

"The Secretary of Commerce is hereby authorized to refuse a station license to any person, company, or corporation, or any subsidiary thereof, which, in the judgment of the Secretary, is monopolizing or seeking to monopolize radio communication, directly or indirectly, through the control of the manufacture or sale of radio apparatus or by any other means. The granting of a license shall not estop the United States from prosecuting such person, company, or corporation for a violation of the law against monopolies or restraint of trade.

"The Secretary of Commerce in granting any license for a commercial station intended or used for communication between the United States or any territory or possession, continental or insular, subject to the jurisdiction of the United States, the Canal Zone, or the Philippine Islands, and any foreign country, may impose any terms, conditions, or restrictions authorized to be imposed with respect to submarine cable licenses by section 2 of an act entitled 'An act relating to the landing and the operation of submarine cables in the United States,' approved May 27, 1921. Every license for such commercial station shall be approved by the President before the same shall be issued and become effective.

"D. The Secretary of Commerce may grant licenses only upon written application therefor addressed to him, which application shall set forth such facts as he by regulations may prescribe as to the citizenship, character, and financial, technical, and other ability of the applicant to operate the station; the ownership and location of the proposed station and of the stations with which it is proposed to communicate; the wave lengths and the power desired to be used; the hours of the day or other periods of time during which it is proposed to operate the station; the purposes for which the station is to be used; and such other information as he may require. Such application shall be signed by the applicant under oath or affirmation.

"E. Such station licenses as the Secretary of Commerce may grant shall be in such general form as he may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (a) The ownership or management of the station or apparatus therein shall not be transferred in violation of this act. There shall be no vested property right in the license issued for such station or in the bands of wave lengths authorized to be used therein, and neither the license nor any right granted thereunder shall be assigned or otherwise transferred in violation of this act; (b) such license shall contain such other conditions, not inconsistent with this act, as the Secretary of Commerce may prescribe.

"F. Any station license granted by the Secretary of Commerce shall be revocable by him for failure to operate service substantially as proposed in the application and as set forth in the license, for violation of or failure to observe any of the restrictions and conditions of this act, or of any regulation of the Secretary of Commerce authorized by this act, or by the provisions of any international radio convention ratified or adhered to by the United States or any regulations thereunder, or whenever any licensee who is a common carrier shall fail in the judgment of the Secretary of Commerce to provide reasonable facilities for the transmission of messages, or whenever the Interstate Commerce Commission in the exercise of the authority conferred upon it by law shall find that any licensee has made any unjust and unreasonable charge or has made or prescribed any unjust and unreasonable classification, regulation, or practice with respect to the transmission of messages or service, or whenever the Secretary of Commerce shall deem such revocation to be in the public interest: *Provided*, That no order of revocation shall take effect until 30 days' notice in writing thereof, stating the cause for the proposed revocation, to the parties known by the Secretary to be interested in such license. Any person in interest aggrieved by said order may make written application to the Secretary at any time within said 30 days for a hearing upon such order, and upon the filing of such written application said order of revocation shall stand suspended until the conclusion of the

hearing herein directed. Notice in writing of said hearing shall be given by the Secretary to all the parties known to him to be interested in such license 20 days prior to the time of said hearing. Said hearing shall be conducted under such rules and in such manner as the Secretary may prescribe. Upon the conclusion thereof the Secretary may affirm, modify, or revoke said orders of revocation.

"Sec. 3. A. The actual operation of all transmitting apparatus in any radio station for which a station license is required by this act shall be carried on only by a person holding an operator's license issued hereunder. No person shall operate any such apparatus in such station except under and in accordance with an operator's license issued to him by the Secretary of Commerce.

"B. The Secretary of Commerce, in his discretion, may grant special temporary operators' licenses to operators of radio apparatus under such regulations in such form and under such conditions as he may prescribe, whenever an emergency arises requiring prompt employment of such an operator.

"C. An operator's license shall be issued by the Secretary of Commerce in response to a written application therefor, addressed to him, which shall set forth (a) the name, age, and address of the applicant; (b) the date and place of birth; (c) the country of which he is a citizen and, if a naturalized citizen of the United States, the date and place of naturalization; (d) the previous experience of the applicant in operating radio apparatus; and (e) such other facts or information as may be required by the Secretary of Commerce. Every application shall be signed by the applicant under oath or affirmation.

"D. An operator's license shall be issued only to a person who, in the judgment of the Secretary of Commerce, is proficient in the use and operation of radio apparatus and in the transmission and reception of radiograms by telegraphy and telephony. Except in an emergency found by the Secretary of Commerce to exist, an operator's license shall not be granted to any alien, nor shall a license be granted to a representative of a foreign government.

"E. An operator's license shall be in such form as the Secretary of Commerce shall prescribe and may be suspended by him for a period not exceeding two years upon proof sufficient to satisfy him that the licensee (a) has violated any provision of any act or treaty binding on the United States which the Secretary of Commerce is authorized by this act to administer, or of any regulation made by the Secretary under any such act or treaty; or (b) has failed to compel compliance therewith by any unlicensed person under his supervision; or (c) has failed to carry out the lawful orders of the master of the vessel on which he is employed; or (d) has willfully damaged or permitted apparatus to be damaged; or (e) has transmitted superfluous signals or signals containing profane or obscene words or language.

"F. A license may be revoked by the Secretary of Commerce upon proof sufficient to satisfy him that the licensee was at the date his license was granted to him, or is at the time of revocation, ineligible or unfit for a license.

"Sec. 4. A. After the approval of this act the construction of a station for which a license is required by this act shall not be begun, nor shall the construction of a station already begun be continued, until after a permit for its construction has been granted by the Secretary of Commerce upon written application therefor. This application shall set forth such facts as the Secretary of Commerce by regulation may prescribe as to the citizenship, character, and the financial, technical, and other ability of the applicant to construct and operate the station, the ownership and location of the proposed station and of the station or stations with which it is proposed to communicate, the wave length or wave lengths desired to be used, the hours of the day or other periods of time during which it is proposed to operate the station, the purpose for which the station is to be used, the type of transmitting apparatus to be used, the power to be used, the date upon which the station is expected to be completed and in operation, and such other information as the Secretary of Commerce may require. Such application shall be signed by the applicant under oath or affirmation.

"B. Such permit for construction shall show specifically the earliest and latest dates between which the actual operation of such station is expected to begin and shall provide that said permit will be automatically forfeited if the station is not ready for operation within the time specified, unless prevented by strikes, riots, acts of God, or other causes not under the control of the grantee. The rights granted under any such permit shall not be assigned or otherwise transferred to any person, persons, company, or corporation without the approval of the Secretary of Commerce: *Provided*, That a permit for construction shall not be required for Government stations or for private stations as provided for in section 4, fifteenth regulation, of the act of August 13, 1912. The granting of this permit to construct a station as herein required shall not of itself be construed to impose any duty or obligation upon the Secretary to issue a license for the operation of such station.

"Sec. 5. An advisory committee is hereby established to whom the Secretary of Commerce shall refer for examination and report such matters as he may deem proper relating to: (a) The administration or changes in the laws, regulations, and treaties of the United States relating to radio communication; (b) the study of the scientific problems involved in radio communication, with the view of furthering its development; (c) the scientific progress in radio communication and use of radio communication.

"The advisory committee shall consist of 15 members, of whom 1 shall be designated by the Secretary of State, 1 by the Secretary of the Treasury, 1 by the Secretary of War, 1 by the Secretary of the Navy, 1 by the Secretary of Agriculture, 1 by the Postmaster General, 1 by the Secretary of Commerce, and 1 by the chairman of the United States Shipping Board, to represent these departments, respectively, and 7 members of recognized attainment in radio communication not otherwise employed in the Government service, to be designated by the Secretary of Commerce.

"The necessary expenses of the members of the committee in going to, returning from, and while attending meetings of the committee, including clerical expenses and supplies, together with a per diem of \$25 to each of the six members not otherwise employed in the Government service, for attendance at the meetings, shall be paid from the appropriation made to the Department of Commerce for this purpose.

"Sec. 6. Radio telephone stations, the signals of which can interfere with ship communication, are required to keep a licensed radio operator, of a class to be determined by the Secretary of Commerce, listening in on the wave length designated for distress signals during the entire period the transmitter of such station is in operation.

"Sec. 7. Regulation 1 of section 4 of said act of Congress approved August 13, 1912, is amended by striking out the words, 'this wave length shall not exceed 600 meters or it shall exceed 1,600 meters.'

"Regulation 2 of section 4 of said act of Congress approved August 13, 1912, as amended by striking out the words 'Provided, That they do not exceed 600 meters or that they do exceed 1,600 meters.'"

"Regulations 3 and 4 of section 4 of said act of Congress approved August 13, 1912, are hereby repealed."

"Regulations 15 and 16 of section 4 of said act of Congress approved August 13, 1912, are amended by striking out the words 'exceeding 200 meters' and substituting in lieu thereof the words 'of less than 150 meters nor more than 275 meters.'"

"SEC. 8. Any person, company, or corporation who shall erect, use, or operate any apparatus for radio communication in violation of this act, or knowingly aid or abet another person, company, or corporation in so doing, or knowingly make any false oath or affirmation for the purpose of securing a permit or a license, shall incur a penalty not to exceed \$1,000, which may be mitigated or remitted by the Secretary of Commerce, and the permit or license of any person, company, or corporation who shall violate any of the provisions of this act, or of any of the regulations of the Secretary of Commerce issued hereunder, or knowingly make any false oath or affirmation for the purpose of securing a permit or license, may be suspended or revoked by the Secretary of Commerce."

"SEC. 9. That the Secretary of Commerce is hereby authorized and directed to charge, and through the imposition of stamp taxes on applications, licenses, or other documents, or in other appropriate manner, to collect the fees specified in the schedule following. The Secretary shall collect said fees through the collectors of customs or other officers designated by him, and he may make such regulations as may be necessary to carry out the provisions of this section."

"SCHEDULE OF FEES TO BE COLLECTED FOR TRANSMITTING STATIONS AND OPERATORS' LICENSES."

"For transoceanic radio station license, \$300 per annum; for commercial land station license, other than transoceanic, 1 kilowatt transmitter input or less, \$50 per annum, and for each additional kilowatt or fraction thereof, \$5 per annum; for ship station license, \$25 per annum; for experiment station license, \$25 per annum; for technical and training school station license, \$15 per annum; for special amateur station license, \$10 per annum; for general and restricted amateur station license, \$2.50 per annum; for commercial extra first-class operator's license, \$2.50 per annum; for commercial first-class operator's license, \$1.50 per annum; for commercial second-class operator's license, \$1 per annum; for commercial cargo grade operator's license, 50 cents per annum; for experiment and instruction grade operator's license, \$1 per annum; for amateur first-grade operator's license, 50 cents per annum; for amateur second-grade operator's license, 50 cents per annum; for commercial extra first-class radio operator's examination for license, \$2.50 for each examination; for commercial first-class radio operator's examination for license, \$2 for each examination; for commercial second-class radio operator's examination for license, \$1.50 for each examination; for commercial cargo grade radio operator's examination for license, \$1 for each examination; for experiment and instruction grade radio operator's examination for license, \$1 for each examination; for amateur first-grade radio operator's examination for license, \$1 for each examination; for amateur second-grade radio operator's examination for license, 50 cents for each examination."

"In the event that other classes of station and operators' licenses or other examinations shall hereafter be prescribed in any lawful manner, the Secretary of Commerce is hereby authorized and directed to charge and collect in the same manner as herein provided fees for such new classes of licenses and of examinations, which fees shall be substantially of the amount herein specified for the license and examination nearest in character and purpose to the new license or examination so prescribed."

"For failure to pay at the time and in the manner specified by the Secretary of Commerce any of the above fees the Secretary of Commerce is authorized to refuse to issue such licenses, or, if issued, to suspend or revoke the same, as he may deem proper."

"SEC. 10. Wherever the words 'naval and military stations' appear in the act to regulate radio communication approved August 13, 1912, said words 'naval and military' shall be stricken out and the word 'Government' substituted in place thereof."

"SEC. 11. All acts or parts of acts in conflict with this act are hereby repealed."

The CHAIRMAN. The gentleman from Massachusetts [Mr. GREENE] is recognized for one hour.

Mr. HARDY of Texas. Mr. Chairman, would the gentleman from Massachusetts like to agree on a limit of time for debate?

Mr. GREENE of Massachusetts. Under the rule we have an hour on a side. If there is no call for debate on the bill, we can close the debate at any time.

Mr. HARDY of Texas. The gentleman is correct about that. I was going to suggest that we take only half an hour on a side.

Mr. GREENE of Massachusetts. There is no objection to that, so far as I know. There is no objection to the bill on either side of the House. We have a unanimous report on the bill. We want to expedite business to-day if possible, as I have four bills to present.

Mr. BLANTON. There is just one paragraph that I think needs discussion. There ought to be some little time for discussion on just one paragraph.

Mr. GREENE of Massachusetts. I am willing to allow discussion if the gentleman can get time from his side.

Mr. HARDY of Texas. If there is no limitation agreed on, there is an hour on a side.

Mr. GREENE of Massachusetts. Mr. Chairman, this bill has been fully considered by the committee and in special hearings that were held at the Department of Commerce. It has had the widest consideration, both by your committee and by the Department of Commerce.

Of course, the question of radio is one of the most absorbing questions now before the country. The first law was passed

in 1912, and it has served a very good purpose. It covers all the expanse above us and all around us all over the world. It is wonderful to note the advancement that has been made in the use of radio and the number of demands that have been made for it. I do not think anybody could imagine the amount of material that has been brought to our attention in the preparation and consideration of this bill. On account of its importance, and because of the general belief of the membership of the committee that the bill is a very essential one, it comes to you with a unanimous report, and if you will give it attention I think we shall be able to close the debate and come to a vote thereon at an early hour.

I yield such time to the gentleman from Maine [Mr. WHITE], chairman of the radio subcommittee, as he may desire to use in presenting this bill.

The CHAIRMAN. The gentleman from Maine is recognized. [Applause.]

Mr. WHITE of Maine. Mr. Chairman, I have been so much occupied the last three or four days in persuading myself that I did not have the grippe, and that I was growing better and better each day, that I have had no time and no disposition to prepare a statement on the bill. What I say, therefore, will be based on the general information I have and on some notes hurriedly placed on paper within the last hour. I do wish to make a very brief general statement, and then, if it please the members of the committee, I will go through the bill section by section, stating the purpose of and the reasons which prompted the committee to frame the particular provisions.

The bill amends and enlarges the radio act of 1912 which has been and is now the basic law on the subject. At that time radio was in its infancy. For a year after the approval of that act, or as of June 30, 1913, there was not a single broadcasting station in the United States. There was at that time only one transoceanic station communicating with Germany, and that in a purely experimental stage of development. Outside of ship stations communicating between ship and ship and between ship and shore, and outside of amateurs, who at that time transmitted on a short wave length and with a low power, and who interfered very little with others, there were less than 100 transmitting stations in the United States. Radio was used practically wholly for communication at sea. Since that date there has come a most amazing development. As of January 1, 1923, there were something like 21,000 transmitting stations in the United States. Something like 2,762 of those stations were on board ship. There were about 570 broadcasting stations scattered throughout the United States, one or more in every State of the Union except the State of Mississippi. There were 12 transoceanic stations communicating with Great Britain, France, Germany, Poland, Holland, Italy, Hawaii, Japan, and there were other stations in contemplation of erection.

As the number of stations has multiplied so have the uses of radio multiplied. To-day we find this instrumentality used not alone for communication between ship and ship and ship and shore, but we find it utilized in our Coast Guard Service. We find it being availed of for the transmission of weather and crop reports, for time signals, for music, for sermons, and an infinite variety of matter of educational, entertainment, and religious value.

It has become well recognized now that there are physical limitations to the use of the air. Going back to last July, 1922, there were available for use in this country only about 191 different wave lengths. Of these 191 wave lengths 122 were utilized by something like 279 Government stations. That left available for over 17,000 private stations only 69 available wave lengths. From these physical limitations and this vast increase in use and users have come conditions which demand a more systematic ordering of the paths of the air and of those who use these paths. It is as essential that there shall be a law and regulation governing the use of these air paths and that traffic policemen enforce these laws and these rules and regulations as that there should be similar provisions and similar control of the movements of traffic in the streets of the cities of the Nation.

I think the users of radio recognize the situation that has come, recognize how the different users are crowding and jostling and interfering with each other in the air.

I think the first public expression of this recognition came from a radio conference called by Secretary Hoover, with the approval of the President, and held in this city in the early part of last summer or in the late spring. That conference was held at the Department of Commerce. The members of the conference, with one or two exceptions, were men familiar with the general subject, familiar with the commercial use of radio, and equally familiar with the technical and scien-

tific aspects of the art. That conference held hearings for several days, at which all persons interested appeared and made specific recommendations as to needed legislation and also made specific recommendations as to technical details. After hearing these many witnesses the conference resolved itself into two committees, one a technical committee, one a legal committee, and the particular province of the legal committee was to frame a proposed bill which would make possible and make effective the recommendations of the technical committee and of the full conference.

The genesis of this bill now before you was in the recommendations of that conference. Your Committee on Merchant Marine and Fisheries has conducted hearings. Hearings were held a short while ago, and from time to time during the last two or three Congresses other committees of the Congress, both of the House and the Senate, have considered various phases of this subject.

I want to repeat what has been said by the chairman, that the bill comes before the House with the unanimous recommendation of the committee, and, like all legislation, is a composite of the views of the individual members of the committee.

I think all who use the radio, all who utilize it for the transmission of intelligence, or who listen in for communications by this means, and the general public are vitally interested that the legislation should be passed. It is not a comprehensive radio law. It leaves the 1912 act practically intact.

It does seek—and this is the prime purpose of the legislation—it does seek to confer on the regulatory body, the Secretary of Commerce, powers of regulation commensurate with the difficulties of the situation and adequate to clear these paths, these lines of communication in the air, so that they may be used with the utmost efficiency. That is all I care to say as a general statement. I shall be glad to go through the bill if members of the committee are interested, in detail, and as I go along over the particular paragraphs of the bill I will answer as far as I can any questions that may be asked with respect to them.

Mr. MACGREGOR. Will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. MACGREGOR. I do not know anything about radio, but I assume that the purpose of the bill is to prevent conflict between wave lengths.

Mr. WHITE of Maine. That is one of the primary purposes.

Mr. MACGREGOR. What is the object of making all these details in reference to procuring licenses and affixing stamps, creating a new bureau for the examination of operators, if the only purpose is to fix the wave lengths?

Mr. WHITE. It does not create anything new. That is already done by the Bureau of Navigation in the Department of Commerce. What we have sought to do is to make certain and to make sure some of the doubtful powers of the Department of Commerce, the powers which in many cases they are now unable to enforce because of defects in the existing law. All of this is done under existing law—all the licensing of operators is done under existing law. We have only dealt with the subject with more particularity than does existing law.

Now, I will call attention to some of the changes in existing law. Section 1 (a) of the bill is in almost identical language with section 1 of the act of 1912. It might be called the basis of the entire legislation. It is the assertion of jurisdiction by Congress over this kind of communication between States and between States and foreign nations. There is no change in substance in section 1 (a) from existing law.

Section 1 (b) has in it nothing radically different from existing law. I think I may state it is this way—that there is existing law for substantially every provision contained in section 1 (b). We have, however, in section 1 (b) stated the powers directly and affirmatively. We have not left them to inference, as they are left in some cases under existing law.

Mr. KNUTSON. The gentleman is now referring to section 1 (b).

Mr. WHITE of Maine. Yes.

Mr. SNELL. Could the gentleman explain in a short way who has to have license under this bill; what class of people?

Mr. WHITE of Maine. This bill does not touch the receiver at all. There are in the United States, as I said, something like 21,000 transmitting stations. No one can tell how many receiving stations there are, but the estimates run all the way from a million and a half to two and a half million receiving sets. This legislation does not touch the operator or the receiving set at all, but it does require, as does existing law, a license for every transmitting set, except the Government sets. No license is required for stations owned and operated by the Government.

Mr. SNELL. But at the present time everyone who transmits anything through the air has to get out a personal license?

Mr. WHITE of Maine. He requires a license under existing law, and this does not change that at all.

Mr. SNELL. Is there any restriction upon how many licenses are to be permitted or can anyone get a license who applies for it?

Mr. WHITE of Maine. One of the defects of the existing law is that no one knows whether the issuance of a license is mandatory upon the Secretary of Commerce, or whether it rests in his discretion. By this legislation we have sought to make it certain that the issuance of licenses is in the discretion of the Secretary; that he is to be guided by what is in the public interest, and he is not required to issue the license when the granting of it would be prejudicial to public interests.

Mr. SNELL. How is he to decide that, if a large number apply for license in one part of the country and a few in another?

Mr. WHITE of Maine. Let me get on with my explanation of section 1 (b).

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. BARBOUR. I would like to ask the gentleman a question about the subject of licenses. If the gentleman wants to wait until he reaches that, very well.

Mr. WHITE of Maine. I will ask the gentleman to ask his question now.

Mr. BARBOUR. I notice the requirement in section b on page 10—

Mr. WHITE of Maine. That is as to operators' licenses?

Mr. BARBOUR. Yes.

Mr. WHITE of Maine. I will ask the gentleman to wait until I come to that.

Mr. BARBOUR. Other questions were brought up in respect to the matter of licenses, and that is what prompted me now.

Mr. WHITE of Maine. There are two classes of licenses provided. There is the station license and then there is the operator's license, and that same distinction exists in the present law.

Mr. HOCH. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. HOCH. Does the committee consider that the jurisdiction of the Federal Government in this field rests entirely upon the commerce clause of the Constitution, or does it consider that the Federal Government has some primary or inherent jurisdiction over the air in the matter of the transmission of these messages?

Mr. WHITE of Maine. I can not answer for the committee upon that point. I think we started out with the proposition that Congress had legislated in substantially this manner some ten years ago; that the right of Congress to exercise this jurisdiction has never been questioned; and we base this legislation upon that original proposition and upon the acquiescence of the people in that exercise of jurisdiction of these 10 years.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. HUDSPETH. Many people have in their homes receiving stations. They get musical entertainments in my home city from Chicago and St. Louis. They are seriously interfered with by irresponsible boys who have built stations. Does this bill seek to do away with that kind of a nuisance?

Mr. WHITE of Maine. This bill gives to the Secretary of Commerce power to put into force rules and regulations which we hope will do much to obviate that difficulty.

Mr. LONDON. Is the discretion of the Secretary of Commerce reviewable by a court, or is his discretion absolute?

Mr. WHITE of Maine. We have left it in the absolute discretion of the Secretary.

Mr. LONDON. Does the gentleman believe that to be a safe way to do?

Mr. WHITE of Maine. At the present time, yes. I think we have a condition now where there must be drastic action taken, action taken quickly, or the value of this means of communication is lost to the people of the country.

Mr. LONDON. Why should not an aggrieved party be in a position to apply to the court for relief?

Mr. WHITE of Maine. Because it means interminable delay and it probably means—and I say this with great respect to the courts—a less intelligent action than we will get through the Secretary of Commerce.

Mr. MACGREGOR. Do I understand that the gentleman believes in creating a czarlike bureau down here in the Department of Commerce? Is that the proposition?

Mr. WHITE of Maine. I would say generally that I think I am as much out of harmony with the tendency to centralize here in Washington as anyone can be, but I think of all the activities of the Nation to-day, this is the one in which all persons interested, whether as transmitters or receivers, are beseeching the Government to exercise a larger degree of control than it ever has heretofore.

Mr. MCKENZIE. The question asked by the gentleman from New York [Mr. LONDON] is a very pertinent question, but in this bill you have provided that the Secretary of Commerce shall guard against the building up of a monopoly.

Mr. WHITE of Maine. Yes.

Mr. MCKENZIE. Which is perfectly proper, but in all justice to the public, the discretion should be lodged somewhere to prevent everyone exercising the right to send out messages.

Mr. WHITE of Maine. I do not want to take any more time than is necessary. Section 1 (b) of the bill restates the powers which it is claimed the Secretary of Commerce now has under existing law but which in some instances have been denied by users of radio. It gives him general power to classify radio stations and assign bands of wave lengths to different classes of stations and to the particular stations. It gives him power to make general rules or regulations aimed to prevent interference between the different users of the ether. It gives him power to control the kinds of instruments to be installed in stations with reference to the external effects of those instruments.

And I may say generally this is the clause which gives power to the Secretary to do the essential things which the committee feels will bring a semblance of order out of chaos as it now exists. Now, subsection (c) is a restatement of what is already in existing law. It gives to the President of the United States in time of war or peril or public disaster power to cause the closing of any radio station in the United States, and to take over the apparatus and the station for the purpose of government during such emergency. Subsection (d) is an important paragraph in the bill. I suppose there has been more controversy over this particular section than over any other. I have stated already that 279 Government stations were utilizing about 122 out of 191 of the available wave lengths as of the 1st of July. It has been a great problem, a troublesome problem, to know how to bring the different departments of the Government using radio into a harmonious relationship with each other and how to fit them into the general scheme of communication.

Some of the Government departments wish to be a law unto themselves, to recognize no other authority than their own desires and their own judgment as to their needs and importance. Then we found a great body of private users of radio who thought the Government was encroaching altogether too far and too much into this field to the exclusion of legitimate and desirable uses by private agencies. We finally worked out this compromise. This paragraph removes Government stations from the general authority of the Secretary of Commerce. It provides in terms and in effect that no license is required of a Government station. Under the law heretofore and under the practice Government stations have been helping themselves, without regard to any other interest, to whatever wave lengths they saw fit and have been using them when and as they saw fit. This section now provides that the President shall allocate to the various Government departments the wave lengths which each shall have the right to use. If this is enacted into law we do not leave it to the War Department, we do not leave it to the Navy Department, or to the Agricultural Department, or any other particular agency of the Government to take what it can, disregarding the rights and interests of others, but we have placed upon the President, believing he will be a fair arbiter between the conflicting interests, the duty of allocating wave lengths to the different agencies of the Government.

Mr. EDMONDS. Will the gentleman yield?

Mr. WHITE of Maine. I do.

Mr. EDMONDS. I desire to ask this question: Wave lengths only apply to the sending of radio messages. It has nothing to do with the receiving of messages?

Mr. WHITE of Maine. I think I have already stated this bill applies only to the transmitting stations, and it does not affect directly receiving stations at all.

Mr. EDMONDS. I wanted the House to understand distinctly that it had nothing to do with the receiving end of the line, but only with the sending end of the line.

Mr. KNUTSON. Will the gentleman state for the benefit of the House what various departments of the Government now operate independent radio systems?

Mr. WHITE of Maine. Well, the Department of Commerce maintains stations; the Navy Department, the War Department, the Interior Department, the Post Office Department, the Treasury Department, the Coast Guard Service, the Lighthouse Service, the Agricultural Department, and practically every department of the Government is making some use of radio. Now, I have said this section places the burden, and it is a "burden," on the President to allocate wave lengths for the different members of his family.

The Secretary of Commerce has no control over Government stations being utilized for governmental purposes. We have here added a provision that except on vessels while at sea or beyond the limits of continental United States Government stations, in transmitting any other matter than governmental matter, must bring themselves within the ordered system, and must observe such rules and regulations as the Secretary of Commerce may prescribe designed to prevent interference. Now, I may say after many conferences that proposition was agreed to by the Navy Department, and it is accepted by the various members of the committee which had jurisdiction, and it has been accepted as a compromise measure, as the best thing that can be worked out at this time. And that is the purport and effect of this subsection D.

Mr. EVANS. Will the gentleman yield?

Mr. WHITE of Maine. I do.

Mr. EVANS. I notice in the gentleman's statement just made he said the Government stations transmitting Government business. I notice in the bill it uses the term "Government stations or stations belonging to the Government and operated by it." Is not there a distinction; and if not, how does the gentleman explain his statement with the language of the bill?

Mr. WHITE of Maine. Well, I do not know that I quite understand the gentleman's question. As a matter of fact, I think all Government stations, all stations owned by the Government, are operated by the Government. It might have been an unnecessary repetition of language there, but I think all stations owned by the Government are operated by the Government except possibly the stations on board vessels owned by the United States Shipping Board or by the United States Emergency Fleet Corporation.

Mr. HUSTED. Am I correct in assuming that this bill proposes to confer no authority whatever upon the Government to regulate the receiving stations?

Mr. WHITE of Maine. That is true. Of course, I may say, enlarging upon my answer, that it is a very serious question, one that we must ultimately meet, as to whether the Government ought not to exercise some degree of jurisdiction and some degree of control over these receiving stations.

Theoretically these stations, these instruments, take messages only, but, as a matter of fact, through lack of skill in operation or because the instruments are inefficient or out of date quite a number of these receiving sets do radiate energy into the air, which interferes with transmitting stations. Now, how far that goes I can not say. There is some disagreement about it. They radiate unintelligible energy, but it is energy which can in some instances and does in some instances interfere with transmission, and that raises the question of whether sooner or later we shall not have to assume jurisdiction over these receiving stations. There is a very practical reason, however, for not doing it at this time. It would mean a tremendous enlargement of the personnel in the Department of Commerce if we undertook to license some two and one-half million receiving stations and undertook to exercise any sort of governmental supervision over them, and, accordingly, we have gone around that question at this time.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. CHINDBLOM. The gentleman, of course, will remember that the hearings disclosed that the manufacturers believe that they are making progress in preventing interference by receiving sets, and it is hoped that the time will come when it will be entirely unnecessary for anybody to interfere by the use of a receiving set, and when the instruments shall have been perfected it may be possible to bring in some legislation which will only apply to those having receiving sets which actually interfere.

Mr. WHITE of Maine. I am glad to have the gentleman make the statement. The gentleman is accurate in his statement. I repeat that the development of the art will either have to cure this thing or else legislation must ultimately be undertaken to solve it.

Now, going on, I will say nothing about section 2 (a) unless somebody desires to ask a question. Section 2 (b) is really new,

but the germ of the section is found in the 1912 law. The 1912 law provides that a license for a station shall only be granted to a citizen of the United States. That is provided in the 1912 law. We have changed that somewhat, and have undertaken to define in some detail who an alien is to whom a license may not be granted, and that section has been drawn with some care, and we hope it will cover the situation.

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. BARBOUR. Have you placed any provision in the bill that will prevent a station from breaking into another station in the same State?

Mr. WHITE of Maine. The basis of the jurisdiction is the transmission beyond the limits of a single State or the interference with transmission from beyond the limits of a single State. If you went down to the great State of Texas, for example, I can imagine they might put up a station operated with a short wave length that might not interfere with the messages on the border of the State, or with messages going to and from across the State. But if it did transmit its energy beyond the confines of the State or did interfere with any other station doing that thing, this bill would reach that situation.

Mr. BARBOUR. And the fact is that this bill requires a license in every case on account of the possibility of interference with other stations?

Mr. WHITE of Maine. I think it forbids the operation of a station which does this thing. It may be a practical question some time as to whether a station is transmitting beyond the limits of the State or is interfering.

Mr. BARBOUR. Who would decide that? The Secretary of Commerce?

Mr. WHITE of Maine. I presume so, in the first instance.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. COLE of Iowa. As to those who have stations now, would they have any previous right to hold these licenses?

Mr. WHITE of Maine. The bill does not void or revoke existing licenses.

Mr. COLE of Iowa. They will all be continued, will they?

Mr. WHITE of Maine. I might as well discuss that problem here. Under existing law a license is required, but there is nothing in the law which limits or fixes the term of the license. Under the existing law the Secretary of Commerce, as I view it, might grant to you or to a corporation or to any plant an exclusive license to operate on a particular wave length for a hundred years of time, and there is nothing in the existing law which prevents him from doing that thing. As a matter of practice, under existing law, the licenses are granted for a year's time only, so that at the expiration of the current year of a license, I assume, if this bill becomes a law, every man must renew his application and must bring himself within the terms of the bill.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. WILLIAMSON. I was wondering what the situation would be in a case where, say like that of last Sunday, they took this sending station over to the First Congregational Church and used it for the purpose of broadcasting a certain concert. Would this bill prevent the loaning of a station to somebody else for sending out messages on a particular occasion? They have to get a distinct and separate license, of course, for sending out a concert.

Mr. WHITE of Maine. The framers of the bill believe this language which follows to be of vital consequence. It is absolutely essential, if the regulation is to be effective, that the regulatory body may know who is utilizing and operating a station, and the language which follows in the bill provides that such station license and the wave length authorized to be used by the licensee and the rights therein granted shall not be transferred or assigned or in any manner voluntarily or involuntarily disposed of without the consent in writing of the Secretary, and I believe it is eminently proper that if a license is granted to me to transmit I shall not turn it over to the gentleman from New York or any other gentleman to transmit.

Mr. WILLIAMSON. In that connection, I understand the law would prohibit anybody else from using a sending station who did not have a license, and would prohibit the sending station being transferred to anybody else, unless the person who held the license would send his agent over with the instrument for taking care of the case.

Mr. WHITE of Maine. I never considered that question in detail, but I would say generally that under the language in the bill the power given to the Secretary is such that he could prohibit that sort of thing.

The bill, in what I will call its granting clause, gives authority to the Secretary to make regulations concerning the area to be served by any particular station. That is important, because if you get an unlimited number of stations into a narrow area you are going to have a congestion that all the other rules and regulations which may be devised will not cure. I think it is vital that if a license is granted the Secretary shall have power to specify where that station shall operate.

Mr. HARDY of Texas. Does not section (b), on page 2, directly give him that authority?

Mr. WHITE of Maine. I think so.

Mr. RAMSEYER. Does existing law prohibit the giving of license to aliens?

Mr. WHITE of Maine. Existing law says a license shall be granted only to a citizen of the United States or to a corporation organized under the law of any State. That may be an alien corporation.

Mr. RAMSEYER. What is the fundamental reason for prohibiting an alien who is properly in this country and doing business here, and living here under the laws of the United States, from having a license? Even the son of an alien who is also an alien could not have an amateur transmitting set.

Mr. WHITE of Maine. I will answer that in two ways. In the first instance that is existing law as we understand it, and we have undertaken to avoid changing the existing law as far as possible.

Mr. RAMSEYER. Is it because we are suspicious of aliens?

Mr. WHITE of Maine. As a matter of fact, there is another reason for it. I doubt if you can go into any foreign country as an alien to that country and obtain a license there.

Mr. RAMSEYER. That leads me to another question. Has the gentleman looked up the question whether this is in violation of any treaty stipulation as to the rights of the nationals of other countries in this country and the reciprocal rights of our nationals in another country?

Mr. WHITE of Maine. That question was not gone into in the committee, but I have had occasion to look at it somewhat. I do not think it is entirely free from doubt, but that has been the law for 10 years, and so far as I know, no one has ever seen fit to question the law or the right.

Mr. RAMSEYER. I am not questioning it.

Mr. WHITE of Maine. No one has ever suggested that it is violative of any treaty. I think it is only what we are doing, as a matter of fact, with respect to other matters. Our navigation laws exclude aliens from certain privileges that are reserved for Americans, and we are doing here only what we have done in other fields of activity.

Mr. HARDY of Texas. We exclude aliens from being officers on American ships.

Mr. WHITE of Maine. Yes.

Mr. HUSTED. Will the gentleman yield?

Mr. WHITE of Maine. I yield to the gentleman from New York.

Mr. HUSTED. If I understood the gentleman correctly he stated that this bill proposes to vest in the Secretary of Commerce an absolute discretion to regulate this whole matter, a discretion which is not reviewable by the courts. Is that correct?

Mr. WHITE of Maine. I think that is correct.

Mr. HUSTED. I assume that the right to transmit these messages is a substantial right?

Mr. WHITE of Maine. A good many people have thought so who have discovered afterwards that it was not. But I will answer the gentleman; yes.

Mr. HUSTED. It would be assumed to be?

Mr. WHITE of Maine. I think so.

Mr. HUSTED. Well, I do not suppose the Secretary of Commerce would discriminate, but assuming that he should promulgate some unreasonable rules and regulations or discriminate in the matter of issuing licenses, does the gentleman think the courts should be denied the right to review his action, or that the jurisdiction of the courts could be divested by any action that he might take?

Mr. WHITE of Maine. If the courts can not be ousted, no harm has been done. As a matter of fact, I think everybody who is interested, manufacturers of radio instruments, transmitters by radio, and listeners in on radio much prefer to have this absolute power vested in the Secretary than to have it relegated to the courts.

I have been taking more time than I ought too—

Mr. KNUTSON. I think the gentleman ought to be permitted to go through the bill. He has talked 40 minutes and has not come to the second section.

Mr. WHITE of Maine. I intended to take only about 10 minutes.

Mr. ARENTZ. Will the gentleman yield?

Mr. WHITE of Maine. I will yield to the gentleman from Nevada and then I want to discuss other sections of the bill.

Mr. ARENTZ. Will this bill, if it is passed, supersede the Army regulations in the Panama Canal Zone or in Panama City?

Mr. WHITE of Maine. I assume the gentleman refers to the Government station at Panama?

Mr. ARENTZ. Yes.

Mr. WHITE of Maine. The President is given power to give to that station whatever wave length he sees fit.

Mr. ARENTZ. Then a broadcasting station could not be set up in any club in Panama or any place where there is music and entertainment, and broadcast the same over the Canal Zone and the Canal Zone amateurs listen in?

Mr. WHITE of Maine. Oh, yes.

Mr. ARENTZ. That can not be done now under regulations promulgated by the Governor of the Canal Zone?

Mr. WHITE of Maine. I will not undertake to answer that question in detail. So far as this particular bill goes, I will say that the Secretary could grant a license to a broadcasting station here.

I have taken altogether too much time. I am only going to refer now to one or two particular sections of the bill. There has been much fear—and there has been some basis for it—that certain interests were undertaking to create a monopoly with respect to radio instruments and with respect to radio transmission.

Mr. EDMONDS. In answer to the gentleman from Nevada, I should like to say that the Panama Canal Zone is not covered by the present act, and therefore is not covered by this bill. It is subject to regulations prescribed by the authorities on the Zone.

Mr. ARENTZ. Then it means that it is entirely within the province of the military officials and the Governor of the Canal Zone to prohibit what is a common practice among high-school students in this country and among men and women who know something about radio.

Mr. EDMONDS. That is a military zone and should be kept under the military authorities properly.

Mr. WHITE of Maine. I have said that there has been much fear expressed that there were interests undertaking to acquire a monopoly not only of radio instruments but of radio transmission. If this were not a short session of Congress, which is coming to an end within a few weeks, I think your committee would have been anxious to have recommended some detailed legislation dealing with that subject. We all agreed that at this time to go into a comprehensive field of that nature would defeat what we believed to be the absolutely essential provisions of the bill. So we have postponed that subject to a later time. We have written into the bill two or three provisions which, we think, will do much to exert a restraining influence over whoever might seek to acquire monopolistic rights. We have written in the bill a specific provision that the Secretary may refuse a license to any group of persons whom he believes are seeking to monopolize radio, either through control of patents or instruments or by other means. We have written into the bill that in the granting of licenses for commercial stations intended to transmit oceanic communication the Secretary of Commerce may write into the license such restrictions, conditions, or terms as may be imposed with respect to licenses under the cable landing license bill.

There is a further provision that any license with respect to these stations must be approved by the President. We have put in also other provisions which at this time I will not undertake to deal with. We are firm in our belief that the legislation is imperatively needed, and while it is not the last word on the subject it will do much for this art. [Applause.]

Mr. BARBOUR. If the gentleman will yield, it is just as I feared, the gentleman has not got to that part of the bill where I wanted to interrogate him.

Mr. WHITE of Maine. I feel like apologizing to the members of the committee for taking as much time as I have.

Mr. CHINDBLOM. Mr. Chairman, I will say that so far as other members of the subcommittee are concerned, unless there is some objection I am perfectly willing that the gentleman from Maine shall continue.

Mr. WHITE of Maine. I want to hear the gentleman from Illinois, because he has been a student of the bill and is as familiar as anybody in the House on the subject.

Mr. CHINDBLOM. The gentleman on the other side will have an hour, and they may be desirous of asking the gentleman some questions.

Mr. HARDY of Texas. Mr. Chairman, if I understand it rightly, I would like to know, as long as no arrangement was made about the time, if any Member is recognized he will be entitled to an hour.

The CHAIRMAN (Mr. BURNETT). No; there is an hour on each side.

Mr. WHITE of Maine. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. CHINDBLOM. Mr. Chairman, I will ask if it is not the fact that in the consideration of business on Calendar Wednesday there are only two hours for general debate, one hour on each side; that is, one hour for those in favor of the legislation and one hour for those opposed?

The CHAIRMAN. That is correct.

Mr. JONES of Texas. Mr. Chairman, I claim recognition in opposition to the bill if no one on the committee is opposed to it.

Mr. HARDY of Texas. I am not opposed to the bill, but I thought as the ranking member of the minority of the committee I would have a right to an hour's time.

The CHAIRMAN. The gentleman from Texas is a member of the committee but not opposed to the bill. Is there a member of the committee that is opposed to the bill?

Mr. JONES of Texas. I am not a member of the committee, but I am opposed to the bill.

The CHAIRMAN. Under the statement of the gentleman from Texas [Mr. HARDY] that he is opposed to the bill and no member of the committee being opposed to the bill, the gentleman from Texas [Mr. JONES] is entitled to recognition.

Mr. KNUTSON. Can not the gentleman from Texas claim the hour and then yield the hour to his colleague [Mr. HARDY]?

Mr. JONES of Texas. I am willing to yield a part of the time, but I want to yield such time as those in opposition may claim.

Mr. HARDY of Texas. I suggest that the gentleman from Texas take such time as he deems proper and then yield the balance.

The CHAIRMAN. Inasmuch as no member of the committee is opposed to the bill, the Chair will recognize the gentleman from Texas [Mr. JONES] for one hour.

Mr. JONES of Texas. Mr. Chairman and gentlemen of the House, I dislike to take a position contrary to that of the members of the committee who have had the privilege of studying the measure more thoroughly than I have had, especially such faithful and efficient members as constitute this committee. But it seems to me that the disposition to rush into the hands of the Federal authorities for regulation is getting too great in this House, and I take my position by virtue of the recommendation made in the committee's own report. I believe that if the Members of the House will read the report carefully they will reach the conclusion that we ought not to pass a measure of this kind at this time. The time may come in the development of this art when it may be important to pass legislation, but I do not believe this measure should pass, at least not at the present time. This is an important question and I am in favor of any necessary legislation, but it should be necessary and should be presented later when a more thorough consideration is possible.

I want to call the attention of the committee to some of the provisions in the bill and to some of the statements that are made in the report on the bill. I do not know—this is a new proposition, but I am very much interested in it and so are many people throughout the country. I do not believe simply because here is a great project that is rapidly developing, which has made tremendous strides under the law as it exists to-day, that we should rush into the hands of a single Federal official with absolute control of the situation, and create a Federal bureau which this new bill does create; go to a great deal more expense necessarily, at this stage when the art is developing rapidly and when, according to the committee's own report, they have not been able to present a comprehensive bill. They have not investigated it sufficiently to offer a comprehensive bill. On this bill the committee makes a report in which it says:

The radio art changes overnight. It is neither standardized nor stabilized. There is to-day no like activity attracting the attention of so many technical and scientific men as this. The research departments of the Government and of the greatest technical companies of the country and thousands of amateurs are engrossed in its study.

While that condition exists, a committee rushes into the House with a bill of 18 pages, undertaking to license every station that sends messages and every operator who sends messages, when the business is changing overnight, when it is rapidly developing under the present law. They want to put into the hands of one man the power to absolutely control the situation. They are putting into the hands of the Secretary of Commerce, who is already a busy man, under the terms of this bill a power that should not be granted to any man, at least until it shall have proved absolutely necessary after the most thorough and exhaustive study. Of course the Secretary of Commerce is going to get much of his information from the big companies, necessarily. He will have to get it from some one, and he will get it from the experts of the big companies. Here is something more that this report says:

The bill before you is not a comprehensive radio law, but is limited in its scope. There are many phases of the subject which invite study and in which in the not distant future may call for legislative action.

The point that I am making is not that additional legislation may not be found necessary. On the contrary, in the growth and development it may be found very necessary, but why rush in here when the business is growing by leaps and bounds and change a law under which it is growing and developing, when the committee have not had the proper time to consider the matter, when the business has not yet reached a state when they can offer a comprehensive law about it? There is a tendency on the part of Congress and upon the part of Members of Congress to talk about Federal licensing and Federal regulation and then decry it, but when the occasion arises they will say it is just this one step more, and gradually the Federal Government is taking charge of a great many of the activities of the country. I am not in favor of granting these broadening powers to these people without thorough study and the necessity for it being shown.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. HUSTED. I am interested in what the gentleman has said. He said the Secretary of Commerce would get some information from the experts of the great companies.

Mr. JONES of Texas. Certainly.

Mr. HUSTED. What possible harm could there be if he did?

Mr. JONES of Texas. I did not mention that in criticism, but simply in connection with the statement that I believe the bill as drawn would not prevent the growth of monopolies in connection with the business; and, on the other hand, its result might be to encourage them. The Secretary of Commerce is a busy man. He would necessarily have to depend for his information upon these experts. It is just as natural for a man to look after his own interests, and for a corporation to look after its own interests, as it is for sparks to fly upward; and if companies want to create a monopoly, they will work to that end.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. ROACH. Is it not fairer to assume that the Secretary of Commerce will rely for his information upon the advisory committee of 15 which this bill provides for in section 5?

Mr. JONES of Texas. That is another one of the things that I object to—an advisory committee of 15 members. That creates a new bureau, a new Federal regulatory board, and this advisory committee would simply after all be an advisory committee. It is to be appointed by certain members of the different departments of the Government, and if you should undertake to establish fully the activities of the advisory committee, you might ultimately have a great many more Federal employees, when we already have too many of them at the present time. If he undertook to fully carry out that provision, it would be tremendously expensive, and if he did not, he would necessarily have to rely upon the information that he could obtain from different corporations.

Mr. CHINDBLOM. Will the gentleman point out any provision in the bill which warrants the statement he made about creating a large force of employees?

Mr. JONES of Texas. I was just calling attention to the section which was just called to my attention, section 5 on page 13, which provides for an advisory committee, to be established by the Secretary of Commerce, to consist of 15 members.

Mr. CHINDBLOM. Is that a thousand employees?

Mr. JONES of Texas. I did not say anything about its being a thousand employees; and if the gentleman had listened to what I said, he would not make that statement. I said if they carried out the activities of those 15 men and they went into it thoroughly, they would have many employees before they got

through with a lot of these investigations; and that is absolutely true, as is shown by our experience in various departments.

Mr. ROACH. Several of these members who are to constitute the advisory board, appointed by the Secretary of State, the Secretary of the Treasury, and other members of the Cabinet, are now operating great radio systems, are they not?

Mr. JONES of Texas. I do not know whether they are or not. Of course they are using it extensively, I assume.

Mr. ROACH. And they are peculiarly in a position to know the facts?

Mr. JONES of Texas. I do not know that there is any idea of appointing on this committee men who were already operating such stations.

Mr. ROACH. The bill provides for the appointment of these men.

Mr. JONES of Texas. I know it does.

Mr. ROACH. They are now operating large radio stations.

Mr. JONES of Texas. That further bears out the argument that I make about the result that would be obtained.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. LAZARO. The gentleman said that radio was increasing by leaps and bounds.

Mr. JONES of Texas. Yes.

Mr. LAZARO. If we regulated it in its infancy, as we did in the law of 1913, then according to the gentleman's statement is it not reasonable to now extend those regulations in 1923?

Mr. JONES of Texas. That may be, but I say the situation depicted by the committee in its report and their statement shows that the bill is not comprehensive; that it can not be at this time, and that argues absolutely against our going into a situation of this kind near the close of the session, extending Federal regulations in a very extensive way. The confusion that has arisen has been due more to the sudden and tremendous growth of the business than to any lack of regulatory powers. The existing law goes very far in authorizing regulation.

Mr. LAZARO. The gentleman will admit that if the people are to get the benefit of this growing thing there ought to be more regulation than in 1913.

Mr. JONES of Texas. I do not subscribe to the doctrine that in order for people to get the benefit of an institution there must be more and more Federal regulation. Some people have the idea that in order for any man to enjoy the benefits of any institution or organization there must be some Federal regulation, but I do not believe in any such doctrine. The point I make is that the confusion and chaotic condition is due largely to the sudden growth in the last year or two. If we pass this bill to-day, probably by next session new legislation will be necessary. There are powers of regulation under existing law which gives authority to regulate in so far as they know how to regulate. It is like an old doctor who only gave quinine. When the patient did not improve he thought he had not given enough. So he gave more and more quinine until the patient either got well or died. You can not cure this confusion by simply passing a bill, especially one that is hurriedly drawn. Let the business develop. Let them use the powers under existing law until the next session and maybe the situation will so clear as to enable us to tell just what legislation is necessary.

Mr. LAZARO. Will the gentleman yield for another question?

Mr. JONES of Texas. I decline to yield further just now, as I want to call attention to one or two other things before I go into that. I just want to call the attention of the gentleman to the statement of the committee:

The bill before you is not a comprehensive radio law but is limited in its scope. There are many phases of the subject which invite study and which in the not distant future may call for legislative action.

In another place it says:

The radio art changes overnight. It is neither standardized nor stabilized.

And yet with the condition as it exists we are asked to increase the Federal license and control system and you place it in the hands of one man to say who shall and who shall not engage in this business and who shall absolutely control the situation from top to bottom. In section (b), page 2, the Secretary of Commerce is authorized to license the radio stations and prescribe the nature of the service to be rendered and to make, alter, and revoke regulations applicable to all licensed stations. Now, I want in that connection to call attention to the statement of the committee that—

Apprehension has been expressed—

I want to call attention of this committee to the report of this committee—

Apprehension has been expressed and there is evidence sufficient to raise the question in reasonable minds that certain companies and interests have been endeavoring to establish a monopoly—

I call the attention of the gentleman from Illinois to that statement particularly when he was speaking in so cynical a manner about regulation and monopoly. Here is the committee report.

Mr. CHINDBLOM. Where is the gentleman reading?

Mr. JONES of Texas. Page 4 of the committee report.

Apprehension has been expressed, and there is evidence sufficient to raise the question in reasonable minds that certain companies and interests have been endeavoring to establish a monopoly in wireless communications through control and the manufacture and sale of radio instruments through contractual arrangements giving exclusive privileges in the transmission and exchange of messages or through other means.

Mr. CHINDBLOM. Now will the gentleman yield?

Mr. JONES of Texas. In just a minute. I have not finished reading. I decline to yield now.

Your committee believes that this subject should be carefully investigated and appropriate action considered at an early date.

In other words, according to the committee's own statement, it leaves the question of monopoly practically free and open and leaves to these companies the whole proposition. Now, I believe it would have been fairer and more seeming for you to have brought in a provision that would have curbed a monopoly of this business rather than to bring in 18 pages of Federal regulations and license.

Mr. CHINDBLOM. Why does the gentleman call my attention to these words on page 4?

Mr. JONES of Texas. I called attention to the words on page 4 because the gentleman seemed to be very cynical a moment ago when I suggested that under the terms of this bill the big companies would have a chance to monopolize the situation. Now, I quote the unanimous report of the committee, which sustains me. Does the gentleman want any more evidence?

Mr. CHINDBLOM. Will the gentleman yield? The gentleman is wrong. The gentleman from Illinois made no reference to any statement by the gentleman in reference to monopolization.

Mr. JONES of Texas. I so understood him; but perhaps I do not understand the English language.

Mr. CHINDBLOM. I will say this to the gentleman, that if the gentleman's views prevail and no legislation had, he is working in the interests of monopolization.

Mr. JONES of Texas. Oh, the gentleman's statement is full of prejudice because the report says that they do not try in any practical way to govern the question of monopoly. Now, we have Federal regulation and yet leave the question of monopoly open, according to the unanimous report.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. JONES of Texas. I do.

Mr. DAVIS of Tennessee. I wish to say to my colleague that contrary to what he has stated this bill has a provision inserted in addition to existing law and in a general way it prevents monopolies.

Mr. JONES of Texas. On page 6 it says the Secretary of Commerce is authorized to refuse a station license to any person, company, or corporation which in the judgment of the Secretary is monopolizing or seeks to monopolize radio communication, and substantially that same provision is in the old law. You do not direct the Secretary of Commerce—

Mr. DAVIS of Tennessee. And also a provision that he may revoke.

Mr. JONES of Texas. I understand that also is in the original law, which is already on the statute books. If the gentleman will read here in the laws of the Sixty-second Congress, pages 302 and 303, he will find this same provision. Why did not they direct the Secretary of Commerce to do these things in the event a monopoly existed?

Mr. WHITE of Maine. As a matter of fact, under existing law and the construction which has been put upon it by the court, if a monopoly existed which applied for the license, the Secretary of Commerce has no authority whatsoever to refuse that license to an admitted monopoly. That is the situation in the existing law.

Mr. JONES of Texas. I have the law before me, and it authorizes the Secretary of Commerce to revoke these licenses for cause, and to make his own regulations and revoke his own licenses whenever he pleases, and the gentleman knows that is true. But I want to get on to another proposition that is in this bill.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. LONDON. Would the situation of which the gentleman complains be remedied if the bill were to provide that resort may be had to the courts in the event the Secretary of Com-

merce refuses a license to any transmitting station or operating station?

Mr. JONES of Texas. I think that would help the bill materially, but I think it would still leave it where they would have to have a concern of some importance in order to fight the big companies and pursue the litigation successfully in the courts. You will find that most of the witnesses were connected with the big companies that are now trying to control the whole situation.

Mr. LONDON. Under this bill the control of the whole radio situation is under one man?

Mr. JONES of Texas. Yes; one man is in the sole control.

Now, under section C, on page 10, there is a provision that an operator's license shall be issued by the Secretary of Commerce in response to a written application, and it sets out the different things that he must show in order to get a license, and then it puts in this provision in subsection E:

An operator's license shall be in such form as the Secretary of Commerce shall prescribe, and may be suspended by him for a period not exceeding two years upon proof sufficient to satisfy him that the licensee has violated any provision of any act or treaty binding on the United States which the Secretary of Commerce is authorized by this act to administer, or of any regulation made by the Secretary under any such act or treaty, or has failed to compel compliance therewith by any unlicensed person under his supervision, or has failed to carry out the lawful orders of the master of a vessel on which he is employed, or has willfully damaged or permitted apparatus to be damaged—

And so forth, and so on, citing a number of instances. Now, if there is one of these little companies or operators who inadvertently violates some of the regulations, the Secretary of Commerce can absolutely put him out of business; he can put him out of business for two years; and, of course, these big companies can have some spies on his trail and find some regulation to show to the Secretary of Commerce that the law is violated; and so by the end of two years they will have him scotched.

Mr. HUDSPETH. Is there any appeal from the decision of the Secretary?

Mr. JONES of Texas. Absolutely none. His decision is final. They can not even go into the courts under this bill. They make Mr. Hoover, who, while an honorable man, is nevertheless more or less ambitious, the sole arbiter, and from his decisions, as you all know, there is very little appeal when he has the final say.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. MANSFIELD. Will Mr. Hoover be Secretary of Commerce forever?

Mr. JONES of Texas. You do not know at any time whether he will be Secretary of Commerce or not, but he has already asked for contributions to his department for more authority and more power, and now he comes in with a bill. Whereas the business was formerly divided between him and the Secretary of Labor, by the present law he wants to be "the whole cheese."

Mr. LINEBERGER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. LINEBERGER. Does not the gentleman think the Secretary of Commerce has performed his duties ably?

Mr. JONES of Texas. Well, I have not gone into that matter fully. I admit that he is an able man, but I know he has made some mistakes in his wonderful experience and has done some wonderful things. But I am not willing, at the rate this business is going on, to require every man who is a citizen of this great free country to rush pell-mell into the hands of Federal supervision and require him to take out a license in every detail and leave it to any one man to say who shall and who shall not have the benefit of an institution of this character. This involves the air. I have heard it said frequently that about the only thing that was left free was the air, and now you are going to take that away. [Laughter.]

Mr. BARBOUR. Would not the remedy of mandamus lie here if the Secretary of Commerce abused the discretion vested in him?

Mr. JONES of Texas. It is not so nominated in the bond. He is given the absolute right to make any regulations, whether reasonable or unreasonable, which he sees fit to make, and if anyone violates any one of these regulations he will be put out of commission, or at least for two years.

Mr. BARBOUR. All the authority that he has is given to him by statute.

Mr. JONES of Texas. Yes; and the proposed statute provides no appeal to the courts in any way whatever. Of course, a man would have a poor chance to go into court, considering

all the advantage of the information which the other side would have in trying to make Secretary Hoover do something, or make any other Secretary of Commerce do anything.

Now, the report says:

After the approval of this act the construction of a station for which a license is required by this act shall not be begun, nor shall the construction of a station already begun be continued, until after a permit for its construction has been granted by the Secretary of Commerce upon written application therefor.

A man may be out here with a station almost finished, one of these small concerns, and may have spent most, perhaps, of his capital stock. They can have their station almost finished, and yet if the Secretary of Commerce, in his wisdom and in his almost unlimited power, shall say unto him or them, "Nay, nay," they must throw away the work and the investment they have made, because they are not permitted to conduct their business.

Mr. LONDON. Does the existing law give the Secretary of Commerce an adequate personnel to make such investigations, or will it be necessary to make additional appropriations?

Mr. JONES of Texas. I do not know; but the committee's report says that not only are the big institutions making all sorts of investigations but the Government is making various investigations, and the report says the great technical organizations throughout the country and the amateurs throughout the country are making investigations.

Mr. LONDON. I am speaking of the individual having the right to construct a transmitting station.

Mr. JONES of Texas. I think it is under the general powers of the Secretaries of Commerce and Labor. As I understand it, they have asked for no additional appropriation. I suppose they have such men now as they have found to be necessary in that regard.

Mr. GARRETT of Texas. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. GARRETT of Texas. What effect would the putting of this operation into the hands of the Secretary of Commerce absolutely have? What effect would that have on radioing market reports and things of that kind?

Mr. JONES of Texas. If the Secretary of Commerce saw fit to dress down the farmers as he did when he regulated the price of wheat, he could say, "You have already enough market news and you must quit sending market news by radio." Under this bill, if the Secretary of Commerce decided that the people down in some vegetable-raising country were already getting enough for their cabbages or their vegetables or fruit, he might say, "You can not have any more information." Of course, he would probably not do this, but the power would be there, and it should not be so placed unless shown to be absolutely necessary. He might say, "If you violate that regulation I will suspend you." Under the terms of this bill the Secretary of Agriculture would be wholly dependent upon the good graces of the Secretary of Commerce for any information he might want to send out.

Mr. KNUTSON. According to the explanation given by the gentleman from Maine [Mr. WHITE], who, I understand, is one of the authors of the bill, this measure specifically excludes Government broadcasting stations.

Mr. JONES of Texas. Government broadcasting stations, yes; but according to the statement of the chairman of the Subcommittee on Appropriations [Mr. ANDERSON], when we were considering the agricultural bill in the House, practically none of the broadcasting stations operated by the Secretary of Agriculture is owned by the Government. They are private agencies, according to the statement that was made here on the floor of the House. I asked the chairman of the subcommittee when he was on the floor, and he said that the Government was using only four broadcasting stations under the direction of the Secretary of Agriculture, and I believe he said some of them were leased.

Mr. KNUTSON. How many stations is the Department of Agriculture using?

Mr. JONES of Texas. I do not know how many are being used. I do not understand the details of all these matters. I know that the statement of the man who ought to know was that the most of the agricultural information was being sent out by private broadcasting stations.

Mr. BLANTON. He said there were only four transmitting stations.

Mr. KNUTSON. How many private stations are being used by the Government? Probably we could save money by cutting some of them out.

Mr. JONES of Texas. We might do that.

Mr. McKENZIE. The gentleman will concede, will he not, that control over these stations should be vested in some authority?

Mr. JONES of Texas. The point I want to make most strongly is that already we have a law that seems to be operating very well. The committee advocates a change which they confess leaves the subject in a great degree of confusion—a proposed measure, which they confess is not comprehensive, which they confess does not handle the most important propositions in connection with this matter. Why act by piecemeal? When this industry is developing so rapidly, why not wait until we can get some more definite information?

Mr. McKENZIE. The gentleman's colleague [Mr. GARRETT of Texas] asked a very pertinent question, and we all agree that the transmission of market reports is very essential and necessary to the agricultural interests of the country.

Mr. JONES of Texas. Yes.

Mr. McKENZIE. Does not the gentleman from Texas [Mr. JONES] believe that authority should be vested somewhere to control radio broadcasting? For instance, a radio station might be transmitting some song-and-dance performance going on at a vaudeville show, and thereby interfere with the transmission of this necessary information.

Mr. JONES of Texas. That is true, but the trouble is that they already have more power under existing law than is being used. I am not willing to risk his judgment as to which is the more important.

Mr. BLANTON. Suppose the Secretary of Commerce should deem the song and dance vaudeville transmission more important than the subject that the gentleman is interested in?

Mr. McKENZIE. He would not do that.

Mr. BLANTON. We have different kinds of individuals in the various Cabinet offices once in a while.

Mr. McKENZIE. I will suggest to the gentleman from Texas that this at least would prevent confusion.

Mr. JONES of Texas. The Secretary of Commerce and the Secretary of Labor have that very power at the present time, and if this change went through it would not clarify that situation one "bit" in the world.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Illinois.

Mr. CHINDBLOM. I want to call attention to paragraph D of section 1:

Radio stations belonging to and operated by the United States shall not be subject to the provisions of paragraphs A and B of this section.

Mr. JONES of Texas. Shall not be subject to paragraphs A and B of this section.

Mr. CHINDBLOM. The President assigns wave lengths to the departments of the Government.

Mr. JONES of Texas. Yes; the President assigns wave lengths to the departments of the Government, but he does not assign the wave lengths to the big companies, and they can go ahead with their business even though it interferes with market news or anything else; and the Government plants under the terms of the present law, I will say to the gentleman, are exempted from its operations, so that this is simply carrying forward the provisions of existing law. The point I am making is that it is unwise at the present time to interfere with the present law.

Mr. CHINDBLOM. I want to reply to the remark that this bill would interfere with the Agricultural Department. That is not the case unless the President wants to interfere.

Mr. JONES of Texas. It is not possible under the present law, but it would be possible for the Secretary of Commerce to interfere under the proposed bill, if he desired to do it. It would be possible for him to interfere under this proposed bill.

Mr. CHINDBLOM. It would not.

Mr. JONES of Texas. It most certainly would. Sections A and B are not the only sections in this bill. And even if the Government plants were operating and they were sending this market news, that would not keep outside companies from sending messages that conflicted and interfered with the transmission of market news. That is the point I am making. Now, let us just refer again to the report of the committee, where it says, speaking of the growth of this business, that since July 1 the number of stations has increased from 17,000 to 21,000. It is growing at a rapid pace, and the thing is changing overnight according to the statements of the committee, and they say themselves that statute laws can not be speedily changed, and that of necessity there is no way of meeting this unprecedented situation except by conferring

in general terms broad powers of supervision, of regulation, and of control upon the designated regulatory body. That is what they are trying to do, to give broad comprehensive powers that place the whole thing in the hands and brain of one man.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. JONES of Texas. I yield to my colleague.

Mr. CONNALLY of Texas. The committee say on page 4, speaking of the apprehension with reference to monopoly—

Your committee believes that this subject should be carefully investigated and appropriate action considered at an early date.

Mr. JONES of Texas. Yes.

Mr. CONNALLY of Texas. Then they say that the committee can not do that, and they turn it over to Mr. Hoover.

Mr. JONES of Texas. Yes. I thank the gentleman for his suggestion. If you will read this remarkable report, I believe you will agree that this bill should be recommittees; that you should let it ride until the next Congress, when we can take the facts we have in our possession and get up a bill that is a bill, if we need such a thing.

Mr. STRONG of Kansas. If we do pass such a bill, should we not have a provision exempting stations authorized by the Secretary of Agriculture, if we are going to exempt anything?

Mr. JONES of Texas. I think most certainly they should not be allowed to be interfered with in the manner suggested by the gentleman from Illinois [Mr. McKENZIE]. But now, as my colleague has suggested, the committee says it has not the information to frame a comprehensive bill, it has not the facts, it is unable to get the facts, and they are going to leave it to Mr. Hoover, and at the same time they say that this bill is not a comprehensive law but is limited in its scope and have embodied in the bill only certain provisions.

Now, listen. In connection with that they confess, on page 4, that they have not undertaken to deal in any way with the most important provisions of the bill—the question of monopoly. Mr. Chairman, I reserve the balance of my time, and I yield 15 minutes to my colleague from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman and gentlemen, peace time as far as the Government has attempted to control transportation, it is that only which relates to interstate commerce; with regard to telegraph and telephone control it has the same rule. With the control of the telegraph and telephone it applies only from one State to another; interstate and not intrastate. The Government does not interfere in any manner whatever in Pennsylvania with the railroad business that is embraced wholly within the State lines. It does not interfere in any way with the telegraph and telephone in Pennsylvania that is embraced only within the State lines; it is only as to interstate telegraph and telephone and railroad transportation that it assumes any control, but when it comes to radio business the rule changes, according to this bill.

Mr. CHINDBLOM. The gentleman is wrong, and he will see it if he reads the bill.

Mr. BLANTON. I have not only read the bill but have carefully studied it as much as any Member of Congress. Let me read a sentence or two.

Mr. CHINDBLOM. All right.

Mr. BLANTON. On page 2, line 1, what does it say? It says "or for the transmission of radiograms or signals the effect of which extends beyond the jurisdiction of the State, Territory, or the District of Columbia in which the same originate, or where interference would be caused thereby with the transmission or reception of messages or signals from beyond the jurisdiction of said State," and so forth. How easy is it for the Secretary of Commerce, who wants to control the proposition in Pennsylvania or in Illinois or in Minnesota or in Texas or California or in any other State—how easy it is for him to say that a little radio transmission station at Dallas, that does business with El Paso, Tex., interferes with a station up in California or Utah or New York.

Mr. BARBOUR. Will the gentleman yield? I am interested in the gentleman's proposition. When you send out a radiogram there is a station 1,000 miles away which gets it and another perhaps 100 miles away does not get it. Where does the gentleman draw the line?

Mr. BLANTON. Oh, the gentleman's State is a State of long distances.

Mr. BARBOUR. In one direction.

Mr. BLANTON. Yes; and the State of Texas is 900 miles across it from east to west and 1,000 miles across it from north to south; it is an empire within itself. There are stations where there could be private businesses in intrastate scope that would not interfere with Kansas, Oklahoma, Louisiana, Colorado, New Mexico, or any other close-by State.

Oh, they say, we can depend on the Secretary of Commerce and his good judgment, because he is a Cabinet officer. I want to say to my friends on the other side of the aisle that the man who had more to do than anyone else with putting you in power right now in the Executive office and in the control of Congress and in the conduct of the affairs of this Nation, the man who has had more to do in bringing your party in power, the ex-Postmaster General, Mr. Hays, has lately taken a stand that has shocked the morals of the whole country. The men and women's clubs generally are standing up and denouncing the action recently taken by him. You can not always depend on the judgment of a man who occupies a high position and depend on what it may be in the next 5 or 10 years.

Mr. KNUTSON. Will the gentleman yield?

Mr. BLANTON. In a minute. I do not believe that the gentleman from Minnesota has studied the bill as I have. He is the Republican whip of the floor, and is exercising his functions in trying to whip out every man who stands against a measure brought in by the administration. I have studied this bill from a legislative standpoint, from the standpoint of what it means to the people at home all over the United States and what it means to my home people in Texas. I want the Government to exercise every proper right of control over anything that affects the whole country, but I do not want it to interfere with matters that are exclusively for Minnesota, for California, or for Texas, and with which it has no concern and which the people of these respective States are able to control and regulate themselves.

The gentleman from Illinois says that there is no big machinery here, and says it provides for an advisory committee of 15 men. Oh, but you are also giving each one clerical help.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. I will say for myself and, I think, for the rest of the committee, that we are entirely indifferent as to that provision and are willing to strike it out.

Mr. BLANTON. It ought to be stricken out. If you will strike out that provision and will then make it plain that the proper jurisdiction of the States is safeguarded in this bill, I will be with you.

Mr. CHINDBLOM. I am willing to have it stricken out, and the result will be that the men will have to spend their own time at their own expense.

Mr. BLANTON. We, as 435 Members of Congress, have access to all the scientific and technical knowledge of the world. We can assimilate it and use it to advantage of the people in this country just as well as any bureau can. What is there about the Secretary of State's office that has to do with technical science? It is scientific technical knowledge that we need on this matter.

Mr. CHINDBLOM. I want to say to the gentleman and for the Record that this provision of an advisory committee was put into the bill because everybody from the amateur to the manufacturer requested the committee to create such an advisory commission, upon which they might have membership.

Mr. BLANTON. Why did you not give the Secretary of Labor a little spiel at it? Why did you not let him get a slice of the pie and also put a man on the advisory committee.

Mr. CHINDBLOM. The Secretary of Labor does not use radio.

Mr. BLANTON. Why not? He is in charge of the whole Immigration Bureau? You have put every other Cabinet officer there. Why should you put the Shipping Board upon it?

Mr. CHINDBLOM. Why there is a representative from the Shipping Board.

Mr. BLANTON. Oh, I do not want the gentleman to bother me too much.

Mr. CHINDBLOM. I am answering the gentleman's question.

Mr. BLANTON. Let us see what this advisory committee is going to cost. Twenty-five dollars a day, when they are on business. My judgment is that they will be on business 365 days in the year, and that will amount to \$9,125 each annually.

Mr. McARTHUR. Sundays and holidays?

Mr. BLANTON. Yes. Take all of these so-called innocent little commissions that we so frequently create and provide for and they get paid for 365 days in the year, most of them, together with their expenses and their clerical help and everything else that goes with the establishment of a big, expensive bureau, and that is to be placed upon the already overburdened shoulders of the people of this country.

Mr. CHINDBLOM. In order that the gentleman may have time to discuss other matters, I will state that the committee will move to strike out that part of the bill.

Mr. BLANTON. Thank the Lord for that.
Mr. BUTLER. Was there not some reason why you put it there?

Mr. CHINDBLOM. Yes.

Mr. BUTLER. Then let us leave it there. The amateur people want it.

Mr. BLANTON. I will tell you what you ought to do as to the advisory committee. The gentleman from Illinois [Mr. CHINDBLOM] usually gives close thought to every proposition that comes up, and I think he ought to let the Secretary of War, the Secretary of the Navy, the Secretary of State, from a diplomatic standpoint, the Postmaster General, and the Secretary of the Treasury, besides the Secretary of Commerce, designate each a man, the best scientist, with technical knowledge, from their several departments to act as this advisory committee. It will not then cost the Government much, it will not increase the expenses of the Government, and you will not build up a new bureau with this extensive machinery. Let them be the advisory committee. I will promise you that the Navy and the Army, that have already given great study to this question, will give their best to the situation, and so will the other departments. Let me remind my friend from Illinois that for two years after the armistice he knows how hard it was to get a license or permission for some little private enterprise to use radio transmission. He could not get it in Illinois, he could not get it in Texas, he could not get it in California. I had a little business concern down in Texas that wanted to use transmission by radio from Dallas to El Paso, wholly within the State, a legitimate business, and they could not do it for about three years after the armistice was signed. You want to go slow on taking the inherent power that naturally belongs to the States of this country away from them and lodging it in a centralized government here in Washington controlled by one man, no matter how bright or big or fundamentally important he may be to any political party.

Mr. BARBOUR. Mr. Chairman, as I stated before, I am interested in this proposition. Is it possible to confine radio broadcasting within the limits of a State? If it is, then I am in favor of the gentleman's proposition.

Mr. BLANTON. Yes and no. There are certain little businesses that have occasion to use small transmission stations, that are not interfering with the big radio business of the world. They ought to be held intact, they ought not to be interfered with within the States. They ought not to be required to come to Washington and run the gauntlet of the wire fences that the big corporations that want to control this business will put in their way. The evidence shows that one of the biggest Army men we have in the Nation is about to be retired in a few days to go as the head of one of the biggest corporations in existence, having to do with radio business. Why? To control the business, if possible, for that corporation. You want to watch all these little foot tracks that lead up to this great monopoly. This bill may satisfy you, as with proper limitations it would satisfy me, and with proper limitations such as I have suggested I would vote for it gladly, because there must be some supervision, but we should watch all of these little things.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield one minute to my colleague on the committee [Mr. ROSENBLUM].

Mr. ROSENBLUM. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD, and to do this in 8-point type.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. WOODRUFF. Mr. Chairman, reserving the right to object, the gentleman asks that the extension might be in 8-point type. I understand that the extension of remarks are ordinarily put in 8-point type, the ordinary type of the RECORD. Does the gentleman anticipate inserting documents of some kind?

Mr. ROSENBLUM. No; but having my remarks extended in the back of the RECORD in the ordinary type.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROSENBLUM. Mr. Chairman, as the result of a campaign of misleading propaganda, it is my opinion that the proposed amendment to the Constitution will pass the House. Although many well-intentioned people, and, I dare say, Members of the House of Representatives, have been beguiled into favoring the bill on the widely advertised theory that it has for its object and sole purpose preventing the investment of large incomes in tax-exempt securities, by means of which such in-

comes escaped an equitable share of taxation, I am firmly convinced that this much-desired object will be defeated by adoption of the pending amendment.

If it were possible to prevent money accumulations from escaping their fair share of taxation by the ratification of the amendment under consideration, I pledge that no one would be more industrious, eager, or conscientious in his effort toward this accomplishment than myself.

The prevalent opinion that the adoption of this amendment will reach securities already issued is unjustified and untrue. Such securities will continue to be tax exempt. There is no legal way in which they can be reached. The contemplated amendment only provides for such securities as shall be issued after its ratification.

"A man is known by the company he keeps." Let me digress far enough to add that a legislative proposal can be most certainly identified and characterized by its advocates.

Why is it that the same gentlemen who one short year ago were exhausting their energy to secure reduction of income taxes on incomes in excess of \$67,000 a year, at the expense of incomes under \$67,000 a year, are now so devoted to their "professed" interest in the people generally that they use the same majority of people whom they proposed to tax more heavily as the cat's-paw of their argument that the proposed amendment should be adopted. Truly "a leopard can not change his spots"—at least, not so easily and quickly. Is it consistent to believe that those same gentlemen, who a year ago argued for a reduction of tax on enormous incomes should now be so eagerly championing an amendment whose sole intent and object is to collect a greater amount of taxes from those same inflated incomes? "Verily, do I hear the voice of Jacob, but I feel the hand of Esau."

Where did the money come from that has previously been invested in tax-exempt securities? These incomes are received as dividends from industrial stocks, from oil stocks, automobile stocks—speculation. They are most certainly not the result of conservative bond investment, yielding a far more moderate return of interest on the investment. It is therefore patent that all securities—including the tax-exempt security under discussion—was infinitely less profitable and attractive than the profits to be derived from further speculation. Why, then, is this money invested in these tax-exempt securities? I am satisfied that there is no desire on the part of possessors of large incomes to invest them in tax-exempt securities unless forced to do so by high rates of income tax. Those securities constitute an entirely safe investment, devoid of the speculative dangers attendant upon speculative stock investment. Allowing for the safety in the security investment, the factor that determines is the rate of return. When the rate of return from the bond investment, plus the advantage from tax-exemption, approximates the return from speculative stocks, minus the necessary deduction for payment of taxes, accumulated wealth immediately absorbs the issues of tax-exempt securities, not necessarily because they are tax exempt but because of the advantage of increased safety in the knowledge that the net return from such investment will be substantially the same as would accrue from speculative investment after allowing for deductions for payment of taxes as result of such investment.

These same gentlemen who are now asking the adoption of this amendment, when the income tax bill was under consideration by the House gave every assurance that if the excess-profits tax and other surtaxes were eliminated or reduced it would eliminate the practice of accumulated wealth seeking refuge in tax-exempt securities. Accepting their assurances, this Congress gave them the relief they sought. Why do they now come before you and say it is necessary to stop the issuance of tax-exempt securities in order to accomplish the result they predicted in the first instance? Why is the adoption of this amendment so heartily urged by the chairman of the Ways and Means Committee; by Mr. Kuhn, of Kuhn, Loeb & Co.; by Mr. Mellon, Mr. Ford, et al.? Because, gentlemen, the continued attractiveness of these tax-exempt securities, wherein a goodly portion of their money sought refuge and where it now remains, is no longer to their liking. Immediately a tax is added to further issues of such securities their holdings will automatically increase in value to the extent of the tax. The economic condition of the country's business has reached a point where speculative industrial investment can not compete with the security and assured return to be had from investment in such securities. As previously stated, these wealthy gentlemen accumulated their wealth almost entirely as a result of the speculative investment which they largely control and manipulate. But, if people will not invest in industrials, there is nothing for them either to control or manipulate, consequently

there is no profit, and again, consequently, they seek to make the issue of tax-exempt security less attractive, so that investment will again be made through their favored mediums.

You are asked by the captains of industry, financial experts, and international bankers to adopt this amendment in the benefit of the country at large, so that accumulated wealth will be assessed its proportionate share of taxation on these securities. Whence all this philanthropy and noble altruism professed from such a source? Are not all of the actors in this play cast in strange and unfamiliar rôles? It is indeed difficult to digest such a paradox. Never before have I witnessed the spectacle of accumulated wealth seeking to have itself taxed in order that it might more equitably share the common burden.

I am conscientiously wrong and will unceasingly regret my mistake in opposing the adoption of this amendment if the purpose really be to tax colossal wealth its just, fair, and equitable proportion by denying to it the refuge of the tax-exempt security.

But if it be the purpose of those who advocate this measure to discontinue such securities so that the money will be invested in industrial securities, why do they not say so?

If it be the purpose to so arrange State and municipal securities that, with less attractiveness and advantages, the interest rates can be dictated by the financiers of Wall Street in order to make them salable, why do they not say so?

If it be the object to so encompass these securities that they will no longer find a ready market, and the issues must be marketed by these same gentlemen who now seek to tax them and make them less attractive to the purchaser, why do they not say so?

If it is the purpose to prevent the Federal Government, the various States, and the municipalities from engaging in what has been regarded as the sanctum sanctorum of private business—the building of elevators, furnishing heat, light, and power, transportation, and other essentials of urban civilization—why do they not say so?

But if it be the purpose of those advocating this measure to compel these various States issuing bonds for road-building purposes to so embarrass the sale of those bonds by removing the tax-exempt feature, in order to retard the road-building program, and by so doing minimize the competition that they are developing to the railroads of our country, why do they not say so? My own State, having authorized \$50,000,000 of such bonds to be sold during the course of the next few years, I can not see my way clear to lend my vote to raise the rate of interest which we will have to pay, or to restrict the market that there is for those securities under present conditions.

Gentlemen, I do not charge that these are the objects of the advocates of this amendment. It would be indeed a dismal effort for me to interrupt or interfere with the noble spectacle of wealth seeking to tax itself, but I must admit I am quite overcome by such altruistic sentiment from such a source.

But, gentlemen, I do charge that such things as I have enumerated are susceptible of accomplishment, and are easily possible, with the proposed amendment in force.

I am quite certain, however, that if either or all of the above propositions had been presented to you as arguments for the adoption of this amendment, it would have received but scanty consideration. It is indeed cleverly masked. If I can analyze the sentiment of the membership of this House, there is an overwhelming desire to place taxation on the sources best able to bear the tax. In this view I am confident the amendment will be passed. I am equally confident, however, that the sheepskin will be firmly, if not gently, removed from the wolf in the Senate and the proposition will be viewed in its true aspects.

I can not approve of a policy which will deliver into the hands of the capitalists controlling the money markets the power to dictate the rates of interest at which my constituents can secure money for permanent physical improvements of their localities. If the people of Wheeling, or Fairmont, or Grafton, in the State of West Virginia, wish to build a road and thus add to the capital of their respective community, and the proposal is submitted to a vote of those concerned and receives an indorsement of the necessary two-thirds majority, indicating their desire for and willingness to pay for the new roadway, I believe they should be permitted to secure the necessary money as the result of a bond issue under the most favorable conditions. Such permanent physical improvement—the only enterprise for which they are entitled to issue municipal bonds, by sanction of two-thirds majority of the people concerned—are assets and capital not only to the community but to the Nation.

The bonds issued will be paid. They have the best obtainable security—the pledge of two-thirds of the residents and property owners of a given locality. The Nation is benefited to

the extent of the tax which purely industrial speculations must bear. Why should additional taxes be heaped not upon the bonds but upon the people? With a tax-exempt security they could find a ready market at 4 or 4½ per cent. By eliminating the tax-exempt provision they would have to return a sufficiently higher income to recompense for the amount of tax they bear in order to meet competition and to find a market. At best, the market would be difficult to find. At least, the interest rate which the people would be compelled to pay would immediately advance from 4½ to 6½ or 7 per cent. In the absence of a ready market it might be necessary to submit the entire issue to these gentlemen who are asking you to do away with tax-exempt securities.

This would add an additional and expensive service to be extracted from the amount of the issue calculated to build the contemplated improvement. This creates additional tax for the people of those communities. Who is benefited? In this instance there is a minimum cost at which the road can be built—the lowest cost. But you have proceeded to add additional costs with amazing rapidity, so that there will be a sizable difference between the lowest cost and the cost at which the road will actually be completed. This has occurred in the financial end of the transaction. The gentlemen who wish tax-exempt securities eliminated control that end.

The reciprocal provision of this amendment permitting the States to tax Federal bonds to be issued in the future is buncombe, pure and simple. Nothing is more remote than the issuance of further bonds by the United States Government.

While I am unalterably opposed to prohibiting the issue of tax-exempt securities, I would energetically support an equitable law prohibiting any individual, firm, partnership, corporation, or combination from holding more than a stated amount of such securities. This would insure a wider distribution of such issues and prevent hoarding money in such investment solely with the object of evading taxation.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield five minutes, my remaining time, to the gentleman from Texas [Mr. HARDY].

Mr. HARDY of Texas. Mr. Chairman, I think I shall take but a small portion of that time, first, to state that after several years of study—for this question has not come up anew—the Committee on the Merchant Marine and Fisheries have investigated the subject of this bill, and with mature deliberation have reached a conclusion that this measure is the best that we can do at the present time. Modestly we have stated that we are unable to forecast the future and to provide for all the rules and regulations that may be necessary for the future in this growing and developing invention and discovery, and we have suggested that as time progresses it will be necessary to provide other legislation. That modesty seems to have provoked a vast attack on the part of two gentlemen who have represented the opposition to the bill. I appreciate very greatly the sincerity of the gentleman from Maine, who makes the modest statement in the report, and I want to say frankly there is not a man in the United States, perhaps, who understands radio better than the gentleman from Maine [Mr. WHITE]. [Applause.]

It has been his duty for at least six months in unceasing investigation, and this bill is largely the result of his labor. But I must not forget to say that he has been assisted on the subcommittee by the distinguished gentleman from Tennessee [Mr. DAVIS], the Member from Virginia [Mr. BLAND], and the gentleman from Alabama [Mr. BANKHEAD]. And I do not think any more conscientious men, any men who are more loathe to bestow unnecessary power upon an official of the Government could be found, and yet they found it was necessary to lodge somewhere the power to control the chaotic conditions which now prevail in the radio service, and they have placed it largely in the Secretary of Commerce. Now, the next complaint which has been made by the two gentlemen is that this advisory committee is not small enough. The Secretary of Commerce was one, and that was an objection and—

Mr. ABERNETHY. Will the gentleman yield?

Mr. HARDY of Texas. I have only a few minutes.

Mr. ABERNETHY. As a matter of explanation. Do I understand the Secretary of Commerce will have the power by regulation of wave lengths to cut anybody off from using the air unless there is something wrong in what they are going to say or not?

Mr. HARDY of Texas. No; the Secretary of Commerce will prescribe the wave length that can be used by each licensed transmitting station, and it is absolutely necessary that somebody prescribe it, otherwise you would have interference and chaos in the air. Here in Washington not long ago two ministers were preaching with radio distribution service at their

pulpits. They had the same wave lengths, and nobody could hear what either one was saying. It is to prevent that.

Mr. ABERNETHY. Does he arrange so that both can talk at the same time and not interfere with each other?

Mr. HARDY of Texas. That is the purpose, to regulate the radio wave length.

Mr. ABERNETHY. And there is nothing that does away with the ancient saying, "As free as the air."

Mr. HARDY of Texas. Nothing, except you have not got the right to blow your breath in another man's face if your breath is foul. [Laughter.] That is about the limitation we put here on this matter now. Now, in regard to the matter of complaint about the advisory committee provided in this bill in section 5. What does that advisory committee have any right to do? It has the right to investigate and report, first, upon the administration or need for changes in the laws, regulations, and treaties of the United States relating to radio communications; second, the study of the scientific problems involved in radio communication, with a view of furthering its development; and, third, the scientific progress in radio communication and the use of radio communication. This is the greatly criticized advisory committee which may be appointed in order to study the science of radio and in order to investigate the laws touching the subject and suggest to the Congress what would be wise and proper legislation in the future. Now, I want to say another thing. As to that advisory committee, on page 14 there was a provision authorizing a certain payment of certain expenditures. It had not been thoroughly investigated, or thoroughly investigated as to some particulars; and some Members consulted with the chairman of the committee and with the leading Members on the majority side of the committee before this debate began and agreed that lines 1 to 8, page 14, should be stricken from the bill, so that there will be no expense on the Government arising out of the appointment and existence of this advisory committee. This advisory committee consists of representatives of the Navy, War, of the Departments of Agriculture, Post Office, Commerce, the Shipping Board—departments of the Government that are really interested largely in radio—and each one of them appoints a member on the advisory committee who, with this section stricken out, will serve without compensation, and the Secretary of Commerce will then select from those who are intimately acquainted—the engineers, the manufacturers, and others—seven additional members who will advise with these official advisory members, and all of them to serve without pay.

Mr. TILSON. Will the gentleman yield?

Mr. HARDY of Texas. Yes, sir.

Mr. TILSON. I agree with the gentleman that it would be better to cut out the per diem and clerical expenses, but does not the gentleman believe that it would be better to allow the members of the advisory committee actual expenses while attending meetings of the committee? Unless you do it you will be limiting it to those enthusiasts in radio who can afford to pay all their expenses.

Mr. HARDY of Texas. To those and the officials of the Government.

Mr. TILSON. I do not think that the officials of the Government should be paid anything at all beyond the salary they are already receiving.

Mr. HARDY of Texas. I do not think you will find anybody but the radio enthusiasts who will voluntarily go and fill these appointments under any circumstances unless you pay them more than their expenses.

Mr. TILSON. I do not think that you should pay them for their services. I would include the enthusiasts, but not alone the wealthy enthusiasts. I would include anybody who is qualified and willing to give up some of his time to this work.

Mr. HARDY of Texas. You would pay the actual expenses?

Mr. TILSON. Yes; I would pay actual expenses.

Mr. HARDY of Texas. I might not object to that, but this is legislation that we admit is temporary. Radio is a science which we admit is growing and is now in its infancy, and we contend that Congress from time to time must perfect and add to this legislation.

Our very frankness in making that admission has been used as a weapon against the committee, who have conscientiously tried to bring in the best measure they can. That is the whole situation. We have tried conscientiously and honestly to discharge the duties we have under the law, but we admit that it is a new subject. It is a broad field. It is a growing enterprise. Legislation must from time to time be necessary.

Then I want to call attention to another fact. We have limited the length of time for which a license may be issued, so that there is no chance under this bill for the Government to

make a commitment that would create permanent vested rights, and any Congress that may come hereafter can correct any error that there may be in this bill and not be met with the suggestion that something has been granted that can not be taken back. We have guarded this carefully so that no man may have a sending monopoly. Every succeeding Congress can take away any unjust right or unfair advantage, and the whole people may be served by this most wonderful invention of the age. In the meantime, let us stop the chaos that is ruling the air to-day and interfering with the young giant that will rule the future. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

Mr. JONES of Texas. Mr. Chairman, my response to what my colleague has said is that the conditions depicted in the committee's report do not justify legislation at this time. The committee itself says this is not a final bill and says it is impossible to cure some of the conditions that exist. They say, "Your committee should take appropriate action at an early date," and so on.

My colleague [Mr. HARDY] refers to the advisory committee of all these Cabinet officers. I want to call attention to the fact that they are simply an advisory committee, and after all, under the terms of this bill, the Secretary of Commerce holds the absolute reins of power. He does not have to follow their advice. He is under no compulsion whatever. He may accept their advice if he pleases, or he may reject it. I am not willing to take his or any other one man's opinion as to who is to make a sound and who is not to make a sound for the whole people of the United States.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield for a moment?

Mr. JONES of Texas. Yes.

Mr. HARDY of Texas. This advisory committee is intended to make a report that will be for the use of Congress and of the officers as well. It is for information; that is all.

Mr. JONES of Texas. According to the committee's statement there are all kinds of Government officials, as well as employees of the big companies, who are making thorough investigations and studies, and I think the Cabinet officers would simply make a résumé of the opinions of others.

Mr. HARDY of Texas. I am frank to say that I do not know who would be the best constituent members of the committee to investigate, but I think when you clothe the officers of the Government and the departments of the Government with authority to act as advisers we can authorize the Secretary to appoint others, and then you will get a satisfactory investigation and report to Congress.

Mr. JONES of Texas. Perhaps there is no great danger at present, except in the appropriation for the per diem, and so forth. But there are to be some other members besides the Cabinet officers, and judging from the history of bureaus heretofore created and established, there will soon be an expensive aggregation of clerks, employees, and other officials connected with any institution of this kind.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. DAVIS of Tennessee. Is the gentleman opposed to anybody attempting to regulate this subject or issue licenses or determine who shall operate transmitting stations?

Mr. JONES of Texas. That is an academic question, because the present law authorizes the Secretary of Commerce and the Secretary of Labor to do that very thing. I was not here when the present law was presented and do not know what discussion was had on it at that time, and I have not had the time to go into it very thoroughly. But I say I am making no effort to repeal the present law, and am making no criticism of the present law. It is a good law, no doubt; I have no information to the contrary on the subject. But I say the proposed law does not improve the old law. What I am criticizing particularly is the proposal to create a new commission.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. CROWTHER. The gentleman referred in his other address to the danger of monopoly that exists in this legislation, but he neglected to say what sort of monopoly it would be, or what it would be about or of. How about that?

Mr. JONES of Texas. This bill requires a license for every operating and transmitting station. They must secure a license. Every operator must have a license. The Secretary of Commerce is authorized to make any sort of regulation he sees fit

governing this whole activity from top to bottom. It is all in his hands. I made the statement that he would necessarily have to depend in his action largely upon information furnished by those engaged in the business. I took the committee's own report and commented on the statement there, that there was a tendency on the part of some of the companies to try to secure a monopoly, or at least that the facts raised the question, and they did not undertake to deal with it in this bill.

Mr. CROWTHER. The monopoly you are afraid of is a monopoly in commercial sending?

Mr. JONES of Texas. Yes; a monopoly covering the whole field.

Mr. CROWTHER. Do you not think this legislation is in behalf of the "listeners in" rather than anybody else?

Mr. JONES of Texas. I think the present law takes just as much care of the receiving station as does the proposed law. The proponents of the bill say this does not affect the receiving stations.

Mr. CROWTHER. There is no question about that.

Mr. JONES of Texas. I think it interferes with them at least as much as the present law does.

Mr. CROWTHER. If the gentleman had participated any in the pleasures of listening in and fooling with the thing, as I have done with a little crystal set, and from 10 o'clock on had not been able to get anything on account of the pig-pigging and jabbing in of others—

Mr. JONES of Texas. In my judgment, they are fixing to make it worse.

Mr. CROWTHER. Oh, the gentleman does not know anything about what he is talking about when he says it will make it worse.

Mr. JONES of Texas. I do know what I am talking about, and I read it in the original bill, and the gentleman has not read the original bill, because it gives the Secretary of Commerce and the Secretary of Labor the power to regulate.

Mr. CROWTHER. His regulation is going to improve it. The gentleman started his speech with an apology by saying he did not know anything about the bill, and he has taken 40 minutes to prove it.

Mr. JONES of Texas. Not only does the original bill provide for that, but this measure would authorize the Secretary to put it in the hands of certain ones, outside of Government functions, to send any messages they desire to send, just so they comply with the regulations of one man. The gentleman makes assertions that are not borne out by the facts, that are not akin to the facts, and that do not relate to the facts in any way, and that show he does not understand the subject, even though he may have memorized some technical terms that refer to it.

I want to have time to read one other matter in order to correct the gentleman. He said he had read the report and that there was nothing in it which referred to monopoly. I just want to read what the committee says in its report:

Apprehension has been expressed, and there is evidence sufficient to raise the question in reasonable minds, that certain companies and interests have been endeavoring to establish a monopoly in wireless communication through control of the manufacture and sale of radio instruments, through contractual arrangements giving exclusive privileges in the transmission and exchange of messages or through other means.

Now, the gentleman says that would be taken care of in the proposed bill. But read what the committee says:

Your committee believes that this subject should be carefully investigated and appropriate action considered at an early date. But the committee was unanimously of the opinion that it was impossible during the life of this Congress to inform itself as to the facts involved, and that it would be unwise in the extreme to propose ill-considered legislation on so important a subject.

Yet they turn right around and propose a bill of 18 pages that is about as ill-advised as any bill that I have ever seen presented to Congress.

Mr. CHINDBLOM. Will the gentleman jump down about five or six lines and read a little more from the report?

Mr. JONES of Texas. I do not care to read the entire report. I have read the parts that are pertinent to the proposition.

Mr. CHINDBLOM. Will the gentleman yield to me while I read it?

Mr. JONES of Texas. No; I do not care to yield to the gentleman in any way.

Mr. CHINDBLOM. You do not want it in the RECORD?

Mr. JONES of Texas. The whole report is a matter of record, and the gentleman knows that it is a matter of record, and can be obtained by any gentleman who desires to send to the Clerk's desk to get it.

Mr. HARDY of Texas. In all fairness, does not the gentleman think the other parts of the report should be read in this connection?

Mr. JONES of Texas. If the gentleman appeals to me on that basis, I can not resist. The report says:

Your committee felt that it ought not to delay presenting to the House for action the important proposals contained in this bill, with respect to which the Members are in complete harmony. The bill is not, therefore, an antitrust statute.

Is that as far as the gentleman wants me to read?

Mr. CHINDBLOM. No; you are coming to it now.

Mr. JONES of Texas. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman from Texas has one minute remaining.

Mr. JONES of Texas. The report says:

There are included in it, however, several provisions which it is believed will have a restraining influence upon those who otherwise might disregard public right and interest.

That is simply an argument.

Mr. CHINDBLOM. Read on.

Mr. JONES of Texas. I want to read in that connection—

Mr. CHINDBLOM. Read on; read on; you are just coming to the point.

Mr. JONES of Texas. The gentleman said 5 or 6 lines. I have read 10 or 12 lines. I want to read now on page 3.

The bill before you is not a comprehensive radio law but is limited in its scope. There are many phases of the subject which invite study and which in the not distant future may call for legislative action.

The committee confesses that the business is growing under the present law; that they have a licensing system that is in the hands of two different departments; that the business is being carried on and growing by leaps and bounds. They come in here with some legislation, which they confess is inadequate, which they confess does not cover the entire field, which they confess does not take care of the antitrust feature of the law, and which they confess practically by the terms of their report is not legislation such as will take care of this growing institution.

The CHAIRMAN. The time of the gentleman has expired. All time in general debate has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the act of Congress entitled "An act to regulate radio communication," approved August 13, 1912, be amended by striking out sections 1, 2, and 3 thereof and by inserting in lieu thereof the sections 1, 2, and 3 following:

"SECTION 1. A. No person, company, or corporation within the jurisdiction of the United States shall use or operate any apparatus for radio communication as a means of intercourse among the several States or with foreign nations, or upon any vessel of the United States engaged in interstate or foreign commerce, or for the transmission of radiograms or signals the effects of which extend beyond the jurisdiction of the State, Territory, or the District of Columbia, in which the same originate, or where interference would be caused thereby with the transmission or reception of messages or signals from beyond the jurisdiction of said State, Territory, or the District of Columbia, except under and in accordance with a license in that behalf granted by the Secretary of Commerce and except as hereinafter authorized.

"B. The Secretary of Commerce from time to time shall (a) classify licensed radio stations and the operators required therein; (b) prescribe the nature of the service to be rendered by each class of licensed station and assign bands of wave lengths thereto; (c) make, alter, and revoke regulations applicable to all licensed stations not inconsistent with this act or any other act of Congress or with the terms, binding on the United States, of any radio communication convention to which the United States is a party, concerning the service to be rendered by each class of stations so established; the location of any station; the wave lengths to be used by any station; the kind of instruments or apparatus in any station with respect to the external effect produced thereby; the power and the purity and sharpness of the waves of each station or the apparatus therein; the area to be served by any station and the times and methods of operating any station or the apparatus therein; (d) make such other regulations not inconsistent with law as he may deem necessary to prevent interference between all stations affected by this act. The Secretary shall have authority to exclude from the requirements of any regulations any radio station and the operators required therein, or to modify the same in his discretion, in any case in which he shall find that such action will facilitate commerce and will not be incompatible with the public interest.

"C. Every such license shall provide that the President of the United States, in time of war or public peril or disaster, may cause the closing of any station for radio communication and the removal therefrom of all radio apparatus, or may authorize the use or control of any such station or apparatus by any department of the Government, upon just compensation to the owners.

"D. Radio stations belonging to and operated by the United States shall not be subject to the provisions of paragraphs A and B of this section. All such Government stations shall use such wave lengths as shall be assigned to each by the President. All such stations, except stations on board naval and other Government vessels while at sea or beyond the limits of the continental United States, when transmitting any message other than a message relating to Government business, shall conform to such rules and regulations designed to prevent interference with other radio stations and the rights of others as the Secretary of Commerce may prescribe: *Provided*, That upon proclamation by the President that there exists war or a threat of war or a state of public peril or disaster or other emergency, the President may suspend or amend, for such time as he may see fit, the rules and regulations applicable to any or all stations within the jurisdiction of the United States. All stations owned and operated by the United States and all other stations on land and sea shall have special call letters

designated by the Secretary of Commerce, and such stations and the designated call letters shall be included in the list of radio stations of the United States as published by the Department of Commerce. Radio stations on board vessels of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall not be deemed to belong to or to be operated by the United States or to be Government stations within the meaning and for the purposes of this act.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. MADDEN having taken the chair as Speaker pro tempore, a message in writing from the President of the United States, by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On January 12, 1923:

H. R. 10531. An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes.

On January 15, 1923:

H. R. 12170. An act to revive and reenact the act entitled "An act to authorize the commissioners of Lycoming County, Pa., and their successors in office, to construct a bridge across the West Branch of the Susquehanna River from the foot of Arch Street, in the city of Williamsport, Lycoming County, Pa., to the borough of Duboistown, Lycoming County, Pa.," approved August 11, 1916.

On January 22, 1923:

H. R. 966. An act for the relief of the Tacoma Tug & Barge Co.;

H. R. 7658. An act to amend the act approved August 25, 1919, entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes";

H. R. 13374. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1924, and for other purposes; and

H. R. 13615. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1922, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1923, and for other purposes.

TO REGULATE RADIO COMMUNICATION.

The committee resumed its session.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last two words.

The gentleman from Texas [Mr. JONES] a few moments ago, reading from the report of the committee, stopped at the very point where I wanted him to begin. The committee, as was stated by another member of the subcommittee, I think very modestly, disclaimed any purpose in this bill to cover the whole subject of radio legislation. We also stated very frankly that we did not try to cover the whole realm of trust legislation as applied to radio communication. The report, however, on page 4, contains this language:

This bill is not, therefore, an antitrust statute. There are included in it, however, several provisions which it is believed will have a restraining influence upon those who otherwise might disregard public right and interest. It is specifically provided in section 2 of the bill that the Secretary of Commerce may refuse a license to any person or corporation which, in his judgment, is monopolizing radio communication. He is authorized with respect to licenses for stations transmitting to foreign countries to impose any terms, conditions, or restrictions which may be imposed with respect to cable landing licenses under the act of May 27, 1921. We have authorized the Secretary to revoke the license of any person or company which the Interstate Commerce Commission in the exercise of the authority conferred upon it finds has made any unjust and unreasonable charge or has made or prescribed any unjust and unreasonable regulation or practice with respect to the transmission of messages or service.

Mr. JONES of Texas. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. JONES of Texas. I wish to state that section 2 of the existing law also provides for cancellation when they violate any regulations of the Secretary of Commerce and the Secretary of Labor, and puts both licenses and control in their hands.

Mr. CHINDBLOM. I am not arguing with the gentleman on what the present law provides. I can not see any pertinency in that remark whatever.

Now, Mr. Chairman, as a member of the subcommittee—

Mr. ABERNETHY. Will the gentleman yield for a moment?

Mr. CHINDBLOM. As a member of the subcommittee I have not had any time on this bill, and I would like to use my time, but I yield to the gentleman.

Mr. ABERNETHY. I want the gentleman to explain one matter on page 11, which has bothered me somewhat. It is provided, in lines 10 and 11, that the Secretary of Commerce may

suspend for transmitting superfluous signals or signals containing profane or obscene words or language.

Mr. CHINDBLOM. Yes; transmitting signals containing obscene language—

Mr. ABERNETHY. I can understand about the profane or obscene language, but what does "superfluous signals" mean?

Mr. CHINDBLOM. The attention of the committee was called to a situation in one of the large cities. The clergymen have a custom of broadcasting their sermons Sunday forenoons. A gentleman in that city is opposed to the transmission of these sermons by the church, and while he does not send out any profane or obscene language he clutters up the air with a lot of unintelligible, purely nonsensical sentences and speeches. He does that for the express purpose of interfering with the clergymen who are broadcasting their sermons.

Now, Mr. Chairman, I want to say generally, with reference to this bill, that I find myself, contrary to my custom, in favor of a bill for the regulation of some matters relating to private business. In my opinion radio communication is the one subject perhaps above all others where it is not only proper but necessary that the Government shall regulate operations. The fathers of the Republic never foresaw any such conditions as exist to-day with reference to radio communication. True, they did not foresee the building of railroads or many other improvements which we have in our time, and still we find that in the Constitution they specifically gave Congress the power to regulate commerce with foreign nations and among the several States, and to establish post offices and post roads.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BUTLER. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CHINDBLOM. Now, Mr. Chairman, since the fathers of the Republic provided for these things which existed in their day, and which cross State lines and which were necessarily of an interstate and national character, does anybody doubt that if the present situation of the world had existed with reference to radio communication there would have been a provision in the Constitution granting legislation on that subject? But we are not basing this legislation on any claim that does not come within the absolute provisions of the Constitution itself, for, as I tried to show in a little colloquy I had with the gentleman from Texas [Mr. BLANTON], we do limit it to radio communication which extends beyond the jurisdiction of the State, Territory, or the District of Columbia in which the same originates or where interference would be caused thereby with the transmission or reception of messages or signals from beyond the jurisdiction of said State, Territory, or the District of Columbia.

The main purpose of this legislation is to regulate interference in the air. The time has come when this art of radio communication has taken such a hold upon the fancies and imaginations of the people that everybody is anxious to indulge in the use of radio communication. Thousands upon thousands of people are sending messages through the air with no other purpose than to obtain the amusement that they get out of the practice and use of the art. Aside from this enjoyment they serve no useful purpose, but sometimes they do serve harmful purposes. For instance, the hearings before the committee showed that very frequently ships which are in distress at sea are unable to transmit messages or receive messages sent to them because of this interference in the air.

Mr. ABERNETHY. Will the gentleman yield?

Mr. CHINDBLOM. For a brief question.

Mr. ABERNETHY. I want to support the gentleman's measure. But I understood the gentleman to say a moment ago that a lot of folks were sending matter through the air for amusement, and that they interfered with other things. Do I understand that the purpose in this bill is to stop those messages that are sent for amusement?

Mr. CHINDBLOM. No; I was coming to that. The purpose is not to stop the sending of messages for amusement, but the purpose is to regulate the sending, so that it can all be done in a way that every sender will not interfere with other senders or with those trying to receive messages. There will be a wave length set aside by the Secretary of Commerce for certain kinds of messages, and I think very probably certain hours will be set aside in which people sending certain kinds of messages will have the preference. For instance, I think market reports should have a time for radio communication during a part of the day. I think sermons broadcasted by churches and

clergymen ought to have some consideration at the hands of the department. I think all these things should be done, and beyond all arrangements should be made so that messages sent from ship to ship and ship to shore and shore to ship would be uninterrupted.

Mr. HARDY of Texas. And without some regulation the whole matter would be chaos.

Mr. CHINDBLOM. It is chaotic to-day. The SOS signals coming from the ocean sometimes do not reach their destination because somebody interferes through a broadcasting station or a private station which is not broadcasting but is simply sending out personal messages. It is not the purpose of this legislation to interfere with the rights of anybody, but the purpose is to make it possible for everybody to enjoy the wonderful privilege of sending messages through the air.

Mr. JONES of Texas. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. JONES of Texas. Does not the gentleman think under the present law the Secretary of Commerce could regulate the very thing he is talking about?

Mr. CHINDBLOM. No; because under the present law the Secretary of Commerce has no discretion in issuing the license. If you should go into court, you could probably mandamus him to issue a license to operate, and he could not refuse to grant a license.

Mr. MADDEN. In other words, the Secretary of Commerce, in granting a license to-day, can not provide against the things prohibited in this bill.

Mr. CHINDBLOM. The gentleman is correct. Mr. Chairman, this subject is very fascinating. I think all of us are interested in learning something about it. In last Sunday's issue of the New York Times I find an article upon the subject of radio which is very illuminating, and in the course of which a very surprising occurrence is related. For the first time a message was sent without interruption from a radio station in Japan and received on the Atlantic seaboard in less than a fraction of a second. In order to accomplish this feat it was necessary to ask the powerful station in France to refrain from using the air at that particular moment. It was also necessary that a number of other stations refrain from using the air. I shall not take the time to read this report; but I shall ask leave to insert it in my remarks in the RECORD, and also I shall ask unanimous consent to insert a column from the same article on the subject of how ether waves operate in the transmission of radio communications.

The CHAIRMAN. Is there objection to the gentleman's request to so extend his remarks in the RECORD?

There was no objection.

The articles referred to are as follows:

[From New York Times, January 21, 1923.]

RADIO FROM JAPAN.

The New York Times radio station has copied a 22-word message direct from station JAA, near Tokyo, thought to be the first time a complete message from Japan has been recorded in New York. It is difficult to tune in the Japanese station from the eastern coast of the United States, because of interference created by the powerful French station, UFT, on the outskirts of Paris, operating on practically the same wave length, 14,600 meters. One morning last week, at 2.07 o'clock, the French transmitter was standing by, as were stations on the Atlantic coast of this country, giving the Japanese dots and dashes opportunity to register in New York with great clearness.

Ordinarily it requires several hours to get a message from Tokyo to New York, for it must be sent to Honolulu, then relayed to San Francisco, where it is put on the land telegraph lines and sent across the continent. It takes at least three weeks for a letter to travel from Japan to New York. Radio spans the 9,000 miles across the Pacific and the United States in a fraction of a second.

RADIO—HOW ETHER WAVE OPERATES.

All types of waves, including heat, light, water, sound, and radio, are produced in a medium which will vibrate or oscillate when disturbed. Waves are vibratory motion. When a stone is cast into a body of water the surface of the water is disturbed and waves are set in motion. When the vocal chords of a speaker vibrate, the air is disturbed and waves of sound are created. The ether, an invisible, odorless, tasteless substance, is the medium in which radio waves travel. These electro-magnetic waves can not be seen, neither can they be heard until transformed into sound at the receiving set.

Water waves explain the formation of the invisible radio waves. Picture a pond of smooth water as the ether of space. When a stone is thrown into the water it starts a series of ripples or waves, which spread in all directions. The waves continually increase, but at a speed sufficient to cover only a few inches a second. If there are any little pieces of wood floating within range of the waves they bob up and down as the waves strike them. These bits of floating material may be contrasted to the radio-receiving stations. Radio waves, as well as the waves of light, heat, and sound, travel in ever-increasing circles. Incidentally, that is why the seats in a theater are generally arranged in a semicircle. The heat from a fire radiates in all directions from the source. The further one moves from the fire the less intense the heat. The waves of heat, light, sound, water, and radio all become weaker with distance.

To produce radio waves it is necessary to have an electrical circuit carrying a vibrating, or, to use the electrical term, an alternating current, which sets the waves in motion. The condenser, two or more sheets of metal separated by an insulating material called the dielectric, serves as the basis of radio transmission. One of the metallic

plates acquires a positive charge of electricity and the other plate a negative charge. They are connected through a conducting wire and a discharge takes place, giving rise to radio-frequency currents or waves.

The antenna and ground form an enormous condenser. The antenna wire acts as one metallic plate, the ground as the other plate, with the air between serving as the insulating material or dielectric. In connection with the transmitting apparatus this condenser receives an electric charge which it then discharges, setting the ether in vibration, similar to the effect created by a stone dropped in a pond of water.

The microphone in a radio studio picks up music and sends it over the line to the apparatus room, where voice amplifier tubes give it increased strength; modulator tubes vary the current in accordance with the sound vibrations, and power tubes give it the impetus which sends radio frequency currents into the antenna system. The waves spread out from the antenna in all directions, increasing in diameter similar to water waves, but at the speed of light, 186,000 miles a second, equivalent to encircling the earth seven and one-half times in the tick of a watch.

WAVE LENGTH.

The waves maintain a certain distance between each other. The distance from the crest of one wave to the crest of the wave ahead or preceding is called a wave length. If the distance from crest to crest is 360 meters, then the station is said to operate or broadcast on a wave length of 360 meters. A meter is equal to 39.37 inches. High-powered trans-Atlantic stations transmit on a wave length several miles long, and one has a wave measuring 14 miles from crest to crest.

Wave lengths are measured by an instrument called a wave meter. Suppose you were in a boat anchored in a pond and that you counted the waves which passed and noted by a watch how many crests passed in a second. If five crests passed in a second it could be said that the frequency of the waves was five a second. After the speed of the waves is known the distance from crest to crest can be calculated. If the speed is 10 feet a second, and 5 pass in a second, the length of the waves is 10 divided by 5, or 2 feet. The speed of radio waves is 300,000,000 meters a second. If the frequency with which the waves strike the antenna is known, the distance from crest to crest can be calculated.

The larger the stone and stronger the force which hurls it into a pond the greater will be the wave length. In radio wave length has nothing to do with the power of the transmitter. The more amperes in the aerial circuit and the greater the pressure in volts between the aerial and ground, the more powerful will be the radio waves and the longer the distance covered.

When the Hertzian wave strikes an antenna in tune with its particular wave length a current similar to the transmitter current, but of decreased intensity, is induced in the wire. The tuning instruments of the receiving set place the station in tune with the incoming waves. That is, by varying the amount of wire on the coils and the capacity of the condensers the wave length of the receiver is made the same as that of the broadcasting station. The stations are then said to be in resonance, or in tune. The human ear can not hear all frequencies—sounds which vibrate above and below the range of the ear. Frequencies below 10,000 cycles are known as audio frequencies because they are normally audible to the ear. All frequencies above 10,000 cycles are termed radio frequencies. It is the detector which converts the incoming high frequency wave to a frequency low enough to actuate the phones and produce sound audible to the human ear.

Mr. CHINDBLOM. Mr. Chairman, the subcommittee of which the gentleman from Maine [Mr. WHITE] is chairman spent very much time on this legislation. Prior to the consideration of the matter by the Committee on the Merchant Marine and Fisheries and its subcommittee on radio, the whole subject had been considered, as is well known, in a conference which was called by the Secretary of Commerce, Mr. Hoover. You will find the record of that conference in the hearings, or a résumé of the proceedings of that conference, beginning at page 32, and it will be interesting for the members to read that summary of the work and conclusions of the conference. This conference had attending it representatives of all the Government departments, of all of the people who are interested in this subject matter, the manufacturers of apparatus, and the amateur receivers and transmitters. All the people who might have an interest of any sort in the matter of radio communication were represented at this conference, and they joined unanimously in requesting legislation of the character which has now been placed before us in this bill. As we go along reading the various sections members of the committee no doubt may find it necessary to ask questions and the gentleman from Maine [Mr. WHITE], if no one else, will be able to answer them fully. I shall not take any more time now to discuss in detail the legislation, but I want to emphasize that the main purpose of the legislation is to stop the interference in the air which is preventing messages from being sent and from being received by all who are interested in radio communication.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. EVANS. Mr. Chairman, I ask unanimous consent that his time be extended for two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. FESS. Can there be a transmitting station in operation after the bill passes unless it has a license?

Mr. CHINDBLOM. There can not.

Mr. FESS. And the license will stipulate certain conditions, and if they are not obeyed, what then?

Mr. CHINDBLOM. The license will be revoked.

Mr. FESS. That will make it effective?

Mr. CHINDBLOM. Yes. I want to emphasize again that this bill has nothing whatever to do with receiving stations.

Mr. EVANS. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. EVANS. Under the terms of the proposed legislation, a license granted to an individual is a personal privilege?

Mr. CHINDBLOM. Yes.

Mr. EVANS. And with his death it expires?

Mr. CHINDBLOM. Yes.

Mr. EVANS. A license to a corporation will run the full 10 years unless revoked for cause.

Mr. CHINDBLOM. It can not be assigned.

Mr. EVANS. Is not that for the purpose of forcing licenses to corporations rather than to individuals?

Mr. CHINDBLOM. No.

Mr. EVANS. And will it not have that effect?

Mr. CHINDBLOM. I do not think so. It will be only exceptional that licensees will die. We can not provide for that kind of a situation in a bill of this sort. Licenses are always personal; they do not pass to the estate of the deceased. The personal representative does not step into the shoes of a deceased licensee in any kind of licensing legislation that I know of.

Mr. EVANS. May I challenge the gentleman's attention further to the fact that you must not only have a license to conduct a station but you must have a license for the operator, and, therefore, if a license to conduct a station costing perhaps a million dollars should expire by death, there is a great amount of money there that would be unprofitable unless another license could be gotten for the conduct of the station. Therefore, any person contemplating the construction of a station would naturally do it under a corporate right.

Mr. CHINDBLOM. I would say to the gentleman that any individual who originally obtained a license from the Secretary of Commerce would have no difficulty in having it renewed. But, as I understand the gentleman, he is now referring to a case where a licensee dies?

Mr. EVANS. Yes.

Mr. CHINDBLOM. If a station had been properly conducted by an individual who dies, I can not conceive that the Secretary of Commerce would refuse to grant a license to his heirs or legatees.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. BUTLER. Mr. Chairman, I ask that his time be extended for five minutes. I want to ask him a question or two.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BUTLER. We are all endeavoring to learn, and we appreciate the attention that the gentleman has given to the subject. The gentleman from Texas [Mr. BLANTON] put a query in our minds in respect to interference within the States with those who may see fit to use these machines. Will the Government control such communications as pass within the boundaries of a State?

Mr. CHINDBLOM. No; this bill does not cover that.

Mr. BUTLER. That is the gentleman's conclusion on that?

Mr. CHINDBLOM. That is the language of the bill.

Mr. BUTLER. I understand that certain machines are made capable of sending these messages a certain distance. There is what you call the long-distance machine and the short-distance machine. The distance that a message may be sent may be regulated by these authorities upon whom we confer this power. Is not that true? So that, therefore, within a State they may hold that a man can send 10 or 15 or 20 miles, and if he does not send across the boundary there will be no control.

Mr. CHINDBLOM. If he does not cross the boundary, the Secretary of Commerce will have no control.

Mr. MADDEN. The bill specifically provides that he shall not have.

Mr. BLANTON. The gentleman is not exactly accurate in his statement about the bill controlling only transmitting machines. In so far as the receiving machines may interfere with transmission, and the evidence shows they could do so very materially, this control would also regulate the receiving machines, and to that extent the gentleman is inaccurate in his statement.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. DAVIS of Tennessee. Right on that point there was evidence to the effect that sometimes a receiving set would give

out signals that would interfere, and while that was recognized this bill does not undertake to control or regulate those machines in the least. It might reach a point where that could be done, and it was the opinion of the experts that the machines would be so perfected that that could be done.

Mr. BUTLER. But the committee took it up for consideration, and shall regulate it hereafter.

Mr. DAVIS of Tennessee. There is nothing in this bill providing in the least for regulation of any receiving set whatever.

Mr. BARBOUR. Will the gentleman yield?

Mr. CHINDBLOM. I will.

Mr. BARBOUR. In line with the question asked by the gentleman from Pennsylvania [Mr. BUTLER], can the gentleman state whether it is possible to so regulate it that none of these messages being broadcasted will go a certain distance and there stop and not go farther?

Mr. CHINDBLOM. I will say to the gentleman that the hearings brought out the fact that improvements are now being made under which it is expected, and I think the result is now being accomplished, to confine a message from the front end of a train to the rear end of the train. If that can be done, I apprehend it will be possible to restrict and limit the operation of other transmitting machines.

I will say this, however, that it is a very difficult matter to control a message when you send it out through the ether by radiocommunication. You may not be able to tell just where it would stop, and, of course, those are accidents against which you can not always guard, and no legislation could be so perfect as to meet a situation of that kind.

Mr. BARBOUR. As a practical matter at this time it is almost impossible to distinguish between intrastate and interstate transmission?

Mr. CHINDBLOM. I will say to the gentleman frankly that in my opinion nearly all the transmitting stations in the United States will come under the regulations of this bill.

Mr. BARBOUR. That is my idea.

Mr. CHINDBLOM. Necessarily.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. CHINDBLOM. I will.

Mr. WILLIAMSON. I want to pursue the question I asked this morning just a little bit further. Now, the bill says—

Mr. CHINDBLOM. Where is the gentleman reading?

Mr. WILLIAMSON. I am reading page 5, beginning with line 15—

Such station license, the wave length or lengths authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner, either voluntarily or involuntarily, disposed of to any other person, company, or corporation without the consent in writing of the Secretary of Commerce.

Mr. CHINDBLOM. I said there could not be any assignment.

Mr. WILLIAMSON. Now, it has been a quite common practice for people having sending stations to take their apparatus to some other place where there is an important speech or concert going on and use it there for the purpose of broadcasting that particular speech or concert. Now, my question was whether that could be done under this bill, and the then speaker intimated that it might not be possible. I think it would be left under the regulations of the Secretary of Commerce.

Mr. CHINDBLOM. I think it is within the discretion of the Secretary of Commerce.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen, everybody who has studied this subject and who is acquainted with the existing conditions knows that additional legislation on this subject is necessary in order to avoid the conflicts and interferences and chaos which have arisen in the transmission of radio by reason of a lack of proper regulation or control over the subject. Now the gentleman from Texas is insisting that the present law is sufficient. If he had studied this subject as much as some of us have undertaken to do, and had studied the existing statute and the proposed bill in the light of conditions that exist, I know he would not subscribe to that opinion. The present law was enacted 10 years ago, since which time there has been an absolutely marvelous growth in this art, not only in the art from a scientific standpoint but in the actual application of the art to the different phases of our official, commercial, and social life. It is as necessary to take some steps to allocate wave lengths and time and to otherwise regulate the problem properly, in order to avoid these conflicts, as is the necessity of preserving this art and its practical utilization, because it can not be done without proper regulation.

Mr. ABERNETHY. Will the gentleman yield?

Mr. DAVIS of Tennessee. My time is so limited.

Mr. ABERNETHY. I am with the gentleman, but I want to get this clear in the RECORD. Do I understand the gentleman's position to be that there is nothing in this legislation that will in any wise interfere with the man who transmits who does it within certain rules and regulations set forth in this bill and pays his license?

Mr. DAVIS of Tennessee. No; if he does not violate the law or regulations.

Mr. ABERNETHY. It does not give the Secretary of Commerce the right to say that you shall or shall not if he stays within the rules and regulations in speaking through the air. Is that right?

Mr. DAVIS of Tennessee. Well, I do not know whether that could be answered unequivocally. There might be one man operating a transmitting station at a certain point who uses a certain assigned wave length, and his competitor might ask for the privilege of operating a station from the same point with the same wave length, and, of course, the Secretary of Commerce would properly refuse to grant it. In other words, the Secretary of Commerce is necessarily given some discretionary powers as to certain phases of the question which are not expressly enumerated in the bill.

Mr. BUTLER. Will the gentleman yield?

Mr. DAVIS of Tennessee. I will.

Mr. BUTLER. I understood the gentleman to say in his opinion unless there is some regulation of this kind this art will go into disuse, which otherwise would be of benefit to all of us.

Mr. DAVIS of Tennessee. I think so. Some of you have had an experience in talking over a party telephone line, with two or three or four other people trying to talk over it at the same time. [Laughter.] That is largely the situation here, except that here it is greatly augmented by the conditions. When you take into consideration the fact that there are now over 21,000 transmission stations and 569 broadcasting stations, and every fellow practically transmitting when he pleases and how he pleases, you can get some conception of the situation that has already arisen, and which will become greater every day, because the number of these stations is rapidly increasing and the business of using these stations is growing by leaps and bounds all the time.

Now, with regard to the existing law and this proposed bill, I want to say this: I believe that any Member of this House who will acquaint himself with the conditions and will study the existing law and this pending bill is bound to concede that the proposed law more nearly protects and preserves the Government's interests and the general public interest than the existing law, instead of being the contrary, as was argued for an hour here. It is true with me and with other members of the committee and of the subcommittee who have studied this subject that we are as much opposed to the unnecessary centralization of Government power and unnecessary bureaus and unnecessary Government officials as anybody in this House, including any of those who have spoken against this bill.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BUTLER. Mr. Chairman, I ask that the gentleman may have 10 minutes more.

The CHAIRMAN. Is there objection to the request that the gentleman from Tennessee have 10 minutes additional?

There was no objection.

Mr. BLANTON. Mr. Chairman, I do not agree with my colleague from Texas [Mr. JONES] that no regulation is necessary. I am for the general purposes of the bill. There are just two objections that I have to it, and I have stated them. With State rights protected and the expense of machinery out, I am just as strongly for the bill as is the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Yes. I was referring principally to the gentleman's colleague [Mr. JONES].

Mr. JONES of Texas. Mr. Chairman, I do not want the gentleman to misrepresent my position. I am not opposed to regulation. I am in favor of regulation as far as it can be done.

Mr. DAVIS of Tennessee. Even the gentleman from Texas and everybody else must concede that the power of regulation must rest in somebody. Now, the proposed bill does not change the regulatory power. It leaves it right where it has been all the time, in the Secretary of Commerce. But it simply amplifies and imposes additional restrictions and additional safeguards for the protection of the public interest and of the Government interest and the rights of everybody who is interested in this service.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. I yield to the gentleman.

Mr. HUSTED. I think the gentleman said that the committee were not anxious to centralize this power any more than was necessary?

Mr. DAVIS of Tennessee. Absolutely.

Mr. HUSTED. And yet as a matter of fact the committee have, as I see it, vested in the Secretary of Commerce absolute, uncontrolled, and unrestricted authority to handle the entire situation. Now, I assume you did that because you did not see any other way in which desirable results could be accomplished, and I would be thankful if the gentleman would explain why it has not been possible in some way to limit this authority of the Secretary of Commerce and yet give him enough authority to control those things that should be controlled.

Mr. DAVIS of Tennessee. Well, that is just what the committee has undertaken to do. While it does confer certain powers upon the Secretary, certain discretionary powers, yet here is an 18-page bill which undertakes to define the powers he shall have and the manner in which he shall exercise those powers; but the committee does say that it is absolutely necessary to leave some matters of discretion to the Secretary of Commerce or somebody else, and that is especially true in view of the fact that this art is developing at such a rapid pace and conditions are changing so quickly that it is impossible, at least at this stage of the art, to absolutely make a strait-jacket set of regulations in regard to the subject.

Mr. HUSTED. Do you not give the Secretary of Commerce absolute authority to grant licenses, and absolute authority to revoke licenses to any person or from any person that he sees fit?

Mr. DAVIS of Tennessee. In connection with certain restrictions recited in the bill, that is so.

Mr. HUSTED. I mean he can take a license away from anybody. Either the gentleman or some other gentleman who has spoken on the bill has said that there was not any intention to interfere with these broadcasting stations. And yet you do give the Secretary of Commerce absolute authority to do it, do you not?

Mr. DAVIS of Tennessee. He is authorized to revoke licenses for certain specified reasons, and of course he might abuse his authority just as any other official might do it; but he would have to violate the spirit and letter of this law to do anybody an injustice in regard to it. As to whether or not he will do that, that is simply a question of confidence that Congress has got to impose in him or some other official.

Mr. HUSTED. Would he have to violate the letter of the law in order to do it? I realize he would have to violate the spirit of it, because it is not the intention; but he would not have to violate the letter of the law in order to do it, would he?

Mr. DAVIS of Tennessee. Well, possibly, he might not upon a matter purely within his discretion. In other words, this law does not undertake to say he shall issue a license to or withhold it from Tom, Dick, and Harry, and all that. It does not do that. It leaves some discretion, and within the extent of the discretion lodged, of course, he can do it, and he might exercise that discretionary power unwisely.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. HARDY of Texas. Would it not be a good ground for impeachment if he willfully violated the law?

Mr. DAVIS of Tennessee. Of course.

Now, Mr. Chairman, I desire to deal with one or two other phases of this question, if I may be permitted to do so without being interrupted. Hitherto, most of my time has been taken up in answering questions.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. I will yield later if I have the time. I will be glad to.

Mr. ABERNETHY. All right.

Mr. DAVIS of Tennessee. The gentleman from Texas [Mr. JONES] had a great deal to say about the fact that the report concedes that there will probably be in the near future a necessity for additional legislation in order to prevent any monopoly, and while that is not in the report, I will add perhaps in regard to the regulation of rates, because I think there is no question but that the time will come when it will be just as important and just as proper to fully regulate this service with regard to rates and all the other functions they perform as it is to regulate the railroads and the telegraphs and the telephones. Now, that is true, and the committee readily concedes it in their report, and it readily concedes that it does not undertake in a comprehensive way to deal with that particular phase of this subject in this bill, although the report does recite three specific instances in which provisions are inserted to prevent monopoly and excessive rates. Because the committee said that the state of the art is such, and the limited investi-

gation of that particular phase of the subject is such, that the committee did not see proper to embody a comprehensive measure on that phase of it now, the gentleman from Texas claims that we admit that we do not know anything about the phases of the subject with which the bill does deal. I want to say that the committee has thoroughly considered and discussed every phase of the subject that the bill deals with, and we think we know something about it, perhaps almost as much as the gentleman from Texas [Mr. JONES] knows. And in so far as we deal with it we think we deal with it intelligently and properly.

But so far as that one particular phase is concerned, there is another reason, as stated in the report, why the committee knew it was not worth while to report provisions on that subject designed to regulate rates and prevent monopolies and things of that kind. That is that there would doubtless be strenuous opposition to that proposition, perhaps so much opposition from the interests affected that it probably would have prevented the passage of any bill during this session. The pending measure, while well matured and well considered, is an emergency measure. It meets a situation about which there is no controversy among those informed, and it undertakes to deal with that situation in a manner about which there is no controversy among those who have studied the question and know what they are talking about, and that is the reason why every member of the committee who has studied the subject is in favor of this bill and voted for the reporting of it. [Applause.]

I dare say that at a later time the committee will take up the study of the other questions mentioned and will undertake to deal with it as the Congress has dealt with the subject of railroad transportation, the telegraph, and the telephone, in a comprehensive manner.

With regard to what was suggested by my other colleague from Texas [Mr. BLANTON] awhile ago, I believe attention has already been called to the fact that this bill does not even undertake to deal with anything except interstate radio service—in other words, where the message goes from one State to another or from this country to foreign countries. That is true. It does not undertake to deal with the subject of radio which is confined to a State. We could not do that if we wanted to; but we are not wanting to and not undertaking to do it. So that this bill involves no invasion of State rights. We have just as much legal and constitutional and moral right to deal with this subject in so far as it is interstate or international as we had to deal with railroad transportation or the telegraph or the telephone; and I dare say that while this art is in its infancy and legislation upon the subject, you might say, is in its incipient stage, yet this bill probably deals with it as comprehensively and intelligently as the first legislation that was enacted upon the subject of railroad transportation. As evils may arise, as subterfuges may be resorted to, as abuses may be practiced, it will become necessary to enact legislation to meet those new contingencies. [Applause.]

Mr. BLANTON: Mr. Chairman, I offer a perfecting amendment.

The CHAIRMAN: Without objection, the pro forma amendment will be withdrawn. The gentleman from Texas [Mr. BLANTON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 9, after the word "authorized," strike out the period, insert a colon, and add the following proviso, to wit: "Provided, That where intrastate operation is so controlled and regulated by States in cooperation with the Secretary of Commerce that same does not conflict or interfere with interstate operations, then such intrastate operations shall remain wholly within the jurisdiction and control of such State."

Mr. HICKS: I reserve a point of order on the amendment.

The CHAIRMAN: The point of order is reserved.

Mr. BLANTON: Mr. Chairman, all this amendment does is to clarify the bill and make it do just what the committee said the bill would do. It provides that where intrastate operation is so conducted by the State that it does not conflict or interfere with interstate operation, the State cooperating with the Secretary of Commerce to that end, then that the State shall retain jurisdiction over its intrastate operations. That is now and ought to be the law. No man who believes in the sovereignty of our States could object to that fundamental proposition.

Mr. WILLIAMSON: Will the gentleman yield?

Mr. BLANTON: In just one minute. Gentlemen will state that no one is afraid of what the Secretary of Commerce might do in the way of interfering with the proper business of the local States. Let me call your attention to what happened after the war respecting certain legitimate business in Texas that was controlled and manipulated by a Cabinet officer from the State of Texas. You remember that after the war was

over, after the armistice was signed, in peace time, Postmaster General Burleson, who hails from my native State, took over the telephone lines. He was from Texas. He had been an official in the State of Texas. He was presumed to be close to the people of Texas. Yet he so regulated and controlled the local telephone lines, the intrastate lines, of Texas that he almost broke every little independent telephone line in that State.

Mr. MADDEN: He increased the rates of the telephone companies. How could he break them by doing that?

Mr. BLANTON: He did it in such a way that the big companies lived and the little independent companies that served the rural population had to go out of business. That was his regulation and control from Washington.

Mr. BUTLER: Will the gentleman yield?

Mr. BLANTON: I yield to the distinguished gentleman from Pennsylvania.

Mr. BUTLER: Suppose Congress passes a law authorizing the Secretary of Commerce to regulate the transmission of these messages within the State. Such a law will be no good. We have no authority to pass such a law as that. Is not that true?

Mr. BLANTON: But we are gradually encroaching upon the rights of the States all the time and centralizing power in the hands of one man in this Federal Capital.

Mr. BUTLER: If we should pass such a law, attempting to interfere with intrastate affairs, it would not be a good law, would it?

Mr. BLANTON: It would be good until the Supreme Court passed on it and set it aside, and sometimes there are four members of that court divided one way and five another, and sometimes you can not tell what their decision is going to be. We want to be watchful of the rights of the States with regard both to transportation and telegraph and telephone and radio service, which are the means of proper communication between the people of the country. We have in my State an agricultural experiment station. It serves the farmers of Texas. It does not serve the farmers of Arkansas or the farmers of Pennsylvania. It serves Texas farmers. Suppose it has certain rules and regulations concerning radio that will benefit the farmers of my great State. Before it can continue to exercise the sovereignty and prerogative of a State to serve its farmers it has got to sneak up here to Washington and get a license from the Secretary of Commerce, although it should properly control and operate its own business. It might not interfere in any manner whatever with the business of the Nation. Yet it has got to come here and get a license first. And when he gets a license he has to have the Secretary of Commerce pass on his application. He, an official of Texas, has to stand here, the representative of a State, as a menial before the Secretary of Commerce and plead for something that he should have as a matter of right fundamentally. I am not in favor of it. [Applause.]

Mr. DICKINSON: Mr. Chairman, I rise in opposition to the amendment; and I ask unanimous consent that I may proceed, out of order, for 10 minutes.

The CHAIRMAN: The gentleman from Iowa asks unanimous consent to proceed, out of order, for 10 minutes. Is there objection?

Mr. CONNALLY of Texas: Reserving the right to object, upon what subject?

Mr. DICKINSON: It is on editorials that have appeared in the newspapers and with reference to some remarks by the Secretary of the Navy—

Mr. CONNALLY of Texas: Mr. Chairman, I withdraw my reservation of an objection.

The CHAIRMAN: Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DICKINSON: Mr. Chairman, an amendment offered to the Army bill on the floor of the House under date of January 17, 1923, bearing upon the right of retired and active officers of the Army to become employed by persons or corporations selling either service or material to the Government, has attracted the attention not only of the Secretary of War but also some of the leading daily newspapers of the country. I refer to the statement of Secretary of War Weeks, issued and published in last Sunday's Washington Star on January 21, 1923, and also to an editorial appearing in the New York Times under date of January 22, 1923, bearing upon this subject.

The underlying principle involved in this legislation is as old as the Book of Books, and was advocated by the Master of Men when He proclaimed "That no man can serve two masters." [Applause.] It is the old rule of agency; that any person attempting to represent two interests that conflict, at the

same time, does not faithfully serve either. I want to call the attention of the House to the fact that practically every State in the Union has long since passed laws controlling the Commonwealth and the municipalities of their respective States to the effect that no man holding public office can become a vendor of either service or material to such Commonwealth or municipality. This prohibition is imposed upon the State and municipality alike. Why strew the pathway of the Army officers or the Navy officers with temptation?

Under date of June 10, 1896, a permanent law was passed affecting officers of the Navy and Marine Corps, as follows:

And provided further, That hereafter no payment shall be made from appropriations made by Congress to any officer in the Navy or Marine Corps on the active or retired list while such officer is employed after June 30, 1897, by any person or company furnishing naval supplies or war material to the Government; and such employment is hereby made unlawful after this date.

I note with regret that the Naval Affairs Committee of the House has favorably reported House bill 11002, with Report No. 835, providing—

that all laws or parts of laws prohibiting officers on the retired list of the Navy from accepting employment with concerns furnishing supplies to the Government * * * are hereby repealed.

So far as I am able to learn, no hearings were held upon this phase of the bill, and I regret that such provision has been placed in the bill, and am pleased to note that in the hearings before the Senate Committee on Naval Affairs on House bill 7864, the committee has authorized the report of the bill, but has not authorized such repeal. In the hearings before the Senate Naval Committee on House bill 7864, found on page 10 thereof, I quote the following:

Assistant Secretary ROOSEVELT. Section 10. The Secretary did not speak about this, but I know he has it very closely to his heart. It is a question of amending the act as to the occupations that may be engaged in by officers, omitting from the act the words "retired officer" in order that a retired officer may engage in such activities as shipbuilding, and things of that nature. As it stands now the retired officer is prohibited from engaging in any occupation which may touch upon the Navy's activities. I know the Secretary feels very strongly that this cramps an officer's usefulness to the community and is unfair to such officers.

The theory that prompted it, I suppose, was that it might create an embarrassing situation and accusations of undue influence. But I can not myself see how that would occur, and it seems to me to be unfair to prohibit a retired naval officer to so engage in the only activities for which his training has fitted him.

The CHAIRMAN. I notice it has come up recently in a certain case of some prominence in the Army, just a few days ago, and attracted considerable attention in the newspapers.

But suppose a case of this kind, and I think this would present the basis upon which the legislation was originally passed, a retired officer, say an admiral of great influence among his associates in the Navy, is drawing retired pay from the Government, and he takes employment at a high salary with some manufacturing concern supplying an enormous quantity of material to the Government. He represents that concern in selling this material to the department which he just left and of which he is still a part.

I would like to get your opinion about it.

Secretary DENBY. That is, of course, the worst argument that can be made against it.

The CHAIRMAN. I think that was the situation that Congress probably had in mind.

Secretary DENBY. That is an extreme illustration of the possibility. But, on the other hand, it applies to men that are perfectly active, still on the retired list, men who I believe would be almost universally thoughtful of the service and the good interests of the service, but who are barred from almost all the activities in which they can engage. We ask men who have been 45 or 50 years, perhaps, in the naval service to remain on half pay of \$4,000, say, for the rest of their lives, not permitted to take employment outside.

Personally I would like to see former naval officers accept employment with such concerns, because I believe it would tend to protect the Navy. They do not lose their interest in the Navy when they leave it, and in matters of shipbuilding, and things of that kind, I think the Navy would be most highly benefited if we could get retired officers in shipbuilding companies.

I happened to meet a man the other day who resigned from the Navy, and he told me that the first suggestion he made to persons offering him employment was, "Now, remember, if you employ me I think first of the Navy."

He certainly would not hurt the people of the United States or the naval service when he took employment with a private concern with that thought in mind; that his duty still lay in the protection of the naval service. It is not fair to the men themselves. They ought to be allowed to get such employment. They should, of course, be treated exactly as other malefactors are treated if they attempt to "put over" anything they should not.

The CHAIRMAN. I did not say what I said in order to indicate any opinion on it at all, but I just suggest that there is not anything in the law that prohibits a retired naval officer from accepting employment, generally speaking, with private concerns. It is only those dealing with the naval service.

Secretary DENBY. The law is so broad that they can not deal with the Government.

I would like simply to register a very, very strong recommendation that that section be passed by the committee. I am told that the Army has no such restriction. I do not know that, and I do not think it has any particular bearing. But the Navy is very anxious to free its officers from their restrictions under which they are now suffering.

The retiring provisions of the Army and the Navy acts should be such as to encourage men to stay in both branches as long as they are useful to such organization, and the employment in

outside enterprises by such retired officers should be discouraged, and particularly when such officers desire to enter into an activity wherein they are going to become instrumental in selling supplies to the Government, for either Army or Navy purposes. I am glad that such repeal provision will not be presented to the Senate in House bill 7864, and I hope that if House bill 11002 is presented to the House, that a sufficient number of Members will vote against the same to strike out the provision heretofore referred to.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. OLIVER. If the gentleman will examine the hearings before the Naval Committee during the last four years, he will see that the Naval Committee has twice turned down an effort to repeal the law to which the gentleman refers, showing that this matter has been actively before the committee within the last few years.

Mr. DICKINSON. I thank the gentleman for that statement.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. FESS. My exception to the amendment was that it was particular, and it seemed to me to be somewhat of a reflection upon the gentleman to whom it applied. I would be very quick to vote for a general law forbidding this to all retired officers, either of the Navy or the Army, but I thought particularizing was rather unfortunate.

Mr. DICKINSON. As a matter of fact, I would say in reply to the gentleman that this will not affect only General Harbord, it will affect other retired officers of the Army who are similarly employed.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. CONNALLY of Texas. The gentleman from Ohio has just stated that he did not believe in making exceptions in the case of officers. I think the gentleman from Ohio is one of those who voted for the statute whereby General Harbord was made an exception and permitted to serve two terms in Washington of four years each, as against the general law which requires them to serve four years and then go out in the field.

Mr. DICKINSON. I shall refer to that a little later.

I call your attention to the fact that if this policy is carried out we would soon have retired naval officers controlling the organizations that provide the material for the building of our ships while receiving their retired pay from the Government; we would have a circle within a circle; corporations and concerns manned by officers of our Government promoting legislation for their own interests and selling their material to their respective departments, regardless of the interests of the public in general. I hope the friends of this provision will not plead the loyalty of these men as a defense to such a system, because Army and Navy officers alike are just human beings and are subject to all the frailties of human life and are subconsciously controlled by personal interests.

Now, referring more directly to the amendment offered to the Army bill, with reference to such retired pay, will say that my only regret is that the amendment as passed is not permanent law. It was not my intention to strike at the officers retiring during the present year, but my intention was to declare a policy that Congress expects to put in vogue in future, the same provision with reference to the retired pay in the Army as heretofore enacted with reference to the Navy. If I had thought the amendment could have passed including the word "hereafter," the same would certainly have been inserted.

General Harbord was born March 21, 1866; he enlisted January 10, 1889, and served as an enlisted man until August 1, 1891, was appointed a second lieutenant July 31, 1891, and gradually advanced to his commanding position of major general, and served with distinction overseas during the late World War, having served approximately 34 years and retired at the age of 56 years.

Permit me to state here that on August 28, 1922, this Congress, in H. R. 11689, passed a special bill permitting General Harbord, as Deputy Chief of Staff, to be appointed Chief of Staff, presuming that General Pershing was about to retire. This bill was passed at the suggestion of the Secretary of War. He knew at that time that General Harbord had been stationed in Washington for about three and one-half years and that the Mauch law requiring that every officer must serve with troops every other four years of his service would require General Harbord to again be given field service. In view of this fact the Secretary of War asked that this special bill be passed in behalf of General Harbord, and considered him sufficiently efficient to be appointed as Chief of Staff.

In the month of December, 1922, and about December 29, the Secretary of War, however, gave his approval for the retirement of General Harbord, even though his efficiency is not curtailed, his health is good, and no argument can be presented for his retirement except his desire to take up a more lucrative field of employment. Permit me to read from the hearings before the subcommittee of the House Appropriations Committee considering the Army appropriation bill, on page 802 thereof:

I do want to say that the department and the Army have suffered a very serious loss in the retirement of General Harbord. The conditions were such that I could not refuse to approve his application to go on the retired list.

It has long been the policy of the War Department not to retire Army officers after 30 years' service unless they have become inefficient or are in ill health and barring the readjustment that had to be made when the Army was reorganized under the reorganization act, this policy should be the policy of the War Department in the future. Under all these conditions, I am thoroughly convinced that the Secretary of War was not justified in permitting the retirement of General Harbord as suggested.

As a further reason for the adoption of the amendment heretofore referred to I want to state that, in my judgment, numerous Army officers are now holding lucrative positions with corporations and concerns manufacturing materials to be sold to the War Department, and that the practice in behalf of the Army can not be justified any more than it can for the Navy, and that this amendment not only should be retained in this appropriation bill, but should be later enacted into permanent law.

With reference to the connection of General Harbord with the Radio Corporation of America, in the statement of Secretary Weeks we find as follows:

As a matter of fact, the Government's business with the Radio Corporation is inconsequential. At the present time we have no contract with it, and, generally speaking, purchases of radio equipment, which are of small moment in total amount, are made from the manufacturers.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DICKINSON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DICKINSON. In this connection I want to call your attention to the fact that the radio equipment of both the Army and the Navy, built up during the war, by reason of recent improvements and inventions is now practically obsolete; that in the near future all of this equipment must be replaced with the new and up-to-date equipment at large expense; that, in my judgment, within the next few years this Government will be spending millions of dollars for radio equipment, and will be invited to purchase the same through the Radio Corporation of America if its present plans are carried out; and I contend, in view of these facts, that in the first place General Harbord should not have retired, because he is rendering the most efficient service of any time during his career; that the Secretary of War should not have approved his application to retire; and that this legislation should be passed as a warning to officers in the Army that it will not be the policy of our Government to foster them for years as junior officers and then when they acquire the highest efficiency that they shall seek retirement and go on retired pay in order to become connected with some corporation that can pay them lucrative salaries. It should be the determination of every officer to remain in the service as long as his age and his health will permit him to render service to the Government. Any other policy is derogatory to an efficient Army or an efficient Navy. General Harbord is 56 years of age, has at least eight years of time that he should give to this Government rather than to the service of the Radio Corporation of America, while at the same time receiving 75 per cent of his pay as an Army officer.

From the New York Times editorial referred to, I quote the following:

The achievements for which the country can never be sufficiently grateful to General Harbord was his organization of the supply department, which made it possible for the Army from the base to the firing line to operate like a well-oiled machine. It was because General Harbord had done this intricate and difficult work so well that his energies were coveted in civil life, not because of his associations with the Army and Navy people.

If General Harbord through his efficiency has secured perfect service in the work referred to, and if he is still in perfect health, tell me why it is not his duty to continue to serve this Government that has so long fostered him and developed him to the man that he is now reported to be? In my judgment, under these conditions, if General Harbord desires to leave the service of the Army, he should resign, not retire on 75 per cent pay, in order to enter upon this service.

The same New York Times editorial further refers to the fact:

In its dragnet it would draw in almost all retired officers engaged in business. Their legitimate interests are at stake if such a law should be enforced literally.

If the retired officers of the Army are now engaged in the enterprise of manufacturing material for the sole purpose of making sales thereof to the Government, then there is all the more reason why this law should not only be passed but that an investigation should be made as to how far retired Army officers are interested in such enterprises, and a report made to Congress with reference thereto. It is my purpose to ask the Secretary of War, either through the introduction of a resolution in this House or through some other channel, to furnish to this House a statement of the list of retired officers engaged in such enterprises and connected with concerns selling materials to the War and Navy Departments.

This prohibition has stood against the naval officers since June 10, 1896; if during that time retired Army officers have so engaged themselves, it might give some light on the subject as to how it happened that the purchasing departments of the Army during the late World War made more serious blunders, more frivolous contracts, more unreasonable purchases, and squandered millions and millions of dollars furnished by the American people in an effort to supply an army of men with the necessities of life. So far as I know, the investigating committee of the Sixty-sixth Congress did not go into this phase of the matter in their investigation of war contracts. It seems that if a future war should come, and all of these Army officers now on the retired list so engaged in the manufacture of material were recalled to active service, that the people of this Government would lose faith in this department if it became known that numerous officers were called upon to make contracts with concerns with whom they had been previously connected in order that an army might be supplied with the necessities of life to enter upon active work in the field of battle.

I have the greatest respect for every Cabinet member and for every editorial written in the great city of New York; I regret that this record has been made by the Secretary of War; I regret that General Harbord has seen fit to cast this cloud upon his record, and also that the Secretary of War has disagreed with this Congress on numerous questions. It seems to me that this particular question is one upon which there can not be a divided view.

With respect to the views of the editorial writer of the New York Times I am not greatly concerned; I have often thought what a wonderful force for good morals and good government the editorial writers of the great dailies of New York City could be; but, on the other hand, I find that their moral conclusions on some of the vital issues of the day are dictated either by their appetites or by their interest in the results on the stock exchange; I find that with many of them this great country of ours is bounded on the west by the Hudson River, and that all they seem to see is the result of this Government as it applies to their particular locality, the city of New York. But in view of the fact that this matter does involve a governmental policy, which in my judgment is material not only for now but for the future, I have felt constrained to take the time of this House in order that this matter might be presented and the record completed, and with the verdict of this House and the American people I shall rest content; and it is my hope that the conferees will insist that the amendment shall remain in the bill. [Applause.]

Mr. LONDON. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. There is a point of order pending. Does the gentleman from New York press his point of order?

Mr. HICKS. I do. I make the point of order upon the ground that the amendment is not germane. The bill before us deals with interstate radio communications, amending a previous law, which also deals with interstate radio communications. This amendment touches intrastate communications, and, therefore, in my opinion, is not germane and is not in order.

Mr. BLANTON. Mr. Chairman, I think it is merely a limitation confining the bill to interstate communications and not letting it go over or run into intrastate business. It is nothing in the world but a limitation.

The CHAIRMAN. The measure under consideration is all-pervading, so far as the regulation of radio communication is concerned. It is a general law, and in the first section covers radio communication among the several States or with foreign nations, radio communication upon any vessel of the United States engaged in interstate or foreign commerce, and also the

transmission of radiograms or signals which extend beyond the jurisdiction of the State, Territory, or the District of Columbia. Under the last clause it is apparent that its purpose is to cover regulation of radiograms that extend beyond the jurisdiction of the State, Territory, or District of Columbia, radiograms that lapse over into a State from another State. This being a general law relating to the regulation of radiograms, it is within the power of the committee to restrict it in whatever way it seems fit. It is within the power of Members to offer amendments to restrict it to communications on foreign vessels. The committee may restrict control over activities exclusively interstate. The extent of the jurisdiction to be exercised is for the committee to pass upon, and the Chair holds the amendment is germane and overrules the point of order.

Mr. CHINDBLOM. Mr. Chairman, I want to say a word in opposition to the amendment. I heard the amendment read, and of course all the members of the committee who were present heard the amendment read. The definition given in the bill as it stands was prepared with a great deal of care after a very full consideration and scrutiny by the committee. I do not know that I can say at a moment's consideration of the amendment offered by the gentleman from Texas just what the effect of his amendment would be. I do not think the committee should adopt an amendment upon the spur of the moment which vitally affects the scope of the bill. As the bill stands now, as the definition stands now in the paragraph of this first section of the bill, it covers just exactly the legislation which was covered by the old law and contains exactly the language of the act of August 13, 1912, that has been construed by the courts and that has had a practical application given to it by the departments, that has had a long contemporaneous construction by the departments, and its meaning and its scope are well known and well understood. I therefore hope that we do not now hastily adopt an amendment to the definition.

Mr. BLANTON. Mr. Chairman, let us have the amendment read; there are some more Members who have come in.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

The CHAIRMAN. The question is on the adoption of the amendment.

Mr. BLAND of Virginia. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Virginia is recognized for five minutes.

Mr. BLAND of Virginia. Mr. Chairman and gentlemen of the committee, I speak as a member of the subcommittee which assisted in framing this legislation. I suppose there is a no more ardent advocate of State rights on the floor than I am. I am heartily in sympathy with the protection of the rights of the States.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. HUDSPETH. Then what objection have you to this amendment, which takes care of State rights?

Mr. BLAND of Virginia. Because every benefit that is sought to be obtained by the amendment is amply given in the bill which is presented to the committee, and it is only for the purpose of calling the attention of the committee to the express language of the bill that I am going to take your time.

Now, take the first paragraph of the bill. It provides that—

No person, company, or corporation within the jurisdiction of the United States shall use or operate any apparatus for radio communication as a means of intercourse among the several States or with foreign nations, or upon any vessel of the United States engaged in interstate or foreign commerce, or for the transmission of radiograms or signals the effects of which extend—

Where? I read:

beyond the jurisdiction of the State, Territory, or the District of Columbia, in which the same originates, or where interference would be caused thereby with the transmission or reception of messages or signals from beyond the jurisdiction of said State, Territory, or the District of Columbia, except under and in accordance with a license in that behalf granted by the Secretary of Commerce and except as hereinafter authorized.

So that by the express terms of the act the license which is provided for in the first paragraph of the act is limited to interstate and foreign business.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. LONDON. I believe the language the gentleman has read, and which is contained in the first part of the section, would justify interference, we will say, with transmitting stations originally intended to operate within the State, but whose

messages or signals would tend to interfere with interstate messages.

Mr. BLAND of Virginia. If the interference is with interstate business, then it is an interference under this bill.

Mr. LONDON. Then you could interfere with a transmitting station originally intended to operate within the limits of a State.

Mr. BLAND of Virginia. But if the transmitting station originally intended to operate within the State is interfering with interstate business, then it should be brought within the scope of regulation by Congress. It is exactly the same principle, as I see it, gentlemen, where there is an exercise of the right of navigation. Where there would be an interference with the commerce over which the Federal Government has control there would be a right on the part of the Federal Congress to govern that situation and regulate it. The necessity exists to regulate this business because of interference. The bill is confined to interstate messages and interferences with such messages. That is the purpose of this paragraph, as I understand it. [Applause.]

In the language of Mr. Hoover, the pending bill—

fundamentally relates to regulation for the elimination, as far as may be, of interference, and the major field of interference to-day lies in the radiotelephone area, which concerns the low-meter wave length.

Mr. Hoover says in the hearings:

From the viewpoint of public interest the interference to-day largely lies in the broadcasting stations, broadcasting entertainments, news, and other matters of public interest. While there are altogether 569 of such stations, there are variously estimated from 1,500,000 to 2,000,000 receiving stations. So that the matter has become one of profound public interest.

The broadcasting of information and news, while it has largely entertainment and educational values, also furnishes the field of impulse in which the art must grow, and the amount of interference that arises from those 544 stations in absolute conflict is such that it threatens to undermine the useful purpose of the whole art.

There is a consensus of opinion that regulatory legislation in advance of that provided in the act of 1912 is necessary. This was the practically unanimous opinion of the witnesses appearing before the committee and it was the conclusion of the radio conference held in the city of Washington in 1922. The progress made in radio communication is evidenced by the increase in radio stations, for, as shown in the report, there were in July, 1922, but 17,421 transmitting stations, whereas on December 27, 1922, there were 21,065 transmitting stations.

Food for thought may be found also in the fact that of these 21,065 transmitting stations 16,898 were amateur stations, 2,762 were ship stations, 569 were broadcasting stations, 39 were coast stations, 12 were transoceanic stations, and some others not enumerated. It is shown in the report that the 17,421 stations in July, 1922, were using only 191 different wave lengths, and that of this total number of stations 279 were Government stations utilizing 122 of the total available wave lengths, leaving but 69 wave lengths for more than 17,000 private stations of all classes.

The principal purpose of this bill is to give greater powers of regulation and control, to the end that greater order in the use of the ether may be provided and the congestion may be relieved. At the same time, so rapidly does the art change, so quickly are improvements made, so unexpectedly do new contingencies arise, that it has been thought best to confer in general terms upon the regulatory body very broad powers of supervision and control. Statute law is fixed and inflexible and unsuited to a rapidly changing situation. It is therefore best to leave the situation so that new conditions and emergencies may be promptly met.

Sections 1 and 2 of the bill deal with station licenses; section 3 with operators' licenses; section 4 with approvals of stations to be built or now building; section 5 with creation of an advisory committee; section 6 with continued presence of licensed radio operator listening in on wave lengths designated for distress signals during the entire period the transmitter is in operation at a radio-telephone station the signals of which can interfere with ship communications; section 7 with the elimination of the specified normal and other wave lengths provided in the first and second regulations in the act of August, 1912, with the elimination of the regulations dealing with the "pure wave" and "sharp wave," and with the extension of the wave lengths accorded amateur stations by eliminating the definite wave length accorded amateurs and according them a wider range, to wit, not less than 150 meters nor more than 275 meters; section 8 with penalties for violations of the act or knowingly making false oath or affirmation for the purpose of securing a permit or a license; section 9 with a schedule of fees to be collected for transmitting stations and operators' licenses; section 10 with the extension of the operation of the act of August 13, 1912, from naval and military stations as therein specified to all Government sta-

tions; and section 11 with the repeal of all acts or parts of acts in conflict with the pending act.

It must be emphasized that the pending bill does not undertake to deal with the stations which receive only. Of these stations there are estimated to be 2,000,000.

The committee feels that this Congress should not adjourn without this legislation, which it feels to be of great public concern.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. BLAND of Virginia. I ask leave to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HUDSPETH. Mr. Chairman, I ask the same privilege for myself, to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LONDON. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. All debate on the section and pending amendments is exhausted. The gentleman may ask unanimous consent.

Mr. LONDON. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LONDON. Mr. Chairman, it is my belief that this bill confers upon the Secretary of Commerce the power to regulate stations intended to operate within the boundaries of a State, and in a way that is inevitable.

The gentleman from Virginia [Mr. BLAND] mentioned the word "navigation." Under the same power that Congress exercises the right of regulation under the Constitution in the matter of navigation it will be able to regulate and completely destroy every transmitting line within a State if Congress should choose to do so. It will then be dealing with aerial navigation, with streams of air instead of water, with currents of power instead of water; and once Congress has assumed to legislate for the air and matters involving currents of air and currents of power within the air, it can control transmitting stations within the States. It is very likely if this should come to the Supreme Court, that the Supreme Court would construe this bill to permit the control of intra-state stations.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. MADDEN. Does not the gentleman think Congress ought to control it?

Mr. LONDON. Well, I think something ought to be done.

Mr. TILSON. Mr. Chairman, what is the parliamentary status?

The CHAIRMAN. The gentleman from Texas [Mr. HUDSPETH] offers a motion, which is pending. Also a motion to strike out the last word was pending, and a motion was made in opposition to the pro forma amendment.

Mr. TILSON. I would like to be recognized, but I would like to have the amendment put first.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. TILSON. I move to strike out the last two words.

The CHAIRMAN. The gentleman from Connecticut moves to strike out the last two words.

Mr. TILSON. Could we not dispose of the pending amendment, Mr. Chairman? I would like to have the pending amendment disposed of and out of the way, if there is one pending.

Mr. BLANTON. Does the gentleman know what it is?

The CHAIRMAN. Without objection, the pending pro forma amendment will be withdrawn. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLANTON].

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is asked for.

The committee divided; and there were—ayes 8, noes 40.

Mr. LONDON. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LONDON: Page 4, line 20, at the end of section 1 add the following: "The action of the Secretary of Commerce under this section or any other section of this act shall be subject to review by the courts at the instance of any interested party."

Mr. MADDEN. Would not that be true even if this language were not inserted?

Mr. LONDON. No; it would not be true, for this reason—

Mr. CHINDBLOM. Mr. Chairman, I reserve a point of order.

Mr. BLANTON. I make the point of order that the reservation is too late, because there had been a communication between the gentleman from Illinois [Mr. MADDEN] and the gentleman from New York [Mr. LONDON].

The CHAIRMAN. The point of order raised by the gentleman from Texas is sustained. The gentleman from New York will proceed.

Mr. LONDON. I will say to the gentleman from Illinois that it would be true ordinarily, because you can not oust the courts of jurisdiction; but the gentleman from Maine [Mr. WHITE], in explaining the object of the bill, made it very clear that one of its purposes was to grant absolute discretion to the Secretary of Commerce. In other words, his decision in the matter of granting a license to an operator, his decision in the matter of granting permission to construct a transmitting station or in refusing the right to construct it, will be absolute and final. He will be the final arbiter. You are dealing with an entirely new subject with infinite possibilities. Its growth is so rapid that it is almost impossible to follow it. Within 5 or 10 years the subject matter may change not only in quantity but in quality, and may assume an entirely different character from that which it now possesses. I do not like the idea of vesting in one individual the extraordinary power of controlling an entirely new function, an entirely new industry, an entirely new field of activity, and I would, therefore, make the conservative suggestion that our courts should have the power to review the action of the Secretary of Commerce at the instance of an aggrieved party.

Mr. ROACH. Will the gentleman yield?

Mr. LONDON. I yield to the gentleman.

Mr. ROACH. I agree with the view of the gentleman on this matter, and I believe that if his amendment is adopted it is intended to allow any party who feels himself to be aggrieved by the action of the Secretary of Commerce to appeal.

Mr. LONDON. Yes.

Mr. ROACH. In other words, the law merely gives the Secretary of Commerce certain discretionary powers to make certain regulations, and if he proceeds in accordance with the statute to make those regulations would a mere review reach the matter of a grievance, or would it be necessary for the aggrieved party to take an appeal?

Mr. LONDON. It would be necessary for the aggrieved party to take the matter to court and to complain of the refusal of the Secretary of Commerce to grant the license.

Mr. ROACH. I just wanted to get the gentleman's viewpoint on that.

Mr. LONDON. In addition to that, here you are permitting the Secretary of Commerce to establish regulations. You will recall how the regulations issued during the war were being changed every day. You will recall the numerous interpretations of regulations issued by the various bureaus. You would never know how to proceed yourself, or how to advise somebody else to proceed under those regulations.

Mr. ROACH. The Secretary in the issuance of these regulations and the exercise of the other authority and discretion that he has acts strictly in accordance with the provisions of this law. Now will the mere matter of a review of his action afford relief to an injured party? Would it not be better to provide for an appeal by an aggrieved party from the action of the Secretary of Commerce?

Mr. LONDON. I believe the expression "subject to review by the courts" accomplishes that very purpose.

Mr. BLANTON. That would permit a mandamus proceeding.

Mr. LONDON. Yes.

Mr. EDMONDS. Suppose some man was creating chaos in the air, so that nobody within his radius could use their apparatus, and the Secretary should stop him. Could he go into court under the gentleman's amendment and get an injunction and restrain the Secretary until he had the case heard in court?

Mr. LONDON. If he could get a judge to issue temporary injunctions with the same facility with which they are being issued against organized labor, I will say yes, he could; but

ordinarily a judge would ask substantial and convincing proof before he would grant an injunction.

Mr. CHINDBLOM. Mr. Chairman, I rise in opposition to the amendment of the gentleman from New York [Mr. LONDON]. I think it would be most unfortunate and almost disastrous to the purpose of this legislation to adopt this amendment. I will read it to the committee for a little further information.

The action of the Secretary of Commerce under this section or any other section of this act shall be subject to review by the courts at the instance of any interested party.

What does that mean? It simply means that you are opening the courts for review of the acts of an administrative officer. This act gives the Secretary of Commerce discretion. Of course, that is not a personal discretion. It is an administrative discretion. He must follow the language and the intent and the spirit of the law. This law lays down the limitations and the restrictions and conditions under which he may exercise his discretion. It is not an absolute, tyrannical power. I am not going to express a legal opinion on the question, but I would be very much surprised if any action of any officer could not be subject to some legal procedure based upon a charge of abuse of power or abuse of discretion, but I do not want to make this law subject to review by every interested party who can not get what he wants, and thereupon might go into court and substitute the court for the administrative officer. That is what it means, that you are substituting the court for the Secretary of Commerce, and that if you can not get what you want from the Secretary of Commerce you will go to some court and substitute the court for him.

Mr. WHITE of Maine. Will the gentleman yield?

Mr. CHINDBLOM. I yield to the gentleman from Maine.

Mr. WHITE of Maine. Is it not true that practically every interest was opposed to any such provision as this?

Mr. CHINDBLOM. Oh, yes.

Mr. WHITE of Maine. All those whom I will designate as the small fellows were afraid of this court review. They preferred, if I got their viewpoint correctly, to take their chances with the Secretary of Commerce rather than trust to interminable litigation.

Mr. LONDON. Will the gentleman yield?

Mr. CHINDBLOM. On the amendment?

Mr. LONDON. Yes, on the amendment. Under subdivision "O," page 7, the Secretary of Commerce is to determine, among other things, "the character and financial, technical, and other ability of the applicant to operate the station." He is to determine the character, which may mean the composite virtues and vices, the man's reputation—he is to determine the financial, technical, and other ability of the applicant. Does not that offer a wide possibility of discretion? And that wide range of discretion runs throughout the bill.

Mr. CHINDBLOM. But does the gentleman want the courts to determine as to his ability?

Mr. LONDON. I want the applicant to have a chance with somebody other than the Secretary of Commerce.

Mr. CHINDBLOM. I submit that in an administrative measure designed to regulate and control business by business methods, and for the purpose of securing rights in the management of a business, it certainly would be a very mistaken policy to substitute the courts for an administrative officer in the execution of the kind of a power conferred by this bill.

Mr. JONES of Texas. Mr. Chairman, I offer the following substitute.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas as a substitute to the amendment offered by Mr. LONDON: Page 4, line 20, after the word "act," insert the following proviso: "Provided, That from any action of the Secretary of Commerce in refusing or revoking a license, the person whose license is revoked or refused shall have the right to appeal to a court of competent jurisdiction, which court shall have the power to confirm, modify, or reverse the decision of the Secretary, but the decision of the Secretary of Commerce shall not be suspended pending the decision of such court."

Mr. JONES of Texas. I just wish to state in this connection that that amendment follows a provision which was put in the packers bill and practically all the great bills passed by the House. It provides for an appeal but does not interfere with the decision of the Secretary of Commerce until after the decision of the court. It gives the right but does not interfere with the work of the Secretary of Commerce. In other words, the decision would be in full force until the court had taken action upon the measure.

Mr. LONDON. I believe the substitute the gentleman has offered is taken from a now existing statute?

Mr. JONES of Texas. I have followed it from memory, but it practically follows the amendment which was put in the Federal Trade Commission and the packers bill and other bills

of that character. In other words, the man who has a license or is refused a license or his license is revoked, if not satisfied, it gives him the right to appeal to the court, but the decision of the Secretary of Commerce will remain in force and effect until it is suspended or reversed by a court of competent jurisdiction. It seems to me that when you are putting so much power in the hands of the Secretary of Commerce it is only right to give an individual who thinks his rights have been denied a right to resort to the court and have that determined. He should at least be protected to that extent. In the meantime all the regulations by the Secretary of Commerce would remain in full force and effect until such time as action by the court was taken. That seems only fair and just and right.

Mr. LONDON. Mr. Chairman, I am willing to accept the substitute offered by the gentleman from Texas.

The CHAIRMAN. The gentleman from New York asks unanimous consent to withdraw his amendment. Is there objection?

Mr. CHINDBLOM. I object. I think the last amendment is worse than the first.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen of the committee, I have been seeking in the Committee of the Whole to get an intelligent understanding of this bill in order to give it my support. I think some regulation is absolutely necessary in this matter.

But it does seem to me that we are drifting into a field that nobody knows much about, except as they have learned it in the last 12 months, when there has been more done in this line of transmission of communication by radio than at any other period of our history. I want seriously to call the attention of the committee to one matter that is pertinent and germane to this substitute offered by the gentleman from Texas [Mr. JONES]. That is on page 10, lines 15 to 19, inclusive. I would like to have the committee give attention to this language:

An operator's license shall be issued only to a person who, in the judgment of the Secretary of Commerce, is proficient in the use and operation of radio apparatus and in the transmission and reception of radiograms by telegraphy and telephony.

I want to call the attention of the committee to the great discoverers and inventors relative to electricity. I want to call your attention to Ben Franklin. Suppose Ben Franklin had been living during this day and time, would you seek to regulate him by governmental authority because he experimented by sending a kite into the air to draw down the electricity? How about Edison in his youth when he was experimenting with electricity? And there are thousands of young men all over this country who are trying to discover and who are testing out different apparatus and are seeking to invent and to improve inventions with reference to this great art and discovery of radio communication.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. CHINDBLOM. This provision is about the same that you find in the municipal codes of our cities for the licensing of plumbers and electricians. There is nothing wrong about that.

Mr. ABERNETHY. But I would say to the gentleman that under this provision before a young man can undertake to send out any message he has to go before the Secretary of Commerce and stand an examination and be found proficient.

Mr. CHINDBLOM. He has to be proficient in the use of the machine.

Mr. ABERNETHY. Suppose he invents a machine. They tell me that you can go to work and take a little thing that is not larger than my hand and receive a message with it. We do not know anything about this matter. The whole matter, in my opinion, is in its infancy.

Mr. CHINDBLOM. This has nothing to do with receiving messages. This is sending messages, transmitting messages, sending them out into the air to go where they will.

Mr. ABERNETHY. What does the word "reception" mean in line 18 on page 10? I asked the gentleman from Tennessee [Mr. DAVIS] that question awhile ago.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. DAVIS of Tennessee. I will tell the gentleman now what I told him then, that this provides that a man must be proficient in the use and operation of radio apparatus and in the transmission and reception of radiograms. In other words, he must be qualified to send and receive, because all commercial stations both send and receive, and it is not telephony alone but telegraphy. In other words, he must know the Morse code, or

whatever code is being used, before he would be able to either send or receive messages, and this simply refers to an operator who is engaged as an operator in a commercial business and has no application at all and the bill has no application whatever to a receiving set, a receiving station, or an operator in such a station.

Mr. ABERNETHY. I want to ask the gentleman from Tennessee if telephony can not be carried on without the Morse code?

Mr. DAVIS of Tennessee. It could not be carried on by anyone who did not know how to manage the apparatus.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CHINDBLOM. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Texas to the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. JONES of Texas) there were—ayes 9, noes 41.

So the substitute was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. LONDON) there were—ayes 8, noes 29.

So the amendment was rejected.

Mr. TILSON. Mr. Chairman, I wish to make a point of order for the purpose of referring for a moment to the form of this bill. I am very much in favor of the bill. I think that the committee has done a fine piece of work and deserves great credit. I congratulate the gentleman from Maine [Mr. WHITE] and his colleagues on the subcommittee upon the excellent work they have done, and I wish to make special mention of the members of the subcommittee on the minority side who have not only helped in the construction of the bill but have done valiant service in its defense here to-day.

As the Chair will note, this bill attempts to strike out certain sections of a law and insert certain sections of this bill in lieu of the sections stricken out. Then it proceeds to add a number of other sections which are not referred to in the opening paragraph of the first section. The Clerk in reading should not have stopped where he did, because the first section of the bill does not end until line 16 on page 11. That is the end of the first section of the bill. There should follow section 2 instead of section 4, because it should be section 2 of this bill. Therefore, Mr. Chairman, I ask that the Clerk may continue the reading of the section until he finishes it and then I shall ask the privilege of offering an amendment in order to straighten out the section numbering.

The CHAIRMAN. The Chair can not agree with the position taken by the gentleman from Connecticut [Mr. TILSON] that the first section of the bill extends to line 16, page 11. Either this bill is one section, extending from the enacting clause to the end, or else it is a bill consisting of 11 sections. The question of whether bills should be considered by paragraphs or sections is a matter of custom. No specific rule covers this question. It is the invariable practice that appropriation bills and revenue bills shall be considered by paragraphs, and all other bills by sections. The Chair directs the attention of the committee to the fact that in the very first paragraph of this bill it is suggested that sections 1, 2, and 3 of the present law, approved August 13, 1912, should be amended by inserting in lieu thereof sections 1, 2, and 3 following. Instead of the committee going ahead and merely substituting one section as 1, 2, and 3, it has substituted many other sections without changing the sections of the bill, by noting that section 4 and the numbered sections following should be designated section 2. If the quotation marks of the substituted part for existing law, sections 1, 2, and 3, had been found at the end of what purports to be in this bill the amendment of sections 1, 2, and 3, there might be some potency to the position taken by the gentleman from Connecticut; but the Chair will hold that in the consideration of bills, the important and guiding question, where no counter practice prevails, is to consider the measure according to distinct substantive proposals, so that there may be the best legislative consideration to the various provisions, and the Chair holds in this particular instance that it is better for the consideration by the committee to have the bill read by sections as numbered, and the Clerk will now read section 2.

Mr. TILSON. May I ask the Chair where does section 1 of this bill end? It begins in line 1, of course. Now, where does the section which begins on line 1 end?

The CHAIRMAN. As the Chair stated in the ruling on the gentleman's point of order section 1, strictly speaking, includes everything from the enacting clause to the end of the bill.

Mr. TILSON. That is section 1.

The CHAIRMAN. In effect, but it has not been so offered by the committee as section 1. The committee in the first paragraph seeks to substitute for sections 1, 2, and 3 of the existing law sections 1, 2, and 3, and then follows that with other sections. It is not for the Chair to pass upon the question whether the following sections are intended to be in substitution of sections 1, 2, and 3. The committee did not report sections 1, 2, and 3 only, but reported 11 sections, and the Chair holds, as it is a matter for the convenience of the committee to pass upon that plan which makes it best from a legislative standpoint in the consideration of these substantive matters, that this bill be considered by sections as they appear, and the Clerk will read.

Mr. TILSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

Mr. BLANTON. Mr. Chairman, I make the point of order against the bill under our new rule because of the paragraph on the top of page 14, which appropriates money in violation of the rules of the House. The Chair will note it is an appropriation, that this committee seeks to appropriate and make available and make payable certain remuneration of \$25 a day for six individuals, together with traveling expenses and clerical expenses, and it is a clear violation of the rules of the House.

Mr. TILSON. Mr. Chairman, I think the gentleman's point of order is not timely.

Mr. BLANTON. You can make it at any time.

Mr. TILSON. We have not reached that portion of the bill.

Mr. BLANTON. But you can make the point at any time.

Mr. TILSON. It has not been read.

The CHAIRMAN. The rule is very clear. Rule XXI, paragraph 5, provides that against any bill or resolution carrying an appropriation which is beyond the power of the committee to appropriate the point of order may be made at any time. The gentleman so far is within his rights in that particular.

Mr. CHINDBLOM. Mr. Chairman, I submit it is not an appropriation, but it is an authorization.

The CHAIRMAN. The Chair holds it is not an appropriation, but an authorization, and overrules the point of order.

Mr. BLANTON. May I cite the Chair to a precedent that the Chair himself caused to be made? I cite the Chair to a bill which authorized a certain amount of unexpended appropriation to be used, and the present occupant of the chair from the floor raised the question that that was an appropriation, and the distinguished occupant of the chair at that time sustained it, and I offer him his own precedent in support of the fact that money which has been already appropriated, which a legislative committee authorized to be expended in a legislative bill, is an appropriation and not an authorization.

Mr. CLARKE of New York. May I offer a suggestion: That a guilty conscience needs no acoustics?

The CHAIRMAN. As the gentleman is within his rights at making this point of order at any time, it will be a courtesy to withhold or withdraw the point of order, so as to review—

Mr. BLANTON. I will withdraw it so the Chair can find the precedent which he was instrumental in setting.

The CHAIRMAN. The Chair may have been a better advocate in that instance than the Presiding Officer.

Mr. BLANTON. I withdraw the point of order; I will withhold it for the present.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Connecticut.

The Clerk read as follows:

Page 1, strike out lines 3 to 6, inclusive, and insert in lieu thereof the following: "That sections 1, 2, and 3 of the act entitled 'An act to regulate radio communications,' approved August 13, 1912, are hereby amended to read as follows."

Mr. TILSON. In view of the fact that I have conferred in this matter with the gentleman from Maine and others in trying to straighten out the numbering of the sections, I ask unanimous consent that I may proceed for three minutes to explain the effect of my amendment in spite of the fact that debate has been closed.

The CHAIRMAN. Notwithstanding the order of the committee that debate should be closed on this section, the gentleman asks unanimous consent that he may proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TILSON. Mr. Chairman, it is important that we have this bill in the usual form. The amendment to the language

following the enacting clause, and really a part of it, which I have sent to the desk, will, if adopted, put that part of the bill into the usual form. In my judgment, as well as in the judgment of the other gentlemen with whom I have conferred, this will straighten out the section marking of the bill and make it in accordance with the usual legislation of this House.

Mr. HOCH. When we get further on down to what is section 4, I presume an amendment will be in order then?

Mr. TILSON. When we get to section 4 I shall move to strike out "Sec. 4" and insert "Sec. 2," which will mean section 2 of this act.

Mr. DAVIS of Tennessee. Mr. Chairman, right in that connection this bill, if enacted into law, will supplement the existing statute, and I think it would be more intelligent for us to say first, second, and third sections, followed by 4, 5, and 6, and so forth, just as it is in this bill; otherwise you will have two parts of the section in the same act.

Mr. TILSON. No; it is not in the same act. There will be two separate and distinct acts. One of them you are amending. Your first section amends sections 1, 2, and 3 of that act, "to read as follows," and you set that out. That is what this act does in its first section. Following that you have a number of sections that you yourselves have added. They are not sections of the former act. They are sections 2, 3, 4, 5, and so on, of this very bill that we are now considering, and should be so numbered.

Mr. BLANTON. I think the gentleman is absolutely right about that.

Mr. EDMONDS. I think the gentleman from Connecticut is exactly right. This section 4 should be section 2, because we have left in the old act a section 4. If you follow the suggestion of the gentleman from Connecticut, these sections will fall in their proper place.

Mr. TILSON. There will be great confusion if we do not change the bill. I think that the amendment I have offered will completely adjust the matter. I therefore ask the adoption of my amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. A. Paragraph A of section 1 of this act shall not apply to persons sending radio messages or signals on a foreign ship while the same is within the jurisdiction of the United States.

B. The station license required hereby shall not be granted to, or after the granting thereof such license shall not in any manner, either voluntarily or involuntarily, be transferred to (a) any alien or the representative of any alien; (b) nor to any foreign government or the representative thereof; (c) nor to any company, corporation, or association organized under the laws of any foreign government; (d) nor to any company, corporation, or association of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned, controlled, or voted by aliens or their representatives or by a foreign government or representative thereof, or by any company, corporation, or association organized under the laws of a foreign country.

Such station license, the wave length or lengths authorized to be used by the licensee, and the rights therein granted shall not be transferred, assigned, or in any manner, either voluntarily or involuntarily, disposed of to any other person, company, or corporation without the consent in writing of the Secretary of Commerce.

C. The Secretary of Commerce, subject to the limitations of this act, in his discretion, may grant to any applicant therefor a station license provided for in sections 1 and 2 hereof.

No license granted by the Secretary shall be for a longer term than 10 years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license the Secretary, in his discretion, upon application thereof, may grant a renewal of such license for the same or for a lesser period of time.

The Secretary of Commerce is hereby authorized to refuse a station license to any person, company, or corporation, or any subsidiary thereof, which, in the judgment of the Secretary, is monopolizing or seeking to monopolize radio communication, directly or indirectly, through the control of the manufacture or sale of radio apparatus or by any other means. The granting of a license shall not estop the United States from prosecuting such person, company, or corporation for a violation of the law against monopolies or restraint of trade.

The Secretary of Commerce in granting any license for a commercial station intended or used for communication between the United States or any territory or possession, continental or insular, subject to the jurisdiction of the United States, the Canal Zone, or the Philippine Islands, and any foreign country, may impose any terms, conditions, or restrictions authorized to be imposed with respect to submarine cable licenses by section 2 of an act entitled "An act relating to the landing and the operation of submarine cables in the United States," approved May 27, 1921. Every license for such commercial station shall be approved by the President before the same shall be issued and become effective.

D. The Secretary of Commerce may grant licenses only upon written application therefor addressed to him, which application shall set forth such facts as he by regulations may prescribe as to the citizenship, character, and financial, technical, and other ability of the applicant to operate the station; the ownership and location of the proposed station and of the stations with which it is proposed to communicate; the wave lengths and the power desired to be used; the hours of the day or other periods of time during which it is proposed to operate the station; the purposes for which the station is to be used; and such other information as he may require. Such application shall be signed by the applicant under oath or affirmation.

E. Such station licenses as the Secretary of Commerce may grant shall be in such general form as he may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (a) The ownership or management of the station or apparatus therein shall not be transferred in violation of this act. There shall be no vested property right in the license issued for such station or in the bands of wave lengths authorized to be used therein, and neither the license nor any right granted thereunder shall be assigned or otherwise transferred in violation of this act; (b) such license shall contain such other conditions, not inconsistent with this act, as the Secretary of Commerce may prescribe.

F. Any station license granted by the Secretary of Commerce shall be revocable by him for failure to operate service substantially as proposed in the application and as set forth in the license, for violation of or failure to observe any of the restrictions and conditions of this act, or of any regulation of the Secretary of Commerce authorized by this act or by the provisions of any international radio convention ratified or adhered to by the United States, or any regulations thereunder, or whenever any licensee, who is a common carrier, shall fail, in the judgment of the Secretary of Commerce, to provide reasonable facilities for the transmission of messages, or whenever the Interstate Commerce Commission, in the exercise of the authority conferred upon it by law, shall find that any licensee has made any unjust and unreasonable charge, or has made or prescribed any unjust and unreasonable classification, regulation, or practice with respect to the transmission of messages or service, or whenever the Secretary of Commerce shall deem such revocation to be in the public interest: *Provided*, That no order of revocation shall take effect until 30 days' notice in writing thereof, stating the cause for the proposed revocation, to the parties known by the Secretary to be interested in such license. Any person in interest aggrieved by said order may make written application to the Secretary at any time within said 30 days for a hearing upon such order, and upon the filing of such written application said order of revocation shall stand suspended until the conclusion of the hearing herein directed. Notice in writing of said hearing shall be given by the Secretary to all the parties known to him to be interested in such license 20 days prior to the time of said hearing. Said hearing shall be conducted under such rules and in such manner as the Secretary may prescribe. Upon the conclusion thereof the Secretary may affirm, modify, or revoke said orders of revocation.

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I understand that the chairman in charge of the bill is willing for the paragraph on top of page 14 to go out, and I only make the point of order as to that paragraph.

I want to call the attention of the Chair to a specific case that he will remember. When the gentleman from Kansas [Mr. CAMPBELL] brought in his resolution to apply the prohibition laws to certain island possessions of the United States the gentleman from Massachusetts [Mr. WALSH] made a point of order against the resolution because it, in effect, though not specifically, appropriated money, and the Speaker sustained the point of order, holding that the resolution would require part of the money which was already appropriated to be expended in these island possessions of the United States, and while the bill did not specifically appropriate money, it required money already appropriated to be expended, which was in effect an appropriation.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TILSON. I can not read this as the gentleman does. If the gentleman will read with me on page 14, beginning "shall be paid from the appropriation made to the Department of Commerce for this purpose."

Mr. BLANTON. It does not say "to be made," but it says "made." There is already an appropriation to the Department of Commerce for this purpose for radio control under the former act.

Mr. TILSON. Oh, no; it is for the necessary expenses of the members of the committee, their meetings, and it means only that out of any money that Congress appropriates for this purpose the Department of Commerce may pay the necessary expenses of the members of this committee in going to and from while attending the meetings of the committee, and so forth, and that is all it can mean. It says "for this purpose." That is just as specific as it can be.

The CHAIRMAN. The Chair is ready to rule. The Chair has not been able to find the particular case referred to by the gentleman from Texas [Mr. BLANTON], nor has the gentleman from Texas called the attention of the Chair to that case. The decisions before the Chair where a point of order was made because of an appropriation that was carried were those wherein specific authority was granted to utilize certain appropriations and made the money available.

The paragraph in the bill to which the gentleman raises a point of order, although it has not been reached in regular order for consideration, is as follows:

The necessary expenses of the members of the committee in going to, returning from, and while attending meetings of the committee, including clerical expenses and supplies, together with a per diem of \$25 to each of the six members not otherwise employed in the Government service, for attendance at the meetings, shall be paid from the appropriation made to the Department of Commerce for this purpose.

The inspection of that language indicates that it is legislative in character. There is no other way for a legislative com-

mittee of the House to authorize the expenditure of expenses than by providing it in language in this way. If perchance there happens to be an appropriation available for that purpose, that does not mean that this bill is carrying an appropriation. It may affect the appropriation, but it does not carry one, and it is not the purpose of the rule restricting committees from making appropriations to prevent them considering and reporting legislative authorizations. It is clearly an authorization. Otherwise a legislative committee would not have any means of providing authorizations for expenditure if perchance there happened to be some appropriation that might be available for that purpose.

The Chair overrules the point of order and sustains the former offhand ruling, that it is not subject to a point of order.

Mr. JONES of Texas. Mr. Chairman, I offer an amendment. The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

Mr. GREENE of Massachusetts. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Massachusetts moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. STAFFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13773) to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes, had come to no resolution thereon.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolution of the following titles; when the Speaker signed the same:

H. R. 11626. An act to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La.; and

H. J. Res. 261. Joint resolution for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 247. Joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. MOORE of Virginia, for two days, on account of sickness.

To Mr. DREWRY, indefinitely, on account of illness.

UNITED STATES SUGAR EQUALIZATION BOARD (INC.).

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying document, referred to the Committee on Agriculture:

To the House of Representatives:

In response to the resolution of the House of Representatives of January 5, 1923, numbered 475, requesting the President—

"To transmit to the House of Representatives the facts in his possession concerning the following, if not incompatible with the public interest:

"First. What activities the United States Sugar Equalization Board, a corporation organized under the laws of the State of Delaware, is now engaged in.

"Second. What salaries, if any, are being paid by such board to its officials or employees and what salaries have been paid during the last two years.

"Third. What other expenses are being incurred and have been incurred since December 31, 1920, by said board.

"Fourth. What money or property is now owned or controlled by such board.

"Fifth. Where such funds, if any, are now deposited and what, if any, interest has been drawn on same since December 31, 1920."

I transmit herewith a memorandum which has been sent to me by Mr. George A. Zabriskie, president of the United States Sugar Equalization Board (Inc.), giving the data requested in the said resolution.

WARREN G. HARDING.

THE WHITE HOUSE, January 24, 1923.

ADJOURNMENT.

Mr. GREENE of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House adjourned until Thursday, January 25, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

920. Under clause 2 of Rule XXIV a letter from the chairman of the Federal Trade Commission, transmitting report on the Western Cedar Association, the Lifetime Post Association, and the Western Red Cedarmen's Information Bureau was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. S. 4029. An act amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co. and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874; with amendments (Rept. No. 1448). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 7871. A bill for the relief of the owner of the schooner *Itasca* and her master and crew; with amendments (Rept. No. 1449). Referred to the Committee of the Whole House.

Mr. ANDREW of Massachusetts: Committee on Naval Affairs. H. R. 13937. A bill for the relief of Paymaster Herbert Elliott Stevens, United States Navy; without amendment (Rept. No. 1450). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 12768) granting a pension to Michael Bittner, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CHRISTOPHERSON: A bill (H. R. 13993) to amend section 140 of the Criminal Code of the United States, relating to obstruction of process and assaulting officers; to the Committee on the Judiciary.

By Mr. BURTNESS: A bill (H. R. 13994) to amend section 848 of the Revised Statutes, relating to witnesses' fees; to the Committee on the Judiciary.

Also, a bill (H. R. 13995) to amend section 852 of the Revised Statutes, relating to jurors' fees; to the Committee on the Judiciary.

By Mr. NEWTON of Minnesota: A bill (H. R. 13996) granting the consent of Congress to the cities of Minneapolis and St. Paul, Minn., or either of them, to construct a bridge across the Mississippi River, in section 17, in township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota; to the Committee on Interstate and Foreign Commerce.

By Mr. BUTLER: A bill (H. R. 13997) to increase the efficiency of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. VOLSTEAD: A bill (H. R. 13998) making section 1535c of the Code of Law for the District of Columbia applicable to the municipal court of the District of Columbia, and for other purposes; to the Committee on the Judiciary.

By Mr. FAIRCHILD: A bill (H. R. 13999) to authorize the Secretary of State to acquire in Paris a site with an erected building thereon, at a cost not to exceed \$300,000, for the use of the diplomatic and consular establishments of the United States; to the Committee on Foreign Affairs.

By Mr. STEENERSON: A bill (H. R. 14000) authorizing the Secretary of the Interior, with the consent of the Chippewa Indians of Minnesota, to transfer and convey to the State of Minnesota all lands, with the buildings thereon, now constituting the White Earth Agency and school reserves; to the Committee on Indian Affairs.

By Mr. FOCHT: A bill (H. R. 14001) to amend the act of Congress approved September 6, 1922, relating to the discon-

tinuance of the use as dwellings of buildings situated in alleys in the District of Columbia; to the Committee on the District of Columbia.

Also, a bill (H. R. 14002) to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SWEET: A bill (H. R. 14003) to amend and modify the war risk insurance act; to the Committee on Interstate and Foreign Commerce.

By Mr. McSWAIN: A bill (H. R. 14004) to prevent corrupt political practices; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the Legislature of the State of South Dakota requesting and demanding modification and revision of the present Federal standards for grading grain; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Dakota urging the enactment of an act to require the completion of a steel bridge at Chamberlain, S. Dak.; to the Committee on Interstate and Foreign Commerce.

Also, memorial from the Legislature of the State of South Dakota relative to S. 4130, a Federal farm loan bill; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of South Dakota relative to modifying and reducing the present freight rates for grain and live stock; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of South Dakota relative to the following subjects: Federal farm loans, Federal standards for grading grain, freight rates and live stock, and completion of steel bridge at Chamberlain, S. Dak.; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FAUST: A bill (H. R. 14005) granting a pension to Robert W. Hawkins; to the Committee on Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 14006) to reimburse Lieut. Col. Charles F. Sargent, National Guard of Massachusetts; to the Committee on Military Affairs.

By Mr. KENDALL: A bill (H. R. 14007) granting a pension to Mary Margaret Lilley; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 14008) granting a pension to John Bywater; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14009) for the relief of Herman R. Wolfman; to the Committee on Military Affairs.

By Mr. NEWTON of Minnesota: A bill (H. R. 14010) for the relief of Jerome May; to the Committee on Claims.

By Mr. ROBSION: A bill (H. R. 14011) for the relief of Zachariah Vaughn; to the Committee on Military Affairs.

By Mr. SANDERS of Indiana: A bill (H. R. 14012) granting a pension to Oscar Okes; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 14013) for the relief of George H. Ewart; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7014. By Mr. ABERNETHY: Petition of William D. Harris, relating to the amendment to the War Department appropriation bill denying General Harbord retired pay; to the Committee on Military Affairs.

7015. By Mr. CONNOLLY of Pennsylvania: Letter from the general secretary of the Philadelphia Chamber of Commerce, conveying the approval of that organization of Senate Joint Resolution 85, to provide for the remission of further payments of the annual installments of the Chinese indemnity; to the Committee on Foreign Affairs.

7016. By Mr. FROTHINGHAM: Petition of the executive committee of the Massachusetts Public Interests League, protesting against the recognition of the present government of Russia by the United States; to the Committee on Foreign Affairs.

7017. By Mr. GARNER: Petition of 50 citizens of Texas, urging that aid be extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7018. By Mr. KISSEL: Petition of the New York Trap Rock Corporation, New York City, N. Y., regarding immigration from Europe; to the Committee on Immigration and Naturalization.

7019. By Mr. OSBORNE: Petition of Mr. J. Nuesch and 53 other residents of Los Angeles County, Calif., indorsing the Newton resolution to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7020. By Mr. RANSLEY: Memorial of Philadelphia Chamber of Commerce, favoring the Chinese indemnity bill, joint resolution, calendar No. 264 (S. J. Res. 85); to the Committee on Foreign Affairs.

7021. By Mr. SMITH of Michigan: Petition of 46 residents of Albion, Mich., urging that aid be extended to the famine-stricken people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7022. By Mr. STEENERSON: Resolution of Clay County National Farm Loan Association, (1) opposing the taking from farm-loan association members the management of their own business or the discouraging of cooperation of local farm-loan associations, (2) opposing commercial banking functions being added to Federal land banks, (3) in favor of raising the limit of loans from \$10,000 to \$25,000; to the Committee on Banking and Currency.

7023. Also, petition of J. M. Stephens et al., Crookston, Minn., to abolish discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

7024. Also, resolution of Wilkin County Child Welfare Board, of Breckenridge, Minn., favoring enactment of child labor amendment now pending in Congress; to the Committee on the Judiciary.

7025. Also, petition of stockholders of the Hallock National Farm Loan Association, opposing the passage of House bills 13125 and 13196 relating to loan associations; to the Committee on Banking and Currency.

7026. By Mr. YOUNG: Petition of 62 residents of Ashley, N. Dak., urging the passage of joint resolution now pending in Congress proposing to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, January 25, 1923.

(Legislative day of Tuesday, January 23, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the secretary of the Joint Board, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the ownership and upkeep of passenger automobiles by the board, which was ordered to lie on the table.

He also laid before the Senate a communication from the president of the Board of Commissioners of the District of Columbia, transmitting, in response to Senate Resolution 399, agreed to January 6, 1923, a report relative to the number and cost of maintenance of motor vehicles in use by the government of the District of Columbia, which was ordered to lie on the table.

SENATOR FROM WYOMING.

Mr. WARREN presented the credentials of JOHN B. KENDRICK, chosen a Senator from the State of Wyoming for the term beginning March 4, 1923, which were read and ordered to be placed on file, as follows:

CERTIFICATE OF ELECTION.

THE STATE OF WYOMING,
Executive Department.

Whereas according to the official returns of a general election held in the State of Wyoming on the 7th day of November, A. D. 1922, regularly transmitted to the office of the secretary of state and duly canvassed by the State board of canvassers, it appears that JOHN B. KENDRICK was lawfully elected United States Senator of the State of Wyoming.

Therefore, I, Robert D. Carey, Governor of the State of Wyoming, do hereby certify that JOHN B. KENDRICK is duly elected United States Senator of the State of Wyoming for the term of six years from the 4th day of March, A. D. 1923.

In witness whereof I have hereunto set my hand and caused the great seal of the State to be hereunto affixed. Given at Cheyenne, the capital, this 20th day of December, A. D. 1922, and of the Independence of the United States the one hundred and forty-seventh.

[SEAL.]

By the governor:

W. E. CHAPLIN, Secretary of State.
By H. M. SYMONS, Deputy.

SENATOR FROM INDIANA.

Mr. WATSON presented the credentials of SAMUEL M. RALSTON, chosen a Senator from the State of Indiana for the term beginning March 4, 1923, which were read and ordered to be placed on file, as follows:

THE STATE OF INDIANA,
Executive Department.

To all whom these presents shall come, greeting:

Whereas it has been certified to me by the proper authority that SAMUEL M. RALSTON has been elected to the office of United States Senator for the State of Indiana;

Therefore know ye, that in the name and by the authority of the State aforesaid I do hereby commission the said SAMUEL M. RALSTON United States Senator for the State of Indiana for the term of six years from the 4th day of March, 1923, until his successor shall have been elected and qualified.

In witness whereof I have hereunto set my hand and caused to be affixed the seal of the State at the city of Indianapolis this 24th day of November in the year of our Lord one thousand nine hundred and twenty-two, the one hundred and sixth year of the State, and of the independence of the United States the one hundred and forty-seventh year.

[SEAL.]

By the governor:

Ed JACKSON, *Secretary of State.*

PETITIONS AND MEMORIALS.

Mr. ROBINSON presented sundry papers to accompany the bill (S. 4253) for the relief of Guy L. Hartman, which were referred to the Committee on Claims.

He also presented the petition of Elliott Fletcher Chapter, United Daughters of the Confederacy, of Blytheville, Ark., praying that an appropriation be made to carry out the improvement of the Prairie Grove battle grounds as a military park, which was referred to the Committee on Military Affairs.

He also presented the petition of Samuel V. Wolfe and sundry other citizens, of Manchester, Tenn., praying for adoption of the Robinson amendment to the so-called ship subsidy bill relative to the safety of crews and passengers on seagoing vessels, which was referred to the Committee on Commerce.

He also presented a petition of sundry citizens of the fourth district of Arkansas praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

Mr. McNARY presented the following memorial of the Senate of the Legislature of Oregon, which was referred to the Committee on Interstate Commerce:

State memorial No. 1.

To the honorable members of the Interstate Commerce Commission:

Your memorialists, the Senate of the State of Oregon, hereby represent that—

Whereas the ownership and operation of the Central Pacific Railroad is now being adjusted by the Interstate Commerce Commission in a proceeding pending before that body; and

Whereas the State of Oregon is interested in bringing to Oregon greater railroad development, shorter and more direct routes of traffic; and

Whereas it is essential to the growth and development of our State that the Natron cut-off be constructed, as well as an east and west line from Crane, Oreg., to a point west of the Cascades, and that the railroad lines in Oregon be operated under such a grouping as is authorized by law and will make for the fullest development of our State;

Now, therefore, your memorialists pray that in the final grouping, adjustment, and disposal of the lines and properties of the Central Pacific Railroad that your body will have in mind the interests and rights of the State of Oregon, its needs for further railroad development, and that any final order or decree of your body be made only after a full inquiry into all the facts touching upon the needs of railroad development in this State, its resources and possibilities, and the rights of our citizens for further immediate railroad development and adequate railway service.

Adopted by the senate January 18, 1923.

JAY UPTON, *President of the Senate.*

Mr. LADD presented petitions of 62 citizens of Mercer and of 64 citizens of Jamestown, Valley City, and Oakes, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of York, N. Dak., praying for the passage of legislation stabilizing the prices of farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Wildrose National Farm Loan Association, of Wildrose, N. Dak., protesting against the passage of the so-called Strong and Norbeck bills, amending certain sections of the Federal farm loan act, which was referred to the Committee on Banking and Currency.

Mr. NORRIS. I present a petition, numerous signed by citizens of Nebraska. I ask that the body of the petition be printed in the RECORD, and that the petition with the signatures be referred to the Committee on Interstate Commerce.

There being no objection, the petition was referred to the Committee on Interstate Commerce and the body of the petition was ordered to be printed in the RECORD, as follows:

Petition.

To the Congress of the United States of America:

We, the undersigned, being legal voters of the fifth congressional district of the State of Nebraska, do most humbly petition your most honorable body that the Federal Government take over the railroads and coal mines by having them appraised by disinterested persons and allowing the owners the appraisement value as compensation for the railroads and mines; also that the Federal Government own, operate, and control them and their products.

REPORTS OF COMMITTEES.

Mr. SMOOT, from the Committee on Finance, to which was referred the bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922, reported it without amendment.

Mr. NEW, from the Committee on Foreign Relations, submitted a report (No. 1060) to accompany the bill (S. 3701) for the relief of Blattmann & Co., heretofore reported by him.

LEGISLATIVE APPROPRIATIONS.

Mr. WARREN. I report back favorably with amendments from the Committee on Appropriations the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, and I submit a report (No. 1059) thereon. I wish to state that I expect to call up the bill some time to-day. The bill as reported recommends the addition of only a few thousand dollars to the appropriations made by the House.

The VICE PRESIDENT. The bill will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROOKHART:

A bill (S. 4407) to authorize the President to operate coal mines in an emergency; to the Committee on Education and Labor.

By Mr. WARREN:

A bill (S. 4408) granting a pension to Elizabeth A. McGinley (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 4409) for the relief of Horace G. Wilson; to the Committee on Claims.

By Mr. LODGE:

A bill (S. 4410) granting a pension to Elizabeth M. Sage; to the Committee on Pensions.

By Mr. KELLOGG:

A bill (S. 4411) granting the consent of Congress to the cities of Minneapolis and St. Paul, Minn., or either of them, to construct a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota; to the Committee on Commerce.

By Mr. HALE:

A bill (S. 4412) granting a pension to Nellie E. Wilson; to the Committee on Pensions.

By Mr. BALL:

A bill (S. 4413) to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes; and

A bill (S. 4414) to amend the act of Congress approved September 6, 1922, relating to the discontinuance of the use as dwellings of buildings situated in the alleys in the District of Columbia; to the Committee on the District of Columbia.

By Mr. NEW:

A bill (S. 4415) granting an increase of pension to Frances F. Godown (with accompanying papers); to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 4416) for the relief of Warren C. Hodgkins; to the Committee on the Judiciary.

By Mr. CALDER:

A bill (S. 4417) to grant relief and authorize the assessment of duties on merchandise actually imported into the United States prior to September 22, 1922, where owing to unforeseen delays in transportation the merchandise did not reach its ultimate destination until on or after September 22, when the new tariff became operative; to the Committee on Finance.

By Mr. WILLIS:

A bill (S. 4418) granting a pension to William Gossett (with accompanying papers); to the Committee on Pensions.

PAY OF ASSISTANTS TO NAVAL BUREAU CHIEFS.

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, which was referred to the Committee on Naval Affairs and ordered to be printed.

PROMOTION OF CERTAIN MARINE OFFICERS.

Mr. STANFIELD submitted an amendment intended to be proposed by him to the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, which was referred to the Committee on Naval Affairs and ordered to be printed.

WILBUR A. RICHARDSON—WITHDRAWAL OF PAPERS.

On motion of Mr. STERLING, it was—

Ordered, That leave be, and is hereby, granted to withdraw from the files of the Senate the papers filed with the bill (S. 2954) for the relief of Wilbur A. Richardson, no adverse report having been made thereon.

TRAFFIC CONDITIONS IN WASHINGTON CITY.

Mr. ROBINSON. Mr. President, I ask leave to submit a resolution and have it referred to the Committee on the District of Columbia. I take the liberty of saying that the resolution relates to the subject matter which was discussed in the Senate by the Senator from Massachusetts [Mr. LODGE] and a number of other Senators a day or two ago. It points to a reform of traffic conditions in the city of Washington. I ask that the Committee on the District of Columbia may give it immediate consideration.

The resolution (S. Res. 419) was referred to the Committee on the District of Columbia, as follows:

Resolved, That the Committee on the District of Columbia, or any subcommittee thereof, be, and it is hereby, authorized and directed to investigate traffic conditions in the city of Washington, particularly with reference to accidents and damages to persons and property, and the most reliable and practicable means and measures for protecting the public from danger and injury arising from negligence and other causes of accident and injury in traffic. Said committee or subcommittee shall report its findings and recommendations to the Senate within 30 days.

ASSISTANT CLERK TO COMMITTEE ON NAVAL AFFAIRS.

Mr. HALE submitted the following resolution (S. Res. 420), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Naval Affairs be, and it is hereby, authorized to employ an assistant clerk during the Sixty-eighth Congress at the rate of \$1,600 per annum, to be paid out of the contingent fund of the Senate.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 25, 1923, the President approved and signed the joint resolution (S. J. Res. 43) to grant authority to continue the use of the temporary buildings of the American Red Cross headquarters in the city of Washington, D. C.

DISTRICT OF COLUMBIA APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13600) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, the pending question being on the amendment proposed by Mr. MCKELLAR, on page 10, after line 22, to insert the following proviso:

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street railway companies in the District of Columbia at rates not in excess of the rates of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress, and on and after February 1, 1923, said companies shall receive a rate of fare not exceeding 5 cents per passenger, and six tickets shall be sold for 25 cents.

Mr. MCKELLAR. Mr. President, when we took a recess on yesterday afternoon the question before the Senate was a point of order raised by the Senator from Colorado [Mr. PHIPPS] against the amendment which I offered. Am I to understand that the Senator insists upon the point of order or is he willing to let the Senate vote on the amendment offered by me? It is clearly a limitation, and will the Senator withdraw the point of order and let the Senate vote on the amendment?

Mr. PHIPPS. I regret that I can not accede to the Senator's suggestion. On the other hand, I had hoped that the Senator would, after having considered the question further, see that his amendment is clearly inadmissible and withdraw it. I think it would be better procedure if he were to do that.

Mr. MCKELLAR. Quite the contrary, I have come to the conclusion that it is unquestionably a limitation upon an appropriation and so clearly in order that I thought the Senator from Colorado would withdraw his point of order, because I am quite sure the Chair will not sustain the point of order against an amendment so clearly a limitation upon an appropriation.

Mr. PHIPPS. I have made the point of order.

Mr. HARRISON. Does the Senator desire to argue the point of order?

Mr. PHIPPS. I at least desire to make a statement as to what I base it on. The amendment is not merely a limitation but it is clearly new legislation on an appropriation bill and general legislation.

Mr. HARRISON. Mr. President—

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Mississippi?

Mr. MCKELLAR. I yield to the Senator.

Mr. HARRISON. The proviso is clearly in order if the rules of the Senate and the decisions of Presiding Officers are to be followed. It so happens in this particular case that the very point has been decided, and it was decided quite recently,

on a proposition advanced exactly as this is now proposed. The amendment was in exactly the same language against which the point of order was made and ruled upon. I take it the only thing necessary is to recall to the Presiding Officer that ruling, because it settles the proposition, it seems to me, unless we are going to have one decision one way one day and change it the next day.

On March 7, 1922, and I refer to page 3486 of the CONGRESSIONAL RECORD of that date, when the District of Columbia appropriation bill was being considered, I offered an amendment to an item carrying an appropriation for the various employees. The amendment was in the exact wording of the proposed amendment now offered. To the amendment which I then offered the Senator from Colorado [Mr. PHIPPS], who now makes the point of order, made a point of order. He said at that time in support of his point of order exactly what he has stated this morning in support of his present point of order. The colloquy which took place is not long, but it is so apropos that I wish to read it:

Mr. PHIPPS. Mr. President, I regret that I can not see my way clear to accept the amendment. I think it is clearly subject to a point of order, and it is my duty to make the point of order.

The PRESIDING OFFICER. What is the point of order?

Mr. PHIPPS. The point of order is that it is legislation on an appropriation bill.

Mr. HARRISON. Of course, Mr. President, it is purely a limitation upon the appropriations, and it does not change existing law.

The pending amendment is merely carrying out, I may say, a provision of the original charter which gave to these concerns the right to charge a 5-cent fare.

The PRESIDING OFFICER. The amendment proposed by the Senator from Mississippi is in the following language:

"Provided, That this appropriation shall not become available until the Public Utilities Commission shall have issued and made effective an order requiring the street railway companies operating in the District of Columbia to give transportation—"

And so forth.

Under the form in which the amendment is presented, the Chair—

Then the Senator from Washington [Mr. JONES] interrupted and said:

Mr. JONES of Washington. Will the Chair permit me to suggest that we have no rule in the Senate similar to that in the House permitting limitations upon appropriations? The House has an express rule, according to my recollection, making in order a limitation upon an appropriation, but the Senate has no such rule as that, and it seems to me this really is legislation on an appropriation bill.

I want to say that personally I am in favor of the proposition. I have been urging for quite a good while a reduction in the passenger rates on street cars in the District. I have thought that these companies have been charging exorbitant rates; but I would not like to see the principle established in the Senate that by a limitation on an appropriation we can nullify existing law, and that is what it would amount to. We nullify it for a year, we nullify it for two years, we nullify it for three years. I think it is very unfortunate that there is a rule of that kind in any legislative body.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of Washington. I yield.

I need pay no tribute to the ability of the Senator from Wisconsin [Mr. LENROOT] as a parliamentarian in this body—

Mr. LENROOT. I think the Senator is mistaken. There is no such rule in the House. The limitation rule applies upon general principles, that a limitation does not change existing law, that a limitation upon an appropriation is not either new or general legislation.

Mr. JONES of Washington. My recollection was that there was an express rule. I may be mistaken in that respect. I know it is the uniform practice.

Mr. LENROOT. Of course, there is the Holman law, so called, but that has no application.

The PRESIDING OFFICER. The Chair thinks it is competent for the Senate to limit the use of any appropriation that it authorizes—

Mr. WADSWORTH. Mr. President—

The PRESIDING OFFICER. The Chair will hear the Senator from New York.

Mr. WADSWORTH. I did not mean to interrupt the occupant of the chair. I wanted to ask a question before the Chair rules finally.

The PRESIDING OFFICER. The Chair will hear the Senator from New York.

The Senator from New York [Mr. WADSWORTH] then proceeded to discuss the amendment and the point of order. I may state in this connection that the Presiding Officer at that time was the Senator from Arkansas [Mr. ROBINSON], than whom there is no better parliamentarian in this body—

The PRESIDING OFFICER (Mr. ROBINSON). It is true that any limitation may have the practical effect of accomplishing legislation in advance. Under the rules of the Senate the present occupant of the chair thinks that it is competent for the Senate, in providing an appropriation, to limit its use, and that that limitation is accomplished by the specification of a condition under which the appropriation may be used just as well as otherwise.

Under the form in which the amendment is presented the Chair thinks that it is not general legislation in the sense of Rule XVI of the Senate and that it is not obnoxious to the rule, and therefore the Chair overrules the point of order. The question is on the amendment offered by the Senator from Mississippi.

Then the vote was taken upon the proposition and it was defeated.

There is a case absolutely in point. If the Senate is going to adopt the rule and practice of not abiding by a decision ren-

dered by a competent parliamentarian presiding over the Senate one day simply because some one else may be presiding the next day and a point of order may then be made by some other Senator, well and good; but I submit that clearly the practice should not be followed and that, in view of the decision to which I have called the attention of the Chair, the pending point of order should be overruled.

Mr. LODGE. Mr. President, I think as a general rule, of course, it is very desirable that decisions which serve as precedents should be sustained, but instances of overruling decisions in the Senate and, indeed, in other parliamentary bodies are sufficiently common. It seems to me that the defect in the pending amendment which makes it out of order is the fact that it does not limit an appropriation. I do not recall whether there is a rule in the House—I did not remember that there was—but I know it has been decided in the House that in making an appropriation, for example, for the building of a vessel under a naval appropriation bill it has been held that a limitation on the method of expending that appropriation was in order.

In this case the proposed amendment is not a limitation on the appropriation at all, but imposes a condition upon it, involving, as it seems to me, new legislation. It does not propose to direct how the sums appropriated for the Public Utilities Commission shall be expended, which I understand is the subject to which it is directed, but it provides that none of the money proposed to be appropriated shall be expended unless the Public Utilities Commission shall perform certain acts. That appears to me to be not strictly a limitation on the appropriation, but general legislation.

Mr. JONES of Washington. Mr. President, I should like to read from the Manual of Rules and Practice of the House of Representatives. My recollection of the proposed amendment is that it goes further than a mere limitation on the appropriation and endeavors to limit the discretion of executive officers as to some other proposition. Here is what I find in the House Manual of Rules and Practice:

Although the rule forbids on any general appropriation bill a provision "changing existing law," which is construed to mean legislation generally, the House's practice has established the principle that certain "limitations" may be admitted. It being established that the House under its rules may decline to appropriate for a purpose authorized by law, so it may by limitation prohibit the use of the money for part of the purpose while appropriating for the remainder of it (IV, 3936). The language of the limitation provides that no part of the appropriation under consideration shall be used for a certain designated purpose (IV, 3917-3926). And this designated purpose may reach the question of qualifications, for while it is not in order to legislate as to the qualifications of the recipients of an appropriation, the House may specify that no part of the appropriation shall go to recipients lacking certain qualifications (IV, 3942-3952).

But here is what I wish to call particularly to the attention of the Chair:

The limitation must apply solely to the money of the appropriation under consideration and may not be made applicable to money appropriated in other acts (IV, 3927, 3928). (Chairman CAMPBELL, June 12, 1919, p. 1063.) The limitation may not be applied directly to the official functions of executive officers (IV, 3957-3966), but it may restrict executive discretion so far as this may be done by a simple negative on the use of the appropriation (IV, 3968-3972; also rulings by Chairman FOSTER on the Indian appropriation bill, February 5, 1916, 1st sess. 64th Cong., p. 2161, and Chairman RAINEY on the Post Office appropriation bill, February 24, 1916, 1st sess. 64th Cong., p. 3094).

But such limitations must not give affirmative directions (IV, 3854-3859, 3975), and must not impose new duties upon an executive officer (Chairman CRISP, March 11, 1916, 1st sess. 64th Cong., p. 3970); and must not be coupled with legislation not directly instrumental in affecting a reduction. (Chairman SAUNDERS, February 18, 1918, p. 2280.)

It seems to me that when we attempt to limit the discretion of executive officers in this instance, providing that the money proposed to be appropriated shall not be used unless they take certain action with reference to street-car rates, and so on, it does not come even within the rule established by the practice of the other House.

Mr. LODGE. The Senator from Washington is quite right. This provision is in reference to a subject which is not involved in the appropriation at all.

Mr. JONES of Washington. We have a different rule. Our rule not only prohibits legislation of a general character upon appropriation bills but it prohibits new legislation. It seems to me that if the proposed legislation shall amount to anything, it is new legislation upon an appropriation bill. It may not be permanent; indeed, it is not permanent, as it only applies, of course, to the next fiscal year; but, if it is to be effective at all, it seems to me it would be legislation; and, if legislation, it is new legislation, and comes within the specific terms of our rule, which is different from the previous rule.

The VICE PRESIDENT. The Chair is inclined to follow the precedents which the Senate set no longer ago than last

March, upon which there was no appeal, and which evidently stands as the rule of the Senate. The Chair would, therefore, rule that the amendment is in order.

Mr. McKELLAR. Mr. President, I will now call attention to the reason why this amendment should be adopted. I shall first consider the Capital Traction Co., if Senators will listen to me for just a moment. That company is capitalized at \$12,000,000. I wish to refer to a statement which was published in the Washington Star of January 11, instant, from which it appears that the Capital Traction Co. paid a dividend on its capital stock of 7 per cent. It charged up to profit and loss \$1,354,567.24. According to this statement, its net earnings were in the neighborhood of 13 per cent. I wonder how the Public Utilities Commission could ever think that these earnings were confiscatory of the company's property. The commission claim that they have fixed the valuation of the company's property at \$18,000,000. Assuming that that was done, the dividend declared would be more than 8 per cent upon the entire amount of the entire value of the company's property.

I wish to say—and that is why I asked the Senator from Colorado [Mr. PHIPPS] to withdraw his point of order—that in the pending bill we are proposing to appropriate large sums of money, amounting to thousands of dollars, for free automobiles and their upkeep. We are granting free automobile transportation to those who are amply able to pay for their own transportation, and yet we permit the Public Utilities Commission to put a tax of \$1.50 upon every man or woman in the District of Columbia who has to go to and from his or her work on street cars. A tax of \$1.50 a month is placed upon each citizen who is unable to buy an automobile or who has not sufficient "pull" with the Government to have one allotted to him or her.

I wish to say to the Senate that there is no reason under heaven that I can see for Congress permitting this company longer to violate the contract which it made with the Government. It made a contract in good faith; it is demanding of the Government full compliance with the Government's part of the contract under its charter, and yet it is violating the agreement which it made with the Government to give 5-cent fares to the citizens of the District. Its action is indefensible; it can not be defended by anyone, and I doubt whether anyone will rise here to defend 8-cent fares in the light of the undisputed fact, namely, that this company is paying a 7 per cent dividend upon its capital stock and has carried to surplus almost as much more.

It is inconceivable to me that we would be willing to legislate in such a way as to permit that condition to continue.

Now, with reference to the other company, as we all know that company has kited its stock about, it has consolidated various companies. It has a capital of \$15,000,000, consisting of \$8,500,000 of preferred stock and \$6,500,000 of common stock. The company claims to have \$30,000,000 of assets. It declared a 5 per cent dividend upon the preferred stock only, but it put to profit-and-loss account \$414,818.31, or enough to have paid a 6 per cent dividend on its common stock, all of which, I am informed, is water, and now it claims to be entitled to earn, although having but \$8,500,000 of preferred stock and only \$6,500,000 of common stock, a 6 per cent return on \$30,000,000, which it sets up as a fair valuation of its property.

Is the Congress going to be a party to permitting this company to earn such dividends upon watered stock? I am reliably informed that every dollar of the \$6,500,000 of common stock is watered; that not a dollar was ever paid for it; and I understand that for a while it sold around Washington for a few cents on the dollar. In other words, it is stock used for control, as we understand that description; anyway, it is purely watered stock, and yet the Congress is asked to tax all the citizens of Washington who use the lines of the company at the rate of \$1.50 a month extra in order to make up dividends which are greater than other similar companies earn on actual money invested. Under these circumstances it seems to me that Congress should adopt the amendment.

Now, Mr. President, I wish to call attention to an article that appeared in the Washington Post of this morning entitled "Law bars 5-cent fare, critics in Senate told." I quote from the article as follows:

While the congressional charters of Washington street car companies provide a 5-cent fare, or six tickets for 25 cents, Congress by its own action in creating the District Public Utilities Commission gave that body rate-fixing powers, directing it to fix public-utility rates at a point that will yield a fair return on property value.

I digress here long enough to say that it was argued when the bill creating the Public Utilities Commission was under discussion that it would mean cheaper fares for the people of

Washington. They were not satisfied with a fare of six tickets for a quarter, but they wanted cheaper fares, and it was argued by those who favored the bill at that time that it would mean cheaper fares for the citizens of Washington.

What has been the result? A commission has been created which is virtually a part of the street car companies. The commission do not represent the people of Washington but they represent the street car companies, and have used their place for the purpose of boosting street car fares up to the present enormous proportions of 8 cents for cash fares or 6 tokens for 40 cents.

I continue to quote from the article:

This was the answer given yesterday by the District Commissioners to the charge of Senators McKELLAR and CARAWAY that the District Utilities Commission had decreed rates exceeding those fixed for street car fares in the charters granted by Congress to the companies.

Here is what they say to us now, "You passed a law giving us this power, and we have used the power for the benefit of the street car companies. What are you going to do about it?" They defy us; they say to us, "It is true that there is a contract between the Government and the street car companies fixing fares of 5 cents, or six tickets for a quarter, but the Congress itself gave us the power to increase fares, which we have exercised, and that is a bar to any interference with us at this time." They virtually tell us we have not the power to interfere with their actions in exploiting the people for the benefit of the street car companies.

I quote further from the statement of the commissioners:

Coupled with this statement was the declaration that the commissioners would willingly resign and leave to others the task of acting as the Public Utilities Commission of the District.

That is the best thing that I have heard in some time. Of course they ought to resign; these men have no business in that place; they owe it to themselves to resign; they owe it to the public to resign; they are being used, whether they know it or not, as tools of the street car companies. In making this statement I am saying it in an impersonal manner, for I do not know a single member of the Board of Commissioners personally and I do not even know the name of any member of the board, but I know what their acts have been, and I am judging them by their acts. Their acts have been to raise the street car fares inordinately in this city, and they ought to resign. I think they know that they ought to resign. Nobody had said anything about their resigning before, and yet when this matter is brought to the attention of the public the first thing they say is that they are willing to resign. Why, of course they should resign. Their resignations ought to be handed in at once, and the Congress, in order to make it absolutely certain, ought to abolish the commission.

Mr. DIAL. Mr. President—

Mr. McKELLAR. I yield to the Senator from South Carolina.

Mr. DIAL. I should like to ask the Senator, for information, when was the contract changed and how long was it in existence?

Mr. McKELLAR. This contract has been in existence in the case of one of the companies since 1900, and in the case of the other since about that time. I do not remember just exactly the date. It remained that way until 1913, when the Public Utilities Commission were given certain powers. They never exercised the power of changing rates at first, and then it was thought and then it was argued that they would lower the rates of fare, not increase them; but when the war came on they used this power during the war to increase the fares, and they are still increased. In the case of anyone going to his or her work every day, there is an additional charge which amounts to \$1.50 a month. It is a tax upon the plain people of this community that ought not to be longer tolerated.

Mr. DIAL. The Senator means \$1.50 over the original fare?

Mr. McKELLAR. One dollar and a half over the contract fare.

The commissioners added they would welcome any means whereby rates could be cut and a fair return still be assured.

What do they call a fair return? Is not 13 per cent a fair return on stock much of which is water? If they do not call that a fair return, I think the commission ought to be abolished for another reason which I will not express.

Mr. President, I am not going to take up further time about this matter. Every Senator understands it, I am sure. I certainly hope the Senate will adopt this amendment. It ought to be adopted in the interest of fairness, in the interest of justice, in the interest of fair play between the citizens of Washington. We ought not to permit these corporations to prey upon the people as the Public Utilities Commission now permits them to prey upon the people of Washington. It is entirely unjust. It is unconscionable. I am told that the

president of one of these companies draws \$18,000 a year salary. Some say it has recently been raised to \$30,000. If we are going to legislate just for the benefit of the rich and powerful, let us go ahead and let the Utilities Commission and the street car companies continue to prey upon the people; but it does seem to me that we might think occasionally of those who have to work daily for their bread and to whom \$1.50 a month amounts to a good deal in this life.

Mr. President, my amendment, which I hope will be adopted, is as follows:

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street railway companies in the District of Columbia at rates not in excess of the rates of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress.

Mr. McKELLAR subsequently said: Mr. President, I ask unanimous consent to have inserted in the RECORD, as a part of my remarks, the reports of the two traction companies of the District of Columbia as published in the newspapers, to which reports I referred this morning.

The VICE PRESIDENT. Without objection, it is so ordered.

The reports referred to are as follows:

[Report of the condition of the traction company as published in the Washington Star January 11, 1923.]

CAPITAL TRACTION ELECTS OFFICERS—ANNUAL REPORT SHOWS PROFIT AND LOSS BALANCE OF \$264,981.39 OVER 1921.

The Capital Traction Co. at its annual stockholders' meeting to-day reelected its old board of directors to serve for the ensuing year. It is composed of George E. Hamilton, E. J. Stellwagen, John S. Larcombe, David S. Carl, Benjamin W. Guy, John M. Perry, and John H. Hanna. Organization followed immediately and the company's old officers were reelected and include George E. Hamilton, president; David S. Carl, vice president; John H. Hanna, vice president; Henry D. Crampton, secretary-treasurer; J. E. Heberle, assistant secretary; and C. B. Koontz, assistant treasurer.

A summary of operations for the year ending December 31, 1922, was read with the company's annual report, and showed a dropping off in total revenue from transportation of \$506,673.28 over the same period in 1921, there being a decrease in passenger revenue of \$506,583.28 and a loss in special-car service of \$90.

OPERATING REVENUE DROPS.

There was also a decrease in revenue from operation other than transportation of \$483.08 as compared with 1921, which, with revenue for same during 1922, made the total railway operating revenue \$4,994,043.99, or a total decrease over 1921 of \$507,156.36.

The company's operating expenses (62.979 per cent of gross revenue), which totaled \$3,167,211.14, also showed a decrease over 1921 of \$53,529.75, leaving net operating revenue of \$1,826,832.85, or a total decrease for same over 1921 of \$453,626.61.

Deduction of taxes assignable to railway operation of \$436,093.45, which was a decrease of \$137,426.19, showed the company's operating income to be \$1,390,739.45, or a decrease over 1921 of \$316,200.42.

The nonoperating income of the company for 1922 was \$34,906.34, which was an increase over 1921 of \$16,494.84, which left a gross income for 1922 of \$1,425,645.79, or a decrease over 1921 of \$299,705.58.

The company's net income for 1922 after total deductions from gross income had been made amounted to \$1,104,991.39, or a decrease over 1921 of \$308,711.89, the total deductions of \$320,654.40 being an increase over the same period in 1921 of \$7,003.31.

The company's profit and loss balance at the end of the year just closed was \$1,354,567.24, or an increase over 1921 of \$261,981.39.

SUMMARY OF OPERATIONS.

Following is the summary of operations in full for the year ending December 31, 1922:

	Deductions from gross incomes.	Amount of earnings, 1922.	Change over 1921.
Passenger revenue.....		\$4,966,341.12	¹ \$506,583.28
Special car revenue.....		20.00	¹ 90.00
Total revenue from transportation.....		4,966,361.12	¹ 506,673.28
Revenue from operation other than transportation.....		27,682.87	¹ 483.08
Railway operating revenue.....		4,994,043.99	¹ 507,156.36
Operating expenses (62.979 per cent of gross revenue).....		3,167,211.14	¹ 53,529.75
Net operating revenue.....		1,826,832.85	¹ 453,626.61
Taxes assignable to railway operation.....		436,093.40	¹ 137,426.19
Operating income.....		1,390,739.45	¹ 316,200.42
Nonoperating income.....		34,906.34	¹ 16,494.84
Gross income.....		1,425,645.79	¹ 299,705.58
Interest on funded debt.....	\$280,300.00		
Interest on unfunded debt.....	22,431.10		
Miscellaneous rents.....	1,304.78		
Rent for leased roads.....	12,604.86		
Miscellaneous debits.....	4,008.66		
Total deductions.....		320,654.40	¹ 7,003.31
Net income.....		1,104,991.39	¹ 308,711.89

¹Denotes decrease.

PROFIT AND LOSS STATEMENT.

	Deductions from gross incomes.	Amount of earnings, 1922.	Change over 1921.
Credits:			
Balance beginning of year.....	\$1,089,585.85		
Net income for year.....	1,104,991.39	\$2,194,577.24	
Debits:			
Dividends.....	\$40,000.00		
Miscellaneous.....	10.00	\$40,010.00	
Credit balance at close of year.....		1,354,567.24	\$264,981.39

[Statement as to the earnings of the Washington Railway & Electric Co. as published in the Washington Star on January 20, 1923.]

W. R. E. ORDERS 20 PAY-WITHIN CARS.

Thirty new cars of the most modern pay-within type have been ordered by the Washington Railway & Electric Co. for delivery early this year. William F. Ham, president, told the directors and stockholders in his annual report to-day. The company a few weeks ago ordered 10 more one-man cars, making a total of 40 that will be added to the company's rolling stock during 1923.

The president's report on the finances of the company shows a balance of \$414,818.31 credited to profit and loss from 1922 operations. Here is a summary of the financial statement:

Gross earnings from operation, \$5,022,966.84; miscellaneous income, including dividends from the Potomac Electric Power Co., \$690,226.39. These two figures added give gross income of \$5,713,193.23.

\$4,100,059 OPERATING COSTS.

Operating expenses, including depreciation, taxes, and miscellaneous charges, \$4,100,059.80; interest on funded and unfunded debt, \$764,315.12; payment of 5 per cent dividend on preferred stock, \$425,000, making a total of \$5,298,374.92. The difference between these two totals gives the profit and loss balance of \$414,818.31.

Mr. Ham says the company expects to have a total of 70 one-man cars in operation this year and that they will result in annual saving of \$150,000 in operating expenses. He states that this, "in the final analysis, redounds to the benefit of the car rider, as reflected in the rate of fare."

The Potomac Electric Power Co., owned by the Washington Railway & Electric Co., continued to grow during 1922, taking on 8,889 new customers, making a total of 63,775. In 1901 the power company had only 2,953 users of electricity.

The output of the Benning power plant for the year was 251,979,077 kilowatt hours, an increase of 13,955,394 over the preceding 12 months. The Washington Railway & Electric Co. carried a total of 107,009,948 passengers during the year, of whom 24,893,192 were carried on transfers. This left 82,716,756 revenue passengers last year, as compared with 85,481,656 in 1921.

This was a falling off of 3.22 per cent compared with the preceding year. Mr. Ham says that while this was a serious falling off, it was to be expected as a result of the gradual reduction in the number of Government employees in Washington.

Discussing its venture into the motor-bus business during 1922 the president said:

"While we believe that busses can not in any way supplant service by street cars, there is, in our opinion, a considerable field of usefulness for the bus in conjunction with a street-car system." Mr. Ham told the directors that fully 55 per cent of all street-car accidents are collisions with automobiles, while less than 4 per cent of the year's accidents involved pedestrians. The company continued its safety contest to make its trainmen more efficient in keeping down accidents.

It was expected to-day that only one new man—Edwin Gruhl, of New York—would be elected to the board of directors for the ensuing year. He would succeed Harold B. Thorne, who is retiring from the board.

It also was expected that the present staff of officers would be reelected.

Mr. WADSWORTH. Mr. President, I have had no opportunity to learn anything of the merits or the demerits of the amendment offered by the Senator from Tennessee [Mr. McKELLAR]; so, therefore, I shall not indulge in any comment whatsoever about it. I know nothing about the rights or wrongs of the situation which he has described, except as I have heard him mention them this morning; but, Mr. President, if I may say so, I am very much disturbed at the situation which will result in the Senate in the future in connection with appropriation bills if amendments of this sort are deemed to be in order.

On a former occasion an amendment similar to this was offered by the Senator from Mississippi [Mr. HARRISON], and the then occupant of the Chair, the Senator from Arkansas [Mr. ROBINSON], held that it was in order on the ground that it was a limitation upon an appropriation. The Vice President this morning has held this amendment in order, following, as I understood him to say, the precedent set by the former ruling, from which no appeal had been taken.

Mr. President, in my judgment the matter far transcends in importance this amendment. The admission of an amendment of this kind will establish a policy and a custom and a set rule of the Senate which, in my humble judgment, will permit legislation upon appropriation bills without any limit whatsoever, for by merely resorting to the device of saying "The appropriation in this section shall not become available until a certain set of public officers do or perform a certain administrative

act," and asserting that that is a limitation upon appropriations, with which I can not agree, there is no limit to the amount of legislation which can be put upon an appropriation bill.

With the greatest respect, Mr. President, I contend that this amendment does not limit the appropriation. It places no restrictions or limitations upon the use of the money. It simply says that the money shall not be used at all until an act is performed in accordance with the will of Congress; and when Congress imposes its will or seeks to impose its will upon administrative officers in directing them to do a certain thing it is legislating. This is legislation. We are in effect directing the Public Utilities Commissioners to regulate the street-car fares of the District of Columbia. We are not directing them to use this money in a certain way. We are not restricting them in the use of the money in any way whatsoever. We are simply saying to them, "You shall not have this money unless you follow out our legislative mandate." That is legislation, Mr. President.

If amendments of this kind are in order on all kinds of appropriation bills, we will find ourselves constantly confronted with situations like this, in which an amendment may be offered, we will say, to the naval appropriation bill to the effect that the moneys sought to be appropriated for the office of the Secretary of the Navy shall not be available until the Secretary of the Navy retires naval officers at a higher pay, or a lower pay, or at no pay at all; and it will be contended, if this thing stands to-day, that that is a limitation upon the appropriation for the Navy Department. My contention is that that, just as this, is not a limitation upon the use of the appropriations but is legislation, pure and simple. It will be in order hereafter, when the Army appropriation bill is before the Senate, for an amendment to be offered and to be considered and voted on to the effect that none of the money appropriated for the Quartermaster Corps shall become available until the quartermaster doubles or halves the amount of rations supplied to troops. It is exactly the same principle that is involved in this amendment. There will be no limit to the legislation that can be put through and attached to appropriation bills; and it is with the greatest respect, Mr. President, that I call up this matter at this time.

The VICE PRESIDENT. The Chair supposes the Senator is familiar with the fact that exactly this principle has been applied to the naval bill, and it was ruled in order.

Mr. SMOOT. Mr. President, there was no appeal at that time; and that is the danger of a decision of the Chair when the question involved does not seem to amount to anything. I think, as the Senator from New York has well stated, that this is the most dangerous thing that can possibly occur in the passage of appropriation bills for the future, if the point of order is sustained.

Mr. WADSWORTH. Mr. President, I had not concluded. May I call the President's attention to the last sentence of this amendment, which reads as follows:

And, on and after February 1, 1923, said companies shall receive a rate of fare not exceeding 5 cents per passenger, and six tickets shall be sold for 25 cents.

That has nothing to do with limiting an appropriation. That is legislation—nothing but legislation.

Mr. McKELLAR. That is existing law.

Mr. WADSWORTH. If it is existing law, why repeat it in an amendment? But, aside from that, Mr. President, the body of this amendment has no effect whatsoever except in the way of legislating.

I am well aware, as the Vice President has said, that a precedent has already been set. I knew of one occasion, the occasion which I have referred to, and the Vice President has reminded me of another occasion, which I understand occurred in connection with the naval appropriation bill. I believe the precedents are bad and dangerous; for, as I said a moment ago, there can be no limit whatsoever hereafter on the amount of legislation which can be attached to appropriation bills upon the floor of the Senate if a rule of this kind is finally determined to be the rule of the Senate.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. WADSWORTH. I yield.

Mr. LENROOT. The Senator from Tennessee said that the last part of this amendment was existing law. That clearly is not so—

Mr. WADSWORTH. I do not see how it could be.

Mr. LENROOT. Because existing law does not require a 5-cent fare.

Mr. McKELLAR. Oh, yes; it does.

Mr. LENROOT. No; the Senator is mistaken there.

Mr. McKELLAR. There is an act of Congress with reference to it.

Mr. LENROOT. Oh, but discretion is vested in the Utilities Commission to change that rate of fare; and when changed it becomes law, as much as if directly enacted by Congress.

Mr. HARRISON. Mr. President, may I ask the Senator whether he is arguing the merits of the proposition now? I thought a ruling had been made.

Mr. WADSWORTH. Not the merits of the amendment at all; I am arguing the merits of the ruling.

Mr. HARRISON. The Senator has a right to appeal from the ruling of the Chair.

Mr. WADSWORTH. I am going to, if the Senator will give me an opportunity. Mr. President, it is with the greatest respect to you, sir, that I appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the ruling of the Chair stand as the judgment of the Senate?

Mr. WILLIAMS. Mr. President, I think Senators are apt, in the too close contemplation of the niceties of the law, to lose contemplation of the soul of the law itself. It is a very precious memory for me that all the immunities amongst these English-speaking people of the world have been attained by legislating upon appropriation bills, and by saying to kings and to lords: "When we grant you supplies, we grant you them upon condition that you use them as we say, and not otherwise."

I am not arguing from that that our special rules are not to a certain extent in conflict with that old principle; but I want Senators to remember that there never would have been any parliamentary and political and financial liberty amongst English-speaking peoples except from the use of the power of the purse by the legislative bodies of all countries, and therefore, Mr. President—and this is the point, and the only point, I want to make—that any rule of either body interfering with that principle ought to be strictly construed, and wherever there be a doubt in the mind of the Presiding Officer it ought to be decided in favor of the fundamental principle, and not in favor of the extension or too strict exercise of the power granted under the rule itself.

I would not like to see the day come when we could not do about what the Senator from New York referred to a moment ago, in an antagonistic spirit, put a limitation upon the use of money by a board possessing discretionary power. We give this commission the discretionary power. We have, therefore, a right to interfere now and then, to modify, limit, or qualify, and notwithstanding the fact that there may be a technical rule which might, by its very strict enforcement, interfere with that, that rule ought not to be invoked except for the purpose of maintaining some human or natural right.

The great soul of it all, behind it all, is the right of a legislative body, following in the footsteps of the House of Commons, and of all of our colonial assemblies when we were fighting taxation from abroad, to couple every general supply for the Government with a condition, so that the legislative body could control the servants of the country, the members of the executive in subordinate positions. So I would ask, while Senators are calling attention to the danger of too lax enforcement of these rules, that they should remember the danger to human liberty itself from the too strict enforcement of these rules.

As far as I myself am concerned, I never voted for a rule to deprive the legislative branch of the Government of the power to put new legislation on appropriation bills. I confess the rules that there adopted, however, do do that, but I do not believe they were wise when they were adopted, and I do not believe the too strict enforcement of them is ever advisable.

In the House this argument could not be made very well, but I believe it has become a maxim in the Senate that when the Senate votes upon an appeal from a decision of the Chair, it is voting not so much upon strict parliamentary law, as upon its idea of what ought to happen in the particular case presented before them for consideration and determination.

I hope that Senators will not forget the very soul of the Government, and make a petty rule of the Senate at any time superior to a fundamental principle whereby in the past all progress of liberty has been made, and whereon in the future to a larger extent than Senators may think now, the hope of further progress is based.

Mr. McKELLAR. Mr. President, I believe I have the right to perfect my amendment, and I therefore ask permission to strike out all of line 6 after the word "Congress," and all of lines 7, 8, and 9, thereby perfecting the amendment.

Mr. ASHURST. Of course, the Senator has that right.

The VICE PRESIDENT. After having been considered and a decision upon a point of order, the amendment can only be modified by the mover by unanimous consent.

Mr. McKELLAR. I ask unanimous consent that I may perfect my amendment in that way.

The VICE PRESIDENT. Is there objection?

Mr. SMOOT. I would like to have the change in the amendment stated.

Mr. McKELLAR. It is simply to strike out everything after the word "Congress," in line 6.

The VICE PRESIDENT. The secretary will state the modification of the amendment proposed by the Senator from Tennessee.

The ASSISTANT SECRETARY. It is to strike from the proposed amendment the following words: "And on and after February 1, 1923, said companies shall receive a rate of fare not exceeding 5 cents per passenger, and six tickets shall be sold for 25 cents," so as to make the proviso read:

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street railway companies in the District of Columbia at rates not in excess of the rates of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress.

Mr. ASHURST. Mr. President, I first discuss the ruling of the Chair, which, in my judgment, is correct. I do not recall, in my experience here, ever having seen two situations more completely on all fours, as lawyers say, than those presented by the precedent just cited and the recent ruling of the Chair. Indeed, so completely on all fours are they that the Senator who made the point of order when the precedent was set is the same Senator who makes the point of order now.

The able Senator from New York, for whose judgment on parliamentary questions I have respect, complains that no appeal was taken when the precedent was set. Did he expect that we who were in favor of the ruling should have appealed? If no appeal was then taken, the laches, the fault, the defect, and the delay is at the door of those who are now complaining of the ruling.

As to the merits of the amendment; this is the Federal city. We are here to make laws for the people of the United States. Lawmakers, department heads, bureau chiefs, copyists, stenographers, messengers, and others come here to do the work of a nation. They ask no special privilege; but it occurs to me that in the Federal city, whither we are sent to make laws for the people and to administer the departments of Government, we at least ought not to be exploited. In no other city in America are the plain people so exploited as they are here. They are charged exorbitant rates for gas, they are charged exorbitant rates for electric-light current, they are charged exorbitant rates for telephone service and high rates for street-car fares, whilst the long teeth of the rent profiteer puncture the flesh of even the poor clerks who come here to serve this Government.

In addition to that the people here are helpless, powerless, with no vote, no voice, in choosing those who set these rates. It is not fair, it is not decent, for us to sit here and permit such an exploitation of the people's servants as is carried on in this District.

Nay, more; not only are the people's servants exploited here in the matter of gas, electric-light, telephone, and street-car service, and rents, but if they walk the streets they are not safe, because, as was said the other day in this Chamber, no person is safe in the streets of Washington, but is constantly in peril of death or serious injury by a rapidly moving automobile.

I hope the amendment will be agreed to. From the figures submitted by the Senator from Tennessee, he claims that the net annual revenue of the stockholders is 7 per cent on their investment.

Mr. McKELLAR. The Capital Traction Co. paid 7 per cent dividends and have a remaining surplus of \$1,354,567. They could have paid 12 or 13 per cent.

Mr. ASHURST. Moreover, Mr. President, it will be remembered that on many of these street-car lines no transfers are granted. The poor employees of the Government are the ones who must pay high rates. Most Senators have their own automobiles. They do not worry about the \$1.50 a month excess fare which 8 cents per transit means to the clerk. We should require transfers on all lines and should condemn and sell the auto of the reckless driver who runs down persons on the street. There is a psychology about the driver of cars. Many speed-mad persons while driving cars are seized with the idea that pedestrians have no rights. The speed-mad man will risk his family, but he will never risk his car. If when he runs some one down his car were sold at public auction, he will run down no more people, because the ordinary speed-bug maniac would risk the life of his wife before he would risk his car.

I have just been advised that the debate on this bill must stop within five minutes. I feel, therefore, that I ought to yield the floor to some one who might want to make some reply, and if there can be a reply to the remarks I have made I would like to hear it. I yield the floor.

Mr. LENROOT. Mr. President, with reference to the amendment as now modified, I think it might be admitted that technically, according to the precedents, it is a limitation; but the letter killeth and the spirit maketh alive. What is the natural, the conclusive construction of it? The Public Utilities Commission is now vested by law with discretion to do certain things, among them to fix rates, not at their own will, not at their own absolute discretion, but according to rules of law.

The amendment proposes that the salaries of the members of that commission, which are a liability against the Government, which must be paid by the Government, shall not be paid unless the commission does certain things which, if it is conscientious in the performance of duty, it may find it has no power to do at all. It presents a very different question from that raised where general discretion lies in some administrative officer of the Government to use an appropriation for this purpose or that purpose or the other purpose, where a limitation is put in to the effect that the appropriation shall not be used for such and such purpose unless something is done that the officer has discretion, under the law, to do. In this case the commission has no such discretion. It is governed by the law, and this is an expression to the commission to this effect, "You must not observe the rules of law. We will not pay your salaries if you do." In effect it is not only a repeal of existing law but clearly is legislation, attempting to deny to the commission, under the penalty of having the salaries of the members withheld, the right to perform its duties under the law.

The VICE PRESIDENT. Is there objection to modifying the amendment? The Chair hears none.

Mr. ASHURST. Mr. President, I move to lay the appeal from the decision of the Chair on the table.

Mr. SMOOT. Let us have a direct vote on the appeal. Why not vote directly on it now?

Mr. ASHURST. Very well; I withdraw my motion.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. HARRISON and Mr. CARAWAY called for the yeas and nays, and they were ordered.

The reading clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I transfer my general pair with the junior Senator from West Virginia [Mr. ELKINS] to the senior Senator from Missouri [Mr. REED] and vote "yea."

Mr. KELLOGG (when his name was called). I transfer my general pair with the senior Senator from North Carolina [Mr. SIMMONS] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. LODGE (when his name was called). I transfer my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. MCKELLAR (when Mr. OVERMAN's name was called). The junior Senator from North Carolina [Mr. OVERMAN] is detained from the Senate by illness. He is paired with the Senator from Wyoming [Mr. WARREN].

Mr. WARREN (when his name was called). I transfer my pair with the junior Senator from North Carolina [Mr. OVERMAN] to the senior Senator from Maryland [Mr. FRANCE] and vote "nay."

The roll call was concluded.

Mr. ERNST (after having voted in the negative). I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Missouri [Mr. SPENCER] and allow my vote to stand.

Mr. WILLIS (after having voted in the negative). Has the senior Senator from Ohio [Mr. POMERENE] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. WILLIS. I am paired with the senior Senator from Ohio. I transfer that pair to the junior Senator from Maryland [Mr. WELLER] and allow my vote to stand.

Mr. CURTIS. I was requested to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 32, nays 36, as follows:

YEAS—32.

Ashurst	Fletcher	Jones, N. Mex.	Ransdell
Bayard	George	Kendrick	Sheppard
Borah	Gerry	King	Shields
Brookhart	Glass	Ladd	Smith
Capper	Harris	La Follette	Swanson
Caraway	Harrison	McKellar	Trammell
Culberson	Hefflin	Norbeck	Walsh, Mont.
Dial	Johnson	Norris	Williams

NAYS—36.

Ball	Hale	McKinley	Poin Dexter
Calder	Harrel	McLean	Reed, Pa.
Cameron	Jones, Wash.	McNary	Smoot
Colt	Kellogg	Nelson	Stanfield
Curtis	Keyes	New	Sterling
Dillingham	Lenroot	Nicholson	Wadsworth
Ernst	Lodge	Oddie	Warren
Fernald	McCormick	Pepper	Watson
Frelinghuysen	McCumber	Philpps	Willis

NOT VOTING—28.

Brandeggee	France	Page	Spencer
Broussard	Gooding	Pittman	Stanley
Bursum	Hitchcock	Pomerene	Sutherland
Couzens	Moses	Reed, Mo.	Townsend
Cummins	Myers	Robinson	Underwood
Edge	Overman	Shortridge	Walsh, Mass.
Elkins	Owen	Simmons	Weller

The VICE PRESIDENT. The decision of the Chair is overruled, and the Senate holds the amendment of the Senator from Tennessee [Mr. MCKELLAR] not to be in order.

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. HEFLIN. To discuss the bill and comment upon the vote just taken.

The VICE PRESIDENT. All debate ceased at 1 o'clock.

Mr. HEFLIN. That is a new proposition to me.

The VICE PRESIDENT. The Chair will read the unanimous-consent agreement entered into yesterday:

It is agreed, by unanimous consent, that when the Senate concludes its business to-day it will take a recess until 12 o'clock meridian, calendar day of Thursday, January 25, 1923, and that at not later than 1 o'clock p. m. on said calendar day all debate shall cease on the bill H. R. 13660 and all amendments offered thereto.

There is an amendment pending offered by the Senator from Colorado [Mr. PHELPS], on which the Senate has acted only in part. The Secretary will report the remainder of the amendment.

The ASSISTANT SECRETARY. The amendment was divided. It had reference to the Klinge Valley Park, the Piney Branch Valley Park, and what is known as the Patterson tract. The Senate voted upon the Klinge Valley Park purchase and the Piney Branch Valley Park purchase and agreed thereto. Upon the remaining portion, that proposing to purchase the Patterson tract, there has been no vote.

The VICE PRESIDENT. The question is on agreeing to the remainder of the amendment.

The amendment was agreed to.

The VICE PRESIDENT. All parts of the amendment having been agreed to, there is no further question on it.

Mr. KING. Mr. President, the Senator from Kansas [Mr. CURTIS] offered an amendment. He has been called from the Chamber. In his absence I ask the Secretary to report the amendment.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 53, strike out lines 1 and 2, in the following words:

For the purchase of land for school purposes adjacent to the Langley Junior High School, \$215,000.

And insert in lieu thereof the following:

For beginning the construction of a new McKinley Manual Training School on land now owned by the District of Columbia adjacent to the Macfarland Junior High School, \$215,000, and the limit of cost of said McKinley Manual Training School is hereby fixed at \$1,500,000.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The ASSISTANT SECRETARY. A number of amendments were passed over relating to motor vehicles, offered by the Senator from Tennessee [Mr. MCKELLAR].

Mr. MCKELLAR. Mr. President, I move to amend the bill on pages 17 and 18 by striking out the following words:

For purchase of two new automobiles for use of the various departments of the government of the District of Columbia, and for the exchange of such automobiles now owned by the District of Columbia as, in the judgment of the commissioners of said District, have or shall become unserviceable, \$4,000.

The VICE PRESIDENT. Under the agreement, the committee amendments are first to be considered. The Secretary

will state in their order the committee amendments which have been passed over.

The ASSISTANT SECRETARY. The first committee amendment passed over is on page 33, where it is proposed to insert, in line 20, after the word "vehicles," the words "or motor vehicles," and on the same page, line 23, after the word "vehicles," to insert "\$26 per month for an automobile and \$13 per month for a motor cycle."

Mr. PHIPPS. Mr. President, according to my recollection, it was agreed that the amendments of the committee relating to automobiles and motor cycles in various places in the bill should be treated as a whole and considered en bloc.

Mr. McKELLAR. That is correct.

Mr. PHIPPS. As I understand, the question would come on the adoption of the committee amendment striking out certain language of the House text found on pages 16 and 17 of the bill.

However, Mr. President, I understand that, under the unanimous-consent agreement, debate is not in order. I had overlooked that for the moment. I was merely endeavoring to explain the situation.

Mr. McKELLAR. I think the Senator has a perfect right, under the unanimous-consent agreement, to say what he has said.

The VICE PRESIDENT. The question is on agreeing to the several amendments reported by the committee relating to motor vehicles, which have been passed over and which will be voted on en bloc.

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. ERNST (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "yea."

Mr. HARRISON (when his name was called). Making the same announcement as on the preceding vote concerning my pair and its transfer, I vote "nay."

Mr. KELLOGG (when his name was called). Making the same announcement as to my pair and transfer as on the preceding vote, I vote "yea."

Mr. WILLIS (when his name was called). I am paired with my colleague, the senior Senator from Ohio [Mr. POMERENE], who is absent on account of illness. I transfer that pair to the junior Senator from Maryland [Mr. WELLER] and vote "yea."

The roll call was concluded.

Mr. LODGE. Making the same announcement as to my pair and its transfer as on the preceding vote, I vote "yea."

Mr. FERNALD (after having voted in the affirmative). I inquire if the Senator from New Mexico [Mr. JONES] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. FERNALD. I have a pair with that Senator, which I transfer to the Senator from Michigan [Mr. TOWNSEND] and let my vote stand.

Mr. CURTIS. I desire to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from West Virginia [Mr. SUTHERLAND] with the Senator from Arkansas [Mr. ROBINSON]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 41, nays 20, as follows:

YEAS—41.

Ball	Hale	McKinley
Bursum	Harrell	McLean
Calder	Johnson	McNary
Cameron	Jones, Wash.	New
Capper	Kellogg	Nicholson
Curtis	Keyes	Norbeck
Dillingham	Ladd	Oddie
Ernst	Lenroot	Pepper
Fernald	Lodge	Phelps
Frelinghuysen	McCormick	Poinexter
Glass	McCumber	Reed, Pa.

NAYS—20.

Ashurst	Dial	Hefflin	Smith
Bayard	Fletcher	Hitchcock	Swanson
Brookhart	George	King	Trammell
Caraway	Gerry	McKellar	Walsh, Mont.
Culberson	Harrison	Ransdell	Williams

NOT VOTING—35.

Borah	Gooding	Overman	Spencer
Brandagee	Harris	Owen	Stanley
Broussard	Jones, N. Mex.	Page	Sutherland
Colt	Kendrick	Pittman	Townsend
Couzens	La Follette	Pomerene	Underwood
Cummins	Moses	Reed, Mo.	Wadsworth
Edge	Myers	Robinson	Walsh, Mass.
Elkins	Nelson	Shortridge	Weller
France	Norris	Simmons	

So the amendments reported by the committee which had been passed over were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INVESTIGATION OF MEMBERSHIP IN FEDERAL RESERVE SYSTEM.

Mr. McLEAN. I ask unanimous consent to present a concurrent resolution and that it be read and lie upon the table.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Con. Res. 33) was read, as follows:

Whereas the Federal reserve system was established by the Congress for the benefit of all sections of the country and of all agricultural as well as commercial and industrial interests; and

Whereas it appears from the last annual report of the Federal Reserve Board that 9,640 State banks and trust companies, constituting over 85 per cent of the eligible State banks and trust companies in the United States, have failed to become members of the Federal reserve system.

Resolved by the Senate (the House of Representatives concurring), That a joint committee be appointed, to consist of three Members of the Senate, to be appointed by the President thereof, and three Members of the House of Representatives, to be appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled in the same manner as the original appointment.

2. That said joint committee be authorized to inquire into the effect of the present limited membership of State banks and trust companies in the Federal reserve system upon financial conditions in the agricultural sections of the United States, the reasons which actuate eligible State banks and trust companies in failing to become members of the Federal reserve system, what administrative measures have been taken and are being taken to increase such membership, and whether or not any change should be made in existing law or in rules and regulations of the Federal Reserve Board or in methods of administration to bring about in the agricultural districts a larger membership of such banks or trust companies in the Federal reserve system.

3. That said committee be authorized to sit at any time during the sessions or recesses of the Congress and conduct its hearings at Washington or at any other place in the United States, to send for persons, books, and papers, to administer oaths, and to employ experts deemed necessary by such committee, a clerk and a stenographer to report such hearings as may be had in connection with any subject which may be before said committee, such stenographer's service to be rendered at a cost not exceeding \$1.25 per printed page; the expenses involved in carrying out this resolution to be paid in equal parts out of the contingent funds of the Senate and House of Representatives.

4. The committee shall from time to time report to both the Senate and House of Representatives the results of its inquiries, together with its recommendations, and may prepare and submit bills or resolutions embodying such recommendations, and the final report of said committee shall be submitted not later than January 31, 1924.

Mr. WARREN. I understand it is desired to have the concurrent resolution lie on the table.

Mr. HEFLIN. What was the request of the Senator from Connecticut regarding this resolution?

Mr. McLEAN. That it be printed and lie on the table.

The VICE PRESIDENT. That order will be made.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhues, its enrolling clerk, announced that the House had passed without amendment the bill (S. 4309) to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921.

The message also announced that the House insisted upon its disagreement to the amendments of the Senate numbered 7, 12, and 13 to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SLEMP, Mr. MADDEN, Mr. OGDEN, Mr. TAYLOR of Colorado, and Mr. CARTER were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTION SIGNED.

The message further announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes, and it was thereupon signed by the Vice President.

INVESTIGATION OF GREAT LAKES-GULF OF MEXICO WATERWAY.

Mr. McCORMICK. I ask unanimous consent for the present consideration of Senate Resolution 411, proposing to create a committee to investigate and report upon the problem for a 9-foot channel in the waterway from the Great Lakes to the Gulf of Mexico.

There being no objection, the resolution was considered by unanimous consent and agreed to, as follows:

Resolved, That the President of the Senate appoint a committee to consist of five Members of the Senate, three from the majority party

and two from the minority party, to investigate the problem of a 9-foot channel in the waterway from the Great Lakes to the Gulf of Mexico. The committee shall make a final report of its investigations with recommendations to the Senate not later than May 1, 1924. For the purposes of this resolution the committee is authorized to sit and act at such times during the sessions or recesses of the Sixty-seventh and Sixty-eighth Congresses and in such places within the United States, to hold such hearings, and to employ a stenographer and such other assistance as may be necessary. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The committee is further authorized to send for persons, books, and papers, to administer oaths, and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

THE MERCHANT MARINE.

Mr. JONES of Washington. I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. JONES of Washington. Mr. President, I ask that the unanimous-consent proposal that I had read to the Senate yesterday may be laid before the Senate.

The VICE PRESIDENT. The Secretary will read the unanimous-consent proposal.

Mr. HEFLIN. Mr. President, I should like to have the Senator yield to me about five minutes before he does that.

Mr. JONES of Washington. I want to present this request first.

The Assistant Secretary read as follows:

The Senator from Washington asks unanimous consent that on and after the calendar day of Monday, January 29, 1923, no Senator shall speak more than once or longer than two hours upon the shipping bill, nor more than once or longer than 30 minutes upon any amendment offered thereto, and on and after the calendar day of Monday, the 5th day of February, 1923, unless the bill is already disposed of, no Senator shall speak more than once or longer than 30 minutes on the bill, nor more than once or longer than 10 minutes on any amendment that may be offered thereto.

The VICE PRESIDENT. The question is on entering into the unanimous-consent agreement.

Mr. HARRISON. Mr. President, may I ask the Senator a question? I did not catch just the terms of the proposal. Is it proposed to start Monday to limit debate?

Mr. JONES of Washington. To limit it to one speech of two hours on the bill and one speech of 30 minutes on each amendment; then, if the bill is not disposed of prior to February 5, that beginning on that date and thereafter the debate shall be limited to one speech of 30 minutes on the bill and one speech of 10 minutes on each amendment.

Mr. HARRISON. I have just heard it read for the first time. Does it provide that the bill shall be kept before the Senate all the time?

Mr. JONES of Washington. It does not.

Mr. HARRISON. Was it the intention of the Senator, if we could enter into that agreement, to keep it before the Senate all the time?

Mr. JONES of Washington. Not necessarily all the time, but as continuously as possible. Of course, if we had other business that we could take up by unanimous consent, it would be taken up.

Mr. HARRISON. Of course the Senator realizes that here are two very important appropriation bills, the legislative appropriation bill and the Army appropriation bill. I note in the case of the Army appropriation bill that an amendment has been proposed by the Senator from Nebraska [Mr. NORRIS] touching Muscle Shoals. Of course that will take up a great deal of time, because it is a very important question. It is a question that a great many of us think is just as important as the ship-subsidy proposition, so no doubt the Army bill will consume quite a good deal of time. The legislative appropriation bill will naturally take up some time, because there are some important items in it, and they should be considered, even though we should exert every opportunity to speed up and show haste, as no doubt we will. Then there is upon the calendar the agricultural credits bill, which has been before the Senate for some time, which the President has asked Congress to pass before we adjourn on the 4th of March. It is a bill that three or four groups of Senators, as well as committees, have had hearings upon for months, I may say for years, and it is recommended. It will take, no doubt, some time, because it ought to take time, it is such an important proposition. I should not be surprised if it would take at least a week, and we would have to show a great deal of speed if we should put the bill through in a week.

On yesterday the Senate Committee on Agriculture and Forestry reported out the so-called Norbeck bill, providing for credits to sell to foreign countries goods produced in this country. That amendment, of course, if it is offered to the agricultural credits bill will provoke a good deal of controversy. It

is a most important proposition. In my opinion it should be adopted. Others may disagree with me; but with all these bills that should be considered and passed by all means before we adjourn on the 4th of March, a little more than five weeks from now, it seems to me a little premature for the Senator at this time to want to limit debate on a ship-subsidy bill that we have hardly heard mentioned in five weeks. When they get ready to pass the ship-subsidy bill it would seem to me that there should be full consideration and full debate upon it, and it should be kept before the Senate.

I presume that the other side of the Chamber desires no extra session of Congress. The best way in the world to get an extra session of Congress is to delay these appropriation bills, and there is no disposition that I have seen on this side to delay any of them. On the contrary, we have tried to whip them through here, cooperating with the other side to do it. We intend to do it. We intend to do the same thing with the agricultural credits proposition; but it does seem that until we get those things out of the way the Senator should not prematurely ask for a unanimous-consent agreement to force through here a bill that has not yet been discussed in all its phases. The American people never would be satisfied with it.

Mr. JONES of Washington. Mr. President, there is nothing in this unanimous-consent agreement that would prevent ample discussion of the shipping bill. In two hours, I think, any Senator can state his views of the general principle involved, and then on every amendment proposed each Senator would have 30 minutes for debate. Of course what I want to do is to expedite the passage of the bills to which the Senator has referred. I should be perfectly willing to shorten the time of speeches on the shipping bill. That would hasten action upon all these measures that the Senator has suggested; but I present this proposal for unanimous consent. Of course one objection will prevent it.

The VICE PRESIDENT. Is there objection to entering into the proposed unanimous-consent agreement?

Mr. BROOKHART. Mr. President, I should like to ask the Senator from Washington about a suggestion I see in the morning paper with reference to this unanimous-consent agreement. It says:

This suggestion for a modified cloture, which could be obtained only by unanimous consent, was obviously yesterday's answer to the demand of the previous day of the United States Chamber of Commerce that the Senate bring this bill to a vote.

Mr. JONES of Washington. Mr. President, I will say frankly to the Senator that I had not read what the National Chamber of Commerce had requested. My relations with the National Chamber of Commerce of the United States are not of the most friendly character. I have criticized them very severely in some instances in the past, and I want to say that their request had absolutely nothing to do with this proposal. I submitted this proposal, or something like it, a few days ago; but whether it was presented in response to that or not would have nothing to do with the merits of it. I will say, however, that in this case if it had had any influence at all it would have influenced me against presenting it.

Mr. BROOKHART. Mr. President, I am glad to know that the United States Chamber of Commerce had no direct influence with the Senator, and I do not doubt his statement in the least, but believe every word of it; but, in order to make absolutely sure that the voice of the people of the United States, which decreed that this debate should end on the 4th of March, shall be effective, I shall object to this unanimous-consent agreement.

Mr. FLETCHER. Mr. President, I should like to suggest, in connection with the request for unanimous consent, that there are a number of Senators who have not yet had an opportunity to be heard on the ship-subsidy bill at all. It would be unfair to them to agree now that their time should be limited, and therefore I think the request of the Senator is premature. When we get to that bill again it may be in order.

RURAL-CREDIT FACILITIES.

Mr. LENROOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4287, Order of Business No. 979.

Mr. JONES of Washington. I ask unanimous consent that the unfinished business may be temporarily laid aside.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from Wisconsin asks unanimous consent for the present consideration of a bill, the title of which will be stated by the Secretary.

The ASSISTANT SECRETARY. A bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment.

Mr. LENROOT obtained the floor.

Mr. HEFLIN. Mr. President—

Mr. LENROOT. I yield to the Senator from Alabama.

FIVE-CENT STREET-CAR FARES IN THE DISTRICT OF COLUMBIA.

Mr. HEFLIN. Mr. President, a moment ago the amendment of the Senator from Tennessee [Mr. McKELLAR] was pending, which provided for 5-cent street-car fares in the city of Washington. The Senator from New York [Mr. WADSWORTH] made a point of order against that amendment, and the Chair ruled that the amendment was in order, that the Senate had a right to vote upon the proposition as to whether or not the people of Washington who travel on these street cars should be relieved from the burden of an 8-cent fare. The Chair ruled properly upon that question; but the Senator from New York insisted that his point of order was good and appealed from the decision of the Chair, and the Republican Members of this body overturned the ruling of a Republican Vice President in order to deny the people of Washington and the people of the United States who come to Washington and travel on these street cars the right to enjoy a 5-cent fare.

The Democratic mayor of the city of New York conducted for quite a time a fight in favor of 5-cent fares. He finally succeeded, and now any citizen of the United States can go to the city of New York and ride all over it for 5 cents; but the Senator from New York and his colleague both voted here to deny the Senate the right even to vote upon the question as to whether or not the people in the District of Columbia shall enjoy a 5-cent fare.

I know that those who own stock in these street-car companies in the city of Washington have done what they could to keep the measure from coming to a vote, feeling that if it ever reached a vote in this body there would be enough fair-minded men in it to vote for 5-cent fares, and have used their influence no doubt to prevent a vote ever being reached, and the Senate has been denied the right to vote upon that question. The people of the District of Columbia, going to and from their work with snow and sleet upon the ground, many of them receiving a very meager wage, must pay 16 cents a day for car fare, and must continue to pay it, when the Senate stood ready this morning, I believe, upon a straight vote on the issue to give them a 5-cent fare and save to their slender purses 6 cents a day. That would amount to something to them, Mr. President. Many people have to travel on these cars many times a day. It means 8 cents every time they ride upon the car, if they pay straight fare. Poor children going to school, as my friend the junior Senator from South Carolina [Mr. DIAL] suggests, must pay it.

I find, in looking over the roll call, that this amendment providing for 5-cent fares was defeated by lame-duck Senators. Six Senators who are going out voted to deny the people of the District of Columbia a 5-cent fare. The vote stood 32 to 36, and 6 who voted to deny the people of the District 5-cent fares were men who were defeated at the last election.

I do not believe such a motion would be defeated in any State in the Union, if you should go to the judgment bar of the people with this question, and ask them if they did not believe the people of the District of Columbia were entitled to ride for 5-cent fares, just as are the people of the city of New York entitled to ride for 5-cent fares. Both Senators from the State of New York voted to deny the people of the District of Columbia the privilege and opportunity of riding for 5-cent fares, when the people of the great metropolis of the East, the city of New York, enjoy the privilege of riding for 5-cent fares.

That reform up there in New York, however, was brought about under the leadership of the Democratic mayor of that city, which is another evidence of the fact that all measures which seek to do justice to the common man and woman, which look to the welfare of the masses of the people, which try to bring about conditions which are fair and just to them, are always inaugurated by Democrats. Any measure that seeks to protect the special interests is always supported by the dominant force of the Republican Party rallying to it and fighting for it. That is the plain truth and history of the situation involved here to-day.

I simply wanted to make that comment. The Vice President ruled correctly. The idea of saying to the Congress of the United States, when these corporations are gouging the people of the District of Columbia out of 8-cent fares every time they

ride upon the street cars, "You have that intolerable condition upon you, and you can not get it off." It is simply ridiculous.

Who created the law that permitted it? A Republican Congress, did it not? How are you going to get out from under? If Congress can not do it, who can do it? Are you going to say that nobody, unless these who, like leeches, suck the lifeblood of thousands of the poor traveling public in this District, consent to have it done? That is the meaning of the vote this morning turning down the Vice President's ruling.

I simply wanted the RECORD to show that somebody protested against that act, and that somebody on the Democratic side lifted his voice in support of the Senator from Tennessee and those who joined with him on this side to have that 5-cent fare amendment adopted. I want to mention this fact, that not a Republican in the Senate, I believe, voted for the 5-cent fare, except the progressive Republicans, who really belong in the Democratic Party.

RURAL CREDIT FACILITIES.

The Senate, as in the Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

Mr. SWANSON. Mr. President, the pending measure is one introduced by the junior Senator from Wisconsin [Mr. LENROOT] regarding farm and rural credits. I am very anxious to hear him; I know many other Senators are very desirous of hearing the Senator deliver his able and clarifying address on this subject, and I make the point of no quorum, so that Senators may have an opportunity to hear the Senator on this very interesting question.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Senator from Virginia suggests the absence of a quorum, and the Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	George	Lodge	Robinson
Ball	Glass	McCormick	Sheppard
Bayard	Hale	McCumber	Shortridge
Borah	Harris	McKellar	Smith
Brookhart	Harrison	McKinley	Smoot
Calder	Hefflin	McLean	Stanfield
Cameron	Hitchcock	McNary	Sterling
Capper	Johnson	Nelson	Swanson
Caraway	Jones, Wash.	New	Wadsworth
Couzens	Kellogg	Norbeck	Walsh, Mont.
Culberson	Kendrick	Norris	Warren
Curtis	Keyes	Oddie	Watson
Dial	King	Pepper	Willis
Ernst	Ladd	Phipps	
Fletcher	La Follette	Poinsett	
Frelinghuysen	Lenroot	Ransdell	

Mr. SWANSON. I desire to state that the senior Senator from North Carolina [Mr. SIMMONS] is detained at his home in North Carolina on account of illness. I ask that this announcement may stand for the week.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

Mr. LENROOT. I ask unanimous consent that the formal reading of the bill be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

Mr. FLETCHER. Did the Senator's request include the consideration of the committee amendments first?

Mr. LENROOT. There is only one amendment, so I will not insist upon that.

Mr. FLETCHER. Very well.

Mr. LENROOT. Mr. President, before proceeding to a discussion of this bill, I want to say just one word with reference to the tirade of my friend from Alabama [Mr. HEFLIN] upon the action of the majority this morning in voting that the amendment proposed by the Senator from Tennessee [Mr. McKELLAR] was not in order. The Senator from Alabama very truly said that if the amendment of the Senator from Tennessee had been adopted, it would have had the effect of legislating a 5-cent fare in the District of Columbia, if I correctly understood him. That was exactly the position the majority on this side took with reference to that amendment. My position with reference to it was that it was legislation, that it did seek to have Congress fix the rate of fare in the District of Columbia.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. LENROOT. Certainly.

Mr. McKELLAR. Am I to understand the Senator to say that he is not in favor of a 5-cent fare in the District of Columbia?

Mr. LENROOT. I am in favor of a 5-cent fare if a 5-cent fare can constitutionally be imposed in the District of Columbia, but the Senator from Tennessee does not know nor do I know whether that can be done.

Mr. President, the only point I wish to make is that the entire speech of the Senator from Alabama [Mr. HEFLIN] sustained the position taken by the majority, because we have a rule in this body that legislation can not be placed upon an appropriation bill. That is all I care to say with reference to it. The Senator from Alabama in his speech fully sustained, although he did not realize it, the position taken by the majority.

Mr. President, with reference now to the pending bill I desire, if I may, to make a general statement concerning it, without interruption. When I come to the details of the bill I shall be very glad to answer any questions that may be proposed.

A few days ago the Senate passed what is known as the Capper bill, a bill in some quarters at least which is very generally misunderstood as to its purpose and effect. I am afraid that in some quarters there has been a deliberate purpose to misrepresent the bill to the country. The Capper bill did not pretend and does not purport to afford for the agricultural interests of the country the credit facilities they are entitled to have.

It was recognized by the Senator who introduced the bill [Mr. CAPPER], it was recognized by the members of the committee, and I think it was recognized by every Member of the Senate that practically the only effect of the Capper bill would be to enable the large live-stock interests of the country to get better credit facilities through the organization of corporations with a minimum capital of \$250,000 under Federal supervision. The sole point of the measure was to create greater confidence in the private corporations by reason of Federal supervision—nothing more.

So far as the Middle West is concerned, so far as the South is concerned, it was not claimed that the average farmer of the country would be able to take advantage of the provisions of the Capper bill and form or secure the formation of the corporations which are permitted or provided for in that measure. And, yet, we find in some newspapers the claim that the Capper bill is all the credit legislation that the agricultural interests of the country need expect from Congress. Why, Mr. President, if I had thought that the Capper bill was the only agricultural legislation with reference to the subject of credits that was to be enacted at this session, I would have been very strongly disposed to oppose it, because there was only one interest, and that the largest live-stock interest in the country, that could be served by that bill, and because if discrimination is to be made those interests with large resources are better able to take care of themselves than is the average farmer.

Mr. STANFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Chair desires to remind the Senator from Oregon that the Senator from Wisconsin asked not to be interrupted.

Mr. LENROOT. I will stop for a question, yet I would like to repeat the request. I am aware that the Senator from Oregon took the position that the Capper bill would not even serve the interests I speak of.

Mr. STANFIELD. The Capper bill does not liberalize credits. It simply restricts credits to the idea of making them more accessible to bankers buying live-stock paper.

Mr. LENROOT. I am aware that is the position of the Senator from Oregon. The only point I wish to make in connection with the Capper bill is that it does not serve nor does it pretend to serve the needs of the average farmer of the United States. It will be helpful, I hope, to the large live-stock interests of the United States in the way of Federal supervision of the corporations.

Now, Mr. President, what is the need for any agricultural legislation affording greater facilities for credit to the farmers of the United States? There are two kinds of credit that we now have in the country, both of them available to a greater or less extent to the farmers. One is usually known as commercial credit, which is taken care of by the Federal reserve system and the State banks of the country. That credit is limited under our Federal reserve law, so far as members of the Federal reserve system are concerned, to three and six months' paper. We have our Federal land bank system, which provides for credit based upon real security, with long-time loans.

But there is a gap in between, running from six months to three years, as to which there is no credit facility at all, so far

as any governmental agency is concerned. That credit facility, a credit facility running from six months to three years, is just as necessary for the farmers of the country as is a three months' or six months' credit to the merchants and commercial interests of the country. The merchants or the commercial interests have their short-time credits based upon the probable turnover of their business, and that is what originally determined the length of the paper; but the turnover of the farmers can not be secured in six months; it can not, except so far as marketing is concerned, and that only to a limited degree, be secured in nine months, as is provided by an amendment to the Federal reserve act extending the eligibility of agricultural paper for discount from six months to nine months. The farmers' turnover runs anywhere from nine months to three years.

The farmer, if he borrows money, we will say, to prepare his crop, can not pay off that indebtedness until he receives the proceeds of that crop. That very rarely is less than nine months—yes, it is very rarely less than a year, and in the case of live stock and dairying it is very often as long as three years.

There is no such facility to-day for the farmer. If he goes to the bank and attempts to borrow money to plant his crop, the bank will give him a credit for not exceeding six months. The farmer in securing that credit takes the chance, because he does not know but before the end of that six months, before he has realized at all upon the proceeds of his crop, that the bank may call upon him to repay his loan and he will have nothing with which to pay it.

Now the farmers of the country do not seek to become objects of charity. They do not ask, as some bills provide, that the Federal Treasury shall be opened to an unlimited extent to furnish credit for them; but they do ask, and they have the right to ask, that they shall be treated as other business men are treated, and that the farming business of the country shall be treated as a business and be put upon a business basis. They ask, and they have the right to ask, that they have such credit facilities that where they are of the same financial responsibility, of the same industry and of the same character as a merchant, they shall be entitled to the same kind of credit that the merchant receives. That they do not have to-day, and that is what the pending bill is designed to secure for them.

Mr. President, the origin of the bill now before the Senate is familiar to most Senators. In June, 1921, a joint resolution was passed by both Houses creating what was known as the Joint Commission of Agricultural Inquiry, with certain directions to the commission, among them being an "investigation into the banking and financial resources and credits of the country, especially as affecting agricultural credits." The commission spent nearly a year in the investigation of practically every phase of the agricultural problem. On the commission there were from the Senate Messrs. CAPPER, McNARY, ROBINSON, HARRISON, and myself. From the House side there were Messrs. ANDERSON, OGDEN, MILLS, FUNK, of Illinois, SUMNER of Texas, and TEN EYCK, of New York.

The commission made a most thorough and comprehensive investigation. I doubt if there was ever conducted by any committee or commission of Congress a more thorough investigation of the subject of agriculture generally than was conducted by that commission.

The results of its investigation were embodied in four separate reports. One of them dealt solely with the question of credits. The report is available to every Senator, if he has not already had it. One of the principal recommendations of the commission was the creation of a system of intermediate credits, such as I have been describing. As a result of the investigation made by the commission there was recommended to both Houses of Congress the enactment of a law substantially such as contemplated by the bill now before the Senate. It was originally introduced by me something over a year ago in exactly the form recommended by the commission.

May I say in passing that I never knew a committee or a commission of Senators and Representatives to work harder or give more or closer attention to any matter than was given by the members of the commission to the subject under discussion. Mr. ANDERSON, the chairman, prepared a draft of a bill, and night after night we met and worked upon it. Messrs. ROBINSON and HARRISON, representing the Democratic side, were just as active as were Republicans. There was no partisanship in it. There was a sincere desire upon the part of every member of the commission to recommend something to the Congress of the United States that would be substantial in the way of relief to the farmers of the country and yet would stand every test of good, businesslike legislation.

As I said, I introduced the bill in the Senate and Mr. ANDERSON, chairman of the commission, introduced it in the House about a year ago. After the bill was introduced Chairman

ANDERSON and other members of the commission gave further study to the subject. After such study and many conferences, particularly with the Department of Agriculture, they proposed certain amendments, and last December I introduced in the Senate the original bill with the amendments which had been suggested to us.

Mr. President, as I said a moment ago, this bill has but one purpose, and that is to afford the farmers of the United States a credit facility not based upon charity, not based upon generosity, but a credit facility based upon sound business principles that will give the farmers of the country that intermediate credit running from six months to three years which they do not have to-day.

Mr. McCORMICK. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. The Chair desires to remind the Senator from Illinois that the Senator from Wisconsin requested not to be interrupted.

Mr. McCORMICK. I was called from the Chamber at the time the Senator made that request.

Mr. LENROOT. I yield to the Senator.

Mr. McCORMICK. I was merely going to ask if the Senator had pointed out during the time when I was absent from the Chamber why it is that private banks do not afford to farmers the intermediate credit to which he refers?

Mr. LENROOT. I have not done so, but I shall be very glad to do so. I had intended to discuss that matter when I came to a consideration of the details of the bill, but I shall be very glad to refer to it now. Private bankers do not now extend a credit of from six months to three years to farmers for just one reason. Sometimes we hear the banks severely criticized for not doing so, but in refusing to do it they are simply following plain business principles. Mr. President, the first duty of a bank is the protection of its depositors, and a bank is not going to extend long-term loans to its customers unless that bank knows that in case of stringency or emergency or the sudden call upon it for its deposits there is some avenue or some facility by which it may discount its paper and pay off its depositors. As I have said, in pursuing that system, we have no right to blame the banks for not extending credit for a longer term than six months.

In that connection I wish to say just a word with reference to what has been so often repeated upon the floor in debate upon the so-called Capper bill and in the Committee on Banking and Currency, of which I am not a member. It has been repeatedly stated that the farmers of the country have furnished 40 per cent of the deposits of the member banks of the Federal reserve system and that the implication therefore follows, or it is tried to have it follow, that because of that fact the farmers were entitled to 40 per cent of the total available credit. Mr. President, a farmer who deposits money in a bank is just as anxious for the protection of that deposit as is a merchant or anyone else. The farmer who deposits money in a bank is just as interested as any other depositor in having loans of that bank either liquid or of such character that should he want his deposit back he is going to be sure to get it. So, when an attempt is made to create a distinction between the farmers' deposits and other deposits, it is simply absurd. The interest of both classes of depositors is exactly the same in that connection.

In reference to the indorsements of this bill, Mr. President, I ask unanimous consent to append at the end of my remarks in full various indorsements to which I shall refer.

The PRESIDING OFFICER (Mr. STERLING in the chair). Without objection, it is so ordered.

Mr. LENROOT. I shall quote from some of those indorsements now. The first indorsement which I desire to place in the RECORD is that of the conference of the National Council of Farmers' Cooperative Marketing Associations, which was held here in the city of Washington last month, when they expressly indorsed all of the essential provisions of the bill. I shall read only one paragraph of their indorsement:

That a farm-credits department in the Federal land banks be set up in each of the land banks with a capital of \$5,000,000, making a total of \$60,000,000 capitalized, against which credits may be issued to the extent of approximately \$600,000,000; and that these farm-credits departments of the Federal farm banks be authorized to discount or purchase agricultural paper in a broad sense and to make loans or advance directly to cooperative marketing associations and agricultural cooperative credit organizations.

The conference at which that indorsement was made, Mr. President, represented more than 100,000 farmers who are members of cooperative agricultural associations.

I next wish to offer the resolution of the Texas and Southwestern Cattle Raisers' Association, expressly indorsing the provisions of this bill.

I am referring to these indorsements of the bill because, as I shall show later from the views of the minority of the committee, the claim is made that this bill is not supported or indorsed by certain organizations therein indicated. The first hearing had upon the bill which I introduced, which was Senate bill 3051, was held on March 10 last. At that time Mr. Atkeson, the legislative representative of the National Grange, appeared before the committee and used this language:

I have read every bill, I think, that has been introduced in Congress during all these years—

And, as Senators know, Mr. Atkeson has represented the National Grange here in Washington for many years—

and I read the enormous amount of data furnished by the commission that went to Europe, and I have been somewhat of a student of economics, especially with relation to agriculture; and I want to say for Senator LENROOT's bill that up to this time and down to this place it comes nearer meeting the requirements—the nearest to meeting requirements—than any bill that has ever been introduced in Congress.

Mr. President, in view of Mr. Atkeson's denomination of the bill as the "Lenroot bill," I again wish to say and to emphasize that the credit, if credit there be, for this bill is to be divided among many people.

Then Secretary of Agriculture Wallace appeared before the Committee on Banking and Currency and indorsed the bill. Secretary Hoover appeared before the committee and indorsed the bill. The Federal Reserve Board indorses the bill in this language:

The board has studied these bills—

Referring to the various agricultural credit bills—

very carefully and desires to express its approval of the general purpose of both of them—

Referring to the Capper bill and the pending bill.

Senator LENROOT's bill, S. 4103, appears to be a redraft of his earlier bill, S. 3051, the enactment of which was recommended in the report of the Joint Commission of Agricultural Inquiry, and which received the approval of the Federal Reserve Board in a letter addressed to you by Governor Harding, on behalf of the board, under date of January 26, 1922.

The Federal Farm Loan Board also indorses this bill, notwithstanding the statements of some to the contrary. They have only one suggestion to make with regard to it, and that suggestion does not at all affect the plan or scheme of the bill, but only the agency through which it shall be administered. I now read from the testimony of Judge Lobdell, of the Federal Farm Loan Board:

The Farm Loan Board feels that the Lenroot bill, speaking broadly, is well worked out and proposes a practical and workable plan of meeting this situation, reserving judgment on the wisdom of putting \$60,000,000 of Government money into the enterprise, which is again an academic problem.

The American Farm Bureau Federation, Mr. President, also indorses this bill, with the exception that they seek to set up an independent supervising agency in lieu of the Federal Farm Loan Board. That question I shall discuss later on when we come to consider the details of the bill.

Mr. President, what does the bill seek to do? Very briefly, the bill sets up in each of the 12 Federal land banks of the country a separate department of agricultural personal credits, each of the banks so set up having an initial capital of \$5,000,000, or a total of \$60,000,000, subscribed by the Government of the United States.

The bill provides further that in case any farm land bank shall find that the needs of agricultural credit in the territory served by that bank are greater than the capital so subscribed will afford, then, upon application of the Federal Farm Loan Board, approved by the President, an additional \$5,000,000 may be subscribed to that bank.

It is provided that the assets and liabilities of the farm-credit departments of the land banks shall be segregated and kept separate and apart from the assets and liabilities of the present farm land banks, so that the real estate side of the land banks as it now exists will have nothing to do, so far as assets and liabilities are concerned, with the credit side. Both are, however, to be managed by the same board of directors so long as the board continues as at present under temporary organization, but if the time shall come when the permanent organization shall be carried out as now provided by law, the bill provides that, in that event, the credit department of the bank shall be managed by the district directors; or, in other words, by directors appointed by the Federal Farm Loan Board, so that at all times the members of the farm-credit department of each bank will be under the direct control, management, and supervision of the Federal Farm Loan Board.

The reason for this is perfectly plain. If the existing law should be put into effect with reference to local control of the farm land banks by a majority control of directors elected by farm loan associations, it is plain to be seen that a majority

control would be had of the farm credits side of these banks by directors who have no interest or concern in the management of the farm credit side, because they represent the real estate loans only of the system. So we have very wisely provided, as I am sure all Senators will agree, that in the event of permanent organization the management of the farm credits side shall devolve upon the directors appointed by the Farm Loan Board.

It is then provided that each farm land bank shall have authority to issue its debentures and sell them to the general public to an amount not exceeding ten times the amount of the capital of the bank; that is to say, each land bank will be authorized to issue debentures to the extent of \$50,000,000, making an available capital and borrowing capacity for the purpose of meeting the credit needs of the farmer of \$55,000,000 for each bank, or \$660,000,000 in all.

It is provided that the rate of discount fixed by the Federal land banks shall never exceed by more than 1 per cent the rate that is fixed in the last preceding issue of debentures that are issued by it; and these debentures may, I say, be issued by the bank for a term not exceeding five years.

The bill provides that the money thus obtained may be used in discounting the notes or paper of banks, incorporated livestock companies, trust companies, rural credit corporations, savings institutions, cooperative banks, and so on, and to agricultural cooperative associations where the loan has been advanced for agricultural purposes by the institution seeking the discount.

It is provided that in no case shall the Federal land bank discount any paper that bears rate of interest in excess of 1½ per cent higher than the discount rate fixed by the land banks.

Then, Mr. President, it is provided, too, that each Federal land bank shall establish, as I have said, a rate of discount, and that rate can not exceed by more than 1 per cent the rate borne by the last preceding issue of debentures.

It is provided that while the credit department in each bank is separate from and has nothing to do with the other departments of the bank, and while each bank is separate in other respects from other land banks, the farm-credit department of each land bank shall be ultimately liable for all of like obligations of every other bank, which is the same in that respect as the liability of our present farm-loan banks upon real estate mortgages.

It is provided that so far as interest coupons are concerned, a bank shall be required to cash those coupons upon presentation if the issuing bank is in default. As to the principal of any debenture, it is provided that after the assets of the issuing bank have been exhausted, then in that case the assets of the other land banks, so far as the farm-credit side is concerned, shall be liable in the proportion named in the bill to take care of that; all this for the purpose of giving greater security and making these debentures more attractive to the general public.

May I say in this connection that what the commission and the committee had in mind with reference to these debentures was that they would prove an attractive security, that they would tap a reservoir of investment capital that would be very glad to enter into the field; but it can not be done and is not being done to-day because there is no opportunity to bring that kind of invested capital to the agricultural paper that is covered by the bill.

Mr. President, I am not attempting now to discuss the bill in detail. I am only attempting to give a very general outline of the bill. When we come to consider it section by section I shall expect, of course, to discuss the several provisions in greater detail.

I think I have covered the essential features of the scheme or plan of the bill.

It is provided that these debentures shall be exempt from taxation. I know that there is some objection to that. I think my own position upon the subject of tax-exempt securities is well known. I wish there were not a tax-exempt security in the United States. I shall cheerfully vote for a constitutional amendment on the subject, and I hope we may pass the joint resolution that passed the House two days ago amending the Constitution in that respect, so that tax-exempt securities will not be issued in the future; but so long as they do exist, and in view of the present need of the farmers of this country, this is not the time or place, it seems to me, for us to stop issuing tax-exempt securities. Unlike most other tax-exempt securities, that have anywhere from 20 to 40 years to run, it must be remembered that this security has only 5 years to run, and whenever the constitutional amendment is adopted preventing the issue of tax-exempt securities it will operate upon this

class of debentures quicker than upon any other class existing in the United States to-day.

Mr. President, the other portions of this bill are identical, or will be made identical, I presume, with the like provisions of the Capper bill amending the Federal reserve act, except in one or two particulars to which I shall refer later, where they had no place in the Capper bill but do have a very proper place in this bill. They are, in short, the extension of the eligibility of agricultural paper for rediscount in the Federal reserve bank from six months to nine months, and the provision with reference to making it more attractive for State banks to enter the system, both by reducing the capital requirements and by providing under certain conditions for a larger distribution of earnings.

Now, Mr. President, I want to take up very briefly the minority report that has been made by my good friend the Senator from South Dakota [Mr. NORRICK] with reference to this bill.

In the minority report, the Senator states:

The inadequacy of Senate bill 4287 is apparent. It provides for setting aside \$60,000,000 from the Treasury (which money is not to be used for loans, but only for paying losses, if any).

Mr. President, I am astonished that the Senator from South Dakota should give any such construction to the bill. If this report had been drawn merely from reading the majority committee report, by one who had not read the bill, I would not have been surprised, because there happens to be a typographical error in the committee report. The phrase in the report is "obligations from losses," while the bill reads, as any one can see, "obligations and losses." When the language is that the capital shall be used solely for the purpose of paying obligations and losses, how anyone could so construe this bill that it will not permit the capital to be used as a working capital I am utterly unable to understand. Whether it be a discount, whether it be paying the salary of the manager or cashier of the bank, in every case before a dollar can be paid out of course there must be an obligation to pay it out; and so the word "obligations" covers every possible purpose that could be had in considering this \$5,000,000 as working capital of the bank.

Mr. WALSH of Montana. Mr. President, will the Senator call our attention to the provision in the bill to which he adverts?

Mr. LENROOT. Yes; page 7, lines 6 and 7.

I think where my friend perhaps got misled was through the use of the word "solely," although I confess that I can not quite understand it then; but this provision has just one purpose. Here was the farm land bank. A new activity is to be added to it—a farm-credits department. The purpose of this was to make it clear that there should be complete segregation of the business of the real-estate side of a land bank with the business of the farm-credit side, and so we provide:

Capital so allocated to a farm-credits department, and the surplus earnings of such department, shall be applied solely to meet obligations and losses, if any, incurred in the operation of that department; and the capital subscribed, together with the reserve and accumulations from earnings under Title I—

That is the present law—

shall not be applied to meeting obligations or losses, if any, incurred in the operation of any farm-credits department.

That is to say that none of its capital and none of its surplus can be used to pay any obligation of the real-estate side of a bank upon the one hand, and, in case of the real-estate side, none of its capital or surplus shall be used for the payment of obligations on this side; but inasmuch as the very able Senator from South Dakota has raised this question, at the proper time I shall offer an amendment making it so clear that there can be no possible question about it.

Mr. WALSH of Montana. Mr. President, I think the purpose is quite clear as indicated by the Senator from Wisconsin; but, inasmuch as he suggests an amendment, I should like to inquire of him whether the whole purpose would not be met by taking out all of line 7 to the word "of," so that it will read "shall be applied solely to meet obligations of that department"? Why mention any losses?

Mr. LENROOT. I think that would cover it.

Mr. WALSH of Montana. That would remove, it seems to me, all question on the subject.

Mr. LENROOT. I think that is true.

With reference to the inadequacy of the capital of \$60,000,000, I appreciate that there are many bills pending before the Senate and in the House that propose that the Government shall furnish all the capital for the credit needs of the farmers of this country. Some of them propose to furnish as much as \$500,000,000. As I said in the beginning, the farmers are not asking—although sometimes those who purport to represent them do ask—generosity upon the part of the Government, the paying out to them of money that can not be sustained upon business principles; but

it is my observation and belief that the farmers of the United States are asking nothing more of the Government of the United States than to be considered as business men, and that any credit that they may receive through the instrumentality of the Government shall be given them based upon business principles.

It is readily understood, of course, that if the Government is to ladle out money from the Treasury we are not very likely to have very sound business principles applied to such loans; but if the Government is to provide only the working capital, as is provided in this bill, and the main part of the credit coming to the farmers is to come through the proceeds of debentures sold to the general public, it necessarily means that in the management of each bank there must be that care and application of business principles that would be applied in private business. Otherwise the debentures will not be attractive; they will not be sold to the general public. That is the way it ought to be, unless the Congress of the United States wishes to take the position that we are going to treat the farmers of this country as a privileged class, grant them special privileges that we do not grant to any other class of people, and say to them: "Here is the Treasury of the United States open to you to a practically unlimited amount."

Mr. President, if there is any one thing the farmer of this country has made it plain he is against it is special privilege generally to anybody, and he is not asking for himself that which he would deny to anybody else.

Now, to go on with the criticism of this bill, the minority report states:

While it is proposed that each bank may borrow ten times the amount of its guaranty fund, no witness before the committee suggested the possibility of such an amount being available.

Mr. KENDRICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Wyoming?

Mr. LENROOT. I yield.

Mr. KENDRICK. I wanted to ask the Senator if he knew of any reason why the entire amount of capital invested by the Government should not finally be retired and paid back to the Government, as I believe is the provision of law under the Federal farm loan act?

Mr. LENROOT. There is only one reason, and I am frank to say that that million dollars might well be reduced. But the Senator will remember this distinction, that under the present system the capital stock of the Government is retired and farm-loan associations own the stock, while no such thing exists with reference to the farm credit side of the institution. It being a stock institution, if all the stock were retired, there would be no capital stock at all; it would be surplus only. But I am frank to say that I do not know why that might not be reduced to a nominal amount rather than fixed at a million dollars.

Mr. KENDRICK. Does the Senator believe it would be an impracticable plan to have those institutions which rediscount paper with the banks or with the Federal farm loan credit system participate in the purchase of stock, the same as is provided under the Federal reserve system?

Mr. LENROOT. The committee very fully investigated that very question; and in our first draft of the bill, as members of the committee who were present know, we did provide for credit loan associations on subscriptions of stock very similar to the present system. We sent out questionnaires all over the country; we got the most expert advice we could get; and we came to the conclusion that, inasmuch as this is not intended in any way to be a profit-making institution, inasmuch as necessarily the profit can not be any substantial sum, or should not be any substantial sum over expenses, there would not be any attraction, in all probability, for any person or institution to become a stockholder in this institution.

The minority report states that—

No witness before the committee suggested the possibility of such an amount being available.

I am not going to take the time now to go through the testimony adduced before the committee, but certainly my friend from South Dakota [Mr. NORBECK] has not read the testimony, or he would not make that statement. I was a witness before that committee. I stated very frankly to the committee the source of the information which led me to form an opinion as to whether these debentures should be available, and I am glad to state the source of my information to the Senate.

In the first place, the Joint Commission of Agricultural Inquiry got the advice of representatives of bond houses and other financial institutions of New York and elsewhere and asked them whether, if such a scheme as we proposed should go through, in their opinion such debentures would be readily

salable, and the opinion was nearly unanimous that they would prove a most attractive investment, provided there was sound management of the land banks. Of course, we must all admit that unless there be such management not only would the debenture part of the scheme fail but it would be only a little while before the whole thing would fail. This, like any other financial institution, depends for its success upon management on business principles.

But more than that, Mr. President, there is what is known as the administrative committee of the American Bankers' Association, consisting of some 25 members, I believe. They held a meeting here in Washington recently, and they are representative of the bankers and financial institutions of different parts of the country. At their invitation I spent an evening with them here and went over this bill. I took very special pains to get their opinion as to whether the debentures provided for in this bill would be an attractive investment. Out of those 25 men, there was only one, I believe, who expressed any doubt concerning that question, provided always there was sound, efficient management of the banks, so that they could rely upon the business judgment of the directors and officers of the farm-credit departments of the banks.

The minority report further states that—

The plan is to purchase agricultural paper from the banks; in other words, it is a plan to assist the banks to extend credit to the farmers. It is the banks that the board has to deal with.

It is not proposed under this bill to make any loans to farmers.

Of course, it is not proposed to make loans to farmers, Mr. President; and, if anybody seriously proposes that the Government make loans direct to farmers, he may think he is a friend of the farmer, but he is not, in so proposing, because if the Government ever goes into the business of making loans to farmers directly, unless it is to consider the farmer an object of charity, and therefore willing to sustain enormous losses in the transaction of his business, it will be necessary for the Government then to exercise the same care, the same supervision over each individual loan to the farmer, that a careful banker or sound credit institution in the locality would exercise, and what would it cost to exercise that kind of supervision? If some official, or some central bank, as proposed by some Senators, or farm land bank, as proposed in this bill, is to make individual loans to farmers, and send its agents to ascertain the financial responsibility and the character and industry of each individual farmer borrower, what is it going to cost in overhead? Who is going to pay the cost? Perhaps these gentlemen think the Government will pay it. It may be; but the Government ought not to pay that kind of a cost; and, if the farmer is to pay it, it would result in an increase of at least 1 per cent in his interest rate.

Mr. KENDRICK. Mr. President, does not the Senator believe that even under the operation of this bill the ordinary course of banking will continue, and that the majority of loans to the farmers will be made by the banks, and that the length of loans only will be affected by this bill? That is to say, the banks will largely make the loans, as they have in the past, for a longer time, because they have assurance of rediscount without any question in case they find it necessary to realize on the loan.

Mr. LENROOT. I agree absolutely with the Senator upon that; and in this connection I want to read the first paragraph of the report of the national convention of cooperative associations upon that very point. They use this language:

That this national council announces as a general policy that the primary reliance of the farmer for credits for production or for marketing should be upon the local banker, and that under normal conditions the local banker is likely to meet the greater part of such needs.

Mr. KENDRICK. That is, that potential credits to the bank will govern the situation. They will be free to lend their funds, even though their funds are those of depositors, because they can realize on the loans, and in the meantime they will keep the loans in their vaults as much as is consistent.

Mr. LENROOT. That is true; but in case they should not do that, in case for any reason a bank in any locality would be unfair to the farmer and seek to use its funds for speculative purposes, the bill does provide that institutions other than banks will be recognized. They may be cooperative institutions, they may be cooperative banks, they may be credit associations, but it furnishes direct incentive to the bank to take care of the needs of its own locality and community on business principles.

In this connection, I understand, of course, the feeling that is attempted to be aroused against all of the banks of this country. I hold no brief for the banks; but in so far as this agricultural need is concerned, it is the small bank, comparatively speaking, that is affected. The great banks of New

York City are not expected to extend any very large amount of agricultural credits, but it is the little bank in the farming communities of this country that will be affected by this bill, and I deny that those banks, generally speaking, are enemies of the farmer. They are absolutely dependent upon the farmer for their own prosperity, and it is to the direct interest of the little banks of this country to serve the needs of the farmers.

I do not question, of course, that the banker tries to make money, and he has his own selfish interests, just as every other man engaged in business has; but in this bill we provide that the bank which seeks to charge a higher rate than 1½ per cent in excess of the discount rate shall not have its paper discounted by the Federal land bank at all.

Mr. CALDER. Mr. President, I am a member of the Committee on Banking and Currency, and I have made some study of this measure. Addressing myself to the Senator from Wisconsin, I have heard the statement made that there was a very great danger in this measure; that it might affect injuriously the smaller banks in the agricultural sections of the country. Has the Senator thought of that or has he heard that statement made?

Mr. LENROOT. I would be glad if the Senator would suggest in what way there could be any danger.

Mr. CALDER. Through competition of a Government institution with those banks.

Mr. LENROOT. I am very frank to say to the Senator from New York that the great difficulty with reference to the small banks of the country to-day is not undue competition with any possible outside institution in dealing with the farmers but the lack of funds in the bank to take care of the needs of the farmers.

Mr. CALDER. I have no information to lead me to believe the statement I made was correct, but it has been made to me, and I wanted to be certain that the Senator had thought of it.

Mr. LENROOT. I do not think there is anything to that.

Mr. GLASS. I think it would be interesting to the Senate if the Senator from Wisconsin would indicate what he thinks of the principle of taking the Government's money and loaning it directly to any class of people, aside from the question of overhead charge and the difficulties of effectively conducting a system of that sort.

Mr. LENROOT. I can not imagine any activity of the Government that could lead to greater abuse, to greater discrimination, and to greater losses to the taxpayers than a system such as is suggested by some of our good friends.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LENROOT. I yield.

Mr. DIAL. As a matter of fact, the stockholders of small banks are usually the farmers of the community. They are the principal stockholders really. The Senator states there are not sufficient funds in the small banks. I would suggest, as a remedy for that, that we eliminate some of the small banks. We have too many small banks. They ought to increase their capital, and then they ought to join the Federal reserve system.

Mr. LENROOT. That is undoubtedly true. What our small banks are suffering from is lack of capital, lack of loaning power. I think there are a great many communities in the United States where it would be to the interest of the customers of the banks and of the banks themselves if they would combine, and cut out a great deal of overhead that serves no possible good useful purpose to anybody.

Mr. DIAL. Furthermore, they do not avail themselves of the credit they would get by being members of the Federal reserve system.

Mr. BROOKHART and Mr. NORBECK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. LENROOT. I will yield first to the Senator from Iowa, and then I shall be glad to yield to the Senator from South Dakota.

Mr. BROOKHART. I would like to ask the Senator from Wisconsin, on the theory that the banks ought to be united or combined, should not the bill provide some method whereby farmers might accomplish the purpose by cooperative banking direct?

Mr. LENROOT. That can be done by State law, and if done under a State law, they are recognized by the bill.

Mr. BROOKHART. But about half of our banks, perhaps not quite half, are national banks.

Mr. LENROOT. About one-third.

Mr. BROOKHART. Well, say about one-third are national banks. That portion of the banking business should have the same rights among the farmers that the banks have under the

State laws, it seems to me, and yet no such provision is made in the bill.

Mr. LENROOT. There is no such provision.

Mr. BROOKHART. Would there be objection to incorporating such a permissive provision in the bill, which would give the farmers that opportunity?

Mr. LENROOT. I am very frank to say that, as far as amendments to the bill are concerned, I certainly hope that the Senator will not press such an amendment, because he realizes quite as well as I do that, although he and I might fully agree, any attempt to thrash out that question of national cooperative banking upon the pending bill means there would be no bill passed at this session.

Mr. BROOKHART. I could not agree with that conclusion. Of course, the Senate ought seriously to take up the question. It is the most important of all.

Mr. LENROOT. I hope it will not be pressed where it would mean the defeat of the pending bill.

Mr. BROOKHART. It seems to me if we merely adopt a piecemeal policy that does not really comprehend the farmers' question, we will live to regret it very seriously.

Mr. LENROOT. Highly as I value the judgment of the Senator from Iowa, I would rather take the judgment of the farm organizations of the country upon that question than I would his.

Mr. BROOKHART. I have talked to representatives of most of the farm organizations from which the Senator has read, and I find they are in a state of mind that they are glad to have any little help whatever, but I have not talked to any of them who regard the bill as adequate for the situation.

Mr. LENROOT. Not one of them has suggested to any committee or to the agricultural commission the amendment which the Senator now suggests. The Senator knows it is a matter that can not be put upon a bill of this kind in a day. Of course, if the Senator desires to defeat the pending legislation, I suppose he could attempt it.

Mr. BROOKHART. It seems to me the farmers have a right to more than a day's consideration of that proposition. There are other matters here which are not so urgent as that and which could easily be laid aside to give the necessary time to fully consider it.

Mr. LENROOT. Of course, if the Senator desires to take such time upon this bill as will open up a question of that kind, and thus possibly defeat the bill, he will take that responsibility, but I shall not be a party to it.

Mr. BROOKHART. I am not particularly afraid of the responsibility for it, if it is on the theory that in the end it is going to accomplish the right thing.

Mr. LENROOT. Of course, it has always been the case that some friends of the farmer, because they can not get something they think they ought to have in addition to what is proposed, would rather see the farmers get nothing at all.

Mr. BROOKHART. The result of all the piecemeal policy has been that the farmers have not only got nothing but worse than nothing. They have been set back about every time we have gone ahead with such inadequate legislation.

Mr. LENROOT. Of course, the Senator thinks that the salvation of the farmer is cooperative banking. He has a right to that opinion, of course, but it is rather curious that the farm organizations of the country have not taken that up and pressed it upon Congress. The Senator is the only one who has suggested it.

Mr. BROOKHART. I will say to the Senator that the National Farmers' Union have pressed it very strongly, and they have been longer studying the cooperative question than any farm organization in the country. The National Farm Equity Society have been doing the same thing. They adopted it in their national convention. The Iowa Farm Bureau Federation did the same thing, and the president of the State organization called on me the other day. It is the biggest farm bureau organization in the United States by many thousands. So I know something of what those people want to do.

Mr. LENROOT. I have referred, as the Senator well knows, to the different farm organizations which have made certain requests of Congress for legislation at this session of Congress, and I have never heard of one of them, nor have I read anything from any of them, making the request which the Senator now proposes.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. LENROOT. I promised to yield to the Senator from South Dakota.

Mr. NORBECK. I will wait.

Mr. LENROOT. Then I yield to the Senator from Florida.

Mr. FLETCHER. The bill provides for a capital of \$5,000,000 for each of the Federal land banks, with a possible increase of \$5,000,000 more; that is, the Government may put up, to begin with, \$60,000,000, and may possibly increase it to \$120,000,000. I take it the Senator can only justify the Government furnishing the capital to do this business, and continuing it as a permanent, going concern, upon the theory that the Government is eventually to get back its capital. Am I correct in that understanding?

Mr. LENROOT. Yes; it will get back most of it.

Mr. FLETCHER. The bill provides for the retirement of that capital down to \$1,000,000 for each bank. Why does the Senator believe that it is necessary to retain the \$1,000,000?

Mr. LENROOT. The same question has been asked and I have replied, just a little while ago.

Mr. FLETCHER. I was not present at the time.

Mr. LENROOT. I have stated the distinction between the Government's subscription to this capital and the subscription to the present system is that eventually other stockholders take the place of the Government as a stockholder under the present system, while under the pending bill there are no stockholders except the Government. It is in the form of a corporation, of course, but, as I said before, I see no reason why we should not reduce it to a mere nominal amount.

Mr. FLETCHER. I did not know that question had been raised before, but it occurred to me in reading the bill that there was some reason for retaining the capital of \$1,000,000 which I could not quite understand. I know under the farm loan act the Government contributed \$750,000 to the capital of each bank, but that will all come back to the Government. Some of the banks have already been taken over by the national farm loan associations.

With reference to the use of the capital, at page 7 the bill provides—

Mr. GLASS. The Senator from Wisconsin has already explained that feature.

Mr. FLETCHER. I was not aware of that. I would like to get an answer now for my own information. I was not aware the Senator had already answered as to the use of the capital.

Mr. LENROOT. Yes; I had. I would prefer to discuss the matter when we come to reading the bill for amendments. Of course, that is to be used for working capital.

Mr. FLETCHER. I would like to ask the Senator whether any of the capital is to be used in furnishing money for discount of paper?

Mr. LENROOT. Certainly. That is to be used as working capital, of course.

Mr. FLETCHER. It seems to me the word "solely" perhaps ought to be stricken out.

Mr. LENROOT. The Senator again has fallen into the same error that the Senator from South Dakota did. The word "solely" is there only for the purpose of making it clear that none of the capital shall be used to pay obligations of the farm land real estate side on the one hand, and that the obligations of the real estate side shall not be paid out of the capital on the other side. I am perfectly willing to make that clear, in order that there shall be no question about it, and I shall at the proper time offer an amendment to clarify it.

Mr. FLETCHER. It seems to me it is very ambiguous, to say the least, and it ought to be made more clear.

Mr. LENROOT. Let me ask the Senator a question. The Senator does not think we can pay out any money by this bank or any other bank unless it is in payment of some obligation, does he?

Mr. FLETCHER. There would be no obligation unless it was allowed to use the money.

Mr. LENROOT. They are allowed to agree to discount the paper, are they not? They are allowed to agree to pay the salary of the manager, are they not? Do not those then become obligations?

Mr. FLETCHER. I think that is the trouble. I think the salaries and the actual running expenses of the institution would be obligations.

Mr. LENROOT. If they agree to discount paper, does it not become an obligation?

Mr. FLETCHER. After it is discounted.

Mr. LENROOT. If they agree to discount it, they contract to discount it.

Mr. FLETCHER. Yes; but I think—

Mr. LENROOT. But there is no use spending time upon it, because I am going to offer an amendment to make it perfectly clear.

Mr. FLETCHER. Very well.

Mr. LENROOT. I would like to proceed, because I wish to conclude. The Senator from Wyoming [Mr. WARREN] desires to bring up the legislative appropriation bill.

The minority report goes on to say that—

Most of the expert witnesses considered the Lenroot bill impractical.

I would ask my friend from South Dakota what witnesses expressed any such view except Secretary Mellon, Mr. Leffingwell, Judge Lobdell, and the distinguished Senator himself?

Mr. NORBECK. I have been quite patient since the Chair announced that the Senator from Wisconsin did not want to be interrupted, otherwise I should not have let some of his statements go unchallenged.

I recall, for instance, that when Judge Lobdell was asked whether the debentures were salable and if it would work out unless they were salable he said in substance: "I have heard a more competent man than myself dodge that question." Lobdell went on to intimate that though four times as much could be sold it would be possible to conduct it, but he never suggested ten times. He did not say four times could be sold. But I do not care to go into that at this time. Read Hoover's testimony and see if he does not suggest a more radical change in order to make the system operative.

Mr. LENROOT. I have read Judge Lobdell's testimony. The language of the minority report is:

Most of the expert witnesses considered the Lenroot bill impractical.

For the benefit of the Senator I will read again:

The Farm Loan Board feels that the Lenroot bill, speaking broadly, is well worked out and proposes a practical and workable plan of meeting the situation.

Judge Lobdell made just one suggestion to the committee, and that was that the administration be placed in the Federal reserve bank and that the words "Federal reserve bank" be substituted for the words "Farm Loan Board" in every case.

Mr. NORBECK. I have taken the position that the Senator from Wisconsin was entitled to get his bill in the best form possible. I supported many of his amendments in the committee. I have no disposition to-day to inject myself unduly into his presentation of the matter. He is entitled to a fair chance to present the matter to the Senate in the best way possible, but since the questions were asked me I want to answer them. What was the particular question?

Mr. LENROOT. The statement was made in the minority report:

Most of the expert witnesses considered the Lenroot bill impractical.

Mr. NORBECK. Yes. For instance, the Senator from Wisconsin has said the farmer needs three years' credit. Under the system proposed in the bill he is proposing to put the matter in charge of men who do not believe in three years' credit.

Mr. LENROOT. I have just read to the Senate Judge Lobdell's opinion of it.

Mr. NORBECK. But did he not also say he would not make a three-year loan if it were put under him?

Mr. LENROOT. That might be, but Judge Lobdell testified, and I have read it twice to the Senate, that the Farm Loan Board considered it a workable and practical scheme.

Of course, I admit that it may be difficult to sell three-year paper; but the Senator well knows that the bill provides for classifying paper, and it may be classified both as to term and as to purpose. It may be difficult; I am not guaranteeing that we can sell \$50,000,000 of three-year paper under this scheme; no, but, so far as one can judge in advance from the opinions of men who ought to know, they do, without exception, save such as I shall refer to in a moment, express the opinion that it is a workable and practical scheme. Secretary of the Treasury Mellon, however, says it is not. I wonder if the Senator from South Dakota agrees with Mr. Mellon? What is Mr. Mellon's objection? His objection is to the Government furnishing any capital at all, as the Senator well knows.

Mr. NORBECK. I beg pardon. Secretary Mellon suggested that if the land banks should conduct this kind of personal credit business there would need to be a reorganization of the system. That was one of the things he said.

Mr. LENROOT. My statement still stands, that Mr. Mellon has objected to the Government furnishing any of the capital. So has Mr. Leffingwell. Those are the only two experts who appeared before the committee, so far as I remember or of whom I have read, who condemn the bill; and I am sure my friend from South Dakota would not care to follow the leadership of either of those gentlemen upon farm-credit legislation.

Mr. NORBECK. If I were to follow the leadership of Judge Lobdell I might easily conclude that there might not be any debentures that were salable at all, and we considered him an expert witness.

Mr. LENROOT. I again wish to say that I put against the Senator's statement the testimony of Judge Lobdell, that he considers the system practicable and workable.

Mr. NORBECK. That is another part of the testimony, and the Senator proposes to take only one part of the testimony. I propose to take it all.

Mr. LENROOT. When we come to discuss the details of the bill I shall be very glad to read Judge Lobdell's testimony with respect to the sale of debentures generally. He expressed his doubt as to the long-term three-year debentures, as the Senator from South Dakota well knows.

Mr. President, the views of the minority of the committee state that—

Some provision should be made in rural-credit legislation whereby farmers, who are financially responsible, can conveniently associate themselves into groups for the purpose of securing loans for individuals upon the indorsement of the members of the group.

As I have said, the agricultural commission carefully considered that; it inserted such a provision in the bill at one time; but witnesses appeared before us, and experts and representatives of the farm organizations, I think, were unanimously in agreement that the farmers would not indorse accommodation paper one for the other under the system of personal liability; and I have found no one since who for a moment believes that the farmers of this country will agree to organize into groups of 20 or 30 and each become liable for all of the obligations of the other members of the group. That is why we left that provision out of the bill. It was because there was no use putting something in the bill which we knew in advance would not be workable.

Then, there is the question of separate agencies. Of course, I understand that the proposition is advanced that the War Finance Corporation should be the agency employed; but, Mr. President, I am opposed, as a proposition for permanent law, to having the War Finance Corporation or any other central agency deal with this question. So far as it can be, without excessive cost in the way of interest rates, it should be brought to the locality. I am sorry that we can not go still further into the locality; that we can not go nearer each individual farmer. The only reason we have not provided for doing so in this bill is because of the overhead expense that would be involved, resulting in an increased rate of interest to the farmer.

I do not remember whether or not the minority views contain the statement, but I have seen it stated that a reduction of one-half per cent in the interest rate is equivalent to a 20 per cent reduction of freight rates to the farmer. I do not know whether or not that is contained in the views of the minority, but I have seen it somewhere.

Mr. NORBECK. That is the testimony of Secretary Wallace.

Mr. LENROOT. That being so, Mr. President, would not the farmers at this moment welcome as a godsend to them a reduction of 20 per cent in their freight rates, but ought it not to be our very grave concern to see to it that the expense of the administration of a rural-credit system, whatever it might be, shall be brought down to the lowest point possible, and the farmer get the benefit in the interest rate?

Mr. President, with reference to the need of a separate agency, the American Farm Bureau Federation indorses this bill, except it does ask for—and I expect an amendment will be proposed to create—a separate agency here in Washington to take the place of the Farm Loan Board for the purposes of supervision. In all other respects the American Farm Bureau Federation indorses the bill. I think, perhaps, they would like to have a flat capital of \$10,000,000 for each bank instead of making it conditional, as we propose.

With reference to their proposal for a separate agency, I shall reserve the discussion of that until the amendment to which I have referred is proposed. I will only say now in passing that it would be a very anomalous thing to create a supervising agency over a bank over the directors of which that supervising agency would have no control so far as policy is concerned. Under the amendment which is proposed the directors would still be appointed by the Farm Loan Board, and all that the separate agency would have the power to do would be to administer the restrictions, limitations, and conditions which are provided for in the bill.

Mr. President, I shall not undertake to go into any further details at this time, but before concluding I wish to say that the benefit to the farmer by reason of this proposed legislation is not to be measured either by the capital which is to be provided by the Government or by the amount of the debentures which may be issued, making a maximum of loans and capital of \$660,000,000. To my mind the chief benefit to the farmer will consist in the liberality of his local bank, whether it be

State or National, in extending to him loans running from six months to three years, which those banks do not extend at all at this time, and can not be expected to extend, because they do not know, in case of stress or call upon their deposits, where they could turn in order to realize upon the paper upon which they have advanced money. So, in my opinion, what will actually happen under this bill will be that the banks of the country in the agricultural communities will extend credit running from six months to three years to the full extent of their resources. They will do so knowing that if there should be any sudden call upon them they may rediscount that agricultural paper with a Federal land bank; but, in the absence of that emergency or call, they will keep that farm-loan paper in their vaults; it never will reach the Federal land bank at all. So we can not measure the amount of credit that will be afforded to the farmer by reason of the passage of this bill. We do know that it will be very much more than the maximum of the \$660,000,000 that is provided.

Mr. REED of Pennsylvania. Does not the Senator mean \$60,000,000?

Mr. LENROOT. Sixty million dollars capital and \$600,000,000 debentures is the maximum that may be allowed.

Mr. President, in conclusion I wish to repeat that this bill had the consideration and is the product of the Joint Commission of Agricultural Inquiry, composed of both Republicans and Democrats. It has had the consideration of the Committee on Banking and Currency, and is supported by both Republicans and Democrats. I believe that it embodies a workable scheme, one which may be defended on business methods, and it will give to the farmer what he has a right to ask, namely, credit based upon business principles. If, peradventure, the time should come when the limitations of this bill as to capital or debentures are such as not to provide sufficient credit to meet the needs of the farmer, it will then be time to consider amendments. As I understand, the position of its opponents is that they desire to have a larger amount of money out of the Treasury used for the purpose contemplated. I submit, Mr. President, that if we provide a possible \$120,000,000, with an additional possibility of \$1,200,000,000 for this purpose, we have well served the needs of agriculture for the intermediate credit of which to-day it is sadly in need.

Mr. FLETCHER. Mr. President, before the Senator concludes I should like to ask him a question regarding the practical operation of the bill. For instance, at page 4 the bill provides:

(b) Subject to the approval of the Farm Loan Board to issue and to sell collateral trust debentures or other such obligations with a maturity—

And so forth.

Does the Senator in considering how the bill will be put into operation hold that applications for loans, for instance, will be made to the Federal land banks and when they will have approached a certain amount then the Federal land bank must submit the applications and the data regarding them to the Farm Loan Board and obtain permission of the Farm Loan Board to issue debentures? Will that be the process, or how will the consent of the Farm Loan Board in the actual operation of this plan be obtained for the issuing of debentures?

Mr. LENROOT. I would expect, Mr. President, in the same way that the consent of the Farm Loan Board is now obtained with reference to the issuing of farm loan bonds. What will actually happen, I think, will be that a portion of the \$5,000,000 will be actually used for the purpose of making advances as provided in the bill, and after they have accumulated two or three million dollars they will make a proposal to issue debentures. They would show to the Farm Loan Board the paper they had on hand; and the Farm Loan Board unquestionably, being competent in the management of the affairs of the system, and having full control over the directorship, without passing upon each piece of paper, for they will expect the farm land banks to do that, will give approval to the issuing, we will say, of \$3,000,000 of debentures upon the showing that the land banks had loaned already out of their capital \$3,000,000.

Mr. FLETCHER. The Senator does not believe that that will bring about delays that will hinder the operation of the system?

Mr. LENROOT. No; I do not think so at all.

APPENDIX.

NATIONAL COUNCIL OF FARMERS' COOPERATIVE
MARKETING ASSOCIATIONS,
Dallas, Tex., December 19, 1922.

MY DEAR SIR: The National Council of Farmers' Cooperative Marketing Associations, held in Washington, December 14, 15, and 16, was attended by delegates representing more than 100,000 farmers, grouped

in 80 of the largest associations, doing an active business of more than \$1,000,000,000 per year in the marketing of farm crops.

These business organizations are the groups which, above all others, will be specifically affected by any rural credits legislation which Congress may pass at this session; therefore their interest in the matter is acute.

You will find inclosed herewith the report of the rural credits committee, unanimously adopted by the council, and also the report of the committee on resolutions, which was similarly adopted.

We sincerely hope that the suggestions contained therein may be of some value to you in your deliberations on these various measures.

Sincerely yours,

NATIONAL COUNCIL OF FARMERS' COOPERATIVE
MARKETING ASSOCIATIONS.
CARL WILLIAMS, Acting Chairman.

To Hon. ROBERT W. BINGHAM,
Chairman Conference National Council
of Farmers' Cooperative Marketing Association.

Your committee on rural credits beg leave to submit the following report:

The committee on rural credits of the National Council of Farmers' Cooperative Marketing Association has made a survey of the subject of farmers' credits and the legislation proposed on such rural credits. Your committee recommends as follows:

1. That this national council announce as a general policy that the primary reliance of the farmer for credits for production or for marketing should be upon the local banker, and that under normal conditions the local banker is likely to meet the greater part of such needs.

2. That the Federal reserve system should be modified so as to meet the special requirements of farm credits and to permit the financing of farmers and farmers' cooperative marketing associations conveniently and efficiently through normal banking channels.

That such modification involves primarily the extension of the maturity of agricultural paper to a maximum limit of nine months, with the fixing of cooperative marketing for loans on such agricultural paper to any one cooperative marketing association to be fixed as 50 per cent of the capital and surplus of banks, members of the Federal reserve system, subject to the State laws wherever applicable, and that encouragement and inducement be made to have more State banks exercise the privilege of membership in the Federal reserve system.

4. That adequate opportunity be presented for the creation of agricultural credit corporations with sufficient minimum capital to purchase or discount ordinary agricultural paper with a maximum maturity of nine months and live-stock paper with a maturity of not more than three years, with rediscount corporations adequately capitalized to purchase such paper from agricultural credit corporations, with the privilege of rediscounting any such paper, without indorsement, through the Federal reserve system.

5. That the maximum basis of loans from farm-land banks be raised from \$10,000 to \$25,000.

5. That a farm credits department in the Federal land banks be set up in each of the land banks with a capital of \$5,000,000, making a total of \$60,000,000 capitalized, against which credits may be issued to the extent of approximately \$600,000,000; and that these farm credits departments of the Federal farm banks be authorized to discount or purchase agricultural paper in a broad sense and to make loans or advance directly to cooperative marketing associations and agricultural credit organizations.

6. That the right of the Federal land bank to purchase production credits shall be limited to production credits where the note of the individual is indorsed by the cooperative credit association, or is secured by a chattel mortgage on implements or animals, or both, and indorsed by the local banks, or where the note or draft itself is made by a cooperative credit association or producers, and that any Federal land bank may exercise any of the power herein granted in any section or district of the United States.

And your committee further recommends that the Committee on Banking and Currency of the House and Senate be requested to consider these suggestions and to combine them if possible into a rural credits act, to be introduced in such way as the committee may deem advisable.

Your committee recommends that the council announce as its policy that the cooperative marketing associations do not ask anything from the Federal Government, except that legislation be enacted to permit farmers and farmers' organizations to have the same access to the Federal credits system, adapted to its needs, that all other industries now possess; and to make provision for unforeseen emergencies by setting up a last reserve in such a manner as is above suggested in the farm credits department of the farm land banks.

Your committee further recommends that this council take action through every individual member representing every cooperative association to make immediate personal contact with the Senators and Congressmen from each State to urge that a rule be secured setting aside consideration of other bills until this legislation is secured; and that all of the farm organizations be asked to unite in support of legislation as generally outlined above.

Respectfully submitted.

JAMES C. STONE, Chairman.

LIVE-STOCK CREDITS.

TEXAS AND SOUTHWESTERN CATTLE RAISERS' ASSOCIATION,
Fort Worth, Tex., January 15, 1923.

DEAR SIR: We ask your earnest consideration of the accompanying resolution outlining the views of members of the executive committee of this association on the subject of live-stock credits.

Live-stock producers need loans for periods commensurate with the turnover of their business and at low interest rates. Banks and loan companies can not now extend credit for such periods, for the reason there is no dependable credit reservoir where the notes may be discounted in times of stress. Stockmen and farmers are frequently forced to sacrifice immature live stock and valuable breeding herds on a declining market to meet maturing obligations and expenses. The ones often hit hardest are the owners of breeding herds—the very foundation of the business.

Timely aid by the War Finance Corporation a few months ago helped prevent the collapse of the live-stock industry. Even before that, in 1913, it was necessary for the corporation to make loans on the breeding herds of the Southwest. Many worthy producers have not been able to meet the collateral requirements of the corporation, but millions have been loaned for periods commensurate with the turnover of the

business and at low interest rates. These loans, coupled with the knowledge that an agency existed where such loans could be discounted, helped restore confidence in the business and stabilize values.

The corporation is only a temporary agency. The importance of our industry justifies a permanent reservoir of credit, which can be depended upon in times of stress to do for the live-stock producers what the Federal reserve system does for other branches of commerce.

We urge you to support the Lenroot-Anderson bills.

Yours very truly,

C. B. LUCAS, President.

Mr. A. C. Williams will file with the Committee on Banking and Currency a statement further outlining our views on this subject.

Resolution by executive committee of Texas & Southwestern Cattle Raisers' Association, indorsing the Lenroot-Anderson bills.

Whereas banks of deposit are primarily adapted to the extension of credit to industries having a rapid turnover and requiring only short-time loans, and banks and other existing agencies are not capable of extending necessary credit to farmers and stockmen for periods commensurate with the turnover of their business; and

Whereas agriculture and live-stock production have been and are now being retarded and millions of dollars of wealth produced by hard labor destroyed because of an inadequate credit system; and

Whereas public interest, by reason of the important part of agriculture and live-stock production in the commerce of the Nation, demands that there be provided a credit system which meets the needs of farmers and stockmen to the extent that existing agencies meet the needs of other branches of commerce; Therefore be it

Resolved, That the executive committee of the Texas & Southwestern Cattle Raisers' Association, in session at Fort Worth, Tex., December 19, 1922, recommends and urges the speedy enactment of the Lenroot and Anderson bills. This committee wishes to emphasize the necessity of a permanent reservoir of credit which live-stock producers can depend upon in times of stress, and which gives assurance of reasonable rates of interest, and to particularly urge the following provisions of pending bills:

1. The establishment of farm-credit departments in Federal land banks, each such department to have not less than \$5,000,000 Government capital and authority to issue properly secured debentures. These funds to be available for the purchase or discount through banks, trust companies, incorporated loan companies, and cooperative associations of producers of notes which have a maturity of not less than six months and not more than three years and are properly secured by live stock or agricultural products.

2. Amendment of the Federal farm loan act increasing the loan limit of Federal land banks on land from \$10,000 to \$25,000.

3. Amendment of the Federal reserve act to permit rediscount by member banks of live stock and agricultural paper having a maturity of nine months.

4. Amendment of the Federal reserve act to authorize Federal reserve banks to buy and sell debentures issued by farm-credit departments of Federal land banks: Be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Secretary of the Treasury, the Secretary of Agriculture, and all Members of Congress from Texas and adjoining States.

LEGISLATIVE APPROPRIATIONS.

Mr. WARREN. Mr. President—

Mr. DIAL. I should like to ask the Senator one question, please.

Mr. WARREN. Will the Senator wait until I get up the appropriation bill?

Mr. DIAL. Very well.

Mr. WARREN. With the permission of the Senator, I ask unanimous consent that the Senate proceed to the consideration of House bill 13926, the legislative appropriation bill.

The VICE PRESIDENT. Is there objection?

Mr. FLETCHER. Mr. President, the bill was reported only this morning.

Mr. WARREN. It was.

Mr. FLETCHER. I do not want to raise an objection to considering appropriation bills, but I have not been able to get a print of the bill.

Mr. WARREN. It is right here.

Mr. FLETCHER. Under the rules, of course, it would have to lie over until to-morrow; and I suggest to the Senator whether it would not be better to bring it up to-morrow.

Mr. WARREN. Mr. President, if the Senator will permit me, I want to say this:

In the first place, there are very few changes in the bill on the part of the Senate committee—none of great consequence. The bill has an increase altogether of \$101,000. Three items, amounting to over \$100,000, are for the Architect of the Capitol for doing over to some extent this Chamber and for providing other conveniences of two or three natures in the Senate Office Building. Aside from that, there is a little matter of doing away with one or two employments and adding a trifle to the pay of three or four more. That is about all there is in the bill except what comes over from the House—the regular appropriations for the clerks of committees and employees of the Senate, and so forth.

Mr. FLETCHER. I have not any doubt about the merits of the bill and the merits of the amendments that have been offered to it. It is just a question in my own mind as to whether we ought not to wait until to-morrow morning to take it up.

Mr. WARREN. The Senator would accommodate the committee very much if he would let the bill be taken up now,

notwithstanding it was only reported to-day. I realize that this is the first time that I have asked for such action in this session. It is a matter of small moment in one way, but it is quite important to us because there are so many conferences that are yet uncompleted.

Mr. FLETCHER. So far as I am concerned, then, I shall not raise the objection. I do think that these bills ought at least to be presented so as to let us have a print of the bill before we take it up.

Mr. WARREN. I ask that the Senator may be furnished a copy of the bill, or any other Senator that wishes it. They are here.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wyoming? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. WARREN. I ask unanimous consent that the formal reading of the bill be dispensed with and that it may be read for amendment, the committee amendments to be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

FIVE-CENT STREET-CAR FARES IN THE DISTRICT OF COLUMBIA.

Mr. HEFLIN. Mr. President, just after I had addressed the Senate briefly to-day upon the amendment of the Senator from Tennessee [Mr. McKellar] to establish a 5-cent fare on the street cars in the District of Columbia, and had gone down to lunch, the Senator from Wisconsin [Mr. Lenroot] said:

The Senator from Alabama very truly said that if the amendment of the Senator from Tennessee had been adopted it would have had the effect of legislating a 5-cent fare in the District of Columbia, if I correctly understood him. That was exactly the position the majority on this side took with reference to that amendment. My position with reference to it was that it was legislation, that it did seek to have Congress fix the rate of fare in the District of Columbia.

Mr. McKellar. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. Lenroot. Certainly.

Mr. McKellar. Am I to understand the Senator to say that he is not in favor of a 5-cent fare in the District of Columbia?

Mr. Lenroot. I am in favor of a 5-cent fare if a 5-cent fare can constitutionally be imposed in the District of Columbia, but the Senator from Tennessee does not know, nor do I know, whether that can be done.

Mr. President, the only point I wish to make is that the entire speech of the Senator from Alabama [Mr. Hefflin] sustained the position taken by the majority, because we have a rule in this body that legislation can not be placed upon an appropriation bill. That is all I care to say with reference to it. The Senator from Alabama in his speech fully sustained, although he did not realize it, the position taken by the majority.

Mr. President, two years ago, I believe, the Senator from Mississippi [Mr. Harrison] offered practically the same amendment, having in view the same purpose of obtaining for the people of the District of Columbia a 5-cent fare. The Senator from New York [Mr. Wadsworth], the same Senator who made the point of order to-day, made a point of order against that amendment. The Senator from Wisconsin [Mr. Lenroot] defended the position taken by the Senator from Mississippi, and here is what the Senator then said about legislation on an appropriation bill:

I think the Senator is mistaken—

He was referring to the Senator from Washington [Mr. Jones]—

There is no such rule in the House. The limitation rule applies upon general principles, that a limitation does not change existing law, that a limitation upon an appropriation is not either new or general legislation.

So the position of the Senator from Wisconsin to-day is directly opposed to the position of the Senator from Wisconsin two years ago. The position that the Senator took two years ago is diametrically opposed to the position the Senator takes here to-day.

The Senator says that he is in favor of a 5-cent fare, and to-day he had the opportunity to vote for a 5-cent fare and he did not do it. The Chair ruled to-day exactly in keeping with the Senator's position two years ago. If the Senator had wanted to give a 5-cent fare to the people of the District of Columbia, what an easy thing it would have been to be consistent, stand by the position he occupied then, give the people of the District of Columbia the benefit of his great service, and vote to give a 5-cent fare to them. Here was the opportunity. Here was the amendment, the same kind of an amendment that was pending then, when he said it was

in order. He says he favors it now, and yet he voted against putting it into the law when the Republican Vice President threw open the door and gave him the opportunity to vote to put it into the law.

Mr. President, I believe I find here, if my eyes do not deceive me, that he voted against a 5-cent fare two years ago. Here is a record vote that was about to escape me. Now the Senator says he is in favor of a 5-cent fare, but he voted against it then, although sustaining the position of the Senator from Mississippi that the matter was in order upon that occasion.

I want to bring to the attention of the Senate a proposition under this amendment that we tried to put on here to-day. The people of the District of Columbia, thousands of them, can ill afford to pay an 8-cent fare. Under the amendment proposed by a Democrat, the Senator from Tennessee [Mr. McKellar], the same kind of an amendment that was proposed by the Senator from Mississippi [Mr. Harrison] two years ago, any person could buy 24 tickets for a dollar and ride 24 times in the District of Columbia under the fair and just provision that we undertook to put into the law to-day; but under the law as the majority of the Senate decreed to-day it shall be, any person riding 24 times and paying a cash fare each time will pay \$1.92. So that is the effect of the vote cast by the Senator from Wisconsin and the others who voted with him. I called attention this morning to the fact that some of our good friends who are going out of the Senate defeated a 5-cent fare for the people of the District of Columbia—six of them—the Senator from New York [Mr. Calder], the Senator from New Jersey [Mr. Frelinghuysen], the Senator from Minnesota [Mr. Kellogg], the Senator from North Dakota [Mr. McCumber], the Senator from Indiana [Mr. New], and the Senator from Washington [Mr. Poindexter].

Mr. President, we are treated to this sort of a situation: Nearly everyone admits that an 8-cent fare is too much.

I want to see justice done to the people of the District, and it is wrong for these capitalists to come here from the outside States, buy stock in these street car companies, and hold the fares up on the people of this District. Congress should not permit it. But here we are to-day, desiring to reduce the fares, which nearly everybody says ought to be reduced, and the Republican Senators, with the opportunity given them by the Republican Vice President to reduce these fares to 5 cents, or six tickets for a quarter, did not do it. They defeated it. They had the opportunity to put that amendment on the bill. Then they stand up and say, "We were just voting to sustain the rule."

Mr. President, how many times have I seen both parties turn down a rule because an emergency had arisen, and the exigencies of the occasion demanded that the rule be set aside temporarily? The same body that makes a rule can temporarily suspend it or lay it aside by its vote, and that is what we do when we do not sustain a rule. When a majority of the Senate wants to do a thing, and thinks it is right to do it, it frequently turns down the ruling of the Chair, if he rules against the position the Senate takes in its desire to accomplish a certain thing. So Senators can not hide behind that. The issue is straight. The street car companies and those who own stock in them did not want the 8-cent fare reduced, and they triumphed in the vote here this morning. Those who wanted 5-cent fares, six tickets for a quarter, were defeated under the vote here this morning. Let the record speak the truth.

Senators can not say they are for 5-cent fares and then vote against a provision that gives 5-cent fares. It is inconsistent. If I am for 5-cent fares I will vote for 5-cent fares. If I am told that such an amendment ought not to be put on this bill and I see that it is the only chance I have to make it the law, I will vote to put it on the bill. Such things have been done hundreds and hundreds of times in both branches of Congress during my service in them.

Mr. President, the statement of Senators will not hold water that they are in favor of bringing down this high fare in the Capital of the Nation when at the same time they vote against the opportunity to bring it down. It is simply ridiculous.

Mr. WILLIS. Mr. President, I rise simply to call attention to the fact that the junior Senator from Wisconsin [Mr. Lenroot] happens at the moment not to be in his seat, having been called from the Chamber. I do not wish to appear to inject myself into any controversy between him and the distinguished and able Senator from Alabama, because the Senator from Wisconsin if he were here would be amply able to take care of himself.

Mr. HEFLIN. Will the Senator yield?

Mr. WILLIS. Certainly.

Mr. HEFLIN. The Senator is aware of the fact that the Senator from Wisconsin replied to my speech when I was not in the Chamber.

Mr. WILLIS. I was not aware of that fact.

Mr. HEFLIN. That is a fact.

Mr. WILLIS. It is not a matter of criticism on either side, so far as that is concerned. It is not the business of a Senator to see that somebody else is present. I am not criticizing the Senator from Alabama. I am simply calling attention to the fact, and also to this fact: Notwithstanding the two eloquent addresses made by my friend from Alabama, he knows, and every other Member of the Senate knows, that the question he has been talking about was not before the Senate this morning and was not acted upon by the Senate.

The rule is perfectly clear. It was not a question of 5-cent fares that we passed upon. The rule reads:

No amendment which proposes general legislation shall be received to any general appropriation bill.

That is a rule of the Senate, and all the Senate did was to say that it would stand by its rule. I do not know how Senators would vote if the question of 5-cent fares were before them, but I simply want the country to understand that which the Senator from Alabama perfectly well understands, that that question was not before the Senate, but it was simply a question as to whether or not the Senate would stand by the rules which it has made.

Mr. HEFLIN. Mr. President, this morning the amendment of the Senator from Tennessee was pending. The Chair ruled that it was in order. That proposed amendment reads:

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street railway companies in the District of Columbia at rates not in excess of the rate of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress, and on and after February 1, 1923, said companies shall receive a rate of fare not exceeding 5 cents per passenger, and six tickets shall be sold for 25 cents.

The latter part, the last three lines, were stricken out upon his request, but the other part refers to the same thing which was in the law as it existed heretofore, when they had 5-cent fares.

The eloquent and distinguished Senator from the State of Ohio, my good friend Mr. WILLIS, says this question was not up. Oh, Mr. President, how hair-splitting is the distinguished Senator from Ohio. This question not up? Here is the amendment providing for this very thing. The question was, Is the amendment in order? The Vice President said, "It is in order. It puts a limitation on an appropriation bill." Is it to be said that we can not limit appropriations and say specifically what shall or shall not be done with the people's money—under what conditions it shall be expended? That is an indefensible proposition. No such position as that can be defended from any standpoint.

The Senate can say that so much of the money "is appropriated to build a street car track down Pennsylvania Avenue to a certain point, provided the street car company will build the street car line from the Avenue to F Street; and unless the street car company does build such line, none of this money appropriated by the Government shall be used in building the track down the Avenue."

Does anybody mean to say that that can not be done, that we could not put a limitation like that in a law? I venture to say that no good parliamentarian will say so. This amendment said, in effect, here are appropriations made for the District of Columbia. The street car companies are part of the District of Columbia, and this money shall not be used until the Public Utilities Commission brings the fare down from the ridiculously high point which it has reached to 5 cents, as it was in the better and brighter days of the District.

Then they undertake to say that is not in order, that you can not put that sort of limitation upon an appropriation bill. The precedents show it can be done. The Senator from Mississippi pointed out the precedents to-day. The Vice President properly ruled, under the precedents of the Senate, that it could be done; but Senators on the other side voted to override the precedents of the Senate, to deny the Senate the right to vote as to whether or not we should have 5-cent fares.

Of course that was the question up for consideration. What else was under consideration in the Senate? We were not trying to remove the Capitol. We were not trying to remove the Union Depot. We were trying to reduce the fares on the street car lines. That was up for consideration in the Senate.

The Senator from Ohio says "Why, we did not even have that question up." Mr. President, that 5-cent fare question was

standing here looking at us, and so were some of the stockholders of the street car companies, and so were some of the poor people who have to ride on the street cars in this city looking down on this Chamber, anxiously hoping street car fares would be reduced, so that it would be a little help to their slender purses. But those who have stock in the railroad companies of this city triumphed, and those who have to ride and pay, with nobody to speak for them, lost on the vote.

That is the issue. There was nothing else up but that. Some Senators may now begin to see how this issue is going to look at home, when they had an opportunity to vote to bring down the street car fares of this city, this city beautiful, the Capital City of the Nation, where, when our people come from the various States, they are entitled to ride over it at a fair fee to the street car companies. We had an opportunity to bring the fare down to 5 cents, which is the fare paid in New York City, but the Senator from New York [Mr. WADSWORTH] made a point of order against it before, and he made it this time; and his colleague, my good friend Mr. CALDER, who is going out, with others who are going out, by their votes denied the people of the District of Columbia to-day the right to enjoy a 5-cent fare, or six tickets for a quarter.

Mr. SMOOT. May I ask the Senator a question?

Mr. HEFLIN. Just a moment.

Mr. SMOOT. I just want to ask the Senator a question.

Mr. HEFLIN. I find by the Record that when this question was held in order my good friend from Ohio voted against 5-cent fares, and no wonder he now comes to the rescue of the Senator from Wisconsin. The Bible says, "By their fruits ye shall know them." They were both against 5-cent fares. They were for these high rates. They so voted then, and they so voted to-day. So there is no use trying to camouflage. They can not get around the issue. I yield to the Senator from Utah.

Mr. SMOOT. I was just going to ask the Senator whether the street car fare in Alabama is 5 cents, or is it higher?

Mr. HEFLIN. In New York City it is 5 cents.

Mr. SMOOT. I am speaking of the Senator's State—Alabama. Is the street car fare in Alabama 5 cents to-day?

Mr. HEFLIN. I do not know what it is.

Mr. SMOOT. The Senator does not think it is 5 cents, does he?

Mr. HEFLIN. I guess it is about 5.

Mr. SMOOT. I guess it is more than 5, I want to say to the Senator.

Mr. HEFLIN. We will set them a good example if we will vote here to-day to make the fare 5 cents.

Mr. SMOOT. Mr. President, I would be perfectly willing to vote for a 5-cent fare if that would be just compensation. The Senator knows very well that when the 5-cent fare was in force salaries were lower than they are to-day, all expenses were lower, everything was lower. Not only that, but the fare in the District is not 8 cents; it is 6½ cents.

Mr. HEFLIN. Where is that?

Mr. SMOOT. The fare is 6½ cents.

Mr. HEFLIN. Where?

Mr. SMOOT. In the District of Columbia.

Mr. HEFLIN. I have many a time seen a boy or girl, a man or a woman, get on the street car and not have the money to buy 40 cents' worth of tokens, and have to pay 8 cents.

Mr. SMOOT. Not 1 out of 5,000 pays the fare that way.

Mr. HEFLIN. The Senator is mistaken.

Mr. SMOOT. I will ask the Senator to look at the record and see what it shows.

Mr. McKELLAR. Mr. President, I want to ask the Senator from Utah a question, if the Senator from Alabama will yield.

Mr. HEFLIN. I yield.

Mr. McKELLAR. Can the Senator lay his finger on any statute that authorizes the Public Utilities Commission of Washington to fix a fare bringing a reasonable income to the street car companies? I believe I asked the Senator that question before. I know it has been stated frequently that that is the law. I have just looked up the public utilities act, and that act in no place authorizes the Public Utilities Commission to fix a fare that will bring a reasonable income to the street car companies. Unless some amendment to that act has been passed, which has not been brought to my attention, apparently they are acting wholly without authority. It was acquiesced in simply, as I apprehend, because of war conditions. Now that the war conditions are over they ought to discontinue acting without authority.

Mr. SMOOT. I have not the act with me, and I do not know what the particular wording of the act is, but I am quite sure if there was an increase by the Public Utilities Commission of the District of Columbia and it did not meet the approval of

the public generally there would have been some action at least to prevent them from putting the increase into effect.

Mr. McKELLAR. We are trying to get some action now.

Mr. SMOOT. I am speaking of court action, not congressional action.

Mr. McKELLAR. Sometimes the people object very strenuously to bringing court action when the public authorities act in that regard.

Mr. SMOOT. I have not any doubt but what the commission had the authority.

Mr. McKELLAR. If the Senator can refer me to the authority—and I know if anybody knows where it is to be found the Senator from Utah does—I would be very glad to submit it to the Senate. I can not find any such authority. It may be I have not examined with sufficient care, but up to date I have been unable to find it.

Mr. HEFLIN. I believe the Senator from Utah was against the proposition this morning. I would like to ask the Senator from Utah if he believes in a 5-cent fare in the District of Columbia?

Mr. SMOOT. Not if it will not pay the expenses of running the street car company. I know in my own city they are charging 7 cents and making nothing.

Mr. HEFLIN. I want the street car companies treated fairly. What about the poor fellow who has to ride on the street car? Does not the Senator give consideration to his purse?

Mr. SMOOT. The consideration given him is that if the company does not pay the expenses of operation, then the poor fellow will not have anything to ride on very long.

Mr. HEFLIN. The poor fellow who is not able to pay 8 cents fare would be just as well off if we had no street cars.

Mr. SMOOT. That is true. So he would be just as well off in the one case as the other.

Mr. McKELLAR. Mr. President—

Mr. HEFLIN. It is apparent that the Senator is trying—

Mr. SMOOT. Mr. President—

Mr. WARREN. Will all of the Senators yield to me a moment?

Mr. McKELLAR. I want to ask the Senator from Utah a question before he leaves the Chamber.

Mr. WARREN. All of these discussions are very illuminating, but I was wondering whether we should indulge in them when we have an appropriation bill before the Senate?

Mr. McKELLAR. I am doing it for the simple reason, if the Senator addresses his inquiry to me, that so far as I am concerned I regard a 5-cent fare in the District of Columbia as quite important, sufficiently important for the Members of this body to discuss it.

Mr. WARREN. Has the Senator from Tennessee made a motion to put such a provision in the pending appropriation bill?

Mr. McKELLAR. No; there is no motion, and under the rules of the Senate there does not have to be a motion on it.

Mr. WARREN. I understand the rules of the Senate allow the Senator to stand here for four days and talk if he has the strength to do it. I understand that perfectly well.

Mr. McKELLAR. Of course, where it is a matter of such importance we ought to stand here and talk about it. When the law is violated in behalf of the street car companies, somebody ought to stand here and talk about it. The Senator from Utah [Mr. Smoot] stated he was in favor of a 5-cent fare, provided a reasonable return was given the street car companies. I called the attention of the Senator to the fact this morning, and I do it again now, and I have no doubt the Senator knows it, that the Capital Traction Co., which was allowed to charge these high fares in the city of Washington, last year paid a dividend of 7 per cent and had a surplus of in the neighborhood of \$700,000, almost enough to pay 6 per cent more. Surely the Senator has no doubt about that being even more than a fair return, has he?

Mr. SMOOT. The Senator has no doubt that the 1½ cents off of every fare, which the Senator proposes to deduct in order to reduce the fares to 5 cents, would amount to more than the \$700,000, and perhaps three or four times that amount.

Mr. McKELLAR. That is not what I am asking.

Mr. SMOOT. That is exactly the fact. The Senator from Tennessee has not studied the question to understand what it means.

Mr. McKELLAR. I am asking if the Senator does not think that any concern able to pay a dividend of 7 per cent is making a very fair return on its money?

Mr. SMOOT. I should consider that a very fair return.

Mr. McKELLAR. The Senator would not fix 7 per cent as an unfair return if he were fixing it, would he?

Mr. SMOOT. He is not fixing it at 7 cents. Six and two-thirds cents is the rate at which it is fixed now.

Mr. McKELLAR. But I am not talking about the fare. I am talking about the amount earned on the capital stock of the company. They paid a dividend of 7 per cent last year, and 7 per cent the year before, and, as I understand it, they said they did not care for the increased rates. Is the Senator in favor of granting them an increased rate whether they want it or not, and regardless of the fair return on the capital?

Mr. SMOOT. No; the Senator is not in favor of that. I think the Senator from Tennessee will find that the other company in Washington has not made any money at all on the rates of fare it has charged.

Mr. McKELLAR. Yes; and the Senator will find that there are people in Washington who do not make money, of course; but we can not fix rates for those who are unable to make money on their property. We can not overcome their delinquencies. I understand that the Washington Railway & Electric Co. is largely a speculative concern; that they have been engaged in getting corporations together at small prices whenever they could and then issuing large blocks of stock with nothing to represent it but pure water. Of course we ought not to be required to tax the people in the city of Washington in order to give that company even what might be called a fair return upon money that they have not got invested in the business.

Mr. SMOOT. Let me ask the Senator a question. Suppose a reduction of 1½ cents in every fare received by the Capital Traction Co. should result in decreasing the revenues of the company by an amount greater than that required to pay the 7 per cent dividend and create the \$700,000 surplus, would the Senator then want a 5-cent fare?

Mr. McKELLAR. That is a supposition that we need not go into, for the reason—

Mr. SMOOT. Oh, yes; that ought to be taken into consideration.

Mr. McKELLAR. That is not the criterion by which the matter should be judged at all. We judge by what they are earning to-day. They are earning in the neighborhood of 13 per cent. That is too much to tax the people in the District of Columbia to give to the street car companies.

Mr. SMOOT. But the 1½ cents which the Senator wants to take off of the rate of fare in the District of Columbia would amount to more than the dividend and the surplus he is talking about.

Mr. McKELLAR. The Senator is entirely mistaken about that.

Mr. SMOOT. Oh, no; I am not.

Mr. McKELLAR. Because before the fare was increased the companies earned good return upon their stock and as much as they were entitled to earn under the contract they had with the city. So it is proved that the Senator's figures are absolutely wrong.

Mr. SMOOT. I do not desire to discuss the matter any further with the Senator.

Mr. HEFLIN. Mr. President, it has been hinted that the street car companies have a good deal of watered stock. When they used to sell six tickets for a quarter they made money. The Senator from Tennessee [Mr. McKellar] has pointed out that they are making about 13 per cent on their investment with the tremendous earning power they have under the present law. They used to get along with a 5-cent fare, and the people used to get along fairly well under it; but they have been increased until they pay now, as I said a moment ago, every time they pay a cash fare—not 40 cents' worth of tickets—8 cents for every ride they take. It is wrong. The fares ought to be reduced to 5 cents.

I simply rose to reply to the Senator from Wisconsin [Mr. Lenroot], who said that Senators voted against the 5-cent rate, but I think he voted at that time to sustain the Chair in his ruling that the amendment would be in order. The position he occupied to-day with regard to that is at cross-purposes with the position he occupied then; but his vote to-day, I repeat in conclusion, is in accord with the vote he cast then, because he voted against the 5-cent fare on that occasion. All Senators on the other side of the Chamber who voted to-day to override the ruling of the Chair can not get away from the fact that they voted in that situation to defeat a 5-cent fare for the District of Columbia. The street car companies carry many more passengers now than they did when they used to make 6 and 6½ per cent. I understand there is a lot of watered stock in the business now.

LEGISLATIVE APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13926) making appropriations for the legislative branches of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the head "Senate, office of the Secretary," on page 2, line 16, to increase the salary of the Assistant Secretary, Henry M. Rose, from "\$5,000" to "\$5,500."

The amendment was agreed to.

The next amendment was, on page 2, line 18, to increase the salary of the minute and Journal clerk from "\$3,000" to "\$3,600."

The amendment was agreed to.

The next amendment was, on page 3, in the items for office of Secretary of the Senate, at the beginning of line 2, to strike out "messenger, \$1,440."

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 4, to reduce the appropriation for salaries in the office of the Secretary of the Senate from "\$89,850" to "\$89,510."

The amendment was agreed to.

The reading was continued to line 15 on page 3.

Mr. WARREN. At this point I wish to offer an amendment. On page 3, line 14, the committee proposes to amend by striking out "\$1,500" and inserting "\$1,800."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 3, line 14, strike out "\$1,500" and insert "\$1,800," so as to read:

Three assistant clerks, at \$1,800 each.

Mr. FLETCHER. Was that estimated for?

Mr. WARREN. There is no estimate necessary so far as this bill is concerned.

The amendment was agreed to.

Mr. WARREN. On page 3, line 15, I propose another amendment, to strike out "\$900" and insert "\$1,200."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 3, line 15, strike out "\$900" and insert "\$1,200," so as to read:

Messenger, \$1,200.

The amendment was agreed to.

Mr. WARREN. Before going further I ask unanimous consent that the clerks at the desk may change all totals to correspond with the amendments when we are through with the bill.

The VICE PRESIDENT. Without objection, it is so ordered.

The reading of the bill was continued to page 4, line 1.

Mr. WARREN. On page 4, line 1, I move to amend by striking out "\$1,800" and inserting "\$2,220."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 4, line 1, strike out "\$1,800" and insert "\$2,220," so as to read:

Assistant clerk, \$2,220.

The amendment was agreed to.

Mr. WARREN. On the same page, in line 17, I move to amend by striking out "\$2,500" and inserting "\$3,000."

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 4, line 17, strike out "\$2,500" and insert "\$3,000," so as to read:

Interstate Commerce—clerk, \$3,000.

The amendment was agreed to.

The next amendment was, under the subhead "Clerical assistance to Senators," on page 6, after line 12, to insert:

Senators elected, whose term of office begins on the 4th day of March, and whose credentials in due form of law shall have been presented to the Senate, or filed with the Secretary thereof, are authorized to appoint the same number of clerical assistants, not to exceed four, at the same annual salaries, to which qualified Senators, not chairmen of committees, are entitled, whose compensation shall be paid out of the appropriation for clerical assistance to Senators.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper," on page 6, at the beginning of line 26, to strike out "Assistant Sergeant at Arms, \$2,500."

Mr. CALDER. Mr. President, the position referred to in the amendment is filled by a man recommended by me. He is most efficient. He has held the position for the past four years. Of course, I have no notion as to what may happen to him in the future. He has, however, been very helpful in many ways. I

do not know the reason why the committee has recommended that the position be abolished. It has existed to my knowledge for the past eight years.

Mr. WARREN. Mr. President, will the Senator from New York allow me to interrupt him?

Mr. CALDER. Yes.

Mr. WARREN. Without entering into the merits of the officer or clerk referred to, for I do not know him personally nor am I familiar with his duties, the office was created at the time when Sergeant at Arms Ransdell was very ill and not able to attend to his duties. There was then a man who had been here a long time, by the name of Cornelius, for whom the office was created for the time being, and has been perpetuated since. The position was continued during the time when Mr. Higgins was Sergeant at Arms of the Senate and was filled subsequently on the recommendation of the Senator from New York, as he has stated.

Mr. CALDER. At any rate, I know the office has been filled for eight years, and for the past four years it has been very efficiently filled. The man who has held the position has been exceedingly useful to many Members of the Senate, and I am confident it would be a distinct loss to the permanent staff of the Senate if the position should be abolished. Of course, after I leave the Senate I do not know whether or not the present incumbent will be retained, but my judgment is that the office should not be abolished.

Mr. WARREN. I will say to the Senator from New York that in any event the office will remain in existence until the 1st of July next.

Mr. CALDER. I understand that even if the amendment shall be agreed to the man who holds the office will continue in office until the 1st of July next.

Mr. HARRISON. May I ask the Senator from New York if the office which is now sought to be abolished is the one held by Mr. Woodworth?

Mr. CALDER. It is.

Mr. HARRISON. My observation of Mr. Woodworth is that he is a most efficient and capable employee.

Mr. CALDER. I know that he is, and I therefore hope the committee amendment may not prevail.

Mr. McKELLAR. I wish to make the same statement in reference to Mr. Woodworth as has been made by the Senator from Mississippi [Mr. HARRISON]. I know Mr. Woodworth well. He is an efficient employee, and I hope the Senate will retain him.

Mr. CURTIS. Mr. President, I do not wish to enter into a discussion of this matter, but, as has been stated by the chairman of the Committee on Appropriations, the Senator from Wyoming [Mr. WARREN], this office was created a number of years ago in an emergency. We are advised, however, that the office of the Sergeant at Arms may be conducted very well without this additional help. I know the officer who at present occupies the place, and I know he has been capable and efficient, but if the office of the Sergeant at Arms may be run without the additional help, if we have an office here which is not needed, as has been ascertained in this instance, we, inasmuch as we are making an effort to reduce expenses, ought to be willing to begin to reduce them here in the Senate. So the committee have stricken the item from the bill, and I think the Senate ought to stand by the committee and reduce expenses to that extent in our own body.

Mr. FLETCHER. Mr. President, I think the Senator from Kansas is entirely right. It is not a question of our personal friendship at all; it is a question of reducing appropriations because the salary heretofore paid for the place has become unnecessary. I think the amendment should be adopted.

Mr. CALDER. Just another word. I know of no more useful place in the staff of this body than the one occupied by Mr. Woodworth, and I hope that the committee amendment will not prevail.

Mr. HARRISON. Mr. President, there is one thought which occurs to me, and that is if the effort is to be made to pass a ship subsidy bill and to keep Senators here to do it and they are to be forced to vote for such an obnoxious measure and it shall fail at this session and an extraordinary session be called, there will not only have to be a Sergeant at Arms but two or three Assistant Sergeants at Arms to bring Senators here in order to pass such a bill.

Mr. CURTIS. We shall take our chances on that, Mr. President.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. CALDER. I ask for a division, Mr. President.

The question being put, on a division the amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 7, line 4, to increase the number of messengers at \$1,800 each under the office of Sergeant at Arms and Doorkeeper from "37" to "38."

Mr. ASHURST. Mr. President, on page 7, line 4, of the bill I notice the words "including one for minority."

Mr. WARREN. May I say to the Senator from Arizona that there are two of those messengers for the minority, one having a certain salary and the other a somewhat lower salary.

Mr. ASHURST. Mr. President, I received a letter from a constituent about a month ago stating that he desired me to procure a position about the Senate as messenger or page or elevator operator for one of his relatives, who was a worthy young man. I wrote him in reply that in 1919, when the Republicans took charge of the Senate, they, of course, also took all the positions commonly called "patronage" and that such patronage was at the disposal of the Republican Senators but not at the disposal of Democratic Senators. However, I am advised that 10 places or positions have been allotted as "patronage" to certain Democratic Senators. I had expected to introduce a resolution in the Democratic caucus asking who on this side of the Chamber has received patronage at the hands of the Republican Senators. I now ask to be informed as to what particular Democratic Senators have been given the right to appoint persons to positions about the Senate?

Mr. CURTIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Kansas?

Mr. ASHURST. I yield.

Mr. CURTIS. It is impossible for me to give the names, but it has been the custom in the Senate ever since I have been a Member of it to allow the minority certain patronage. That patronage is assigned to the minority side, and the patronage committee of the minority, I presume, disposes of it just as it is distributed on the majority side.

Mr. ASHURST. Who make the appointments? I desire the names. I expect ultimately to find out and I shall not be deflected in my pursuit of this information.

Mr. CURTIS. I can give the Senator the names of the employees, but, of course, not being a member of the Democratic Party and not attending their conferences and not being on their committees, I can not tell him who make the selections.

Mr. ASHURST. I am advised that a patronage committee has made the appointments and we desire a list of the names.

Mr. McKELLAR. Mr. President—

Mr. ASHURST. I yield to the Senator.

Mr. McKELLAR. The Senator looks around at me, and so I want to tell him that I am not one of them.

Mr. ASHURST. Very well. There is the first admission.

Mr. SMITH. What does the Senator want especially to know?

Mr. ASHURST. I have been informed that places or positions have been assigned to the Democratic minority. The Senator from South Carolina says he knows nothing about it.

I shall content myself for the present with what I have said. If the Democratic leader will submit to me the list of names I shall be content. I hope that those who have been frequently in the public eye denouncing the Republicans are not also those who have been receiving patronage at the hands of the Republicans.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 7, line 10, to increase the number of skilled laborers under the office of Sergeant at Arms and Doorkeeper from four to five.

The amendment was agreed to.

The next amendment was, on page 7, line 13, to increase the compensation of three female attendants in charge of ladies' retiring rooms from \$720 to \$1,000 each.

The amendment was agreed to.

The next amendment was, on page 7, line 17, after the figures "\$650," to strike out "attendant for service in old library portion of the Capitol, \$1,500."

The amendment was agreed to.

The next amendment was, on page 7, at the end of line 24, to reduce the total appropriation for the office of Sergeant at Arms and Doorkeeper from "\$158,300" to "\$157,580."

The amendment was agreed to.

The next amendment was, on page 8, line 22, after the words "Vice President," to insert "to be immediately available," so as to read:

For driving, maintenance, and operation of an automobile for the Vice President, to be immediately available, \$3,000.

The amendment was agreed to.

The next amendment was, on page 21, line 10, after the word "third," to strike out "session" and insert "and fourth sessions," so as to read:

For preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the third and fourth sessions of the Sixty-seventh Congress, showing appropriations made, new offices created, offices the salaries of which have been omitted, increased, or reduced, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills, as required by law, \$4,000, to be paid to the persons designated by the chairmen of said committees to do the work.

The amendment was agreed to.

The next amendment was, under the subhead "Capitol Buildings and Grounds," on page 22, after line 17, to insert:

For special repairs to the Senate Chamber, including extension of ceiling skylight, painting, reconstruction of air chamber under floor, and for new flooring, to be immediately available, \$81,385.

The amendment was agreed to.

The next amendment was, on page 23, after line 14, to insert:

For painting and renovating Senate Office Building, and for all purposes connected therewith, to be immediately available, \$55,370.

The amendment was agreed to.

The next amendment was, on page 23, after line 17, to insert:

For 100 woven-iron storeroom cages, attic floor, Senate Office Building, to be immediately available, \$16,180.

The amendment was agreed to.

Mr. FLETCHER. May I inquire of the Senator what are contemplated by those two amendments, the first being for painting and renovating the Senate Office Building? Does that mean the outside of the building?

Mr. WARREN. Mr. President, the chairman of the Committee on Rules is present, and I will ask him to explain that item.

Mr. CURTIS. As the Senator from Florida knows, the Senate Office Building has not been painted since it was erected. A number of Senators have come to me, as chairman of the Committee on Rules, and requested that I take such steps as might be necessary to have the rooms painted inside and such other painting done as could be done within the amount proposed to be appropriated. I asked for an estimate and received it, and the committee put in an appropriation to cover the amount. With that appropriation we want to have done as much painting as possibly can be done, and we hope to be able to finish the entire building, but the rooms will be painted inside first, so that the rooms of Senators will be repainted for the first time in 12 or 14 years.

Mr. FLETCHER. What is the meaning of the "woven-iron cages"?

Mr. CURTIS. I suppose the Senator knows that a great many of the Senators desire to keep their old letter files, and they desire space in which to put them. They now are in rooms from which we may be able to remove them to make additional rooms for Senators; and by putting steel cages in the attic we can have one for each Senator. That has been done in the House Office Building, and has proven very satisfactory. The Members of the House are greatly pleased with the accommodations that have been given them, and we thought we would give the Senators the same accommodations. There will be one for each Senator and four extra.

The VICE PRESIDENT. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Library Building," on page 33, line 17, after the word "one," where it occurs the first time, to strike out "\$2,000" and insert "\$2,250"; in line 24, before the word "each," to strike out "\$480" and insert "\$720"; and, on page 34, at the end of line 3, to strike out "\$72,465" and insert "\$73,195," so as to make the paragraph read:

Salaries: Administrative assistant and disbursing officer, \$3,000; clerks—1 \$2,250, 1 \$1,600, 1 \$1,400, 1 \$1,000; property clerk, \$900; messenger, \$840; assistant messenger, \$720; 3 telephone switchboard operators, at \$720 each; captain of the watch, \$1,400; 2 lieutenants of the watch, at \$1,000 each; 22 watchmen, at \$900 each; foremen of laborers, \$900; 16 laborers, at \$660 each; 2 book cleaners, at \$720 each; laundress, \$660; 2 attendants in ladies' room, at \$720 each; 4 check boys, at \$360 each; mistress of charwomen, \$425; assistant mistress of charwomen, \$300; 58 charwomen, at \$240 each; 4 elevator conductors, at \$720 each; 3 skilled laborers, at \$720 each; in all, \$73,195.

The amendment was agreed to.

Mr. WARREN. Mr. President, I have an amendment on the part of the committee to add to the language which appears on page 34, lines 15 and 16.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 34, lines 15 and 16, it is proposed to strike out "Cashier and paymaster, \$2,500" and to insert in lieu thereof the following:

disbursing clerk, \$2,500: *Provided*, That the disbursing clerk of the Government Printing Office hereafter shall be charged with the receipt and disbursement of all moneys for said office in accordance with the provisions of law relating to the Public Printer and other disbursing officers of the Government, under such bond and rules as the Secretary of the Treasury shall prescribe; and thereafter the Public Printer shall give a bond in the sum of \$25,000 for the faithful performance of his duties.

The amendment was agreed to.

Mr. SMOOT. Mr. President, on page 34, line 11, following "Government Printing Office," I offer on behalf of the committee the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 34, after line 12, subhead "Office of Public Printer," it is proposed to insert the following:

The Public Printer may hereafter employ such number of apprentices as in his judgment will be consistent with the economical service of the office.

Mr. McKELLAR. Mr. President, my attention was temporarily distracted a minute ago. Will the Senator state what that amendment is? I beg his pardon for asking him to repeat it.

Mr. SMOOT. Yes; I will read the amendment to the Senator and then explain briefly what it is for.

The amendment reads:

The Public Printer may hereafter employ such number of apprentices as in his judgment will be consistent with the economical service of the office.

The provision of the printing act of 1895, Twenty-eighth Statutes, page 608, reads as follows:

The Public Printer may employ such number of apprentices, not to exceed 25 at any one time, as in his judgment will be consistent with the economical service of the office.

Mr. McKELLAR. Is there a limitation put upon this provision?

Mr. SMOOT. There is no limitation put upon this.

Mr. McKELLAR. Are they to be under the civil service?

Mr. SMOOT. They are all under the civil service.

Mr. McKELLAR. Are they required to be under the civil service?

Mr. SMOOT. Yes.

Mr. McKELLAR. Would it not be better for the Senator to put some limitation upon them?

Mr. SMOOT. All of the employees of the Government Printing Office are under the civil service.

Mr. McKELLAR. But would it not be better to put a limitation on the number, instead of just giving the Public Printer an unrestricted right to appoint as many as he wants?

Mr. SMOOT. No. I will say to the Senator that if the Government Printing Office had the same proportion of apprentices that the labor organizations of the country allow in all of the work in which they have an interest there would be over 400 of them now in the Government Printing Office. This limit of 25 was made at a time when the number was very much smaller. I thought the statement of the Public Printer stated the exact number, but he says:

At that time—

That is, at the time of the passage of the law to which I have referred, in 1895—

there were a comparatively small number of employees in the Printing Office, a few hundred, as compared with the 4,000 and over now.

Mr. McKELLAR. And how many apprentices are there—only 25?

Mr. SMOOT. There is a limit of 25. I want to state to the Senator that they have the training of apprentices in the Government Printing Office, and they have complete four-year courses. The first period of the printing course is one month and the second period is so many months. There are 12 periods covering the four-year course. Then they have the pressman's course there, and the next course is the platemaker's course, and the bookbinder's course, and the machinist's course.

Mr. McKELLAR. What rate of pay do they get?

Mr. SMOOT. It is right in the office itself. They take the boys that have come in there and worked around and made themselves proficient and want to learn the trade, and they have that course to educate them, so that they go right in and take places in the office as they become vacant.

Mr. FLETCHER. May I ask the Senator a question? Does he not give an opportunity for some of the ex-service men to be trained here?

Mr. SMOOT. Yes.

Mr. FLETCHER. So that it relieves the vocational training work?

Mr. SMOOT. Yes. There is not a better place in the world to train any of the ex-soldiers than right in that office, and that is what we want to do.

Mr. FLETCHER. In reference to the amount of pay, I think usually they get about 25 cents an hour, which is, of course, very much less than the full pay.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INTERALLIED DEBTS AND GERMAN REPARATIONS.

Mr. HARRISON. Mr. President, I ask unanimous consent to have printed in the Record some very interesting information. Here is a letter which I have received from the president of the Southern Commercial Congress which explains the matter. The letter states that—

The Southern Commercial Congress organized an International Trade Commission, representative of all sections of the United States. Investigations were made in France, Belgium, Holland, Germany, Switzerland, Italy, and Great Britain.

The commission was nonpartisan, its membership being about evenly divided between our two great political parties.

Herewith I am sending you a copy of the preliminary report; the complete report with a digest of the conditions in the various countries visited by the commission; a set of amortization tables given as a suggested basis for the settlement of the interallied debts and the German reparations, together with letters from members of the American and British commissions and a copy of the resolutions adopted by the Southern Commercial Congress at the fifteenth annual convention held at Chicago, Ill., December 20-22, 1922.

This material is respectfully submitted for the information of the public, and is delivered to you, with the request that you present it for publication in the RECORD or as a separate congressional document for the information of the American people.

I have here a letter from the Secretary of the Treasury, one from the Secretary of State, and one from Hon. Stanley Baldwin, British debt commissioner. The matter is not very long. It is information which this commission procured in Europe. I do not vouch for it; I would not offer it except I know the character of the men who obtained the information; and the public is entitled to read it for what it is worth. So I ask unanimous consent to have it inserted in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The matter referred to is as follows:

(Letter from Hon. A. W. Mellon, Secretary of the Treasury.)

NOVEMBER 4, 1922.

CLARENCE J. OWENS, Esq.,

President the Southern Commercial Congress,
Southern Building, Washington, D. C.

DEAR SIR: I beg to acknowledge your letter of October 31 inclosing copy of the preliminary report of the International Trade Commission which was assembled by the Southern Commercial Congress.

I note that a copy of the final report will be sent immediately after November 20, when it is to be released.

I also note your offer to send a complete report as to a plan of amortization, and beg to say that I should be glad to receive the same. Thanking you, believe me, yours very truly,

A. W. MELLON, Secretary.

(Letter from Hon. Charles E. Hughes, Secretary of State.)

NOVEMBER 14, 1922.

Mr. CLARENCE J. OWENS,

President the Southern Commercial Congress,
Southern Building, Washington, D. C.

MY DEAR MR. OWENS: I regret that on account of the pressure of work in the department I have been unable before this to acknowledge the receipt of your letter of October 31, inclosing a copy of the preliminary report of the International Trade Commission assembled by the Southern Commercial Congress. I am deeply interested in the important subjects to which this report refers, and I appreciate your courtesy in sending me a copy.

Sincerely yours,

CHARLES E. HUGHES.

(Letter from the Hon. Stanley Baldwin, Chancellor of the Exchequer and chairman of the British mission of Great Britain to the United States.)

SHOREHAM HOTEL,
Washington, January 15, 1923.

Mr. CLARENCE J. OWENS,

DEAR MR. OWENS: I am very grateful to you for being so good as to furnish me with a copy of the preliminary report of the International Trade Commission of the Southern Commercial Congress, together with amortization tables for the payment of the debts of nations, including German reparations.

I should like at once to express my admiration of the careful research and mature thought which have been brought to bear upon questions of great intricacy and difficulty.

It was a great pleasure to me to have the honor of a conference with you and the advantage of being favored with the impressions you have derived as a result of your extended tour in the Continent of Europe.

Yours sincerely,

STANLEY BALDWIN.

PRELIMINARY REPORT OF THE INTERNATIONAL TRADE COMMISSION.

The International Trade Commission assembled by the Southern Commercial Congress has returned to the United States after an extended tour of inspection in Great Britain, France, Belgium, Holland, Germany, Switzerland, and Italy.

Courtesies were invoked for the commission by the State Department and the Department of Commerce of the United States, and every facility was granted for the successful prosecution of the work by the agencies of the United States in the countries visited and by the governmental and business organizations and offices of these countries.

The commission is preparing a comprehensive report for presentation to the Fifteenth Annual Convention of the Southern Commercial Congress, to be held in Chicago, November 20 to 22, and for presentation to the Congress of the United States in December. The report will be offered for publication by Congress for the information of the American people.

The American commission assembled by the Southern Commercial Congress in 1913 submitted a report on which was based the Federal farm loan act, and the commission will in the present report submit clear-cut recommendations, the result of first-hand observations, on the fundamental problems in the international relations that react as barriers to direct trade and financial intercourse.

The commission has divorced its work absolutely from national and international politics, and without fear or favor has sought to view the problems and suggest the remedies with an eye single to the economic betterment of the world, the extension of American business, and the sane reconstruction of the stricken nations of Europe.

As a preliminary statement the commission has authorized a brief announcement of conclusions on the fundamental problems that in each country was found to be the absolute barrier that must be removed before the minor questions will admit of solution. The statement, adopted unanimously, is as follows:

"Notwithstanding the treaty of Versailles and the low economic stature of European nations, Europe is more nearly on the verge of military conflict than at any period immediately preceding the World War.

"The Belgian compromise is purely temporary, and unless some solution of the problems is reached prior to the expiration of the six months' period the conditions in Europe will be infinitely worse.

"The fundamental problem is that of the settlement of the war debts and reparations. The settlement can not be handled piecemeal, but must include all the nations parties to international financial obligations. America, as a creditor nation to the amount of \$10,000,000,000 plus accrued interest, must see that its interests are protected in the contract of settlement.

"France and Belgium base their entire program of reconstruction and rehabilitation and the return of exchange to an approximate normal status upon German reparation payments. They say, 'Germany must pay.'

"Germany, with its gold and securities of value out of the country, with apparent financial collapse but with an almost frenzied agricultural and industrial activity in production, boldly claims that the treaty of Versailles must be amended that Germany may be free to compete economically and commercially with other countries of the world, and claims that 'Germany can not pay anything like the sum demanded nor at all until she is free to export.'

"Holland, as a neutral observer, agrees that Germany can not pay, and plainly says that the economic future of Holland is bound up with the fate of Germany. They say if Germany succeeds, Holland will prosper; if Germany fails, Holland will suffer.

"Italy has more nearly balanced her budget and England has balanced hers. These nations do not maintain that their economic future is dependent upon German reparations. However, both nations have their heavy exterior debts and both expect Germany to pay an adequate amount.

"If a settlement is reached, and a settlement must be reached if the peace of the world is to be restored and guaranteed, then two basic considerations must be understood and accepted, viz:

"1. America can not cancel the debts of the nations, but all nations must ultimately pay their obligations with dignity and honor.

"2. The World War is ended, and while hate and anger is still in the hearts of many, the settlements between nations formerly belligerent must be on a basis of mutual respect and consideration.

"Two words contain the solution of the world's problems in the international settlement in this hour of unhappy and chaotic uncertainty. They are 'moratorium' and 'amortization.' Let no nation ask for its debts to be forgiven, but only for time and patient consideration. The former Allies must pay the United States. Germany must pay reparations obligations, but amendments to the treaty of Versailles must be agreed upon giving Germany the opportunity of free competition economically with all nations, and France and Germany must have guarantees of freedom from molestation and military attack.

"If there was adequate reason for a six months' moratorium, there will be greater reason for a longer extension to the expiration of the period. A moratorium of a longer and absolutely definite period must be accepted. If America as a creditor nation attempts to force payments from the nations of Europe, the result would be disastrous, and if the former Allies attempt to force the defeated nations beyond the ability to pay, it would be equally disastrous and would inevitably lead to armed conflict.

"The nations must agree around the table to an amortization scheme of settlement. America might generously agree to reduce the interest rate lower than 4½ per cent and permit one-half of 1 per cent of the interest agreed upon to go to amortize the loan of \$10,000,000,000, and thus with the payment of the interest and the amortization annually the debts would be eventually paid. It is evident that 25 years is altogether too brief a period to amortize the debts.

"The American farmer who under the Federal farm loan act gets his loan for 34½ years understands this principle, and Germany, the country that achieved most in building internal economic power prior to the World War, accomplished the result by the application of the

amortization principle. Germany should be given the same opportunity to amortize the reparations as is extended to the countries of Europe by the United States and England in the settlement of the interrelated war debts. Close study of European finances indicates the need for a long amortization period and a low annual payment. It is the principle and not the rate that offers the solution.

"A standardized plan should be adopted speedily by all nations in conference. The plan should be based upon common sense and even justice. The program of disarmament with guarantees of peace would naturally be a vital element in the contract of settlement."

CLARENCE J. OWENS, Washington, D. C., Chairman.
EMMETT W. GANS, Hagerstown, Md., Vice Chairman.
RALPH METCALF, Tacoma, Wash., Secretary.

REPORT OF THE INTERNATIONAL TRADE COMMISSION.

At a conference in September in Berlin, where the American Trade Commission was studying economic and financial conditions, Doctor Bucher, managing director of the Great Federation of German Industries, said:

"Germany and England must export manufactures and import food and raw material. The United States has within itself all food and raw material that is needed."

Doctor Bucher spoke the truth but not all of the truth. The United States produces a surplus of agricultural products as well as manufactured goods which must find a foreign market. This surplus is comparatively small, but it figures in billions, and its economic effect must be considered.

The inability of many American farmers during the past two years to market their crops at a satisfactory profit, or even to secure a return covering the actual cost of production, is due to lack of a foreign market for our surplus products.

Upon applying to the Federal Government for comparative figures of exports of manufactures and agricultural products to total production the commission was advised as follows:

Unfortunately figures for production and foreign trade are not compiled on a comparable basis, and no figures are immediately available. One of the most carefully worked-out estimates, published by the Harvard Review of Economic Statistics, finds a percentage of exports to total production of exportable goods in 1909 of 7.9 per cent, 1914 of 8.5 per cent, and 1919 of 13.4 per cent. Another estimate made by Dr. B. M. Anderson shows figures of 9.3, 9.7, and 16.01 for the three years, respectively. These two estimates are supposed to include all commodities. A third estimate made by the Federal Reserve Bank of New York, based on 101 representative commodities, shows 4.07, 6, and 7.9 per cent, respectively. It can not be said that there is any one absolutely accurate ratio between domestic and foreign trade. The Harvard Review further figures that in the fiscal year 1920 we exported 45.6 per cent of our tobacco production, 39.3 per cent of copper, 32 per cent of cotton, 21.1 per cent of wheat, 17.5 per cent of pork, 10.6 per cent of beef, 5.7 per cent of anthracite coal, and 5.1 per cent of commercial automobiles. The value, in billions, of products, exports, and imports in 1909, 1914, and 1919 is as follows:

	1909	1914	1919
Agricultural crops.....	5.49	6.11	15.87
Animals and animal products.....	3.01	3.78	8.96
Minerals.....	1.89	2.12	4.65
Manufactured products.....	8.53	9.88	23.90
Exports.....	1.70	2.07	7.75
Imports.....	1.48	1.79	3.90

The Federal Reserve Bank of New York states that "despite the tremendous drop in both value and volume of our exports in 1921 the ratio to total production was actually greater not only than the notoriously 'boom' year previous, but also greater than any other year during the past generation. We did a better foreign business in 1921, a calamity year, than in any previous recent year—better probably than in any previous year." The bank shows a steadily increasing per cent of exports to production, from 4.47 per cent in 1910 to 6.10 in 1913, 6.52 in 1916, 7.91 in 1919, and 8.40 in 1920, with an increase of almost double in 1921.

These statistics also disprove the startling warning of James J. Hill, when he said in an address at Tacoma, Wash., in 1908:

"In 10 years there will not be a ship sail out of this harbor to cross the ocean. We shall have no flour and grain to ship; we shall be importing wheat; and in 25 years we shall face a nation-wide famine."

Although this address was declared by Sir Horace Plunkett, one of the leaders of agricultural thought among English-speaking people, "one of the most important speeches ever delivered by a public man upon a great public issue," it is obvious that world conditions and improvement in the methods of production and agricultural finance in the United States have very materially affected Mr. Hill's prophecy, or at least have deferred its realization. So far from facing a famine, the problem of the United States to-day is to find a satisfactory market for its surplus products.

The initial step, to follow recognition of a condition, is a first-hand, accurate collection of the facts, to be followed by a scientific study of the facts collected and all conditions at home and abroad that enter into the problem, in the certainty that out of it will come knowledge, and in the light of knowledge better conditions should follow.

Because of our failure to grasp trade opportunities to the South, Europe is the greatest available market for our surplus, and to make the necessary collection of the facts about European conditions by personal study the International Trade Commission was assembled by the Southern Commercial Congress.

The Southern Commercial Congress was organized in 1837 and for the past 14 years has maintained permanent headquarters at Washington. The slogan of the Congress is, "For a greater Nation through a greater South." Its activities have been nation-wide, and upon its invitation the governors and representative men in all branches of American business in the States of the North, East, and West have cooperated cordially.

In 1913 the Southern Commercial Congress organized an American commission on rural credit and agricultural organization, which at that time was the great problem the United States was facing and refusing to consider, composed of 118 men, 80 of them official delegates commissioned by governors of 29 States and premiers of 4 Canadian

Provinces. This commission studied in every country in Europe except Portugal and the Balkan States, where war was then raging. Based upon its investigation and report there have been enacted many State laws for the benefit of the farmer, and the Federal farm loan act, under which there are in operation 12 great regional banks and more than 4,000 farm-loan associations, with loans of more than \$800,000,000 to farmers on long time and low rate of interest on the amortization plan. This law has established in America the principle that 1 per cent added to the rate of interest will cancel the debt in 69 semiannual payments, or 34½ years.

General Pershing is responsible for the statement that when America entered the World War emergency legislation was required for the Army and Navy, for shipping, for practically every governmental activity, but the Federal farm loan act was already in operation and needed no further legislation to enable our farmers to produce food for our Army and Navy, for our country, and, to a large extent, the Allies. There have been other nation-wide achievements by the Southern Commercial Congress of less magnitude, but also of great importance.

The International Trade Commission assembled at New York on August 18 last and sailed on the following day on the steamer *Homeric*. Every part of the country, from the Pacific coast to New England and from Ohio to Alabama, was represented. The members held appointments from the Governors of Tennessee, Missouri, Ohio, Maryland, Virginia, Pennsylvania, Alabama, Washington, North Carolina, New Hampshire, Georgia, and from the Southern Commercial Congress.

The commission included growers, manufacturers, exporters, bankers, executives of commercial organizations, and other fields of industry. There were several ladies, who were commissioned by the governors of various States because of their activity in women's clubs and public affairs. The commission was about evenly divided between the two great political parties, and its investigation and findings have been absolutely without consideration of national or international politics.

The commission studied the European problems and ventures to suggest remedies, with an eye single to bringing order out of existing chaos, that the enormous debts due to America from Europe may be paid and increased markets may be developed for the extension of American business through the economic betterment of the world, sane reconstruction of the stricken nations, and stabilization of their currency and finances.

The commission landed at Cherbourg and studied in Paris, France; Brussels, Belgium; The Hague, Amsterdam, Rotterdam, Holland; Berlin, Germany; Lucerne, Zurich, Switzerland; Milan, Venice, Rome, Italy; returning to Paris and thence to London.

Investigation was attempted to be made in the following fields:
Europe's needs as to raw material and manufactured products.
Europe's ability to pay and Europe's need of American credit.
Export information.
Import information.
The sources of information consulted were:
Diplomatic and consular officers of the United States.
Trade commissioners of the United States Department of Commerce.
Ministries of commerce of European countries.
International chambers of commerce in European countries.
American Express Co., European offices.
Independent agencies of information, including (a) individuals, (b) organizations.

Courtesies were invoked for the commission by the State Department and the Department of Commerce of the United States and every facility was granted for the successful prosecution of the work by the agencies of the United States in the countries visited and by the governmental and business organizations and interested individuals in these countries.

Conferences were held in every city visited and the officials and agencies heretofore enumerated called to testify before juries of inquiry. The commission met with no refusal nor hesitation to testify, but in every country with a full and frank statement of facts and conditions from the viewpoint of the witness.

A number of valuable reports and documents prepared by the United States Diplomatic and Commercial Service and by officials and economists of the various European countries was received by the commission and incorporated in its records.

In seeking to learn existing trade and financial conditions and any barriers to extension of American trade that may exist, in every country except Italy the answer both of foreign officials and financiers and of American diplomatic and commercial representatives and of Americans in business, there resident, invariably led back to the German reparations and the allied debts to the United States.

Before leaving France, the first country visited, it became evident that these problems were fundamental and must be settled before the question of trade extension can be intelligently considered.

Another startling fact impressed itself, the psychological aspect of the situation. It is difficult for Americans to understand that notwithstanding the Versailles treaty, Europe is more nearly on the verge of war than at any period immediately preceding the World War. In France the dominant feeling, permeating everything and every man, woman, and child, in the air, in conversation, in business, even in the press, is fear—fear of another attack by Germany, a Germany whose soil war did not touch, a Germany with every factory in frenzied operation, the great Krupp works running full shifts, and scientists in their elaborate laboratories designing or already preparing new devilish gas or chemical, which dropped from above will doom to instant death an army or a city full or a countryside. And Germany, a far greater and more powerful nation than France, emphasized by memories of the debacle of 1870. That is the unquestioned situation in France to-day notwithstanding the treaty provision limiting Germany to an army of 100,000 men and equipment and munitions for no more, while France has 800,000 men under arms. It is not good for the morale of the nation or the world; it is not conducive to peace nor to a reasonable consideration of the great problems that must be faced and solved to-day and upon a just solution of which the welfare—to say the least—of the world, including the United States, depends.

Not only that she needs the money, because she already has spent it, lavishly, extravagantly, relying upon payment in the immediate future of money that by no physical possibility can be paid for years and never in the sum fixed by the Reparation Commission, but also and more emphatically because of this fear which demands that Germany shall be crippled and dismembered and prevented from re-establishing herself, France declares that Germany must pay and shall pay the entire 132 billion gold marks and shall make the pay-

ment specified when the present temporary moratorium, resultant from the Belgian compromise, expires. France even suggests that it is the duty of the United States to aid in forcing Germany to make this payment, for if this payment fails, then France will fall, and with France, civilization. But before the crash comes, a million French soldiers will march into the Ruhr district. There are wise heads in France who realize the futility of this threat and the impossibility of Germany meeting the requirements.

One representative of the French Government has even whispered that the hope of France in insisting upon the letter of the treaty is not to force payment in full but to compel a dissolution of the former great German Empire into its constituent, free-from-military federation. This is a secret of the innermost circle, but the statement has been made on very high authority.

There are some who are optimistic enough to believe that there is a forlorn hope that, without German reparations, the indomitable spirit and wonderful thrift of France may pull her through; but we have not exaggerated the attitude of France, as impressed upon the commission by officials, financiers, representatives of commerce and industry, and quite "out Frenching" the French, to paraphrase one of the clever epigrams of Poincaré, by American diplomats and officers and directors of the American and International Chambers of Commerce. And, of course, America must give up all thought of expecting any payment of the allied debts. This latter is not expressed by official France but is the overwhelming sentiment. No provision for such payment is given consideration in preparing the budget.

The attitude of Belgium—Government, industry, finance, people—is a simple ditto. If Germany fails to pay the last mark named in the reparations demand, and at the appointed time, then France and Belgium fall, and civilization goes back to the Dark Ages—and civilization includes the United States.

Holland says these demands can not be met; Germany must be given a chance to get back on her feet; for Germany is Holland's hinterland, and if Germany falls—and fall she must, and soon unless given a breathing spell—then Holland falls, too, and with them all Europe.

The commission was assured by the United States ambassador at Berlin that it was idle to ask for the attitude of Germany, for there were as many different attitudes as there are German people—about 60,000,000. Still, the attitude of Germany is sufficiently clear. Germany, with its gold and securities of value safe in neutral lands, with worthless paper currency and apparent financial collapse, but with a frenzied agricultural and industrial activity in production, declares that the treaty of Versailles must be revised so that Germany may be free to compete in the world's markets—that Germany can not pay anything like the preposterous sum demanded, nor at all until she is free to import raw material and to export manufactured goods. Germany can live and gradually rebuild her shattered economic structure and pay a reasonable reparation in due time, but only if she be allowed to export. Germany must keep her factories running and her workers employed or the Russian revolution looms near. She has a short crop and raises only food enough to feed her people for seven months. She must import food for five months. She has left 1,000,000,000 gold marks. If she pays this into Belgium, as demanded, she can no longer buy raw materials abroad, for her paper currency is of no value except within her borders. Nor can she buy food next spring to avert threatening famine when her own production is exhausted. Without raw material, with her hundreds of thousands out of work and starving, no power can prevent a bloody revolution and Bolshevism. The Versailles treaty makes it impossible for Germany to build up foreign trade, upon which payment of reparations depends. The treaty must therefore be revised. You can not take away a man's tools and the material upon which he works and expect him to go on with production, from the sale of which he must pay his bills. He can not.

If France marches an army into the Ruhr district, Germany will fight; there is no other alternative; it is for life. If the Allies prevent Germany from doing business with the West, she will look to the East. There is a great storehouse of raw material and food; there is an army in the making that can overwhelm Europe under veteran German commanders; Russian industry in trained German hands. This is whispered; aloud it is emphatically declared: "Germany will look to the East."

Hugo Stinnes, the head of German finance and industry, closed a contract while the commission was in Germany to expend 13,000,000,000 francs in reconstruction in the devastated area in France, to apply on reparations. This proposition was gladly approved by France. It was only a day or two before it was whispered in Berlin that the hidden political purpose of this move overshadowed its surface intent. It is no secret that Stinnes has his agents all over Russia. It is true that they have failed in some of their efforts, and this has been played up in the newspaper press; but it is also true that Germans, directed by Stinnes, are gradually getting into control or at least into direct contact with Russian industry and commerce. Had Stinnes proposed to go into Russia on so tremendous a scale as he has in the devastated regions in France, France would have shouted an emphatic "No." But France has very cordially approved the Stinnes contract; how can she even criticize a contract in Russia, a Russia that owes France a billion dollars of borrowed money and other billions on investments now worthless? And what does a German-Russian military alliance mean to the peace of Europe—and that unquestionably includes the peace of the world.

This summary of the attitude of Germany is accurate, so far as the judgment of the commission may go. What keeps Germany stirred up and resentful is the occupation by French colored troops, who, it is emphatically declared, were at the outset, but are not at the present time, guilty of outrages. This attitude is not good for the morale of Germany nor of the world; it is not conducive to peace nor to a reasonable consideration of the great world problems that must be solved without further futile dalliance.

Switzerland, or a considerable part of it, sympathizes with Germany. The hotel or tourist industry is actually the principal industry of Switzerland. Germany furnished a good percentage of the Swiss tourists, and now practically none, because the Germans who were formerly wealthy are now bankrupt. Germans can not pay foreign hotel bills in paper marks. The hotels were in such bad condition financially that they were about to close. To prevent this the Government stepped in and saved its leading industry by dipping into the treasury and handing out a sufficient bonus to make up the deficit. And so Switzerland very generally and very naturally wants Germany to be given a breathing spell and a chance for new life.

There is, of course, no question of the ability of the British Empire to pay its debts. The four billions the United States loaned England

is an absolutely sound investment so long as the American Government keeps its head. England can pay and will pay. The payment of \$50,000,000 of interest this month guarantees this. The British Government maintains an absolutely impeccable position. "Hands across the sea" really guarantees the peace of the world. And still the British press and the British public rather more than hints that the United States made billions out of the war and now has most of the gold of the world; that America was quite as vitally interested in quelling the world-dominion ambition of Germany as Britain or France; and that the billions loaned to Europe were for America's defense and should be wiped off the slate, or very materially reduced. A very high authority said to the officers of the commission in London—an authority so high that it can not be quoted: "This payment of \$50,000,000 interest is merely a gesture. England says that, of course, she can pay and will pay to the uttermost farthing. But poor France, poor Belgium, poor Italy, they can not pay a dollar and never will be able to. America must remember that France and Belgium and Great Britain fought her fight for her and saved her from the Hun. England will pay, but France and Belgium and Italy, they can not pay one dollar. America must cancel these debts and charge it to national protection. And then what? England knows that if the United States cancels the debts of France and Belgium and Italy it must accord to Britain exactly the same treatment. If you know your Bible, you will remember Uriah. Britain has had centuries of training in the intricacies of diplomacy. With full consideration of and sympathy with "Hands across the sea," it is the judgment of the commission that the basic principle of England is "England first and always," and that there is some foundation for the statement of the very high authority above quoted.

Whether the cause for its attitude upon German reparations, diametrically opposed to that of France, be selfish or merely wise, Great Britain's position that Germany can not pay the sum demanded and must be given a chance to recuperate is sound. The declaration made in France that Britain is merely pursuing her time-honored policy of dividing the continent so as to prevent the development of too strong a rival, and is encouraging Germany to make no attempt to pay, in order to cripple France, is hysteria merely.

London has been the center of world finance for generations and economic principles are understood. Despite rivalry and suspicion, prior to the World War Germany and Britain were each the largest customer of the other. The severe depression in British agriculture is ascribed by every authority consulted to a glut resultant from the shutting off of the German market. England realizes that a return to normalcy in Europe is dependent upon the restoration of sound economical and financial conditions in Germany. Here, as elsewhere, these problems are fundamental.

Italy was the only country where we found a different viewpoint. Italy has cleaned house. The assumption of political power by the Fascists since the commission left Italy does not at all affect the situation. The Fascists rather overdo it, but the Fascists stand for loyalty to Italy, loyalty to the King—who is democratic and clear thinking—and for law and order.

Italy has handled the threat of communism and socialism boldly and forcefully through the Fascists and has demonstrated to the local I. W. W.'s, to paraphrase the deathless words of Garfield, "God reigns and the government at Rome still lives." Italy has molded her financial policy upon close economy and progressively high and yet higher taxation. In Italy alone of all the European countries visited, the fundamental problems of German reparations and of the allied debts were not referred to in any conference with Government officials and financial and commercial representatives.

These are the problems upon which the peace and welfare of the world depend—the German reparations, the allied debts. The International Trade Commission has not attempted to evade these fundamental questions. It has endeavored to study them from the standpoint of every country visited, and with a clean mental slate to grasp the situation, and has even assumed to suggest the remedy. It is very clear that the extension of American trade with Europe—the object of the commission—hinges, as does every world question, upon a right solution.

Just before leaving London for the home voyage, the officers of the commission, in conference with perhaps the leading representative of American financial interests in Europe, said, "It is, of course, presumptuous for a score of everyday Americans to come over here for a few weeks and take upon themselves the troubles of the world." The answer was this: "Not at all. That is the wrong viewpoint. These people have been muddling along for four years. Nobody has suggested a way out, and nobody has thought of it. They are simply preparing for the next war. A solution must come, and it must come now. A constructive plan is needed; you have offered it. Your recommendation is sane, feasible, and practicable and should be promptly acted upon by the Congress."

Restoration of normal trade conditions and increased market for America undoubtedly depend upon a sane settlement of German reparations and the allied debts. Germany must pay a reasonable sum for reparations—as great a sum as is within her economic possibility. To demand a sum that could not conceivably be paid by any nation, more money than there is in the world, and at the same time to impose conditions that prevent Germany from paying, does not evade the question; it makes an answer impossible. The sum demanded from Germany—a sum incomprehensible before the World War changed our computations from thousands to billions—must be reduced to a figure that Germany can conceivably pay in time. No figure of billions upon billions could possibly make reparation for the moral as well as physical loss to the world caused by the World War, which must be laid at the door of Germany. If Germany could be forced to and could work out and pay unlimited billions, there would be no serious problem. If the United States could build a wall around its boundaries and live unto itself, ignoring the rest of the world, these problems would have only a passing interest for us. Germany can not pay the sum demanded; the United States can not live unto itself without an economic readjustment that is utterly unnecessary and that would entail years of financial loss and unemployment.

A few weeks ago President Harding said: "The first duty is to protect our national interests, but in many ways real protection comes from cooperation with other nations. The best intelligence of the day recognizes the need to encourage intimacy and understanding in the social, economic, and political family of nations, and it recognizes that thus inaugurating a plan which looks to intimate consideration of the facts we are offering a means of true unification and solidarity among the interests which make up

our industrial civilization and we are taking a step toward the solution of some of the most perplexing economic problems which confront the nations.

"The last thing in our thoughts is aloofness from the rest of the world. We wish to be helpful, neighborly, useful. To protect ourselves first and then to use the strength accruing through that policy for the welfare of mankind is our sincere purpose."

Following this declaration of the attitude of the American Government toward world problems the International Trade Commission has ventured to "inaugurate a plan which looks to intimate consideration of the facts" upon which the peace and welfare of the world depend and "offers a means of true unification and solidarity among the interests which make up civilization and is a step toward the solution of the most perplexing problems which confront the nations. We wish America to be helpful, neighborly, useful. To protect ourselves first and then to use the strength accruing through that policy for the general welfare of mankind."

In an address at Boston, October 30, Secretary Hughes declared the foreign policy of the administration to be a policy of helpfulness and good understanding, without entanglements which would fetter American independence. He characterized the arms conference as meaning the rescue of the world from despair. He closed by saying: "There is no reason why we should fritter away our helpful influence by becoming a partisan of another party to a conference, much less make the fatal mistake of attempting to assume the rôle of a dictator."

This is sound principle. Just as the United States rescued the world from despair by calling the Washington conference, so it can save the peace of Europe and of the world and bring sane reconstruction out of chaos by inviting the allied nations and Germany to another like conference of Government officials and leading financiers and economists, which shall solve the problems of German reparations and allied debts, shall pave the way for reduction of armaments, insure payments of reparations and of the debts, give America increased markets in Europe, stabilize exchange to some degree, and reduce the burden of taxation that now hangs heavy over the American people.

On October 16, in an address at Toledo, Secretary Hoover said: "Our loans to the Allies, now amounting to \$11,500,000,000, are in fact debts to our taxpayers. I do not believe any public official, either of the United States or any other country, could or should approve their cancellation. With the exception of minor amounts, I am convinced that these debts can be repaid in a reasonable period without realization of the oft-expressed undue strain on the debtor countries or the threat of a flood of goods that would endanger employment in the United States."

"The shipment of European manufactured goods that might compete in our home market to the Tropics, and in turn the shipment to us of tropical goods that will not interfere with our domestic manufacture or employment, not only is possible but is going on all the time. These tropical products are a type of goods which we can not produce sufficiently—rubber, coffee, woods, etc. They do not affect employment in the United States, and they are constantly increasing in ratio to our total imports. In the last seven years our imports from the Tropics have increased from 35 to 53 per cent of our total imports. The expenditures of American tourists abroad, remittances of immigrants in the United States to relatives, the growing volume of investments made by our citizens in foreign countries, and other items of so-called invisible exchange give Europe a large supply of American money with which Europe may in turn pay interest on debts or for the purchase of goods from us."

"There is no need for despair in the future of Europe if Europe can maintain peace. Its hard-working population, its tremendous intelligence, its fabulous development of skill and scientific knowledge are vital forces that must win if they have half a chance. These economic problems we must vision over years and decades. Europe's troubles to-day are solely in the fiscal and political fields. Her social organization, her agriculture, industry, transportation, and commerce have found extraordinary recuperative powers from the depths of disorganization and famine in 1919."

The commission is glad to find these views of the leading economist in the Government of the United States coincident with its own findings. It believes its recommendation of a solution of the problems to be entirely in harmony with the declarations of the President and of the Secretaries of State and of Commerce above quoted. The United States can not hold aloof, as the President has said. It must take the initiative in aiding in a settlement. The allied debts to the United States must be paid. No nation should ask for its debts to be forgiven, but only for time and for patient consideration. These debts were the security offered to the American people and to the people of the world—for our Liberty and Victory bonds were sold all over the world—and no American Government will ever repudiate or annul the security for its obligations. Ambassador Harvey said to the commission in London: "There is no vicious circle; there is no circle. It is a straight line, leading directly from Germany to the people of the United States. The United States will not take upon itself the cost of the war. The Congress can not annul these debts. They are debts to the American people and to foreign people who bought the bonds, not to the Government." While hate and anger are still in the hearts of many, the settlement between the nations formerly belligerent must be on a basis of even justice and of international respect and consideration.

Congressman—former Senator—THEODORE E. BURTON is an economist, a financier, and a statesman who has made a close study of European conditions for many years. He has recently returned from a two months' investigation, as a member of the United States Foreign Debt Funding Commission, and his judgment is likely to carry weight with the Congress and with the people of the United States. In an address at Cleveland on October 17 Congressman BURTON said:

"Most of the difficulty in Europe, I must say frankly, is due to the treaties. It was impossible in view of the attitude of Paris to consider the subject dispassionately. The crime of the Hohenzollern dynasty was unspeakable, but it is not desirable to reduce the German people to the condition of serfs and impose upon them a burden so staggering that they are unable to carry it. It is not merely not best for them; it is not best for the rest of the world."

"In France there are three phases of public opinion. One would impose reprisals on Germany so heavy as to destroy her economic life, her position as a nation, and that Germany be practically ruined. The second is based on the opinion that Germany is merely pretending that she can not pay the enormous bill rendered against her. The third phase, and the one I think is growing, is that the taking away of Ger-

many from the economic life of Europe would be similar in effect to depriving Ohio of intercourse with Indiana, Illinois, Michigan, and Wisconsin; her prosperity is essential not only for the upbuilding of her own people but for the rest of the world.

"The reparation is fixed at 132,000,000,000 gold marks, about \$30,000,000,000, to be paid in three installments of twelve, thirty-eight, and eighty-two billions. That burden upon a country with \$70,000,000,000 of wealth is clearly altogether beyond her ability to pay. The attempt to collect these reparations is an injury to the economic, social, and political life of the world.

"The task of fixing the boundaries was certainly not well performed. Natural boundaries were disregarded, alien peoples were mingled. The treaties were framed in haste, with regard for political consideration, with entire disregard of race, old-time associations, or economic considerations.

"The probability is that the vast paper currency of Germany will be repudiated. No permanent prosperity can be attained while there is such a currency. The paralysis which rests on Europe is not limited to the countries which were engaged in war. It rests with similar weight upon Holland, Sweden, Norway, Denmark, Switzerland; for the whole life of trade is out of gear.

"What is the remedy? There must be a reconsideration of those treaties. They were framed in terms of severity and punishment; they must be revised in the interest of more normal relations. They will have to cut out their feeling of animosity. There must be a better feeling, a readiness to enter into treaties or agreements for trade and other things which will promote friendliness in place of the present asperity.

"We are vitally interested. Now, what ought we to do? We must give our charity without limit in this troubled world. Let us be helpful so far as we may, by diplomatic negotiations or otherwise, in the troubled state of Europe. Let, however, our chiefest aim be along the lines which have been our glory in the past, the absence of selfish motives, no hankering for territory, none for great indemnities; let America stand before all nations for peace, good will, for that spirit of altruism and regard for humanity, the lack of which is responsible for the unrest and for the threat of war which is now so prevalent in the world."

It is evident that the reaction of existing European conditions upon the trained mind of Congressman BURTON is identical with that upon the minds of the International Trade Commission. The necessity of America's participation in the settlement that must be found without delay is obvious.

Two words contain the solution of the world problems in this hour of unhappy and chaotic uncertainty. They are moratorium and amortization. England could pay its debts, Belgium might make a small payment. France and Italy can not pay at this time; Germany can not pay until she is given a breathing spell. She must pay to her utmost ability, of course, but the Versailles treaty must be revised to give Germany the opportunity to manufacture and export, and from the sale of exports meet the reparations. If there was adequate reason for a six months' moratorium, as provided by the Belgian compromise, there will be greater reason for a longer extension at the end of that period. A moratorium of a longer and definite period must be accepted, three to five years. It would be idle for America to attempt to force payment of its debts now, where no country but England can balance its budget. If the Allies attempt to force the defeated nations beyond physical ability to pay, the result would be disastrous and armed conflict could hardly be averted. With a reasonable breathing spell, and upon the basis we are about to suggest, all can pay their obligations with dignity and honor. Hence the necessity of a moratorium of several years.

The simple way for payment of these great sums is by amortization. This word is used, not as frequently in this country, but in the specific meaning it is used as the basis of the Federal farm loan act, under which in the last six years the American farmer has learned that the payment of 1 per cent added to the rate of interest pays off his mortgage in 69 equal semiannual payments.

Close study of European finance indicates the need of a long amortization period and a low rate of interest. No country, excepting England, could make annual payments of any considerable percentage of the debt. Some American financiers urge that Europe be freed from interest charges, arguing that the more the United States will lighten and take over the burden the better it will be for us in the end. This view is not likely to meet the approval of the American people. There is this to be considered: There is some foundation for the claim that this is not an ordinary debt, but that America was vitally interested in the defense against Germany. The moral effect of giving some consideration to this universal attitude of Europe carries weight. It is further to be considered that we can not exact the impossible any more than the Allies can from Germany and that if we insist on the immediate letter of the contract, we shall get very little or nothing. And the sooner Europe is placed on a sane financial and economic basis the sooner we can extend our foreign trade.

The commission suggests that the United States generously, and doubtless wisely, agree to reduce the rate of interest to 3 per cent, which, with one-half of 1 per cent amortization, will pay off the entire loan in 66 years. The figures of the allied debts are, in round numbers, Great Britain \$4,000,000,000, France \$3,000,000,000, Italy \$1,700,000,000, and Belgium \$850,000,000. On the amortization plan suggested, Great Britain will pay annually \$140,000,000, France \$105,000,000, Italy \$59,500,000, and Belgium \$12,250,000. The unpaid interest to date is not considered in this suggestion. That would be provided for in the contract of settlement. Great Britain could assume this obligation to-day, no other of the debtor nations. That they will be able to after a three to five year moratorium is demonstrated in the chapters discussing the financial and economic condition of the several countries, hereinafter set forth.

The German reparation is, of course, the basic question of world peace and economic readjustment. The commission enters upon this discussion without hesitancy. There is demanded from Germany by the Reparation Commission 132,000,000,000 gold marks and a very considerable amount of coal, other payments in kind, and a 26 per cent charge upon the value of exports, something over \$800,000,000 annually. One of the leading economists who was present at the Versailles conference said to the officers of this commission, "Nobody above the status of an economic adviser gave the slightest thought to economic considerations. All decisions were based upon politics and religion." In England it is realized clearly that Germany can not pay anything like the sum demanded. In fact, English economists have asserted that even Great Britain could not pay a third of this

sum. Germany can pay a reasonable reparation in time, if given a breathing spell and a chance to export. There is no attempt on the part of German officials or financiers to deny or evade this responsibility.

What should be the sum required? The figures of the American economists who made a careful study of Germany's wealth at the Versailles conference, were \$12,000,000,000. These figures were not considered for a minute by "anybody above the status of an economic adviser." J. M. Keynes, representative of the British Treasury at the conference, declared that the limit of Germany's ability was 2,000,000,000 marks a year, or approximately \$500,000,000, and that the total sum to be expected was 40,000,000,000 marks or \$10,000,000,000. These estimates were based on conditions at the time of the armistice and not upon present conditions. Doctor Bucher, managing director of the Federation of German Industries, expressed the prevailing willingness to pay reparation and estimated the present ability of Germany to pay, if the treaty is revised and she is allowed to export, at 1,000,000,000 gold marks, or \$250,000,000 a year. It is not difficult to get at Germany's ability to pay—which must be the basis of the reparations—if a conference be held and the cards are laid on the table. Just this must be done.

The International Trade Commission suggests as a basis for discussion the figures \$12,000,000,000. This is based not only upon study of existing German conditions and the tremendously increased income which will, or would, result from a revision of the Versailles treaty, but also upon the judgment of the American economists in 1919 and upon that of Mr. Keynes, who was recalled by the British Government because he ventured to speak out. On the basis of \$12,000,000,000 Germany would pay annually \$420,000,000, which would clean up the entire payment in 66 years. This total is that of the American economists. It is \$80,000,000 a year less than Mr. Keynes's estimate, while the total sum paid in 66 years is \$2,000,000,000 more than Mr. Keynes estimated. It is also about 50 per cent more than Doctor Bucher declared they could pay.

How much of this amount is to be paid in gold and how much in kind is contingent upon the estimated effect upon the economy of the world of German exports when the present frenzied production is directed into foreign channels. This whole problem might have been settled and economic stability restored had the suggestion of American economists at Versailles been considered—a reasonable reparation figure, to be paid very largely in manufactures of brick, tile, structural iron, and other building material for reconstruction in the devastated regions of France and Belgium. Since not economic but political considerations were the motif at Versailles, it is now necessary to make the best of a bad situation.

That the working out of this amortization plan may be clearly understood, the commission herewith presents a table showing the amortization of \$1,000,000,000 in 66 years at 3 per cent interest and one-half of 1 per cent amortization, which may be used as a basis for figuring the reparations. There are also offered tables showing the amortization of the reparations on the basis suggested, \$12,000,000,000, and of the allied debts at the same rate of interest and amortization. The amount for Germany and the rate of interest and time of payment for Germany and the Allies must be within their ability to pay. These tables have been worked out carefully. They have been checked by accountants under the direction of Mr. Guy Huston, president of the first joint-stock land bank, who figured the amortization tables of the Federal farm loan system. They were transmitted through Hon. Jacob M. Dickinson, chairman of the Chicago Committee of One Hundred, to President Harry Pratt Judson, of the University of Chicago, and pronounced mathematically correct by the mathematical department of that institution, as indicated by the accompanying letter:

THE UNIVERSITY OF CHICAGO,
OFFICE OF THE PRESIDENT,
Chicago, Ill., November 9, 1922.

MY DEAR DOCTOR OWENS: I am inclosing the official report to me on the proposed financial payments by the head of our department of mathematics, Prof. Eliakim H. Moore. Professor Moore is one of the eminent mathematicians of the country.

Very truly yours,

HARRY PRATT JUDSON.

THE UNIVERSITY OF CHICAGO,
DEPARTMENT OF MATHEMATICS,
November 8, 1922.

To the PRESIDENT.

MY DEAR DOCTOR JUDSON: In response to the question recently submitted to me on behalf of President Clarence J. Owens, of the Southern Commercial Congress, I report as follows:

The sum of \$1,000,000,000, with interest at 3 per cent per annum, will be amortized by 65 annual payments of \$35,000,000 each and a final payment at the end of the sixty-sixth year of \$29,186,297.2295.

The residue at the end of 65 years, \$28,336,210.9024, with interest for the sixty-sixth year, \$850,086.3271, make the final payment stated. These figures, which have been with care determined in cooperation with my colleague, Mr. W. D. MacMillan, an expert in the use of the calculating machine, may be relied upon as quite correct. They exceed the corresponding figures found in the table submitted by President Owens by—

\$0.0132

\$0.0127

\$0.0005

These are the essential figures of that table.

Yours very truly,

ELIAKIM H. MOORE.

The tables are as follows:

The first table was carried out to four decimals, so that the error in the final figure would be infinitesimal. It is figured by the mathematical experts of the University of Chicago at five one-hundredths of a cent. The variation in the other tables also is fractions of a cent.

It is the judgment of the commission, after consultation with American representatives and with officials and financiers of European countries, that the initiative for a conference, from which an agreement as outlined above may result, must come from the United States. President Harding's initiative in calling the Washington conference "rescued the world from despair," in Secretary Hughes's words. This is undoubtedly true. Even more than that great accomplishment will result from another conference to be called by the President which may settle the problems of the world.

If a settlement of the German reparations and of payment of the allied debt be effected as we have ventured to suggest, the next step is an international loan, to be financed by the United States and Great Britain, to the Allies where needed and to Germany. It is unnecessary to discuss this; it must be done. The European nations can not get on their feet nor pay their debts without working capital. With it, and relieved of military expenditures, they can do it. This loan should not be made by the Governments, but by private financial interests, probably under Government direction and control to make exploitation impossible. The commission is advised by New York financiers to whom its proposal was outlined upon landing in New York, October 13, that they are ready to handle this loan if there is a sane settlement of German reparations and of the allied debts. In connection with this loan and as a contract obligation of the settlement to be agreed upon by the proposed conference, there must be a material reduction of armaments and of military expenses and guaranties against war. French expenditures for the national defense amount, for example, to 5,105,000,000 francs, or 18.7 per cent of the total appropriations for 1920; 5,821,000,000 for 1921, or 22 per cent; and 4,224,000,000, or 17.1 per cent, for 1922. With a guaranty of safety from attack, these expenditures can be reduced so as to balance the budget and at the end of the proposed moratorium to enable France to pay her amortization allotment. The same is true of the other countries.

The remaining problem is stabilization of exchange. There can be no international attempt to stabilize the paper currency of Germany and Russia until conditions return to normalcy in these countries. It may be done in the other countries considered, aside from Britain, which is already practically normal. The fluctuation of exchange, not the present rate, is the problem. If exchange were to remain at the present figure, if this could be guaranteed, America could do business with Europe on the basis of foreign exchange. But with the pre-war franc at 193 cents and the franc when we were in France at something over 7, with the possibility of it being 5 or 12 in three months, it is obvious that Americans can not export to France upon the franc basis, and it is equally obvious that French merchants can not import from the United States upon the dollar basis. In either case profits might be wiped out.

It has been suggested that a supercurrency be established, to be guaranteed at par by a union of nations for foreign trade and to be accepted as a medium of exchange by those nations. So if a French merchant ordered American goods, he would buy in supercurrency and pay in it. The franc would remain the currency in France, the dollar in the United States, the pound sterling in Britain, the lira in Italy. This would enable Europe to get the goods she wants from us and that we want to sell her.

The suggestion of stabilization of exchange by a supercurrency or by a guaranty of an economic union of nations was presented to Lloyds at London by the International commission. Lloyds said that the suggestion was by no means unreasonable; that they were already insuring individual international transactions. This is offered without great confidence, but as possibly entitled to some consideration after the fundamental problems have been solved.

While everywhere in Europe the American representatives of the State and Commerce Departments and of commercial organizations received the commission with all courtesy and tendered all assistance, one could not fail to be impressed by the entire lack of harmony and agreement among them as to viewpoint on European problems. In France, American representatives voiced the French view very emphatically; in Germany, the German. This may be diplomatic policy and practice; but if America is to maintain its traditional policy of "shirt-sleeve diplomacy" European problems should be viewed as a whole from the American standpoint, not from the exaggerated view of unfriendly nations. It is suggested that a periodic conference of American representatives in all European countries and a free discussion might be of benefit.

There is need of a policy to coordinate present agencies and do away with apparent interlarding. For instance, Consul General Skinner, at London, has a staff of 60. There are independent agencies covering more or less the same ground in the office of the trade commissioner, who is under the Department of Commerce, and other officials covering economic and commercial fields attached to the embassy but holding appointment and reporting to either the State or Commerce Department. The Department of Agriculture, the Department of the Treasury, and the Shipping Board also have representatives. Reports from these various representatives go to the department from which each holds authority. Some coordination would seem practicable.

It was stated by representatives of the Consular Service that any suggestions that might seem to criticize existing laws or policies are prohibited. We venture to ask whether American officials abroad are not in a position at times to offer constructive criticism from which beneficial results may be obtained and whether it is not advisable that such be invited.

We have heretofore quoted the ringing words of President Harding. "The first duty is to protect our national interests, but in many ways real protection comes from cooperation with other nations." With the world at sea politically and economically, this is the appointed time for concert of action of all nations, including the United States, that threatened appeal to arms in Europe may be averted and that political and economic peace may be assured. Without discussing the League of Nations, which trenches upon the field of politics, from which the International Trade Commission has kept its skirts clear, there exists in Rome, through the instrumentality of that lamented son of California, David Lubin, with the active cooperation of King Victor Emmanuel, a genuine economic league of nations which alone of all international agencies functioned throughout the World War, and which has been and is of incalculable value to its constituent nations. Some such union of nations as the International Institute of Agriculture, free from supergovernment and leaving each nation to govern itself under its own fundamental law, might be of like value in the field of international economy, finance, and interrelation. In this state of civilization the interdependence of nations and the moral unity of the world, through the inseparable ties of blood, of history, of literature, science, and art, of law, of religion, must be recognized.

America is not a new civilization; under the Constitution of the United States it maintains the oldest Government among the nations of the world. Because this Government of and by a free people has, through its principles of liberty and justice and right survived the overthrow and the changes that have come in all forms of government, because of the moral leadership conceded by all peoples, in this hour of world chaos, of threatened irreparable disaster, this is the appointed time, this is the moment for action that will become historic. When the World War deluged Europe with blood America waited,

perhaps too long, but America responded to the call of liberty and right with every drop of blood and with every resource. When that danger was averted and the post-war conditions have gradually become worse and more threatening America has again waited; but as in 1917, America must respond, and when America again acts with wisdom and "uses its strength," as the President has said, "for the general welfare of mankind," every American and every clear-thinking European must have full faith in a second victory.

INTERNATIONAL TRADE COMMISSION.
CLARENCE J. OWENS, Chairman.
RALPH METCALF, Secretary.

CHICAGO, ILL., November 20, 1923.

CONDITIONS IN THE VARIOUS COUNTRIES VISITED BY THE COMMISSION. GERMANY.

When the commission told Ambassador Houghton at the first conference with him at the embassy in Berlin that it had learned the viewpoint of France, Belgium, and Holland, and would like to get that of Germany, the ambassador replied: "There is no German viewpoint, or rather there are as many different opinions as there are Germans, and that is about 60,000,000. Can you hope to get it in a week?" It will be well to bear this in mind. The fact remains that the commission conferred with some of the leading men in Germany in the field of finance, industry, and commerce, and they outlined the attitude of Germany quite as clearly and frankly as previously had been that of France.

Two of the most informative sessions were with Herr Alfred Blinzig, director of the great Deutsche Bank, and with Doctor Bucher, managing director of the Federation of German Industries. Mr. Blinzig is a man well along in years, of great ability and logical mind. He said:

"It is difficult to see how credit and confidence can be restored so as to allow a renewal and increase of trade relations between the United States and Germany until the Versailles treaty is revised. No country can pay out billions a year without exports; even the United States could not do this. First the reparation problem must be definitely settled.

"You criticize us for printing unlimited paper money that has no purchasing value in other countries. We have had to do it; our capital is not sufficient to keep our industries in operation. It takes 300 of our paper marks to equal the foreign value of 1 gold mark. Please understand that in Germany the paper mark has a purchasing value of 100 to 1 gold mark. Because of the lack of capital and of a circulating medium, we have been forced to greatly increase our paper circulation. And still we have not near enough. Germany is in the throes of a credit crisis. The banks can not furnish enough currency to enable their clients to do business." (At this time, September 10, the banks were paying but 20 per cent of the face value of checks presented for payment.)

"Germany can not get credit in foreign countries because of the uncertainty. We have to pay cash. Confidence must be restored before international trade relations can be revived with your country or any country. It all comes back to the reparation problem, which must first be settled. We can pay and will pay only what we are able to pay. Germany is an industrial, not an agricultural country. We have very little raw material. Before the war the balance was on the wrong side, but this was met by our foreign investments and our merchant marine. Now, this is all gone, so that we can not pay for the raw material we must have to operate our industries. Why, it may surprise you, but I can not get enough money upon my checks here at my own bank to meet my daily needs.

"Our people are naturally industrious and willing to work, but there is no hope for Germany until the reparation problem is settled. Then we can secure the necessary capital from a foreign loan. It is impossible for the present generation to pay the war burden; it must be distributed over three generations. Germany must have a breathing space for a few years, and then take up the payment of reparation when the amount is adjusted. To meet this, to live, we must export our industrial products. We must use the largest part of the returns from our exports for raw material, to buy raw material to continue manufacturing. The surplus will be applied to the reparation fund, but it is impossible ever to pay anything like the sum demanded.

"Germany has no hope for the future without a foreign loan. Our inflated currency must be taken care of, and to stabilize the mark our budget must be balanced. It can not be balanced with the reparation now demanded. With a reasonable adjustment and a foreign loan we can restore normal conditions. A very serious difficulty is speculation in the market by foreigners. We must have sufficient funds to protect and ultimately restore it. When foreign speculators attempt to drive the value down by selling, we must have a fund to protect it by buying. When speculators attempt to buy, we must be able to protect it.

Asked by Chairman Owens if the situation could be stabilized by the amortization plan proposed by the commission, whereby Germany could pay her reparations and the Allies their debts to the United States, over a long term of years, at a low rate of interest, Director Blinzig said:

"It would not be well for the United States if this vast amount of gold should be paid her, but if the interest was reduced to, say, 1½ per cent with one-half per cent amortization, the plan seems sound, if the reparation be based on a reasonable figure. We are no longer actors on the world's stage; we are acted upon. As soon as Germany is permitted to sit at the conference table with the other nations everything can be arranged."

To a statement from the commission that it is the general belief that if debts were materially reduced Germany would start another war against France, Director Blinzig said very earnestly:

"We are perfectly willing to give any guaranty against this. The best guaranty would be the agreement of the United States and Great Britain to protect France in such case. I would not at all object to this; I would welcome it. Clemenceau asked for this, Great Britain agreed, contingent upon the assent of the United States, which was refused. If this alliance could be made, it should be much better for the world. It would remove the present fear of France and stabilize the situation. The army of occupation is costing millions, which Germany could better pay in reparation. Germany is ready to give any possible guaranty against any aggressive war. The best possible guaranty is an American-French alliance. I appreciate political conditions in the United States and know that this can not be done. Still it is the best guaranty."

"A word as to finances. We have now inflated our currency to 2,000,000,000 paper marks; it would be a thousand billions to furnish us the necessary medium of exchange at home. We have not nearly

enough. It is silly to charge that Germany is printing paper money to depreciate the mark. We must have it to keep our industries at work, we must keep on printing paper money to provide a medium of exchange for internal business. We will stabilize the mark when the reparation question is settled. Nine out of ten people in Germany would vote against war, except in the occupied districts, where they are indignant at outrages perpetrated by negro troops of the French Army."

This is the attitude of German finance; that of German industry is equally clear. The commission held a conference with the spokesman for industry, Doctor Bucher, managing director of the Federation of German Industries, which comprises all of the factories and plants in every line of industry—steel, lumber, electric, mines, railroads—its membership running up into many thousand companies and individuals. Doctor Bucher said:

"Present conditions are very different from those existing at the time of the visit of the American commission in 1913. Before the war Germany produced 90 per cent of its food requirements; now it produces only 60 per cent. Our food production is sufficient for seven months, and we must import for five months. This is due to the loss of great agricultural territory, such as Poland, and also because it will take 10 years to restore pre-war intensive cultivation. Our farmers can not afford to buy fertilizer, and the war cost us great quantities of live stock. It must be remembered that the soil of Germany is naturally one of the poorest in Europe, so the loss of fertilizer and live stock is evident. Another difficulty is that formerly we had an abundance of farm labor, temporarily imported from Russia and Poland, that is not now available. Machinery can not replace this labor as in the United States, because German farms are small, 10 to 15 acres. Only in the north, now given to Poland, had we farms of over 200 acres. Consequently our farmers do not produce a sufficient surplus beyond their own needs."

"Before the war German exports were 10,000,000,000 marks and imports 11,000,000,000, an adverse balance of trade of 1,000,000,000. Germany had 20,000,000,000 gold marks in foreign investments, the income from which and the merchant marine met this adverse balance. All of this has been confiscated. Now our exports are about two-thirds of the pre-war figure, while imports have so increased that the present adverse balance of trade is nearly 5,000,000,000. Germany has lost not only the income from foreign investments and her freights but also the money formerly sent home by Germans living abroad. There were so many Germans employed in it that one might say Russian industry was German industry. Because of the war these workers have all come home. Germans naturalized in the United States remained there, but a million not naturalized have been sent to Germany and can not go back."

"Before the war we had a gold reserve of a billion to a billion and a half gold marks. We still have a billion but have sent abroad a billion and a half, because during the war all of the gold in the country was taken by the Reichsbank. The billion and a half sent abroad was partly for payment on foreign purchases in neutral countries and partly the result of the Versailles treaty."

Asked if the charge was true that Germany had sent her gold to foreign countries for safekeeping, he said this was true to a certain extent. The Government had forbidden the export of capital, but it was impossible to prevent individuals sending out their gold. The Versailles treaty provides that capital and goods of German citizens at home and in the allied countries can be confiscated if the Government does not fulfill its obligations. Therefore, Germans have placed it where they feel it is secure. The money is necessary to buy raw material. Raw material for German industry requires 250,000,000 marks a month, which, allowing six months for return, totals a billion and a half. Most of this gold is kept in Holland and Switzerland. Some Germans have sent their gold abroad for security, but most of it is to buy raw material. One electric company requires 2,000 tons of copper a month from America. German manufacturers are compelled to pay a 28 per cent tax on all their exports into the reparation fund. Foreign countries have also imposed prohibitive tariffs against German goods. For instance, an 80 per cent duty on dyes in the United States, where German steel is also shut out, except in razors, cutlery, and small steel products, which are a German specialty, and the tariff does not interfere materially."

"Trade relations," Doctor Bucher continued, "can not be reestablished until there is a revision of the Versailles treaty. Germany must have economic independence. It is absolutely necessary to import raw materials and foodstuffs, and Germany can pay for this only from her surplus production. She can not pay out of her capital and live. One important point is that farmers are prosperous; they have no foreign competition, because we can not import foreign products to any extent."

"It is not possible to stabilize finance until we first have reconstruction. It can not be done in a period of decreasing production. We can not accept foreign credit until we are sure that we can repay principal and interest. We can tell the German workman that he must work and economize for 10 or 15 years because we lost the war, but we can not tell him that he must grind for 50 years, which would be the consequence of the treaty of Versailles."

"It is not trade competition that hampers trade. Before the war there was great competition between England and Germany, and still those countries were each the greatest customer of the other. The Versailles treaty gives to the allied countries the advantage of the most favored nation, which is denied Germany. The other countries can make their own regulations, but Germany can not have a tariff policy, because if she grants a special tariff to any country it must apply to all of the Allies."

Asked as to the amortization plan suggested by the commission, Doctor Bucher said that it was possible from the financial point of view, but out of the question from the economic point of view. "During the war Europe paid to the United States its savings for 50 years. Europe has an overwhelming debt. If France is to pay on her three billion debt 5 per cent interest and 1 per cent amortization, she must pay \$180,000,000 yearly. It is utterly impossible for her to make this payment. It must be remembered the French people lost 20,000,000,000 gold francs on Russian securities and other money in Turkey. She also has a deficit in her budget. She can not obtain much from Germany, and the only money Germany can pay must come from an international loan. It is impossible for Germany to pay on an amortization plan by increasing taxes, because Germany already has the highest taxes in the world. Taxes must necessarily accord with the standard of living. If Germany appears rich, as you say, it is not true. The Government has dispossessed all people owning capital. To-day nobody has any invested money; they live on what they can earn from day to day. The man who has no job, unless he is in the public service, is starving. Germany can not pay out this last billion

of gold; because of the short crop, a period of famine will soon be at hand, and this billion must be used to buy food for the starving people."

"The first problem is to reestablish production. Germany can pay only through an international loan, and such a loan can be made only if German industries are active. England has a similar problem; she has a million and a half unemployed."

"This is much more serious than would be like conditions in the United States, for England, like Germany, must import food and raw material, while the United States has within itself all needed. For Great Britain this is an enormous economic loss. German workmen must work 10 hours instead of 8 to enable the country to pay its foreign obligation. It is not possible to undertake new obligations. Germany lost 4,000,000 men in the war, her most productive. Now there is too large a percentage of women. Germany must live economically, but she must export, otherwise she is dead."

"Germany has no unemployment, but she has a large number of Government employees who are unproductive. Also a large number of ex-army officers who have been given positions, but with very poor results, because of their lack of training. In four years Germany has set at work 4,000,000 men who were demobilized. Before the war we had no foreign debt. The present figure of reparation talked is 132,000,000,000 gold marks. Before the war the note circulation was 5,000,000,000, now it is 250,000,000,000. The principal difficulty is that Germany can not work to capacity and export her products; if she could she could pay. Germany could pay annually upon an amortization plan about a billion gold marks. But if the United States requires payment of her loans it will destroy the economics of Europe, because the debts are greater than the revenue. Payment can be made only by export of products, and by this influx of cheap goods the United States would lose much more than the total of the debts through shutting down of its factories and unemployment."

"Germany has paid no gold in reparation, but has lost 100,000,000,000 gold marks in 10,000,000,000 paid in kind, 8,000,000,000 in the lost mines, 3,000,000,000 to support the army of occupation, and all the investments in foreign countries, the colonies, and merchant marine. German industry will not place its signature on any paper unless it is to be protected. That is the difference between industry and the Government. German industry knows that first of all we must have food for our workmen, because if they are not fed they will become Bolshevik and the Government can not live. So our first problem is food and labor. Consequently Germany must export, otherwise she can not import the necessary food. The export problem is entirely different from that of the United States. The United States exports only 5 per cent of its production, but we must import all of our raw material, for Germany works on foreign material, so that if we can not export we can not import."

"Before the war there were 60,000,000 people in Austro-Hungary, who gave us one of our best markets. Now they can take nothing. American capital should be invested in these countries and in ours. The billions you loaned during the war went up in smoke. We need much American cotton, but can not pay for it. If Americans will invest in our manufacturing industries they can supply them with raw material. The United States has a great textile industry and produces three-fourths of the cotton manufactures of the world. But Germany has cheap labor. In cotton goods, where raw material costs 80 per cent and labor 20 per cent, we can not compete, but as labor percentage rises we can compete. What Germany needs is a favorable tariff and investment of American capital in our industries."

The deficit in the budget of Germany is hard to figure, as it is hard to figure any form of German finances, because of the constant fall of the mark. The 1922-23 budget shows total receipts of 225,289,000,000 million paper marks, expenditures 430,560,000,000, deficit 205,271,000,000. The expenditures consist of 100,654,000,000 for general administration, 137,374,000,000 for Government undertakings, and 192,532,000,000 for peace-treaty obligations. Germany has no foreign debt aside from reparations. The floating debt amounted to 50,000,000,000 marks while the commission was in Berlin. Currency inflation was increasing as fast as the printing presses could be operated. The value of the mark is to-day less than a quarter what it was then. And yet the ablest financiers insisted unlimited inflation was necessary to keep the wheels of industry turning and save the country from the Russian revolution. With revision of the treaty, a reasonable reparation figure, freedom to export and an international loan, it is quite likely that the gold and securities shipped abroad for safe-keeping will return and economic, financial, and industrial reconstruction take place. The affairs of the nations of Europe is so interdependent that Germany can not fall without shaking all Europe, and when Europe is shaken to its foundations America can not escape scot-free."

An entirely different and rather startling viewpoint upon reparations and allied debts was made known to the commission by an American official, who declined to be quoted.

"The average German workingman," he said, "obtains the food he requires. Government employees and professional men are not as well off. Whoever lived on the income of property has lost it. Divide your personal income by 300 and see what remains. That is the situation. German inflation has been a real confiscation of existing property. Germany is ruled by a socialist government, but leading financiers agree that inflation alone has prevented revolution. An immediate consequence has been that everybody now spends whatever money he gets, feeling that whatever he buys is worth more than constantly depreciating currency, whereas before the war the Germans were economical. Wages and salaries can not be increased to keep pace with the deterioration of the mark. The eight-hour day has decreased production, in the mines for instance, 13 to 15 per cent. The population of Europe has been multiplied by five since the eighteenth century. Each generation has been much larger and has lived much better, through great development of industrial and agricultural activity. Now, the whole machinery has gone to pieces and it is necessary to reconstruct it."

"The average German did not want the war but was influenced by propaganda. There is more bitterness and hate than before the war. Every country expects attack from its neighbors. France expects a new attack from Germany, has paid for protection the expenses of the armies of Poland, Serbia, and Rumania, and is on the verge of bankruptcy. In every country you find debt, heavy taxes, poverty. England is refusing credit, for she knows they can not pay. The United States can not remit the debts of Europe, for they would begin immediately upon new armaments. Debts can not be paid in anything but money, and Europe can not pay in money. These debts are a small thing to the money and lives the United States contributed to the war."

"If the nations of Europe would provide by law that no war could be declared for 10 years, and then only by vote of the people, permanent peace would be assured. If we could balance our debts by assuring this

result, we would be repaid every dollar. We must remember that the end for which our boys fought has not been reached, but it can be in a few weeks.

"A German manufacturer recently spoke of the wrong done by France to Germany, especially by the negro troops in the occupied regions, and told of the vengeance Germany will some day take against France. I told him to look out of the window and see people going to work under harsh conditions and the general unhappiness of the German people. And then instead of thinking of vengeance I asked him what would he think if the United States would give Germany the opportunity to regain its former prosperity under guaranteed peace. He burst into tears. If your commission's investigations bring the same result as mine you will be able to tell America that Germans are not devils. They have been the victims of propaganda, just as we have been. If Germany falls, France falls, too, and civilization will go back 100 years. Before the financial situation can be stabilized the political situation must be changed, otherwise Europe will spend all of the money it can obtain in armaments.

"I have been in touch with all classes of people and can find only one plan to improve the situation and solve the multitude of overlapping difficulties. The two principal problems are, first, the reparations, and nobody knows how that will be solved. It will be settled not because anybody knows how, but because it must be settled. The second is, European debts to the United States. These debts are enormous, and Europe can not pay them. They owe us \$14,000,000,000, and heavy sums to Great Britain. Their taxes are at the breaking point. It is as if the United States had a debt of \$150,000,000,000. The German people are great workers, but they can not work efficiently now, because their whole structure has been broken down by the war.

"Here is my plan: We ought to remit all of these debts on condition of limitation of armaments and an end to aggressive war. To do this we must appeal directly to the people over the governments. Not a government in Europe would accept the plan, but 8 out of 10 of every people would vote in favor of no war for 50 years. Under present conditions Europe can not receive credit from us, but if present conditions are removed it would benefit not only Europe but the United States. Your commission can say to the American people that they are entitled to payment, but since they can not be paid in money they must accept payment in the establishing of a state of affairs that will improve trade conditions tremendously. Fifty years of the conditions I propose will give the United States such prosperity as we have never known. Impress this view on the minds of the American people and your mission will be of great value to America.

"France fears Germany; Germany says France has always been her enemy; the more you put them together the worse the situation. Germany says France will attack her as she has done in the past, while Russia with her enormous hordes threatens on the east.

"As to the debts, England can pay, Belgium a little, France, Italy, and the other countries nothing. If England pays, the English people will always cherish a resentment that will create a grave situation and make an enemy out of a friend, because they feel that the war was ours as much as theirs. While the debts of the Allies are known, the German reparations are unsettled and must be modified to an amount she can pay. To determine this is extremely difficult. The only way America can handle and profit by the situation is to use her enormous power in the way I have suggested. I propose that Europe pay every cent of its debt to us, but since they can not pay in money let them pay by putting an end to war and establishing conditions we are anxious to obtain. The best thing for America to do is to create in Europe a large market and keep it without disturbance of war. Let me say to you, do not expect to find a reasonable state of mind in Europe. They are all crazy; shell shocked."

There is nothing new in this proposal. Mr. Frank Vanderlip has discussed it at some length in his "What Next in Europe?" published last spring. His conclusion is emphatic: "If we undertake to find ways in which we might direct European political policy under the threat of enforcing our financial claim, or under the bribe of relinquishing it, I believe we would find this whole field of exploration a fruitless one. Any attempt seriously to enter it would result in involving us in meddling with European political policy. To become so involved is opposed to every American national sentiment. I should abandon the theory that we might cancel the allied indebtedness in exchange for the privilege of imposing certain rules of political conduct upon our debtors. If we should through the cancellation of this indebtedness buy special privileges for our commerce and discriminatory treatment favorable to American business, we would buy something which we ought not to have and something which would in the end plague us infinitely more than it would ever prove to our advantage."

It is extremely difficult for an American, even while sojourning in Berlin, to comprehend the effect of the tremendous inflation upon prices of everyday necessities or luxuries. Some impressions may be informative; conclusions are impossible. Nobody may dare by the greatest flight of imagination to attempt to picture the future. And impressions gained by a brief visit must of necessity be superficial.

A \$10 bill purchased 12,658 marks when the commission was in Berlin. To-day, at the last available figures, it would purchase a good deal more. That \$10 bill was worth about 400 marks when the American commission visited Berlin in 1913. On the other side of the picture, the 12,658 marks bought for \$10 were worth \$300 in 1913. The basket of marks secured to pay hotel bills and railroad fare for the commission would have been worth approximately a quarter of a million dollars in pre-war days.

The situation in Germany is a paradox; its like is not recorded in history. It is an invariable economic principle that continuous printing of paper money with nothing behind means financial and economic ruin. Yet the greatest financier in Germany has not only approved but actually encourages this policy of disastrous inflation, because it alone stands between Germany and Bolshevism, and he expresses the hope that so long as revolution can be averted and the workers employed, Germany may eventually, in some incomprehensible way, pull through.

The conditions described to the commission in France were not in evidence. The people are not expensively dressed, the gay night life, undertaken by order of the All Highest, which dominated Berlin in 1913, does not exist. Whatever extravagance there is along this line, whatever patronage is given to cabarets and the Palais du Danse, comes from the pockets of foreigners, not from formerly well-to-do Germans. Instead of the former universal evening dress, at the grand opera were not over a score of men and women in evening dress. Seats in the best loge were \$1.30—to foreigners. This is or was, one of the theaters subsidized by the Government. When the Allies de-

cided that under the Versailles treaty subsidies to a theater were a luxury and this money should be used for reparations, prices were raised 400 per cent in order to keep the house open. That as much as possible of this increase might be paid by foreigners it is provided that every German, upon showing his card of identification, shall be rebated two-thirds of this price, so that they can hear grand opera at 5 cents for standing room or 44 cents for the best loge.

At one of the great music halls where the middle class takes its recreation—an enormous place, with hundreds of tables placed close together—admission was a fifth of a cent. One figures taxi rates by multiplying the indicated figure by 80. The charge for a victoria for two for the 2½ mile ride from the pension, where many of the commission were quartered, to the hotel, where were the headquarters, was 9 cents and for a taxi 19 cents. Formal dress suits, tailored, cost \$13, silk scarfs and hose 10 cents. We were advised that the proper tip was 10 marks, or less than a cent. A member of the commission exchanged 5,820 marks for 17 Swiss francs and had to pay 300 marks for the 1-franc stamp on his passport. The streets are full of old women begging; when a 100-mark note is dropped in their box they try to fall on their knees in gratitude. It is 8 cents, or was; much less now. Americans are charged all the traffic will bear. At the three or four best hotels an American is charged New York prices. In the shops when an American is recognized at least 100 per cent is added. There are no price marks on goods displayed. They said they never could tell how much the price would be raised the next day.

All of the people who were comfortably situated, living on income from rents or investments, are absolutely ruined. A very capable young man, a high official, who furnished a good deal of information, gave a striking illustration. His father was wealthy. He had invested 200,000 gold marks in Government securities to provide his daughter a dowry and an income. This amounted to approximately \$50,000, yielding \$1,500 a year, which amply provided for the young lady in Germany. Now this \$50,000 investment figures about \$167 and yields an income of \$5 a year. "I bought a hat like this," said this young man, "in October, 1920, for 250 marks. In April, 1922, I paid 170 marks to have it cleaned and 1,350 for a new one exactly like it. Six weeks later the price was 7,000 marks. In July I paid 80 marks for a pound of butter; to-day it is 380. The mark in 1920 was worth 8 cents; to-day it is worth eight-tenths of a cent. But prices have not gone up ten or thirty times. My salary is 189,000 marks, of which 18,000 is taken in taxes, leaving me 170,000 marks," which then was about \$136, leaving him less than \$12 a month.

Skilled and unskilled labor receives about the same wage, which is based on the estimated cost of living for a man, wife, and two children. The rate is fixed by a tribunal with one employer, one labor-union man, and a representative of the socialist government. The commission visited the great electric works of Jiemens, Schuckert Co. They have 56,000 employees in the Berlin plant and 34,000 in another plant. Their skilled employees receive 20,000 marks a month—\$16. The eight-hour day is in force and they are running three eight-hour shifts. Coal miners and skilled carpenters receive 25,000 to 30,000 marks—\$20 to \$24. It is generally accepted that an unmarried man can get along lavishly on this wage but that the man with a large family has to economize. Girl stenographers receive from 4,500 to 6,000 marks, \$3.40 to \$4.80, a month. The ordinary laborer has meat or fish once a week.

House rents have been raised 500 or 600 per cent. Then the Government prohibited a further raise, which has bankrupted owners of houses and apartment and business blocks. You can buy apartment houses for a fifth to a tenth of their cost. Nobody will buy; taxes and expenses make them a liability.

And still factories were working night and day, with equal activity in the fields, in shops, in banks. It is doubtful if one can find anywhere as prosperous appearing a country as that traversed all day long from The Hague to Berlin.

These are the impressions the Germany of to-day offers.

ENGLAND.

Great Britain has balanced her budget, of course. The ax has been swung lustily upon expenditures. The Geddes pruning committee provided a reduction of expenditures of \$350,000,000 in the war and \$305,000,000 in the civil list. The army was reduced from £106,665,000 in 1921 to £82,300,000 in 1922, the navy from £82,479,000 to £64,884,000, the air force from £18,411,000 to £10,895,000, and the civil service from £379,035,000 to £317,455,000. The commission was advised by treasury officials that instead of a deficit there was a balance of receipts above expenditures of £56,500,000, or \$280,000,000, for the first six months of 1922, and that they were perfectly satisfied with the outlook.

Their optimism may be justified. England has accomplished wonders. One might venture to suggest that possibly the British officials do not attach sufficient importance to the great reduction of revenue. Yielding to an overwhelming demand from business interests for reduction of taxation, the income tax was reduced from 6s. to 5s. Upon the basis of the reduced taxation estimated receipts for the current year show the following tremendous decrease from the receipts of last year:

	1921-22	1922-23
Customs.....	\$130,152,000	\$112,250,000
Excise.....	194,281,000	160,750,000
Taxes.....	521,274,000	445,800,000
Postal Service.....	40,000,000	35,667,000
Special receipts.....	170,805,000	80,000,000
Total revenue.....	1,124,880,000	910,775,000

Estimated decrease in receipts, \$214,105,000.

A decrease of a billion dollars in receipts offers a problem that "muddling through" will not handle. In the present state of public sentiment further reductions are likely to follow. Can the British Empire live on its constantly reducing income? Of course it can and will, but the task before its officials is a prodigious one. Corporations have paid less each year since the war. On the other hand, the 5 and 6 per cent war loans are being rapidly funded into long-term securities, some at 3½ per cent, the average 4½ per cent. The situation at present is exceedingly good; the danger, if danger there be, is in the future. The total debt in August, 1922, was £7,737,000,000. The floating debts were reduced during the year from £1,363,586,000 to £905,000,500, a reduction of more than a third. England, like Italy, is entirely ignoring any possible receipts from German reparations and working out her own salvation. There is a very general understanding that the

sum demanded of Germany is preposterous, and that the Versailles treaty must be materially changed to give Germany a chance. There is, too, a quite general feeling among bankers and manufacturers in favor of getting together with Germany, settling all controversies, and resuming close trade relations, for these two nations were each the other's largest customer in pre-war days.

Unemployment is a very serious problem in England; there were 1,307,000 unemployed in October receiving Government aid.

The Belgian compromise was characterized in London as "to-morrow-atorium." England understands the situation and the world danger from the present hate and animosity growing out of the Versailles treaty and the impossible reparations, and the feeling is growing daily that the nations must get together and arrive at a definite settlement before the period expires.

British-American trade shows a tremendous balance in favor of the United States. While only 10 per cent of British exports go to the United States, Britain buys from the United States seven times as much as she sells.

At a conference at the American Chamber of Commerce Manager Weeks, of the London branch of the National City Bank of New York, expressed a view that seemed to meet unanimous approval. Mr. Weeks suggested that Congress should give the congressional commission authority to reduce or waive interest on allied debts to the United States; that the United States and Great Britain hold a conference to discuss the international situation; and that later a general conference be called. Since the Allies can not pay the United States in gold or goods, the only other way is credits—an international loan by the United States and Great Britain jointly. If the United States would waive interest it would do away with the present antagonism of the world toward the United States and create friendship. Good will is needed for trade among nations as well as among individuals. The more the United States will lighten the burdens of the world, the better for the United States materially in the long run.

In England as elsewhere German reparations crop up as the fundamental problem. English agriculture is in the dregs. At the great market in London California apples were selling at \$1.75 a box, Hood River apples at \$2.42. English apples were left on the trees and offered free to any who would pick them. Potatoes were rotting in the ground. A large farmer told the commission he had 200 acres of potatoes; that he would lose 2½ pounds an acre if he marketed them, a total loss of nearly \$2,400. Farmers are putting all the money they can raise or borrow into hogs, as this is the only way they can get any money out of their potatoes. All agreed as to the cause of this situation. The tremendous glut in the market—food products from all over the world rotting here—is due to German reparations. These products have always been transhipped into Germany. The German market is closed. Hence the British farmer is ruined; hence Oregon and Washington and California apples and other American food products are sold for less than at home. America as the greatest producer of food products has quite as much interest as England in the situation. Is the effect not noticeable by the American producer and shipper?

The commission held conferences in London with the British Association of Chambers of Commerce—Sir A. Shirley Bonn, president, formerly chairman of the British trade mission to the United States and of the joint British, French, Italian, and Belgian missions—the British Board of Trade, the British department of overseas trade, the Federation of British Industries, Lloyd's, officials of the British treasury, the American embassy, consulate, and Department of Commerce, the American Chamber of Commerce, and with British and American bankers.

Ambassador Harvey received the commission. Chairman Owens said the commission wished to ask him, if it would not embarrass or involve him, if this is not the time for our diplomatic representatives to speak so that the country may understand in no uncertain way their judgment as to European conditions and problems. Ambassador Harvey smilingly said, "I do not think I would be good at epigrams this afternoon." Chairman Owens then asked as to the suggestion made by another United States diplomat that the allied debts be canceled. Ambassador Harvey replied: "Of course, Congress will not and can not cancel those debts. Our bonds issued against those debts are held not only by our own people but all over the world. They are held in China, Holland, Czechoslovakia. Our Government in offering them for sale declared that back of them as the security of them was the security of the allied debts. The United States will never repudiate an obligation. They talked about a vicious circle. There is no circle. It is a straight line. One end is Germany and the other in the pockets of the people of the United States. England can and will pay." The ambassador made some other characteristic comments not for publication.

SWITZERLAND.

The financial and commercial situation in Switzerland, as well as in Holland, demonstrates the economic interdependence of the countries of the world. Because of chaotic conditions resultant not so much from the war as from the so-called peace treaties, the neutral countries of Europe, as well as the former belligerents, are suffering and almost on the verge of collapse. The Swiss franc has maintained parity; the cost of living and prices generally are high; business and industry are greatly depressed.

The 1921 budget showed a deficit of 133,200,000 francs—receipts, 384,600,000 francs, expenditures, 517,800,000 francs. The 1922 budget shows a slight decrease in the deficit—receipts, 422,200,000; expenditures, 528,600,000; deficit, 106,400,000 francs. It is to be noted that the 1922 deficit equals 25 per cent of the receipts and 20 per cent of the expenditures, a very unsatisfactory situation. A protective tariff went into effect July 1, 1921, which increased receipts about 50,000,000 francs. The total debt of the Swiss Confederation increased from 1,862,856,600 francs, January 1, 1921, to 1,946,100,000, January 1, 1922. To this is to be added the debt of the Government-owned railways—2,283,625,000 francs, making a total of 4,200,000,000 francs, or approximately \$840,000,000.

The general business depression which began in April, 1920, continues, notwithstanding the energetic efforts of the Government to protect industry by levying a protective tariff, restricting imports, subsidizing the hotels, and providing unemployment insurance. Unemployment has steadily increased and is expected to continue. Swiss imports from the United States fell off more than 50 per cent in the first three months of this year, from \$15,934,746 in the last quarter of 1921 to \$7,333,035 in the first quarter of 1922. Of the total imports in these periods foodstuffs amounted to \$12,324,420 and \$3,882,325, respectively. Thus the great loss to the United States was in food-

stuffs. Exports of Switzerland's great watch and clock industry fell from \$7,381,545 in the last quarter of 1921 to \$5,968,146 in the first quarter of 1922. In this industry the unemployment increased from 5,063 in 1920 to 27,787 December 31, 1921, and 24,579 March 1. The tourist industry is in many parts of Switzerland the leading industry. It has suffered and is suffering tremendous depression, so great that the Government had to dip into the public treasury to keep the hotels open. The falling off of 75 per cent of imports of foodstuffs from the United States is thus explained. Swiss hotel keepers ascribe the lack of tourists to the same fundamental cause to which every ill of the world is ascribed, the German reparations. Wealthy Germans had always flocked into Switzerland and patronized the hotels. Now there are no wealthy Germans, and Swiss hotels are empty. Here is direct line from American producers to the reparations problem, just as English farmers are on the verge of ruin because of the prodigious glut in the London market of produce from all over the world which formerly went into Germany. It may be stated positively that Switzerland has no sympathy with the attitude of France and Belgium and more nearly approximates that of Holland. Germany must prosper if Switzerland is to prosper.

FRANCE.

France was the sufferer from the World War, not Belgium. France suffered tremendously. No matter what happens in Europe, despite the insistence of France that her life and that of civilization depends upon prompt payment of German reparations, France will pull through. But she has a big job before her, and she must change her attitude.

France had under arms one-fifth of her population, she furnished one-fifth of the fighting men on the side of the Allies, she lost one-fifth of her soldiers. This is a greater percentage in each instance than that of either of the other belligerents.

France spent \$12,500,000,000 in the war. She suffered property losses of \$3,000,000,000 or \$4,000,000,000 gold. Her war expenses and property damage amounted to nearly a third of her national wealth, as compared with one-thirteenth for the United States. In addition, France has payment to make of \$117,000,000 a year upon pensions, \$1,767,000,000 upon interest on her war debt, and \$300,000,000 a year on interest to Great Britain and the United States. France financed the war as no country save Great Britain and the United States might do. Still the French Government borrowed from the Bank of France during the war \$5,653,000,000 and issued \$10,000,000,000 of 5 to 4½ treasury bills. The total of the national debt is to-day approximately \$60,000,000,000.

The budget for 1922 included for public debt 13,320,000,000 francs, for military expenses 4,539,000,000, and for civil 6,828,000,000, a total of 24,687,000,000. The revenues were 23,000,000,000, in expected German reparations, which is very unlikely to be paid, leaving a total deficit of nearly 25,000,000,000 francs, or approximately \$5,000,000,000 under normal exchange rates, or something under \$2,000,000,000 at present varying exchange. The budget for 1923 provides 12,345,000,000 for public debt, 5,035,000,000 for military, and 5,799,000,000 for civil, a total of 23,179,000,000. The revenues are estimated at 19,285,000,000, deducting from which the hoped-for German payments leave a deficit of 26,884,000,000, or \$5,400,000,000 at normal exchange. It is to be noted that the French budget deficit is increasing rather than decreasing, largely because of military expenditures, which ought to be practically eliminated. Interest on the national debt reaches appalling figures. It ate up 51 per cent of the national revenue in 1921, 60 per cent in 1922, and 64 per cent in 1923. It is significant that interest on the debt of France to the United States and to Great Britain is given no consideration in the budget. As previously stated in this report, France has no thought of paying this. France is reducing its expenditures, except military and naval, and has increased taxation almost to the breaking point. But to meet these tremendous deficits, the public debt has been increased \$9,000,000,000 in three years, and while paper currency has been reduced \$64,000,000, national-defense bills or short-term bonds have increased \$4,000,000,000.

In spite of this situation, the thrifty French people continue to go down into their stockings and absorb eagerly every government obligation offered. They hold six-sevenths of the entire French debt. Two years ago funding loans of \$8,500,000,000 were placed at par. The character of the French people, their wonderful thrift, their absolute faith in the securities of their government, will ultimately save the Republic. And what can be secured from Germany when a reasonable settlement is reached will be a very material help. France is entitled to it. America will uphold the part of right and justice in seeing that she receives it, not by force of arms, as many in France unwisely urge, but by calling a conference and outlining a reasonable settlement.

France has increased taxation to the limit. There have been imposed a general income tax, taxes on income from real estate, from profits and from salaries, wages, pensions, and all earnings. All existing taxes, principally indirect, were largely increased. The total collected by taxation increased from 4,200,000,000 francs in 1914 to 6,200,000,000 in 1917, 12,000,000,000 in 1919, 18,000,000,000 in 1920, and nearly 22,000,000,000 in 1921.

When German troops marched across the border, the Bank of France held a gold reserve of 73 per cent against its circulation. Paper currency increased about 35 per cent to 1920 and has been slightly reduced in the last two years. The bank now holds a specie reserve of 15½ per cent, which is a remarkable showing. The French people again demonstrated their thrift and faith by responding to the appeal of the bank in war days and bringing in exchange for notes 2,500,000,000 francs in gold.

Since 1919, the balance of foreign trade has been reduced from adverse figures of about \$1,300,000,000 to practically nothing, although in pre-war years it had been heavy. Trade with the United States, which totaled about \$300,000,000 in 1910-1914, had doubled in 1921, with exports of \$1,500,000 and imports of \$4,500,000.

Because of the fact that the United States, therefore a debtor nation, had become a creditor nation and had absorbed its securities held abroad, because of the continuous flow of gold from Europe to New York to pay for supplies purchased in America, because of the loans made by Europe in America, and because of the tremendous increase of exports from the United States and adverse balance of trade against France increased tenfold, the parity of the franc could not be maintained. It increased from approximately 20 cents during the early war period, when American securities held in Europe were dumped on the New York market, to 22 or 23 cents, and then steadily fell, reaching the low mark of 6½ cents in 1920 and about 7 cents, with continuous fluctuations, since.

The devastated area of France, which suffered not only from the effects of war and enemy occupation but also from ruthless and wanton destruction by the Hun, while comprising only about 6,000 square miles, was the richest industrial district of France, producing 92 per cent of the iron ore, 74 per cent of the coal, 70 per cent of cotton products, 80 per cent of wool products, 60 per cent of the steel, 55 per cent of the flax, 47 per cent of the sugar, and 14 per cent of the wheat. France estimates the loss, including "individual injuries," at \$7,250,000,000. France lost 57 per cent of her young and middle-aged men in the war, and other hundreds of thousands were seriously injured.

With rare courage France has undertaken and in large degree carried through the work of reconstruction. Very largely the cruel work of the Hun has been repaired. The visit of the commission to this district demonstrated this. It showed the peasants back on their farms, in many instances living in temporary shacks, but everywhere raising crops to feed the nation. Now, practically all of the agricultural area is under cultivation. France has expended upon this work of reconstruction about 90,000,000,000 francs, or \$18,000,000,000, expecting to be repaid in full by Germany. If it could be thus repaid and the United States and Great Britain would kindly forget the billions loaned, France could balance its budget. Neither of these saving conditions will come to pass.

France has received back Alsace-Lorraine, with the greatest body of iron ore in Europe, with the potash mines that gave Germany a world monopoly of potash, and with a wealth of perhaps \$4,000,000,000. France also has for 15 years the Saar coal basin, which before the war produced annually 12,000,000 tons of coal, 1,400,000 tons of pig iron, and 2,000,000 tons of steel. It has nearly 600,000 square miles of colonial territory added to its possessions. It is the British opinion that these gains more than offset the entire loss caused by the war. It is perhaps a fair estimate to say that the public wealth of France to-day is as great as it was before the war, about \$60,000,000,000. While the total debt of France increased from 33,637,000,000 francs, in 1913, to 267,743,000,000, in 1921, and the foreign debt, included in the above, from nothing to 35,563,000,000, it is the judgment of the commission that France can and will find the way out of its financial difficulties, irrespective of German reparations, but without difficulty if the reparation problem is solved as suggested.

France must reduce its expenditures for defense, and to do this must be assured that she will not be attacked. She must reduce her civil expenses. Her officials and employees drawing salaries from the treasury number 150,000 more than in pre-war days.

The commission made its first study in France. In France the first impression received from French officials and from Americans there resident was the prevailing fear that France would again be attacked by Germany. This is a psychological condition that must be considered. Before there can be a stabilization of world conditions France and Germany must be assured against attack. We believe this is possible without the guaranty of the proposed treaties that Great Britain and the United States should contract to protect France against attack. If the treaty proposing this had been presented to the Senate, it is our belief that it would have been approved. With all faith in and adherence to the traditional policies of America, we believe that under a reasonable settlement France can live and prosper and pay its debts.

The situation in France has been discussed at great length because the attitude of France toward a reasonable settlement of the world problems is to-day the greatest hindrance to world peace.

The International Trade Commission was given every opportunity to learn the attitude of France. It absorbed it; it was not impressed by it. The dominant feeling in France is fear of another attack by Germany. Because of this France maintains an army of 800,000 men and has financed the armies of Poland and neighboring States. These outrageous expenses can be reduced to a minimum and will be if the American principle of justice and righteousness is impressed upon the world.

The commission received every courtesy and assistance from American representatives in France. Conferences were held at the embassy, where Ambassador Herriek's absence—who had been of such great aid to the American commission in 1913—was greatly deplored, at the consulate, at the American Chamber of Commerce, at the International Chamber of Commerce, and with the minister of commerce of the French Government.

From the mass of facts and figures an analysis can be best obtained by quoting Dr. Chas. D. Westcott, United States economist consul. Upon instructions from Secretary Hughes, Doctor Westcott furnished a report, which may be epitomized as follows:

"There is a general though gradual improvement in French production, transportation, and commerce in 1919-1922. Average daily freight-car loadings increased from 30,100 in January, 1920, to 41,800 in April, 1922. Freight on inland waterways increased about 25 per cent. The balance of trade has steadily decreased in its operation against France. In 1919 of 32,210 tons, 71 per cent was imports and 29 per cent exports; in 1920, of 45,740 tons, 63 per cent was imports and 37 per cent exports; and in 1921, of 49,190,000 tons, 55.6 per cent was imports and 44.4 per cent exports. In the first five months of 1922 the excess of imports was 65 per cent in volume and adverse trade balance of 2,657,291,060 francs, or 28 per cent. The cost of living increased by 44 per cent in 1919-20, declined about 10 in 1921, and since then has risen steadily. Production of coal, iron, and steel has steadily increased. Unemployment is not a serious problem. While there has been a gradual industrial recovery, stability has not been reestablished, for while commercial inflation has ceased and deflation begun there can be no restoration of normal economic conditions because fiscal inflation still continues. Thus a group of French stocks showed 65 in January, 1919, 63.8 in April, 58.1, 57.4, and 58.9 in April, 1920, 1921, and 1922, respectively. Railway debentures show a like fluctuation. Paris clearing-house returns show a monthly average of 6,000,000,000 francs in 1914, 14,000,000,000 in 1920, 14,800,000,000 in 1921, and 11,600,000,000 in 1922. The value of the franc in dollar exchange, which is the great hindrance in mutual trade relations at present, declined from 18.3 cents in January, 1919, to 9.1 in December; declined from 9.03 in January, 1920, to 5.91 in December; advanced from 6.32 in January, 1921, to 7.81 in December; and decreased from 8.13 in January, 1922, to 7.80 in July.

"A profoundly disturbing factor is the continued increase of the public debt, already a crushing fiscal burden. 'The enormity of that debt,' declared M. Doumer when Minister of Finances, 'constitutes a grave public danger. Its further increase must be stopped at any cost.' On January 1, 1922, it totaled 328,002,000,000 francs, of which

177,880,144,446 represent increase since the war. It now absorbs in annual interest alone more than half the national revenues.

"Outstanding short-time treasury notes, maturing within a year, amounted to 68,000,000,000. If payment is demanded at maturity instead of accepting new notes, repudiation and insolvency are inevitable. The limit of taxation has about been reached and it is impossible to balance the budget, in default of heavy payments by Germany, without additional loans. Thus fiscal inflation in France, as elsewhere in Europe, proceeds in a vicious circle, which may precipitate at any time a crisis of unforeseen economic and political consequences. Obviously, the situation is one of grave national perplexity, worse confounded by apprehension of the imminent future."

In reply to a direct question whether Great Britain, France, and Germany, if they honestly tried, could not work out the problems of the world, Doctor Westcott said:

"If they tried, Great Britain, France, and Germany, with the aid of the United States, could save the peace of the world. It can not be done without the participation of the United States. France is staggering; it is problematical whether France can stand the strain, France for centuries the bulwark of civilization. France went to her own people and said, 'Germany will certainly pay; Germany will begin paying within one year. We must start rehabilitation immediately.' And so France spent 90,000,000,000 francs in renewing the devastated region, relying upon repayment through German reparations, of which she has not received one dollar. If France fails, we might expect to see the whole Continent of Europe swept by a wave of Bolshevism. What would be the effect on the United States if Europe went down completely? We have our troubles now, probably due to Bolsheviks financed from the imperial reserves of Russia."

Judge Berry, president of the American Chamber of Commerce, declared that in the last three years Germany has shipped all of its money out of the country and that England has done everything to prevent anything being paid to France, under its time-old policy of dividing the Continent so as to prevent there being one too strong country. "I want you gentlemen when you return," he said, "to show what Germany has been doing and to get America to use its influence not to loan money but to make Germany pay. Let America know that Germany can pay and should be made to pay. England knows the situation and is preventing Germany from paying. The Reparation Commission is one of the worst organizations under the treaty. If they had decided the amount at Versailles, Germany would have paid at once. They created this commission and in the meantime Germany evaded payment and got away with all its goods."

Doctor Westcott stated that Germany has sent to the United States, England, and other countries \$10,000,000,000; that this statement was made by Stinnes himself.

It was officially declared that the cost of living in 1922 is three times that of pre-war days. Prices in Paris are considerably higher than in New York.

Fear of another attack by Germany and insistence upon payment of German reparations overshadow every question of trade extension.

HOLLAND.

Aside from Switzerland and Sweden, the Dutch unit of value is the only one on the Continent maintaining pre-war parity, or practically so. During the European visit of the commission, the guilder was only a fraction over a cent below par. What keeps it up is rather a mystery, for the financial and economic condition of Holland is neither good nor sound. The Dutch budget for 1921 showed a deficit of 230,000,000 guilders, or about \$92,000,000, and for 1922 of 248,000,000 guilders, the deficit equaling nearly 50 per cent of the total revenues. While the total debt on January 1, 1922, was \$960,000,000, all held in Holland, during the year loans amounting to \$40,000,000 were floated abroad, largely in the United States, making a total debt of approximately \$1,320,000,000.

Holland is not pro-German; that does not express it. Holland depends absolutely and entirely upon Germany, according to officials, financiers, and business men, and if Germany fails Holland is doomed. Germany must be prosperous if there is to be a future for Holland. And so it is out of the question for Germany to pay the demanded reparation.

In the Amsterdam district financial and commercial conditions were declared by all authorities to be bad. There were a few who were optimistic enough to say that the tide has turned, some who said that the bottom had been reached; but the majority opinion was that present bad conditions are going to be worse. Although there has been considerable increase in the volume of harbor traffic in 1922 over 1921, the balance of trade is decidedly adverse. In the first six months of 1921 Amsterdam imported 1,300,000 long tons and exported 700,000, while in the first six months of 1922 the imports were 1,800,000 and the exports 800,000. The commodities greatest in volume are coal, grain, minerals, fuel oil, petroleum, stone, tea, tobacco, and lumber. The exports to the United States increased 25 per cent in the first six months of this year, and imports from the United States increased 40 per cent.

Shipping and shipbuilding industries are suffering badly, as all over the world. No improvement is expected. Machinery works are the one exception; they are fairly prosperous. The Fokker airplane factories are booming, chiefly on orders from the United States. The textile industry has weathered the storm. The artificial silk industry has so prospered that an enormous factory has been built and is in operation near Arnhem, shipping its products chiefly to the United States. Most of the new war industries, chemical, clothing, furniture, have collapsed. The banks all had large reserves, which covered their losses, and there have been no failures. Amsterdam is the greatest diamond market in the world. The condition of this industry would indicate improved times in the United States, which takes 75 per cent of the diamonds shipped. There has been an increase of 20 per cent in 1922 over diamond shipments in 1921 to the United States.

German competition, which has been very harmful, is gradually passing, with the exhaustion of German goods manufactured at pre-war prices, and the necessity of German manufacturers paying high prices for imported raw material. The principal reason for the present economic situation is ascribed by everybody to the depreciation and instability of the German mark, for Holland is indissolubly tied up with Germany.

There is a new field opening for American shipments of chemicals, hosiery, underwear, clothing, textiles, rubber goods, and tools and machinery, which have always heretofore come from Germany. The quality of German goods is deteriorating badly, according to Dutch importers, and the same complaint heard elsewhere is voiced that German manufacturers will accept competitive orders at a low figure and then refuse to fill them unless the price is raised. There is noticeable,

unlike the situation in Belgium, a growing disposition to do business with the United States. It is manifest in every line of trade. The chief difficulties are the long haul, causing high freights, and the insistence of American shippers upon cash payment instead of giving long credits. By conforming to the terms to which European importers are accustomed, there is a market in Holland for almost every United States export, particularly agricultural machinery, cattle feed, dress goods, electric motors, flour and foodstuffs, garden tools, gas stoves, hardware, hosiery, household articles, kitchen ware, lawn mowers, leather and leather goods, machinery, petroleum, refrigerators, shirts and collars, textiles, tin plate, and paper. Despite her sympathy with Germany there is not the slightest evidence of the unfriendly feeling so manifest in Belgium; on the contrary, Holland is ready to do an increasing business with Uncle Sam.

BELGIUM.

The attitude of Belgium upon German reparations is identical with that of France. Germany must pay in full. The Belgium budget for 1922 shows a deficit of 1,142,150,931 francs, notwithstanding there is figured as revenue 2,500,000,000 francs expected to be received in cash from Germany on reparation account. The public debt of Belgium is more than 34,000,000,000 francs. If Germany fails to make large reparation payments the financial prospects of Belgium are rather gloomy. In fact, the United States acting trade commissioner at Brussels, Mr. Hunt, told the commission that unless Germany pays it will be impossible for Belgium to balance its budget.

Discussing trade conditions, Mr. Hunt said that American exporters do not ascribe the necessary importance to personal knowledge of Belgian importers. American shippers insist upon payment when goods are shipped, while Belgian merchants want to receive and examine the goods before paying. Direct contact between exporter and importer is necessary. The Belgian merchants are men of good character and financially sound, but they want to know the Americans from whom they buy. There is in Belgium a good market for American lumber.

In a conference at the office of the Comité Centrale de l'Industrie, the president, M. Carlier, said that Belgium must import 70 per cent of its food and depends largely upon the United States. But to buy from the United States, Belgians must be given long credit. They are honest and one can know that they will pay their bills. Belgium is like Germany. While the Government faces financial ruin, industry is very prosperous.

It was impressed upon the commission officially that Belgium, in spite of our sympathy and evergenerous aid, has no use for the United States. Belgium imports from the United States just as little as it can; foodstuffs because it can not get them elsewhere. Belgium buys cotton in England at a higher price than it would have to pay in the United States, principally because of personal acquaintance and friendship. Mr. H. H. Morgan, United States consul general at Brussels, said that there is a market in Belgium for a good deal more American products than are now imported, but good propaganda would be necessary, and American agents must come to live permanently in Belgium and come in contact with the life of the people. In 1919 the United States led in imports to Belgium but thereafter Belgium fell into the arms of Germany. In 1921 Germany shipped more goods into Belgium than in 1913. This year France leads, followed by England, Germany, and the United States. In the first four months of 1921, of the total imports into Belgium, amounting to 3,670,000,000 francs, the United States contributed 725,260,000, but of 2,717,000,000 in 1922, our share was only 274,325,000. It is perhaps not hard to understand this, when one considers the insistence of American shippers upon cash on shipping receipts and the willingness of German and British shippers to give nine months' time, and their very close study and adaptation to the real or fancied needs of the buyer.

Another rather significant fact learned in Belgium is that America has no comprehension of the real situation there. Only 1 per cent of Belgium actually emerged from the war in better financial condition than before. The millions poured by Americans into Belgium for relief are unnecessary and wasted. We were assured on high official authority that not more than 30 per cent of this money reaches the people for whom it is intended; it is spent in extravagant balls, on special trains, and similar unnecessary expenditures. The commission was urged to send word to all charitable Americans to stop sending checks to Belgium, that the money could be used to better advantage on home charities. An American lady had been in Brussels, recently, planning to raise \$50,000 a month for Belgian orphans, and the Belgians are quite able to care for them.

France was the sufferer. The cost of living is much less than in France, prices in the shops are less, the need of relief is palpably absurd. In Paris the struggle of the nation and the people to pull through is very much in evidence. It is not the old Paris. The wonderful gowns are few and far between. Neither men nor women are well dressed on the street. There are no such symptoms in Brussels.

Belgian industry, from the employers' standpoint, like that of Germany and England, is well organized. The Comité Centrale de l'Industrie includes most of the concerns in 82 different industries. President Carlier explained that he was chairman of an international organization, uniting all of the employers of the world, to counter-balance the international organization of labor.

The commission visited the International University at the Palais de Ville, where are students from various European universities taking postgraduate research work and lectures on cultural subjects. The president, M. Odlet, explained that Belgium resented the location of the League of Nations at Geneva, believing Brussels the proper place for a world capital, so had established this university to unify the world through the realm of intellect.

There is a chance to increase trade with Belgium, but a local Belgian agent is required, with an occasional visit from the American shipper. Long credit instead of cash must be the terms to compete with Germany and England. Business and industry are in good shape and sound. Government finances are in bad shape and unsound, with a slowly increasing inflation and an inevitably decreasing franc.

A memorandum prepared for the commission by Consul General Morgan stated that political unrest, waste, and extravagance in all departments of the Government and the violent fluctuation in exchange have had an unprecedented and depressing influence on the economic situation, and there is a feeling of pessimism and gloom in all industries. Commerce for the first four months of 1922 showed imports of 2,717,239,000 francs and exports of 1,797,287,000, an adverse trade balance of about 9,000,000,000 francs and a decrease of about nine billions in imports and eight billions in exports over 1921. Imports from the United States decreased from 725,262,000 francs in

1921 to 274,325,000 in 1922 and exports decreased from 78,051,000 to 67,211. The total business with Germany was about a billion in the first four months of 1921 and 600,000,000 in 1922. Imports from the United States have steadily decreased from 2,271,832,347 in the year 1920 to 1,106,269,967 in 1921, and will not exceed 800,000,000 francs in 1922. About 40 per cent of imports from the United States are foodstuffs, and two-thirds of that grain. Asphalt, tobacco, lumber, oil cake, cotton, chemicals, leather, and automobiles make up the balance. Belgium is building up a large trade with South America, which is financed by heavy Government credit subsidies.

Belgium's national debt has increased from five billions before the war to forty billions—5,714 francs per capita. The paper circulation has increased from one billion to six and one-half billion francs. The actual specie reserve is about 5 per cent. Government expenditures have increased fivefold. Expenses for national defense increased from 89,000,000 francs in 1914 to 558,000,000 last year. The receipts of the Government for 1919-20 amounted to 4,900,000,000 francs and expenditures to 16,000,000,000, an excess of expenditures of 11,250,000,000. Government expenditures and circulation are steadily increasing. Belgium has spent 615,000,000 francs for reconstruction of private buildings and 96,000,000 for roads and bridges. Belgium was not devastated to anything like the extent reported, only 1 per cent of the country suffered, and that was all in West Flanders. Belgium was as well, if not better off after the armistice as before the war. Two American ships entered the port of Antwerp in 1913. There were 151 in 1919, 362 in 1920, 229 in 1921, and 103 in the first six months of 1922.

Belgium has received in German reparations 1,135,000,000 gold marks in cash and payments in kind of 613,000,000. From this is to be deducted the expense of the Belgian army of occupation, 204,000,000, and expenses of the French and British armies of occupation, 640,000,000, a total of 844,000,000, leaving 904,000,000 gold marks paid by Germany. The Belgium Government claims 13,000,000,000 paid out in reconstruction to be repaid by Germany.

About a year ago the Belgian prime minister stated that the per capita tax was 280 francs, which remains in force. Belgian currency is inflated, now reaching the figure of 6,500,000,000 francs. Exchange has fluctuated between 11 and 15 francs to the dollar, the normal being 5. The balance of trade was 4,000,000,000 francs against Belgium in 1920 and 3,000,000,000 in 1921.

ITALY.

There is an entirely different attitude and a cheering atmosphere in Italy. Italy has cleaned house. In Italy nothing was heard about reparations and there was no crying about the debt to the United States. If Germany pays something, well and good, it will help. If not, Italy will work out her own salvation through the wisdom of her statesmen and the thrift and economy of her people. She owes billions to America. It is an honest, honorable debt, and it will be paid honestly and honorably. She can not pay now, but she will keep on digging until she can. All she asks is that if America makes concessions to other of the Allies, the same shall apply to Italy. In all conferences held by the commission in Italy there was no allusion to reparations or allied debts.

A convincing proof of the sincerity and wisdom of her policy is the fact that since the war Italy has reduced her budget deficit from twenty-one billions to six billions, a record diametrically different from that of any other continental nation, and one to which England herself may accord due respect. Two incidents laid the foundation for the very sympathetic and friendly spirit in which the commission studied Italian conditions; one was the extreme cordiality of its reception and the other was the fact that at Rome, at the International Institute of Agriculture, where a formal reception was tendered upon arrival, the American commission of 1913 was welcomed by their majesties of Italy at a ceremony probably unique, with every civilized nation officially represented, and bidden Godspeed by them and the great institute that binds the world in ties of friendly cooperation. A reminder by officials of the institute of the great accomplishment of the commission in 1913 strengthened the hope that something of value might be accomplished in 1922.

At the reception Baron de Bildt, delegate from Sweden, officiated, assisted by Minister Lao, delegate from Portugal; Señor De Campos, delegate from Brazil; and M. Rjon, delegate from Holland. The general secretary of the institute, with chiefs of all divisions and their respective staffs, participated, with representatives of the American Embassy and consulate, the Italian sections of the International Chamber of Commerce, the Rome Chamber of Commerce, the General Federation of Italian Agriculture, the Commercial Industrial Union, several other industrial and agricultural organizations, leading Italian journals, and the foreign press.

In his address of welcome, Baron de Bildt paid a high tribute to the late David Lubin, of California, founder of the institute, which he said always kept his chair empty and wreathed in immortelles.

Chairman Owens, in acknowledging the greeting, said that he had the honor at the moment the bust of David Lubin was unveiled in the institute to present to the Secretary of Agriculture at Washington a portrait of Mr. Lubin, a duplicate by the same artist of the portrait in the institute.

In a conference at the American Embassy, presided over by Mr. McLean, commercial attaché, and later by Mr. Gunter, chargé d'affaires, Mr. McLean explained that Italy emerged from the war with a large debt and industry developed far beyond existing needs, which made difficult the problem of returning to normalcy. The economic crash caused by deflation came in Italy several months later than in America, but was no less severe. The improvement now apparent in the United States has not yet come to Italy, but the bottom has been reached and the tendency is toward improvement. Italy is an agricultural country, so that the business depression, while very hurtful to industry and commerce, is not felt by agriculture to any extent.

While an agricultural country, Italy's production is low. It raises only two-thirds the wheat needed, and is short of all raw materials. Three-fourths of the wheat imported comes from the United States. Next in importance is cotton, practically all of which comes from the United States. The need of foodstuffs and raw materials causes an unfavorable trade balance. Before the war this was about 1½ to 1. It increased greatly, but now is steadily decreasing. The invisible elements to balance are money sent home by Italian emigrants and the tourist industry. After the war both were greatly reduced, but remittances from abroad are now two or three times pre-war, and foreign tourists about as before.

Exchange has greatly injured imports from the United States, because Italy finds it advantageous to buy in European countries having

a currency more depreciated than her own. Wheat, cotton, mineral oil, steel, and iron constitute 89 per cent of American imports. The market is stable. Mr. McLean said his principal task has been to find markets for other American products.

If Italy had coal and iron, it would be in much better condition. It has vast supplies of hydroelectric power, which can be developed, but is developing very slowly for lack of capital. Agricultural production is intensive in high degree, with greater yield per acre than in America, but can not be increased to meet requirements. The hydroelectric development alone has interested American capital. A bill is pending to exempt from taxation foreign capital invested in increasing Italian production and will become a law.

All the principal railways are Government owned. Of the greatest budget deficit of 6,000,000,000 lire the railways are responsible for 1,000,000,000 lire. There is a strong and growing sentiment to take the Government out of industrial business, but it is hard to see how it can get rid of the railways, because it would be difficult to distribute them among a number of private corporations, and no one company could take them all over.

Asked if American interests by extending credit in lire to Italy would not profit largely by the increase in value of the lire to approximate its former parity, Mr. McLean said he had lived in Italy three years and was an optimist, but he feared the appreciation of the lire would be very slow. What is far more important is to stabilize exchange. A rapid appreciation would be harmful. Italy now has 18,000,000,000 to 19,000,000,000 paper lire, as against 3,000,000,000 before the war. There is no thought of repudiation. The Government owes 215,000,000,000 lire. If the value should increase rapidly to twice its present value, this debt would be doubled, the laborer ought to accept one lire in place of two, and the Government tax should be reduced one-half. Taking exchange for a year, the average has been about the same, although the fluctuation has been great. The gold reserve is limited, but remains stable. The currency has been reduced, but in place there has been an issue of 30,000,000,000 short-term bonds, at first at 6 per cent interest, then 5 per cent, now 4½ per cent.

Asked as to German reparations, Mr. McLean said that is the great problem of the world to-day, and he hesitated to speak of it. The policy of Italy has been wise not to take into account any possible reparation, but unfortunately she has not taken into account her debts. She owes 22,000,000,000 lire, at present exchange about \$1,500,000,000, which is greater than the total revenue of Italy.

There are about 600,000 unemployed. Wages are five or six times pre-war, which is a greater increase than that in the cost of living. There is an 8-hour day. The average wage is 30 lire per day for machine work, 25 for average labor, or \$1.35 and \$1.10. Before the war the wage was about 60 cents a day. Italy must not be grouped with the nations that have lost control of their economic situation. Her condition is better than that of France.

Compared with the countries to the north a study of Italian conditions is gratifying. The Government is making every effort to balance the budget, while courageously charging all expenditures for reconstruction and pensions directly to the regular budget, instead of carrying some reparation fiction. With equal courage taxes have been raised enormously. Direct taxes, which were 558,000,000 lire in 1913, now bring in 4,300,000,000, taxes on fiscal monopolies increased from 1,067,000,000 to 4,090,000,000, indirect taxes from 657,000,000 to 1,700,000,000, and business taxes from 160,000,000 to 1,000,000,000. Further, receipts from direct and indirect taxation for the first eight months of 1922 showed an increase of 55 per cent over the same period in the previous year. The deficit in the budget for the next fiscal year is estimated by the minister of the treasury at 4,000,000, that for the current year is 6,500,000, that for the preceding year 9,680,000, a gratifying reduction. The total public debt, including bank notes, increased from 107,238,000,000 to 113,930,000,000 in the fiscal year recently closed. This increase was in treasury bonds. Circulation decreased 661,000,000.

Prices in the shops are reasonable; Italy is an excellent place for tourists to shop. Cost of living is not high. There are many very promising openings for American capital. There is vast power to be developed, vast areas of land to be reclaimed, the intensive cultivation of which will enable Italy to come much nearer to self-support, to overcoming the adverse trade balance, and will greatly improve her general economic condition. Far more than any country in Europe, Italy invites and welcomes American investment and commerce. Even Germany, begging for American money, declines to allow American investors control or important share in direction of industries, but offers only interest on bonds. Italy offers what appeals to the investor, full participation and control proportionate to the investment. America may well study Italian offerings. The commission was advised that a prominent Italian financier was leaving for the United States about the time the commission returned, with papers in his pocket to complete a proposition which entailed investment of \$100,000,000 of American capital.

In considering the economic possibilities of Italy it must be borne in mind that Italy is the natural geographic center for trade in the Mediterranean basin. In Albania, Greece, Smyrna, Georgia, Turkey, Syria, Palestine, Rhodes, and Egypt is a population of 40,000,000. With world peace there will develop a largely increased purchasing capacity. Italy has the privileged position, with the largest industrial plant in the basin, cheap power, and a population of 40,000,000 industrious, frugal, and intelligent workers. Italy has a heavy adverse balance of trade with the United States, Italy serving as an industrial base and a traffic depot. By developing Italian industry, the United States can secure a large customer, for her 40,000,000 can become large consumers of American goods, and with Italian cooperation there is open an important trade in Mediterranean markets.

Italy is developing and enlarging her ports, as was demonstrated by a personal investigation by the commission. A system of internal waterways now being completed will place Milan and the industrial centers of Lombardy and Benetia in direct water communication with the sea. American enterprise is taking a large part in the development of the port of Palermo. The electrification of railways now under way offers a field for profitable American cooperation. An assembling plant for American agricultural machinery—to decrease duties largely—with repairs and manufacture of parts could be profitably established. With an assembling plant at, say, Trieste, there would be a large market for low-priced American automobiles, as Italy manufactures only very high-priced cars, largely sold abroad. A large American garment manufacturer in southern Italy, using the product of the Italian cotton mills, would find a ready market and also increase the demand for American cotton. The labor monopoly has been broken in all the ports.

The prevailing sentiment in Italy is for good government and fair play to business and industry.

Italy stands for European peace and reconciliation, reduction of armaments, an era of peace and productive activities. All these things appeal to Americans. It is also significant that on November 10 of this year the new Fascist premier, Mussolini, called in the American correspondents and announced to them that Italy wishes to and hopes to pay its debt to America. "It is an honor debt we intend to make every effort to pay. Italy will ratify at once the Washington disarmament treaty."

THE VERSAILLES TREATY AND THE GERMAN REPARATIONS.

The treaty restores Alsace-Lorraine to France and deprives Germany of considerable territory, principally its greatest agricultural areas in Silesia and Poland, and requires Germany to renounce all favorable provisions in treating with the Grand Duchy of Luxemburg.

Germany is forbidden to maintain or construct fortifications on the left bank of the Rhine or on the right bank west of a line 50 kilometers east of the river or to assemble troops in this territory.

Germany cedes to France the coal mines in the Saar basin and all rights to the great potash mines in Alsace-Lorraine and to the allied and associated powers all rights in the territory outside its boundaries and all its overseas possessions. All rights in China are ceded to China.

The military force is limited to 100,000 men, with a specified amount of munitions, arms, and equipment. The use, manufacture, and importation of poisonous gas is prohibited, and Germany is required to disclose to the Allies the nature and mode of manufacture of all explosives and chemical preparations used in war. Compulsory military service is abolished. Military schools are limited in accordance with the reduced army. Schools, clubs, and all associations are prohibited from instruction in or use of arms. All fortifications west of a line 50 kilometers east of the Rhine are to be destroyed. The navy is limited to 6 battleships, 6 light cruisers, 12 destroyers, and 12 torpedo boats. The armed forces must not include any military or naval air forces. Germany is required to compensate civilians of the allied and associated powers for all damage done, to reimburse Belgium for all money borrowed by Belgium from the allied and associated powers up to November 11, 1918, and to pay whatever reparation is fixed by the Reparation Commission. All German merchant ships 1,600 tons and upward are ceded, half interest in ships between 1,000 and 1,600 tons, and quarter interest in steam trawlers and other fishing boats.

A specified number in thousands of horses, cattle, sheep, and goats is to be delivered to France and Belgium; to France 7,000,000 tons of coal a year for 10 years, and an amount equal to the difference between the production of the Nord and Pas de Calais mines before the war and during the 10 years; to Belgium 8,000,000 tons of coal a year for 10 years; to Italy an average of 7,000,000 tons a year for 10 years; to Luxemburg an amount of coal equal to the pre-war consumption of German coal and other quantities of other products as specified.

Imports from or exports to allied or associated States shall pay no higher duty or charge than like goods from any other country, nor may there be any other discrimination.

The Reparation Commission provided that Germany should pay 132,000,000,000 gold marks, or \$30,000,000,000. There have been a number of revisions, and the so-called Belgian compromise of September provided a brief moratorium. Briefly, the payment is to be made in three bond issues of 12, 38, and 82 billions of marks.

PERSONNEL OF THE INTERNATIONAL TRADE COMMISSION.

Clarence J. Owens, Washington, D. C., chairman, president Southern Commercial Congress.

Emmett W. Gans, Hagerstown, Md., vice chairman, president Chamber of Commerce, Hagerstown, Md.

Ralph Metcalf, Tacoma, Wash., secretary, State senator; retired newspaper man and manufacturer.

Clarence J. Owens, jr., Washington, D. C., assistant to the chairman.

Joseph Templeton Brownless, New York City, president Appalachian Mills Co., Knoxville, Tenn.; cotton manufacturer.

W. R. Graven, Dayton, Ohio, president Dayton Savings & Trust Co.

W. C. Gans, Bethlehem, N. H., iron and steel manufacturer.

Cavalier Edward Giannini New Orleans, La., Italian-American commerce.

Mrs. George D. Hope, Washington, D. C., and Kansas City, Mo., president Geo. D. Hope Lumber Co.

J. C. Harris, Memphis, Tenn., cotton planter and capitalist.

H. B. Kelly, Philadelphia, Pa., general secretary Philadelphia Chamber of Commerce.

Mrs. Charles C. Krichbaum, Canton, Ohio, active leader of women's clubs.

John King, Suffolk, Va., manufacturer, vice president Suffolk Chamber of Commerce.

Mrs. John King, Suffolk, Va., State chairman of legislation of the Virginia Federation of Women's Clubs.

J. F. McCracken, Valdosta, Ga., attorney, president Valdosta Chamber of Commerce.

H. L. Reeder, Florence, Ala., cotton dealer.

F. L. Williamson, Burlington, N. C., president and treasurer Holt-Granite-Puritan Mills Co.

Mrs. Joseph T. Brownless, New York.

Mrs. Emmett W. Gans, Hagerstown, Md., chairman committee on organization and first president Hagerstown Women's Clubs.

Mrs. N. B. Kelly, Philadelphia, Pa., president Western Home for Poor Children.

[Letter from Dr. Harry Pratt Judson, president of the University of Chicago, and report from Dr. Eliakim H. Moore.]

NOVEMBER 9, 1922.

MR. CLARENCE J. OWENS,
Southern Commercial Congress, Congress Hotel, Chicago, Ill.

MY DEAR MR. OWENS: Herewith I am returning the material you sent me with regard to the proposed recommendation of the Southern Commercial Congress relating to the payment of indebtedness and reparations by certain European powers. I am also inclosing the official report to me on the proposed financial payments by the head of our

department of mathematics. Prof. Eliakim H. Moore is one of the eminent mathematicians of the country.

Very truly yours,

HARRY PRATT JUDSON.

THE UNIVERSITY OF CHICAGO,
DEPARTMENT OF MATHEMATICS,
November 8, 1922.

To the PRESIDENT.

MY DEAR DOCTOR JUDSON: In response to the question recently submitted to me on behalf of President Clarence J. Owens, of the Southern Commercial Congress, I report as follows:

The sum of \$1,000,000.00, with interest at 3 per cent per annum, (may) will be amortized by—

Sixty-five annual payments of \$35,000.00 each and a final payment at the end of the sixty-sixth year of—

\$28,186,297.2295

The residue at the end of 65 years, \$28,336,210.9024, with interest for the sixty-sixth year, \$850,086.3271, make the final payment stated.

These figures, which have been with care determined in cooperation with my colleague, Mr. W. D. McMillan, an expert in the use of the calculating machines may be relied upon as quite correct. They exceed the corresponding figures found in the table submitted by President Owens by—

\$0.0132

\$0.0127

\$0.0005

These are the essential figures of that table.

Yours very truly,

ELIAKIM H. MOORE.

Table showing annual payments on principal and interest upon \$1,000,000.00, to be amortized in 66 years at 3 per cent interest and one-half per cent amortization.

(Annual payment, \$35,000.00. Amount, \$1,000,000.00.)

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
1.	\$30,000.000.00	\$5,000.000.00	\$995,000.000.00
2.	29,850.000.00	5,150.000.00	989,850.000.00
3.	29,695.500.00	5,304.500.00	984,545.500.00
4.	29,536.365.00	5,463.635.00	979,081.865.00
5.	29,372.455.95	5,627.544.05	973,454.320.95
6.	29,203,629.6285	5,796,370.3715	967,657,950.5785
7.	29,029,738.5173	5,970,261.4827	961,687,689.0958
8.	28,850,639.6729	6,149,369.3271	955,538,319.7687
9.	28,666,149.5931	6,333,850.4069	949,204,469.3618
10.	28,476,134.0808	6,523,965.9192	942,680,503.4426
11.	28,280,418.1032	6,719,581.8968	935,961,021.5458
12.	28,078,839.6463	6,921,169.3537	929,039,852.1921
13.	27,871,195.5657	7,128,804.4343	921,911,047.7578
14.	27,657,331.4327	7,342,668.5673	914,568,379.1905
15.	27,437,051.3757	7,562,948.6243	907,005,430.5662
16.	27,210,162.9169	7,789,837.0631	899,215,593.4831
17.	26,976,467.8044	8,023,532.1956	891,192,061.2875
18.	26,735,761.8386	8,264,238.1614	882,927,823.1261
19.	26,487,854.6937	8,512,165.3063	874,415,657.8198
20.	26,232,460.7845	8,767,530.2655	865,648,127.5543
21.	25,969,443.5906	9,030,536.1734	856,617,571.3809
22.	25,698,527.1414	9,301,472.8586	847,316,098.5223
23.	25,419,482.9556	9,580,517.0444	837,735,581.4779
24.	25,132,067.4443	9,867,932.5557	827,867,648.9222
25.	24,836,029.4676	10,163,970.5324	817,703,678.3898
26.	24,531,110.3516	10,468,889.6484	807,234,788.7414
27.	24,217,943.6622	10,782,956.3378	796,451,832.4036
28.	23,893,554.9731	11,106,446.0279	785,345,387.3757
29.	23,560,361.6212	11,439,638.3789	773,905,748.9969
30.	23,217,172.4699	11,782,827.5301	762,122,921.4668
31.	22,863,687.6441	12,136,312.3559	749,986,609.1109
32.	22,499,598.2733	12,500,401.7267	737,486,207.3842
33.	22,124,586.2215	12,875,413.7785	724,610,793.6057
34.	21,738,323.8081	13,261,676.1919	711,349,117.4138
35.	21,340,473.3224	13,659,326.4776	697,689,590.9362
36.	20,930,687.7270	14,069,312.2730	683,620,278.6632
37.	20,508,698.3598	14,491,391.6402	669,128,887.0228
38.	20,073,866.6106	14,926,133.3894	654,202,753.6334
39.	19,626,082.0090	15,373,917.3910	638,828,836.2424
40.	19,164,865.0872	15,835,134.9128	622,993,701.3296
41.	18,689,811.0898	16,310,188.9602	606,683,512.3694
42.	18,200,505.3710	16,799,494.6290	589,884,017.7404
43.	17,696,520.5322	17,303,479.4678	572,580,538.2726
44.	17,177,416.1481	17,822,583.8519	554,757,954.4207
45.	16,642,738.8338	18,357,261.3674	536,400,693.0533
46.	16,092,020.7915	18,907,970.2085	517,492,713.8449
47.	15,524,781.4133	19,475,218.5847	498,017,495.2601
48.	14,940,524.8378	20,059,475.1422	477,958,020.1179
49.	14,338,740.8035	20,661,259.3965	457,286,760.7214
50.	13,718,902.8216	21,281,067.1784	436,015,693.5430
51.	13,080,469.9062	21,919,530.0033	414,090,133.4482
52.	12,422,884.0034	22,577,115.0069	391,519,017.4515
53.	11,745,954.3235	23,254,420.4765	368,264,587.9751
54.	11,047,957.6392	23,952,062.3908	344,312,525.6143
55.	10,329,375.7684	24,670,624.2216	319,641,901.3827
56.	9,589,257.0414	25,410,742.0596	294,231,158.4241
57.	8,826,934.7527	26,173,055.2473	268,056,093.1768
58.	8,041,742.7953	26,958,257.2047	241,099,835.9721
59.	7,232,995.0791	27,767,004.9209	213,332,831.0512
60.	6,399,984.9815	28,600,015.0995	184,732,815.9817
61.	5,541,984.4794	29,458,015.5296	155,724,800.4611
62.	4,658,244.0138	30,341,755.9802	124,933,044.4749
63.	3,747,991.3342	31,252,098.6938	93,681,035.8091
64.	2,810,451.0743	32,189,568.9238	61,491,469.8833
65.	1,844,744.0094	33,155,265.9936	28,336,210.8897
66.	860,086.3296	28,336,210.8897	

Final payment, \$28,186,297.103.

Table showing annual payments on principal and interest of Belgium's debt of \$350,000.00, to be amortized in 66 years under plan proposed by International Trade Commission.

(Annual payment, \$12,250.00. Total debt, \$350,000.00.)

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
1.	\$10,500.000.00	\$1,750.000.00	\$348,250.000.00
2.	10,447,500.00	1,802,500.00	346,447,500.00
3.	10,293,425.00	1,856,575.00	344,590,925.00
4.	10,337,727.75	1,912,272.25	342,678,652.75
5.	10,280,359.58	1,969,640.42	340,709,012.33
6.	10,221,270.37	2,028,729.63	338,680,282.70
7.	10,160,408.48	2,089,591.52	336,590,691.18
8.	10,097,720.73	2,152,279.27	334,438,411.91
9.	10,033,152.36	2,216,847.64	332,221,564.27
10.	9,966,646.93	2,283,353.07	329,938,211.20
11.	9,898,146.33	2,351,853.67	327,586,357.53
12.	9,827,590.73	2,422,409.27	325,163,948.26
13.	9,754,918.45	2,495,081.55	322,668,866.71
14.	9,680,066.00	2,569,934.00	320,098,932.71
15.	9,602,967.98	2,647,032.02	317,451,900.69
16.	9,523,557.02	2,726,442.98	314,725,457.71
17.	9,441,763.73	2,808,236.27	311,917,221.44
18.	9,357,516.64	2,892,483.36	309,024,738.08
19.	9,270,742.14	2,979,257.89	306,045,480.22
20.	9,181,364.41	3,068,635.59	302,976,844.63
21.	9,089,305.34	3,160,694.66	299,816,149.97
22.	8,994,484.50	3,255,515.50	296,560,634.47
23.	8,896,819.03	3,353,180.97	293,207,453.50
24.	8,796,223.61	3,453,776.39	289,753,677.11
25.	8,692,610.31	3,557,389.69	286,196,287.42
26.	8,585,883.62	3,664,111.38	282,532,176.04
27.	8,475,965.28	3,774,034.72	278,758,141.32
28.	8,362,744.24	3,887,255.76	274,870,885.56
29.	8,246,120.57	4,003,873.43	270,867,012.13
30.	8,126,010.36	4,123,989.64	266,743,022.49
31.	8,002,290.68	4,247,709.32	262,495,313.17
32.	7,874,859.39	4,375,140.61	258,120,172.56
33.	7,743,905.18	4,506,394.82	253,613,777.74
34.	7,608,413.33	4,641,580.67	248,972,197.07
35.	7,469,165.73	4,780,834.27	244,191,362.80
36.	7,325,740.70	4,924,259.30	239,267,093.50
37.	7,178,012.93	5,071,987.07	234,195,110.43
38.	7,025,853.31	5,224,146.69	228,970,963.74
39.	6,869,128.91	5,380,871.09	223,590,092.65
40.	6,707,702.79	5,542,267.21	218,047,795.44
41.	6,541,433.87	5,708,566.13	212,339,229.31
42.	6,370,176.88	5,879,823.12	206,459,406.19
43.	6,193,782.13	6,056,217.82	200,403,188.37
44.	6,012,036.65	6,237,904.35	194,165,284.02
45.	5,824,958.52	6,423,041.48	187,740,242.54
46.	5,632,207.28	6,611,792.72	181,122,449.82
47.	5,433,673.49	6,816,328.51	174,306,121.31
48.	5,229,183.70	7,020,816.30	167,285,305.01
49.	5,018,559.21	7,231,440.79	160,053,864.22
50.	4,801,615.99	7,448,384.01	152,605,480.21
51.	4,578,164.40	7,671,835.60	144,933,644.67
52.	4,348,009.40	7,901,990.60	137,031,654.07
53.	4,110,949.68	8,139,050.32	128,892,603.75
54.	3,865,778.18	8,383,221.82	120,509,381.93
55.	3,615,281.51	8,634,718.49	111,874,663.44
56.	3,358,239.97	8,893,760.03	102,980,903.41
57.	3,093,427.16	9,160,572.84	93,820,330.57
58.	2,814,609.98	9,435,390.02	84,384,940.55
59.	2,531,548.27	9,718,451.73	74,666,490.82
60.	2,239,994.73	10,010,005.27	64,666,485.55
61.	1,939,694.56	10,310,305.44	54,346,180.11
62.	1,630,385.41	10,619,614.59	43,726,565.52
63.	1,311,796.96	10,938,203.04	32,788,362.48
64.	895,650.57	11,266,349.13	21,522,013.35
65.	645,600.40	11,604,339.60	9,917,673.75
66.	297,837.07	9,917,673.75	

Final payment, \$10,215,010.82.

Table showing annual payments of principal and interest of Italy's debt of \$1,700,000.00, to be amortized in 66 years, under plan proposed by International Trade Commission.

(Annual payment, \$59,500.00. Total debt, \$1,700,000.00.)

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
1.	\$51,000.000.00	\$8,500.000.00	\$1,691,500.000.00
2.	50,745,000.00	8,755,000.00	1,682,745,000.00
3.	50,482,350.00	9,017,650.00	1,673,727,350.00
4.	50,211,820.50	9,288,179.50	1,664,439,170.50
5.	49,933,175.11	9,566,824.89	1,654,872,345.61
6.	49,646,170.37	9,853,829.63	1,645,018,515.98
7.	49,350,555.48	10,149,444.52	1,634,869,071.46
8.	49,046,072.14	10,453,927.86	1,624,415,143.60
9.	48,732,454.31	10,767,545.69	1,613,647,597.91
10.	48,409,427.94	11,090,572.06	1,602,557,025.85
11.	48,076,710.77	11,423,289.23	1,591,133,736.62
12.	47,734,012.10	11,765,987.90	1,579,367,748.72
13.	47,381,032.46	12,118,967.54	1,567,248,781.18
14.	47,017,463.43	12,482,536.57	1,554,766,244.61
15.	46,642,987.34	12,857,012.66	1,541,909,231.95
16.	46,257,276.96	13,242,723.04	1,528,666,508.91
17.	45,859,995.27	13,640,004.73	1,515,026,504.18
18.	45,450,795.12	14,049,204.88	1,500,977,299.30
19.	45,029,318.98	14,470,681.02	1,486,506,618.28
20.	44,595,196.55	14,904,601.45	1,471,601,816.83
21.	44,148,054.50	15,351,945.50	1,456,249,871.33

Table showing annual payments of principal and interest of Italy's debt of \$1,700,000,000, etc.—Continued.

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
22	\$48,887,496.14	\$15,812,508.86	\$1,440,437,367.47
23	43,213,121.03	16,286,878.97	1,424,150,488.50
24	42,724,514.65	16,775,485.35	1,407,375,003.15
25	42,221,250.10	17,278,749.90	1,390,096,253.25
26	41,702,887.60	17,797,112.41	1,372,299,140.84
27	41,108,974.23	18,331,025.77	1,353,968,115.07
28	40,619,043.45	18,880,956.55	1,335,087,158.52
29	40,052,614.76	19,447,385.24	1,315,639,773.28
30	39,469,103.19	20,030,806.81	1,295,608,966.47
31	38,868,269.00	20,631,731.00	1,274,977,235.47
32	38,249,317.05	21,250,682.94	1,253,726,552.53
33	37,611,796.58	21,888,203.42	1,231,838,349.11
34	36,965,150.47	22,544,849.53	1,209,293,499.58
35	36,278,804.99	23,221,195.01	1,186,072,304.57
36	35,582,169.14	23,917,830.86	1,162,154,478.71
37	34,884,684.21	24,635,305.79	1,137,519,107.92
38	34,125,673.23	25,374,426.77	1,112,144,681.15
39	33,364,340.44	26,135,659.56	1,086,009,021.59
40	32,580,270.64	26,919,729.36	1,059,089,292.23
41	31,772,678.77	27,727,321.23	1,031,361,971.00
42	30,940,859.13	28,559,140.87	1,002,802,830.13
43	30,084,084.91	29,415,915.09	973,389,915.04
44	29,202,607.45	30,298,392.55	943,088,522.49
45	28,292,655.67	31,207,344.33	911,881,178.16
46	27,356,435.34	32,143,564.66	879,737,613.50
47	26,392,128.41	33,107,871.59	846,629,741.91
48	25,398,892.26	34,101,107.74	812,528,634.17
49	24,375,859.02	35,124,140.98	777,404,493.19
50	23,322,134.80	36,177,865.20	741,226,627.99
51	22,236,798.84	37,263,201.16	703,963,426.83
52	21,118,902.80	38,381,097.20	665,582,329.63
53	19,967,469.89	39,532,530.11	626,049,799.52
54	18,781,493.98	40,718,506.02	585,331,293.50
55	17,559,938.81	41,940,061.19	543,391,232.31
56	16,301,736.97	43,198,263.03	500,192,969.28
57	15,005,789.08	44,494,210.92	455,698,758.36
58	13,670,962.75	45,829,037.25	409,899,721.11
59	12,296,061.63	47,203,908.37	362,665,812.74
60	10,879,974.38	48,620,025.62	314,045,787.12
61	9,421,373.61	50,078,626.39	263,967,160.73
62	7,919,014.83	51,580,985.17	212,366,175.56
63	6,371,585.26	53,128,414.74	159,257,760.82
64	4,777,732.83	54,722,267.17	104,535,493.65
65	3,136,054.81	56,363,935.19	48,171,558.46
66	1,445,140.75	58,171,598.46	.....

Final payment, \$49,616,705.21.

Table showing annual payments on principal and interest of France's debt of \$3,000,000,000, to be amortized in 66 years, under plan proposed by International Trade Commission.

(Annual payment, \$105,000,000. Total debt, \$3,000,000,000.)

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
1	\$90,000,000.00	\$15,000,000.00	\$2,985,000,000.00
2	89,550,000.00	15,450,000.00	2,969,550,000.00
3	89,086,500.00	15,913,500.00	2,953,636,500.00
4	88,609,000.00	16,390,000.00	2,937,245,500.00
5	88,117,867.85	16,882,632.15	2,920,362,867.85
6	87,610,888.88	17,389,111.12	2,902,973,851.73
7	87,089,215.55	17,910,784.45	2,885,063,067.28
8	86,551,502.02	18,448,107.98	2,866,614,959.30
9	85,998,446.78	19,001,551.22	2,847,613,408.08
10	85,428,402.24	19,571,597.76	2,828,041,810.32
11	84,841,254.30	20,158,745.70	2,807,883,064.62
12	84,236,491.94	20,763,508.06	2,787,119,556.57
13	83,613,688.70	21,386,413.30	2,765,733,143.27
14	82,971,904.29	22,028,095.71	2,743,705,137.56
15	82,311,124.03	22,688,845.87	2,721,016,291.69
16	81,630,488.75	23,369,511.25	2,697,646,780.44
17	80,929,408.41	24,070,596.59	2,673,576,183.85
18	80,207,285.52	24,792,714.48	2,648,783,469.37
19	79,453,504.08	25,536,493.92	2,623,246,975.45
20	78,687,400.20	26,302,590.80	2,596,944,382.65
21	77,908,331.47	27,091,668.52	2,569,852,714.13
22	77,095,581.43	27,904,418.57	2,541,948,295.56
23	76,258,448.86	28,741,551.14	2,513,206,744.42
24	75,396,202.33	29,603,797.67	2,483,602,946.75
25	74,508,088.41	30,491,911.59	2,453,111,035.16
26	73,593,381.05	31,406,668.95	2,421,704,366.21
27	72,651,130.99	32,348,899.01	2,389,355,467.20
28	71,680,654.91	33,319,335.09	2,356,036,132.11
29	70,681,084.83	34,318,915.14	2,321,717,216.97
30	69,651,517.41	35,348,482.59	2,286,368,734.38
31	68,591,062.93	36,408,937.07	2,249,959,827.31
32	67,498,794.82	37,501,205.18	2,212,458,622.13
33	66,373,758.67	38,626,241.33	2,173,832,380.80
34	65,214,971.42	39,785,028.58	2,134,047,352.22
35	64,021,420.57	40,978,579.43	2,093,068,772.79
36	62,792,063.18	42,207,936.82	2,050,860,835.97
37	61,525,825.08	43,474,174.92	2,007,386,661.05
38	60,221,599.83	44,778,400.17	1,962,608,260.88
39	58,878,247.83	46,121,752.17	1,916,486,508.71
40	57,494,595.26	47,506,404.74	1,868,981,103.97
41	56,069,433.12	48,930,566.88	1,820,050,537.09
42	54,601,516.11	50,398,483.89	1,769,652,053.20
43	53,089,561.69	51,910,438.31	1,717,741,614.79
44	51,532,248.45	53,467,751.55	1,664,273,863.24
45	49,928,215.89	55,071,784.11	1,609,212,079.13

Table showing annual payments on principal and interest of France's debt of \$3,000,000,000, etc.—Continued.

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
46	\$48,276,062.38	\$56,723,937.62	\$1,552,478,141.51
47	46,574,344.24	58,425,655.76	1,494,052,485.75
48	44,821,574.58	60,178,425.42	1,433,874,060.33
49	43,016,221.80	61,983,778.20	1,371,890,282.13
50	41,156,708.47	63,843,291.53	1,308,046,990.60
51	39,241,409.72	65,758,590.28	1,242,288,400.32
52	37,278,632.00	67,731,368.00	1,174,557,052.33
53	35,236,711.66	69,763,288.34	1,104,793,763.99
54	33,143,812.92	71,850,187.08	1,032,937,576.81
55	30,988,137.80	74,011,872.20	958,925,704.11
56	28,767,771.13	76,232,228.87	882,693,475.24
57	26,489,504.25	78,519,495.75	804,174,279.49
58	24,125,228.89	80,874,771.61	723,299,507.88
59	21,698,985.23	83,301,014.77	639,968,493.11
60	19,199,954.80	85,800,045.20	554,198,447.91
61	16,625,953.43	88,374,046.57	465,824,401.34
62	13,974,732.04	91,025,267.96	374,799,133.38
63	11,243,974.01	93,756,025.99	281,043,107.39
64	8,481,298.22	96,568,701.78	184,474,400.61
65	5,584,232.01	99,465,767.99	85,008,632.62
66	2,550,258.98	85,008,632.62	.....

Table showing annual payments on principal and interest of Great Britain's debt of \$1,000,000,000, to be amortized in 66 years, under plan proposed by International Trade Commission.

(Annual payment, \$140,000,000. Total debt, \$1,000,000,000.)

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
1	\$120,000,000.00	\$20,000,000.00	\$5,980,000,000.00
2	119,400,000.00	20,600,000.00	5,969,400,000.00
3	118,782,000.00	21,218,000.00	5,958,182,000.00
4	118,145,490.00	21,854,510.00	5,946,327,480.00
5	117,489,823.80	22,510,176.20	5,933,817,306.80
6	116,814,518.51	23,185,481.49	5,920,631,825.31
7	116,118,954.07	23,881,045.93	5,906,750,779.38
8	115,402,322.69	24,597,677.31	5,892,153,102.07
9	114,664,598.37	25,335,401.63	5,876,817,697.44
10	113,904,586.32	26,095,413.68	5,860,922,283.76
11	113,121,672.41	26,878,327.59	5,844,543,956.17
12	112,315,322.59	27,684,677.41	5,827,759,278.76
13	111,484,782.26	28,515,217.74	5,810,544,061.02
14	110,629,225.73	29,370,774.27	5,792,873,286.75
15	109,748,205.50	30,251,794.50	5,774,621,492.25
16	108,840,651.67	31,159,348.33	5,755,462,143.92
17	107,905,871.22	32,094,128.78	5,735,368,015.14
18	106,943,047.35	33,056,952.65	5,714,311,062.49
19	105,951,338.77	34,048,661.23	5,692,262,401.26
20	104,929,878.94	35,070,121.06	5,669,192,280.30
21	103,877,775.31	36,122,224.69	5,645,069,055.61
22	102,794,108.57	37,205,891.43	5,619,863,164.18
23	101,677,931.82	38,322,068.18	5,593,531,095.99
24	100,528,269.78	39,471,730.22	5,566,059,365.77
25	99,344,117.87	40,655,882.13	5,537,403,483.64
26	98,124,441.41	41,875,558.59	5,507,527,925.05
27	96,868,174.65	43,131,825.35	5,476,396,099.70
28	95,574,219.80	44,425,780.11	5,443,970,319.59
29	94,241,446.49	45,758,553.51	5,410,211,766.08
30	92,868,689.88	47,131,310.12	5,375,080,455.97
31	91,454,750.58	48,545,249.42	5,338,535,206.55
32	89,998,293.09	50,001,606.91	5,299,523,599.64
33	88,498,344.89	51,501,655.11	5,258,011,944.53
34	86,953,295.23	53,046,704.77	5,214,045,239.76
35	85,361,894.09	54,638,105.91	5,167,407,135.85
36	83,722,750.91	56,277,249.09	5,118,129,886.76
37	82,034,433.44	57,965,566.56	5,066,163,320.20
38	80,295,498.44	59,704,501.56	5,011,408,818.64
39	78,504,330.44	61,495,669.56	4,954,439,149.08
40	76,659,460.35	63,340,539.65	4,895,078,609.43
41	74,759,244.16	65,240,755.84	4,833,327,853.59
42	72,802,021.48	67,197,978.52	4,768,135,875.07
43	70,788,082.13	69,212,917.87	4,699,412,957.20
44	68,709,664.50	71,290,335.51	4,627,122,621.69
45	66,570,954.53	73,429,045.47	4,551,233,576.22
46	64,388,083.17	75,631,916.83	4,471,591,659.39
47	62,159,125.66	77,900,874.34	4,388,180,785.05
48	59,882,090.43	80,237,909.57	4,299,942,875.48
49	57,554,962.41	82,645,037.59	4,206,687,837.89
50	55,172,811.29	85,124,188.71	4,108,313,649.18
51	52,732,679.63	87,678,320.37	4,004,825,328.81
52	49,991,586.01	90,306,413.99	3,896,518,914.82
53	46,982,282.09	93,017,717.91	3,783,501,196.91
54	44,191,750.56	95,808,249.44	3,665,692,947.47
55	41,317,503.07	98,682,495.93	3,542,990,451.54
56	38,357,028.17	101,642,971.83	3,415,337,479.71
57	35,307,739.01	104,692,269.99	3,282,645,209.72
58	32,166,971.18	107,833,028.82	3,144

Table showing annual payments of interest by Germany of \$12,000,000,000 reparation, to be amortized in 66 years, under plan proposed by International Trade Commission.

(Annual payment, \$420,000,000. Total debt, \$12,000,000,000.)

Year.	Interest.	Paid on principal.	Balance unpaid at end of year.
1.	\$360,000,000.00	\$60,000,000.00	\$11,940,000,000.00
2.	358,200,000.00	61,800,000.00	11,878,200,000.00
3.	356,346,000.00	63,654,000.00	11,814,546,000.00
4.	354,412,380.00	65,563,620.00	11,748,982,380.00
5.	352,469,471.40	67,530,520.60	11,681,451,851.40
6.	350,443,535.54	69,556,444.46	11,611,895,406.94
7.	348,356,862.21	71,643,137.79	11,540,252,269.15
8.	346,207,568.07	73,792,431.93	11,466,459,837.22
9.	343,993,795.12	76,006,204.88	11,390,453,632.34
10.	341,713,608.97	78,286,391.03	11,312,167,241.31
11.	339,365,017.24	80,634,982.76	11,231,532,258.55
12.	336,945,967.76	83,054,032.24	11,148,478,226.31
13.	334,454,346.79	85,545,653.21	11,062,932,573.10
14.	331,857,977.19	88,112,022.81	10,974,820,550.29
15.	329,244,616.51	90,755,383.49	10,884,065,166.80
16.	326,521,955.00	93,478,045.00	10,790,587,121.80
17.	323,717,613.65	96,282,386.35	10,694,304,735.45
18.	320,829,142.07	99,170,857.93	10,595,133,877.52
19.	317,854,016.33	102,145,983.67	10,492,987,893.85
20.	314,789,636.82	105,210,363.18	10,387,777,530.67
21.	311,633,325.92	108,366,674.08	10,279,410,856.59
22.	308,382,325.70	111,617,674.30	10,167,793,182.29
23.	305,033,795.47	114,966,204.53	10,052,826,977.76
24.	301,584,809.33	118,415,190.67	9,934,411,787.09
25.	298,032,353.61	121,967,646.39	9,812,444,140.70
26.	294,373,324.22	125,626,675.78	9,686,817,464.92
27.	290,604,523.95	129,395,476.05	9,557,421,988.87
28.	286,722,659.67	133,277,340.33	9,424,144,648.54
29.	282,724,339.46	137,275,660.54	9,286,858,988.00
30.	278,606,069.64	141,393,930.36	9,145,475,057.64
31.	274,364,251.73	145,635,748.27	8,999,839,309.37
32.	269,995,179.28	150,004,820.72	8,849,834,488.65
33.	265,495,034.66	154,504,965.34	8,695,329,523.31
34.	260,859,885.70	159,140,114.30	8,536,189,409.01
35.	256,085,682.27	163,914,317.73	8,372,275,091.28
36.	251,168,252.74	168,831,747.26	8,203,443,344.02
37.	246,103,300.32	173,896,699.68	8,029,546,644.34
38.	240,886,399.33	179,113,600.67	7,850,433,043.67
39.	235,512,991.31	184,487,008.69	7,665,946,034.98
40.	229,978,381.04	190,021,618.96	7,475,924,416.02
41.	224,277,732.48	195,722,267.52	7,280,202,148.50
42.	218,406,094.45	201,593,935.55	7,078,608,212.95
43.	212,358,246.38	207,641,753.62	6,870,956,459.33
44.	206,128,993.80	213,871,005.20	6,657,095,453.13
45.	199,712,893.59	220,287,136.41	6,436,808,316.72
46.	193,104,249.50	226,895,750.50	6,209,912,566.22
47.	186,297,376.98	233,702,623.02	5,976,209,943.20
48.	179,286,298.29	240,713,701.71	5,735,496,241.49
49.	172,064,887.24	247,935,112.76	5,487,561,128.73
50.	164,626,833.86	255,373,166.14	5,232,187,962.59
51.	156,965,638.87	263,034,361.13	4,969,153,601.46
52.	149,074,608.04	270,925,391.96	4,698,228,209.50
53.	140,946,846.28	279,053,153.72	4,419,175,055.78
54.	132,575,251.67	287,424,748.33	4,131,750,307.45
55.	123,952,509.22	296,047,490.78	3,835,702,816.67
56.	115,071,084.50	304,928,915.50	3,530,773,901.17
57.	105,923,217.03	314,075,782.97	3,216,697,118.20
58.	96,500,913.54	323,499,086.46	2,893,198,031.74
59.	86,795,940.95	333,204,059.05	2,559,993,972.69
60.	76,799,819.18	343,200,180.82	2,216,793,791.87
61.	66,503,813.75	353,496,186.25	1,863,297,605.62
62.	55,898,928.16	364,101,971.84	1,499,196,533.78
63.	44,975,896.01	375,024,103.99	1,124,172,429.79
64.	33,725,172.89	386,274,827.11	737,897,602.68
65.	22,136,928.08	397,863,071.92	340,034,530.76
66.	10,201,035.92	340,034,530.76	.....

Final payment, \$350,235,569.68.

Resolutions unanimously adopted at the fifteenth annual convention of the Southern Commercial Congress, held at Chicago, Ill., November 20, 1922.

Whereas the Southern Commercial Congress organized the International Trade Commission that made an economic and commercial survey of France, Belgium, Holland, Germany, Switzerland, Italy, and Great Britain; and

Whereas the commission has submitted its report to the fifteenth annual convention of the Southern Commercial Congress; and

Whereas specific recommendations are made by the commission: Therefore be it

Resolved by the Southern Commercial Congress in annual convention, That the report of the commission be, and is hereby, approved, together with the specific recommendations as follows:

(1) That an international conference of national banking interests and delegates of Government be called to adopt a plan of action as to a moratorium and a plan of amortization in the settlement of inter-allied debts and German reparations.

(2) That an international tariff conference be called to consider the nonpartisan revision of tariff schedules to remove barriers to foreign commerce.

(3) That the United States laws be so amended as to coordinate the agencies of the United States Government at home and abroad as they relate to the foreign service of the United States.

(4) That it is desirable for a conference of the diplomatic and consular officials of the United States and Europe for the purpose of adopting plans of action as to a Pan-European policy.

(5) That the policy of the United States be so changed that representatives in foreign service be instructed to submit constructive criticism upon economic subjects without partisan bias and the fear of executive reprimand; be it further

Resolved, That the conference approve the amortization tables prepared by the International Trade Commission for the settlement of German reparations and interallied debts, the said tables having been verified as to their mathematical accuracy by the department of mathematics of the University of Chicago; be it further

Resolved, That a copy of the report of the International Trade Commission, together with the amortization tables, be forwarded to the President of the United States, the Departments of State, Treasury, and Commerce of the United States Government, and to the Congress of the United States.

2. Resolved, That the convention recognizes the desirability in the interest of agriculture and industry of the revision and amendment of the present immigration law, so as to make possible the admission to the United States of the number of workmen and agriculturists that are actually needed; and that the problem be intelligently submitted to the officials of the Government of the United States in order that the law may be so amended as to raise the quota in the interest of industry and agriculture above the 3 per cent stipulated in the law, and that the unused quota of countries be distributed among other countries whose quota have been reached; and be it further

Resolved, That the law be so amended as to provide for the intelligent distribution of the immigrants to industry and agriculture in the United States.

3. Whereas the Southern Commercial Congress initiated the plan for rural credits in America; and

Whereas the American commission organized by the Southern Commercial Congress made an investigation in Europe, and upon its report is based the present Federal farm loan act; and

Whereas it is now recognized that a further step must be taken in the financing of American agriculture: Therefore be it

1. Resolved, That the law be so amended as to include a system of short-time credits.

2. That Congress be urged to amend the provision of the farm loan act so as to increase the lending limit of the law from \$10,000 to \$25,000.

4. Whereas the Department of Education of the United States is inadequately supported and is a minor bureau of the United States Department of the Interior; and

Whereas all other nations of the world maintain ministers of education in the executive cabinet of the respective governments; and

Whereas the United States was given evidence in the lack of general education in the United States as exhibited by the examinations in the selective draft for the World War; and

Whereas education is of so basic an importance to America: Therefore be it

Resolved, That the Congress of the United States be urged to provide for a department of education in the Cabinet of the President of the United States on a parity with Agriculture, Commerce, and Labor.

5. Whereas the Bureau of Public Health of the United States is lodged as a minor bureau in the United States Treasury Department; and

Whereas the public health is of first importance in the building of the economic life of the Nation: Therefore be it

Resolved, That the Congress of the United States be urged to provide through legislation for a department of health in the Cabinet of the President of the United States on a parity with Agriculture, Commerce, and Labor; be it further

6. Resolved, That the Congress of the United States be urged to restore to the law creating the War Finance Commission the provision as to financing foreign trade transactions; and be it further

Resolved, That the Government consider ways and means for extending credit to the countries of Europe for the surplus of American agriculture.

Resolved further, That agencies of private businesses in America be called upon to join in every possible way in the extension of credit to European countries in their purchase of surpluses of American crops.

6. Whereas the plan to export our surplus farm crops on a credit has been indorsed by the annual convention of the American Farm Bureau Federation at Atlanta, Ga., by the Mississippi Valley Association at Kansas City, by the National Farmers' Grain Dealers Association at Omaha, by the Farmers' National Council, by the National Board of Farm Organizations, including in its membership the Farmers' Union and a number of other important farm organizations, and by the President's agricultural conference at Washington;

Whereas this plan promises the farmers quicker and fuller relief than any other means that have yet been suggested; and

Whereas business men will be benefited as much indirectly as the farmer will be helped directly by this action: Be it

Resolved, That the Southern Commercial Congress, at its fifteenth annual convention, most heartily indorse this plan and take whatever steps as seem practical to secure its enactment into law.

7. Whereas the commercial progress of the United States will be materially advanced by the development of water transportation; and the building of canals connecting the rivers and lakes and the Atlantic Ocean with the Mississippi River and the Gulf of Mexico will also add to the safety of our country; and

Whereas a bill has been introduced in Congress, asking for a resurvey of a proposed canal route from Cumberland Sound to the Mississippi River, and a canal connecting those bodies of water would be of inestimable value to commerce and to the Government, providing an all-inland protected route where barges and other vessels would carry return loads in either direction from the upper Mississippi and the Great Lakes to the Gulf and South Atlantic ports every day in the year, and said canal would be wholly within the boundaries of the United States; and the eastern terminus at Cumberland Sound would provide a bunker coal port, only 3 miles from the open sea, and large anchorage area never closed by ice, where ocean-going vessels could coal and secure cargoes for Europe and South America and other points at great saving of time and expense, and avoiding the delays and congestion at northern ports: Therefore be it

Resolved, That this organization give its indorsement and support to the project known as the Atlantic-to-Mississippi Canal, connecting Cumberland Sound with the Mississippi River, to the end that this all-American canal may be constructed at the earliest practicable date after the report on the resurvey has been submitted to Congress in the manner governing such matters; be it further

Resolved, That the Southern Commercial Congress approves the plan to connect by waterways the Great Lakes and the Gulf of Mexico by way of the Mississippi River; and be it further

Resolved, That the congress approve the proposed plan of connecting the Great Lakes to the Atlantic Ocean by way of the St. Lawrence River. (See typed resolution attached, marked "B.")

We urge immediate extension of an arm of the sea to mid-continent through the improvement of the St. Lawrence River for the passage of ocean-borne commerce in and out of the Great Lakes without breaking bulk, and that the same be done jointly by the Governments of the United States and Canada substantially according to plans submitted by the International Board of Engineers and as recommended to the two Governments by the International Joint High Commission, to whom the project was submitted by the Governments for examination and report; be it further

Resolved, That the Southern Commercial Congress, in annual convention, hereby appeals to the Congress of the United States to perpetuate the Great Lakes Naval Training Station and that no steps whatsoever will be taken by Congress to limit or curtail the usefulness of this institution; be it

11. *Resolved*, That the Congress of the United States be urged to pass a reclamation law that will be national and nonsectional and include not only the irrigation of arid lands of the West but also the drainage of swamp and overflow lands and the development of cut-over lands and rock lands or any meritorious project anywhere; be it

12. *Resolved*, That the Congress of the United States be urged, in whatever legislation may be passed in the interest of the American soldier and sailor, that the plan include options wherein not only money but land settlement and development be considered; be it

13. *Resolved*, That the Congress of the United States be urged to develop through legislation the further use of the truck through parcel post of the Post Office Department in direct dealing between dealer and consumer as a further auxiliary to the solution of the problem of transportation in America.

14. Whereas the International Institute of Agriculture in Rome, Italy, was founded by David Lubin in America; and

Whereas the institute to-day is an economic league of nations comprising 64 countries allied under treaty; and

Whereas the institute has rendered a distinguished service to America and the world in the development of agriculture; and

Whereas since the death of David Lubin the policy of the United States Government has been to make temporary appointments of American delegates to the institute; and

Whereas there is evidence that the United States Government has failed to sympathetically support the institute; Therefore be it

Resolved, That this question be brought to the attention of the President of the United States, the members of his Cabinet, and the Congress of the United States, that the international institute may be understood and its service valued and adequately supported.

15. Whereas it is known that foreign countries in their commercial expansion have secured their prestige and commercial power under the plan that trade follows the loan; Therefore be it

Resolved, That the business interests of America be urged to consider ways and means for the extension of loans to foreign countries with the object of competing for an adequate and reasonable division of the foreign commerce of the world and therefore aid in the establishment of the American merchant marine.

17. Whereas the Consular Service of the United States Government is of great importance in the promotion of business relations with foreign countries; Therefore be it

Resolved, That the Congress of the United States be urged to make provision for the further extension of the Consular Service to not only include other strategic points in foreign countries but also to enlarge the scope of the work of the consulates now established; be it further

Resolved by the Southern Commercial Congress, That an indorsement be given to the activities of the United States Bureau of Foreign and Domestic Commerce, a service that is engaged in practical plans of action for the extension of American business.

(Paper by General Ryan.)

"We believe that no greater duty exists in America to-day than to contribute in practical manner to the development and maintenance of an orderly world.

"We realize that the problem is complex, and that its difficulties are not fully understood by the mass of our people; nor are they in accord concerning a solution of it.

"We believe that whatever form our contribution of effort toward permanent peace should take, it will be greatly strengthened by a better understanding of the problem in all its phases and by the extent to which our people are interested in support of whatever may be proposed.

"We are impressed by the inadequacy of organization throughout the country for the intelligent development of the needed understanding and the determination of a proposed course of action to be submitted to Congress for its action.

"We are impressed as well with the gravity of the problem because of the intensive and almost unestimated preparations which all the great powers are making for the next war.

"We therefore believe that associations and other forms of organizations throughout the country which exist for the development of a national policy in furtherance of world peace should by concerted action create and develop a superorganization in which they shall be represented by their delegates. That the functions of this new organization should be the development of an official leadership, the spread of an understanding of the problem among its constituent membership and through the people generally, and the expansion of its own organization to meet the purposes of its existence. Such organization should be nonpolitical in leadership and policy, and when adequately developed for the purpose should, with the support of all member bodies, apply to Congress for Federal incorporation and recognition as a permanent body authorized to make an extended survey of the problem of world peace in all its phases, being authorized for that purpose to have access to relevant data in all Government departments and the assistance of officers of the Army and Navy detailed by request for the purpose.

"Such Federal corporation should be authorized to function for the Government in making a survey of the peace problem, somewhat as the Emergency Fleet Corporation was authorized to function for the Government in its special field.

"Specifically, it should be authorized upon completion of its survey to formulate a project recommended to Congress for adoption as the solution of the problem from the American standpoint and as the American policy in relation to organization for peace.

"That copies of this resolution be mailed by the secretary to all persons and organizations believed to be actively interested in the problem of world peace."

19. Whereas the Southern Commercial Congress held a conference at Muscle Shoals on the subject of the development of Muscle Shoals; and

Whereas 27 States were represented officially in the said conference; and

Whereas said conference unanimously and unqualifiedly went on record approving the proposal made by Henry Ford: Therefore be it

Resolved, That the Southern Commercial Congress in the fifteenth annual convention assembled hereby further ratifies the action of the former conference and urges the Congress of the United States to promptly accept the proposal of Henry Ford; be it further

Resolved, That this convention expresses hearty thanks to Dr. Clarence J. Owens for his untiring and loyal services for the past 15 years as the directing executive of this organization and more particularly as president of the Southern Commercial Congress. He deserves our gratitude for the accomplishments of the congress not only in the interest of the South but of the Nation.

JOHN G. RICE,

Chairman Committee on Resolutions.

ORDER FOR RECESS.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 11 o'clock to-morrow.

Mr. FLETCHER. Mr. President—

Mr. McKELLAR. Mr. President, I hope the Senator will not make the hour 11 o'clock. Yesterday morning we tried that, and we were 23 minutes in getting a quorum here. It is very hard for Senators to do the routine morning work that is incumbent upon every Senator and get here at 11 o'clock. I think it is a great hardship, and I hope the Senator will make the hour 12 o'clock.

Mr. FLETCHER. Mr. President, I was about to say that there are a number of Senators who have committee engagements. The committees meet generally at 10 o'clock, and we can not very well finish the work that is before us if we are to meet at 11. I hope the Senator will change the hour.

Mr. CURTIS. Then I will modify my request so as to ask that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

ELI N. SONNENSTRAHL.

Mr. CALDER. Mr. President, I ask unanimous consent for the present consideration of Senate bill 1280, Order of Business No. 1009. This bill gives the right to Eli N. Sonnenstrahl to go to the United States District Court for the Eastern District of New York to prosecute a claim against the Government for commandeering some beans that he had imported from Europe. It simply permits him to go to court to press his claim.

Mr. FLETCHER. I do not find any No. 1009 on my calendar.

Mr. CALDER. It is there.

Mr. DIAL. Mr. President, I understand that the bill refers the matter to the court.

Mr. CALDER. It just permits him to prosecute a claim in the District Court for the Eastern District of New York.

The VICE PRESIDENT. The Secretary will state the title of the bill.

The READING CLERK. A bill (S. 1280) for the relief of Eli N. Sonnenstrahl.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and insert:

That the claim of Eli N. Sonnenstrahl, of Brooklyn, N. Y., for such further sum as he may be entitled to recover, as added to the amount he has already received, for certain beans commandeered by the Navy Department, at San Francisco, Calif., on or about February, 1918, may be sued for and submitted to the United States District Court in and for the Eastern District of New York, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for such amount and costs, if any, as shall be found to be due against the United States in favor of said Sonnenstrahl upon the same principles and measures of liability as in like cases under section 10 of the Lever Act, and with the same rights of appeal: *Provided*, That suit shall be brought and commenced within four months from the date of the passage of this act.

Mr. SMOOT. Mr. President, the amendment of the committee authorizes the court "to enter a judgment or decree for such amount and costs, if any," as it may find due.

Mr. CALDER. That is the usual practice, and the way these bills come from the Committee on Claims.

Mr. SMOOT. It may be with the district court. I am not positive of that, but I know it is not with the Court of Claims. I know that we insist upon that provision going out of every bill where the matter is referred to the Court of Claims; but as this case goes to the United States district court, I am not positive about it.

Mr. CALDER. I am quite sure that is the practice.

Mr. FLETCHER. Mr. President, it seems that this claimant has already received a certain amount for the beans themselves. There is some extra amount that he claims now, is there?

Mr. CALDER. Mr. President, we passed an act in the Congress in 1917 which provided that when there was any dispute over the value of property commandeered by the Government the man who owned the property should accept 75 per cent of the value of the goods and be permitted to go to court to collect the balance of it. In the letter accompanying the report I observe that the Assistant Secretary of the Navy quotes this language from the act of August 10, 1917:

* * * If the compensation so determined be not satisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of the amount so determined by the President, and shall be entitled to sue the United States to recover such further sum as, added to said 75 per cent, will make up such amount as will be just compensation for such necessities or storage space, and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies.

This is one of those cases where, during the war, the Government commandeered private property.

The VICE PRESIDENT. The first question is on agreeing to the amendment of the committee.

Mr. REED of Pennsylvania. Mr. President, will the Senator from New York yield for a question?

Mr. CALDER. I will.

Mr. REED of Pennsylvania. Why should not this claim be sued for in the Court of Claims, as all other claims are?

Mr. CALDER. This claim comes under those provided for in the bill passed on August 10, 1917. Under the law, where the Government commandeered property needed for war purposes it was provided that the man who owned the property should accept 75 per cent of the value of the property where there was a disagreement between the Government and the claimant, and then that he should have the right to sue the Government for the balance of the money in the district courts. I will say to the Senator that I have read from the law, and if he will read that quotation from the law he will find that special provision is made in the statute for a case of this kind, and the Committee on Claims has followed the usual practice.

Mr. REED of Pennsylvania. Why does the claimant need this special act, if the court is given jurisdiction by the act of 1917? The extract from the act of 1917 to which the Senator calls attention expressly states that "jurisdiction is hereby conferred on the United States district courts to hear" such cases as are mentioned.

Mr. CALDER. Mr. President, I am under the impression that under the statute it is necessary for a reference to be made of these cases by act of Congress. That is my impression. We are following the usual practice, I will say to the Senator.

Mr. REED of Pennsylvania. Mr. President, before I came to Congress I had a good many cases against the United States, both in the Court of Claims and in the district courts, and I do not know of any reason for a special act such as this unless there is something very peculiar in the case. That is what I should like to find out here.

Mr. GEORGE. I would like to ask a question. In the settlement with the Navy Department was not such sum as was paid taken in full accord and satisfaction of the debt?

Mr. CALDER. No; it was not. It was accepted as 75 per cent of the value of the goods. I might say that the Navy Department admits that the price which the man has received, \$22,000, was less than he should have been paid, and they have since offered him \$472 additional. The claimant contends that that amount is inadequate and unjust to the extent of about \$4,000, and the bill as amended is aimed to enable him to institute suit in the United States district court to determine the compensation to which he is justly entitled. We are following a statute enacted by Congress to cover cases of this character.

Mr. SMOOT. He has had more than 75 per cent.

Mr. CALDER. He contends he has not. The Navy Department admits he has not, and they offered to give him \$472, but he claims that does not compensate him for his losses. The Government runs no risk.

Mr. FLETCHER. The question raised by the Senator from Pennsylvania is this, If the claimant has that right under the law, why pass a special act to give him the right?

Mr. CALDER. This is a recommendation from the Committee on Claims. It is approved in a letter from the Navy Department, which I hold in my hand. I assume the Committee on Claims know what they are doing. That seemed to be the only course to pursue.

Mr. REED of Pennsylvania. If it is in order to object now to the present consideration of this bill, I do object, because I think we ought not to consider it until the committee report is printed and placed on our desks and we have a chance to see it.

Mr. CALDER. If the Senator from Pennsylvania objects, I am perfectly willing to have it go over so that he can look over the matter and convince himself that it is in proper form.

The VICE PRESIDENT. The bill will be laid aside.

RIVER AND HARBOR IMPROVEMENTS.

Mr. STANFIELD. Mr. President, on January 23 the junior Senator from Utah [Mr. KING] inserted in the RECORD an editorial from the Chicago Tribune. In part the editorial read:

In the palmy days of the rivers and harbors pork-barrel appropriations used to run to about forty millions. It is something of a shock, therefore, to learn that the chairman of the House Rivers and Harbors Committee asks for \$56,539,910.

I am somewhat surprised that any Member of Congress, knowing the care with which river and harbor improvements are selected and recommended for improvement during these later years, should confuse this system with what in the olden days became offensively known as the pork-barrel system, when projects were never examined by engineers, recommended by the War Department, or in any other way carefully gone into, but for which money was appropriated because of the influence of the Congressman of that district and his power to organize and combine with the Representatives from other districts in sufficient numbers to secure Federal money for river and harbor improvement in their several districts, some of which were entirely unworthy and resulted in a waste of money and the scandalizing of that system.

Under the system of selecting rivers and harbors for improvement now prevailing it is first necessary for Congress to authorize a careful survey of the proposed project by competent engineers under the direction of the War Department.

If the Army engineers recommend such project as feasible and worthy of improvement, then the matter is brought before Congress, the project and the report of the engineers, together with such additional evidence as may be brought before the committee, sometimes leads the committee to recommend the project be authorized, and sometimes it does not. Then the House passes upon the recommendations of the committee and the bill carrying these authorizations goes to the other branch of Congress, where it and every project is again carefully scrutinized by a committee and the recommendation of this committee submitted to the body, where it is either adopted or rejected, and finally the bill goes to the President for his approval.

Any project that can justify itself under these conditions can not be unworthy, and, indeed, many very worthy projects are rejected and delayed, if not entirely defeated, by these committees and Congress that the aggregate amount of Federal expenditures may be reduced.

The Army engineers made a detailed list and statement of such authorized projects as they could economically and profitably work upon during the fiscal year ending June 30, 1924, and beside the name of each of such projects stated the amount of money that could be profitably expended in the improvement of each. The Army engineers also indicated by a cross each project that was new. This statement was submitted to the Budget Bureau, and I am pleased to submit it now to the Senate and ask that it be printed in the RECORD as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, for maintenance and improvement of river and harbor works.

Localities.	Improvement.	Maintenance.
Boston Harbor.....		\$40,000
Beverly Harbor, Mass.....	\$150,500	
Plymouth Harbor, Mass. ¹	51,000	
Pollock Rip Shoals.....		50,000
Providence River and Harbor.....	325,000	
Block Island harbor of refuge.....	5,000	5,000
Pawcatuck River.....	3,000	20,000
Connecticut River below Hartford.....	50,000	20,000
Duck Island harbor of refuge.....		44,000
Bridgeport Harbor.....	71,000	26,000
Norwalk Harbor.....		20,000
Stamford Harbor.....	30,000	
Greenwich Harbor.....	6,600	2,100
Port Chester Harbor.....	22,000	3,000
Mamaroneck Harbor, N. Y. ¹	103,000	

¹ New projects.

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

Localities.	Improve- ment.	Maintenance.
East Chester Creek.....	\$5,000	\$15,000
Westchester Creek ¹	475,000	
Bronx River.....	255,000	25,000
Harbor at New Rochelle, N. Y. ¹	35,000	
Flushing Bay.....		10,000
Mattituck Harbor.....		5,000
Jamaica Bay, N. Y.....	600,000	
New York Harbor.....	218,000	100,000
Coney Island Channel.....		20,000
Bay Ridge and Red Hook Channels.....	50,000	
Buttermilk Channel.....	175,000	25,000
East River.....	3,000,000	25,000
Newtown Creek.....	100,000	
Harlem River.....	250,000	
Hudson River Channel.....	50,000	50,000
Tarrytown Harbor.....	7,000	8,000
Peekskill Harbor.....		5,000
Wappinger Creek.....		5,000
Rondout Harbor.....		5,000
Hudson River.....		220,000
Plattsburg Harbor.....		1,000
Newark Bay ¹	650,000	
Passaic River ¹		30,000
Hackensack River, N. J. ¹	100,000	
Staten Island Sound, N. Y. and N. J. ¹	1,000,000	
Raritan Bay, N. Y. and N. J. ¹	500,000	
Woodbridge Creek.....		6,000
Raritan River.....		20,000
Keyport Harbor.....		10,000
Shoal Harbor and Compton Creek.....		10,000
Shrewsbury River.....		10,000
Delaware River, Philadelphia to Trenton.....		25,000
Delaware River, Philadelphia to the sea.....	925,000	2,075,000
Harbor of refuge, Delaware Bay.....		35,000
Mantua Creek.....	10,000	
Oldmans Creek.....		10,000
Maurice River.....		15,000
Cold Spring Inlet.....		25,000
Absecon Inlet ¹	240,000	
Chester River.....	3,600	1,400
Wilmington Harbor ¹	630,000	100,000
Chesapeake and Delaware Canal.....	2,500,000	
Smyrna River.....	16,000	5,000
Leipsic River.....		10,000
Little River.....		5,000
St. Jones River.....	45,000	5,000
Murderkill River.....		10,000
Mispillion River.....	10,000	5,000
Broadkill River.....		25,000
Waterway, Chincoteague Bay-Delaware Bay.....		1,500
Baltimore Harbor and channels.....	300,000	350,000
Potomac River at Washington, D. C.....		74,000
Ocoquan Creek.....		6,700
Rappahannock River.....		42,700
Mattaponi River.....		8,000
Lockles Creek, Va. ¹	4,100	
Norfolk Harbor.....	500,000	50,000
Thimble Shoals Channel.....	74,560	
James River.....		40,000
Pagan River.....		2,000
Waterway, Norfolk-Beaufort Inlet.....	500,000	
Blackwater River.....		2,000
Meherrin River.....		2,000
Pamlico and Tar Rivers.....		12,000
Neuse River.....		12,000
Swift Creek.....		800
Contentnea Creek.....		1,500
Trent River.....		1,500
Channel, Thoroughfare Bay-Cedar Bay.....		5,000
Harbor at Beaufort.....		7,500
Waterway, Core Sound-Beaufort Harbor ¹	30,000	
Waterway, Beaufort to Jacksonville, N. C.....		10,000
Harbor of refuge, Cape Lookout.....		20,000
Cape Fear River at and below Wilmington ¹	300,000	200,000
Cape Fear River above Wilmington.....		12,000
Northeast (Cape Fear) River.....		4,000
Black River.....		2,000
Winyah Bay.....		40,000
Santee River and Estherville-Minim Creek Canal.....		4,000
Congaree River.....		10,000
Waterway between Charleston and Winyah Bay.....		18,000
Wappoo Cut.....		2,500
Savannah Harbor.....	600,000	460,000
Savannah River below Augusta.....		20,000
Savannah River at Augusta.....		2,000
Savannah River above Augusta.....		1,000
Waterway, Beaufort, S. C.—St. John's River.....		42,000
Satilla River.....		1,800
St. Marys River.....		1,800
Altamaha River.....		15,000
Oconee River.....		12,500
Ocmulgee River.....		12,500
Brunswick Harbor.....	160,000	70,000
Fernandina Harbor-Cumberland Sound.....		3,000
St. Johns River, Jacksonville to the ocean.....	223,000	380,000
St. Johns River, Palatka to Lake Harney.....		10,000
Oklawaha River.....		3,000
Indian River.....		5,000
Miami Harbor (Biscayne Bay).....		32,500
Key West Harbor.....	40,000	30,000
Kissimmee River.....		5,000
Caloosahatchee River.....		35,000
Charlotte Harbor.....		5,000
Sarasota Bay.....		15,000

¹ New projects.

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

Localities.	Improve- ment.	Maintenance.
Anclote River.....		\$14,000
Tampa Harbor.....	\$445,000	50,000
St. Petersburg Harbor.....	17,000	
Water hyacinth in Florida waters.....		10,000
Apalachicola Bay.....		12,000
Apalachicola River.....	15,000	10,000
Flint River.....	45,000	10,000
Chattahoochee River.....	35,000	90,000
Channel, Apalachicola River-St. Andrews Bay.....		21,500
St. Andrews Bay.....		2,000
Choctawhatchee River.....		7,000
Holmes River.....		1,680
La Grange Bayou, Fla. ¹	28,500	
Blackwater River.....		25,600
Escambia and Conecuh Rivers.....		3,200
Pensacola Harbor.....		20,000
Alabama River.....	75,000	47,000
Coosa River.....		5,000
Mobile Harbor.....	132,000	244,400
Black Warrior, Warrior, and Tombigbee Rivers.....	64,000	
Tombigbee River, mouth to Demopolis.....		18,000
Tombigbee River, Demopolis to Walkers Bridge.....		4,000
Pascagoula Harbor.....		76,000
Gulfport Harbor and Ship Island Pass.....		116,000
Pascagoula River.....		10,000
Water hyacinth in Alabama waters.....		2,500
Southwest Pass, Mississippi River.....	992,000	
South Pass, Mississippi River.....		510,000
Bayou Plaquemine, Grand River, and Pigeon Bayous.....		20,000
Bayou Grossetete.....		5,000
Bayou Teche.....	125,000	
Waterway, Mississippi River to Bayou Teche.....	675,000	
Waterway, Calcasieu River to Sabine River.....	500,000	
Bayou Vermilion.....		10,000
Calcasieu River and Pass, La. ¹	25,800	
Water hyacinth in Louisiana and Texas waters.....		30,000
Galveston Harbor.....		90,000
Galveston Channel ¹	670,000	200,000
Galveston Harbor-Texas City Channel.....		150,000
Port Bolivar Channel.....		20,000
Houston Ship Channel.....	800,000	300,000
Double Bay Bayou.....		7,000
Anahuac Channel.....		5,000
Mouth of Trinity River.....		1,000
Turtle Bayou.....		10,000
Cedar Bayou.....		5,000
Clear Creek.....		4,000
Dickinson Bayou.....		5,000
West Galveston Bay-Brazos River Canal.....		5,000
Channel between Brazos River and Matagorda Bay.....		10,000
Channel from Pass Cavallo to Aransas Pass.....		20,000
Channel from Aransas Pass to Corpus Christi ¹	750,000	10,000
Freeport Harbor.....		100,000
Harbor at Port Aransas.....		180,000
Harbor at Sabine Pass and Port Arthur Canal ¹	400,000	400,000
Sabine-Neches Canal.....		150,000
Johnsons Bayou.....		3,000
Red River below Fulton.....		100,000
Ouachita and Black Rivers.....	400,000	25,000
Tensas River and Bayou Macon ¹	4,200	5,000
Boeuf River.....		5,000
Bayou Bartholomew.....		2,500
Saline River.....		2,000
Bayous D'Arbonne and Corney.....		2,000
Yazoo River.....		\$16,000
Tallahatchie and Coldwater Rivers.....		10,000
Big Sunflower River.....		12,000
Steele and Washington Bayous and Lake Washington.....		2,500
Arkansas River.....		35,000
White River.....		22,500
Black River.....		15,000
Current River.....		4,500
St. Francis and L'Angeville Rivers and Blackfish Bayou.....		9,000
Mississippi River, Ohio to Missouri Rivers.....	500,000	500,000
Mississippi River, removing snags and wrecks below the mouth of the Missouri River.....		25,000
Mississippi River, Missouri River to Minneapolis.....	1,100,000	
Mississippi and Leech Rivers.....	25,000	
Red Lake and Red Lake River, Minn. ¹	3,000	
Missouri River, Kansas City to the mouth.....	1,000,000	500,000
Missouri River, Kansas City to Sioux City.....		25,000
Missouri River, Sioux City to Fort Benton.....		15,000
Ozage River.....		10,000
Cumberland River below Nashville.....	460,000	
Cumberland River above Nashville.....	535,000	
Tennessee River, below Riverton.....	122,000	8,000
Tennessee River, above Chattanooga.....		20,000
Tennessee River, Chattanooga to Riverton.....	255,000	
Survey of Tennessee River.....	300,000	
Ohio River (lock and dam construction).....	7,000,000	
Ohio River, open channel improvement.....		526,000
Monongahela River, Pa. and W. Va. ¹	2,000,000	
Allegheny River.....		5,000
Grand Marais Harbor, Minn.....		6,000
Agate Bay Harbor.....		2,000
Duluth-Superior Harbor.....		50,500
Port Wing Harbor.....		1,000
Ashland Harbor.....		6,000
Ontonagon Harbor.....		9,000
Keweenaw Waterway.....	7,000	70,500
Marquette Bay harbor of refuge.....		1,000
Marquette Harbor.....		1,500
Grand Marais Harbor, Mich.....		15,000

¹ New projects.

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

Localities.	Improvement.	Maintenance.
Warroad Harbor and River.....		\$4,000
Zippel Bay, Lake of the Woods.....		2,000
Bandette Harbor and River.....		800
Manistique Harbor.....		8,000
Menominee Harbor and River.....		10,000
Green Bay Harbor ¹	\$110,000	10,000
Fox River.....		160,000
Sturgeon Bay and Lake Michigan Ship Canal.....		35,000
Keweenaw Harbor.....		11,500
Two Rivers Harbor.....		8,000
Manitowoc Harbor.....		120,000
Sheboygan Harbor.....		7,000
Milwaukee Harbor ¹	500,000	118,000
Racine Harbor.....		9,500
Kenosha Harbor.....		5,000
St. Joseph Harbor.....		50,000
South Haven Harbor.....		13,500
Grand Haven Harbor.....		36,000
Muskegon Harbor.....		18,500
Ludington Harbor.....		150,000
Manistee Harbor.....	15,000	19,500
Frankfort Harbor.....		20,000
Charlevoix Harbor.....		5,000
Chicago Harbor.....		21,000
Chicago River.....		6,500
Calumet Harbor and River.....		160,000
Indiana Harbor.....	285,000	88,000
Michigan City Harbor.....		34,500
Illinois River.....	65,000	130,000
St. Marys River.....		25,000
Channels in Lake St. Clair.....		15,000
Detroit River.....	450,000	10,000
Alpena Harbor.....		8,000
Harbor of refuge at Harbor Beach, Lake Huron.....		40,000
Black River, Mich.....		2,500
Rouge River.....		8,000
Toledo Harbor.....		50,000
Sandusky Harbor.....	58,000	10,000
Huron Harbor.....		5,500
Lorain Harbor.....		8,000
Cleveland Harbor.....		25,000
Fairport Harbor.....		5,000
Ashtabula Harbor.....		8,000
Conneaut Harbor.....	25,000	8,000
Erie Harbor.....		10,000
Buffalo Harbor.....	50,000	21,500
Black Rock Channel and Tonawanda Harbor ¹	200,000	25,000
Charlotte Harbor.....		15,500
Great Sodus Bay.....		25,500
Little Sodus Bay.....		25,500
Oswego Harbor.....	25,000	20,500
Cape Vincent Harbor.....		500
Ogdensburg Harbor.....		2,000
San Diego Harbor, Calif. ¹	135,850	
Los Angeles Harbor ¹	760,000	
San Francisco Harbor ¹	330,000	10,000
Oakland Harbor ¹	200,000	35,000
Richmond Harbor.....	128,000	
San Pablo Bay and Mare Island Strait.....	130,000	
Suisun Bay Channel.....		13,000
Petaluma Creek.....		40,000
San Rafael Creek.....		1,000
Humboldt Harbor and Bay.....	719,350	108,100
Noyo River, Calif. ¹	16,000	
San Joaquin River.....		26,000
Stockton and Mormon Channels (diverting canal).....		5,000
Mokelumne River.....		800
Sacramento River.....		95,000
Coos Bay ¹	1,051,000	159,000
Coos River.....		3,000
Umpqua River, Oreg. ¹	276,500	
Yaquina Bay and Harbor.....	130,000	
Columbia River and tributaries above Celilo Falls to mouth of Snake River.....		13,500
Snake River.....		13,000
Columbia and Lower Willamette Rivers ¹	1,000,000	700,000
Clatskanie River.....	4,620	4,500
Willamette Slough, Oreg. ¹	23,350	
Willamette River above Portland and Yamhill River.....		29,000
Lewis River.....	5,600	6,800
Cowlitz River.....		6,000
Skamokawa Creek.....		2,000
Grays River.....		2,000
Willapa River and Harbor.....	200,000	
Grays Harbor and Bar.....		60,000
Puget Sound and tributary waters.....		30,000
Waterway, Port Townsend Bay—Oak Bay.....		5,000
Seattle Harbor.....		10,000
Lake Washington Ship Canal ¹	288,000	12,000
Swinomish Slough.....		2,500
Bellingham Harbor.....		5,000
Nome Harbor, Alaska.....		5,000
Wrangell Harbor, Alaska ¹	50,000	
Honolulu Harbor, Hawaii.....	150,000	
Hilo Harbor.....	374,000	
Nawiliwili Harbor.....	300,000	
San Juan Harbor, P. R.....	300,000	
Yuba River, restraining barriers.....		15,000
Total.....	43,178,130	13,412,280

¹New projects.

Flood control:	
Mississippi River Commission.....	\$5,990,000
Sacramento River.....	500,000
Expenses, California Débris Commission.....	18,000
Wilson Dam, Tennessee River.....	7,500,000
Supervisor New York Harbor.....	397,000
Examinations, surveys, and contingencies of rivers and harbors.....	500,000
Total.....	14,905,000

RECAPITULATION.	
For improvement.....	\$43,178,130
For maintenance.....	13,412,280
For related subjects.....	14,905,000
Grand total.....	71,495,410

Mr. STANFIELD. The Budget Bureau, without rhyme or reason, without pointing to a single project that it deemed unworthy, without recommending that work be delayed upon a single project in this list, without recommending that the amount stated as required for any single project be reduced, and without giving a reason for reducing the aggregate amount required, as recommended by the Army engineers, arbitrarily and without justification cut the amount in two.

The subject came up in the Appropriations Committee of the House, and this committee, without pointing to a single project that was not justified or upon which the work could be delayed without doing great damage to the community served by such project, arbitrarily, and with the hope of satisfying the Representatives on the floor, increased the amount recommended by the Budget Bureau to \$37,000,000.

The Members of the House who were familiar with the work proposed to be done by the Army engineers knew the importance of it and knew that every single project on the list was justified and immediate work was necessary to best serve the community and the country, increased the appropriation to the amount originally recommended by the Army engineers by a vote of 152 to 44.

It is not a secret that the railroad transportation of this country has failed miserably during the last few years to serve the producers. During the last harvest and within the last six months millions of bushels of choice apples produced in the Northwest have been dumped into the river for want of transportation, while the great mass of consumers in the East are compelled to pay 10 cents apiece for similar apples.

Seventy per cent of the population of the United States live east of the Mississippi River. Practically 50 per cent of the total population of the United States live in the 19 States adjoining and adjacent to the Atlantic Ocean, where they are readily and easily served by water transportation, and these people are to-day being penalized with exorbitant rents and exceptionally high building construction costs. Yet on the slope of the Pacific, in the three States of Washington, Oregon, and California, stands over one-half of all the saw timber in the United States.

The product of this timber can be transported by water to the Atlantic coast for from \$12 to \$15 per thousand feet less than it can be transported across the continent by rail, and this difference in transportation cost means from \$20 to \$30 per thousand feet difference in the price paid by the consumer.

A vessel that carries less than 3,000,000 feet can not afford to make the long trip from Pacific coast ports through the canal to Atlantic coast ports. Very few ports on the Pacific coast will admit vessels of this size, and these ports are not the shortest outlet for the vast timber resources. The expenditure of a very small sum of money will deepen and make secure several other ports which reach directly the mills and timber.

The ports on the Atlantic coast in the main are already improved and require maintenance only; the Panama Canal has been constructed at a great cost and has justified its undertaking. During the last year the largest tonnage passed through this canal of any year since its existence, and over \$12,000,000 in tolls was collected, which is also the largest of any year. The coast to coast traffic, both east and west, was doubled during the last year. We have great fleets of vessels lying at anchor, deteriorating and rapidly approaching the worthless, useless stage—in fact, every link in the chain of water transportation between the Atlantic and Pacific is complete, barring the improvement of a few harbors—and if the appropriation for river and harbor work is reduced by Congress it means that many of these worthy, important, and justified harbor improvements on the Pacific coast will not be undertaken during the next fiscal year, for if the amount recommended by the engineers is reduced many projects will be eliminated for want of the money to start them, and no one at this time can tell what projects will be so eliminated.

It ill becomes the Budget Bureau and it ill becomes Congress or any Member of it to demand a reduction of the amount said to be necessary by the Army engineers, unless they can point their finger to some identical project or projects that are not justified and should be eliminated from the list as submitted.

The railroad interests of this country bitterly fought the construction of the Panama Canal. The railroad interests of this country have bitterly fought the elimination of tolls on coastwise trade through the canal. The railroad interests of this country have always opposed the improvement of rivers and harbors that would promote water transportation, and yet the railroads of this country have broken down and failed to properly serve either the producers or consumers during the last few years.

As an instance in my own State, in the great Hood River apple-producing section our people spent 10 years to grow orchards, and another year of spraying, cultivating, and pruning to produce a crop; then they picked it, wrapped it, and packed it, and hauled it to the warehouse, ready for shipment, only to find that the railroads would give them 10 cars where they needed 100. The warehouses became choked, filled to capacity, and still 50 per cent of the crop remained in the possession of the producers, without any facilities to protect it from the cold weather that was then fast approaching, the result of which was an enormous loss to these apple producers, and all for the want of sufficient refrigerator cars to ship it in.

During this strenuous period they were receiving less than ests oppose the development of rivers and harbors and the removal of the Panama Canal tolls on coastwise shipments, or any other thing that will move a pound of freight in any way except over the rails of the railroad; yet they are unable to properly serve the people and will be unable for some time to come.

Until it can be pointed out and proven that some item on the list submitted is not justified or the amount recommended by the Army engineers can not be economically and profitably expended during the coming fiscal year, I deem it my duty, with the responsibilities of serving my people and this country, to accept the recommendations made by the Army engineers and support the appropriation shown to be necessary.

Mr. President, we are legislating here daily to give relief to the industries of our country. To-day we had presented a bill to extend credit to agriculture. The question of credit to agriculture is of but little importance when compared with the interest and concern they have in the problem of transportation. The question of river and harbor development is not only of interest to the coasts, but it should be of concern to the entire country, because such improvements will tend to give better service to the interior part of the country if the traffic which comes from the coast is carried by way of the canal and out of our harbors and rivers.

BERTHA N. RICH.

Mr. FRELINGHUYSEN. Mr. President, I ask unanimous consent that we proceed to the present consideration of Senate bill 4114, for the relief of Bertha N. Rich.

Mr. DIAL. Let the bill be read.

The VICE PRESIDENT. The Secretary will read the bill.

The Assistant Secretary read the bill.

Mr. FRELINGHUYSEN. In compliance with the suggestion of several Members of the Senate who think that \$15,000 is too large in this case, I have consented to lower the amount, and I offer an amendment reducing the amount from \$15,000 to \$10,000. I understand that the Committee on Claims have established the precedent of making that the maximum in these claims, although this is a unique case, and had Mrs. Rich an opportunity to present the claim in court, undoubtedly she would receive a greater sum than this amount.

The death of the husband of the claimant was due to the gross negligence and carelessness of Army sergeants and privates who were in charge of a machine gun on exhibition at the Trenton State Fair, and I believe that the Government will only be doing justice to a very limited degree when the bill is passed appropriating \$10,000 for the claim; but I understand the members of the committee believe that is sufficient, and therefore I offer the amendment.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

Mr. DIAL. I do not object to immediate consideration, but I want to speak on the merits of the bill.

I regret that the Senator waits until so late in the day to bring up important matters when there are so many Senators absent. I dislike, of course, to call for a quorum and I am not going to do so now, but I must say that I disapprove of the practice and possibly hereafter I shall insist upon the presence

of a quorum. I would like very much for the Senate to be better posted with reference to such bills.

I have waited a long time, thinking that very probably a free and full investigation would be had of similar private claims, because I am convinced that the Government pays out a great deal of money which it should not pay. In this particular claim there is no liability whatever on the part of the Government as I see it. There is a full report by the department. The facts of the case were these: A fair association of Trenton requested the Government to send them an exhibit, and they sent this gun.

Mr. FRELINGHUYSEN. Mr. President, may I interrupt the Senator to correct his statement?

Mr. DIAL. Very well.

Mr. FRELINGHUYSEN. The commander of the First Division made application to the fair for permission to send a recruiting squad there. The fair did not ask the First Division for the recruiting squad. The recruiting squad was sent there and no pay was exacted in any manner whatsoever. There was another exhibition known as a circus, a separate organization of the First Division, which they asked to come and which had no relation whatever to the recruiting end at all. They were separate things. For that they paid \$2,000.

Mr. DIAL. I did not say anything about pay. I merely read the report casually and my recollection is that the fair association wanted the exhibit and it was sent there.

This was supposed to be an unloaded gun, but in some way or other a cartridge was placed in the gun. It was not to be fired, however. This was against instructions. The particular gun was installed in a 4-foot inclosure and no one was to get close to it. An Army officer or employee was in charge of it. The man in charge of it went to supper and left some one else in charge, and the deceased, the husband of the lady claimant, and some others were close to the gun. The deceased was pushed over against the gun and it exploded or was fired, and the man was killed. The Army officers investigated the case very thoroughly. My recollection is that according to the report they had three courts-martial and cleared every one of the Government employees.

Mr. FRELINGHUYSEN. May I again correct the Senator?

Mr. DIAL. Certainly.

Mr. FRELINGHUYSEN. It is true that the charges were dismissed against the men, but the commanding general who ordered the men there on recruiting duty disapproved those charges. The destruction of this man's life was shown to have been due to gross negligence on the part of Army authorities. That is the report of the board convened by the Army authorities, that the gun was defective, that contrary to orders they had loaded ammunition, that the gun was fired in the face of spectators, and that the man was killed. It has been submitted to men who are lawyers and they say undoubtedly the Army was guilty of gross negligence.

Mr. DIAL. This demonstrates one of the misfortunes in waiting until so late in the day to bring up the bill. We get the facts confused. I do not desire to misrepresent the facts at all, but if anyone will read the report on page 3 he will see that the gun was not being fired under instructions of the Government. It was not to be fired at all. It was supposed to be a mum gun. I do not know what the Army calls it, but it was not to be fired and not intended to be exhibited in that way. The report said:

While standing here the gun was discharged and Mr. Rich fell to the ground. At the same instant Private Schwartz was pushed to a point near the gun by another man. As he struck the ground the gun fired.

It was not being fired by the officers, but the man was pushed against it and the gun went off—accidentally went off. So if anybody was liable, it was the fair company who invited the exhibit there, and not the United States Government. I have read the report, and I did not find where they convicted anybody. My recollection is they cleared everybody, showing it was not the fault of the Government, but was the fault of either the man who was a trespasser or the fault of some one else, or a pure accident. This kind of claim ought to go into court.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

Mr. DIAL. I decline to yield for the moment. I will yield presently.

The report shows that the Government relied upon the attorney for Mrs. Rich; that the attorney for Mrs. Rich prepared the case for the Government. That does not show a great deal of diligence on the part of the Government. Of course, I say nothing against the attorney, whose name, I believe, was Oliphant. He was very active in getting the case up and making out a case for Mrs. Rich, and the Government relied on what he

said. It seems the case was looked into most thoroughly, and it was shown that the accident was not the Government's fault, and they discharged the men involved.

Of course, I know nothing about the people and never heard of them before. It is not a question with me of what Senator introduced the bill. That has no influence whatever with me. But I do not think the Government is ready to donate money to people who bring about their own injury or are injured purely accidentally. Certainly the Government is not liable. The fair association might be liable or the man who pushed the deceased against the gun might be liable, but there is no ground here to show that the Government was liable, and there is no reason why money should be paid to these people, unless we want the Government to go into the business of contributing to the people of New Jersey.

Mr. President, I want Senators to know what they are voting on. In the first place, the Government is not at all liable, as I see it. In the next place, the case ought to be tried in the court. If the Government is willing to give its consent, I have no objection to that course at all. I think we are going to have to establish the precedent here sooner or later that such matters must be tried in court.

The next remedy is, if we are going to give anything at all, whether we want to donate the magnificent sum of \$25,000, as was provided when the matter first came here, though it is proposed now to cut it down to \$15,000, and I understand there will be a proposition submitted to reduce it to \$10,000.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4114) for the relief of Bertha N. Rich, which had been reported from the Committee on Claims with an amendment, in line 6, to strike out "\$25,000" and insert "\$15,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000 to Bertha N. Rich, now residing in Trenton, in the county of Mercer, N. J., as full compensation for the loss of life of her late husband, Walter A. Rich, who was killed by the accidental discharge of a machine gun at the Interstate Fair at Trenton, N. J., October 2, 1920.

Mr. DIAL. Mr. President, I move to amend by reducing the amount to \$5,000. However, I presume I can not do that before we dispose of the amendment to the amendment of the committee.

The VICE PRESIDENT. The first question is on the amendment proposed by the Senator from New Jersey to the amendment of the committee.

Mr. ROBINSON. The proper parliamentary procedure would be for the Senator from South Carolina to offer his amendment to the amendment of the committee.

Mr. FRELINGHUYSEN. I am a member of the committee, and mine may be regarded as a modification of the committee amendment. However, I will temporarily withdraw my amendment in order that the amendment of the Senator from South Carolina may be voted on.

Mr. ROBINSON. The Senator need not do that. The amendment is in order as an amendment to the amendment of the committee.

The VICE PRESIDENT. An amendment to strike out and insert is in order.

Mr. DIAL. Then my motion is to strike out "\$10,000" and insert "\$5,000."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. In lieu of the sum proposed to be inserted by the committee insert "\$5,000."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from South Carolina to the amendment of the committee.

The amendment to the amendment was rejected.

The ASSISTANT SECRETARY. It is now proposed by the Senator from New Jersey, in lieu of the sum proposed to be inserted by the committee, "\$15,000," to insert "\$10,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in

executive session the doors were reopened; and (at 5 o'clock and 15 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Friday, January 26, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 25 (legislative day of January 23), 1923.

PROMOTIONS IN THE REGULAR ARMY.

To be captains.

First Lieut. Clarence Harvey Bragg, Infantry, from January 5, 1923.

First Lieut. Paul Rutherford Knight, Infantry, from January 7, 1923.

First Lieut. DeWitt Clinton Smith, jr., Infantry, from January 8, 1923.

To be first lieutenants.

Second Lieut. Edward Arthur Dolph, Coast Artillery Corps, from January 5, 1923.

Second Lieut. Joseph Kittredge Baker, Cavalry, from January 6, 1923.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY.

FIELD ARTILLERY.

First Lieut. William Mason Wright, jr., Infantry, with rank from July 1, 1920.

APPOINTMENTS IN THE BRANCHES OF THE REGULAR ARMY.

To be second lieutenants with rank from January 5, 1923.

Herbert William Kruger, Field Artillery.

James Lewis Montague, Infantry.

Henry Dwight Fansler, Infantry.

William Earl Watters, Field Artillery.

Leo Henry Dawson, Air Service.

Michael Vincent Healey, Air Service.

Hilton Welborn Long, Air Service.

Milton John Smith, Air Service.

Carl Budd Wahle, Coast Artillery Corps.

James Eldridge Gardner, Air Service.

Leonard Loyd Hillard, Infantry.

Lester Vocke, Field Artillery.

Frederick Viehe Armistead, Field Artillery.

John Leon Dicks, Infantry.

Thomas Jefferson Randolph, Cavalry.

Harry Edwin Magnuson, Coast Artillery Corps.

Gerald Crofoot Williams, Air Service.

Robert Boyd Williams, Air Service.

James Fish, Infantry.

LaRoy Sanders Graham, Infantry.

Francis Lavelle Ready, Cavalry.

Joseph Rexford Vernon, Corps of Engineers.

David Hottenstein, Coast Artillery Corps.

George John Kelley, Coast Artillery Corps.

Ray Brooks Floyd, Infantry.

Ray Eugene Marshall, Infantry.

Morris Miller Bauer, Corps of Engineers.

George Cabell Carrington, Infantry.

Charles Henry Berle, Coast Artillery Corps.

Harland Fremont Burgess, Infantry.

Karl Clifford Frank, Coast Artillery Corps.

Harry Munroe Leighley, Coast Artillery Corps.

Clyde Anderson Burcham, Cavalry.

Walter Raymond Miller, Infantry.

Randall James Hogan, Ordnance Department.

Herman William Fairbrother, Infantry.

Robert Nicholas Young, Infantry.

James Frederick Phillips, Corps of Engineers.

Clement Thomas Gleason, Finance Department.

John Bixby Shepard, Infantry.

Theodore Allen Martin, Infantry.

Allen Crabill, Chemical Warfare Service.

Douglas Valentine Johnson, Field Artillery.

George Joseph Hill, jr., Infantry.

Frederick Williams Watrous, Field Artillery.

Charles Elford Smith, Infantry.

Franz von Schilling, jr., Field Artillery.

Raymond Edward Culbertson, Field Artillery.

Maynard Harper Carter, Infantry.

LaGrande Albert Diller, Infantry.

Robert Parker Hollis, Field Artillery.

Isaac Davis White, Cavalry.

Louis Edward Roemer, Infantry.

Max Hesner Gooler, Infantry.

Joseph Howard Harper, Infantry.

Emerald Foster Sloan, Infantry.
 Newton Farragut McCurdy, Cavalry.
 John Julius Dubbelds, jr., Infantry.
 Joe Ford Simmons, Coast Artillery Corps.
 Clarence Turner Hulett, Infantry.
 Daniel Powell Poteet, Field Artillery.
 Edmund Kennedy Ellis, Infantry.
 Frank Henry Marks, Coast Artillery Corps.
 Ord Gariche Chrisman, Infantry.
 Gerson Kirkland Heiss, Ordnance Department.
 Grover Cleveland Kinney, Infantry.
 Ransom George Amlong, Quartermaster Corps.
 Paul Lawrence Martin, Field Artillery.
 Walter Howard DeLange, Air Service.
 Robert Kelsey Haskell, Field Artillery.
 Walter Sidney Smith, Air Service.
 John Owen Colonna, Corps of Engineers.
 Walter Francis McGinty, Infantry.
 Ralph Adel Snavelly, Air Service.
 Claude Armenius Thorp, Cavalry.
 Everett Wilcox, Infantry.
 Richard Maxwell Spengler, Infantry.
 Rowland Reid Street, Infantry.
 John Marquiss Whistler, Field Artillery.
 Thomas Edward Meyer, Field Artillery.
 Howard Miller Fey, Infantry.
 George Mandeville Brien, Field Artillery.
 James Howard Leusley, Field Artillery.
 John Francis McGowan, Air Service.
 William Henry Drummond, Field Artillery.
 Lester Mavity Rouch, Field Artillery.
 Glen Trice Lampton, Air Service.
 Viking Torsten Ohrbom, Infantry.

To be second lieutenants with rank from January 3, 1923.

Charles Llewellyn Corman, Quartermaster Corps, late first lieutenant, Infantry, Regular Army.
 Edgar Nash, jr., Coast Artillery Corps, late captain, Coast Artillery Corps, Regular Army.
 Joseph Perry Cotte, Infantry, late first lieutenant, Cavalry, Regular Army.
 Albert Carroll Morgan, Infantry, late second lieutenant, Infantry, Regular Army.
 Randolph Bart Wilkinson, Infantry, late first lieutenant, Infantry, Regular Army.

To be second lieutenants with rank from January 4, 1923.

Perley Bernard Sancomb, Cavalry.
 John LaValle Graves, Field Artillery.

APPOINTMENT IN THE NAVY.

MARINE CORPS.

Harry H. Leighley, a citizen of the State of New York, to be a second lieutenant in the Marine Corps, for a probationary period of two years, from the 20th day of January, 1923.

POSTMASTERS.

ALABAMA.

Jesse A. Eason to be postmaster at Ozark, Ala., in place of W. M. Head. Incumbent's commission expired September 5, 1922.

Dozier N. Cartledge to be postmaster at Midway, Ala. Office became presidential April 1, 1922.

ARKANSAS.

Charles E. Wilson to be postmaster at Greenland, Ark. Office became presidential April 1, 1922.

John A. Borgman to be postmaster at Jonesboro, Ark., in place of C. B. Gregg, resigned.

CALIFORNIA.

Mary A. Dempsey to be postmaster at Colusa, Calif., in place of M. A. Dempsey. Incumbent's commission expired April 30, 1922.

COLORADO.

Agnes M. Ward to be postmaster at Bennett, Colo. Office became presidential July 1, 1921.

Frank D. Aldridge to be postmaster at Wellington, Colo., in place of Adam Baxter. Incumbent's commission expired September 5, 1922.

FLORIDA.

Ethel H. Gannaway to be postmaster at Lemon City, Fla., in place of O. H. P. Faus, resigned.

Lera H. Taylor to be postmaster at Mayo, Fla., in place of D. H. Weaver, removed.

IDAHO.

Avery G. Constant to be postmaster at Buhl, Idaho, in place of A. G. Constant. Incumbent's commission expired April 20, 1922.

ILLINOIS.

A. Luella Smith to be postmaster at Chatham, Ill. Office became presidential October 1, 1920.

Peter H. Conzet to be postmaster at Greenup, Ill., in place of W. H. Rodebaugh. Incumbent's commission expired December 6, 1922.

Margaret Helder to be postmaster at Minonk, Ill., in place of W. H. Ryan. Incumbent's commission expired October 24, 1922.

Benjamin S. Price to be postmaster at Mount Morris, Ill., in place of S. E. Avey. Incumbent's commission expired October 24, 1922.

INDIANA.

Louis M. Biesecker to be postmaster at Cedar Lake, Ind. Office became presidential April 1, 1922.

Frank Lyon to be postmaster at Arcadia, Ind., in place of J. M. Driver, resigned.

Burr E. York to be postmaster at Converse, Ind., in place of Sylvester Rennaker. Incumbent's commission expired September 5, 1922.

Hah M. Dausman to be postmaster at Goshen, Ind., in place of J. A. Beane. Incumbent's commission expired September 5, 1922.

Hattie M. Craw to be postmaster at Jonesboro, Ind., in place of B. W. Shafer. Incumbent's commission expired September 5, 1922.

John M. Johnston to be postmaster at Logansport, Ind., in place of G. B. Davis. Incumbent's commission expired September 5, 1922.

George E. Jones to be postmaster at Peru, Ind., in place of W. H. Augur. Incumbent's commission expired September 5, 1922.

IOWA.

Charlie M. Willard to be postmaster at Persia, Iowa, in place of G. A. Moss, resigned.

KANSAS.

Hester Goldsmith to be postmaster at Cheney, Kans., in place of J. I. Saunders. Incumbent's commission expired September 13, 1922.

William D. Hale to be postmaster at Dexter, Kans., in place of M. R. Hale. Incumbent's commission expired October 14, 1922.

William R. Waring to be postmaster at Hope, Kans., in place of Nettie Watkins. Incumbent's commission expired September 13, 1922.

Winifred Hamilton to be postmaster at Solomon, Kans., in place of G. W. Lank. Incumbent's commission expired September 13, 1922.

Franklin C. Thompson to be postmaster at Stafford, Kans., in place of J. W. Stivers. Incumbent's commission expired October 14, 1922.

KENTUCKY.

Martin Himler to be postmaster at Himlerville, Ky. Office became presidential October 1, 1922.

Orvil Coleman to be postmaster at Wolfpit, Ky. Office became presidential January 1, 1921.

Mollie L. Nolan to be postmaster at Harlan, Ky., in place of M. E. Green. Incumbent's commission expired August 23, 1920.

LOUISIANA.

Pierre O. Broussard to be postmaster at Abbeville, La., in place of P. O. Broussard. Incumbent's commission expired September 5, 1922.

MAINE.

Ralph T. Horton to be postmaster at Calais, Me., in place of P. F. Welch. Incumbent's commission expired September 28, 1922.

Michael J. Kennedy to be postmaster at Woodland, Me., in place of T. L. Higgins. Incumbent's commission expired April 26, 1920.

MARYLAND.

Phillip E. Hunt to be postmaster at Waldorf, Md. Office became presidential October 1, 1921.

MASSACHUSETTS.

Charles E. Goodhue to be postmaster at Ipswich, Mass., in place of J. H. Lakeman. Incumbent's commission expired October 1, 1922.

Albert Pierce to be postmaster at Salem, Mass., in place of J. H. Sheedy. Incumbent's commission expired October 1, 1922.

Christopher G. Simpson to be postmaster at Springfield, Mass., in place of T. J. Costello. Incumbent's commission expired October 1, 1922.

George H. Lochman to be postmaster at Winchester, Mass., in place of J. F. O'Connor, deceased.

MICHIGAN.

Herbert E. Ward to be postmaster at Bangor, Mich., in place of Mark Burlingame. Incumbent's commission expired September 13, 1922.

James W. Cobb to be postmaster at Birmingham, Mich., in place of G. H. Mitchell. Incumbent's commission expired November 15, 1922.

Homer L. Allard to be postmaster at Sturgis, Mich., in place of H. W. Hagerman. Incumbent's commission expired September 13, 1922.

MINNESOTA.

Wilson W. Wright to be postmaster at Cromwell, Minn. Office became presidential October 1, 1922.

Frank H. Wherland to be postmaster at Welcome, Minn., in place of O. P. Miller, resigned.

MISSOURI.

Leah Abernathy to be postmaster at Chaffee, Mo., in place of J. C. Wylie. Incumbent's commission expired September 5, 1922.

MONTANA.

Estella K. Smith to be postmaster at Lima, Mont. Office became presidential April 1, 1921.

NEBRASKA.

Alfred W. Saville to be postmaster at Collegeview, Nebr., in place of G. R. Eno. Incumbent's commission expired October 3, 1922.

NEW HAMPSHIRE.

Harlie A. Cole to be postmaster at Groveton, N. H., in place of William Hayes. Incumbent's commission expired September 19, 1922.

NEW JERSEY.

Annie E. Hoffman to be postmaster at Allenhurst, N. J., in place of F. J. Imlay. Incumbent's commission expired February 19, 1922.

Frederick Knapp to be postmaster at Little Ferry, N. J., in place of William Fehrs, resigned.

Joseph R. Forrest to be postmaster at Palisades Park, N. J., in place of J. J. Roche, removed.

Wilbur Fuller to be postmaster at Sussex, N. J., in place of R. J. Quince. Incumbent's commission expired October 24, 1922.

NEW YORK.

Max J. Lahr to be postmaster at Fillmore, N. Y., in place of B. M. Sweet. Incumbent's commission expired November 21, 1922.

Thomas S. Spear to be postmaster at Sinclairville, N. Y., in place of J. G. Rose. Incumbent's commission expired November 21, 1922.

NORTH CAROLINA.

Rufus W. Carswell to be postmaster at Forest City, N. C., in place of R. W. Caswell, to correct name.

OHIO.

Charlie D. Harvey to be postmaster at North Fairfield, Ohio. Office became presidential April 1, 1922.

Walter W. Wiant to be postmaster at Saint Paris, Ohio, in place of J. H. Biddle. Incumbent's commission expired September 19, 1922.

OKLAHOMA.

Forrest L. Strong to be postmaster at Clinton, Okla., in place of S. R. Hawks, jr. Incumbent's commission expired February 4, 1922.

Elmer D. Rook to be postmaster at Sayre, Okla., in place of C. E. Steele. Incumbent's commission expired July 23, 1921.

OREGON.

Henry H. McReynolds to be postmaster at Pilot Rock, Oreg., in place of H. H. McReynolds. Incumbent's commission expired December 18, 1922.

PENNSYLVANIA.

Samuel F. Williams to be postmaster at Le Raysville, Pa. Office became presidential January 1, 1921.

James C. Whitby to be postmaster at Bryn Mawr, Pa., in place of J. J. McAllister. Incumbent's commission expired September 19, 1922.

Edward A. P. Christley to be postmaster at Ellwood City, Pa., in place of B. N. De France, removed.

George R. Fleming to be postmaster at Haverford, Pa., in place of B. J. Rountree. Incumbent's commission expired September 19, 1922.

John C. Sullivan to be postmaster at Ogontz, Pa., in place of J. A. Coonahan. Incumbent's commission expired September 19, 1922.

SOUTH DAKOTA.

George E. Conrick to be postmaster at Chamberlain, S. Dak., in place of F. P. Gannaway. Incumbent's commission expired September 11, 1922.

Frank Den Beste to be postmaster at Corsica, S. Dak., in place of F. D. Beste, to correct name.

TENNESSEE.

Willis F. Arnold to be postmaster at Jackson, Tenn., in place of Oliver Benton, resigned.

TEXAS.

Amelia M. Bridges to be postmaster at Anderson, Tex., in place of A. M. Bridges. Incumbent's commission expired September 5, 1922.

Riley C. Couch to be postmaster at Haskell, Tex., in place of S. G. Dean, resigned.

William J. Barker to be postmaster at Van Horn, Tex., in place of G. K. Breeding, resigned.

UTAH.

John A. Call to be postmaster at Bountiful, Utah, in place of P. P. Willey. Incumbent's commission expired September 26, 1922.

VIRGINIA.

Ernest P. Burgess to be postmaster at Fort Union, Va. Office became presidential July 1, 1921.

Francis L. Armentrout to be postmaster at Goshen, Va., in place of S. A. Roadcap. Incumbent's commission expired September 13, 1922.

Leonard A. Hodges to be postmaster at Rockymount, Va., in place of W. C. Menefee, resigned.

WASHINGTON.

Elmer M. Armstrong to be postmaster at Washougal, Wash., in place of C. W. McClure. Incumbent's commission expired October 14, 1922.

WEST VIRGINIA.

Monroe Burns to be postmaster at Cairo, W. Va., in place of G. H. Merchant, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 25 (legislative day of January 23), 1923.

MEMBER OF THE FEDERAL RESERVE BOARD.

Milo D. Campbell to be a member of the Federal Reserve Board.

POSTMASTERS.

MINNESOTA.

Philip Teisberg, Ashby.
Henry H. Lukken, Boyd.
Gustav C. Wollan, Glenwood.
Kate M. Shubert, Hastings.
John E. Redding, Houston.
John Schmelz, Springfield.
Edward F. Joubert, Wheaton.
Elmer A. Peterson, Willmar.

NEW YORK.

Mary M. McCue, Gabriels.

NORTH CAROLINA.

Joseph K. Mason, Durham.

NORTH DAKOTA.

Milo C. Merrill, Flaxton.
Fred E. Ackermann, Wishek.

RHODE ISLAND.

James H. Riley, Harrisville.

SOUTH DAKOTA.

Frank Dennerly, McLaughlin.

TEXAS.

Adah L. Ridenhower, Hico.
Calvin C. Davis, Iowa Park.
James W. Travers, South Bend.
Albert E. Newman, Texas City.
Dyde Manning, Wills Point.

UTAH.

Joseph B. Wright, Midvale.

VIRGINIA.

Gatewood L. Schumaker, Covington.

WITHDRAWAL.

*Executive nomination withdrawn from the Senate January 25
(legislative day of January 23), 1923.*

POSTMASTER.

Ben G. Swick to be postmaster at Elwood City, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES.

THURSDAY, January 25, 1923.

The House met at 12 o'clock noon.

Rev. Earle Wilfey, D. D., pastor of the Vermont Avenue Christian Church, offered the following prayer:

O God, our Father in heaven, we await the inspiration of Thy spirit and the touch of Thy guiding hand. This day will not be what it ought to be without a sense of Thy presence, and we pray that Thy illuminating spirit may fill the hearts and minds this day that as men chosen for a great task we shall have a sense of the power of God in discharging it. We pray, Heavenly Father, that the men here assembled, representing as they do a great free people, may feel not only the weight of responsibility but a pride in something worth doing. And we pray that Thou wilt guide them this day and give them that measure of success in high doing that shall be Thine.

Our thoughts this morning, dear Father, are tempered by a great sorrow that has overtaken the Chaplain of this House, and we pray in the mercy of Thy love that Thou wilt deal gently and kindly with Doctor Montgomery and his family in their great bereavement. Thou who dost temper the wind to the shorn lamb be kind to them in this dark hour. Now we commit ourselves to Thee and ask that Thou wilt do for us what we can not do for ourselves, and that in all things we may be true and have Thy blessings upon our efforts. Hear us this morning at the beginning of this day's work and lead us at last to the light of truth and deeds of honor. We ask it for Thy great name's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

INTERNAL-REVENUE COLLECTION DISTRICTS.

Mr. MILLS, from the Committee on Ways and Means, by direction of that committee, submitted a report (No. 1451) to accompany S. 2051, to amend section 3142 of the Revised Statutes to permit an increase in the number of collection districts for the collection of internal revenue and in the number of collectors of internal revenue from 64 to 65, which was referred to the Committee of the Whole House on the state of the Union.

HAWAIIAN HOMES COMMISSION.

Mr. CURRY. Mr. Speaker, by direction of the Committee on Territories I call up the bill (S. 4309) to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921, a similar House bill, H. R. 13631, being on the calendar.

The SPEAKER. The gentleman from California calls up the bill S. 4309, a similar bill being on the House Calendar. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (a) of section 207 of an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921, is hereby amended to read as follows:

"(a) The commission is authorized to leave to native Hawaiians the right to the use and occupancy of a tract of Hawaiian home lands within the following acreage limits:

"(1) Not less than 20 nor more than 80 acres of agricultural lands;

or
"(2) Not less than 100 nor more than 500 acres of first-class pastoral lands; or

"(3) Not less than 250 nor more than 1,000 acres of second-class pastoral lands: Provided, however, That lots, each of one-half of an acre or more, of any class of land may be leased as residence lots."

SEC. 2. That section 213 of the said act is hereby amended to read as follows:

"SEC. 213. There is hereby established in the treasury of the Territory a revolving fund to be known as the 'Hawaiian Home Loan Fund.' The entire receipts derived from any leasing of the 'available lands' defined in section 203, these receipts including proportionate shares of the receipts from the lands of Huamula Mauka, Piihonua, and Kaohi Makuu, of which lands portions are yet to be selected, and 80 per cent of the Territorial receipts derived from the leasing of cultivated sugarcane lands under any other provision of law, or from water licenses, shall be covered into the fund until the amount of money paid therein from those three sources alone shall equal \$1,000,000. In addition to these moneys and the moneys covered into the revolving fund as installments paid by lessees upon loans made to them as provided in paragraph 2 of section 215, there shall be covered into the revolving fund all other moneys received by the commission from any source whatsoever."

SEC. 3. That paragraph (1) of section 215 of the said act is hereby amended to read as follows:

"(1) The amount of loans to any one borrower outstanding at any one time shall not exceed \$3,000: Provided, however, That the amount of loans outstanding at any one time to the holder of a residence lot shall not exceed \$1,000."

Mr. STAFFORD. Mr. Speaker, as this is a bill that has not been considered in the House, I think some explanation ought to be made to the House so that we may know the character of the legislation.

Mr. CURRY. Mr. Speaker, this bill corrects the reference to a section in the old bill which was misnumbered. It provides for resident lots within the land allotment set aside for the Hawaiian rehabilitation of lots of half an acre or more for residential lots. Under the act at present on the statute book there is no provision for resident lots. There will be probably 100 or 200 Hawaiians who are working at Hilo and vicinity who wish to have a home on resident lots. It cuts the loan down to \$1,000 on a resident lot.

Mr. STAFFORD. I thought it was \$3,000.

Mr. CURRY. One thousand dollars on the resident lot and \$3,000 for the other. There are two experiment stations of 5 acres each, and on each of them they grow garden truck; they have about 1,000 chickens, some hogs, and cattle; and under the ruling of the attorney general of the Territory of Hawaii the receipts from the sale of the products of the chickens and the hogs and the gardens go into the treasury of the Territory instead of into the revolving fund.

Mr. STAFFORD. This is for the benefit of the native Hawaiians, to encourage them in building home dwellings?

Mr. CURRY. Yes.

Mr. STAFFORD. To what extent have they availed themselves of it in the past?

Mr. CURRY. Less than 100 so far, but they expect soon to have 500 or 600 on the land.

Mr. SNELL. Will the gentleman yield for a question with relation to Hawaii?

Mr. CURRY. Yes.

Mr. SNELL. Will the gentleman tell us why it is that the Territory is not entitled to the privileges under the good roads act and the Sheppard-Towner maternity bill? That question has been asked me and I was unable to answer.

Mr. CURRY. It is because they do not apply to the Territory.

Mr. SNELL. Was it not the intention that they should apply to the Territory?

Mr. CURRY. I have tried for some time to have these acts apply to the Territories, but I am informed that the Territories receive more money under existing law than they would if the acts applied to the Territory. In Alaska 99.3 per cent of the land belongs to the United States Government. In Hawaii all of the public land belongs to the Territory of Hawaii. When Hawaii came into the Union they reserved, as Texas reserved when she came in, all of her public lands. We have no authority over the public lands; and so far as the road building is concerned through that Territory, I believe the Territory of Hawaii receives more money than if the law applied to that Territory.

Mr. SNELL. A prominent citizen of that Territory asked me that question a short time ago, and said there was a movement on foot in Hawaii to see if they could not come in under that law, that they felt there were advantages that should come to them on account of the law, and they believed that they are not receiving as many benefits as they would if they were allowed to avail themselves of the good roads act.

Mr. CURRY. The proper thing for them to do is to introduce bills and have one referred to the Committee on Roads

and the other to the Committee on Education, and have those committees consider the bills.

Mr. SNELL. What would they lose if they did come in under that act?

Mr. CURRY. I do not know what they would gain.

Mr. SNELL. Would they not get some of the appropriation?

Mr. CURRY. Probably, but with the result that the Committee on Appropriations would more than likely cut down proportionately what they are getting now through other sources.

Mr. SNELL. Could the gentleman put into the Record what they are getting that applies directly to good roads? Is that a matter that is obtainable?

Mr. CURRY. I think I can get that information.

Mr. SNELL. I wish the gentleman would put it into the Record. I would like to give this gentleman that information. He is a personal friend of mine, and I could not answer his question.

Mr. CURRY. If you will ask the Delegate from Hawaii I think he can tell you right now.

Mr. SNELL. I would be very glad to have that information.

Mr. CURRY. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. CURRY, a motion to reconsider the vote by which the bill was passed was laid on the table.

A similar House bill (H. R. 13631) was laid on the table.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4028. An act for the relief of John N. Halladay;

S. 3328. An act for the relief of Almeda Lucas;

S. 3988. An act for the relief of the estate of Thomas N. Avery;

S. 4341. An act granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg.;

S. 4114. An act for the relief of Bertha N. Rich; and

S. 4353. An act granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River.

The message also announced that the Senate had insisted upon its amendments disagreed to by the House of Representatives to the bill (H. R. 13696) making appropriations for the Executive office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, had granted the request of the House for a conference on the disagreeing votes of the two Houses, and had appointed Mr. WARREN, Mr. SMOOR, and Mr. HARRIS as the conferees on the part of the Senate.

S. 4169. An act granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River.

The message also announced that the Senate had passed with amendments the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, in which the concurrence of the House of Representatives was requested.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4341. An act granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg.; to the Committee on Interstate and Foreign Commerce.

S. 3988. An act for the relief of the estate of Thomas N. Avery; to the Committee on Claims.

S. 4028. An act for the relief of John N. Halladay; to the Committee on Claims.

S. 3328. An act for the relief of Almeda Lucas; to the Committee on Claims.

POST OFFICE APPROPRIATION BILL—CONFERENCE REPORT.

Mr. MADDEN. Mr. Speaker, I call up the conference report upon the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The gentleman from Illinois calls up a conference report, which the Clerk will report.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, and 14.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 6, 8, and 11, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"For temporary and auxiliary clerk hire and for substitute clerk hire for clerks and employees absent with pay at first and second class post offices, and temporary and auxiliary clerk hire at summer and winter resort post offices, \$9,000,000: *Provided*, That \$500,000 of this sum may be used for the purpose of completing the work of determining the cost to the department of handling the different classes of mail matter."

And the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$1,222,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$200,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 7, 12, and 13.

C. B. SLEMP,
CHAS. F. OGDEN,
MARTIN B. MADDEN,
EDWARD T. TAYLOR,

Managers on the part of the House.

CHAS. E. TOWNSEND,
THOMAS S. STERLING,
LAWRENCE C. PHIPPS,
KENNETH MCKELLAR,
WILLIAM J. HARRIS,

Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying report:

On No. 1: Provides for 520 post-office inspectors, as proposed by the Senate, instead of 470, as proposed by the House.

On No. 2: Appropriates \$468,300, as proposed by the Senate, instead of \$424,500, as proposed by the House, for traveling expenses of inspectors.

On No. 3: Appropriates \$107,452,600, as proposed by the House, instead of \$116,452,600, as proposed by the Senate, which amount included an increase of \$500,000 in the item for temporary and auxiliary clerk hire which was sought to be consolidated.

On No. 4: Restores the original language and appropriates \$9,000,000, as proposed by the Senate, instead of \$8,500,000, as proposed by the House, and provides for the use of \$500,000 of the amount appropriated for the purpose of completing the work of determining the cost to the department of handling the different classes of mail matter.

On No. 5: Appropriates \$800,000, as proposed by the House, instead of \$850,000, proposed by the Senate, for miscellaneous items at first and second class post offices.

On No. 6: Strikes out the language proposed by the House reappropriating the unexpended balance of 1923 for the air mail service.

On No. 8: Appropriates for the payment of limited indemnity for the loss or injury of international mail in the language proposed by the Senate instead of the language proposed by the House.

On No. 9: Appropriates \$1,222,000 instead of \$1,522,000, as proposed by the Senate, and \$1,122,000, as proposed by the House, for miscellaneous equipment and supplies.

On No. 10: Retains the language inserted by the Senate, but reduces the amount to be expended for furniture and equipment for post-office quarters from \$500,000 to \$200,000.

On No. 11: Appropriates \$14,500,000, as proposed by the Senate, instead of \$15,000,000, as proposed by the House, for vehicle allowance.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 7: Relating to the carrying of foreign mail on American steamships.

On No. 12: Extending the Joint Postal Commission.

On No. 13: Corrects section number.

C. B. SLEMP,
CHAS. F. OGDEN,
MARTIN B. MADDEN,
EDWARD T. TAYLOR,

Managers on the part of the House.

Mr. MADDEN. Mr. Speaker, as this bill passed the Senate it carried \$585,222,991.50. As the bill was passed by the House it carried \$584,614,191.50, the Senate having added \$608,800. In the conference the House recedes from \$258,800 and the Senate recedes from \$350,000, so that the bill for 1924 as agreed on carries \$584,872,991.50, an increase over the appropriations of 1923 of \$20,698,425. The estimates for 1924 were \$590,166,191.50, and the appropriations for 1924 are \$584,872,991.50, a decrease under the estimate amounting to \$5,293,200, and an increase over what the House passed of \$258,800.

If no one wishes to ask any questions about this, I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first item in disagreement.

The Clerk read as follows:

Amendment No. 7: Page 15, line 15, after the word "states," insert: "Provided further, That no contract or contracts for carrying mails on foreign steamships shall be made when such mail can be carried on American steamships at a reasonable price."

Mr. MADDEN. Mr. Speaker, I move that the House further insist upon its disagreement to Senate amendment No. 7.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 12: Page 21, after line 3, insert:
"Sec. 2. That the joint commission authorized under section 6 of the act approved April 24, 1920, entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1921, and for other purposes,' is hereby continued until June 30, 1924, to complete the investigation and to prepare a detailed report containing a summary of its findings thereof, and such recommendations as to legislation as it may deem proper: *Provided*, That said commission shall not expend a greater sum than \$75,000 during the fiscal year 1924."

Mr. MADDEN. Mr. Speaker, I move that the House further insist upon its disagreement to Senate amendment No. 12.

Mr. STEENERSON. Mr. Speaker, I rise to make a preferential motion. I move that the House recede and concur in the amendment.

Mr. MADDEN. Mr. Speaker, I hope that the motion of the gentleman from Minnesota will not prevail. In the first place, the commission was created for the fiscal year 1920. It was understood at that time that the work of the commission would not last more than one year, and during the consideration of the Post Office appropriation bill last year the Senate conferees thought that they would like to have the life of the commission continued for one more year. The House conferees came back with the recommendation that that be done, and it was clearly understood by the conferees of the House that the life of the commission would not be extended over the period ending June 30, 1923.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BLANTON. Is it not the history of all of these little innocent annual commissions that are created that they lap over and over eternally and that you can not get rid of them?

Mr. MADDEN. We are now trying to get rid of this one.

Mr. CHINDBLOM. Who are the present members of the commission?

Mr. MADDEN. They are members of the Post Office Committees of the Senate and of the House. Ten of them are members of those two committees, except one is appointed from the Post Office Department.

Mr. STEENERSON. The chairman and four members of each committee and one appointed by the Post Office Department, making 11 in all.

Mr. CHINDBLOM. Do they hold their membership by reason of their membership on those committees or as individuals?

Mr. MADDEN. The law distinctly provides that no person can be a member of the commission except he be a member of the Committee on the Post Office of either House, and one from the Post Office Department.

Mr. CHINDBLOM. And they do not get any compensation?

Mr. MADDEN. They do not.

Mr. ROUSE. And the law also provided that the Postmaster General shall appoint one.

Mr. MADDEN. Yes; one.

Mr. ROUSE. And he has appointed the chief post office inspector?

Mr. MADDEN. Yes.

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. RAMSEYER. The inference might well be drawn from the question asked by the gentleman from Texas that this is a salaried commission.

Mr. MADDEN. It is not.

Mr. BLANTON. But we are providing \$75,000 for 1924 in this amendment, if we agree to it, whether it is a salaried commission or not.

Mr. RAMSEYER. This commission looks after a business of \$600,000,000, the business of the Post Office Department.

Mr. MADDEN. No; they are not. The Post Office Department looks after that business.

Mr. RAMSEYER. They are the board of directors, as Postmaster General Hays once expressed it.

Mr. MADDEN. Oh, no; they are not. They were not appointed for that purpose.

Mr. RAMSEYER. In amendment No. 4 you provide for an appropriation of \$500,000—

Mr. MADDEN. That has already been adopted.

Mr. RAMSEYER. I am simply laying the foundation for another question, if the gentleman will be patient—\$500,000 to carry on the investigation to ascertain the cost of carrying the different classes of mail. At present is not that investigation really being conducted by this Joint Postal Commission?

Mr. MADDEN. It is not. It is being conducted by the Post Office Department, if any investigation is being conducted, and I do not think any is being conducted at the present time.

Mr. RAMSEYER. Then you have an appropriation of \$500,000, and if I am correctly informed, the Post Office Department started with this investigation at the instance and under the direction of this postal commission. Now, if the Joint Postal Commission is abolished, why you in fact abolish the directing head to continue this investigation?

Mr. MADDEN. The Postmaster General is responsible for any investigation which may be made by the Post Office Department, and we are simply giving \$500,000 for auxiliary clerks for the men who are particularly fit to make the investigation. It is not under anybody's direction except the Postmaster General's direction.

Mr. ROUSE. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. ROUSE. I happen to be a member of the Joint Postal Commission. This \$500,000 is supposed to be used by the Post Office officials—

Mr. MADDEN. By the department?

Mr. ROUSE. The Post Office Department has connected with it the only people who are qualified to make this investigation. The Post Office Committee of the House has recommended this legislation. The postal commission wants the appropriation. The postal commission can not do the work because nobody on the commission is qualified to do it.

Mr. MADDEN. It is done by clerks of the Post Office Department.

Mr. ROUSE. Yes.

Mr. RAMSEYER. Was not this investigation started at the instance and request of this joint commission?

Mr. ROUSE. No; it was really started by the publishers, who wanted this investigation made in order to show whether or not they were paying too much for handling second-class mail. The publishers are now opposed to this investigation, and it ought to proceed, and it should be done by the officials of the Post Office Department, who are the only qualified ones to do this work.

Mr. MADDEN. That is all this appropriation contemplates.

Mr. ROUSE. This Postal Commission was created in 1920. They have spent since that time over \$230,000 up to the middle of last December. The first act creating this commission gave the commission the right to spend money from the unexpended balance of the Post Office Department, and that was unlimited. The next Post Office appropriation bill enacted provided that the expenditure should not exceed \$150,000. This amendment asks for \$75,000. The Post Office Commission started out, in my opinion, and it is my opinion to this day, to reestablish those obsolete, worn-out pneumatic tubes. That work has been completed and we have an appropriation in the bill to continue the tubes. The Postal Commission can do no work, in my opinion, that will be beneficial to the Post Office Department, and if you will inquire of the Post Office Department, I believe the Postmaster General will tell you he is opposed to the continuation of this commission. You will only do this: You will spend about \$75,000 on junketing trips for employees and avail nothing. The commission ought not to have been born; as it is, it should be killed at the earliest possible moment.

Mr. MADDEN. I yield 15 minutes to the gentleman from Minnesota [Mr. STEENERSON] and reserve the remainder of my time.

Mr. STEENERSON. Mr. Speaker, it is very easy to create prejudice against commissions by loose and unwarranted statements. This commission, it is true, was created in 1920, and their order was to investigate the present and prospective methods and systems of handling, dispatching, transporting, and delivering mails, and the facilities therefor, and especially methods and systems which relate to the handling and dispatch of the mails in the large cities of the United States. Now, there is no existing understanding as to how long this commission should continue. There never was. There are people here who get up and talk every time a bill comes up that we have an understanding contemporaneous with the act. It must be taken with a great deal of doubt. There was no understanding at any time. It was an annual appropriation bill. Of course, appropriations are made for that year, for work for that year, and that is the work required to be performed. I want to call attention to the fact that there was a revolutionary change and transformation of the Postal Service when we inaugurated the parcel post. The parcel post the first year that it was inaugurated amounted to a billion. It is now from five to six billion.

It constitutes two-thirds of all the volume of mail which we handle. We were not equipped for a freight and package business. The post office was not for that purpose, and the trains were not equipped for it, and the clerks were not equipped for it, and so there was a congestion everywhere. I talked with former Postmaster General Burleson at considerable length when this proposition was made, and he realized that there ought to be a study made of the situation in regard to the transportation, handling, and disposition of mails in the large cities, and especially because of this transformation of the work of the Postal Department. So he proposed this commission. The commission was authorized to employ engineers and postal experts, and they were authorized to call upon the department to furnish whatever help they could. The commission works without pay, which is extra work. The members of the commission have employed experts at great cost. We employed, for instance, W. B. Richards & Co., one of the greatest engineering firms in the United States, and they had their experts investigate conditions in the large cities; for instance, as to where they were equipped to handle this matter. The Post Office Department is located in Washington, and it is true that we have got efficient men; but in order to understand the situation you have got to be on the spot where these congested centers are and have investigation made by engineers of experience in business and traffic and transportation problems. These engineers had been employed by and investigated such corporations as the Steel Trust and the General Electric Co. They reported that we were employing thousands of clerks, drawing salaries of \$1,400 to \$1,800 per year, to handle parcels and package freight which could be more efficiently done by common labor at much less cost; consequently, they recommended that instead of detaching clerks, the Post Office Department should employ laborers to do this work, and this

has been very largely done, resulting in saving of hundreds of thousands of dollars annually.

They also investigated the condition of the motor-vehicle service in the large cities, which costs \$15,000,000 a year to operate, and they recommended changes which have resulted in improved efficiency and economy, thus saving the Government large sums. The question of centralization of the dispatch of mail in New York, Chicago, Boston, and other large cities—changes were suggested that have been adopted by the department with good results.

There had been a proposition urged upon Congress for years to build a tunnel under the city of New York which would cost \$1,500,000, but the engineers said it would be absolutely useless, and they turned that project down. There were a great many other propositions that were brought before the commission and which are now before the commission. We investigated the building conditions in nearly all the large cities and made recommendations both for legislation and administration. We have made 28 reports to Congress. I have them here on my desk. The engineers and postal experts investigated the cities of New York, Brooklyn, Boston, Buffalo, Pittsburgh, Detroit, Baltimore, and Philadelphia. They made recommendations on pneumatic tubes in New York, Chicago, and Boston, and in the method of conducting the money-order business and other administrative features of the post office. They suggested changes that are saving the country millions of dollars. One of the recommendations they made, as stated by the gentleman from Kentucky [Mr. ROUSE], was that there should be an ascertainment of the cost of handling the different classes of mail.

Mr. ROUSE. Mr. Speaker, will the gentleman yield?

Mr. STEENERSON. In a minute. The engineers recommended that, and the commission advocated it and passed a unanimous resolution, as I recall, unless the gentleman from Kentucky voted against it. He might have.

Mr. ROUSE. I voted for it.

Mr. STEENERSON. The gentleman says he voted for it. We passed a unanimous resolution to carry on that investigation. That was months ago. We detailed the W. B. Richards Co. to investigate that. They spent weeks and months in collaboration with the Post Office Department officials devising forms of questionnaires and instructions to be sent out to the clerks and post offices throughout the country, and we have printed millions of these forms and questionnaires to be sent out to be used in this work.

Everybody who has ever studied the American system of government will know and realize that one of the great evils and weaknesses here is that all these branches of the public service are self-inspected. The War Department inspects itself and approves of whatever it does. So do other departments. Here we have an efficient engineering firm representing the joint commission, representing the legislative department, working in collaboration with the Post Office Department. The Post Office Department originated the idea; Mr. Burleson originated it; and it has worked finely; and the reason why the Post Office Department to-day is approaching a self-sustaining condition is by reason of the reforms inaugurated and suggested by the joint commission.

The investigation of the cost of handling this mail is opposed only by those who do not want to be investigated.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. STEENERSON. The periodical publications, which have been enjoying a bonus or a subsidy from the Government for years and years, first said they wanted to have this investigation made, but as soon as the commission recommended it they turned around, and they and their organs have attacked the commission from one end of the country to the other. [Applause.] We are being abused by the representatives of the big journals that are reaping a benefit and a bonus at the expense of the Postal Service because we are trying to find out what the truth is about the different classes of mail.

Now, this is all throwing sand in the eyes of the Members of this House and in the eyes of the public to say that it was understood that this commission was to be discontinued. The work laid out there by Mr. Burleson is such as to require years to perform, necessarily, and it is of benefit to the public and to the Government and to the taxpayers of the United States; and you can not properly carry on this work of investigating the cost of handling the mail, for which you appropriated \$500,000, without the aid of the commission and their efficient experts.

Now, when you get that work done what is it to be. It is to be something that can be accepted as proof of the truth? If so, it ought to be promulgated not only with the sanction of the department interested but also with the sanction of both

Houses of Congress. It has that sanction when it has the sanction of the joint commission, and it should continue until the work is completed in a final report. It will then bear more credence and be taken as positive proof of the statements therein that the cost of this thing is so much and the cost of this other thing so much, whereas if we leave it to the department alone and throw the responsibility upon it what will be the answer? The same as it was before. Why, it will be that "the department is prejudiced, that they are not fair; we can not take that; we dispute the department." They have done that in the past; all these periodicals that are clamoring for a lower rate have done that.

Mr. ROUSE. Mr. Speaker, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. ROUSE. The gentleman, of course, understands that the House has appropriated \$500,000 for that work?

Mr. STEENERSON. Yes. We will have our representatives collaborating with them.

Mr. ROUSE. These high-priced engineers have not had anything to do with that.

Mr. STEENERSON. The gentleman does not know. We have 10 other members of the commission, and they are unanimous.

Mr. ROUSE. I have not taken all these junketing trips that the gentleman referred to.

Mr. STEENERSON. The gentleman had better.

Mr. ROUSE. Is the Postmaster General in favor of the continuance of this commission?

Mr. STEENERSON. Yes; he is in favor of it, and anybody who has looked into it is in favor of it, because it will aid this Government in establishing and maintaining an efficient Postal Service.

Take the service as it is to-day. Your parcels post is scattered all over the sidewalk. Your commission has made a study of the proposition of moving the parcels post by gravity, so that you will not have to have it lugged up on the backs of clerks. There is a great deal of opportunity for improvement in a business so big as the Postal Service. We surely can not lose anything by continuing this commission for six months longer in order that it may finish the investigation. Many of us have spent days down there in the department in consultation with the men who are going to carry on the investigation in the department. There is nothing in this except that we are striving to reach a knowledge of the business and to determine these things in accordance with the facts. I am sorry that the conferees have taken the attitude that they have, because it is positively against the best interests of the people and the taxpayers. There is nothing here that can be criticized.

The gentleman from Kentucky [Mr. ROUSE] talks about "junketing." What pleasure is there in going down into the basement of those buildings in the city of New York, for instance, and seeing the workshops of some of those employees? You would be ashamed of yourselves if you inspected, as I have, the postal situation in New York and in some of the larger cities, Boston included, in some of the stations where they have not the facilities to work, they are crowded, and ill ventilated. They have not the proper toilet facilities. They have the poorest working conditions of any people in this country in some places, and still you do not want us to find it out and remedy them. You want Uncle Sam to provide working quarters that are unfit for use for his servants, many of whom are poorly paid. We have discovered this. I have, on behalf of this commission, visited more than 20 stations in the city of New York and many substations in Boston and elsewhere, and I tell you that we have found out more about this business of carrying on the mail service than we ever knew before, and you would never find it out by sitting here in your seats. [Applause.]

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. STEENERSON. If I could have a little more time I would be glad to answer questions.

Mr. MADDEN. I yield three minutes to the gentleman from Massachusetts [Mr. PAIGE].

Mr. PAIGE. Mr. Speaker and gentlemen of the House, I think the House ought to understand what is at the bottom of this whole proposition. For years it has been a disputed question whether the Government was losing \$60,000,000 or \$70,000,000 a year in carrying the second-class mail. The Postal Commission has been investigating that question. The second-class publishers claim there is no loss. The Government claims there is a loss of \$60,000,000 or \$70,000,000 a year. The Joint Postal Commission is undertaking to find out whether

there is a loss or not. There never has been such a propaganda put up against anything as there has been against this proposition about second-class mail.

Mr. MADDEN. Will the gentleman yield?

Mr. PAIGE. I yield to the gentleman from Illinois.

Mr. MADDEN. I tried to get the gentleman from Minnesota to yield to me, but he would not do it. The gentleman talks as if there was no provision made in this bill for the investigation of the cost of carrying the mail, but there is an appropriation of \$500,000 in the bill, and it is going to be expended by the Postmaster General to ascertain the very fact that the gentleman says the commission is ascertaining, and the commission has nothing to do with it.

Mr. PAIGE. Mr. Speaker, let us see who constitute the Joint Postal Commission. In the Senate are Senator TOWNSEND and Senator STERLING—

Mr. MADDEN. Senator TOWNSEND will not be there after the 4th of March.

Mr. PAIGE. Senator WALSH of Massachusetts and Senator MCKELLER, of Tennessee, and four Members of the House. All these Members are in favor of extending this commission and expending the \$75,000. There have been expended already over \$200,000, and to stop it now would be to waste all that has been spent in the past. It is simply a question whether or not the Government wants to have this investigation made as to the cost of second-class mail. The publishers of second-class mail matter have tried to impress upon the Post Office Department that there is no loss. I asked Mr. Stewart, of the Post Office Department, if he thought there was a loss of \$60,000,000 a year, and he said not less than that. Now, that is the question to be determined. If the publishers of second-class mail matter believed what they claim, that they want to know the actual cost, they would not put any hindrance in the way of ascertaining this fact, but I know they are trying to hinder it by protesting against this \$75,000 proposition.

The whole thing in a nutshell is whether Congress wants to appropriate \$75,000 more to ascertain whether we are losing that amount of money in carrying the second-class mail or whether the second-class mail men are going to check this thing at this time and impress on the Post Office Department what they claim—that there is no loss. That is the whole thing in a nutshell, Mr. Speaker.

Mr. MADDEN. Mr. Speaker, I am very sorry to have these gentlemen, who are members of the commission, make the statements they have made, because I know we do not wish to misconstrue the facts; and if the House believe the statements literally, they will be deceived. These gentlemen try to make you understand that no provision is being made in this bill for the ascertainment of the cost of handling the mail, and they further try to make you understand that the joint commission that we are seeking to abolish is going to make that ascertainment. The joint commission is not going to make the ascertainment, and the ascertainment is going to be made. Who is going to make it? Why, the Postmaster General; and we have provided \$500,000 in this bill to enable him to do it.

Mr. STEENERSON. Will the gentleman yield?

Mr. MADDEN. Not now. The gentleman would not yield to me.

Mr. STEENERSON. The gentleman controls the time, and I wanted to make my speech.

Mr. MADDEN. We are providing for the ascertainment of the cost. I do not know anything about what the publishers want. They may not want the ascertainment of the cost. The gentleman from Massachusetts [Mr. PAIGE] and the gentleman from Minnesota [Mr. STEENERSON] may be correct about that. But whether they want it or not, it is not going to make any difference. They are going to get it. This bill provides that the ascertainment shall be made. These gentlemen on the joint commission will try to make you believe it is not going to be made. I give you my word that it is going to be made and that we have provided the money to make it. The money is carried in this bill. Who is going to make the ascertainment? Why, the law, as carried in this appropriation bill, provides that the auxiliary clerks of the Post Office Department shall be assigned to the duty under the direction of the Postmaster General to ascertain the facts. That does not mean that the Postal Commission, if continued, will have anything whatever to do with it. They will not have anything to do with it. So, whether you continue the commission or not, the commission will have absolutely nothing whatever to do with the ascertainment of this cost.

Mr. STEENERSON. Will the gentleman yield?

Mr. MADDEN. No.

Mr. STEENERSON. I deny that statement.

Mr. MADDEN. Well, but the law is clear. The appropriation bill provides \$9,000,000 for auxiliary clerks.

Mr. ROUSE. Will the gentleman yield?

Mr. MADDEN. In just a moment. The bill sets aside \$500,000 out of that \$9,000,000 to employ clerks especially to make this ascertainment of cost. Now, this \$500,000 is not under the jurisdiction of the commission, even if the commission should be continued. The commission would have no jurisdiction whatever over it. Now, all the purpose of continuing this commission is that there may be a lot of clerks kept who are now on the pay roll who ought not to be there and who ought not to be kept, and the commission ought to be abolished.

Mr. ROUSE. I want to say to the membership of the House that Mr. Joseph Stewart, who was Second Assistant Postmaster General under Mr. Taft, and the best qualified man in the department or in the country to-day to make this ascertainment, has been put at the head of this work in the Post Office Department.

Mr. PAIGE. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. PAIGE. Is it not a fact that the commission is co-operating with the Post Office Department to bring out these facts, and is it not a fact that some of the ablest Senators at the other end of the Capitol are asking for this?

Mr. MADDEN. They are. Senators are always asking for appropriations.

Mr. PAIGE. Because they believe this is the only way in which these facts can be ascertained.

Mr. MADDEN. The gentleman knows that the appropriation has already been provided.

Mr. PAIGE. There is not anything of the kind.

Mr. MADDEN. It is already in the bill. It is not for the commission. The commission would have nothing to do with it.

I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, this is the third occasion when the Committee on the Post Office and Post Roads has come before Congress asking for the continuance for another year so as to complete the work of this commission. It was originally authorized in April, 1920, with the specific provision that the work should be completed March 1, 1921. The Post Office Committee came before Congress the next year in the Post Office appropriation bill and asked for \$150,000 additional appropriation to complete the work before June 30, 1922. Last year they again came before Congress giving assurance that if we would give them \$125,000 more they would complete the work by June 30 of the present fiscal year. Now they come before Congress again with the same old story and ask for an additional appropriation to complete the work by the end of the next fiscal year.

Let us get down to the facts. They have six months more in which to complete the work. They have been promising year after year that the work would be completed at the end of the next fiscal year. They want to postpone it now to June 30, 1924. Congress will be adjourned at that time for the presidential election. What we should do is to call the commission to time, force them to make their report by June 30, 1923, so that when Congress assembles at the next regular session it will be able to use this information.

This is not the first time that we have had special commissions appointed to investigate conditions in the Post Office Department. Away back 16 years ago they appointed a commission to make a report, and as a member of a subcommittee to specially consider the report I studied it carefully, but little good in the way of legislation came as a result of that commission's findings. Now, we find this commission with expenditures running up into the thousands and thousands of dollars for expenses, visiting New York, and the like, asking for \$75,000 more.

Last year I asked definitely whether the work would be completed on June 30 of this year if \$125,000 more was granted, and I received the assurance that they would finish it by June 30 of this year. Now, the commissioners, like so many of us, find it difficult to separate themselves from the public teat, but ask that it be continued for another year.

Mr. LINTHICUM. How much have they expended?

Mr. STAFFORD. Under the first appropriation they had unlimited funds. On June 30, 1922, we gave them \$150,000 to complete the work, and last year we voted \$125,000 for expenses during the present fiscal year. The wording in that appropriation was to complete the investigation and prepare a detailed report.

Mr. LINTHICUM. Does the department want this continued?

Mr. STAFFORD. I have had assurances that the department does not, but there is a dispute as to that, and I am not in the confidence of the department.

Mr. PAIGE. What does the gentleman consider to be the duties of the Joint Postal Commission?

Mr. STAFFORD. It is set forth in the law "to investigate the present methods of handling, transporting, and dispatching and delivering the mails." They have had three years or more from April, 1920, to do the work, and every year they come before Congress and ask to continue the appropriations for another year. I say let us call time and get the report. They have still six months in which to complete their report, and if we do not vote any more money they will get busy and make their report to Congress, and Congress at the next session will have the data available on which to act.

Mr. STEENERSON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. STEENERSON. Why does the gentleman make the statement that the commission has made no report, when I hold in my hand 28 pages recommending administrative changes?

Mr. STAFFORD. Does the gentleman deny what I have said? Each year it has carried this language to complete the investigation and prepare a detailed report. I am opposed to giving this commission any more money to continue this performance.

Mr. BRIGGS. Will the gentleman yield?

Mr. STAFFORD. For a question.

Mr. BRIGGS. Why has not the commission completed the report before this? What is the reason? I see that they have made some tentative report.

Mr. STAFFORD. The gentleman will have to ask some member of the commission. The vice chairman of the commission says that they have made a preliminary report. They have gone over the field, and they have gone over it sufficiently so that they should now apply themselves to digesting the material on hand. If the commission should say to the engineers get busy, because Congress is not going to continue the appropriation and we want you to make the report by June 30 of this year, they would get busy, and if they did not I would say dismiss them on the spur of the moment.

Mr. BRIGGS. Why can not it be done? What reason does the commission give?

Mr. STAFFORD. Oh, they say the work is so voluminous that it is necessary to run over to New York and other places and make investigations, and that they must have more time to investigate fully and make a report.

Mr. PAIGE. If the gentleman will yield, I do not believe the membership of the House understand anything about the magnitude of the duties of the postal commission. The Post Office Department has been growing by leaps and bounds, year after year, and no one knows the cost of handling the different classes of mail.

Mr. STAFFORD. I shall have to decline to yield for a speech.

Mr. PAIGE. Any man that claims that the postal commission has not done what it was appointed to do and has not been diligent does not know what he is talking about.

Mr. STAFFORD. That is a nice, gratuitous fling by a member of the commission who has been taking trips about the country. Perhaps I do not know as much as the gentleman does, but I know this much from my service on the Committee on the Post Office and Post Roads for eight years, that it does not require any high-priced engineers on the pay roll for four years to make a report as to the cost of these services. There is plenty of that kind of information down in the department to-day. Under Second Assistant Postmaster General Stewart, 12 years ago, all that information was acquired, and there is no better authority than former Second Assistant Postmaster General Stewart. All that data is at the department, and I say from my acquaintance with this work that six months is adequate to complete the work. Price, Waterhouse & Co., and other leading accounting firms, would not require a lifetime to do the work of this character.

Mr. RAMSEYER. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. RAMSEYER. The gentleman made the statement that the Post Office Department had the information to give us. The Post Office Department can not give you any information as to the cost of anything they are handling.

Mr. STAFFORD. They have the data down there, because Mr. Stewart years back, when we created the postal parcel-post system, made an investigation.

Mr. RAMSEYER. Oh, that was long before the parcel post was inaugurated.

Mr. STAFFORD. Not more than 12 years ago, and the gentleman knows that this is only for the purpose of continuing some high-priced fellows in the service for another year.

Mr. RAMSEYER. Oh, I am not interested in that at all.

Mr. STAFFORD. Is it not good business policy to call them and say that they must complete that work in six months?

Mr. RAMSEYER. I do know that this commission started this investigation, and if it had not been for the work of the commission they would never have started it.

Mr. PAIGE. There are no high-priced men there at all now.

Mr. RAMSEYER. Cut down the appropriation if you want to.

Mr. STAFFORD. I want the work completed, and if they needed \$50,000 with which to complete the work this year I would vote it; but this idea of extending the time each year for a full year should be brought to a close.

Mr. RAMSEYER. Cut down the appropriation for the commission, but let the commission go on.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, if the Members of the House will examine the five pages of itemized expenses of this commission that my colleague [Mr. Rouse] placed in the Record on the 13th day of last May, they will see where the position of the gentleman from Illinois [Mr. MADDEN] is correct, and that the life of this commission should cease. The very purpose for which it was created—the accumulation of data in respect to the expense of handling different classes of mail—is in the Post Office Department now. The Postmaster General, Mr. Bursleson, gave us plenty of light on that subject when there was an effort to abolish the zone system a few years ago, and also when there was an effort on behalf of some to make some of the big publishers pay more of what they should justly pay for the handling of their publications. We had all of that data before us then. We knew then and we know now that it is costing the Government to handle merely the publications of the Curtis Publishing Co. alone approximately \$1,000,000 more than we take in for handling them. We already have the data before us. Look at this—the items of expense—and you will see where the money has gone, the \$234,000 that this commission has expended already—junketing trips to New York. Look at the New York trips and the hotel bills, month by month, for the highly paid secretary of this commission and others in its employ.

Our friend from Minnesota [Mr. STEENERSON] says that this commission saved hundreds of thousands of dollars by employing high-priced engineers—to determine what? To determine that you could use ordinary labor to handle freight more cheaply than you could a high-salaried clerk. Do you need high-priced engineers to reach that determination? That is something that should be apparent upon its face to a business man. It should prove itself by merely asserting the proposition. It needs no high-priced investigation by high-priced engineers to reach a determination of that kind.

Mr. PAIGE. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. PAIGE. Does the gentleman know that there is no high-priced engineer employed at the present time and there has not been for over a year?

Mr. BLANTON. I am only repeating what the gentleman's chairman said.

Mr. PAIGE. I do not care what he said.

Mr. BLANTON. Get his remarks, and the gentleman will see that I am just repeating his language. Why, he named the high-priced engineers that he employed, he gave the name of the firm, and he said that they had brought about this great saving.

Mr. PAIGE. Oh, that was two or three years ago, not at the present time.

Mr. BLANTON. Oh, yes; but under the provisions of the act that created this commission it should have died on March 1, 1921, but it was extended over for another year, and another \$150,000 was given to it. Again it should have ceased to exist in 1922, yet it was extended on, and now here is an effort to give it \$75,000 more for 1924, when the distinguished chairman of the Committee on Appropriations has correctly stated that you have already authorized in this bill \$500,000 for just such investigating purposes, and I want to say right now, I do not care who is Postmaster General, the Postmaster General can find out more about these propositions at less expense than any commission of the kind that was ever created.

Mr. MADDEN. Mr. Speaker, I move the previous question. The previous question was ordered.

The SPEAKER. The vote comes first upon the motion made by the gentleman from Minnesota [Mr. STEENERSON] to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. STEENERSON) there were—ayes 21, noes 77.

Mr. STEENERSON. Mr. Speaker, I make the point of order that there is no quorum present, and I object to the vote because there is no quorum present.

The SPEAKER. The gentleman from Minnesota makes the point of order that there is no quorum present. It is clear that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 90, nays 212, answered "present" 1, not voting 125, as follows:

YEAS—90.

Anderson	Foster	Larson, Minn.	Shelton
Andrew, Mass.	Freeman	Lawrence	Shreve
Barbour	Frothingham	Lee, Ga.	Sinclair
Bell	Garrett, Tex.	Lineberger	Speaks
Bird	Gerner	Luce	Stedman
Bixler	Gifford	McCormick	Steener
Brennan	Gorman	McLaughlin, Mich.	Stephens
Brooks, Pa.	Graham, Pa.	McLaughlin, Pa.	Sweet
Brown, Tenn.	Green, Iowa	Maloney	Swing
Burtess	Griest	Michener	Tincher
Burton	Hardy, Colo.	Moore, Ohio	Upshaw
Clague	Haugen	Newton, Minn.	Vaile
Clarke, N. Y.	Hawes	Newton, Mo.	Vinson
Connolly, Pa.	Hays	Olpp	Volgt
Crago	Hukriede	Palge	Volstead
Crisp	James	Parker, N. Y.	Watson
Dallinger	Kearns	Patterson, Mo.	Wise
Darrow	Kendall	Ramsayer	Woodruff
Dowell	Ketcham	Ransley	Wright
Edmonds	Knutson	Reece	Wurzbach
Fenn	Kopp	Riordan	Wyant
Fish	Lankford	Roach	
Focht	Larsen, Ga.	Sanders, N. Y.	

NAYS—212.

Abernethy	Driver	Kincheloe	Reed, N. Y.
Almon	Dunn	Kirkpatrick	Rhodes
Andrews, Nebr.	Dupré	Kissel	Ricketts
Appleby	Echols	Kline, Pa.	Robertson
Arentz	Elliott	Kraus	Rodenberg
Aswell	Ellis	Lampert	Rogers
Backarach	Evans	Langley	Rose
Beck	Fairchild	Lanham	Rouse
Beedy	Fairfield	Lazaro	Sabath
Begg	Faust	Lea, Calif.	Sanders, Ind.
Benham	Fess	Linthicum	Sanders, Tex.
Black	Fields	Little	Sandlin
Blakeney	Fisher	Logan	Scott, Tenn.
Bland, Va.	Fitzgerald	Longworth	Sears
Blanton	Fordney	Lowrey	Shaw
Boies	French	McArthur	Siegel
Bowling	Fuller	McFadden	Sinnott
Box	Fuller	McKenzie	Sisson
Briggs	Garner	McLaughlin, Nebr.	Smith, Idaho
Brooks, Ill.	Garrett, Tenn.	McSwain	Snell
Brown, Wis.	Gensman	MacGregor	Snyder
Buchanan	Gilbert	MacLafferty	Stafford
Bulwinkle	Glynn	Magee	Stengall
Burdick	Goodykoontz	Mansfield	Stevenson
Butler	Graham, Ill.	Mapes	Strong, Kans.
Byrnes, S. C.	Greene, Mass.	Miller	Summers, Wash.
Byrns, Tenn.	Greene, Vt.	Mills	Summers, Tex.
Cable	Hadley	Monnell	Swank
Campbell, Kans.	Hammer	Montague	Taylor, Tenn.
Campbell, Pa.	Hardy, Tex.	Moore, Ill.	Temple
Chalmers	Hawley	Moore, Ind.	Thomas
Chindblom	Hayden	Mott	Tillman
Christopherson	Herrick	Murphy	Tilson
Claude	Hersey	Nelson, Me.	Timberlake
Codd	Hicks	Nelson, A. P.	Tinkham
Cole, Iowa	Hoch	Nelson, J. M.	Towner
Cole, Ohio	Hogan	O'Connor	Treadway
Collins	Hooker	Ogden	Tucker
Connally, Tex.	Huddleston	Oldfield	Turner
Cooper, Ohio	Hudspeth	Oliver	Tyson
Cooper, Wis.	Hull	Parker, N. J.	Ward, N. Y.
Copley	Humphrey, Nebr.	Parks, Ark.	Ward, N. C.
Coughlin	Humphreys, Miss.	Patterson, N. J.	Wason
Cramton	Husted	Perkins	Weaver
Crowther	Jacoway	Pou	Webster
Curry	Jeffers, Nebr.	Pringley	White, Me.
Dale	Jeffers, Ala.	Purnell	Williams, Ill.
Davis, Tenn.	Johnson, Ky.	Quin	Williamson
Deal	Johnson, Miss.	Radcliffe	Wilson
Dickinson	Johnson, Wash.	Raker	Wingo
Dominick	Jones, Tex.	Rankin	Wood, Ind.
Doughton	Kelley, Mich.	Rayburn	Woods, Va.
			Young

ANSWERED "PRESENT"—1.

Cockran

NOT VOTING—125.

Ackerman	Bond	Cantrill	Colton
Anson	Bowers	Carew	Cullen
Anthony	Brand	Carter	Davis, Minn.
Atkeson	Britten	Chandler, N. Y.	Dempsey
Bankhead	Burke	Chandler, Okla.	Denison
Barkley	Burroughs	Clark, Fla.	Drane
Bland, Ind.	Cannon	Clason	Drewry

Dunbar	King	Norton	Stiness
Dyer	Kitchin	O'Brien	Stoll
Favrot	Klecza	Osborne	Strong, Pa.
Free	Kline, N. Y.	Overstreet	Sullivan
Funk	Knight	Park, Ga.	Tague
Gahn	Kreider	Paul	Taylor, Ark.
Gallivan	Kunz	Perlman	Taylor, Colo.
Goldsborough	Layton	Petersen	Taylor, N. J.
Gould	Leatherwood	Porter	Ten Eyck
Griffin	Lee, N. Y.	Rainey, Ala.	Thompson
Henry	Lehlbach	Rainey, Ill.	Thorpe
Hickey	London	Reber	Underhill
Hill	Luhning	Reed, W. Va.	Vestal
Himes	Lyon	Riddick	Volk
Huck	McClintic	Robson	Walters
Hutchinson	McDuffie	Rosenbloom	Wheeler
Ireland	McPherson	Rossdale	White, Kans.
Johnson, S. Dak.	Martin	Rucker	Williams, Tex.
Jones, Pa.	Mead	Ryan	Winslow
Kahn	Merritt	Schall	Woodward
Keller	Michaelson	Scott, Mich.	Yates
Kelly, Pa.	Moore, Va.	Slemp	Zihlman
Kennedy	Morgan	Smith, Mich.	
Kiess	Morin	Smithwick	
Kindred	Mudd	Sprout	

So the motion was rejected.

The Clerk announced the following pairs:
Until further notice:

Mr. Davis of Minnesota with Mr. Barkley.
Mr. Burroughs with Mr. Rainey of Illinois.
Mr. Ackerman with Mr. Drewry.
Mr. Kahn with Mr. Williams of Texas.
Mr. Winslow with Mr. Stoll.
Mr. Anthony with Mr. Carew.
Mr. Porter with Mr. Park of Georgia.
Mr. Kennedy with Mr. Kunz.
Mr. Free with Mr. Tague.
Mr. Strong of Pennsylvania with Mr. Cullen.
Mr. Morgan with Mr. Bankhead.
Mr. Dempsey with Mr. Smithwick.
Mr. Atkeson with Mr. Cantrill.
Mr. Dunbar with Mr. Taylor of Colorado.
Mr. Mudd with Mr. Gallivan.
Mr. Thompson with Mr. Martin.
Mr. Merritt with Mr. Sullivan.
Mr. King with Mr. McClintic.
Mr. Johnson of South Dakota with Mr. O'Brien.
Mr. Morin with Mr. McDuffie.
Mr. Lehlbach with Mr. Taylor of Arkansas.
Mr. Keller with Mr. Drane.
Mr. Michaelson with Mr. Carter.
Mr. McPherson with Mr. Rucker.
Mr. Jones of Pennsylvania with Mr. Brand.
Mr. Smith of Michigan with Mr. Favrot.
Mr. Denison with Mr. Kitchin.
Mr. Cannon with Mr. Mead.
Mr. Kiess with Mr. Overstreet.
Mr. Osborne with Mr. Lyon.
Mr. Taylor of New Jersey with Mr. Moore of Virginia.
Mr. Funk with Mr. Goldsborough.
Mr. Colton with Mr. Kindred.
Mr. Britten with Mr. Clark of Florida.
Mr. Hutchinson with Mr. Griffin.
Mr. Kelly of Pennsylvania with Mr. Rainey of Alabama.
Mr. Rossdale with Mr. London.
The result of the vote was announced as above recorded.
The SPEAKER. A quorum is present; the Doorkeeper will open the doors. The question comes on the motion of the gentleman from Illinois that the House further insist on its disagreement to the Senate amendment.
The motion was agreed to.
Mr. MADDEN. Mr. Speaker, there is another amendment.
The SPEAKER. The Clerk will report the next amendment in disagreement.
The Clerk read as follows:
Page 21, line 11, strike out the figure "2" and insert in lieu thereof the figure "3."
Mr. MADDEN. Mr. Speaker, I move to further insist on the disagreement.
The motion was agreed to.
Mr. MADDEN. I ask unanimous consent to agree to the conference asked for by the Senate on the disagreeing votes.
The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.
The Clerk read as follows:
Mr. SLEMP, Mr. MADDEN, Mr. OGDEN, Mr. TAYLOR of Colorado, and Mr. CARTER.

PERMISSION TO ADDRESS THE HOUSE.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent that after the House has concluded with the Attorney General resolution that I may be permitted to address the House

for 20 minutes on the bill H. R. 12, a bill to establish a Federal Code.

The SPEAKER. The gentleman from Kansas asks unanimous consent that after the Judiciary Committee has concluded he may be permitted to address the House for 20 minutes on the bill (H. R. 12) to establish a Federal Code. Is there objection? [After a pause.] The Chair hears none.

CHARGES AGAINST THE ATTORNEY GENERAL OF THE UNITED STATES.

Mr. VOLSTEAD. Mr. Speaker, I call up for consideration—

Mr. GARRETT of Tennessee. Mr. Speaker, just a moment.

Mr. VOLSTEAD. The report made by the Judiciary Committee on House Resolution 425, authorizing the investigation of impeachment charges made September 11, 1922, by OSCAR E. KELLER, a Representative from the State of Minnesota, against Hon. Harry M. Daugherty, Attorney General of the United States.

The SPEAKER. The gentleman from Minnesota calls up the report of the Judiciary Committee—

Mr. VOLSTEAD. And I give notice in this connection that I intend to offer the resolution which I would like to have read by the Clerk for the information of the House.

Mr. GARRETT of Tennessee. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman from Tennessee rise?

Mr. GARRETT of Tennessee. There was a request made by the gentleman from Kansas [Mr. LITTLE] a few minutes ago. I was on my feet, not to object but to ask something about it.

The SPEAKER. The Chair thought nobody objected.

Mr. GARRETT of Tennessee. The request that was made would interfere with the business of to-day and was granted—

The SPEAKER. The Chair understood there was no objection; of course, if the gentleman from Tennessee wants to object, the Chair will recognize him. Does the gentleman from Tennessee desire to object?

Mr. GARRETT of Tennessee. Yes; I object to the remarks the gentleman intended to make between the time—the Chair stated it was after the completion of the time of the Judiciary Committee?

Mr. MONDELL. To-day, at the conclusion of the consideration of this measure, as I understand it, but I did not hear the request. After the matters have been disposed of, if there is time to-day.

Mr. GARRETT of Tennessee. Of course, Mr. Speaker, whatever arrangement gentlemen on the Republican side have made—

Mr. MONDELL. I was not on the floor when the request was made, and I did not hear it, but I understood the request was—

The SPEAKER. The Chair stated the request and asked, Is there objection? And there was no objection. Is there objection now? [After a pause.] The Chair hears none, and it is so ordered. The gentleman from Minnesota offers a resolution to be reported for the information of the House. Without objection, the Clerk will report the resolution.

There was no objection.

The Clerk read as follows:

That whereas the Committee on the Judiciary has made an examination touching the charges sought to be investigated under H. Res. 425 to ascertain if there is any probable ground to believe that any of the charges are true; and on consideration of the charges and the evidence obtained it does not appear that there is any ground to believe that Harry M. Daugherty, Attorney General of the United States, has been guilty of any high crime or misdemeanor requiring the interposition of the impeachment powers of the House;

Resolved, That the Committee on the Judiciary be discharged from further consideration of the charges and proposed impeachment of Harry M. Daugherty, Attorney General, and that House Resolution 425 be laid on the table.

Mr. THOMAS. Mr. Speaker, I desire to offer the minority report as an amendment to that report.

The SPEAKER. The gentleman from Minnesota does not offer it now for consideration. He says he offers it merely for the information of the House.

Mr. THOMAS. I give notice I shall offer the minority report as an amendment.

The SPEAKER. The Chair will recognize the gentleman at the proper time.

Mr. VOLSTEAD. Mr. Speaker, on the day Mr. KELLER made his charges impeaching the Attorney General he announced to the House that he had evidence to sustain them and asked me for a hearing before the Judiciary Committee. I then arranged with him to have a hearing on the 16th day of last September, five days after he made the charges. No suggestion was then made that that date was not entirely acceptable to him. The committee then met and asked Mr. KELLER what acts his charges

referred to and what evidence he had to sustain them, but he positively refused to give the committee the slightest information, insisting that he was not ready, that he wanted an attorney, and asked for postponement. The hearing was then adjourned to the 19th of September. As we all knew that the investigation would require several weeks, and it became evident that Congress was about to adjourn, and did adjourn two or three days after the 19th—with the adjournment of Congress the power of the committee ceased, as it could not sit when Congress was not in session—the committee adjourned the hearing to the first day of the next regular session of Congress. It was evident that neither Mr. KELLER nor the Attorney General was prepared for any hearing at that time.

Mr. BLANTON. Mr. Speaker, I make the point of order.

The SPEAKER pro tempore (Mr. CAMPBELL of Kansas). The gentleman will state the point of order.

Mr. BLANTON. I make the point of order that if it were the intent of the gentleman from Minnesota to call up a certain report he has not done so, and there is nothing now before the House, in that there has been no report submitted to the House for business thereon, and until there is such a report placed before the House there is nothing now before the House. Up to this time there has been no report presented to this House. It must be presented for action before the business can be taken up.

The SPEAKER pro tempore. The present occupant of the chair was not in the chair at the time the gentleman from Minnesota took the floor.

Mr. BLANTON. The parliamentary situation is as I have stated, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will read the report by title.

The Clerk read as follows:

Report of the Committee on the Judiciary on the charges of OSCAR E. KELLER against the Attorney General of the United States.

The SPEAKER. The gentleman from Minnesota [Mr. VOLSTEAD] is recognized.

Mr. VOLSTEAD. Mr. Speaker, after the hearings on the 16th of September the committee adjourned, as I have said, until the 19th, and again, for the reasons I have stated, adjourned until the next regular session of Congress, on the 4th of December.

This adjournment was promptly seized upon by Mr. KELLER and others as a pretext for abusing the committee. They promptly rushed into print to denounce the committee because such postponement had prolonged the alleged lawless and unfaithful career of Mr. Daugherty as Attorney General. Mr. KELLER, in a letter to the committee and in interviews to the public press falsely charged that this adjournment was ordered by the committee for the purpose of placing the hearing at a time when the committee knew that Mr. Untermyer, who Mr. KELLER stated in his letter had agreed to act as his chief counsel, would be prevented from attending the hearing because of other public duties. The committee had no such knowledge, and the employment of Mr. Untermyer is evidently not true, because now comes this same Untermyer and flatly denies Mr. KELLER's statement. He says in a letter to the committee that he has never sustained any professional relations to Mr. KELLER and that the time when he was asked by Mr. KELLER to represent him in this proceeding was after the hearings had commenced, which was long after this adjournment took place.

A host of cheap political scavengers whose chief occupation in life appears to be to impugn the motives of every public official who does not belong to their muckraking clan, promptly joined the chorus. What possible motive could there be for their attack upon the committee at this time but dirty politics? Mr. KELLER knew that he was not ready to produce evidence, as his subsequent conduct has clearly demonstrated. The explanation is quite easy. He and his henchmen knew, as they must have known, that they did not have any evidence that would support impeachment and that when they would finally be asked to furnish the evidence they had promised they could make no showing. It is an old trick of the shyster lawyer to swear at the court and jury to divert attention from his own shortcomings. It is apparent that they set to work deliberately to blacken the reputation of the committee in the hope that they might thereby escape public condemnation for their dastardly act. If that had not been true, they would not have started to attack long before the committee had any chance to do anything. It has been evident from the very first that both Mr. KELLER and his attorneys have striven to stage a situation that would permit them to make their exit from the investigation as gracefully as possible. Instead of aiding the committee in

making an investigation they have repeatedly and persistently refused information and have insulted and thwarted it in every way possible.

As soon as Congress was called in extra session last November the committee prepared to proceed with the investigation. Mr. KELLER was asked to furnish on or before the 1st of last December a detailed statement of his charges and, as far as possible, the date of each transaction complained of, together with the names and addresses of the witnesses by which the charges could be established. In answer to this he filed with the committee a list of specifications, but in a letter accompanying it refused to give the committee the names of any witnesses except as to one charge, though the specifications contain some 53 different charges, some embracing more than one charge.

In this letter he complained that he was given too little time to prepare for a hearing in September, and said he had heard nothing of the charges since then, as though that was the fault of the committee. But, in spite of that, he told the committee that it would take him at least another month before he could prepare his case for a hearing. Everything the committee had done and everything the committee had omitted to do was wrong. The letter is simply an insolent attempt to create the impression that the committee could not be trusted, and that he had been unfairly treated. Repeated demands have been made by Mr. KELLER and his counsel to have this insolent letter printed in the record, though it does not have the slightest evidential value, is not sworn to, and has no proper place there.

As ordered in September, the committee met on the 4th day of last December to hear what Mr. KELLER had to offer. He then again refused to give the committee any information and refused to do anything until it first secured power to subpoena witnesses and send for papers. This is the same KELLER who had filled the public press with denunciation of the committee because it had not held the investigation during the last three days of the session ending in September, a thing he knew was impossible, a thing he was not even prepared for at this late date. It appeared evident to me, and I presume to other members of the committee, that this demand was made for the purpose of delay, if not in the hope that the committee might refuse to comply with it and thus furnish an excuse to Mr. KELLER for refusing to give the committee any information. The committee thereupon authorized me to apply to the House for this power, which was promptly granted, and on the next day, the 5th of December, the committee met again. The committee then determined to take up the charges in the order in which they were set down in the specification and directed me to notify Mr. KELLER and his attorney, Mr. Jackson Ralston, of that fact, which I did. In answer to this notice, I was promptly informed that they would not take the charges up in that order. They insisted on determining the order in which the evidence should be heard, and claimed a right to control the proceedings, though they had absolutely no right to make any such demand; his position was simply that of a witness.

In my letter advising Mr. KELLER and his attorney of this determination of the committee I called attention to the fact that the committee might desire to hear argument upon the question of whether certain of the charges set forth are facts that constitute impeachable offenses. Mr. Ralston informed me that the committee had waived any such question, and refused to present any argument. As no lawyer could seriously urge that the committee could possibly waive such a question, and nothing had occurred to furnish an excuse for such a claim, it was evident that this ridiculous assertion could only be made for the purpose of raising an issue with the committee. This purpose appeared, too, from the general tenor of the letter, which was distinctly discourteous. This purpose became evident on receiving at this time a letter from Mr. KELLER himself covering more than four closely typewritten pages. This insulting and abusive epistle was written before we had been able to secure any evidence. The falsehoods and misrepresentations it contained were well calculated to create a rupture between Mr. KELLER and the committee. It was entirely uncalled for and unprovoked. Its purpose was too clear for doubt. To aggravate the incident, this letter was given to the press. The committee did not propose to help Mr. KELLER to make his exit; it refused to quarrel and ignored the offensive part in both letters. The refusal to argue the question whether a charge stated an impeachable offense brought to my mind the suspicion that the first reading of the specification had occasioned mainly that many of the charges had been purposely drafted in a defective form in order that the committee would decide that they did not state impeachable offenses and for that reason dismiss them. I could not figure out why a

lawyer accustomed to draw legal charges should so persistently omit what seemed to me essential allegations. It looked like a trap that it would not be wise to fall into.

Though Mr. KELLER persistently treated the committee in an insolent manner, no attempt was made to resent it; his attacks were ignored. No excuse was given him for refusing to furnish what information he might have. Instead of insisting that a charge must state an impeachable offense evidence was permitted without determining that question; instead of insisting that the charges be taken up in their order, a thing the committee had a right to ask, he was permitted to take them up in whatever order he saw fit; instead of the committee conducting the examination of the witnesses, as is customary in such proceedings, he was permitted to conduct the hearing. The committee allowed him to have an attorney to do that, who conducted it as if it was the trial of a lawsuit. When Mr. KELLER refused to furnish any testimony unless the committee secured power from the House to subpoena witnesses it acceded to the demand, though it is practically certain that the evidence Mr. KELLER produced could have been secured without a subpoena, as subsequent proceedings quite clearly established. Former Attorney General Wickersham was subpoenaed, but his testimony was not at all necessary, as the facts he could testify to were established by records not in issue. Mr. KELLER demanded that Chief Justice Taft be subpoenaed, and I arranged with the Chief Justice to appear and testify, but his presence was finally waived by Mr. KELLER, as the testimony he could give was likewise established by official records. Aside from officials and employees of the Department of Justice and the Interstate Commerce Commission, who came at the request of the committee, the other witnesses were directly or indirectly interested in the prosecution. They represent railway labor organizations or had some private grudge that they wished to air. Mr. Gompers, President of the American Federation of Labor, no doubt could have secured their presence. He admitted that he was instrumental in having the charges in regard to which they testified inserted in the specifications, and that the attorney of the federation conducted the proceeding for Mr. KELLER.

The claim that I made the statement after hearing evidence on two charges that judging by that testimony it was evident that there was nothing to any of the charges, is absolutely false. The remark which was seized upon and misrepresented had reference to one charge only, as the context clearly shows, and does not refer to the evidence at all but to the law applicable to that particular charge; and though I promptly called the attention of the press to this false statement (see page 386 of the hearings), it failed to correct it. Evidently the correction would not make a news story. I tried to secure other corrections with like results, as will appear from page 378 of the hearings.

One of the absurd things in the critics of this investigation is that they appear to assume that to be fair the committee must act in the august and dignified manner that they expect of a court, and that every cross-examination of the witnesses or criticism of the evidence offered is proof of prejudice. The committee occupies no such position. It is an inquisitorial body made up of lawyers whose duty it is to examine and cross-examine witnesses, and there is no reason whatever why it should hesitate to express its disapproval, as a court often does, of anything that is unfair, whether it is for or against the person who is accused. Impeachment is a criminal proceeding; the accused has a right to expect decent treatment. It is not only unfair to the accused to allow such a proceeding to degenerate into a vehicle for giving publicity to unfounded campaign stories, but it is also an imposition on the committee to try to create a public impression that these stories are true, when no evidence is offered to establish them. If the public is deceived by such stories, the committee must bear the odium of not making its recommendations square with public expectation when in their report they are compelled to disregard them. The House can not use such evidence to convict anyone in the Senate. Against such methods the committee does not only have the right but it is its duty to protest.

Mr. KELLER and others who helped to start this investigation had no right to control the proceedings. They simply occupied the position of witnesses. They had no other duty or function than to give the committee whatever information they had. They had no right to arrogate to themselves, as they did, the position of public prosecutors. Mr. KELLER repeatedly talked about the proceeding as his case. Had Mr. KELLER treated a court the same as he treated the committee he would promptly have gone to jail, as no court would have tolerated for a moment the insolent and abusive behavior.

The claim made by Mr. KELLER that he did not dare to give the names of his witnesses to the committee for fear that the Attorney General and William J. Burns, of the Bureau of Investigation, might intimidate or interfere with them, is clearly nothing but a subterfuge. He refused to give them because he knew of none. The suggestion assumes that the committee could not be trusted, though it should be as able to judge whether any such danger existed and would be as much under obligation to guard against it as he. It is evident that such a statement could not be true as to many witnesses if they are of a character to be relied on. To establish some 50 or 60 different charges it would be necessary to have a large number of witnesses, as they relate to a large variety of transactions. It is not a case of withholding the names of one or two, but the names of all the witnesses that Mr. KELLER claims to have were withheld except as to two charges. It is apparent that the danger of any such interference or intimidation would be very remote. The Attorney General and Mr. Burns are not accused of being idiots. One of the most damaging things that could have occurred to the Attorney General and Mr. Burns would be to have the witnesses disappear or refuse to testify to what they might have assured Mr. KELLER they would testify to. If I had any suspicion that Mr. KELLER knew of any witnesses by which he could establish any impeachable offense I would ask the House to cause him to be arrested and kept in confinement until he agreed to testify, but I am certain that that would bring no results and that it would only give Mr. KELLER an opportunity to pose as a martyr, a thing I do not care to promote.

On the 12th day of last December Mr. KELLER was again repeatedly asked to give the committee the names of witnesses by whom he expected to establish his charges. He then admitted that he did not know of any witnesses as to several of these charges. If any one will read that hearing and study the evasive and shifty answers of Mr. KELLER in regard to what he knew about witnesses, and note the industrious care that his attorney took to protect and help him, I do not believe that he can have the slightest doubt as to the actual facts. In the letter in which he made his melodramatic exit he accused the committee of attempting to whitewash the Attorney General. If Mr. KELLER knows of any witnesses that can establish his charges, he is the one who is guilty of whitewashing the Attorney General in that he refuses to furnish the information to establish guilt. The committee has not refused to call or examine any witness whom he has suggested. The committee, as I have said, permitted him to control the proceedings and to introduce his evidence through an attorney as though the hearing was a lawsuit, though that is contrary to the custom in such cases. He knows that with such a procedure it would be impossible for the committee to whitewash. Whatever evidence is offered is taken down by an official stenographer sworn to correctly report it. Every syllable of that evidence is printed in the very language that the witness gives it and becomes a public record. Not only is that true, but all evidence is taken at public hearings in the presence of hundreds of spectators, many of them newspaper reporters, who take the evidence in shorthand to send it to the press for publication. The committee is simply the instrumentality through which the House obtains the evidence. It does not finally determine the matter. It is the House that decides whether there is evidence that justifies impeachment. No one, so far as I am aware, has claimed, and no one can honestly claim, that the committee refused to admit any competent evidence.

It not only admitted all competent evidence offered by Mr. KELLER but much that was so plainly incompetent that even Mr. KELLER's attorney in offering it admitted that it was not proper testimony. Instead of insisting that Mr. KELLER and his attorney confine their evidence to what would be proper under the rules of law, the committee to forestall the complaint that evidence was excluded allowed them to practically offer anything they saw fit, and did not even question whether the evidence was of acts that would constitute impeachable offenses. Had the committee refused to admit proper evidence or otherwise shown a disposition to be unfair, the newspapers would have promptly condemned the committee. Mr. KELLER and his friends are not only condemning the committee but they are condemning the newspapers as well, because they have not joined in a dishonest attempt to muckrake the committee and the Attorney General.

It has even been charged that the committee is packed. A person who makes such a charge in face of the actual facts is simply trying to mislead the public. This is not a special committee selected for the purpose of investigating these charges. Mr. KELLER himself selected this committee as the one to make

this investigation; but no sooner had he done that and before the committee had had a chance to do anything he set to work to vilify and abuse it by publishing a lot of false charges against it. Most of its members have been on this committee for many years. It is composed not only of Republicans but of Democrats as well. The Democrats would naturally be just as anxious to expose any corrupt act that could honestly be charged against the Attorney General as Mr. KELLER could possibly be. The only thing that stands in the way of their joining in this muckraking attempt is the fact that they have too high regard for their own character and for decency in public service. Many of the leading Democratic papers, whose reporters have been present at these hearings, have condemned Mr. KELLER and his associates just as vigorously as have Republican papers.

Mr. KELLER offered testimony on only two charges. It is hardly necessary to comment on that testimony, as I know of no one who considers it of sufficient consequence to merit consideration. One of those charges is based upon the idea that the Attorney General should be impeached because he appointed William J. Burns head of the Bureau of Investigation. The charge grows out of the fact that in 1911 in an ex parte proceeding, for the purpose of obtaining a pardon, it was claimed that in 1905—some 17 years ago—Mr. Burns packed the jury in one of the Oregon land-fraud cases so as to secure a conviction. The judge who tried the case, the attorney who prosecuted it, the employee of the Department of the Interior who was there investigating jurors, the assistant clerk of court—the clerk being dead—and Mr. Burns all denied it. Senator JOHNSON of California, who knew Mr. Burns intimately in connection with the California graft cases, in which Burns was connected immediately after this trial in Oregon, indorsed Mr. Burns in the strongest terms as a man of sterling integrity. It was a charge that no one had heard of until more than five years after the trial. Personally, I am satisfied that it was without foundation, but whether true or false is not material. There is nothing to show that the Attorney General did not come to the same conclusion that I have, and there is ample evidence upon which to base such a conclusion. But, even if he had believed that 17 years ago Mr. Burns had been guilty of the charge, it would not furnish any ground at this time for impeachment. Mr. Burns is unquestionably a very capable official, and there is no charge that he is not performing his duties honestly and efficiently.

The evidence that Mr. KELLER offered as to the alleged failure of the Attorney General to enforce the railway safety appliance law was so flimsy that his own attorney in effect admitted that it did not sustain the charge, and so did one of his main witnesses, who was also a lawyer. It is perfectly obvious that it was the strike of the shopmen and other railway employees that made it impossible to keep railway equipment in safe condition during the strike, which was the time when it was alleged that the failure occurred. The Attorney General can not be impeached because the shopmen struck.

It was after evidence had been introduced on these two charges that Mr. KELLER refused to proceed. As he claimed that he had evidence as to his other charges, the committee secured a subpoena and had it served, requiring him to appear and testify, but, as you all know, he refused to obey the subpoena.

We then asked Hon. ROY O. WOODRUFF, who had made certain charges against the Attorney General in a speech in the House, and had written me a letter offering to furnish evidence, to appear before the committee. In response to this he appeared and asked an opportunity to examine the records in the Department of Justice, and that he might for that purpose be assisted by an attorney. This request was granted, and he employed as such attorney a former employee of that department, who was thoroughly familiar with these charges and actively hostile to the Attorney General. After he made an examination of the records in the department he appeared before the committee and repeatedly stated that he had no criticism to offer of the manner in which the cases were now being handled. He said they were being carried on by men of high standing and with the greatest expedition possible.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. WOODRUFF. I would like the gentleman to state also that while I was before the committee I did disclose to the committee the fact that the Wright-Martin case, the case of which I complained—

Mr. VOLSTEAD. I will discuss that, and give the gentleman an opportunity to answer if he desires.

Mr. WOODRUFF. Will the gentleman allow me to continue my question?

Mr. VOLSTEAD. I will deal with that case, and then I will give the gentleman an opportunity.

In line with his former complaints, Mr. WOODRUFF, however, sought to create the impression that prior to his speech in the House there had been too much delay in these prosecutions, and said that he had heard that somebody in the Department of Justice had told somebody some months ago that the so-called cantonment cases had been closed up; though they have since been sued. Mr. Goff, the Assistant Attorney General who had been in charge of these cases since the Attorney General was appointed, testified that they had been under constant consideration and that there had been no unnecessary delay.

As evidence of delay in the prosecution of the Wright-Martin Aircraft Co. case Mr. WOODRUFF pointed to the fact that though it was about a year since the War Department certified the claim against that company to the Department of Justice it had not yet been sued, though action was about to be brought. He seemed to think that as soon as a claim is sent to the Attorney General suit must at once be brought without any investigation as to whether there is any evidence to sustain an action or not. Possibly that might be good politics.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. The gentleman can explain later on. In this case it appears from the testimony that there has been considerable difference of opinion among the attorneys in the Department of Justice as to whether the Government could recover at all, but, of course, a small matter like that should not delay a little suit for \$3,000,000 depending only on a few wagonloads of figures. There is certainly no sense in having an audit based on the Attorney General's theory of the case, nor in doing any such foolish thing as to see whether there is any chance of having the case adjusted without suit, as was done in this case. It is clear that the Justice Department must not delay. It has no business to hesitate. He who hesitates is lost, and any Attorney General who arrogates to himself the right to use his own judgment rather than that of the War Department as to what suits he can maintain should be impeached. Why, he ought to bring his suit at once, and then send out and see if he can find any evidence to support it. He can not introduce the evidence anyway until the case comes for trial, and that takes months after the suit is brought. The trial of one of these suits does not cost so very much; perhaps a hundred thousand. It usually does not take more than three or four months to try one, and the Government is rich, it can stand it if a mistake is made because there has been no proper preliminary examination. The loss of a suit of this kind and \$100,000 in cost is nothing in these days when we talk billions.

But his chief complaint is that the Attorney General did not come to Congress in time to ask for more money with which to run the department. I admit that is serious. It appears from the testimony that he really tried to get along without making such a request. He actually called his force together and asked and secured their consent to work longer hours; and, though the usual quitting time in the departments has been 5 o'clock, his force uniformly worked until 7 o'clock in the evening, and many of them came back after the evening hour and worked much later. Can anyone believe that this was because of any devotion to the public service? Why, certainly not; it is a thing that must be stopped. But it would appear that it was the purpose of the Attorney General to continue this policy because, for fear the work might give out should some of the criminals escape, he asked and had Congress change the law so as to extend the time within which prosecutions could be had from three to six years. Every Attorney General or other Cabinet officer who tries to get along with what force he may have and does not ask for every cent that is in the Treasury ought to be impeached, but fortunately that is an offense that can not be charged against a great many public officials. I hope, however, that my friend will condone this offense, as he says he has no complaint of present conditions.

At the conclusion of the testimony offered by Mr. WOODRUFF the committee asked that the persons in the Department of Justice, who have been in charge of the various matters complained of, be sworn and examined on oath for the purpose of ascertaining if there was any reasonable ground to believe that any of the charges were true. A large number of such witnesses were so examined. From the nature of the charges it is evident that the evidence of such witnesses would in nearly all instances be controlling. No Attorney General is expected to have personal charge of any considerable number of cases pending in his department. The work must necessarily be done by district attorneys, assistants to the Attorney General, and other employees in the Department of Justice. It is evident that when a matter has been in charge of some particular

person he is the one who knows what has been done and what part, if any, the Attorney General has had in its management. The committee sought to get evidence on all the charges, except one or two, that were by unanimous consent considered too frivolous to merit attention. The taking of testimony was continued until all the members of the committee were apparently satisfied that nothing could be gained by any further hearing. A motion was then made to consider the hearings closed, and this was agreed to by a unanimous vote. Of course, this would not preclude the committee from reopening the hearings if any good reason should have appeared for so doing.

It is apparent that there was a design to make the investigation indeterminable and inconclusive by multiplying charges and demanding investigations that would make it impossible to reach a result. The specifications contain more than 50 different charges, and Mr. KELLER has repeatedly insisted on the right to file additional charges whenever he should see fit. In the investigation of these charges, and for the express purpose of enabling him to discover other causes of complaint, he made a demand upon the committee that it procure from the Attorney General all letters, telegrams, briefs, memoranda of conversations and conferences, reports of bureaus, investigators, and agents, and all other papers and documents of any kind whatsoever in the files of the Department of Justice or of said Harry M. Daugherty in connection with or in any manner related to some 147 different cases; and that in addition thereto the committee call upon the Federal Trade Commission for the production of all correspondence with the Department of Justice and of all papers, documents, and evidence transmitted by that commission to the Department of Justice since the 1st day of January, 1921; and that the War Department and the Navy Department be requested to produce all correspondence between those departments and the Department of Justice, together with all documents transmitted by those departments to the Department of Justice since the 1st day of January, 1920. To comply with such a request would have put the Department of Justice practically out of business and would have loaded this committee with records requiring years for it to consider. Mr. Howland, who appeared for the Attorney General, said, though he offered to furnish the committee anything asked for, that it would take a trainload to haul the mass of records demanded by Mr. KELLER from the Attorney General's office to that of the committee, and that it would require a lifetime to read them. Was there no sinister purpose in making such a request? Mr. KELLER knew that this was not a general investigation, and that he had no right to ask for any paper that he did not have reasonable ground to believe would prove some specific fact that had been alleged as an impeachable or criminal act.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. GARRETT of Tennessee. Do I understand, then, the attitude of the committee is to impeach Mr. KELLER?

Mr. VOLSTEAD. I do not think that is a pertinent question. Mr. KELLER has attempted to impeach the committee as well as the Attorney General, and I am simply calling attention to what he has done.

Mr. GARRETT of Tennessee. Well—

Mr. VOLSTEAD. I refuse to yield further.

Was the number of the charges against the Attorney General multiplied and the demand for documents made all embracing so as to enable parties interested in these cases to find out what evidence the Government had or what proceeding it contemplated? Is there not some reason to suspect that the Attorney General was correct in his suggestion that this demand must have been made for the purpose of enabling those who are being prosecuted, either civilly or criminally, to obtain information that would aid them in defeating the just claims of the Government? It has been repeatedly stated that Mr. KELLER had 14 different attorneys who all had volunteered to prosecute these charges without pay; are they really disinterested patriots or have they some ax to grind?

The purpose to prolong this hearing indefinitely appears not only from the number of the charges and the demand for documents but from what has taken place since the committee announced completion of the hearings. When the hearings were closed on the 21st day of December the committee publicly announced that it would meet on the 4th day of January to consider its report, and it was generally expected that the report would then be made. On that day Mr. Ralston, attorney for Mr. KELLER, Samuel Gompers, and the American Federation of Labor, who had bowed himself out of the committee room at the time Mr. KELLER made his exit with the statement that his con-

nection with the case had ended, wrote the committee a letter in which he announced his willingness to argue the question of whether certain of the charges stated an impeachable offense, and this he did despite his former refusal to argue any such question. On this same 4th day of January Mr. Untermyer had this same sort of an impulse. He, too, felt called on to write the committee. Of course no one has any right to surmise that it was more than an accident that these three things all occurred on the same day; but one thing appears quite certain, Ralston and Untermyer, despite the latter's denial of his relation to this investigation, have been among those chiefly interested in pushing it, and now both of them, on the day when they no doubt expected that their letters could not reach the committee until after the committee would have made its report, are bidding for a reopening of the hearing. There had been ample opportunity to present their petition at an earlier date. The committee is not in need of Mr. Ralston's advice. He has not shown any special desire to assist the committee, and so far as is known he has no knowledge that the members of the committee do not possess. Mr. Untermyer in his letter says that he knows nothing about any of the charges except those relating to the cases he turned over to the Attorney General as counsel for the Lockwood committee.

He does not claim that the Attorney General's conduct in regard to these cases is impeachable. His malice against the Attorney General would, I am sure, help persuade him that it is. Still, he says in the letter that—

It may be that they are not impeachable; I don't know. I have not at any time expressed an opinion on that subject.

But he insists that the committee should nevertheless enter into an investigation, a thing it has no power to do unless the charges are impeachable. He scolds and abuses the committee because it has not done what he concedes it may not have the duty or power to do. The cases that he refers to were promptly turned over to Colonel Hayward, district attorney of New York, who appeared before the committee and testified. He said that he had made an examination of all these cases, and for that purpose asked and obtained from the Attorney General a large force of investigators; that the Attorney General had given him every possible assistance; and that in a number of these cases suits and prosecutions had been instituted, some of which are pending. In other cases decrees or convictions have been secured. In these prosecutions violators of the Sherman antitrust law have for the first time been sent to prison, though that law has been on the statute books for more than 30 years. The testimony of Mr. Hayward might indicate that Mr. Untermyer may have had a motive for his attack. He is an assistant attorney general for the State of New York. As such I presume it is his duty to prosecute violations of the New York statute. Mr. Hayward says that a number of the cases that Mr. Untermyer turned over to the Attorney General were State and not Federal cases. If this is true—and there can be no doubt about it—his attack looks a good deal like an attempt to pass the buck to divert attention from his own delinquency. Why should not Mr. Untermyer be impeached for the same reason that he urges the impeachment of the Attorney General?

Now, I would like very much to go through all of the evidence, but there is not time to do it in such a way as to give the House any insight into the charges and the testimony relevant to them. I simply want to say this, that so far as I am aware, there is not one member of the Committee on the Judiciary that believes that the evidence sustains a single charge impeaching Harry M. Daugherty, whether he is a Republican or a Democrat.

It seems to me that the resolution that I am going to offer ought to pass unanimously. The suggestion that we ought to continue this investigation rests upon nothing but politics. The presumption is that a man is not guilty. We have made a careful investigation and nothing has been developed from any source, nothing has been developed from those who have made charges, they have absolutely refused to give us any information, they are trifling with this House and are insulting this committee charged with the investigation. There can be but one course for this House to pursue, and an investigation that is neither justified by anything that has been accomplished or by anything that can be accomplished. No one has or can point to a single offense capable of proof. The resolution should be passed. [Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield now?

Mr. VOLSTEAD. Yes.

Mr. GARRETT of Tennessee. The gentleman is aware, of course, that under the rules of the House an adverse report by a committee upon a proposition before it sends that to the table. Now, why is it that the gentleman's committee, having

reached the conclusion and having made the report adversely, places this upon the calendar and then asks us upon this solemn matter of impeachment to vote on the question as to the finding of facts? Why is not the gentleman content to let the matter die without having the House vote upon it?

Mr. VOLSTEAD. I was not aware that the House had any objection against passing upon it. In the first place, I think, as you, that these are solemn charges, and if they are not true they ought to be disposed of; the House ought to be willing to take time to consider them and vote upon them.

Mr. GARRETT of Tennessee. Never before in an impeachment case, where the resolution of impeachment has been reported on adversely, has the House been called upon to pass upon it.

Mr. VOLSTEAD. Well, I have not examined all the precedents, possibly you have.

Mr. GARRETT of Tennessee. The gentleman knows the facts. Many of us do not know the facts. Why should we have to vote upon the question of fact?

Mr. VOLSTEAD. I do not think that is true, if the gentleman will pardon me. I think in many cases we are called upon to vote upon facts. We are called upon to do that whenever there is a contest for a seat in this House; we take the testimony in those cases in the way we have taken it in this case, and that testimony must be considered by the House. [Applause.]

Mr. GARRETT of Tennessee. That is a different proposition.

Mr. VOLSTEAD. Mr. Speaker, I reserve the balance of my time.

Mr. J. M. NELSON. I should like to ask the gentleman a question, Mr. Speaker.

The SPEAKER. Does the gentleman from Minnesota yield to the gentleman from Wisconsin?

Mr. VOLSTEAD. I reserve the remainder of my time.

Mr. THOMAS. Mr. Speaker, I desire to offer an amendment to the resolution.

The SPEAKER. The gentleman offers for information an amendment to the resolution, which the Clerk will report.

The Clerk read as follows:

Resolved, That the Speaker of the House appoint a special committee to inquire into the official conduct of Harry M. Daugherty, Attorney General of the United States, and report whether in their opinion the said Harry M. Daugherty has been guilty of any acts which, in contemplation of the Constitution, are high crimes and misdemeanors requiring the interposition of the constitutional powers of this House.

Mr. MONDELL. Mr. Speaker, I reserve a point of order against the amendment.

The SPEAKER. The amendment is only read for information.

Mr. THOMAS. I yield 20 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House, I shall not undertake to discuss the details of the report exhaustively, as the gentleman from Minnesota [Mr. VOLSTEAD] has done, but my disagreement to the concluding portion of the majority report is so strong that I can not consent to permit it to go into the Record without a denial of the proposition announced therein.

On page 3, the committee concludes as follows:

Your committee is of the opinion that Mr. KELLER was legally required to obey said subpoena and that the excuse he submitted through his said attorney is without any merit; that the House of Representatives possesses the power to cause him to be arrested and confined in prison until he shall consent to testify, such confinement not to extend beyond the term of this Congress, and power to otherwise deal with him so as to compel obedience to the summons.

The gentleman from Minnesota [Mr. KELLER] is a Member of this House, and the resolution of impeachment, which is the basis of the committee's action, was first presented by him on the floor of the House.

Mr. Speaker, I challenge the conclusion of the committee and deny the authority claimed to inhere in the House.

Mr. Speaker, my regret that the committee arrived at such a conclusion is heightened by the fact that the view of the committee is supported by a very learned and exhaustive brief prepared by my colleague [Mr. SUMNERS of Texas]. But in view of the fact that the action of the committee, unless challenged, may perhaps be cited as a precedent in future cases of a similar character, I can not in obedience to my sense of duty fail to embrace this opportunity to refute it. The majority in their brief take the position that the principle of parliamentary privilege as known under the Constitution and as provided in section 6 of Article I was adopted from the British parliamentary system, and that therefore American parliamentary privileges are the same as the British, and that under the British system

the privilege from arrest guaranteed to members did not apply in behalf of a member as against the Parliament itself. Coming to that conclusion, they hold to the view that, therefore, the privilege of freedom from arrest attaching to a Member does not attach to him in any proceeding in which the House is the actor.

At the outset I should like to observe that gentlemen must remember that the British Parliament was absolutely omnipotent. No written constitution limited its powers. Under the British system the Parliament's dictum amended the British constitution. The laws of Parliament themselves are in fact the British constitution. There is no higher British law, no limitation on its authority. The law of Parliament is paramount. British parliamentary privilege was created by Parliament and could be changed or modified at its will. Though it might create parliamentary privilege, it could at its will violate or destroy that privilege, because the latest expression of its will is the supreme law of England.

The brief prepared in support of the contention of the committee quotes from Blackstone the following comment on the privileges of Parliament:

It is in the power of the Parliament and doth not bind the Parliament itself.

In other words, it is in the power of Parliament to make or to unmake, to create or to destroy. And being within the power of Parliament, privilege does not bind Parliament, because merely by its will does it exist at all, and being subject to its will, it does not, of course, bind Parliament when it wills otherwise.

But under the American system of a written Constitution the limitations of power provided by the people in the Constitution attach as well to the Congress as they do to the other branches of the Government. The Supreme Court of the United States well said in *Hepburn v. Griswold* (8 Wallace, 611):

The Constitution is the fundamental law of the United States. By it the people have created a Government, defined its powers, prescribed their limits, distributed them among the different departments, and directed, in general, the manner of their exercise. No department of the Government has any powers other than those delegated to it by the people. All the legislative power granted by the Constitution belongs to Congress, but it has no legislative power which is not thus granted. And the same observation is equally true in its application to the executive and judicial powers granted respectively to the President and the courts. All these powers differ in kind but not in source or in limitation. They all arise from the Constitution and are limited by its terms.

It may also be observed that not even are all powers of government distributed among the three branches of the Government. The tenth amendment to the Constitution provided that—

The powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States, respectively, or to the people.

The decision of the Supreme Court and the amendment just quoted clearly illustrate the fundamental principles that must govern in an examination of constitutional authority.

If the court was correct when it said—

All the legislative power granted by the Constitution belongs to Congress; but it has no legislative power which is not thus granted—

Where but in the Constitution are we to search for the powers which it may properly claim? Where shall we look for its power over its Members? Where shall we look for a definition of parliamentary privilege guaranteed to its Members? Was congressional privilege created by Congress or by the Constitution? Is it "in the power of the Congress and doth not bind the Congress itself" or is it in the Constitution and being there "doth bind the Congress"? Parliamentary privilege is not the creature of the Congress; its claim for existence is the same as that of the Congress itself—the Constitution. Parliamentary privilege and the Congress emerged from the Convention Hall in 1787 side by side. The Congress can no more rightfully destroy or deny the privilege that under the Constitution attaches to a Member than it can lawfully enact an ex post facto law. It has no power to do either. Congress did not make parliamentary privilege; neither can Congress unmake it.

What are the sources of the power of Congress in this regard? Section 6 of Article I of the Constitution provides:

They—

That is, the Senators and Representatives—

shall in all cases, except treason, felony, and breach of the peace, be privileged from arrest during their attendance at the session of their respective Houses, and in going to and returning from the same.

The courts have held that by the language—

treason, felony, and breach of the peace—
are meant indictable crimes; in other words, that the parliamentary privilege does not protect a Member against arrest for

an indictable crime. The majority of the committee also contend that this privilege does not protect a Member against arrest by the House of which he is a Member for failure to testify before a committee of the House.

Now, the grants of power to the House over its membership are contained in other sections of the Constitution.

Section 5 of Article I provides:

A majority of each (House) shall constitute a quorum to do business; but a smaller number may adjourn from day to day, and may be authorized to compel the attendance of absent Members, in such manner, and under such penalties, as each House may provide. Each House may determine the rules of its proceedings, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expel a Member.

My contention is that in construing constitutional grants the construction adopted must be such as to harmonize and give effect to all portions of the instrument, although they may seem to be contradictory. Such a construction of the Constitution would establish parliamentary privilege in the exact language of that particular grant, except in so far as it is limited by the other provisions of the Constitution which provide that the Congress may require the attendance of Members, may punish them for disorderly conduct, or may expel them by a two-thirds vote.

My contention is that, with those specific exceptions which the Constitution points out, the parliamentary privilege attaching to any Member is as good against the action of this House as it is against any other branch of the Government. Why? Why the rule of parliamentary privilege? Parliamentary privilege is not simply a privilege of the body itself. It is not simply a privilege that this body can assert in order to prevent some other branch of the Government or strangers from interfering with the deliberations of this body; but parliamentary privilege is also a personal privilege, established for the protection not only of the Member himself but for the higher purpose of preventing his constituents from losing their representation in this body through interference with the person of their Representative.

Now, if this House, according to the view of the Judiciary Committee, has the power to imprison the gentleman from Minnesota [Mr. KELLER] for his refusal to appear as a witness before the Judiciary Committee, it may imprison him in the common jail of the District of Columbia until the end of this Congress. That imprisonment would amount to the deprivation of representation in this body of the people whom Mr. KELLER represents here. But gentlemen may say, "Has not Congress the right to expel a Member?" Congress has the right to expel a Member, because that power is expressly granted under the Constitution, but when that Member is expelled his constituents have the power and the right under the Constitution to elect a successor to represent them here. But when the House of Representatives asserts the right to take from this floor a Member who represents 200,000 or 300,000 people and incarcerate him in the public jail and prevent the exercise of his duties on the floor of this House, because he refuses to testify before a committee, it violates the very principle upon which the constitutional privilege was established. [Applause]. It violates the right of the Member and, through depriving his constituents of his services, denies them opportunity to choose another to serve in his stead.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit an interrogation?

Mr. CONNALLY of Texas. Very briefly. I am pressed for time.

Mr. GRAHAM of Pennsylvania. When the House proceeds against a Member for disorderly conduct, may they not take him from the floor of the House and dispose of him so that he shall not represent his constituency?

Mr. CONNALLY of Texas. By expelling him; yes. I have just said that that power was expressly granted.

Mr. GRAHAM of Pennsylvania. Then will you answer one more question?

Mr. CONNALLY of Texas. Yes.

Mr. GRAHAM of Pennsylvania. You have read the clause of the Constitution which says that protection is granted from arrest except in cases of treason, felony, and breach of the peace?

Mr. CONNALLY of Texas. Yes.

Mr. GRAHAM of Pennsylvania. Are you not aware that that is a provision for the protection of the House and not the protection of the Member?

Mr. CONNALLY of Texas. I have just stated to the gentleman—

Mr. GRAHAM of Pennsylvania. And has no application to the case of Mr. KELLER.

Mr. CONNALLY of Texas. Of course, I do not enter a constitutional combat with the gentleman from Pennsylvania with any degree of boldness.

Mr. GRAHAM of Pennsylvania. We will waive that.

Mr. CONNALLY of Texas. I will suggest to the gentleman from Pennsylvania that I had just observed a moment ago that the House could expel a Member, because the power was expressly granted in the Constitution in so many words. If the gentleman will wait a moment, I shall remind him that I had laid down the proposition that the House may punish a Member for disorderly conduct, and the source of the power is found in the Constitution, wherein it says in so many words that the House has the power to punish for disorderly conduct, but that grant is limited by its own terms, as well as other parts of the instrument.

Mr. GRAHAM of Pennsylvania. Does not this case come under that? Is it not disorderly conduct when a subpoena has been signed by the Speaker of the House and served upon him and he does not answer?

Mr. CONNALLY of Texas. The gentleman asserts that the House has the power to arrest and imprison Mr. KELLER on the ground that he is guilty of disorderly conduct?

Mr. GRAHAM of Pennsylvania. In refusing to obey a subpoena of the House.

Mr. CONNALLY of Texas. I do not yield any further. The gentleman propounded a question and I am going to answer. In what does disorderly conduct consist? What is the charge against the Member? Is it that Mr. KELLER made remarks against the Judiciary Committee which provoked an altercation? No; it is not that he fought or used rough language, but that he did neither. The charge is not that he made too much noise, but that he did not make any noise at all. The gentleman from Pennsylvania says he ought to be imprisoned because he did not appear and testify. In what degree could that be considered disorderly conduct? His failure to testify before the Judiciary Committee, according to the gentleman from Pennsylvania, would make him guilty of disorderly conduct and therefore subject him to imprisonment. Of course, even gentlemen who are not lawyers recognize that that announcement by the gentleman from Pennsylvania is not a reasonable one. I thought the gentleman assumed that the power claimed by the committee was based on the general principle that the parliamentary privilege was not good as against the action of the House in general.

As a matter of fact, the House has never claimed the power to punish a Member even for disorderly conduct except by censure of expulsion.

The clause in which it is provided that the Member can not be questioned in any other place for his action and speech here on the floor of the House, of course, is operative on agencies outside of this House. If the Member should be disorderly in the House, under the language of the Constitution conferring authority to punish disorderly conduct, the House could punish him, but in punishing him it must punish for disorderly conduct, not something else. And it is pertinent to observe just here that the specific grant of power to punish a Member for disorderly conduct, under a familiar rule of construction, impliedly excludes the power to punish a Member for any other cause. I want to suggest to the House that the freedom of speech also involves the freedom of silence. A Member has a right to speak or not to speak before the committees and on this floor.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. HARDY of Texas. Would it be possible for a man to be guilty of disorderly conduct by sitting in silence?

Mr. CONNALLY of Texas. No; except before the Judiciary Committee of this House. [Laughter.]

Mr. J. M. NELSON. And especially when he is so advised by his attorney.

Mr. CONNALLY of Texas. I do not think that affects it. But before I leave the questions propounded by the gentleman from Pennsylvania [Mr. GRAHAM] let me answer his suggestion that the constitutional privilege is a provision for the protection of the House and not the protection of the Member. If the privilege be merely the privilege of the House and not a privilege personal to the Member, for the benefit of himself and constituents, why does it extend to the Member not only during the session of the House but "and returning from the same"? After the House shall have adjourned the Member is protected during his return to his home and to his constituents. If arrested, must the Member remain in custody until Congress reconvenes and asserts its privilege? No; he asserts his own privilege by habeas corpus, if need be. May I refer the gentle-

man from Pennsylvania [Mr. GRAHAM] to Cooley on Constitutional Limitations, section 134, wherein it is said:

This—

A Member—

privilege is not the privilege of the House merely but of the people, and is conferred to enable him to discharge the trust confided to him by his constituents.

If the privilege attaches to the Member for the benefit of the people, is it not, then, the privilege of the people themselves? And that being true, does it not clearly follow that it is protected by the Constitution from the touch of Congress as well as from violation by other departments of the Government?

Jefferson's Manual is clear on that point:

This privilege from arrest, privileges, of course, against all process the disobedience to which is punishable by an attachment of the person, as a subpoena ad respondendum, or testificandum, or a summons on a jury, and with reason, because a Member has superior duties to perform in another place. When a Representative is withdrawn from his seat by summons, the * * * people whom he represents lose their voice in debate and vote, as they do on his voluntary absence. * * * The enormous disparity of evil admits no comparison.

No question absolutely similar in all respects to this case has ever been definitely determined in this House. Of course, you may find precedents where Members of the House have appeared before committees and testified voluntarily, but there is no precedent in the parliamentary history of the United States where a Member has been compelled to testify, except in the case of John Bell, a Member of this House from Tennessee, who finally testified, but testified over his protest. He did not refuse, and therefore the House was not confronted with the question of whether it would undertake to imprison him or to otherwise punish him.

John Bell, of Tennessee, in making his protest made a splendid and convincing argument in favor of the doctrine which I am undertaking to announce. It was during the administration of President Jackson. Bell had made a speech or address on the floor of this House. There was much talk and rumor about misconduct in the executive departments. President Jackson addressed a letter to a committee of the House suggesting that they bring before the committee gentlemen who had made speeches which charged corruption, and require them to testify. Evidently there then existed a purpose, just as there seems to be a purpose in this case, that if anyone lifted their voice here in the House in an attack on an executive department, the powerful influence of the executive departments should be brought to bear to induce some committee to hale before the committee the Member or Members and that the prosecution should be turned on them and that they should be heaped with obloquy and humiliation and made the real object of the attack; that they should be badgered and cross-examined as to their speeches and statements in the House.

Now, here is what John Bell said, among other things, in protest:

"I therefore protest against the course of the committee in subjecting me to such an examination as a private injury, a gross personal injustice, and an act, in its consequences to me, oppressive, tyrannical, and without any sufficient ground of public interest or necessity to justify it.

"I protest against it as an emanation of executive power and influence unconstitutionally exerted over the proceedings of the House of Representatives, an influence wholly incompatible with the due independence of Congress as a coordinate department of Government.

"I protest against it as a violation of my privileges as a Member of the House of Representatives, the committee having no rightful power to summon or examine me as a witness in the manner proposed. The Constitution declares (Art. I, sec. 6) in relation to this subject that—

for any speech or debate in either House, they—

"Members of Congress—

shall not be questioned in any other place.

"This protection will amount to nothing if I may be put upon trial before this committee and be required to answer upon oath as to the grounds upon which I have made statements of any kind in the House, and it is no argument against this objection to say that I may refuse to answer if I think proper.

"I have a right to be free from the conclusions which may be drawn from my silence when questioned under such circumstances.

"I protest against it as a proceeding in derogation of the fundamental powers and privileges of the House of Representatives. Public rumor, uncontradicted by any authentic denial, has heretofore been regarded as evidence sufficient upon which to found statements in debate and to institute inquiries into the abuses of public administration.

"In the House of Commons of Great Britain common fame is held to be sufficient evidence on which to found an impeachment. But who will hereafter enter freely into the debates of Congress upon the numerous questions connected with the purity of the administration? Who will incur the risk of being able to measure his language and qualify his assertions so exactly as to enable him to subscribe an affidavit as to their accuracy when called upon by a committee composed of a majority of his political opponents? I protest against the course of the committee as unprecedented, so far as I know, in the history of a free government; as a direct attack on the public liberty, inasmuch as the perfect freedom of debate in Congress is essential to its preservation; as a proceeding which could only originate or find countenance at a period when the principles of civil and political liberty are either grossly misunderstood or disregarded; as a proceeding fit only to be employed under an arbitrary government as the means of suppressing all inquiry into the abuses and corruptions with which it maintains its unjust authority, and upon these several grounds I might object to answer the interrogatory which has been propounded to me. Yet, as I am of the opinion that the unjust, unconstitutional, oppressive, and personal objects intended to be effected by the author of this proceeding, and the public injury consequent thereupon, would be rather promoted than defeated by my silence, I think proper under all the circumstances to waive all my privileges, whether attached to me as a citizen or as a Member of Congress, and to answer according to my best judgment as to all questions of mere opinion, and according to the best of my knowledge, information, and belief as to all matters of fact, except so far as I may think proper to withhold any matter of private confidence or the names of those from whom I may have received material information."

Mr. EVANS. Will the gentleman yield?

Mr. CONNALLY of Texas. I regret I have not the time. Gentlemen, I call your attention to the concluding language of the very able and learned brief presented by my colleague [Mr. SUMNERS], wherein he says:

Undoubtedly, circumstances and conditions may develop under which a Member should be privileged from testifying with regard to certain matters. It would seem clearly so with regard to confidential communications and the names of informants with regard to governmental matters, so that all those who may know facts of public importance which should be imparted will not be deterred from approaching a Member by fear of forced breach of confidence and resultant hurt from their superiors.

The gentleman concludes that the House has the power to arrest and imprison Mr. KELLER, but observes that undoubtedly circumstances and conditions may develop under which a Member should be privileged from testifying with regard to certain matters; that it would seem clearly so with regard to confidential communications and the names of informants with regard to governmental matters, so that all those who may know facts of public importance which should be imparted will not be deterred from approaching a Member by fear of forced breach of confidence and resultant hurt from their superiors.

In other words, he holds that the House has power to imprison, and yet that it should not imprison in certain specified cases. That situation suggests very strong reasons for the adoption of such a construction of the language, in view of what was in the minds of those who wrote the Constitution as will give life and vitality to the privilege rather than such a construction as will deny it. If Members ought to be protected as to confidential communications, if they ought not to stand in dread of the fact that information which they have elicited from private sources may be exposed, then there is all the more reason to assume that that thought was in the minds of the makers of the Constitution when they provided that Members should be privileged from arrest and from being required to testify before a committee of this House.

If language is susceptible of two constructions, that one must be adopted which will effectuate the purpose sought to be accomplished. The construction contended for by me gives effect to the privilege in the cases in which the committee says it should be effective; their construction denies the privilege in the very instances in which they assert it ought to protect the Member. May I observe that a liberal construction always should be employed in such cases.

Another rule of construction is that a grant of privilege should be liberally construed. (*Doty v. Strong*, 1 Pinney (Wis.) 88.)

Among the earliest cases in our jurisprudence it was so held in the case of *Coffin v. Coffin* (4 Mass. 1), in which the court said:

These privileges are thus secured not with intention of protecting the Members against prosecution for their own benefit, but to support the rights of the people by enabling their Representatives to execute the functions of their office without fear of prosecutions, civil or criminal. I therefore think that the article ought not to be construed strictly but liberally, that the full design of it may be answered * * *

While the language of the Constitution is itself clear, the contention which I maintain is strongly fortified by the rule, that even though the language were ambiguous, it should be liberally construed to give full effect to the privilege.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. THOMAS. Mr. Speaker, I yield five minutes more to the gentleman from Texas.

Mr. CONNALLY of Texas. Mr. Speaker, the responsibility of a Member of this House is primarily to his constituents. The functions which he primarily has to perform here are to represent the people of the United States and the people who sent him here. While he owes duties to this House, the power of this House over that Member is limited by the language of the Constitution, just as the power of the judiciary over that Member is limited by the Constitution, and the language of the Constitution is that a Member of Congress shall in all cases—not in some cases but in all cases—be privileged from arrest except in the case of treason, felony, and breach of the peace. You may read into that language the further qualification that he may be punished by the House for disorderly conduct, or may be required to attend the sessions of the House when the House has ordered that he attend. With those limitations the constitutional provision protects the Member against arrest in all cases—not in some cases, not in all cases except when he is called before a committee of this House, but in all cases.

Gentlemen are going to contend that under the British system that right was never successfully asserted as against Parliament, but that does not answer the question. The privileges of the British Parliament were much wider than the privileges of this Congress. The wives of members and their servants were subject to the same rule of privilege. A certain privilege attached to their property. Privilege under the British system was more or less uncertain and nebulous, and was kept so by Parliament itself, because Parliament could change it at will. There the doctrine of parliamentary privilege was not reduced to a grant in so many words, but it was a growth through a long period of years. Some new situation would arise in which a member of Parliament would claim a privilege, and Parliament, in examining that particular case, would pass upon it, and thus the privileges of Parliament under the British system grew up, just as did the common law of England grow up. It was a matter of growth; it consisted of many decisions and rulings scattered through the history of Parliament, and it can not be said that when we adopted the principle of privilege that we adopted the British theory of privilege in so many words, because under the British system it was not reduced to a code. When we adopted the doctrine of privilege we adopted it in the exact words of the Constitution, and in those words it was laid down clearly and distinctly, and they limit the Congress just as they limit the courts and the Executive.

The entire theory of the committee is based upon the erroneous assumption that privilege under the Constitution is identical with that under the British parliamentary system. We borrowed the "principle" of privilege, but we did not adopt either the language of Parliament or the principle itself in its entirety. The committee assumes that American privilege was identical with that of Parliament, and then undertakes to ascertain what the privileges of Parliament were at the time of the adoption of the Constitution and seeks to engraft them upon the Constitution as being what the Constitution in fact means. Privilege was neither identical under the two systems, nor does there arise any necessity for resort elsewhere than the words of the Constitution to ascertain its meaning.

Story lays down the rule that when words are plain and clear no necessity for aid from other sources for their construction arises (Story, sec. 401):

Where the words are plain and clear, and the sense distinct and perfect arising on them, there is generally no necessity to have recourse to other means of interpretation.

In other words, if the language of the Constitution is plain and unambiguous there is no occasion to resort to contemporaneous or prior construction to ascertain their meaning.

Commenting on contemporaneous construction, Story says:

Nothing but the text was adopted by the people. And it would certainly be a most extravagant doctrine to give to any commentary then made, and a fortiori, to any commentary since made under a very different posture of feeling and opinion, an authority which should operate as an absolute limit upon the text, or should supersede its natural and just interpretation. (Story, sec. 406.)

In the words of Story—"Nothing but the text was adopted by the people"—the people adopted the plain, simple language of the Constitution, unmodified by any precedent established under a different system and buried in the archives of Parliament.

We must remember always the difference between the American and the British systems. The English people constituted one nation and one government, and its Parliament was su-

preme. But when the makers of the Constitution met in Philadelphia there was great jealousy on the part of the States and among the people as to the powers of the government to be created. Here were 13 States, as well as the people residing in them, anxious to limit the powers of the Federal Congress.

They did not intend that even Congress should have the power to deny a State or a constituency representation on this floor. They provided that—

Representatives and direct taxes shall be apportioned among the several States which may be included within this Union—

And so forth.

The whole history of the making of the Constitution bears witness to the intent of the makers to guarantee and protect the right of representation and to limit the power of Congress over its Members and over the right of the people to be represented. It was well said in Hepburn against Griswold, already cited:

All the legislative power granted by the Constitution belongs to Congress, but it has no legislative power which is not thus granted.

All legislative power was possessed by Parliament, but that which was not conferred on Congress was reserved to and still resides in the people. The people granted to Congress only that degree of power over themselves or their representatives that was expressly conferred. The rest they reserved.

The lack of analogy between the privileges of Parliament and that of Congress may be otherwise demonstrated. In the case of *Kilburn v. Thompson* (103 U. S.) it was claimed that Congress possessed the general power of contempt. The claim that it did was based on the argument that the British Parliament from time immemorial had possessed such a power. In discussing the question the court said:

But the case before us does not require us to go so far, as we have cited it (a British case) to show that the powers and privileges of the House of Commons of England on the subject of punishment for contempts rested on principles which have no application to other legislative bodies, and certainly can have none to the House of Representatives of the United States.

We are of opinion that the right of the House of Representatives to punish the citizen for a contempt of its authority or a breach of its privileges can derive no support from the precedents and practices of the two houses of the English Parliament, nor from adjudged cases in which the English courts have upheld these practices. Nor, taking what has fallen from the English judges, and especially the later case on which we have just commented, is much aid given to the doctrine that this power exists as one necessary to enable either House of Congress to exercise successfully their function of legislation.

That case decided that Congress under the Constitution did not possess the general power of contempt over the citizen that the Parliament possessed. If the Constitution protects the citizen against Congress, why not the Member?

If no aid can be had from the precedents of Parliament, shall we resort to that source for weapons with which to destroy a privilege granted by the Constitution in clear and explicit language to guarantee to the people representation on this floor? Even under the British system it does not appear that Parliament ever imprisoned a member for failure to testify before a committee.

It may be noted that the brief relied upon by the committee quotes Sir Erskine Mays, *Parliamentary Practice*, page 523, as follows:

There has been no instance of a member persisting in a refusal to give evidence; but members have been ordered by the house to attend select committees. * * * On the 28th of June, 1842, a committee reported that a member had declined complying with their request for his attendance. A motion was made for ordering him to attend the committee and give evidence, but the member having at last expressed his willingness to attend, the motion was withdrawn.

Notice should be taken that the precedent here cited occurred as late as 1842, long subsequent to the adoption of the Constitution, and, of course, was not in the mind of the people when it was adopted.

Because in *Williamson v. United States* (207 U. S.) it is said:

* * * by text writers of authority in this country it has been recognized from the beginning that the convention which framed the Constitution, in adopting the words "treason, felony, and breach of the peace," as applied to the privileges of the parliamentary body, used those words in the sense which the identical words had been settled to mean in England.

The committee in effect argues that because the words "except treason, felony, and breach of the peace" are to be construed as having the same meaning that those identical words had in England it is therefore to be assumed that privilege in its entirety as it obtained in Parliament was bodily implanted in the Constitution without regard to the language of the instrument. The committee quotes the following:

By a resolution of the Commons, May 20, 1675, "That by the laws and usage of Parliament, privilege of Parliament belongs to every member of the House of Commons, in all cases except 'treason, felony, and breach of the peace.'"

Now, it is perfectly clear from that resolution of the Commons that, whatever the privilege of Parliament may have been, it was not available in cases of "treason, felony, and breach of the peace." But, on the other hand, does the resolution make clear what "privilege of Parliament" means? No; for that definition search must be made of "the laws and usage of Parliament" through hundreds of years. It was as variable as the circumstances of the times required.

The Constitution of the United States defined privilege, and then excepted "treason, felony, and breach of the peace," and the court held that the exception meant what the words meant in England and America at the time they were adopted here. Whatever privilege was in England, whatever it is here, whether like or unlike, it is not available as against "treason, felony, and breach of the peace." There is nothing in the decision that warrants an assumption that the court went further than that.

On the other hand, it can be clearly established that the Constitution did not bodily, in *haec verba*, or literally adopt British parliamentary privilege. As has been already observed, in England privilege attached to the wives and servants of members; here it does not. There, in some cases, it attached to the property of members; here it does not. There the member was protected for a certain or fixed time after adjournment and before the meeting of Parliament. Here the time is "a reasonable" time, dependent on circumstances. Other differences might be pointed out, but it is believed these are sufficient to prove that they differ widely.

The language of the Articles of Confederation covering privilege was as follows:

Freedom of speech and debate in Congress shall not be impeached or questioned in any court or place out of Congress, and the Members of Congress shall be protected in their persons from arrests and imprisonments during the time of their going to and from and attendance on Congress, except for treason, felony, or breach of the peace.

This language differs even from that of the Constitution. In addition to changes of form and language the words "they shall in all cases" were introduced. They were introduced for a purpose. The variation in language and the introduction of new terms proves that neither provision was adopted literally from England. But the fundamental difference between parliamentary and congressional privilege lies in the fact that parliamentary privilege, according to Blackstone: "But the maxims upon which they proceed, together with the method of proceeding, rest entirely in the breast of Parliament," while congressional privilege "lies in the breast of the Constitution" and not elsewhere. The Parliament could make privilege what it desired—being supreme, it neither desired nor could protect itself or its members against itself. Any statute which it passed was law. No supreme court could declare its acts unconstitutional or beyond its powers.

Now, let me suggest that if the makers of the Constitution intended to adopt literally the privileges of Parliament, if they wished to lodge congressional privilege "in the breast of Congress" as it in England rested "entirely in the breast of Parliament," why did not the convention of 1787 to section 5 of Article I, "Each House shall be the judge of the elections, returns, and qualifications of its own Members," add the following words: "and of its own privilege and the privilege of its own Members"? That would have constituted a simple and clear method of vesting authority in the Houses. Or, if it had been desirable to require joint action of the Houses, the following provision would have sufficed:

The Congress shall determine its own privilege, that of the respective Houses and the privilege of the Members of the two Houses.

The best answer as to why that was not done is that the makers of the Constitution did not want to do that thing; they did not want to place the power "in the breast of Congress." That was the very thing they did not want to do. That was the very thing they wanted to prevent. And so they put it in the breast of the Constitution, where neither the Congress nor the courts nor the Executive could touch it. They were getting away from governments that rested in the breasts of kings, and in the breasts of lords, and in the breasts of Parliaments, upon whose unbridled will there was no written constitutional limitation; and they had determined that each and every department of the Government which they were creating should have limits to its authority set down in written form in the Constitution that was to be the covenant of the American people, both as between themselves and as between themselves and those who should hold places of authority in the Government which it established.

They had gotten rid of a king. It was no longer necessary to guard against the tyranny of kings; but there arose a new necessity to guard against the tyranny of governmental agencies which they were setting up, a necessity to guard against the tyranny of the courts, of the Executive, and of the Congress.

The people were as anxious to prevent Congress from depriving them of representation through the arrest of their Member or Members as they were to prevent the courts from doing so.

Mr. EVANS. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. Briefly.

Mr. EVANS. Is it the position of the gentleman that disobedience of a subpoena issued by the House for a Member is not punishable, or only that it is not punishable by imprisonment?

Mr. CONNALLY of Texas. My investigation has not been exhaustive as to that phase of the matter, nor have I sought to make the distinction that the gentleman does, because I have been chiefly concerned with the imprisonment feature, since that is covered in the report of the committee. On principle, however, I would say that the House could not punish at all for failure to testify. But regardless of that question, I do without hesitation assert that the House has no power to imprison a Member because he remains silent, and that is what the committee in its report says the House has the power to do. It certainly could not attach and imprison him.

Mr. Speaker, may I, in conclusion, for a moment point out the fundamentals that underlie the views I have sought to maintain? Congressional privilege is the creature of the Constitution and imposes a limitation on the power of the Houses of Congress, as it does upon the powers of the judiciary and the executive; that the words "in all cases" protects the Member from arrest in every conceivable case except those mentioned in that clause or elsewhere in the Constitution. The privilege attaches not alone to the House itself but is personal to the Member, both for his own freedom and as a guaranty that his constituents may not be deprived of their representation, and it may be asserted against the House itself. The rules of construction should be liberal in order to make effectual the grant of privilege. American privilege is not the counterpart of the British. Only the "principle" of privilege and not the definition of privilege came from England. In the United States it doth not, as in England, "lie in the breast of Parliament," but resides in the Constitution and nowhere else. It differs as widely from the British as does our system under a written constitution differ from the British system under an unwritten constitution that rests in "the breast of Parliament."

If this House possesses the power to imprison the gentleman from Minnesota [Mr. KELLER] for failure to give testimony before a committee, and that power is not derived from some grant in the Constitution but is inherent in the House independently of the Constitution, and if the Member is invested with no constitutional protection which he can invoke against the will of the House, why can not a majority of the House at its will imprison a troublesome or embarrassing minority and take the minority Members from the floor? For if the power of the House over its Members is not limited by the Constitution, if they possess no freedom from arrest which they may assert against the House, then it may imprison them, not alone for failure to testify before a committee but for any other cause that may suggest itself to the whim of the majority; they have no redress because they may not urge freedom from arrest against the House. Let us assume another case. The Constitution requires a two-thirds vote to expel a Member, but if the Judiciary Committee is correct in its view a bare majority may imprison a Member for the entire life of a Congress.

On the other hand, let me suggest a case in which a constitutional amendment is about to be voted upon—two-thirds, not of the entire membership but only of those present, if a quorum, is required for passage. Would it not be possible for a majority to imprison sufficient Members of the minority to turn the majority into two-thirds of those present?

But gentlemen may say, "Those are extreme cases and may not arise." True, they are extreme cases; but it was for extreme cases that constitutional guaranties were provided. They were fashioned not merely for fair weather but for stress and storm and tempest. Others may say, "No majority would be so tyrannical." But we must not forget that it was to prevent tyranny—to make it impossible, not merely improbable—that human rights were protected by our written Constitution. Constitutional limitations only interfere with those across whose pathway they stand. If there is no limitation on the power of the House in dealing with its Members, what are to be said of the other constitutional guaranties against depriving him of his liberty without due process of law and against unreasonable searches and seizures? If the House may search his mind, why not the house or pocket of a Member?

Mr. Speaker, I trust this House will never announce the monstrous doctrine that it is above the Constitution, that a Member

is not protected by that instrument against its aggression; that it will never assert that at the instigation of Members on this floor, or at the instigation of Executive influence or any other influence outside of this Chamber, any committee of this House, or a partisan or angry majority of the House itself can be invested with the power to issue its writs signed by the Speaker and imprison Members in the common jail or other place of confinement simply because they have elected to stand upon their rights and to say nothing when brought before a committee. Just as no power outside this House can cross its portals and question what is said or done here—just so this House should not be allowed to cross the portals of the conscience of Members and with the implements of inquisition punish them for choosing to remain silent. The privilege of free speech involves alike the privilege of silence; there can be no freedom without the liberty of choice. A Member can not be compelled by this House or by a committee of this House to testify unwillingly. [Applause.]

Mr. THOMAS. Mr. Speaker, I yield 30 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, I had not intended to occupy any time in this discussion. The facts developed by the committee, I assume, will be discussed by the chairman of the committee and by the gentleman from Kentucky [Mr. THOMAS], who has filed a minority report. My own views and position with regard to the pending resolution have already been made public. While I have the floor, however, I will briefly restate my position.

I agree that the evidence which was adduced before the Judiciary Committee does not warrant an impeachment of the Attorney General, and certainly no presumption should operate against the Attorney General merely because many charges were preferred against him. But that does not, in my judgment, justify an affirmative finding such as the majority of the committee has made that these charges were not true with regard to which no prosecution or examination of the character ordinarily employed took place. Only three specifications had been examined when the character of proceedings changed. The prosecutors withdrew. The legal representative of the Attorney General remained. From that time on, with only unimportant exceptions, if any at all, the testimony with regard to these charges against the Attorney General came from the office of the Attorney General and from witnesses called by the legal representative of the Attorney General. Whatever may have been the disposition of the committee, it proceeded without proper equipment to test this information by an intelligent examination or to discover facts, if they existed, to refute it. It was largely an ex parte proceeding as to the charges, except the first three considered, as I view it, leaving the matter too imperfectly explored to warrant a finding as of facts proven with reference thereto.

I want to be fair to the Attorney General. I repeat that the fact that these charges were filed should create no suspicion that they are true. It is the affirmative finding as of fact that they are false to which I can not agree, because, as I see it, neither the truth nor falsity of those charges was established.

During the course of the proceedings I was asked to examine and report with reference to certain constitutional questions raised by virtue of the failure of Mr. KELLER, a Member of the House, to respond to the subpoena of the House requiring his appearance as a witness before the Judiciary Committee. I complied with that request. I have no pride of authorship in the matter, but I agree with my colleague from Texas [Mr. CONNALLY] that it is rather important whether or not it shall be established as a precedent that a Member of the House, possessed of information valuable to the House in the discharge of a public duty, shall be permitted to lock that information in his own breast and defy all the processes of the House, to the public injury. But I do not agree with my colleague that it should be established as a precedent that the Member has that power. I do not believe such a precedent would be according to law or in line with sound public policy. I agree that the duties of the individual to his constituency are important. Each constituency is interested in the presence of its Member. Each constituency is also interested in the general efficiency of the legislative branch. There is no conflict between the duty of the Member to represent his constituency and the duty of the Member to contribute what he knows to the general public benefit, unless he himself establishes that conflict.

At this time I would like it clearly understood that what I shall say has no application particularly to the failure of Mr. KELLER to appear. I did not vote for the report of the Judiciary Committee. I do not feel unkindly toward him. I sat on the side and watched the performance, as it were, and I

did not get angry at him, as did some. However, I have the interest which I have just stated. In the time that I have at my disposal I shall not be able to analyze this question, but I shall file the brief referred to, which I hope the Members of this House will read. At this time I shall touch only the high points.

The Constitution provides that in all cases, except treason, felony, and breach of the peace a Member of the House shall be free from arrest during his attendance on the session and going to and coming from the House. I lay down this proposition and I challenge anybody to refute it. If that provision of the Constitution is operative against the Houses of Congress, the House can not arrest a Member of the House for any offense. The language is as plain as it can be, "in all" cases, except three, with regard to neither of which does the House have any jurisdiction other than legislative.

Now, the Constitution provides that the House may punish for disorderly behavior, but there is no express grant of power in that provision to arrest, and I challenge any lawyer on this proposition, if the arrest clause is operative against the House no implied power can be admitted. You can not imply power to do that against which a double negative is expressed. That clause says "in all" cases, except treason, felony, and breach of the peace. Every lawyer knows that the enumerated exceptions exclude others. So we have a double negative against any assumption of an implied power to arrest a Member for disorderly behavior if the position of my colleague is sound. We are talking of constitutional powers. I challenge any lawyer on that proposition. How could you get an implied power against a double negative interposed against that power? This provision in our Constitution was taken from the law of Parliament, as you will observe when you examine the brief.

At the time we adopted this provision into our Constitution—and I challenge anybody in this House on this—no Member of Parliament had a single privilege which he could claim against the House of which he was a Member. The Supreme Court of the United States has declared, and Story so announces in his work on the Constitution, it is elementary that when a law is borrowed from another jurisdiction it comes into the jurisdiction in which it is incorporated with the constructions and modifications which were operative at the time it was borrowed. Elementary writers and the courts agree that a Member of the House acquired no privilege under this provision of the Constitution which the member of Parliament did not enjoy at the time it was incorporated into our Constitution. From the beginning of Parliament there never has been a challenge of the power of the Houses to control and compel the attendance of their respective members.

The precedents show that from time immemorial the Houses have exercised that power. My friend from Texas [Mr. CONNALLY] cites the case of Bell. Bell interposed an objection, but he testified under protest, and the remarkable thing about his objection was that he claimed it was an intrusion of the Executive into the internal affairs of Congress. That was the chief ground of his objection. That was a good objection if sustained by the facts. Parliamentary privilege was established to keep out both the executive and the judiciary and to leave all internal matters to congressional control. Parliamentary privileges grew up in those days when the Houses of Parliament, and especially the Commons, were fighting the battles of the English people against the tyranny of the Crown. They surrounded themselves with these parliamentary privileges, beyond the bounds of which neither the Executive nor the judiciary could go, and never in one single instance in this government of the two Houses of Great Britain did they permit the interposition of the executive power or the direction of the judiciary. Why, that is the philosophy that makes workable this scheme of government of coordinate branches.

What would my distinguished friend from Texas have? He would have the judicial branch of the Government come into the very heart of legislative control and interpose the power of the judiciary and override the will and the judgment of the House seeking to discharge a high constitutional duty with regard to impeachment. I am opposed to establishing such a precedent. I want the executive and the judiciary to stay out. I am talking purely now about constitutional privilege. When it comes to the question of putting a man in jail that is a different question that addresses itself to the conscience and judgment of the House. I believe the House of which I am a Member is just as honest and conscientious and capable of rendering a fair and honest judgment as any court that ever sat in the world. [Applause.] Whenever I am afraid to leave to the men

with whom I sit side by side the question of whether or not I should go to jail or testify I will quit this body. The committee can not send anyone to jail; only the House can do it. There never was a day, there never was a minute, in any government organized along the line of this Government that you could permit a thing like that which is claimed. A government of coordinate branches could not live; we would become subordinate to the judiciary.

Blackstone lays it down as fundamental that whatever thing arisen in each House shall be adjudicated there and nowhere else.

I am surprised that my distinguished friend from Texas, a man who sits in this House, in view of the battles that have been fought by the Commons in the history of old England, and in view of the position which our ancestors have taken, that the Houses, the legislative branch of this Government, shall be free from judicial interference, would be willing to open the door that has been barred for these hundreds of years against judicial interference and confess to the world that he is unwilling to risk the judgment of his colleagues, men of integrity, men who are interested in preventing the establishment of a precedent that would interfere with a Member representing his constituents. Do not you think every man who sits on this floor is interested in preventing the establishment of a precedent that would interfere with his opportunity to represent his constituents? Here is the place for the judgment to be. We are the most capable of judging. That is why the framers of the Constitution left the right to judge where they found it in the English system. They took no chances. They lifted bodily the law of privilege as to arrest from the English system and embodied it in our Constitution. We are not going to establish precedents which will hurt the independence of the Member, nor will we give to him an unnecessary privilege which will hurt the House in the discharge of its constitutional duties.

Mr. Chairman, I have no interest in this matter which is not shared by every Member of this House. For whatever it may be worth I submit the brief referred to in which I have undertaken to discuss this question in some detail:

BRIEF BY HON. HATTON W. SUMNERS IN RE CONSTITUTIONAL QUESTIONS RAISED BY THE REFUSAL OF THE HON. OSCAR E. KELLER TO OBEY THE SUBPENA OF THE HOUSE DIRECTING HIM TO APPEAR AND TESTIFY BEFORE THE JUDICIARY COMMITTEE OF THE HOUSE.

On the 11th day of September, 1922, the Hon. OSCAR E. KELLER, a Representative in Congress from the fourth district of Minnesota, preferred impeachment charges against the Hon. Harry M. Daugherty, Attorney General of the United States. On the same date House Resolution 425, together with such charges, was referred to the Judiciary Committee of the House of Representatives.

On the 1st of December, 1922, at the request of the Judiciary Committee, the Hon. OSCAR E. KELLER filed specifications.

On the 12th day of December, 1922, hearing of testimony on specification No. 13 was begun. At the conclusion of the hearing on the next charge considered, No. 4, the Hon. OSCAR E. KELLER filed a written statement with the committee, challenging its good faith, stating that he would not further proceed before the committee, and withdrew from the Chamber. Thereupon a subpoena, signed by the Speaker of the House, was issued and served by the Sergeant at Arms of the House upon the Hon. OSCAR E. KELLER, commanding him to appear as a witness before the Judiciary Committee of the House, which subpoena he disregarded.

His attorney, appearing before the committee, advised the committee that the Hon. OSCAR E. KELLER had determined not to appear as a witness, claiming that his privilege as a Member of the House protects him against all compulsory process of the House.

An examination of the American precedents and of the decisions of our courts discloses that the issue here raised, while not a new one in so far as the exercise of power on the part of the Houses of Congress is concerned, has never been directly passed upon by either House of Congress, by the Supreme Court, or by any other court in so far as I have been able to ascertain.

The precedents disclose, however, that each of the Houses of Congress, as occasion has developed, has proceeded to summon its respective Members as witnesses before its committees. In only one instance has a Member raised the question of his privilege to disregard the summons of his House. In that instance the issue between the House under its claim of power and the Member under his claim of privilege was avoided by the appearance and testimony of the Member, under protest.

It is to be borne in mind that the claim of privilege under consideration, as made, is not one addressed to the discretion of the House. It is a claim of privilege made against the House, a claim of constitutional privilege, which challenges the jurisdiction of the House and indicates a purpose, in the event of attempted coercion on the part of the House, to appeal to the judicial branch of the Government against the House, alleging an attempt on the part of the House to exercise a power denied to it by the Constitution.

Looking to the Constitution itself, we find the declaration of congressional privilege with reference to arrest to be stated in this language:

"They (the Senators and Representatives) shall in all cases, except treason, felony, and breach of the peace, be privileged from arrest during their attendance at the session of their respective Houses, and in going to and returning from the same; * * * (Art. I, sec. 6, Const.)"

At common law, "breach of the peace" meant a breaking of the public peace. Blackstone tells us that:

"Felony in the general acceptance of our English law comprises every species of crime which occasions at common law the forfeiture of lands and goods. This most frequently happens in those crimes for which a capital punishment either is or was liable to be inflicted. (Blackstone, vol. 4, p. 94, Tucker's edition.)"

"This privilege from arrest privileged them, of course, against process, the disobedience of which is punishable by attachment." (Story, p. 860.)

The determination of the question whether or not the House can compel its Members to testify before its committees depends upon whether the clause of the Constitution just quoted is operative in favor of the Member against the House of which he is a Member, or was intended as a privilege of Congress operative only in behalf of the Houses of Congress and their respective Members against outside interference.

It is an interesting and, as we shall discover, an important fact, that this provision of our Constitution was borrowed from the law of the British Parliament, or rather we borrowed from that law its formula, of ancient origin, by which, from time immemorial, the British Parliament had declared its privilege with reference to arrest.

We find upon an examination of British precedents one decision—I quote from the great English authority, Sir Erskine May, in his *Parliamentary Practice*, page 112, discussing the privilege of members of Parliament with reference to arrest:

"In Larke's case, in 1429, the privilege was claimed, 'except for treason, felony, or breach of the peace.'"

And in the famous Thorpe case:

"The judges made exceptions to such cases as be 'for treason, or felony, or surety of the peace.'"

And

"By a resolution of the Commons, 20th May, 1675, 'that by the laws and usage of Parliament, privilege of Parliament belongs to every member of the House of Commons in all cases except 'treason, felony, and breach of the peace.'"

Delegates to the Continental Congress asserted this privilege and expressed it in the same formula:

"And the Members of Congress shall be protected in their persons from arrest and imprisonment during the time of their going to and from their attendance upon Congress, except for treason, felony, or breach of the peace." (Art. V.)

In *Williamson v. United States*, 207 U. S. 425, *Williamson*, a Member of Congress, having plead his privilege, under the clause of the Constitution quoted, against arrest and conviction during a session of Congress, etc., for conspiracy to commit the crime of subornation of perjury, not a felony at common law, and the case having reached the Supreme Court, Chief Justice White, for the court, after quoting Lord Chancellor Brougham in the *Wellesly* case, in which Lord Brougham held that "he who has privileges of Parliament * * * can in no criminal matter be heard to urge such privilege," declared:

"* * * by text-writers of authority in this country it has been recognized from the beginning that the convention which framed the Constitution, in adopting the words 'treason, felony, and breach of the peace,' as applied to the privileges of the parliamentary body, used those words in the sense which the identical words had been settled to mean in England."

Continuing, the court quotes from Story's treatise on the Constitution:

"The exception to the privilege is that it shall not extend to 'treason, felony, or breach of the peace.' These words are the same as those in which the exception to the privilege of Parliament is usually expressed at the common law, and doubtless were borrowed from that source. * * *

"In short, that as in a multitude of other cases they—the framers of the Constitution—intended to adopt with the words the full meaning which had been given to them by usage and authoritative construction" (p. 567).

In its conclusion the court held that:

"Exemption from legal process—of Members of Congress—may be considered the same as it is in England. * * *

"Since from the foregoing it follows that the terms 'treason, felony, and breach of the peace' as used in the constitutional provision relied upon except from the operation of the privilege all criminal offenses, the conclusion results that the claim of privilege of exemption from arrest and sentence was without merit."

It may be of interest that in 1875 the Judiciary Committee of the House held to the same effect as the Supreme Court later held in the *Williamson* case.

Robert Small, a Member of the House of Representatives from South Carolina, was indicted in that State for having accepted a bribe while a member of the State legislature; was arrested, tried, convicted, and sentenced to serve five years in the penitentiary. The offense charged was a misdemeanor in South Carolina, neither 'treason, felony, nor a breach of the peace.' On the ground that such an offense not being included among those exceptions enumerated in our Constitution for which a Member of Congress may be arrested, during the sessions, etc., the matter of privilege was raised in the House and also in the court where the cause was pending. Both by the House and by the court it was held that the declaration of congressional privilege embodied in our Constitution, having been taken from the British law of parliamentary privilege, should be given the meaning and scope given to it in Great Britain at the time of its incorporation into our Constitution.

This brief quotation is taken from the report of the committee:

"They—the words 'treason, felony, and breach of the peace'—were copied literally from the familiar rule of English parliamentary law, and were evidently intended to be taken in the same sense in which they were there understood."

That the framers of the Constitution should have proceeded to incorporate into our Constitution a provision from the law of the British Parliament without even deeming it necessary to place some expression in the Constitution to show that it was the parliamentary privilege as then construed, rather than the privilege expressed by the words used, if given their common-law meaning, which was made a part of our Constitution, will not seem so extraordinary when the history of parliamentary law and privileges in this country is considered. British parliamentary law became established in this country with the beginning of representative government here. It was the law and the usage of the colonial assemblies. It was in operation during the existence of the Continental Congress. It governed in the deliberation of the Constitutional Convention. The formula by which the parliamentary privileges were ordinarily declared was embodied in the Articles of Confederation. The precedents and resolutions by which surrender and adaptation had come about were as familiar to American statesmen and

the American people as to British statesmen and the British people at the time of the adoption of our Constitution, and were as operative here at that time as in Great Britain. We had appropriated the whole thing, formula of expression, construction, and modification long before the Constitution was framed. The authority of the rules and precedents of the British Parliament has been recognized by both Houses of Congress from the beginning. Jefferson's Manual, which is now the recognized authority in the absence of a rule or precedent of our own, in the main is his interpretation and construction of the British rules and precedents.

In so far as the records disclose, this provision was adopted without debate. Apparently it was assumed, and doubtless was a fact, that all those present knew from where it came and what it meant. Not only were the words "except for treason, felony, and breach of the peace" borrowed from the law of the British Parliament but the whole clause of which these words are a part, as can be seen by comparison, came from that source. In fact, our entire law of congressional privilege came from the law of privilege of the British Parliament. There is scarcely any variation in language as between the usual method of stating the laws of privilege of the British Parliament and corresponding provisions in our Constitution dealing with the powers and privileges of Congress and of the Houses thereof.

It would seem there can be no question but that the authorities thus far examined establish two points: First, that the clause in our Constitution with reference to the privilege from arrest of Members of Congress was borrowed from the law of the British Parliament, and second, that in our Constitution these borrowed words are to be given the same scope and meaning which was given to them as a part of the law of the British Parliament at the time of their adoption into our Constitution. As Story puts it, and Chief Justice White quotes with approval, "they—the framers of the Constitution—intended to adopt with the words the full meaning which had been given to them by usage and authoritative construction." (Story, 567.)

The next question is, How was the law of privilege of Parliament, and especially this clause with reference to arrest, understood and applied as between the member of a house of Parliament and the house of which he was a member at the time these words were adopted into our Constitution? If at that time they did not establish or declare any privilege which the member of Parliament could enforce against the will and judgment of the house of which he was a member, it must follow that their adoption into our Constitution did not create any privilege which the Members of Congress can claim against the will and judgment of the House of which he is a Member. The converse of that proposition is also true, of course.

Sir William Blackstone, commenting on the laws of Parliament, says:

"It will be sufficient to observe that the whole of the law of the custom of Parliament has its origin from this one maxim, 'that whatever matter arises concerning either house of Parliament ought to be examined, discussed, and adjudged in that house to which it relates, and not elsewhere.' Hence, for instance, the lords will not suffer the Commons to interfere in settling the election of a peer of Scotland; the Commons will not allow the lords to judge of the election of a Burgess; nor will either house permit the subordinate courts of law to examine the merits of either case. But the maxims upon which they proceed, together with the method of proceeding, rest entirely in the breast of the Parliament itself." (Commentaries, Book I, chap 2, p. 163.)

The House of Commons, with reference to this privilege, declared in 1641:

"(3) It is not to be allowed in case of public service for the Commonwealth, for that it must not be used for the danger of the Commonwealth. (4) It is in the power of the Parliament and doth not bind the Parliament itself." (2 Com., p. 261.)

"It is in the power of the Parliament and doth not bind the Parliament itself." By adoption into our Constitution it became the power of Congress, and, it would seem under our own authorities cited, the conclusion would be sound that it doth not bind the Congress itself.

The highest court of England in 1839, in *Stockdale v. Hansard*, opinion by Justice Littledale, says:

"It is said the House of Commons is the sole judge of its privileges, and so I admit, as far as proceedings in the house and some other things are concerned."

In *Bradclough v. Gossett*, opinion by Justice Stephens, the court says: "the House of Commons has the exclusive power to interpret a statute so far as the regulation of its own proceedings within its own walls is concerned, and even if that interpretation should be erroneous, this court has no power to interfere with it, directly or indirectly."

As the Commons said with reference to this particular privilege under consideration:

"It is the power of Parliament and doth not bind the Parliament itself."

As Blackstone says:

"The whole of the law of the customs of Parliament had its origin in this one maxim, 'that whatever matter arises concerning either House of Parliament ought to be examined, discussed, and adjudged in that house to which it relates, and not elsewhere.'"

And the highest court of England has held:

"The House of Commons is the sole judge of its privileges * * * so far as proceedings in the house * * * are concerned."

And again:

"The House of Commons has the exclusive power to interpret a statute so far as the regulation of its own proceedings within its own walls is concerned, and even if that interpretation should be erroneous, this court has no power to interfere with it, directly or indirectly."

We recognize the same principle in our law. It is fundamental to the very existence of every government of coordinate branches. Each of the Houses of Congress make its own laws of procedure. It determines the qualifications and the fact of election of its own Members. It punishes them for disorderly behavior. It has the right to expel them for any cause whatever. If its acts should be erroneous, there is no appeal. The maxim of the British law is applied "that whatever matter arises concerning either house * * * ought to be examined, discussed, and adjudged in that house to which it relates and not elsewhere."

What is said in their debates can not be questioned elsewhere. Within their own walls they are exclusive, final, and supreme. That is the plan which makes workable the philosophy of a government of coordinate branches.

As to the justification for and the object sought to be attained by "privileges of Parliament," Blackstone says:

"Privilege of Parliament was principally established in order to protect its members not only from being molested by their fellow subjects

but also more especially from being oppressed by the power of the Crown."

In so far as I have been able to discover, no commentator, no precedent, no judicial interpretation indicates that one of these privileges, at the time of their adoption into our Constitution, was the privilege of the Member against the House of which he is a Member, nor could he appeal with reference thereto to any other tribunal.

At the time of the adoption of our Constitution there was not only no claim of privilege on the part of the Member operative against the House of which he was a Member, but, to the contrary, there was then and had been from time immemorial the positive assertion and definite exercise by the houses of Parliament of a power over their respective members, acquiesced in, utterly inconsistent with the idea that any such privilege existed or ever had existed.

Since the beginning of the Parliament the houses of Parliament have compelled their respective members to attend as witnesses before their committees. I quote from what is perhaps the highest authority, Sir Erskine May's *Parliamentary Practice*, page 523:

"There has been no instance of a member persisting in a refusal to give evidence; but members have been ordered by the house to attend select committees. * * * On the 28th of June, 1842, a committee reported that a member had declined complying with their request for his attendance. A motion was made for ordering him to attend the committee and give evidence; but the member having at last expressed his willingness to attend, the motion was withdrawn."

I have taken occasion to examine the record with reference to this case. A Mr. Cochran, member from Bridport, was requested by a special committee of the House of Commons to appear as a witness before it. He declined on the ground that he was under indictment in his district; that the record of his testimony before the committee might be sent down, etc.; that the proceedings before the committee were in secret session; and claiming that under these circumstances it would be violative of his general rights as an Englishman to compel him to appear before the special committee. The committee moved the house to order him to appear.

In the debate upon that motion the question was also raised as to the precedents, whether a member of Commons was to be compelled to testify as a witness. A committee was appointed to examine and report as to the precedents, and made a lengthy report, which I have also examined. In this report the committee stated that it had not found any instance in which any member of the house had refused to attend to be examined before any committee appointed by the house; that it had found one case, that of "Sir Archibald Grant, a member of the house, being committed to the custody of the sergeant at arms, in order to his forthcoming to abide the orders of the house, for the purpose of his being examined before a select committee." Most of the cases reported upon were those in which the member had been ordered by the house to attend. The following quotation from the report indicates what seems to have been the usual procedure:

"Jovis, 19 die Januarii, 1720. The master of the rolls acquainted the house, from the committee of secrecy, that he was directed by the said committee to move the house that Sir Robert Chaplin, Sir Theodore Janssen, Francis Eyles, Esq., and Jacob Sawbridge, Esq., four of the directors of the South Sea Co., and members of this house, may attend the said committee and be examined before them, in the most solemn manner."

"Ordered, That Sir Robert Chaplin, baronet; Sir Theodore Janssen, knight and baronet; Francis Eyles, Esq., and Jacob Sawbridge, Esq., members of this house, and directors of the South Sea Co., do attend the committee appointed to inquire into all the proceedings relating to the execution of the act passed the last session of Parliament, intitled * * * (Vol. 19, p. 403.) (Vol. 97, H. of Com. Journal, p. 450.)"

After examining the report, and evidently anticipating the order of the Commons, Mr. Cochran said—I quote from the Journal of the House of Commons:

"* * * having looked at the precedents and finding that they tended against the views he had originally taken * * * said he had no objection to repeating that he intended to attend."

There was extensive debate had on this matter, some half dozen speeches being reported, including a speech by Mr. Cochran. Neither Mr. Cochran nor anyone else claimed the existence of a privilege under the law of Parliament which a member could avail himself of as against the order of the House of Commons. That was the law of Parliament at the time of the adoption of our Constitution. Not only did such construction attach itself to our Constitution by reason of our adoption of that which for hundreds of years had borne that construction, but an examination of our Constitution shows that only as thus construed does the provision as to arrest of Members of Congress fit into our constitutional structure.

For instance, the Constitution provides that each House may "punish its Members for disorderly behavior." A construction which holds the provision as to arrest not to be operative against the Houses of Congress, just as in Great Britain at the time of the adoption of our Constitution it was not operative against the houses of Parliament, would leave the Houses of Congress with the implied power to arrest as an incident to the preservation of order and the punishment for disorderly behavior, a power essential for the discharge of the public business.

On the other hand, if held operative against the Houses of Congress, the words "in all cases" and the enumeration of the exceptions, "treason, felony, and breach of the peace," would interpose a double negative against the power of the Houses of Congress to arrest for disorderly conduct.

The Supreme Court in *Kilbourn v. Thompson* (103 U. S. 189) indicates very clearly that it does not regard the clause of the Constitution with reference to arrest operative against the Houses of Congress. In a discussion of the power of the Houses of Congress it says:

"As we have already said, the Constitution expressly empowers each House to punish its own Members for disorderly behavior. We see no reason to doubt that this punishment may in a proper case be imprisonment, and that it may be for refusal to obey some rule on that subject made by the House for the preservation of order."

The only theory under which that holding could rest is the rational, historically supported theory that the freedom from arrest clause is not operative in favor of the Member against the House of which he is a Member. The Member of Congress, when summoned by the House of which he is a Member to testify before one of its committees, proceeding within the scope of its jurisdiction, has exactly the status of any

other witness. In an impeachment matter the Supreme Court, in the case of *Kilbourn v. Thompson*, says:

"The House of Representatives has the sole right to impeach officers of the Government and the Senate to try them. Where the question of such impeachment is before either body acting in its appropriate sphere on that subject, we see no reason to doubt the right to compel the attendance of witnesses, and their answer to proper questions, in the same manner and by the use of the same means that courts of justice can in like cases."

It may be observed that the more recent decisions draw the distinction between the power to punish for contempt held by courts of justice and the power held by the Houses of Congress to coerce, by punishment, as an aid to procuring testimony.

Considering parliamentary privileges generally, we find that they had their origin in the days when the Houses of Parliament, and especially the Commons, were fighting the battles of English liberty against the tyranny of the King. They built around themselves this wall of privilege, beyond which the governmental agencies directly under the control of the King could not reach. It was their domain. No other agency of the Government might enter. There they denounced tyranny and held the purse string of the nation. Their maxim, in effect, was that whatever matter arose within their wall was to be settled there and nowhere else. Whatever was said there could not be questioned elsewhere. They made their own laws of procedure, construed them, and enforced them. They fixed the qualifications of their members and passed upon their election. They expelled whomsoever they adjudged worthy of expulsion, answerable to no authority whatsoever.

In not one single instance has the construction of the judiciary or the coercion of the executive been permitted within that realm of exclusive jurisdiction. The idea now presented, that in this matter between the House and one of its own Members, developed during the discharge of its duty under the impeachment clause of the Constitution, that one of the two great laws of parliamentary privileges fashioned to exclude judicial and executive interference, gives to the individual Member of Congress the power to open the door, barred from the beginning against the judiciary, and to draw that branch of the Government into the very center of that which has always been the exclusive domain of the Houses of Congress and of their predecessors, the Houses of Parliament, is a most remarkable proposition. It is in direct conflict with law and precedent. It is violative of the purpose and the philosophy of parliamentary privilege.

The framers of the Constitution wisely left the adjustment of all conflicts between the representative duties of the Member and his duty to contribute any facts in his possession to the inquisitorial agencies of the House of which he is a Member, where they found it in the English system, viz, with the House of which he is a Member, the only tribunal qualified to adjust such conflict. In the House of which one is a Member, each individual Member has a personal interest in preventing the establishment of a precedent which would militate against the opportunity of the Member to represent his constituents in legislation, and yet each Member is also directly interested in promoting the efficiency of that House. And it is a fact, in so far as I have been able to discover from an examination of precedents and the history of parliamentary and congressional procedure, that during the entire legislative history of the American Congress and of the British Parliament there has been no scandal or circumstances indicating a wanton or inconsiderate exercise of the power which has always been held by the Houses of Parliament and of Congress to determine and adjust conflicts of duty, so as to safeguard the interests of constituencies and at the same time procure for the general public benefit facts peculiarly within the possession of the Member.

These considerations, supported by an unbroken line of policy and procedure dealing with the question of privilege extending back through the entire history of this country and into the parliamentary history of England for hundreds of years, would seem to leave no doubt as to the soundness of the conclusions that the individual Member of Congress possesses no constitutional privilege as against the power of the House, proceeding even to the point of arrest, sought to be exercised to compel him to testify before a committee of the House of which he is a Member, proceeding within the scope of its jurisdiction.

Undoubtedly circumstances and conditions may develop under which a Member should be privileged from testifying with regard to certain matters. It would seem clearly so with regard to confidential communications, and the names of informants, with regard to governmental matters; so that all those who may know facts of public importance which should be imparted will not be deterred from approaching a Member by fear of forced breach of confidence and resultant hurt from their superiors. Members ought not to be required, it would seem, to attend a committee during a session of their respective Houses at any point other than at the seat of government, and there not during the time when their respective Houses are actually engaged. A better practice would be, in the first instance, to request the Member to attend. In the event of his failure or refusal, the committee should move the House to order him to attend. On that motion all questions could be considered and passed upon rather than later, after the Member had, at least technically, assumed an attitude of contempt.

Under any plan the genius of our system of government requires that those matters be determined by the House of which one is a Member, free from interference by either of the other branches of the Government. These suggestions, however, are merely those which have occurred to me during an examination of this matter, with the certainty of judgment that each House alone has jurisdiction to consider and act with reference thereto.

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. THOMAS. Mr. Speaker, has the gentleman from Minnesota [Mr. VOLSTEAD] consumed all his time?

The SPEAKER. All but 10 minutes.

Mr. THOMAS. I yield 10 minutes to the gentleman from Texas [Mr. BLANTON]. The gentleman from Minnesota and myself agreed to extend the time an hour, making two hours on a side, instead of an hour and a half.

The SPEAKER. The Chair was not aware of that. Perhaps that is a matter that had better be agreed upon by the House.

The gentleman from Kentucky [Mr. THOMAS] suggests that he has made an agreement with the gentleman from Minnesota [Mr. VOLSTEAD] that the debate shall be four hours instead of three hours.

Mr. VOLSTEAD. No; there was some talk between the gentleman and myself in regard to extending the time an hour, but—

Mr. THOMAS. That is what I understood the gentleman to say right over there.

Mr. VOLSTEAD. I did not so understand.

Mr. THOMAS. If I understand the English language the gentleman said it. I yield 10 minutes to the gentleman from Texas.

The SPEAKER. The gentleman from Texas is recognized for 10 minutes.

Mr. THOMAS. But I wish to ask the gentleman from Minnesota if he will now agree to an extension of one hour.

Mr. BUTLER. Mr. Speaker, did the House agree to extend the time?

The SPEAKER. It did not. The gentleman from Texas is recognized for 10 minutes.

Mr. BLANTON. Mr. Speaker, I want to say to the members of the Committee on the Judiciary that the coon which they are after is not up the tree around which the barking is taking place, but it is elsewhere. The Bible says:

And they hanged Haman upon the scaffold which he had erected for Mordecai.

That is good logic; that is good law; and I am in favor of it. But the Bible does not say that they hanged somebody else. It says, "They hanged Haman." It does not say that they hanged some little carpenter that helped to build the scaffold for Haman. They hanged Haman. Mr. KELLER is not the Haman we are after.

Why, the very minute that the gentleman from Minnesota [Mr. KELLER] appeared before the committee, he asked if he could have an attorney, which was granted, and when somebody kept talking to him and consulting with him the gentleman from Missouri [Mr. DYER] said:

Who is it that keeps talking to you, Mr. KELLER? I do not know—

Mr. KELLER said. But the man who had been talking to KELLER said—

I am Mr. McGrady. I appear here for the American Federation of Labor. Mr. Gompers is in Atlantic City, but he will be here next week, and we can go on with the proceeding when he comes back next week.

To be exact, let me quote from page 5 of the hearings before the Judiciary Committee, to wit:

The CHAIRMAN. Do you mean that we are to furnish you an attorney? Mr. KELLER. No; I will furnish my own attorney. I just want to be permitted to have counsel, as I see fit, at any time.

And I quote again from page 13 of the hearings:

Mr. DYER. Has the gentleman consulted an attorney in regard to this matter?

Mr. KELLER. I should want counsel.

Mr. DYER. Who was the gentleman who just spoke to you?

Mr. KELLER. I do not know.

Mr. MCGRADY. I am Mr. McGrady, representing the American Federation of Labor.

Mr. DYER. I wanted to know who you were.

Mr. MCGRADY. I would like to finish my statement. The American Federation of Labor has asked to be heard on this case. President Gompers, with the executive council of the American Federation of Labor, is at Atlantic City to-day, but will be here next week. We have already made a request to be heard.

Thus you see, gentlemen, that Mr. Samuel Gompers and the great American Federation of Labor sent one of their distinguished attorneys there to represent Mr. KELLER, when Mr. KELLER did not even know who he was, and the attorney had to introduce himself, though he had up to that time been conferring with Mr. KELLER during the hearing. It was the voice of Mr. KELLER but the hand of Mr. Samuel Gompers.

And then, a little later, Mr. Jackson H. Ralston, the general attorney for the American Federation of Labor, but who is known far and wide in the United States as the friend and attorney of prominent anarchists, appeared before the Judiciary Committee at the beginning of its first main hearing, December 4, 1922, as the attorney for Mr. KELLER, and proceeded thereafter to conduct the hearings. And it was admitted before the committee that Mr. Ralston was employed by Samuel Gompers and the American Federation of Labor for that specific purpose.

To show that Mr. Ralston exercised absolute control as the attorney for the American Federation of Labor, let me read an excerpt from page 173 of the hearings to show that when Samuel Gompers desired to make further statements the Federation of Labor's attorney tried to muzzle him, to wit:

The CHAIRMAN. Do you have anything further?

Mr. GOMPERS. Yes, sir.

Mr. RALSTON. I think that is all.

To show you what Attorney Ralston was trying to head off, let me quote from page 174 of the hearings, to wit:

Mr. HOWLAND. Mr. Burns was engaged to assist the Government in the McNamara case, wasn't he?

Mr. GOMPERS. I think so; yes, sir.

Mr. HOWLAND. You took a decided interest in those cases for the McNamaras, didn't you?

Mr. GOMPERS. No, sir. I took an interest to see that men would have a fair trial, no matter what they were charged with—what charges were made against them.

Mr. HOWLAND. You took the position that they were not guilty?

Mr. GOMPERS. I believed them not guilty, and so stated that I believed them not to be guilty.

Mr. HOWLAND. And they afterwards confessed?

It will be remembered that the McNamara brothers were bomb-throwing anarchists, who were brought to justice through the efforts of Mr. Burns, and convicted, and also that Samuel Gompers raised a tremendous fund in their behalf by soliciting subscriptions from all over the country for their defense.

Now, let me quote from page 175 of the hearings:

Mr. HOLLAND. Does Mr. Ralston represent the American Federation of Labor in this proceeding?

Mr. GOMPERS. He does.

When Mr. KELLER was summoned before the committee to testify, he did not appear. Who appeared for him? Mr. Jackson H. Ralston? No. This great attorney for the American Federation of Labor had an engagement that morning to play a round of golf with Mr. Gompers, very probably, or at least he had something on foot that made it inconvenient for him to attend the hearings that day, so he sent one of his sub-attorneys. Who? Why, he sent Mr. James H. Vahey, a renowned labor attorney from Boston, who came all the way from New England to act as a messenger boy for Attorney Ralston. This is the same Mr. James H. Vahey who represents the striking railroad men of New England, who represents the striking policemen of Boston who tried to ruin that great city. He appeared and told the committee that he did not bring Mr. KELLER, that he did not bring Chief Ralston, but that he brought merely a letter from the Right Hon. Jackson H. Ralston conveying information to the committee that as soon as it was convenient for him to do so he would appear and then advise the committee what he was going to let Mr. KELLER do about the summons from the House of Representatives.

Let me quote from page 363 of the hearings, to wit:

FRIDAY, December 15, 1922.

The committee met at 10.30 o'clock a. m., Hon. ANDREW J. VOLSTEAD (chairman) presiding.

IN RE SUBPENA OF HON. O. E. KELLER.

The CHAIRMAN. The committee will come to order. A subpoena was issued yesterday, at the direction of the committee, for OSCAR E. KELLER to appear here this morning to testify, and I understand that the subpoena has been served. The Chair asks if he is present. If he is, we want him to come forward and be sworn.

Mr. VAHEY. Mr. Chairman, I am asked by Mr. Ralston to hand you a letter.

Mr. MICHENER. Just a minute, so that the record may be complete. Please state your name, occupation, and residence.

STATEMENT OF MR. JAMES H. VAHEY, BOSTON, MASS.

Mr. VAHEY. My name is James H. Vahey, a lawyer, and I live in Boston.

Mr. MICHENER. Were you one of the attorneys named by Mr. Ralston at the beginning who would represent Mr. KELLER on certain specifications here?

Mr. VAHEY. I do not know whether he named me or not; I was not here until day before yesterday; that was the first day I was here.

Mr. MICHENER. He mentioned you as representing Mr. KELLER on some of these specifications. Now, do you appear on behalf of Mr. KELLER?

Mr. VAHEY. I am associated with Mr. Ralston by bringing here and delivering to the chairman the letter, at Mr. Ralston's suggestion.

Mr. FOSTER. I think the record should show that at the request of Mr. Ralston Mr. Vahey is here, and I think it is pertinent to ask if he appears as counsel of record for Mr. KELLER; and if so, state it.

Mr. VAHEY. I appear at the request of Mr. Ralston to deliver a letter, which I have handed to the chairman.

Mr. BOIES. I assume the record will show there is no response by Mr. KELLER under the subpoena.

Mr. BIRD. Is Mr. Ralston in the city?

Mr. VAHEY. Yes, sir.

The CHAIRMAN. I will read Mr. Ralston's letter to the committee [reading]:

RALSTON & WILLIS, ATTORNEYS AND COUNSELLORS AT LAW,
EVANS BUILDING,
Washington, D. C., December 15, 1922.

Hon. A. J. VOLSTEAD,
Chairman Committee on Judiciary,
House of Representatives, Washington, D. C.

SIR: Some time last evening Representative KELLER was served with a subpoena to appear before your committee at 10.30 o'clock this morning. I was immediately asked to represent him in the matter. Before this, however, I had made certain imperative business engagements for to-day, engagements which I can not forego. I have, therefore, to say that, without submitting at this time to the jurisdiction of the committee with regard to the subpoena, I am now expecting, at your next hearing, to-morrow or later, to take such position before the committee with regard to the subject as may seem appropriate.

Very respectfully yours,

JACKSON H. RALSTON.

And the committee supinely sat there, helpless, and my good friend from Pennsylvania [Mr. GRAHAM], who, thank God, has a backbone, said:

Gentlemen, there is just one thing to do. Let us go to the House and get authority to make this man come. We do not want Vahey, from Boston; we do not want Ralston, from Washington; we want KELLER.

The committee would not back him up; but the committee adjourned to a time when it would not be inconvenient for Mr. Jackson H. Ralston to appear before them, and let me quote from page 380 of the hearings to show what then happened, to wit:

IN RE SUBPENA OF HON. OSCAR E. KELLER.

Mr. RALSTON. I think as a matter of courtesy I should be heard for a moment.

Mr. GRAHAM. Where is Mr. KELLER? He ought to be here with you if you are heard.

Mr. THOMAS. Can't he be heard at all?

Mr. GRAHAM. Pardon me; I am not addressing you.

Mr. THOMAS. It don't make any difference. I am on this committee as well as you are.

Mr. GRAHAM. I appreciate that, but do not interrupt me when I am asking a question.

Mr. THOMAS. You interrupted him.

Mr. GRAHAM. I have a right to. That is my privilege.

Mr. THOMAS. And I have a right to interrupt you.

Mr. GRAHAM. Well, do not let us have any altercation about it. I am here to do my duty as I see it.

Mr. THOMAS. So am I.

Mr. GRAHAM. Well, I give you credit for that, but you may not see clearly.

Now, I ask, is Mr. KELLER here, Mr. Chairman?

The CHAIRMAN. Can you answer, Mr. Ralston?

Mr. RALSTON. I am here for Mr. KELLER.

Mr. GRAHAM. That is not an answer. He ought to be here. I object to proceeding without his presence.

Mr. RALSTON. I have a statement to make for myself.

Mr. HERSEY. I want to hear Mr. Ralston.

Mr. JEFFERIS. I move that we hear Mr. Ralston.

Mr. BIRD. Mr. Chairman, I think the simple fact should be established for the record that Mr. KELLER is not here. I think the sergeant at arms should call him, and if he is not here I think we should then hear Mr. Ralston.

The CHAIRMAN. My impression about it is we should first hear Mr. Ralston, and if we want to hear Mr. KELLER we can call him.

Mr. BIRD. You do not object to the record showing that Mr. KELLER is not here?

Mr. RALSTON. I don't care anything about that. I am here for him.

Mr. GRAHAM. I move that he be called.

Mr. BIRD. I ask that the sergeant at arms call Mr. KELLER.

The CHAIRMAN. All those in favor of that motion will say "aye," opposed "no."

(The motion was put and carried. The sergeant at arms called "OSCAR E. KELLER," "OSCAR E. KELLER," "OSCAR E. KELLER." There was no response.)

The CHAIRMAN. It may be noted that he did not answer. Now, Mr. Ralston, you may proceed.

Mr. RALSTON. On behalf of Mr. KELLER I have simply this brief statement to make, that I have advised Mr. KELLER, on his application to me, that in the issuance of process requiring his appearance, he being a Member of Congress, with the implied threat, of course, that lies behind the process, the committee has, in my judgment, exceeded its powers under the constitutional provisions, and that being true, in defense of the rights of Members of Congress, as well as for other reasons, Mr. KELLER can not be required by any such process to appear before this committee.

And it then took the great Judiciary Committee of this House from December 16, 1922, until this the 25th day of January, 1923, to bring on the floor of this House any kind of a report. And what is their report? This is what they tell this Congress, for you, colleagues, should know, and I quote as follows:

That the said OSCAR E. KELLER was, as above set forth, duly summoned as a witness by authority of the House of Representatives to give testimony before this committee touching matters of inquiry committed to that committee, and that he willfully made default in that in disobedience to said subpoena and without valid cause or excuse, but in contempt of the authority of the House of Representatives, he willfully failed and refused to appear as such witness and willfully failed and refused to testify, in obedience to said subpoena. Your committee is of the opinion that Mr. KELLER was legally required to obey said subpoena and that the excuse he submitted through his said attorney is without any merit; that the House of Representatives possesses the power to cause him to be arrested and confined in prison until he shall consent to testify, such confinement not to extend beyond the term of this Congress, and power to otherwise deal with him so as to compel obedience to the summons.

Does the committee ask for the House to do anything? No; not at all. Do they ask for the House to compel KELLER to do what they say he should do? No; not at all. They make no recommendations whatever. They take it all out in speeches on the floor denouncing KELLER as a falsifier but letting it go at that. They are after the catspaw of somebody else. If KELLER falsified, somebody else caused him to do it. Why is not the main power condemned?

Behind the whole thing is the use of KELLER, the poor, little, innocent dupe of somebody else. I am not in favor of hanging the carpenter who built the scaffold. I am after Haman. [Applause.] When Jackson H. Ralston told KELLER that the American Federation of Labor told him to tell him that he did not have to testify the committee ought to have proceeded against Jackson H. Ralston and his little messenger lawyer

from Boston, because there are lawyers on this Judiciary Committee, there are ex-judges on this committee, there are prosecuting attorneys on this great committee. They know that when an outside person interferes with the jurisdiction of a court—and that is the jurisdiction which this committee had—the party on the outside who interferes with a witness and designedly keeps him from giving proper testimony is more guilty than the witness who violates the order of the court; and if they would bring in here a resolution asking this House to send for Ralston and send for Vahey and send for McGrady and send for Gompers, and have them bring their little dupe in here, I would vote to take action against them first and then to make their dupe testify, because it is what he ought to do. I would take such action against these fellows who have interfered with the jurisdiction of this House as would cause them to hesitate long in the future before they would again interfere with the great legislative body of this Nation.

But we are here hanging merely the carpenter on Haman's scaffold. What is the matter with this great committee? What made it hesitate to do its duty? Why does it linger and linger and linger? I want to say to the distinguished gentleman from Minnesota [Mr. VOLSTEAD] that he of all other people in the world ought not ever to talk about passing the buck. Let me again call your attention to what Mr. Ralston said.

Mr. CLARKE of New York. Did the gentleman say "buck" or "bock"? [Laughter.]

Mr. BLANTON. B-u-c-k, "buck," commonly known to most Members of Congress. [Laughter.]

Poor KELLER! He has my sympathy. He has been the dupe. He came here to represent organized labor. That is the danger of any Representative being sent here by a class. Why, the Republicans did not elect him in Minnesota. The Democrats did not elect him. Organized labor elected him and sent him here. He was merely representing the organizations who sent him here. They handed him a bag, the contents of which he knew nothing. He had confidence in them. Organized labor told him, "In that bag is sufficient evidence to impeach the great Attorney General of the United States," and he conscientiously believed them; but when he opened this bag he found just what I told the Speaker was in Mr. KELLER's impeachment resolution, nothing but generalities; and if the Speaker had sustained my point of order that I made on September 11 in this House, all this farce would not have been enacted.

Here is what happened on September 11, 1922, when the gentleman from Minnesota [Mr. KELLER] presented to the House his charges of impeachment, and I quote from the RECORD:

Mr. BLANTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman from Texas will state it.

Mr. BLANTON. I make the point of order that the recitation of generalities does not under the rules of this House constitute an impeachment of a public official; that this recitation is nothing but generalities, no specific charge of malfeasance in office, no specific charge of improper conduct in office, but a mere recitation of generalities which could be lodged against any official of the United States. I make the point of order that it does not come within the rule.

The SPEAKER. The Chair could not hear the gentleman from Minnesota very well, but the Chair thought that there were definite charges. [After examining the written charges.] The Chair overrules the point of order.

And when the Judiciary Committee first began its consideration of the matter the chairman of that committee took the same view, that such charges were too general and were not specific, as required, for I quote from the hearings, on page 7, the following:

The CHAIRMAN. There is nothing in them except general charges.

Mr. KELLER. I am ready to sustain them—

The CHAIRMAN. There is nothing specific in the charges.

And the chairman then required Mr. KELLER to file specific charges, which took up many pages of the hearings.

But when poor KELLER opened up his bag, which organized labor handed him, it would not furnish the evidence. If there had been no railroad strike there would not have been any proposed impeachment. If there had been no injunction against lawbreakers there would have been no proposed impeachment. On that question I am with the Attorney General in his action in stopping the anarchy which Samuel H. Ralston, the anarchist attorney who appeared here and conducted this examination, has been defending, which Vahey has been defending. I am with the Attorney General in upholding the law of this country, but I am not going to persecute a poor little dupe like my colleague, KELLER. I am going after the ones higher up, and I think you ought to do the same thing. [Applause.]

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent that the time be extended one hour, one half of it to be controlled by my friend from Kentucky [Mr. THOMAS] and the other half by myself.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the time of debate be extended one hour, one half to be controlled by himself and the other half by the gentleman from Kentucky [Mr. THOMAS]. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Minnesota has used 50 minutes and the gentleman from Kentucky [Mr. THOMAS] has used 48 minutes.

Mr. VOLSTEAD. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

The SPEAKER. The gentleman from Pennsylvania [Mr. GRAHAM] is recognized for 10 minutes. [Applause.]

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I will take as little time as possible, so as to leave as much for others as will be comprehended within the extension. Replying to the gentleman from Texas [Mr. CONNALLY], I will only say that the splendid answer of the other gentleman from Texas [Mr. SUMNERS] covers the ground and his objections most thoroughly. I recommend to every Member of the House who is interested in such matters the careful perusal of the very able paper prepared by Mr. SUMNERS of Texas and presented to our committee upon this question of constitutional right. I have no manner of doubt whatever that the House has the power and has always exercised the power to subpoena any Member and have him testify and, if necessary, compel him to testify.

Briefly, I may say that the provisions of the Constitution which have been quoted here are for the protection of the House, and all history shows that, and not for the protection of the Members. In the old days they could take the Members out and leave the House without a quorum and destroy its power. Members should be free from arrest. That was to prevent external interference. But when you come to the internal operations of the power of the House, as Mr. SUMNERS so clearly shows, the House has full and complete power over its Members. And to say that when the House subpoenas a man and tells him to testify, and he does not, that he is not contumacious, disorderly, violating the honor and the dignity of the House, is to argue a negative that can not be sustained.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes; surely.

Mr. GARRETT of Tennessee. May I inquire of the gentleman why it is that all of the gentlemen of the Judiciary Committee, in discussing this question, seem to be giving their entire time to Mr. KELLER rather than telling us why the resolution for the impeachment of the Attorney General should not be considered?

Mr. GRAHAM of Pennsylvania. I am simply replying to an argument addressed to the House by a gentleman sitting near you who raised this question of constitutional power, and I think in its importance it overtops even the question of the impeachment of the Attorney General, the question of the power of this House over its Members.

Mr. GARRETT of Tennessee. The resolution—

Mr. GRAHAM of Pennsylvania. I can not yield further; I have only 10 minutes, and it is not fair to me to cut it down. I do not desire to discuss the constitutional power of the House further than to say that it is fully and completely answered, beyond criticism, by the subcommittee's report prepared by the gentleman from Texas [Mr. SUMNERS].

Now, I ask the attention of the House very briefly to two and perhaps three things. This committee took up Mr. KELLER's resolution in a perfectly fair spirit. There was not a man on that committee that did not feel his responsibility as a Member of this House, as a lawyer, to handle this question according to law, and recognize the right of every man coming before that committee or involved in the investigation.

Very early in the proceedings, when we were trying to proceed in orderly regularity, objection was made to this method, objection was made to that, and, as the other gentleman from Texas [Mr. BLANTON] has said, Mr. Ralston thrust himself to the front, and was determined to have certain specifications only heard. Simply for the purpose of ascertaining the truth we asked Mr. KELLER what objection he had to proceeding with the specifications in their order, and he said that he had different attorneys prepare them and he did not know the names of the witnesses, and so on. That led to inquiry. I am not giving the exact words, but the hearings will disclose them as to what he did not and what he did know. Some of us wanted to ascertain whether he knew anything upon which he took the solemn position he did of charging impeachment against a high officer of this Government.

We felt that when an individual takes that responsibility he ought to have some facts within his knowledge. It was disclosed by his answers that he had no knowledge whatever, and

the testimony further shows when we proceeded on with it that he originally went to the Attorney General in a certain case and asked that that case be taken up and prosecuted, a case or allegations against the United Gas Improvement Co. of Philadelphia. He accompanied a gentleman by the name of Monad and they together made the demand. The Attorney General, without having an investigation made or previous knowledge of the facts, said certainly. He said one man has been removed from the investigation that had charge of it under another administration, and that man was immediately restored by the Attorney General and put in charge of it. Then the word came to the Attorney General that he was making a blunder; that he had been misled by these men and there was nothing in that case. It had been examined by two administrations before that. Attorney General Gregory was maligned and abused because he was charged with not going on with that same case, and Attorney General Palmer was brought under criticism concerning the investigation of it, but both of them rightfully turned it down.

The Attorney General said, "I will have an independent examination," and appointed a very eminent lawyer from Ohio to investigate it, whose report is on file with our committee and is a part of the records of the Department of Justice. That uninterested investigator found that this case was without any basis whatever, and that in point of fact it amounted to a persecution accompanied by an assault upon everybody that refused to do the will of these people.

That is the secret of this impeachment. Disappointed because the Attorney General refused to proceed further with it, these articles of impeachment were filed, and when you read them you will find nothing but glittering generalities. Our chairman and committee joined in making him come down to concrete accusations. Then it was that under the cover of Mr. KELLER other influences appeared on the scene, and an extensive series of charges and specifications were framed and when they came to try them they could not proceed with any evidence except upon one accusation, and what was that? They charged the Attorney General with having appointed Mr. Burns—who had been disapproved by Attorney General Wickersham and President Taft in a certain indirect manner nearly 20 years ago—not an impeachable offense; no lawyer would contend that; and they were permitted to go on with proof under that charge, and when the evidence was heard it showed that they wanted simply to blackguard the Attorney General and to attack Burns. Burns had been instrumental in making certain arrests, which Mr. Gompers objected to, and Burns was obnoxious to him. Gompers appeared and tried to testify against Burns, but failed to establish a single fact that reflected upon the honor or integrity of Burns. When Burns came to the stand to testify he absolutely refuted the whole story and showed that there was no ground to support the inference drawn by Attorney General Wickersham and President Taft from the report made to them by Pardon Attorney Finch.

I wish I had time to quote the testimony or a brief portion of it, for it is unanswerable. When he came to testify he explained that papers which were left there in that office, in Washington State, where the Jones case had been tried, were all left there when he gave up his connection with the case in any way in 1905. And mark you, this alleged misconduct concerning a selection of the jury was in 1905, and a prominent man in that State was indicted for land frauds. Burns was simply there as an inspector for the Government. That was in 1905. Jones was tried and convicted. Sentence was suspended. In 1911 an application was made for his pardon just preceding a presidential nomination.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOLSTEAD. I yield to the gentleman two minutes more.

Mr. GRAHAM of Pennsylvania. This was just preceding a presidential nomination. Mark you, this man although indicted and convicted, was never obliged to serve one single day in the penitentiary—not a day. Sentence was suspended. The case had gone up to the highest court on appeal and had been confirmed both as to the fairness of the selection of the jury, the trial, and every incident in it. And yet that man never served a day in jail. Application was made for his pardon seven years after the conviction in the midst of a hot political campaign in which the delegation of his State was involved. Mr. Burns will show you that he never had a chance to answer the charge in any legal or formal way, and he will show you that the papers found supposedly in his handwriting were not in his handwriting at all. He will show you that the imputation that he has said certain things about jurors and the selection of them, and the evidence of it that had been left there, are utterly without foundation. The Attorney General knew this. He has the explanation and the truth from Burns, and

when he made that appointment he exercised his right in selecting a man to fill this place. That was the whole strength of what they had to throw mud over Burns and get the revenge which they desired against this prominent official, and I say that if this proceeding has no other effect, in my opinion, it has one good effect, because it has shown the enmity of these very men, improperly substituted—no; properly substituted—by the gentleman from Texas, as the people who ought to be hanged. They tried to get their revenge on Burns even if they struck down the Attorney General. [Applause.]

Mr. THOMAS. Mr. Speaker and gentlemen of the House, the matter under discussion is the impeachment resolution concerning Harry M. Daugherty, Attorney General of the United States. I am not acquainted with the Attorney General. If I ever saw him, I am not aware of it. I never spoke to Mr. KELLER, who preferred the charges, and never knew him until he appeared before the Judiciary Committee in this case. I have no bias whatever in this matter, and I come to discuss it at least with clear vision, although some may think with faulty judgment, and perchance they may be correct, for we all have our faults and follies and human limitations. I would not intentionally do the Attorney General or the members of the committee who adopt his views of the case any wrong, nor do I impugn the motives of the committee, but I do condemn what seems to me to be their clouded judgment and the strange and unaccountable antipathy some of them seemed to have toward some witnesses and to some persons who did not testify, as well as the manner in which the inquiry was conducted. In discharging duties, especially of this character, we should be mindful of human frailties which are incident to all. Life at longest is short, and in dealing with our fellow men we should at least to some extent temper justice with mercy and do unto others as we would have them do unto us, for a human being is at best only a weak vessel drifting on tempestuous and uncharted seas toward far blind shores, and—

Break, break, break! the breakers roar
Till they lave some distant shore,

and dash the helpless craft against the rocks and bury physical existence forever beneath wild waters.

While we should temper justice with mercy we must remember that such consideration is secondary to the public welfare and that the mantle of protection should first be thrown around the whole citizenship in preference to the individual, and with this view I shall discuss the questions at issue, without regard to individual desires, as fully as I can in the time allotted to me, and shall shoot as true to the mark as I possibly can, unmindful who may suffer.

This impeachment proceeding had its inception on the 7th day of last April and grew out of remarks made on the floor of this House by Mr. JOHNSON of South Dakota and Mr. WOODRUFF of Michigan. Mr. JOHNSON, in the course of his remarks, stated that—

The facts I am going to show indisputably prove that the War Department has sold property and to-day is selling property at ridiculously and criminally low prices to favored customers, concealing the facts from Congress and deliberately misrepresenting the facts. They also show the War Department is trying to control the Department of Justice by putting men who ought to be in the penitentiary on the Department of Justice pay roll and asking Congress to appropriate for it.

On that occasion Mr. JOHNSON further stated:

Mr. WOODRUFF and myself have performed our full duty in presenting this matter to the Congress. The duty now devolves upon you gentlemen and the President. We need no investigation if the Government will function, and an investigation will be worse than useless if it is conducted with some of these men now in power in control of the records.

And he further stated:

My only object in presenting this matter at this time is to show its relation with invisible government.

Mr. JOHNSON then proceeded to enumerate a great number of war frauds—an hundred or more—by which the Government lost many millions of dollars, and charged that no steps had been taken to punish the criminals or recover the money.

His charges, made on the floor of the House, were made known to the members of the Judiciary Committee. It is the duty, as the committee well knows, of the Attorney General to investigate and prosecute all of the offenders in all such matters. Mr. JOHNSON was politely requested by the chairman of the Judiciary Committee to appear before the committee, and if he knew—

of any witnesses that can substantiate any of the charges, I wish you would give the committee the names of such witnesses so that I may be able to subpoena them and have them appear.

To this invitation Mr. JOHNSON responded and stated he would appear; if the committee desires he would submit a list

of witnesses, including Army officers and civil accountants, who, in his opinion, will substantiate every statement made to the House, and would also submit a list of records in the War Department which the committee may have brought before it, and that it was a pleasure to him to know that the Judiciary Committee desires to go into these matters thoroughly and that he would be glad to cooperate in every way and proffered his services to cross-examine the witnesses. (Hearings, p. 412.)

Mr. JOHNSON appeared before the committee and reiterated that he could produce witnesses to substantiate every charge he had made on the 7th of the preceding April. The committee did not request him to furnish a list of witnesses or a single witness or record. It evaded the matter under the flimsy pretext that the charges made by Mr. JOHNSON were not embraced in the specifications filed by Mr. KELLER. This, of course, was the merest pretext and showed clearly, in my opinion, the committee's intention to exculpate the Attorney General.

The Resolution 425, passed by the House, authorized and directed the committee to inquire into the official conduct of the Attorney General to determine whether he had been guilty of any acts which, in contemplation of the Constitution, are high crimes and misdemeanors. The resolution did not authorize nor direct a trial of charges against the Attorney General, and this fact was well known to the committee. The resolution did not authorize nor direct the committee to inquire into some of the official conduct of the Attorney General but to inquire into his official conduct, which meant any official conduct, and report to the House whether in its opinion he had been guilty of any acts, not some acts, which in contemplation of the Constitution are high crimes and misdemeanors. It is a vain thing and sophistry in a circle of the most apparent kind to contend that the committee had the right to require Mr. KELLER to file specifications and then confine itself to evidence as to those specific charges without the privilege of amending or extending the charges. There is not a judge of a court in America who knows any law whatever who would deny a litigant the privilege of filing an amended petition containing a material allegation. The resolution is to inquire into the official conduct of the Attorney General, and had the committee been mindful of its duty or had realized its obligation it would have made a thorough inquiry into his official conduct regardless of specifications, giving him, of course, due notice of and every opportunity of defense.

The numerous cases of war graft presented by Mr. JOHNSON related to the official conduct of the Attorney General. The Attorney General certainly knew of the charges, and if he did not it is inconceivable that he did not, and he did beyond any doubt know of them since the 7th of April, the day Mr. JOHNSON publicly made them on the floor of the House. It was his plain duty under the law to have investigated and prosecuted these cases, but he has not done so, and no reason or excuse has been given why he has failed in this duty, and the committee conveniently determined not to summons the witnesses, excusing itself because these matters were not contained in KELLER's specifications, when if it had considered specifications necessary and done its duty it would have amended the specifications, subpoenaed the witnesses, and investigated the charges.

Some of the committee, when the inquiry or whatever it may be termed was being conducted, seemed imbued with the idea that an impeachable offense must also be an indictable offense. Whether that was a feeble attempt to protect the Attorney General I do not know, but that contention was soon abandoned, as it has never been the law in any civilized country. It was never the law in England and—

In each of the only two cases of impeachment tried by the United States Senate in which convictions resulted the offenders were found guilty of offenses not indictable either at common law or under any Federal statute. (A. and E. Enc. of Law, vol. 15, p. 1067.)

And none of the articles exhibited against United States Judge Archbald, of Pennsylvania, on which he was impeached charged an indictable offense or violation of positive law.

One of the complaints against the Attorney General is that he appointed William J. Burns Chief of the Bureau of Investigations when he knew before the appointment was made that Burns was an unfit person and an improper character to be appointed. This charge was based in part on the conviction of Willard N. Jones for being concerned in the Oregon land frauds in 1905. Jones was pardoned by President Taft on the recommendation of Attorney General Wickersham, because Mr. Taft believed from the evidence presented that Jones's conviction was obtained through the activities of Burns in succeeding in stuffing the trial jury box by himself and agents with jurymen he ascertained in advance were for conviction.

In his recommendation to President Taft for pardon of Mr. Jones, Mr. Wickersham stated:

The course of the Executive seems to me to be clear, and that is, he can not countenance the methods employed in the prosecution of these cases.

In granting the pardon, Mr. Taft wrote Mr. Wickersham:

From the case made it is perfectly clear that this conviction was effected by the most barefaced and unfair use of all the machinery for drawing a jury that has been disclosed to me in all my experience in the Federal court. (Hearings, pp. 141-143.)

Some members of the committee used every effort to keep this evidence from being made a part of the record. (Hearings, pp. 141-142.) They objected to it all, and they objected because they claimed that Attorney General Daugherty did not have any knowledge of the existence of this evidence before he appointed Burns, but it was shown by several witnesses, including Mr. Wickersham, that he did have complete knowledge of all the evidence bearing on the Jones case, and it was finally admitted by Mr. Daugherty's attorney.

The next move in the defense of Daugherty by the committee in the Burns matter was to try to make it appear that Mr. Wickersham had signed the recommendation for the pardon of Jones as a mere matter of form and had not given his personal attention to the papers in the case, and that Mr. Taft had signed the pardon merely on the recommendation of Mr. Wickersham. This illusion, however, was dispelled by the testimony of Mr. Wickersham, who stated:

I gave it very careful attention.

I went over the report very carefully.

I personally examined all the documents referred to in the case. (Hearings, p. 178.)

Mr. Wickersham testified that Burns never came to see him in defense of his action, although he sent for him to do so, but that he was informed he called only once at the Department of Justice in Mr. Wickersham's absence.

Burns sent a telegram in cipher to Hon. E. A. Hitchcock, at that time Secretary of the Interior, on August 17, 1905, the very date on which the jury box was filled in the Jones case, which was as follows:

Jury commissioners cleaned out old box from which trial jurors were selected and put 600 new names, every one of which was investigated before they were placed in the box. This is confidential. (Hearings, p. 140.)

Burns was in charge of Oregon land-fraud cases. The hearings show that he had agents in the field investigating possible jurors to determine who were for conviction. Inadvertently he seems to have left the telegram and other papers in the case in the office of the district attorney, where they were discovered in the old jury box. Burns states that when he returned to Portland he found Thomas B. Newhausen in charge of the investigation of the jurors, and he further states we had been making investigation of the jurors from the time we first went up there in what they designate here as the "old jury box."

Afterwards Burns was asked by Daugherty's attorney if you meant to say that these men were investigated by you, and he replied, "Oh, not at all." Then later Burns stated we continued to investigate. So he first states we—that is, Burns and others—had been making investigations; then he denied that these jurors had been investigated by him, and then capped the climax of his contradictory statements by declaring, "We continued to investigate." Annotations were made opposite the names of the jurors investigated, such as "convictor from word go." "Socialist anti-Mitchell." "Just read the indictment." "Think he is a populist. If so, convictor." "Would be apt to be for conviction." "He is apt to wish Mitchell hung." "Would convict Christ." "Convict anyone." Burns's favorite way of describing an unsatisfactory juror was to designate him as — of —. Burns states in his testimony—

that the jury was selected after being investigated by jury commissioner and clerks of the court. (Hearings, p. 229.)

But his statement is contradicted by Judge Gilbert, who tried the case. Judge Gilbert, in letters, states:

All orders on which names were placed were made by me. I know of my own knowledge that no men were sent out to ascertain the views or inclination of any of the men so selected. I was advised of each step taken by the commissioner in making the jury lists. (Hearings, p. 169.)

So Burns's statement that the jury was selected after being investigated by the clerks and jury commissioner is contradicted by Judge Gilbert.

Corroboration of Burns's methods in the Jones case is the Beekman case in New Jersey. Beekman was charged with "running whisky" and Burns sent a man named Joyce, a deputy United States marshal, to New Jersey to obtain evidence against Beekman. Joyce remained several days in New Jersey but failed

to obtain any evidence. Joyce undertook to explain the matter to Burns, but Burns told him it was his—

Plain duty over there to take that — of a — before the grand jury in Newark and have him indicted. I told him I did not think so. He said I had no business of looking into the matter of witnesses of the ones that made the affidavit; it was none of — business. Thereupon he flew into a rage and told me it was none of my — business, that it was my plain duty to have those witnesses before the grand jury in Newark and have this man indicted, which was afterwards done. (Hearings, pp. 255-256.)

Joyce further stated that he afterwards learned the reputation of the two witnesses on whom Burns relied and stated:

The very worst I think I ever heard. Neither of them would be believed on oath according to the very many men I talked with, business and professional men in that section. (Hearings, p. 256.)

Mr. McARTHUR, formerly connected with investigations of the Oregon land-fraud case, afterwards speaker of the House of Representatives of Oregon, and now an honored Member of this House, made a complete disclosure of Burns' activities in the Jones case. He states that on or about July 25, 1905—the jury box was filled August 17, 1905—Burns telephoned to him that he wished to see him in the district attorney's office, and while there, in the presence of Francis J. Heney, Burns handed him a typewritten list and said, as nearly as Mr. McARTHUR can remember:

Here, Mac, is a list of prospective jurors from several counties. Take it and weed out the — of — who will not vote for conviction and return it to me as soon as possible, for we are going to make up a new jury box, and no man's name goes into the jury box unless we know he will convict, for, by —, we are going to get Williamson this time, you can bet your sweet life, and we will send this whole — outfit to jail, where they belong. We are going to stack the cards on them this time. (Hearings, p. 140.)

Mr. McARTHUR became indignant and told Burns that such methods were altogether improper, and that no self-respecting man could be a party to them, and Burns replied:

Any methods are justifiable in dealing with these — of —. (Hearings, p. 140.)

McARTHUR further states that about the 1st of September, 1905, he met Burns, who said to him:

Well, Mac, we weeded out the — of —; at least, I think we did, and we will get Williamson this time, and, by —, we will get the whole — crowd. (Hearings, p. 140.)

And he further states that Burns said:

Old Slayden kicked like — because my men worked the lists over before they went to the jury commissioners, but it didn't do the old — of — any good, as the corrected lists went in, anyhow.

Burns stated in his testimony that Jones paid for his pardon, but did not say who he paid nor how much he paid, but intimated that the price was that the Oregon delegates to the national convention should go instructed for Roosevelt but should vote for Taft, thereby attempting to besmirch the good name of Mr. Taft to save himself and Daugherty. All the evidence in this case, in my opinion, shows beyond a reasonable doubt that Burns and his agents packed the jury box with jurors they knew would convict Willard N. Jones.

In the Burns matter the committee permitted Senator JOHNSON, of California, to testify as a character witness for Burns without in anyway qualifying as such witness. He stated he knew Burns when he was investigating the graft cases in San Francisco and was permitted to tell his own personal estimate of him, which anyone knows was not competent testimony. JOHNSON stated he would believe Burns before he would Mr. Wickersham, but at the suggestion of some of the committee he qualified that by saying it was because he did not know Wickersham but knew Burns. By a parity of reasoning I presume Senator JOHNSON would state that he would believe Burns before he would Christ because he knows Burns but never knew Christ.

The pious soul of one of the committee was horrified because in the course of his investigation of the Beekman case Joyce was compelled to visit a number of saloons in order to try to obtain evidence, and he accused Joyce, in Daugherty's defense of course, that while in saloons he found it necessary to take a few drinks of whisky; and he accused Joyce of violating the law, about which there is a difference of opinion, and in behalf of Daugherty heckled Joyce all he possibly could. I presume the intelligent committeeman must have considered it Joyce's duty to visit a Sunday school in order to obtain evidence against a "whisky runner."

One of the charges brought against the Attorney General was that he failed to prosecute the railroads for violation of the safety appliance laws. His defense to that charge that he did not have sufficient funds to prosecute the railroads does not appear to be well taken, in view of the fact that he found sufficient funds to send agents all over the United States to ascertain whether any of the railway employees were violating the Chicago injunction.

The Attorney General also stated that he was not able to prosecute such cases because the railroad brotherhoods had

failed to present him with evidence in those cases. This is a puerile excuse and the merest subterfuge to conceal his negligence and nonfeasance. The railroad brotherhoods were under no obligation whatever to furnish him with evidence of violations of the law. The Government has inspectors to investigate those matters and furnish evidence of violations of the law, and he well knew it when he made that excuse, and such evidence was furnished as shown by the testimony of Commissioner McChord. As a matter of fact, there was a great railway strike, which began the 1st of July; and the Attorney General hastened to Chicago September 1 and obtained the most far-reaching and oppressive injunction against the railway strikers ever obtained in the history of this Republic, while he permitted the violators of safety appliance laws to go unprosecuted.

As to the Attorney General's statement that he did not have funds sufficient to prosecute violators of the safety appliance laws, the following may be illuminating: On the 7th of April, 1922, Mr. JOHNSON of South Dakota offered to the appropriation bill providing for the expenses of the Attorney General an amendment appropriating \$500,000 more for the expenses of the Attorney General's office, which was adopted and finally became law. Mr. HUSTEN, of New York, chairman of the subcommittee having in charge this appropriation bill, stated:

The Department of Justice has not asked for this item, but the Department of Justice is engaged in this work and has ample funds to carry it on at the present time. It does not need an additional dollar for this purpose, and if the money was appropriated it simply adds \$500,000 to the amount carried in the bill which we would have to raise by taxation and which the department could put to no good purpose. (Hearings, p. 413.)

So the statement of the Attorney General that the violators of the safety appliance laws could not be prosecuted for lack of funds is evidently a defensive fabrication, and the Attorney General, as a further defensive smoke screen, asked for the appropriation of \$500,000 about two weeks after Mr. JOHNSON had made his charges on the floor of the House on April 7.

According to the testimony of Commissioner McChord, the number of railway locomotives found defective from July to November, inclusive, was 18,976, and 2,890 locomotives were out of service. As a matter of course, the railroads had been continuously violating the law, or so many engines would not have been found defective nor such a number ordered out of service by the inspectors. Violators of this law were reported to the Attorney General August 15, 1922. Mr. McChord testified that he stated to the Attorney General in a letter that—

Certain violations of the act were reported to the Attorney General for appropriate legal action. With a continuance of existing conditions this will be increasingly frequent. (Hearings, p. 199.)

The President in his message to Congress stated that all laws to restrain conspiracies and to interfere with interstate commerce and the laws to insure the highest efficiency in the railroad service will be invoked, and the bill of the Attorney General in the Chicago injunction stated it is the duty of the Attorney General to enforce the safety appliance laws. He enjoined the employees but failed to prosecute the railroads, and instead protected the railroads by the most villainous injunction. So far as the evidence shows, he has never taken any steps to enforce the safety appliance laws. He has completely failed in his official capacity in this regard, has willfully neglected to perform his official duty, and is guilty of nonfeasance, an indictable and impeachable offense.

The lumber trusts have been continuously violating the antitrust law ever since and before Daugherty became Attorney General. The Federal Trade Commission placed the evidence of such violations in the hands of the Attorney General at various times ever since he has been in office, and yet he has made no effort to prosecute, and in that is guilty of nonfeasance and a willful neglect of duty. Evidence of the violation of the antitrust laws by the Southern Pine Association, the Western Pine Association, the Georgia-Florida Sawmill Association, the North Carolina Pine Association, the South Cypress Manufacturers' Association, the California Sugar and White Pine Manufacturers, the Redwood Manufacturers' Association, the California Redwood Association, the Redwood Shingle Association, the Northern Hemlock Manufacturers' Association, the National Lumber Manufacturers' Association was placed in the hands of the Attorney General, most of them nearly two years ago, yet he has taken no steps, so far as I am advised, to enforce the law. These companies are illegal combinations to enhance and maintain an exorbitant price for building material to the detriment of the public. No wonder there is a shortage of houses and many homeless people in this Republic with these illegal combinations operating in defiance of law with the tacit consent of the Attorney General. No wonder living becomes harder for poor people and the struggle for existence more acute when such oppression is carried on right under the nose of the Attorney General while he sits complacently by and, in plain violation of his duty, makes no effort to correct the evil.

In addition to these cases placed in the hands of the Attorney General evidence of a violation of the antitrust laws by the American Tobacco Co., National Implement and Vehicle Association, Macbeth-Evans Glass Co., Mathieson Alkali Works, Cumberland Manufacturing Co., National Malleable Castings Co., Maple Flooring Manufacturing Association, California Packing Corporation, Southern Wholesale Grocers Association, Duncan's Trade Register, Goodman Manufacturing Co., and the Pioneer Bindery Printing Co. was placed in his hands. The Attorney General has had the evidence in most all these cases ever since he has been in office and if he has ever made a move to prosecute any of these unlawful combinations I have never heard of it, but on the contrary he excuses himself by the statement that he is still investigating when all necessary evidence has long since been furnished by the Federal Trade Commission. His neglect of duty in these cases is the most willful nonfeasance and is of itself alone amply sufficient to call for his impeachment.

The committee had before it, or rather the chairman did, a statement from the Federal Trade Commission as early as December 25, 1922, that it had furnished the Attorney General with a statement of violations of law by these illegal combinations, giving the dates when such evidence was furnished, and Mr. KELLER in his specifications stated:

I request and demand that your committee require the production by the Department of Justice of all letters, telegrams, briefs, memoranda of conversations and conferences, reports of bureaus, investigators, agents, and all other papers, documents of any kind whatsoever in the files of the Department of Justice or of the said Harry M. Daugherty in connection with or in any matter related to any of the matters mentioned in this bill. (Hearings, p. 90.)

In addition to this Mr. KELLER requested that the committee have produced all documents and evidence in the Department of Justice that might throw light on the operations of 43 illegal combinations, including the evidence furnished by the Federal Trade Commission. He also requested that the documents and evidence concerning violations of law by the United Gas Improvement Co., Welsbach, Cities Illuminating Co., and a number of others be produced. The committee did not require the production of the files which Mr. KELLER claimed would prove his contention, but demanded of Mr. KELLER he should name just what papers he wanted, and did have produced some papers, but of such a character as to throw but little light on the situation, and it did not attempt, so far as I am aware, to have produced any of the evidence furnished the Attorney General by the Federal Trade Commission, although requested to do so, but contented itself by stating that the Attorney General would furnish any paper called for and ended by stating that Mr. KELLER refused to offer any evidence, in the face of the fact that in his specifications he had called for various documents which the committee refused to have produced.

The statement made on the floor of the House this day that the Attorney General was willing to produce any record does not correspond to the facts. In his answer to the Keller specifications calling for various documents, naming them, the Attorney General says:

In this connection the Attorney General begs leave to advise and inform your honorable committee that these documents are of an official character, and that to submit them to the inspection of anyone not a member of the Department of Justice would be highly prejudicial to the best interests and subversive not only of the rights of the people of the United States but would be violative of the rights of those confidences, as many of these documents reflect, were given to the Government of the United States upon the express official understanding that such confidences would be treated and preserved as inviolate. (Hearing, p. 93.)

So the Attorney General refused to produce the documents, and the committee would not compel him to produce them, but contented itself by abusing KELLER and threatening to send him to jail because he would not, as the committee claimed, produce the evidence when the committee itself absolutely refused to produce the documents containing the evidence which KELLER specifically named and demanded. It seems to me the committee proceeded on the theory that the best thing to do was to heckle KELLER and the witnesses after the manner of some attorneys, when they have a bad case, to "cuss" the court and abuse the witnesses.

KELLER was not a witness. He never claimed to know any of the facts of his own personal knowledge. All he claimed to do was to be able to produce the evidence if given a fair opportunity, which I believe he could have done. He stated he was not a witness—

Mr. KELLER. I ask the right to address the committee, and I am going to ask you whether you are going to refuse to hear me on that statement.

The CHAIRMAN. If you will be sworn—

Mr. KELLER. I do not have to be sworn.

The CHAIRMAN. Well, we will have you sworn; we will serve a subpoena on you; you can not bully this committee. (Hearings, p. 360.)

Notice the unfair, unjust, and insulting way Mr. KELLER was treated. He was not a witness, but desired to make a statement. Mr. JOHNSON and Mr. WOODRUFF both appeared before the committee, and each of them not only made a statement but testified and neither of them was sworn, nor did the committee require them to be sworn.

That committee, it seemed to me, half the time during the proceedings, did not know which way it was drifting so intent was it, I think honestly, on the exoneration of the Attorney General.

Without any intention whatever of comparing the committee to frogs, still its conduct sometimes reminded me of a doggerel about those creatures—

What a wonderful bird the frog are!
When he sit he stand almost,
When he hop he fly almost;
He ain't got no tail hardly, either;
When he sit, he sit on what he ain't got almost.

No real effort was made by the committee to obtain evidence as to why the Attorney General has not prosecuted the parties who have been violating the laws. It was the duty of the committee under the resolution.

The Attorney General, if my information is at all correct, has placed one Rocellar Gray, a negro, his chauffeur, on the Bureau of Investigation's pay roll, one of the highest paid men in that department. He draws pay from the Government, but is in reality Daugherty's chauffeur, according to my information. Mr. WOODRUFF submitted a list of witnesses in this matter and some papers as requested, but no effort was made to get at the facts.

Ambassador Harvey's son-in-law was indicted, according to information in New Jersey, for shipping arms or ammunition, or both, to Ireland in violation of law. The Department of Justice had the indictment sealed, and Attorney Crim was sent to New Jersey and had the case reopened before the grand jury and attempted to induce the grand jury not to return another indictment, and insisted on remaining in the grand jury room while the grand jury voted, but was not permitted to do so, and the grand jury returned another indictment in the case of Harvey's son-in-law, which the Department of Justice had dismissed under an old carpetbag statute which gives a district attorney the right to dismiss an indictment over the protest of the presiding judge.

The committee did not inquire into the charge that large quantities of whisky had been seized by agents of the Department of Justice and appropriated to the use of high officials in that department, and the Attorney General has failed and refused to prosecute any of them. The charge was made that a hundred thousand dollars' worth of confiscated liquors have been illegally disposed of by Government agents, and these agents, instead of being discharged, have been the recipients of favoritism and promotion; and William B. Matthews, formerly agent in charge of the Washington office of the bureau of investigations, stated:

The facts in the case are that every man connected with this affair has been treated as a favorite and has been placed in some other good job or given a promotion in the Government service.

A Washington grand jury investigated this case, but did not return an indictment because it was handicapped in obtaining evidence. This case was a matter of public notoriety and published in Washington newspapers.

The grand jury in its report stated that the investigation developed the fact that a large number of suit cases, trunks, and boxes, presumably containing alcoholic liquors, had been seized at the Union Station by agents of the Department of Justice and stored in rooms in that department and that during the periods of seizure, storage, and withdrawal no warrants were issued nor legal process instituted with regard to the persons transporting or parcels of liquor transported; that the liquor so seized while supposed to be forfeited to the United States was not in fact so forfeited for the reason that such seizure was never confirmed through legal action by the proper office of the Department of Justice, and therefore neither the liquors nor the persons transporting it ever came into the custody of the court. The grand jury further reported that certain representatives of the Department of Justice disposed of the liquor by making gifts to relatives and friends and by destroying such of it as appeared to be unfit for consumption. No prosecution was ever instituted by the Department of Justice, and no inquiry made by the Judiciary Committee. This violation was committed right under the nose of the Attorney General, yet he has made no move to get at the facts and no attempt to prosecute the guilty. It seems to me that the Department of Justice instead of being an instrument of prosecution has become a harbor for criminals.

The chairman of the committee, in his pursuit of KELLER in his remarks to-day, stated that—

Mr. KELLER himself selected this committee (Judiciary) as the one to make this investigation.

That was a loose statement and the chairman is evidently forgetful. The CONGRESSIONAL RECORD of September 11, 1922, shows that Mr. KELLER introduced his resolution together with some specifications, and that thereupon Mr. MONDELL moved that the resolution be referred to the Judiciary Committee, which motion was adopted.

During the administration of President Taft, Morse, a New York banker, was charged with looting a bank and convicted and sent to the Atlanta Federal Penitentiary. In connection with Thomas B. Felder, a man of malodorous reputation, Mr. Daugherty undertook for a fee of \$25,000 to secure from President Taft a pardon for Morse. Daugherty denied emphatically that he received any fee for getting Morse out of the penitentiary, and Senator Watson, of Indiana, denied it several times on the floor of the Senate, but after the letter from Felder to Leon O. Bailey was published stating that Morse had agreed to pay them \$25,000 to secure the pardon and that if they would renew their efforts to secure the pardon he would pay them \$100,000, Daugherty admitted it. It seems that Daugherty and Felder had failed in their first efforts. The latter cites several instances of Daugherty having visited Morse in New York to secure payment of this fee after Morse was pardoned. Six thousand dollars of it was paid. Felder further says in his letter that if it had not been for himself and Daugherty Morse would have been in his grave. A board of physicians was employed to examine Morse, but reported there was nothing seriously the matter with him. Another board examined Morse and reported him to be in a serious condition.

This was a board of Army doctors. They went to the office of Doctor Fowler, who had been the physician at the penitentiary when Morse was first incarcerated, and obtained a statement from him that Morse had incipient Bright's disease. With this as a cue, they came to Washington and obtained a promise from the President that if an examination showed that Morse's life would be endangered by confinement he would be released. Then they secured a board of Army doctors and had him examined, and they reported he had Bright's disease and was in a very precarious condition. Just after this occurred Felder made this significant statement:

We understood the department has since got hold of evidence that each time Morse was examined by this board of experts that he took either soapuds or some kind of chemicals that made his kidneys bleed, and therefore fooled the experts. (CONGRESSIONAL RECORD, p. 8018.)

Daugherty got the Morse case, not because he is a lawyer, but because he was close to the President, and practiced a fraud on the President to secure the pardon. Attorney General Daugherty denied he had anything to do with the Morse case, yet on April 30, 1913, he wrote a letter to Morse in which he said:

I inclose you herewith a copy of the letter setting forth the contract you made August 4, 1911, with Mr. Felder for his services and mine. You will observe that I was correct in the statement that there was a balance due when you were commuted. (CONGRESSIONAL RECORD, p. 7948.)

Fowler, the penitentiary surgeon engaged with Daugherty and Felder in perpetrating that fraud on President Taft, was discharged from his position, but was reinstated when Daugherty became Attorney General. There was nothing the matter with Morse. He immediately became well and hearty after his pardon and ready for new fields to pillage.

The Attorney General's action in the Bosch Magneto Co. is on a parity of rascality with the fraud practiced in the Morse case. That is one of the large cases pending before the Department of Justice, in which it is contended that the Government was robbed of anywhere from two to ten millions of dollars, and Mr. Scaife, a then special agent of the Department of Justice, made the investigation. He is the man whom the Attorney General wanted discharged, not because he did not tell the truth but because he gave out information to two Members of Congress. He discharged him saying, "You have been disloyal to the Department of Justice." Felder had been retained as counsel for the Bosch Magneto Co. Felder stated to Scaife that he had an interview with the Attorney General and the Attorney General had agreed to cooperate with him in the case and that the Attorney General wanted Felder to see Scaife and he desired to associate Scaife with him. Scaife refused to become associated with Felder. A letter to this effect was published in the CONGRESSIONAL RECORD May 20, 1922. The Attorney General has never denied the truth of the statements contained in the letter, and, although Mr. Scaife was before the committee, the committee was very careful not to interrogate him about it.

Felder knew that Scaife was the gentleman who made the investigation in the case in which the Government was expected to recover millions of dollars, and came straight from the Attorney General's office, where he had a conference about this matter, and at the request of the Attorney General, and offered to employ Scaife to become the head of the defense in a suit which the Attorney General is presumed to bring against the Bosch Magneto Co. Thomas B. Felder, at the request of the Attorney General, attempted to lure away from the Government the investigator on whom the Government must rely to recover judgment against the Bosch Magneto Co. This one case is foul enough to impeach half a dozen Attorneys General.

Mr. Speaker, during the war a small group of men controlled the manufacture of airplanes, and among this number were the Standard Aircraft Corporation and the Standard Aero Co., which were controlled by Mitsui & Co., Japanese companies. In the fall of 1917 it was discovered that the Standard Aircraft Corporation had shipped five Liberty airplane motors from San Francisco to Japan, and the bill of lading for the shipment as set out in the Hughes investigation. In the answer of the Attorney General he alleges these claims have never been placed in his hands, but in the next paragraph contradicts himself by stating in effect that the Department of Justice had made laborious efforts in the matter, and asks to be excused from disclosing the facts on the alleged ground that it would be detrimental to the Government's interests to make these disclosures. It was brought out in the Graham investigation that the Mitsui company is the head of the Japanese secret service in this country.

In a settlement made between the Government and the Standard Aircraft Corporation the Government records show that over \$2,000,000 was paid to these companies for amortization and depreciation of plants and machinery. The same settlement also shows an item of \$375,000 has been paid them for rent. It is evident the company could not collect for a building it did not own and therefore one or the other of these items was a false claim. An investigation was made which disclosed that these companies had never owned the plant or building and therefore had defrauded the Government out of over \$2,000,000. The files in the Air Service and in the Contract Audit Section of the War Department will substantiate these statements. I suggested that Secretary of War Weeks be called before the committee as I wanted this matter inquired into, but my suggestion was not heeded by the committee. This matter has long been known to the Attorney General and he has taken no steps whatever to prosecute this matter and the committee did not take the trouble to obtain any testimony in regard to it but contended itself with heckling. In this matter the Attorney General has dodged his official duty and is subject to impeachment.

Mr. Speaker, the Attorney General had favored the banking house of J. P. Morgan & Co. in that he had indictments dismissed against the directors of the United States Gas & Improvement Co. for violation of the antitrust laws. The directors of this company were indicted for numerous violations of the antitrust law charging them with killing off competing companies and the Attorney General had the indictments dismissed on the flimsy pretext that there might be a variance between the allegations of the indictments and the proof, and the committee accepted this lame excuse and did not go into the merits of the case, although R. Moman, on December 21, 1922, telegraphed the committee demanding to be heard.

The charge was made that the Attorney General favored the New York, New Haven & Hartford Railroad, and Samuel Untermyer informed the committee that he had valuable testimony to offer in connection with the General Electric Co. and cement cases. The General Electric Co. is a criminal monopoly and has placed upon the people of the United States a 100 per cent monopoly of the business of electric-light bulbs. The bulb business constituted only 20 per cent of the volume of the total business of that company, but it yielded 85 per cent of its total profits. This was long since placed in the hands of the Attorney General fully prepared, but he has made no effort whatever to prosecute this criminal combination.

There are a number of other cases in which the Attorney General signally failed to perform his official duty. They are too numerous to specify, and the committee, had it so minded, could have obtained testimony of his dereliction in these cases, but it dodged the matter by demanding that KELLER furnish the evidence, when the resolution authorizes and directs the committee and not KELLER to inquire into the official conduct of the Attorney General.

The forgetful chairman of the committee states in his remarks to-day that the gentleman from Kentucky [Mr. THOMAS], who asks for further investigation, made no such demand when the committee closed its hearings. The chairman stated when

Mr. Howland had made a statement, had testified relative to certain specifications, "if you are through we will go into executive session," which was done. Nothing was said about the hearings being closed. In executive session I refused to vote for the Volstead resolution exonerating Daugherty and stated I thought there should be further investigation and would offer a minority report, which I did. The chairman of the committee should read the record and polish up his memory before he makes loose statements.

Into the controversy came jumping the effervescent, bounding, bounding, bucking gentleman from the sun-baked plains of Texas [Mr. BLANTON], a man of many good parts, but, like the traditional parrot, he talks too much. He came with blood in his eye and talked of scaffolds and hangings, and seemed to have gone on the brain. He in no way discussed the evidence or merits of the case, but contented himself with wholesale abuse of all witnesses in the case who had the temerity to give any testimony at all reflecting on Daugherty, and he was especially severe on the attorneys he presumed represented Mr. KELLER, as well as Samuel Gompers. The mention of Gompers's name always puts him into an intense rage, and the thought of the American Federation of Labor or any other labor organization, except the farmers in his own particular district, throws him into a conniption fit, but he acts very kindly toward the farmers of his district because they do the principal part of the voting in that section; otherwise he probably would be as virulent toward them, because they are laboring people, but he is careful not to kill the goose that lays the golden egg. He states if there had been no strike there would have been no injunction and no impeachment. He knows full well that the railroads caused the strike. He knows they violated their written agreement to meet the railroad employees long before the strike and arbitrate the question of wages, and violated their written agreement and demanded a reduction of wages and an increase of rates, which they, through the assistance of Daugherty and the Interstate Commerce Commission, obtained. He knows that for months before that it was generally published that the railroads intended to break down the labor organizations, and in pursuance of that policy secured the passage through Congress of the infamous Esch-Cummins railroad bill, to enable the railroads to collect from the people sufficient funds to bear the expenses in attempting to disorganize the labor organizations. He knows that under the law millions of dollars were collected from the people, including the farmers of his district, whom he professes to so devotedly love, and turned over to the railroads for the purpose of defraying the expenses of the railroads in that effort. He knows he voted for that bill to take money out of the pockets of his farmer constituents to give to the railroads.

He manifested in his remarks no respect for old age and gray hairs, but was exceedingly abusive toward Samuel Gompers because he obeyed the subpoena of the committee and appeared and testified, and was equally abusive of KELLER for the reason that he refused to testify and wanted to hang somebody.

The truth is Mr. BLANTON did not discuss the relevant testimony adduced in the case. He seems to have an inordinate desire to see his name appear in the CONGRESSIONAL RECORD. He appears to be a monomaniac on the subject of seeing his name in the RECORD. He seems to have arrived at that state of mind that he believes—

Every day and every minute,
The RECORD's wrong if I'm not in it.

The fact is, Mr. BLANTON manifested no conception of the merits of the case but contented himself to indulge in villification. He has about as much knowledge of the case as a swan floating on the broad bosom of mid-Atlantic has of the immeasurable depths beneath it.

Mr. Gompers was present in obedience to a subpoena. He conducted himself with modesty, decorum, dignity, and courtesy. His testimony was brief and simple, and only to the effect that after having been sent for by Daugherty in regard to the Burns appointment he protested against the appointment, which statement was admitted by Daugherty's attorney and proved by several other witnesses. That and the fact he is a member of the American Federation of Labor is the cause of the outpouring of BLANTON'S vials of wrath.

No member of the committee nor Member of the House who has discussed this question to-day has touched upon the evidence. All of them have studiously avoided that. KELLER has been abused and charged with discourtesy toward the committee, of which I do not think he is guilty, and I desire to call attention to some of the epithets that have been hurled at him and witnesses and attorneys engaged in this case. They are such as "cheap political scavengers," "muckraking klan," "dirty politics," "henchmen," "shyster lawyer," "dastardly act," "insolent attempt," "insolent letter," "insolent and

abusive epistle," "falsehoods and misrepresentations," "insolent manner," "promptly have gone to jail," "friend and attorney of prominent anarchists," "innocent dupe," "messenger boy," "an anarchist," "to blackguard the Attorney General," "false and voluminous charges," "weasel politics," "dissembling Samuel," "insolent attitude," "slander and scandal," "scurrilous charges," "disseminators of falsehood and calumny," "mixed hatreds, emotions, and falsehoods," "arrogant, truculent, and offensive," "impertinent," "disgusting and demoralizing," "wholesale, reckless, rampant, and discriminating abuse," "slandorous attack," "willful and malicious misrepresentation."

These and some other affectionate epithets were hurled at KELLER, witnesses, and attorneys in this case in the committee and on the floor of the House to-day by the exceedingly courteous committee which complains of discourteous words used by Mr. KELLER.

Mr. Speaker, the committee in consideration of the Daugherty matter at times proceeded as though the resolution had been passed by the House and it had been authorized to conduct an investigation and even more; it proceeded as though the House itself had had prepared a bill of impeachment and the committee was the United States Senate sitting as a court to hear evidence on this bill. Such action was a usurpation of the prerogatives of the House and Senate and finally it was turned into a farcical proceeding.

The committee appeared to me to have prepared barrels of whitewash for Daugherty and barrels of blackwash for KELLER, because he had dared to exercise his constitutional privilege of calling attention to what he believed to be reprehensible and impeachable official conduct of the Attorney General and requested that Congress inquire as to the conduct of that official. The rulings made from time to time as to evidence by the committee have, in my opinion, no parallel in any court in the land.

Mr. KELLER divided his accusations into 14 divisions or charges, together with a number of subdivisions, making a total of about 130 alleged instances of official misconduct on the part of the Attorney General. KELLER was present and represented during the hearings on only 2 of these 130 charges, and because of the heckling he had been subjected to by the committee and the discourtesy with which he had been treated withdrew from further participation in the proceedings. In this course he was fully justified, as he had a constitutional duty to perform and it was his right and duty to refuse to participate in proceedings which, in his opinion, were violative of his fundamental obligations and rights as a Member of the House.

After KELLER'S withdrawal the greater part of the committee's time was consumed, in my opinion, in devising ways and means to shut out any testimony that might tend to substantiate the Keller charges. Unless I am greatly mistaken in my opinion several of the members of the committee acted as advocates for the Attorney General in combating the charges, and I think there is ample evidence of this in the published hearings. It seemed to me it was not necessary for the Attorney General to be represented by counsel and few were the questions asked by the Attorney General's counsel, as that was diligently looked after by several members of the committee. It would require much time to specify the many gross failures of the committee to make any effort to get at the real facts of the many charges. The very nature of an impeachment proceeding is to remove an unfit official from office. Were he guilty of crimes, he could be reached by courts.

Mr. Speaker, Anglo-Saxon law and tradition from the earliest time have universally and tenaciously held to the doctrine that nonfeasance or conduct prejudicial to the interest of the public are sufficient to remove public officials from office. I believe the discourtesy shown KELLER and contempt manifested toward him amounts to a notice that if any Member of the House dares to exercise his constitutional right to criticize a public official of the executive branch of the Government he will become the victim of espionage and persecution.

Mr. Speaker, I am fully aware of the fact that to argue against the passage of this resolution is like casting pearls before swine, but the people of this Republic will not forever submit to a condition in which the great Department of Justice shall remain in charge of persons utterly unfitted to hold this exalted position.

Some gentleman in his remarks to-day, if I caught his words aright, stated that all the newspapers are for Daugherty. That statement is ridiculous and even if true throws no light on the subject. One Washington newspaper in its report of the first day's proceedings was very severe on the conduct of the committee, but afterwards remained silent. No doubt that invisible Government to which Mr. JOHNSON of South Dakota re-

ferred touched the mainspring of that paper's opinion and it remained silent thereafter.

Daugherty will not be exonerated by the House; he will be "whitewashed." Of the gentlemen here to-day who have evaded the evidence and spoken so vehemently in defense of the Attorney General nearly all of them are "lame ducks," and most of them, according to reports, are applicants for appointive positions. Mr. WOODRUFF, one of the men who asked for the investigation, received every vote cast in his district, and Mr. KELLER, making an issue of the Daugherty case, received the largest majority ever cast for him, while Mr. VOLSTEAD, coming from the same State as KELLER, was overwhelmingly defeated.

The farmers of the country, the men with the hoe, who furnish the staff of life without which the world would perish, the miners—the subterranean fighters, who furnish the fuel to light and warm the world—the soldiers of the rail, the veterans of the cab, who serve in the front danger line of the grand army of transportation, and every class of labor is just as much entitled to organize to protect their rights as any other class of citizens.

It has been held in the United States that impeachment will lie against public officers for gross abuse or betrayals of trust, for inexcusable neglect of duty, although no indictable crime either at common law or under any statute be committed. (Cooley Constitutional Law, 159.) It has been fully shown by the evidence, and could have been further shown had the committee produced the evidence which it could have done, that the Attorney General has been guilty of gross abuses, betrayals of trust, and willful neglect of duties in numerous instances.

The Attorney General was an apt pupil of the George B. Cox school of political activity in Cincinnati. Cox was known far and wide as a corrupt politician who bossed Cincinnati and controlled and corrupted the courts. So incensed did the people of that city become because of the corrupt activities of Cox that they arose in their indignation and wrath and burned the courthouse, and Daugherty does not seem to have reformed or abandoned the methods he acquired under the teachings of Cox.

The man who has a valid defense and is conscious of his innocence and is sufficiently intelligent to make a clear statement but shirks a cross-examination furnishes strong evidence of guilt. There is no statute or rule of evidence to prevent the public from presuming that when an intelligent man is arraigned charged with the commission of an offense his failure to testify is very strong evidence against him. Daugherty did not testify, as he probably feared cross-examination. When he must have realized his dangerous position he was content to remain absent and permit his henchmen to testify for him without venturing to support them. Newberry did not succeed in his course of conduct in not testifying, nor will the Attorney General succeed in securing the verdict of the public by his failure to appear and testify.

The Attorney General's defense has been flimsy and contradictory excuses. Pages of human history are filled with unpalatable excuses because of duties unperformed and crimes committed. In the beginning, when Cain slew Abel and was charged with the offense, he defended himself by inquiring, "Am I my brother's keeper?" Such has been the subterfuge of mankind all through the flight of time. Before the tables of stone were delivered to Moses, amid the thunders and lightnings of Sinai, before the building of the pyramids, those silent sentinels of the desert that have withstood the ravages of time, before the construction of the Egyptian Sphinx, which has stood unmoved for centuries in the trackless wastes of Libyan sands, and before the barons wrested the charter of English liberty from King John at Runnymede, mankind has always been ready with excuses for crimes committed and duty neglected. It was so when the scarred and veteran legions of Caesar bore aloft the imperial Roman eagles. It was true when Mark Anthony loved, when Christ was crucified, and when Homer sang, and will be until the end of time, and—

No thief e'er felt the halter draw
With good opinion of the law.

The oppressive and felonious claws of bureaucracy are clutching at the prerogatives of Congress, and already I can hear the death rattle in its throat in the surrender of the rights of the people and the privileges of the legislative branch of the Government to the demands of the executive departments. If reformation does not come, and public officials are not taught that public office is a public trust, if public officials are not properly disciplined for dishonesty and official misconduct, then, eventually, the black tempest of revolution in mournful cadence will sweep over this Republic—

Like dreams of sorrow o'er the face
Of sleeping beauty,

"and the grass, green from the soil of carnage," will wave above the graves of millions slain.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Record.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the Record. Is there objection?

There was no objection.

Mr. VOLSTEAD. Mr. Speaker, I yield to the gentleman from Nebraska [Mr. JEFFERIS].

Mr. JEFFERIS of Nebraska. Mr. Speaker, when considering the charges and the making thereof against the Attorney General certain events and the time of their occurrence are most instructive.

On July 1, 1922, some 260,000 of the 400,000 railway shopmen went out on strike.

On September 1 the Attorney General filed a bill in equity in the Federal court of Chicago, and a restraining order was issued restraining the striking shopmen and their leaders from interfering with the operations of interstate commerce.

On September 9 to 16 Samuel Gompers and the executive council of the American Federation of Labor were in session.

On September 11 the Attorney General, having given 10 days' legal notice to the defendants in the Chicago case, commenced the introduction of evidence contained in some 1,700 affidavits to obtain, if possible, a temporary injunction.

On the same day, September 11, Representative KELLER, of Minnesota, in the House of Representatives, made impeachment charges against the Attorney General, alleging, among other things, that he had abridged the freedom of speech, the freedom of the press, and the right of the people to peaceably assemble, and at the same time introduced Resolution 425, authorizing the Committee on the Judiciary to inquire into the official conduct of the Attorney General and to report whether or not he had been guilty of any acts which could be considered as high crimes and misdemeanors in office and which would warrant his impeachment.

On September 16 the Judiciary Committee met to proceed with the hearings, but Representative KELLER was not prepared to offer any evidence in support of his contentions.

On November 23 the committee requested the Representative for a more specific statement of the act or acts about which he complained.

On December 1 Representative KELLER filed his amplified specifications.

On the 1st and 2d days of December the Progressives met in Washington, and Mr. Samuel Untermyer, of New York City, on the evening of December 2, at the dinner of the Progressives, attacked the Attorney General and disgorged himself of an effervescent diatribe of marked similarity to the amplified specifications filed on the 1st day of December by Representative KELLER.

On December 4 the Attorney General filed with the committee a specific answer to each and all of the so-called charges, and the committee promptly announced its readiness to proceed with the hearing of evidence, but Mr. KELLER stated he was not ready to proceed, and that he could not do so unless the committee obtained the power to subpoena witnesses, so the chairman of the committee on that same day, in order to make some progress, secured the adoption of Resolution 461 by the House of Representatives, which authorized the Committee on the Judiciary to send for persons and papers and to sit during sessions of the House.

On December 12 Representative KELLER and Mr. Ralston, attorney for the Representative and the American Federation of Labor, appeared before the committee, as did certain other persons who had been requested to appear as witnesses.

At the opening of the hearing Mr. Howland, a former Member of Congress from the State of Ohio, who was present representing Attorney General Daugherty, addressed the committee, saying:

I now respectfully ask the committee to ask who these gentlemen are associated with Mr. KELLER in this impeachment proceeding?

This modest request to learn the mere names of the persons associated with Representative KELLER in the charges caused considerable of an explosion, as the following inquiries establish:

Mr. RALSTON. Mr. Chairman, for the issues that are before this committee, the gentleman will pardon me for saying that the question is entirely impertinent. The only issue before this committee is the one of the innocence of his client.

The CHAIRMAN. Do you refuse to answer the question?

Mr. RALSTON. It is not a question before this committee.

Mr. HOWLAND. It is now; I have put it before the committee.

Mr. RALSTON. It is not before the committee unless it is pertinent.

Mr. HOWLAND. Very good.

Mr. JEFFERIS. Can you not state briefly the parties interested in this?

Mr. RALSTON. I can state briefly, yes, the parties interested in it. I can not, naturally, enumerate them. They are something over 100,000,000 in number.

Mr. FOSTER. Did they help prepare this? This says, "those were prepared by men who are interested in this impeachment proceeding with me."

Mr. RALSTON. His clerk's assistance, I suppose, he has a right to get with or without compensation.

Mr. FOSTER. I do not refer to that; I refer to the statement made by Mr. KELLER. It is up to you whether you care to give that information. It says, "those were prepared by men who are interested in this impeachment proceeding with me," and his question was whether you cared to state who they were.

Mr. RALSTON. If the committee votes that is a pertinent inquiry, that it has anything to do with the issues before this committee, I will answer it as far as is within my power.

Mr. JEFFERIS. Do you not think, in order to see whether this is a prosecution in good faith or not, that the committee and the country would like to know whether it has animus behind it; and you can tell that, possibly, by knowing who the individuals are who helped to prepare this.

Mr. RALSTON. The question of whether this is in good faith or bad faith depends upon the facts which will be developed here. If Mr. Daugherty intends to rest his defense upon the good faith or bad faith of his accusers, he is at perfect liberty to do so.

Mr. JEFFERIS. It is not what Mr. Daugherty intends; it has got beyond Mr. Daugherty. This is a matter of national importance, and the people are interested, as I view it, in knowing whether or not they will continue to have confidence in their Government.

Mr. RALSTON. The people are interested in knowing whether or not the facts we put forth are true.

Mr. KELLER filed these charges last September, I believe. Now, Mr. KELLER has gotten assistance from many sources since then and expects to get assistance from many sources in the future which will tend to support these charges. Now, Mr. KELLER on his oath as a Member of Congress, filed the charges.

Mr. JEFFERIS. Suppose we grant that. What is there, what reason is there, that you could not or would not be willing to state the men who have helped to prepare these charges?

Mr. RALSTON. I have no personal objection to it at all, except its utter impertinence and, if I could copy an expression used by Mr. Daugherty, an attempt on his part to create a smoke screen before this committee.

The CHAIRMAN. Oh, I do not think so.

Mr. RALSTON. I think so, absolutely.

Mr. CHANDLER. Is that seeking to create a smoke screen, when he is not seeking to suppress the names of his prosecutors?

Mr. RALSTON. I am not seeking to suppress any names. If the committee rules that is pertinent to the question, I will answer.

Mr. CHANDLER. It certainly is.

Mr. RALSTON. It seems to me it is entirely impertinent.

The CHAIRMAN. I do not think that it is an impertinent question. It is one which is asked in courts in the trial of cases.

Mr. RALSTON. I have never known of its being asked in the trial of a criminal case before in my experience.

The CHAIRMAN. It is involved in nearly every case.

Mr. RALSTON. It is always involved, yes, if there is no other defense, which appears to be the case here, so far.

The CHAIRMAN. Go on and answer the question.

Mr. RALSTON. If the chairman rules it is pertinent—

The CHAIRMAN. I rule it is pertinent.

Mr. RALSTON. I consider it is a smoke screen. However, Mr. KELLER has had my assistance; he has had the assistance of his secretary, I have no doubt. Whether he has had other assistance in the presentation of this thing—there are two secretaries—but whether he has had other assistance in the preparation of this thing, I do not know.

Mr. HICKEY. Have you any objection to stating who compensates you for your services?

Mr. RALSTON. I was asked to prepare those without any question of compensation.

Mr. HICKEY. By whom?

Mr. RALSTON. I was asked, so far as the particular issues he is acquainted with are concerned, by Mr. Gompers, and no question was raised as to compensation.

Mr. HICKEY. Mr. Gompers is president of the American Federation of Labor?

Mr. RALSTON. Yes, he is; he is also an American citizen.

Mr. HICKEY. And you are attorney for the American Federation of Labor?

Mr. RALSTON. Yes; I have been on many occasions.

Mr. HICKEY. So that you really appear for this organization at this time?

In the course of time Mr. Ralston, the attorney for Representative KELLER and the American Federation of Labor, evidently concluded that he would make an effort to deal frankly with the committee, and announced:

Mr. RALSTON. I want to deal frankly with the committee. So far as those first charges are concerned, I do not expect to deal with them personally at all. I have not studied them; I did not prepare them; and Mr. Undermyer is particularly interested in them, and I presume expects or hopes to appear before this committee. You will understand from that that up to this time the charges which I have particularly prepared myself, or aimed to prepare myself, are three in number.

Mr. HICKEY. I understand, but I thought likely you had some information from those who did prepare them.

Mr. RALSTON. No.

The CHAIRMAN. Let me ask Mr. KELLER.

Mr. KELLER. Mr. Chairman and gentlemen of the committee, at the time we had the first hearing, when I appeared before the committee, you set the following Tuesday for me to appear before this committee with the attorney. I saw Mr. Undermyer the following Sunday, and he is the man who is interested in those first charges.

The CHAIRMAN. What do you know about them yourself?

Mr. KELLER. I am not ready to state right now.

Mr. GRAHAM. You preferred these charges. Now can not you produce the evidence that moved you to make these solemn and serious charges against a public official on the floor of Congress?

Mr. KELLER. I will be ready when I get ready.

Mr. GRAHAM. Oh, no; you won't. Do not get impudent with the committee.

Mr. KELLER. I say I am not prepared this morning to take them up. I am simply answering a question of Mr. FOSTER, and that is on the following Monday I said when I appeared before this committee Mr.

Undermyer would have been ready on Tuesday to come here and answer these charges. This committee adjourned until December 4. Now Mr. Undermyer is in such shape that he can not appear at any particular time and take care of these particular charges.

Mr. GRAHAM. May I ask a question at this point? Mr. KELLER, you say you consulted Mr. Undermyer when?

Mr. KELLER. The first time was on a Sunday following the meeting on September 16.

Members of the committee thus learned after much effort that the three chief promoters and actors in the scheme designed to bring about the impeachment of Attorney General Daugherty were the two versatile Samuels and one Representative.

Since these three participated in originating the false and voluminous charges against a single officer, some might think of them as three of a kind, but the fact is that each of them plies his individual art in his own special manner when playing what Will Payne would call "weasel politics" in a vain effort to destroy the good name of the present administration and to disrupt the Republican Party.

Some were led to believe from the vaporings of Samuel Undermyer, of New York City, as published in the press, that he was just "rearing to come" as a volunteer, without hope of pecuniary reward or compensation, to prosecute the alleged impeachment charges in a notorious attempt, as many believe, to intimidate the Attorney General in the discharge of his official duties.

But this dissembling Samuel, having received much publicity and notoriety in the free advertising columns of the press, was pleased to remain in New York and play "weasel politics" in Big Bertha fashion by belching forth poisonous slander against the Attorney General and members of the Judiciary Committee.

While this wily Samuel remained in New York City the committee thoroughly and fairly investigated the specifications which he had fomented against the Attorney General. The committee heard the open, straightforward, sworn testimony of Col. William Hayward, an eminent lawyer of national reputation and standing, who is serving the Government of the United States as district attorney for the southern district of New York with that same degree of fidelity and zeal which distinguished him as a brave and courageous soldier, one of the Nation's defenders and heroes upon the battle field, and found that Samuel's charges were the mere vaporous productions of his wild and distorted imagination.

The distant, isolated, and insolent attitude of this Samuel deprived the committee of an opportunity to see this self-important mortal in his habiliments of clay and prevented the committee from learning how it was possible for him in New York to know or, rather, pretend to know so much which never occurred before the committee in Washington.

However, this crafty Samuel, the Big Bertha of long-distance slander and scandal, by avoiding the Judiciary Committee furnished the country with conclusive proof that the freedom of speech and freedom of the press to defame and attempt to assassinate the reputations of Cabinet officials and Members of Congress have survived the recent Chicago injunction.

The New York Samuel knew this full well, but for fear that some of his kind might not, he belched forth the scurrilous charges against the Attorney General and members of the committee to notify his fellow disseminators of falsehood and calumny that it was still open season for feeding the flames of unrest and discontent among the people by slandering honorable men who are responsible for the administration of the orderly functions of government.

This Samuel's absence on the 12th and 13th days of December troubled the other Samuel and the Representative from Minnesota more than their gloomy faces indicated. They were mentally depressed when Senator HIRAM JOHNSON testified to the high character and courage of William J. Burns and told how he, the Senator, had recommended Burns to the Attorney General for appointment, but their hopes fell to 40 degrees below zero when Mr. Stevenson, the able lawyer for the Brotherhood of Locomotive Firemen and Enginemen, testified that the Attorney General was ready, willing, and anxious at all times to help the brotherhoods as the facts would warrant in every way within his power to obtain the relief they sought, and that, in the judgment of the witness, the Attorney General should not be impeached.

The next morning, December 14, the Representative came before the committee all alone; neither of the Samuels was present to stimulate his waning courage. Disappointment settled heavily upon the brow of the lone survivor, so he hunted his trusty telephone, called the Samuel of New York, 226 miles away, and told him of his plight and want of evidence. Now, the Samuel of New York may have told the Representative to

write a letter denouncing the committee and to refuse to have anything more to do with the charges, and to tell the committee he had made this decision after consultation with his advisers, among them being Mr. Samuel Untermyer, of New York City.

Anyway, the Representative wrote the letter denouncing the committee, refused to proceed further with the charges, and told the committee that he made this decision after consultation with his advisers, among them being Samuel Untermyer, of New York, and then the Representative made his get-away to his sanctuary of silence, from whence even a subpoena issued by the House of Representatives and signed by the honored Speaker failed to budge him.

The committee heard nothing further from Samuel of the house of Untermyer from the 14th of December until the evidence had been completed upon all the charges and the same had been printed. Then, on the 4th of January of the new year, Samuel, of New York, oiled up his typewriter, conned his unabridged dictionary, and wrote a scorching five-page letter denouncing the committee and hurled it at the chairman of the committee through the United States mail. By this act of long-distance throwing, after he had advised the Representative to proceed no further, some think that the New York Samuel hopes to be known as one of the world's famous athletes.

In this last effort of Samuel's to become famous by denouncing and belittling others one might think that he feeds upon the meat of ferocious animals and now when the hearings are closed that he was anxious to tear the very vitals of the Attorney General had the committee subpoenaed him to come after he had advised the Representative from Minnesota to quit, but whom he, in his letter of January 4, says he never represented, and with whom he never at any time sustained professional relations, meaning that he had received no money as a retainer for his stunts of long-distance throwing of advice and counsel.

Samuel's doings two weeks after the hearings were closed reminds me very much of that old coon dog down in Texas which would not fight a live coon, but when one had been shot and killed and everything was all over the old dog would rush up and shake the dead coon and growl and roar like a ferocious lion.

If the Samuels of the Untermyer type, by nation-wide publicity and propaganda of mixed hatreds, emotions, and falsehoods, could succeed in undermining and destroying the confidence of the people in the integrity of Government officials and Representatives in Congress, they would tear away the very foundations upon which this Government rests, and the institutions of liberty, which have flourished for nearly a century and a half under the Constitution of the Republic, would fall as the star from heaven, fading as it drops.

The other Samuel—Samuel Gompers, president of the American Federation of Labor—with his private secretary and attorney, did come before the committee and made solemn affirmation to tell the truth as a witness.

He was asked when it was that he suggested to Mr. Ralston, the attorney for the federation, that impeachment proceedings should be started against the Attorney General. Samuel answered that he did not know that impeachment proceedings were to be brought against Mr. Daugherty until after he read them in the newspapers.

Later on I asked him:

I was trying to fix the date when the action was taken here by the executive committee of the American Federation of Labor to go ahead or take part in these charges against the Attorney General.

To this inquiry Samuel answered:

The dates, as near as I can recollect, I think it was on the 14th of November when the executive council, or the 16th, when the executive council met in its regular session.

The answers of Samuel, the witness, would tend to prove that neither he nor the executive council were interested in the charges made by Representative KELLER in the House on September 11, 1922, until about the middle of the following November.

But the American Federationist, the official magazine of the American Federation of Labor, of which Samuel Gompers is the editor, in its October issue, at pages 768 to 769, tells a different story and flatly contradicts and impeaches the statement of Samuel, the witness, and proves what the executive council was doing from September 9 to September 16.

The magazine says:

It was with these things in view that the executive council of the American Federation of Labor at its meeting, September 9 to September 16, determined to use all of its influence and to attempt to mobilize the strength of the organized-labor movement in an effort to bring about the impeachment of the Attorney General, who has so ruthlessly overriden the law and the Constitution of our Republic.

As a result of its decision, the following official communication was issued from the headquarters of the American Federation of Labor on September 18 (the first and last paragraphs are):

WASHINGTON, D. C., September 18, 1922.

To All Organized Labor.

GREETINGS: The injunction issued against the shopmen by Judge Wilkerson on application of Attorney General Daugherty is a most flagrant violation of the Constitution of the United States and of the laws enacted by our Congress. No one apparently is free from its sweeping provisions. It prohibits the freedom of speech, the freedom of press, and the right of the people peaceably to assemble to discuss their grievances.

It is urged that you make immediate preparation for the holding of the mass meeting on Sunday, October 1, 1922; that you solicit and obtain the cooperation of the farmers, both as organizations and as individuals, and sympathetic, freedom-loving citizens of your community; also that resolutions be prepared and adopted by the mass meeting, copy of which, duly signed, should be transmitted to the Member of the House of Representatives representing your district at Washington, D. C., and forward a copy of the same to this office.

Fraternalty yours,

[SEAL.]
Attest:

SAMUEL GOMPERS, President.
FRANK MORRISON, Secretary.
JAMES DUNCAN, First Vice President.
JOSEPH F. VALENTINE, Second Vice President.
FRANK DUFFY, Third Vice President.
WILLIAM GREEN, Fourth Vice President.
W. D. MAHON, Fifth Vice President.
T. A. RICKERT, Sixth Vice President.
JACOB FISCHER, Seventh Vice President.
MATTHEW WOLFE, Eighth Vice President.
DANIEL J. TOBIN, Treasurer.

Executive Council, American Federation of Labor.

The answers of Samuel, the witness, when compared with the article by Samuel, the editor, raise some vital queries, namely:

Did Samuel, the witness, though affirming to tell the truth, forget that the executive council had resolved during the week of September 9 to 16, as stated in the magazine, to use all of its influence not to impeach the Attorney General but to bring about his impeachment? Or did the failure of the crafty Samuel, of New York, to appear lead the Washington Samuel to conclude that it would look better for Representative KELLER to enjoy the distinction of sole authorship of the charges from September 11 until November 14, and that he, Samuel, and the executive council had only stepped forward at that time as incidental nurses to keep them clean and holy until Samuel, of New York, could come, and then they, the two mighty Samuels, would snatch the charges from the trembling arms of the Representative, who had nursed and clothed them with his love and high personal prerogatives during their early infancy?

Why did not Samuel and the executive council accompany Bert M. Jewell, president, and John Scott, secretary, of the railway employees department of the American Federation of Labor, and their attorneys, to court on September 11 and offer to introduce at least one affidavit or one witness to dispute some one of the 1,700 affidavits which the Attorney General and his assistants read in open court to support the bill in equity?

Why beat about the bush and urge organized labor to solicit "farmers" and "freedom-loving citizens" to join in holding mass meetings to pass resolutions to be forwarded to Members of the House in an effort "to bring about" the impeachment of the Attorney General when he was but striving in a peaceful, lawful way to keep railroad trains in operation in interstate commerce for the transportation of mails, and food from the fields, and fuel from the mines to enable all the great mass of freedom-loving people of the Republic to withstand the cold blasts of the coming winter?

Why have organized labor solicit farmers and sympathetic freedom-loving citizens to cooperate with them? Why insinuate that the farmers of the Nation are not a freedom-loving people? Where, I ask, are the people or a class of people who excel the American farmers as a freedom-loving people so long as they are not overreached by falsifiers and deceivers?

The propaganda of this Samuel and his executive council to bring about the impeachment of the Attorney General might fool some, but sympathetic, freedom-loving people go to the courts of the land when they have controversies to settle.

I have represented labor organizations in open court in strike-injunction controversies, and the truth proved their cause, and the court decided promptly in their favor. He who is armed with the truth does not have to run away or keep away from the courts or from the Judiciary Committee of the House.

But, perhaps, Samuel and the executive council were tainted with the belief, so tersely expressed on September 16 by Representative KELLER to the committee when he declared:

The committee should take the charges that I make, that they are true until they are proven not true.

If such was their belief then liberty-loving citizens had better look to the regular officers of the law throughout the Republic for protection, rather than to great actors playing

"weasel politics." If the day ever comes when the mere making of charges proves their truth, then liberty-loving citizens may well tremble; for even injunctions may then be granted without the introduction of proof in open court to substantiate the charges of a bill in equity.

When this Samuel was upon the witness stand under solemn affirmation on the 13th day of December his testimony was confined to charge numbered 13, to the effect that the Attorney General should be impeached for having appointed William J. Burns Director of the Bureau of Investigation of the Department of Justice, after Samuel in company with his private secretary on July 27, 1921, had brought to the attention of the Attorney General that Burns, according to the opinions expressed in two letters written in 1912 by former Attorney General Wickersham and President Taft, had been guilty of wrongdoing in reference to the names of a jury panel in 1905 when he—Burns—was in the employ of the Government assisting Francis J. Heney in the prosecution of a land-fraud case in Oregon, and that one Macauley had also sent the Attorney General a letter and some newspaper clippings tending to show that Burns was not a fit man for the position. Mr. Gompers admitted, however, that Burns had never been indicted or prosecuted for any wrongdoing in 1905 or at any other time.

HIRAM W. JOHNSON, Senator of the United States, then testified that he had recommended Mr. Burns's appointment:

Mr. HOWLAND. As near as you can remember, will you state to the committee, in substance, your recommendation to the Attorney General? Senator JOHNSON. I told him the experience I had had with Burns in San Francisco in the graft prosecutions; that I considered him one of the ablest detectives I had ever known; that I believed him to be a man of character and integrity; and that he would in every way possess the requisite qualifications for the office to which he aspired.

William J. Burns testified under oath of his long years of service in the Secret Service Division of the Treasury Department and in the Department of the Interior; that he had long sought an opportunity to explain the opinions of him, expressed in the letters of 1912, and proceeded to do so in clear-cut, straightforward English.

Burns, as a witness, also informed the committee that the Burns Detective Agency, while looking after the business of the American Bankers' Association, had arrested Macauley, of Toronto, Canada, some years ago for passing counterfeit drafts of the Canadian Express Co., and that Macauley had not been friendly to him since that time.

Burns also testified that Mr. Gompers had been unfriendly toward him and had hounded him at every opportunity since he arrested the McNamaras at Indianapolis. This Mr. Gompers denied.

The appointment of Mr. Burns by the Attorney General was evidently disappointing if not actually displeasing to Mr. Gompers, who felt that his objections were controlling and that the Attorney General should have complied with his wishes in the matter.

Mr. Daugherty answered Macauley's letter in the following language:

I have been interested in reading your inclosures, which information I had before considering Mr. Burns's appointment. I have known Mr. Burns for many, many years and am quite sure he will render me and the administration faithful and efficient service.

Thus it was that charge 13, on the 13th of December, proved to be a defeat for Mr. Samuel Gompers, even though he had not stayed away or run away, and for Mr. William J. Burns it was a victory, a vindication of his integrity and sterling manhood.

When Samuel Untermyer, in his speech at the progressive meeting in Washington on December 2, charged the Attorney General with nonenforcement of the antitrust laws, and that such laws were a dead letter in the Department of Justice, he knew or ought to have known that Mr. Daugherty, within the 20 months that he had been Attorney General, had commenced proportionately as many actions in antitrust cases, if not more, than during the administration of any other Attorney General since the passage of the Sherman Antitrust Act. The exact figures are:

	Cases.
President Harrison, 4 years	7
President Cleveland, 4 years	8
President McKinley, 4 years	3
President Roosevelt, 8 years	44
President Taft, 4 years	80
President Wilson, 8 years	88
President Harding, 20 months	32

Untermyer likewise knew that during Mr. Daugherty's administration as Attorney General, for the first time in the 32 years' history of the Sherman Antitrust Act, defendants had been given jail sentences for the violation of that law. He knew also that the entire list of 35 or 36 cases which was turned over to the United States district attorney at New

York by the Lockwood committee had been unsupported by any evidence of an interstate nature, and that many of the cases on the list were purely local in character and without interstate activities, which precluded their prosecution under the Sherman Antitrust Act, and that the United States district attorney for New York was busy with an increased force investigating all of said alleged cases with the greatest of diligence.

That this New York Samuel under such conditions should write letters and attempt to impeach the integrity and good standing of the 21 members of the Committee on the Judiciary and the Attorney General of the United States before the court of public opinion without proof is but an illustration of his efforts to strain the credulity of the country into the belief that he is the only honest man in the whole lot.

Lawyers who have had experience in even one action of any magnitude where the witnesses lived far apart and the legal questions involved were complex know full well that it takes much time and work to prepare such a case before it can be filed in court, and every lawyer knows that the preparation before the commencement of suit is of greater importance than is the trial itself.

A résumé of the year's work accomplished by the Department of Justice during the administration of Harry M. Daugherty, in the Federal courts, should be a source of sincere pride to those who believe in law enforcement throughout the land.

In brief it is:

Civil suits have been initiated against builders of Army camps to recover for the Government sums in excess of \$50,000,000.

A large number of individuals and corporations have been indicted, charged with criminal conspiracy against the Government resulting in the loss of millions of dollars in handling war contracts.

Prosecution of violators of food, drug, and prohibition acts have been vigorous. During the year fines approximating \$5,000,000 were assessed in 25,000 of these cases.

More than 60,000 new criminal cases were docketed during the year and approximately 55,000 were terminated. There are now pending about 65,000 such cases.

Civil suits to which the United States is a party were instituted to the number of 9,646, and more than 8,000 were terminated. There are now pending approximately 12,000 civil suits affecting the United States.

More than 400 separate cases of importance, representing billions of dollars, are now in process of what may be called liquidation. The task is a stupendous one and beset with intricate obstacles.

Prosecution of antitrust law violations has been vigorous. Jail sentences or fines, and in some instances both, were imposed upon 63 corporations and individuals as a result of suits successfully prosecuted by the Department of Justice this year. The jail sentences were the first ever secured by the Government in antitrust cases. There are 36 cases of this character now pending, more than half of which were begun prior to July 1, 1921.

A drive has been inaugurated against those guilty of using the mails for fraudulent purposes, which has robbed the American people of not less than \$150,000,000. Approximately 500 of these cases are in the hands of the United States district attorneys throughout the country, and the Department of Justice will push them to speedy trial.

The department has successfully defended the Government in litigation, as evidenced by the fact that in 262 suits against the Government, in which the claimants asked a total of approximately \$38,000,000, the cases were disposed of and the claimants obtained an aggregate sum of a little less than \$2,000,000. In civil suits the department has collected nearly \$4,500,000 for the Government, and in criminal cases of all kinds it has collected in fines and penalties a total reaching nearly \$8,000,000.

As fair-minded people learn the true record of the present Attorney General they, like the editorial in the New York American, will ask:

WHAT BIG INTERESTS HAVE SET OUT TO GET ATTORNEY GENERAL DAUGHERTY?

What is all this attack on Attorney General Daugherty about?

Anybody who has had experience with persecutions of this kind knows they are not due to failure to be aggressive in performance of duty, but are always due to powerful enemies that have been offended by a just and impartial performance of duty.

The plain question in Attorney General Daugherty's case is, therefore, not what has Attorney General Daugherty failed to do, but in what vigorous way has he enforced the law, which has caused some big interest to hate him and to go out to "get him," and to stir up its big hired lawyers and its little owned politicians to attack the man who has offended this interest and to say things that will be printed in newspapers even though they are never proved nor even attempted to be proved?

The investigation of Attorney General Daugherty has fallen utterly flat.

No proof of any allegation has been presented. The chief accuser, and on the flimsiest of pretenses, has even refused to testify; and the evidence which has been heard from the most honorable and independent men like Senator HIRAM JOHNSON, has all been in defense of Attorney General Daugherty, and in support of Attorney General Daugherty, and in commendation of his acts and his activities.

What is needed now is another investigation, to find out who the big interests are who are attacking the Attorney General of the United States, and who are trying to discredit him and weaken him and weaken the force of his official procedure.

Is it the whisky ring, against which the Attorney General's office has been especially active?

Is it the war profiteers, who were so powerful with the late Democratic administration?

Is it the Palmer-Garvan outfit, who fraudulently confiscated alien property and delivered it to their friends, and whom the Attorney General has exposed?

Most surely there is some big interest and some corrupt interest responsible for the attacks upon the Attorney General of the United States, which attacks up to this time have been so utterly baseless and futile as to make them an insult to the American people whom the Attorney General represents.

Surely the enemies of Harry Daugherty have made a sorry showing. They sought to destroy his good name, because he had the courage to prosecute an injunction suit to preserve the common welfare of the whole people of the Nation—even though it displeased an organized minority—because he had the courage to prosecute and put in jail violators of the antitrust laws, because he had the courage to indict and bring suits against profiteers in war-fraud cases, as well as against other violators of the law.

To-day 110,000,000 of freedom-loving people, inhabiting 3,000,000 square miles of territory beneath the Stars and Stripes, know that 260,000 miles of railroads built from the savings of the American people, at a cost of many millions of dollars, and employing 1,600,000 workmen, are in operation throughout the land in interstate commerce; that business and industry are forging forward; that Harry M. Daugherty and Judge Wilkerson, by following a precedent established in 1894, made this possible, brought order out of chaos without the help of a single soldier. With the passing of time, even leaders of organized labor are beginning to sing songs of cheer to the rank and file, who pay their salaries. Prosperity and progress are at hand because of the wise policies of the administration of President Harding.

E. H. Fitzgerald, grand president of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, in an article entitled "New faith and new hope," in the January issue of the American Federationist, says:

Traffic has been increased month after month at an amazing rate until to-day the number of carloadings almost equal those of 1920—the greatest traffic year in American railroad history.

Everything points to the fact that the improvement is not merely temporary or seasonal but healthy and lasting. The railroads are a barometer to other industries, and heavy traffic demands mean increased employment in all lines of business.

Aye, leaders of organized labor are apparently beginning to recognize and appreciate the great benefits that labor received by the action of the Government in keeping the railroads in operation, even if they do not say so.

Bearing in mind what Mr. Fitzgerald states with reference to the railroads being the barometers of business activities, it is most hopeful and reassuring to read in the American Federationist the article by Daniel J. Tobin, treasurer of the American Federation of Labor and general president of the International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, in part as follows:

During the past year the great struggle of the workers was of such a nature that at times it looked as though the life of the labor movement and its usefulness to the workers was in serious danger. On New Year's Day, 1922, there were nearly 5,000,000 men and women out of employment, while on this New Year's Day, 1923, there are perhaps only a few thousand that can not find employment. With 5,000,000 men and women out of work, it was pretty hard to hold the great labor movement of our country together, because, with hungry hordes everywhere, rules and principles are easily set aside and this condition confronted us at the beginning of the year just past.

W. D. Mahon, vice president of the American Federation of Labor, president Amalgamated Association Street and Electric Railway Employees of America, in his article entitled, "Electric railway men look upon New Year with confiding promise," in the same issue of the Federationist, also voices the spirit of prosperity, content, and optimism of his associates when speaking of the increased employment of labor and its resultant benefits. He says:

The street and electric railway business is so interwoven in social life as to be largely dependable upon the movements of other industries, and the general resumption of shop employment is bringing great relief to street-railway properties, which is as well an advantage to the workers, and there are many more men employed in this vocation at the beginning of the year 1923 than were so employed at the beginning of the year 1922.

The American people are appreciating the splendid services of Attorney General Daugherty more and more. When truth gets a hearing, falsehood seeks the cover of silence. Whether Representative KELLER be punished by the House of Representatives, as I believe he should be, or by his conscience in the sanctum of his "little gray home in the West," he will long remember the day when he thought it better to flee from the Committee on the Judiciary than to remain and reveal the fact that he was without evidence to support his charges.

Mr. GARRETT of Tennessee. Mr. Speaker—

The SPEAKER pro tempore (Mr. TILSON). For what purpose does the gentleman from Tennessee rise?

Mr. GARRETT of Tennessee. To propound a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GARRETT of Tennessee. Mr. Speaker, this is an adverse report. May I inquire how it happens to the upon the calendar?

The SPEAKER pro tempore. The Chair is informed that the Speaker has given that matter attention, and if the gentleman from Tennessee will withhold his parliamentary inquiry I believe the Speaker will answer it.

Mr. VOLSTEAD. Mr. Speaker, I yield to the gentleman from Kansas [Mr. BIRD].

Mr. BIRD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BIRD. Mr. Speaker, on the 11th day of September, 1922, the gentleman from Minnesota, Mr. KELLER, a Representative in Congress from the fourth district of Minnesota, arose in his seat and upon his responsibility as a Member exercised his high privilege and set in motion impeachment proceedings against the Hon. Harry M. Daugherty, the Attorney General of the United States, upon the charge that the said Harry M. Daugherty had been guilty of high crimes and misdemeanors in office. Upon the same day the gentleman from Minnesota [Mr. KELLER] offered House Resolution 425 to the effect that the Committee on the Judiciary of the House be authorized and directed to inquire into the official conduct of Mr. Daugherty and to report to the House whether, in their opinion, he had been guilty of any acts which, in contemplation of the Constitution, are high crimes or misdemeanors requiring the interposition of the constitutional powers of the House. By this proceeding the Committee on the Judiciary, a standing committee of the House, became charged with the responsibility of inquiring into the official acts of the Attorney General with a view to determining whether or not high crimes and misdemeanors had been committed in office such as would require the House to make appearance before the bar of the Senate and there make charges of impeachment.

Three conclusions were to be reached: First, what are high crimes and misdemeanors in office as to require impeachment; second, what specific acts of dereliction were in the mind of the accuser; and, third, to consider the nature, reliability, and the sufficiency of the evidence to be submitted and obtainable.

There can be no doubt but that as our Government has advanced the term "high crimes and misdemeanors" has been greatly broadened until it embraces malfeasance, misfeasance, or dereliction, or any acts that cause the office held to be in disgrace and disrepute, and in the consideration of the matter before it the committee held to this broad interpretation.

House Resolution No. 425 was promptly called up in the committee on the 16th day of September, 1922, and the gentleman from Minnesota [Mr. KELLER] was asked if he desired to be heard upon the resolution. The gentleman stated at that time that he was not a lawyer; that he desired to be permitted to have counsel to aid him; that he be given a reasonable time to prepare his case; and, further, at that time took the astounding position, so unknown to American jurisprudence and common fairness, that "I have made my charges, and they are true until they are proven not true." Continuance was had, counsel unlimited was permitted, and the gentleman was at that time requested to amplify his accusations by filing written charges and specifications with the committee. This was done, and after several preliminary meetings of the committee the hearing upon the resolution, 425, was begun. The charges under the written specifications fall into several divisions; failure properly to conduct the office of the Attorney General with reference to antitrust proceedings, failure to enforce the safety laws of the United States with reference to railroad equipment during the railroad strike of last year, improper use of injunctive relief in the Chicago case, improper dismissal of one Major Watts, improper conduct with reference to criminal law violators and those convicted of crime, the improper appointment of William J. Burns as the Director of the Bureau of Investigation of the Department of Justice. All charges were contradicted and denied in entirety by the Attorney General.

Mr. KELLER appeared by his counsel, Mr. Jackson H. Ralston, attorney for the American Federation of Labor, and statement was made that the American Federation of Labor, Mr. Samuel Gompers, its president, Mr. Samuel Untermyer, and others had assisted and aided in the bringing of the charges. Considerable effort was made to ascertain what Mr. KELLER knew personally upon the subject, but those efforts were unavailing, he refusing steadfastly and determinedly to divulge any information upon the charges, which refusal continued throughout the hearings even to the extent of refusal to obey the subpoena of the House.

The hearing proceeded upon specification 13, which refers to the appointment of Mr. Burns. Protest had been made to Mr. Daugherty by Mr. Gompers and some man by the name of Macauley to the appointment of Burns because of some alleged acts of Mr. Burns some 15 years ago. The acts were denied by Mr. Burns before the committee; the evidence showed that no charges of any nature were ever made against Mr. Burns, much less proven at any time in the matter. A letter was used that had been written by Mr. Daugherty after he had appointed Mr. Burns, in which he stated in effect that he had heard about the allegations before the appointment was made, that he had known Mr. Burns for many, many years, and thought that he would render faithful and efficient service. What nonsense to ask this House to prefer impeachment charges against a Cabinet officer of our Government upon a matter of that kind.

Next specification, No. 4, with reference to the safety laws, was proceeded with. Hon. Charles C. McChord, chairman of the Interstate Commerce Commission, was the witness used by Mr. KELLER, and that honorable gentleman by his answers to the questions showed that the enforcement of the laws referred to in this specification was by law in the hands of the Interstate Commerce Commission and the various United States district attorneys and that the enforcement was in no sense within the purview of the duties of the Attorney General.

Upon this specification Mr. Thomas Stevenson, attorney for the Brotherhood of Locomotive Firemen and Enginemen, was also called by Mr. KELLER's attorney. He testified concerning his transactions with the Department of Justice, and that in his judgment Mr. Daugherty had done nothing with reference to the matter referred to in specification No. 4 for which he should be impeached.

At this juncture of the hearings Mr. KELLER dramatically withdrew from the proceedings, refused to testify himself, refused to present further testimony, and Mr. Ralston, his attorney, also withdrew his assistance from the committee after thanking the committee for its courteous treatment.

In my judgment not one single bit of testimony was offered or brought forth even tending to show impeachable conduct on the part of the Attorney General, notwithstanding that the committee let down all the bars in the hearing and let in testimony beyond the bounds of all reason.

Mr. Untermyer had failed to show up at all as counsel or otherwise in the proceedings, but took occasion to have read at some political gathering in Washington while the hearings were in progress an invective against the committee and against the Attorney General's office. Mr. Gompers became conspicuous for his absence. Mr. Vahey was very much non est, and the drama that was staged by Mr. KELLER and Mr. Ralston could not fail to impress one that the entire proceedings were conceived and initiated by designing minds that were entirely hostile to the Attorney General for personal and improper reasons and that the gentleman from Minnesota had been used as a more or less sophisticated instrumentality that seemed wholly ignorant of the necessity of producing evidence to sustain so serious a charge as that of impeachment.

The exit reminded one of the scampering of rodents from a pile of trash that had just been upturned by the broom of a responsible and vigorous housekeeper.

The committee, confronted with such a situation, voted to proceed with the hearings, held them open until all witnesses desiring to be heard had testified, and then publicly closed them. A number of witnesses from the department were called and were subjected to rigid and vigorous cross-examination by the committee. Every charge and every specification was discussed and gone into under oath. Some delays in the Department of Justice were explained and accounted for, but nothing whatever of misconduct of an impeachable nature was uncovered.

As soon as the hearings had been closed the "savage howlings in the moonlight" again set up. Mr. Untermyer began writing the committee; Mr. Ralston wished to again address the committee, make a speech, and argue the law, notwithstanding his ceremonious withdrawal from the proceedings. This was very properly refused.

As to Mr. KELLER, I consider his actions before the committee entirely reprehensible, but I do not wish to lose sight of the question submitted to the committee, which was concerning the official acts of Mr. Daugherty.

Broadly as we considered the matter referred to us, freely as we admitted evidence, we found nothing of an impeachable nature against the Attorney General.

House Resolution 425 should be laid upon the table and the committee discharged.

Mr. VOLSTEAD. I yield to the gentleman from Virginia [Mr. MONTAGUE] seven minutes.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. MONTAGUE] is recognized for seven minutes. [Applause.]

Mr. MONTAGUE. Mr. Speaker, there may be differences of opinion as to the exact character of the Judiciary Committee in considering impeachment charges, but so far as I am individually concerned I have approached and considered the subject with such a judicial frame of mind as I am capable of. I hope my temper and mind in participating in the investigation was at least with a judicial purpose, if I did fall short of judicial methods and conclusions.

I do not desire to discuss, except incidentally, the conduct of the gentleman from Minnesota [Mr. KELLER]. I make this observation because there is no resolution now pending before the House by which it can deal with the gentleman from Minnesota.

I did not sign this report, because I wished to keep clear and separate the action of the committee in dealing with the impeachment resolution, and its procedure in relation to the gentleman from Minnesota [Mr. KELLER].

The report of the committee is clearly divisible, one portion dealing with the resolution itself and the other portion relating to the misconduct of the Member from Minnesota, and a discussion of the power of the House in dealing with that misconduct. And it was the confusion of the two divisions or aspects of the report that constrained me to withhold my vote thereupon in the committee.

But I had no doubt, and no one else in the committee had, Mr. Speaker, that the evidence was insufficient to sustain the charges of impeachment formulated against the Attorney General, and I voted in the committee that there was no evidence to prove or support the offense charged in the proceedings, and I stand upon that now. [Applause.]

I can well appreciate how gentlemen on the committee were disconcerted by the conduct and action of the gentleman from Minnesota [Mr. KELLER]. The bare record discloses but imperfectly human action. One must see it and hear it and handle it, so to speak. I do not wish to be unkind to the gentleman from Minnesota [Mr. KELLER] when I observe that his conduct from the very outset was arrogant, truculent, and offensive, and therefore if imprudent expressions fell from the lips of any member of the Judiciary Committee I hope the House will understand that such member had grave and serious provocation, not only in words but in the manner and demeanor of Mr. KELLER himself.

The contention has been made during this debate by asking why should Mr. KELLER have been summoned before the committee when it did not summon other Members of the House. The explanation is very simple and complete, namely, Mr. KELLER declined to make any statement when invited and when he appeared before the committee, and after his declination there was nothing else to do but to ask the House to issue a subpoena for him; whereas these other gentlemen appeared and courteously gave such information as they possessed. When we had reached an impasse with Mr. KELLER, then we had to resort to our constitutional privileges to ascertain what he said he knew but would not divulge.

But, Mr. Speaker, I rose to express my own conviction as a member of the Judiciary Committee that upon the charges investigated there was not sufficient evidence to sustain the charges of impeachment contained in the resolution or as more particularly made in the supplementary resolution or bill of complaint wherein the charges were made in more concrete and precise form.

I do not desire to discuss the Burns charge save in a general way. My colleague, the gentleman from Pennsylvania [Mr. GRAHAM] and others on the committee, have dealt with that. But I make this statement that the so-called delinquency, misdemeanor, or crime imputed to Mr. Burns occurred some 15 years ago. The Attorney General after the lapse of this long time appointed or retained Mr. Burns, and there is no evidence in this record that since this employment Mr. Burns has rendered other than efficient and honorable service. Now who can rationally or justly contend that such a retention or appointment is impeachable? Should one contend that any public official in making such an appointment, even though it was most unfortunate, had thereby committed a "high crime or misdemeanor"? Should one single solitary wrongful employment constitute a high crime or misdemeanor? It may be a grievous mistake, but is it a crime? Is it an impeachable offense? We should not lightly charge an Attorney General of the United States, whether Republican, Democrat, or So-

cialist, with "treason, bribery, or other high crimes and misdemeanors," and we should at least require the proof and procedure demanded by the ordinary grand jury in investigating similar and other crimes.

I wish to touch one charge upon which more stress was put than was put upon any charge or count in the bill of indictment. That is, that the Attorney General was criminally guilty in not taking appropriate legal steps to bring about a more thorough and frequent inspection of locomotives and railroad machinery during the past recent months.

That charge was pressed with great insistence, as members of the committee know. The charge was that in consequence of this failure of inspection engines or boilers had broken and deaths or injuries had resulted. In this connection I wish to observe that Mr. Stevenson, a lawyer of Chicago, representing the Brotherhood of Engineers and Firemen, an intelligent and zealous lawyer, appeared before the Judiciary Committee, and this important question was asked him by the gentleman from Ohio [Mr. FOSTER]. I read from the record:

Mr. FOSTER. In your judgment, knowing the attitude of the Attorney General, do you think his conduct in this matter has been such that in your judgment the Attorney General should be impeached? Give the committee the benefit of your judgment, as you have been in touch with the situation.

Mr. STEVENSON. That is a difficult question to answer.

Mr. FOSTER. Yes; but the committee want your judgment.

Mr. STEVENSON. No; I do not think so.

Now, Mr. Stevenson was the counsel for the Brotherhood of Engineers and Firemen, who were more intimately concerned with the inspection of these boilers and machinery than any other class of employees in America, and as their counsel Mr. Stevenson said that Mr. Daugherty should not be impeached for the alleged delinquency in this matter. Such is the record; such is the evidence; and my oath and duty impel me to be governed thereby. [Applause.]

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. VOLSTEAD. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Speaker, not being actuated by any overwhelming friendship for the Department of Justice because it has not prosecuted the war profiteers, but relying on the record in this case, I intend to vote to sustain the committee.

Mr. VOLSTEAD. Mr. Speaker, I yield 10 minutes to the gentleman from West Virginia [Mr. GOODYKOONTZ].

Mr. GOODYKOONTZ. Mr. Speaker and gentlemen of the House, it is to be regretted that we do not have plenty of time within which to deal with a record of such magnitude and a case of such moment as the one before us. For fear I shall not be able to complete my argument within the time assigned me I now ask unanimous consent, in case necessity requires, to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. GOODYKOONTZ. Mr. Speaker, it has been charged that extraneous matters have crept into debate; that argument has been had on the constitutional phase of the resolution involving the gentleman from Minnesota [Mr. KELLER] for disobeying the summons. That Members have gone far afield in argument is admitted. But the truth is that the record discloses prima facie—beyond question, I should say—that the Attorney General has at all times been faithful in the fulfillment of his public duties. Therefore that is the reason why gentlemen in debate have dealt with collateral matters.

Mr. Speaker, during the time the Government has existed under the Constitution there have been but a few instances of impeachment, and these in a majority of the cases failed for lack of evidence to support them.

The reason for the comparatively few in number of such cases lies in the fact that officers, whether elected or appointed—in the greatly preponderating majority of cases—have been of unimpeachable character, and the further ground that a Member of Congress could seldom be found willing to assume responsibility for so grave an accusation without first having made careful investigation, in order to ascertain the facts, and mature consideration of such facts, as a justification for the action that he felt, under his oath of office, he was bound to take.

Each Member is the keeper of his own conscience, and the motive of a Member may not be indirectly impugned or questioned in this Chamber.

The charges preferred against Harry M. Daugherty, Attorney General, seem to have emanated from two principal sources. First, the Attorney General had incurred the displeasure of Mr. Samuel Gompers, president of the American Federation of

Labor, in this, that he had appointed Mr. William J. Burns Director of the Bureau of Investigation. Mr. Gompers had opposed the appointment of Mr. Burns, claiming that the latter was an unfit person for the place by reason of the fact that a former President had pardoned one Jones, convicted of land frauds in Oregon, upon the ground of alleged illegal action of Burns in the selection of prospective jurors in the year 1905, now 18 years ago.

The evidence before us clearly exculpates Mr. Burns from blame in relation to the matter. The enmity between Mr. Burns and Mr. Gompers, it appears, grew out of the prosecution of the McNamaras for dynamiting the Times Building at Los Angeles, when many were killed. Burns swore that Gompers charged him "with railroading these men," and upon learning that they were going to confess their guilt, of sending a man to see them to keep them from so confessing. Gompers denied these charges, and swore that he believed the men innocent until they confessed to their crime.

My judgment is—and I am sustained by the testimony of men of the type of Senator HIRAM JOHNSON, of California—that Burns is a splendid organizer, a thorough investigator, possessed of a remarkably clear intellect, and of fine courage. The fact that for many years Burns had successfully figured in some of the most noted cases of the country, and for a long time had been retained by the American Bankers' Association, coupled with a lifelong personal acquaintance, evidently, in the mind of the Attorney General, outweighed the controvertible accusation made 18 years ago in an ex parte application for pardon by a man under conviction for crime.

The enemies of the Attorney General, therefore, insist that he should be impeached of a high crime and misdemeanor for the reason that he appointed William J. Burns to the office aforementioned. Because a majority of the committee have not been willing to be used as tools by personal enemies of the Attorney General or a member of his force, or by notoriety seekers, or by seekers of mere pelf, they have been characterized by certain blackguards as "whitewashers" and "partisans."

THE UNTERMYER CHARGES.

It appears from the record that there is in New York City a lawyer whose name is Samuel Untermeyer. He seems to be a man of unusual type, a lawyer of ability greater than that of Uriah Heep, somewhat of the style of Oily Gammon. Gammon was a lawyer of profound ability and of the firm of Quirk, Gammon & Snap, a history of whose performances may be found in that entertaining novel for lawyers entitled "Ten Thousand a Year."

Mr. Untermeyer is connected with, or at least "interested in," "Specification No. 1" of the bill of impeachment, which contains 23 counts, called "subdivisions." These counts have a legal ring and were evidently drawn by a special pleader of considerable experience. "Specification No. 1" is of much length and evidently required not a little labor in its preparation. It deals in threatening and high-sounding phrases. The ominous language there employed seems more directed toward terrorizing by its lurid terms the Southern Pine and 10 other lumber associations, the American Tobacco Co., the National Implement & Vehicle Association, and 9 other concerns, making 23 in all, aggregations of large capital, than as being designed as articles of impeachment against Mr. Daugherty. The pleader charges that these organizations are monopolies, operating in restraint of trade, criminal combinations that should be prosecuted and dissolved. It therefore became important for the committee to have all the witnesses whose testimony might shed light on these charges.

The sudden withdrawal of Mr. KELLER from the prosecution and his refusal to respond to the command of the subpoena served upon him by the Sergeant at Arms, his attempt to take refuge, or at least claiming immunity from arrest—he being a Member of the House—under the provisions of the Constitution, coupled with the peculiar actions of the mysterious Mr. Untermeyer, left your committee without knowledge of names of witnesses or other sources of proof of the high crimes and misdemeanors previously alleged against the Attorney General by Mr. KELLER and his adviser, Untermeyer.

I have now arrived at the point in my argument where I propose to undertake to show just what the relation of Mr. Untermeyer was to this proceeding. There was subpoenaed to and printed as a part of the "minority views" two scurrilous letters written by Untermeyer—one dated December 13, 1922, to Mr. KELLER, and the other dated January 4, 1923, to Chairman VOLSTEAD. In the letter to Mr. KELLER, Untermeyer says that he must refuse to have anything to do "with this manifestly biased, prejudicial, white-washing performance, and do not understand what Mr. Ralston meant by connecting me with the inception of this proceeding"; and in the letter to Chairman

VOLSTEAD, Untermyer said, "I had not known Mr. KELLER until after your committee began the inquiry and had never heard of the resolution until a few days prior to the beginning of the hearings before you, and have never to this day read or seen the charges or specifications except as they have been reported in the newspapers," and so forth.

You will have noted the apparent "surprise" of Mr. Untermyer that Mr. Ralston, counsel of record for Mr. Gompers and the American Federation of Labor, should have coupled his name with the proceeding in its incipency. It will be noted also that he denies any knowledge of the charges except as to what he had read in the newspapers. In his letter to Mr. VOLSTEAD he also specifically said, "I am entitled to have the fact recorded that I have at no time, directly or indirectly, had and do not intend to have any professional or other relation to any of the cases under investigation by this department (of Justice)," and so forth. Further, he declares that he "has not at any time sustained any professional relation to Mr. KELLER in this or any other proceeding," except that he had advised him not to waste his time or subject himself to "humiliation" by being "bullyragged" by the Judiciary Committee. Thus it will be seen that Mr. Untermyer disclaims all responsibility, denies all connection, and pretends no interest in the controversy.

If the statements of Mr. Ralston and Mr. KELLER are to be believed, then it follows that the assertions, above mentioned, of Samuel Untermyer are utterly false.

After the appearance of Mr. Jackson H. Ralston, of the Washington bar, attorney for Samuel Gompers and the American Federation of Labor, Mr. Ralston said (hearings, p. 112):

Yes; I was trying to think if I knew of any lawyer. It may be Mr. Untermyer prepared some of the charges; I do not know.

And again, on page 116, Mr. Ralston said:

I want to deal frankly with the committee. So far as those first charges are concerned, I do not expect to deal with them at all. I have not studied them; I did not prepare them—

And then follows the significant language—
and Mr. Untermyer is particularly interested in them, and I presume expects or hopes to appear before the committee.

So much for the statement of Mr. Ralston.

Let us now examine the statement of Mr. KELLER. On page 106 of the hearings he says that, in addition to Ralston—there are several other attorneys who have offered to assist in this matter or in certain cases here, and who want to appear before the committee.

I read from page 117 the following:

Mr. HICKEY. I understand, but I thought likely you had some information from those who did prepare them.

Mr. RALSTON. No.

The CHAIRMAN. Let me ask Mr. KELLER.

Mr. KELLER. Mr. Chairman and gentlemen of the committee, at the time we had the first hearing, when I appeared before the committee, you set the following Tuesday for me to appear before this committee with the attorney. I saw Mr. Untermyer the following Sunday, and he is the man who is interested in those first charges.

The CHAIRMAN. What do you know about them yourself?

Mr. KELLER. I am not ready to state right now.

Mr. GRAHAM. You preferred these charges. Now, you can not produce the evidence that moved you to make these solemn and serious charges against a public official on the floor of Congress.

Mr. KELLER. I will be ready when I get ready.

Mr. GRAHAM. Oh, no you won't; do not get impudent with the committee.

Mr. KELLER. I say I am not prepared this morning to take them up. I am simply answering a question of Mr. FOSTER, and that is on the following Monday I said when I appeared before this committee, Mr. Untermyer would have been ready on Tuesday to come here and answer these charges. This committee adjourned until December 4. Now, Mr. Untermyer is in such shape that he can not appear at any particular time and take care of these particular charges.

Mr. GRAHAM. May I ask a question at this point? Mr. KELLER, you say you consulted Mr. Untermyer when?

Mr. KELLER. The first time was on a Sunday following the meeting on September 16.

Mr. GRAHAM. Who prepared these specifications?

Mr. KELLER. What specifications—these here?

Mr. GRAHAM. There are only one set of specifications here.

Mr. KELLER. Those specifications were prepared by myself and some assistants.

Mr. GRAHAM. By yourself?

Mr. KELLER. And some assistants.

Mr. GRAHAM. And some assistants. Who assisted you?

Mr. KELLER. I do not care to say this morning who all of those were.

Mr. GRAHAM. Why not?

Mr. KELLER. Why should I?

Mr. GRAHAM. Because you are asked, and the committee wants to know.

Mr. RALSTON. I must again object.

Further testimony to the same effect is to be found on page 119 of the hearings, reading as follows:

Mr. RALSTON. No; I think Mr. VOLSTEAD was perfectly informed as to that.

Mr. FOSTER. But could you or Mr. KELLER indicate at this time how soon Mr. Untermyer might be here to take care of specification No. 1? Is that not a fair and honest question?

Mr. RALSTON. It is absolutely fair, and if it is in my power and if I can—

Mr. FOSTER (interposing). I wonder if Mr. KELLER would care to indicate how soon we could proceed to No. 1, if it was necessary to have Mr. Untermyer here.

Mr. KELLER. I could not.

Mr. FOSTER. Does Mr. Untermyer represent you in this charge?

Mr. KELLER. I do not know whether he does or not; he does in certain ones, and he was willing to appear before this committee on a date set in last September.

Mr. FOSTER. I want to ask you another question: Six days ago the committee decided to start on No. 1 this morning; from that time to this have you advised with Mr. Untermyer to see whether he would be here this morning?

Mr. KELLER. Yes; he said he could not be here this morning.

Mr. GOODYKOONTZ. I suggest, Mr. Chairman, that you get the information from Mr. KELLER, because he is the man that has been in touch with Mr. Untermyer, whoever he may be; the man, as I infer, who wrote the specifications; and I suggest that you develop the facts from Mr. KELLER as to when he is going to present the evidence on those specifications and get the names of the witnesses; so that we will not have to sit here day after day, week after week, and perhaps month after month letting this thing run on, like Tennyson's "Brook," forever. Let us have the names of the witnesses as you pass over the specifications?

To this suggestion Mr. KELLER made no response, thereby acquiescing in the statement that Untermyer had prepared the specifications.

In the face of the testimony which I have read, could anyone entertain a reasonable doubt as to the fact that Untermyer, during this entire proceeding, has been lurking in the background, and that when it came time for the gentlemen to show their hands, that under the advice of Untermyer, the dramatic withdrawal of KELLER was staged under cover of the "smoke screen" of abuse of the committee by the two individuals concerned?

The testimony which I have read in your presence not only establishes the interest of Untermyer in the proceeding, but also serves to illustrate the conduct of Mr. KELLER before the committee and to indicate the impediments that retarded the committee in their effort to discover the truth of the charges.

Mr. Speaker, I now wish to take up another phase of Mr. Untermyer's letter to Chairman VOLSTEAD, which has a personal relation to myself, as is manifest from an excerpt from the Untermyer letter reading thus:

In so far as this record contains untruthful, slurring remarks interjected by your members referring to me, I herewith request to have made part of that record my protest against these remarks, for the reasons hereinafter stated, and demand that they be stricken from the record.

The following is a fair sample of the unpardonable performance against which my protest is directed:

Mr. CHANDLER. Would you mind telling the committee whether Mr. Untermyer has any intention to appear here?

Mr. HAYWARD. I have no idea and have not had from the beginning that Mr. Untermyer would appear.

Mr. CHANDLER. It is your opinion that he will not?

Mr. HAYWARD. It is my opinion that he will not unless he is subpoenaed and brought here.

Mr. GOODYKOONTZ. Or retained. [Laughter.]

I assume from the press reports of the answer of the Attorney General to the charges that in venturing this baseless insinuation Mr. GOODYKOONTZ took his cue from the "speech" interpolated by the Attorney General in that answer, in which he recklessly assailed the motive of everyone who had criticized his administration with being in the pay of war profiteers and other offenders whom he is pursuing with such "relentless zeal" that it is a safe prediction that he will go out of office without having punished one of them.

Untermyer saw fit to use my harmless expression as an excuse for writing the committee a letter of abuse and villification. Amid the dimming smoke of his verbosity may be found, inter alia, the following choice words and phrases, viz, "unpardonable performance," "baseless insinuation," "pretended motive," "brazen cupidity," "flagrant partisanship," "frantic efforts to whitewash," "cheap assaults," "carnival of abuse," "manifestations of its bias and animus," "scurrilous remarks," and so forth. These are some of the epithets employed by Untermyer.

It may be, after all is said and done, that the reason why Mr. Untermyer flew into such a rage over the suggestion of a retainer was that he felt that he had not been treated just right. Had he not been counsel for the Lockwood committee? Having a dislike for the Attorney General, would he not, in his own estimation, be the very man the committee should select, especially as KELLER was not authorized to pay out funds for such a purpose? The suspicion that Untermyer may have entertained the thought of being retained is somewhat confirmed by the suggestion contained in his letter to the chairman, "When Mr. KELLER retired why did your committee not report back the resolution with the charges unproven or ask authority to employ counsel to prepare and present the proofs?" Mr. Untermyer must have had some object or design, else he would not have worried so much about the case.

The abusive language of this monumental egotist is sufficient evidence of the fact that he is a common blackguard and an assassin of character. But he is much more than that—far worse. When Captain Boy-Ed, the notorious naval attaché of the German Embassy, was captured, an official report was

found on his person explaining a statement he had issued abusing the American people which reads in part as follows:

Every statement was drawn up by Counsel Samuel Untermyer. He was, at the time of my stay in New York, the unpaid juridical and legal-political adviser of the Imperial embassy.

This shows that Mr. Untermyer loved the enemies of our country so well that he was willing to serve them without pay.

Again, here is an excerpt from the diary of Chief Privy Counselor Albert, engaged here in German intrigue, reading thus:

In other respects this Easter festival passed off somewhat anxiously, since at noon I was summoned to Plainfield to Hagedorns and in the evening to Untermyer at his estate at Greystone. I drove there, and had no reason to repent this meeting brought about for business reasons. Untermyer is personally a by no means unpleasant individual, shrewd, very familiar with political affairs, and in a business sense extraordinarily well up to date. He has a wonderful estate in the neighborhood of Yonkers, on the heights of the Hudson. Opposite are the Palisades of the other bank, over which the sun went down in wonderful clearness. Conversation on the prevention of the export of ammunition and other political questions. Viereck was also present.

Albert, Viereck, and Untermyer conversing on the prevention of the export of ammunition—the great German triumvirate.

Here is what A. Mitchell Palmer had to say of the man Untermyer, who has sought to castigate with his sharp tongue the lawyers' committee of the House:

I have incurred the undying animosity of the enemies of our country and the violators of her laws, their friends, and counsel. I have been officially denounced in Germany in language very much like that which Mr. Untermyer now employs. The friends of Lenin and Trotsky, Emma Goldman, and Alexander Berkman charge my department with violations of the Constitution, which they despise, and call me a "menace" to the institutions which they frankly seek to destroy. I am proud of these enemies. I point to them as conclusive evidence of the character of a work which merits and receives their disapproval.

It is a fact that during the most perilous period in the country's history German officers were "canoodling" with Untermyer and clinking glasses at Greystone estate.

On the subject of the business morals and professional deportment of Samuel Untermyer I refer to the case of *See v. Heppenheimer et al.* in the Court of Chancery of New Jersey, decided April 3, 1905, reported in *Sixty-first Atlantic Reporter*, page 843. Vice Chancellor Pitney, writing the opinion of the court, said of Untermyer and his associates, Beard and Stein. [Reading from p. 854:]

The remaining five mills were optioned on a different basis and were finally purchased on special terms, and their purchase forms by itself the basis of a charge of actual fraud upon the corporation practiced by the three gentlemen whom I join with plaintiff's counsel in calling the promoters of this enterprise.

And further the court said:

Mr. Untermyer raised much more than his share. He took \$500,000 of bonds with the accompanying stock bonus for his firm in payment of its fee, and besides that duly marketed by himself and his friends \$467,000 of bonds. * * * This seems to have been accomplished by the aid of an ingenious and elaborate prospectus, gotten up by Mr. Untermyer with the aid of one of his western associates.

Again, on page 858, it is said, by way of conclusion:

Now it seems to me impossible to avoid the conclusion from those facts that the contract procured to be adopted by this board of directors on the very day on which they were elected by the management of these three men whose names have just been mentioned and under the personal supervision of Messrs. Beard and Untermyer, and the formal contract entered into in pursuance of it, was a palpable fraud upon the act of the legislature, and was entirely unwarranted thereby and operated as a fraud not only on the stockholders of the company, as was distinctly held by the Supreme Court of the United States in the opinion so often referred to, but especially on the future creditors of the company.

The action of the authors of the minority report in making conspicuous the slanderous attack of the man on the integrity of the members of the committee whose opinion did not harmonize with theirs has made it my unpleasant duty to give so much time to the subject.

Mr. Speaker and gentlemen of the House, I shall not dwell further upon that phase. I only want to direct the attention of the House to the fact that the Attorney General's office gave every opportunity to the committee to examine or investigate every record which it had. During the first few days of the hearing counsel for Mr. KELLER called for particular documents, and all of such documents were produced. The gentleman from Michigan [Mr. WOODRUFF] desired access to some of the records. I want to say for Mr. WOODRUFF that he was very cautious in saying that in examining such records he proposed to keep inviolate the tenor and nature of them, that there would be no leakage. He was given that privilege and he went to the Department of Justice and examined such records as he wanted to see, and was permitted, I believe, to produce certain of them. The deportment of Mr. WOODRUFF before our committee was good. He acted as a representative of his people. I find no fault with him. Likewise was the conduct of the gentleman from South Dakota [Mr. JOHNSON]. The trouble we had was with Mr. KELLER. He exhausted our patience. We gave him great latitude. Our reward was his

generous abuse. May I thank the gentlemen who have granted unto me the portion of time allotted to them for use in this debate.

The SPEAKER. The time of the gentleman from West Virginia has expired. [Applause.]

Mr. VOLSTEAD. Mr. Speaker, I yield now to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, the matter now under consideration is of vast importance to the Republic. The Member of this body who speaks lightly of his Government, who deprecates the motives of the officials whose duty it is to administer our laws, should at all times speak advisedly, and he who speaks otherwise is doing his country an irreparable injury. The limited time allowed for debate makes it impossible to discuss this resolution in detail; however, under the privilege granted, I shall in a general way discuss the entire proceedings.

On September 11, 1922, Mr. KELLER, a Representative from the city of St. Paul, in the State of Minnesota, arose in his seat in this body and said:

Mr. KELLER. Mr. Speaker, I impeach Harry M. Daugherty, Attorney General of the United States, for high crime and misdemeanors in office. Now, Mr. Speaker, I ask recognition on that high privilege.

The SPEAKER. When the gentleman arises to a question of this high privilege, he ought to present definite charges at the outset.

Mr. KELLER. Very well, Mr. Speaker, I will do so.

First, Harry M. Daugherty, Attorney General of the United States, has used his high office to violate the Constitution of the United States in the following particulars:

- (1) By abridging freedom of speech.
- (2) By abridging the freedom of the press.
- (3) By abridging the right of people peaceably to assemble.

Second. That, unmindful of the duties of his office and his oath to defend the Constitution of the United States, and unmindful of his obligations to discharge those duties faithfully and impartially, the said Harry M. Daugherty has, in his capacity of Attorney General of the United States, conducted himself in a manner arbitrary, oppressive, unjust, and illegal.

Third. He has, without warrant, threatened with punishment citizens of the United States who have opposed his attempts to override the Constitution and the laws of this Nation.

Fourth. He has used the funds of his office illegally and without warrant in the prosecution of individuals and organizations for certain lawful acts which, under the law, he was specifically forbidden to prosecute.

Fifth. He has failed to prosecute individuals and organizations violating the law after those violations have become public scandal.

Sixth. He has defeated the ends of justice by recommending the release from prison of wealthy offenders against the Sherman Antitrust Act.

Seventh. He has failed to prosecute defendants legally indicted for crimes against the people.

I offer, therefore, the following resolution and am prepared to appear before a committee of the House, there to produce evidence and witnesses in proof of my charges.

The resolution offered was as follows:

Resolved, That the Committee on the Judiciary be, and they hereby are, authorized and directed to inquire into the official conduct of Harry M. Daugherty, Attorney General of the United States, and to report to the House whether, in their opinion, the said Harry M. Daugherty has been guilty of any acts which in contemplation of the Constitution are high crimes or misdemeanors requiring the interposition of the constitutional powers of this House; and that the said committee have power to send for persons and papers and to administer the customary oaths to witnesses.

By a vote of the House the resolution was referred to the Judiciary Committee. Mr. KELLER presumably prepared this resolution. He selected the Judiciary Committee of the House as the committee before which he wanted to present his evidence. His resolution was referred to the committee of his choice, as mentioned in his resolution. Mr. KELLER asked that the resolution be passed, instructing the Judiciary Committee to proceed with this investigation. The House, however, referred the resolution to the committee, which action was tantamount to demurring to the sufficiency of the resolution, and following some previous precedents established by the House in impeachment proceedings. It seemed to be the duty of the committee to determine in a general way whether or not the charges made by Mr. KELLER had any weight in fact.

The committee met on September 16, 1922, for the purpose of hearing Mr. KELLER on his charge. He appeared before the committee with a written statement, which he proceeded to read, but insisted that he was not prepared on that day to introduce any proof or evidence to substantiate his charges, and refused to divulge any of the evidence or the names of his witnesses, and insisted further that the committee should have authority to subpoena witnesses before he would introduce any proof. Among other things, he said:

I fully appreciate the gravity of the charges which I have preferred against the Attorney General. It is because of their very gravity and seriousness that I demanded upon the floor of the House not an investigation but the formal procedure of impeachment. I am prepared at the appropriate time to present witnesses and documentary evidence to sustain every charge that I make, but I demand that when such evidence is presented it shall be in public hearings, so that the American people may know whether or not my charges were sustained,

Mr. KELLER insisted that there was but one point before the committee at that hearing, and that was that the committee should get full authority from the House to subpoena witnesses before he proceeded, and said:

I am ready whenever you say to present evidence, when you are prepared to hear such evidence and when I can present such witnesses, and when I can subpoena them.

Referring to the charges made he said:

I assume the responsibility of whether they are true or not. I am ready to present evidence that they are true at the proper time.

At this hearing Mr. KELLER insisted that—

My charges are very specific before the House. * * * I am not prepared to-day to bring such proceedings, because I did not know what the committee really wanted; but I still claim that I made those charges and am ready to prove them before the proper committee. * * * I made those charges, and I say they are true; and, as a Member of Congress, I say to you, gentlemen, that they are true, and all I ask of you men is that you get the proper committee so that I can present the evidence to prove that the charges are true. * * * What are you going to do with that resolution? That resolution, when I introduced it in the House, provided the machinery for the committee that I intended to appear before to present my case and my evidence to prove that my charges are true.

Mr. DYER. Have you anything at all in your possession now to substantiate the charges which you made against the Attorney General of the United States?

Mr. KELLER. Oh, yes; I have it.

Mr. DYER. Well, present it.

Mr. KELLER. I do not want to present it until I consult counsel again.

In short, Mr. KELLER insisted throughout this hearing that he was not prepared to introduce any proof, and asked for time.

Give me a reasonable time and I will present proof. * * * I have made charges; they are true; I can prove them. * * * I am willing, if given reasonable time to prepare and get counsel, to appear before the committee and bring whatever evidence you want.

It was insisted that he could not be ready before the following Thursday, when it was known that the Congress had determined to adjourn not later than the following Saturday, and, therefore, that it would be impossible to go into this hearing. The committee did not grant an adjournment until Thursday, but set the hearing for the following Tuesday, and at the Tuesday meeting continued the hearing until December 4, in order that Mr. KELLER might be given sufficient time during the recess of Congress to get together his proof and be fully prepared to substantiate his charges before the committee, and, as he suggested, before the country. His last words to the committee on that date were:

You set the day, and I will produce all the evidence you wish.

On November 23 Mr. KELLER was called upon for a more specific statement in writing of the general charges which he had made and designated as constituting high crimes and misdemeanors. On December 1 he furnished the committee with an amplified statement of his general charges. This statement consisted of 14 specifications, and the several specifications embraced numerous subdivisions.

On December 4, the date set for the hearing, Mr. KELLER appeared before the committee and said, in part—

Well, Mr. Chairman, I have complied with the wishes of the committee in filing the bill of particulars as you requested. Those were prepared by men who are interested in this impeachment proceeding with me and certain lawyers and attorneys in briefing it. * * * My resolution is before you. I feel I will not do anything more than what I have filed now until you pass that resolution, which will give you authority to subpoena witnesses and such papers as you need.

Here Mr. KELLER took his stand and refused to proceed further with the hearings until the committee had secured authority from the House to subpoena witnesses. The committee complied with this request, returned to the House, and got the authority desired by Mr. KELLER. When questioned as to when he would be ready to proceed with the hearing he replied:

Within a reasonable time—next week.

Again he was asking for delay and at the same time criticizing the committee through the newspapers for the delay. At this same hearing Mr. KELLER said:

If the committee had not called upon me a few days ago by resolution to file a bill of particulars, I would have filed them to-day in the same manner as I have filed them upon the call of the committee; therefore, that would not change the situation at all.

One day he is insisting that his first charges are sufficient and is complaining because he is called upon to file more specific charges, and the next day, guided by the exigencies of the occasion, he is insisting that he intended all along to file a specific bill of particulars.

At this hearing Mr. KELLER was accompanied by his attorney, Mr. Jackson H. Ralston, who also appeared for Samuel Gompers and the American Federation of Labor, as shown by Mr. Gompers in his testimony. When it was found that Mr. KELLER was not prepared to introduce any evidence and asked for more time, the committee adjourned the hearing until December 12,

at which time Mr. KELLER again appeared, accompanied by his attorney, Mr. Ralston. On this occasion it was suggested that the proof be heard in an orderly way, commencing with specification No. 1. To this Mr. KELLER and his attorney objected and insisted upon introducing proof in such a manner and in such order as they thought advisable. The committee acceded to this desire and it was arranged that proof was to be heard first on specifications Nos. 13, 4, and 7.

No. 13, in short, charges the Attorney General with knowingly appointing William J. Burns at the head of the Bureau of Investigation of the Department of Justice, alleging that Mr. Burns was an unfit man for the position. The only evidence introduced to substantiate this charge was evidence calculated to show that in 1907 Mr. Burns had committed fraud in assisting in the selection of a jury in the prosecution of one Jones charged with a violation of the laws of the United States and tried in the State of Oregon. Jones was convicted but never went to prison, his case being continually before the courts until 1912, when his attorneys made application for a pardon. The matter was investigated by Mr. Lynch, the United States pardon attorney, who prepared a detailed statement showing that in his opinion Jones had not had a fair trial. This statement, together with all the papers in the case, was placed by Lynch before Mr. Wickersham, the Attorney General, who, after investigating all the papers presented to him by Lynch, signed the statement recommending the pardon of Jones. This statement was in turn presented to President Taft, who, relying upon the statement, pardoned Jones. Before Burns's appointment Samuel Gompers and Mr. Wickersham protested to Mr. Daugherty against the appointment, and Senator Hiram Johnson recommended and insisted upon the appointment. One McCauley, from Toronto, Canada, wrote the Attorney General, after the appointment, protesting the fitness of Burns. One Joyce, a private detective in the city of Washington, and formerly connected with the Department of Justice as a subordinate under Burns, testified to one incident wherein he thought that Burns had acted wrongly. This constituted the evidence introduced by Mr. KELLER to substantiate this charge.

Mr. Burns took the stand himself, testified fully in reference to the charge, and said, among other things:

"I want to say for myself personally that I will be glad on the witness stand here to lay myself open for any examination they may see, or anybody else may see, fit to ask me, and I am perfectly willing that they should go into every day of my life and my record." It is noteworthy that Mr. Ralston, the attorney for Mr. KELLER, did not see fit to ask Mr. Burns a single question on cross-examination.

Conceding for the purpose of this case that Mr. Burns did do all the things charged against him in the Jones case in 1907, and going further and admitting that he was guilty of an offense at that time—however, it is significant that no criminal charge was ever made against Mr. Burns—in my judgment, the Attorney General would not be impeachable because 15 years later he appointed Mr. Burns to a position of responsibility. In my own State, in my home city, we had a mayor who defrauded the city out of a number of thousands of dollars, and then absconded. He was later apprehended, convicted, served 10 years in the penitentiary, returned to civil life, became one of the leading citizens in the State, and in less than 10 years after leaving the prison was appointed by the governor as president of the board of control of the prison in which he had served. There was never a better man served on that board, and it would be preposterous to even suggest that the Governor of Michigan was impeachable because he appointed that man to high office.

Mr. KELLER next introduced evidence to substantiate specification No. 4 of his charges, which in substance charged the Attorney General with misconduct in that he failed to enforce the boiler inspection law. It was made clear by witnesses called by Mr. Ralston that there had been a laxity in fulfillment of strict requirements of certain safety appliance statutes after the inception of the strike of the railroad shopmen on July 1, 1922; that conditions were better after September 1, 1922. It was made clear that under the law about 50 Government inspectors are charged with the duty of inspecting locomotives and that there are about 70,000 railroad locomotives in use; that in addition to the inspection made by Government inspectors, a duty is imposed upon the railroads to inspect their own engines; that some of these roads, at a time when they were having much difficulty in keeping their trains moving owing to the strike, had failed to make proper inspection.

It was also made clear that in the enforcement of the penal sections of the law, where a violation has occurred, that it is the duty of the chief of the Inspection Bureau, operating under the Interstate Commerce Commission, to enforce the statute; that is, that this inspector reports the matter to the United States district attorney in the locality where the violation occurs, and it is the duty of that district attorney to prosecute,

and is not the duty of the Attorney General of the United States to prosecute in these cases, therefore the Attorney General was in no way derelict of duty in not enforcing the statutes in reference to boiler inspections. I think a careful reading of the testimony of Commissioner McChord and Mr. Ralston's observations will establish this contention beyond peradventure.

It was next contended that it was the duty of the Attorney General to bring proceedings in equity and by means of an injunction to compel the railroads which were not complying with the law to comply with the law and make proper inspection. In this connection Mr. Thomas Stevenson, of Cleveland, Ohio, attorney for the Brotherhood of Locomotive Firemen, was sworn as a witness. Mr. Stevenson is undoubtedly a clean-cut, capable lawyer, and impressed the committee with his apparent desire to be frank and at the same time never for an instant neglecting to take advantage of anything that might be favorable to his client. Mr. Stevenson's testimony thoroughly convinces one that there is a close legal question as to whether or not an injunction, as contended for by Mr. KELLER's attorney, would lie. At the time of the hearing the Attorney General's office was in communication with Attorney Stevenson and Mr. Horn, attorney for the Brotherhood of Locomotive Engineers, and an effort was being made to arrive at a conclusion as to whether or not an injunction could be upheld.

After Mr. Stevenson had testified at length and presented his viewpoint from all angles he was asked these questions:

Mr. HOWLAND. And do you not believe—I am going to ask you this question, because you have expressed opinions here—that the Attorney General is ready, willing, and anxious to assist you in every way within his power to get the relief that you ask for?

Mr. STEVENSON. I have no reason to think otherwise.
Mr. FOSTER. In your judgment, knowing the attitude of the Attorney General, do you think his conduct in this matter has been such that, in your judgment, as the Attorney General he should be impeached? Give the committee the benefit of your judgment. You have been in touch with the situation.

Mr. STEVENSON. That is a difficult question to answer.
Mr. FOSTER. Yes; but the committee just wants your judgment.
Mr. STEVENSON. No; I do not think so.

I feel safe in saying there was not a member on the committee or a spectator who heard Mr. Stevenson testify but who was impressed with his candor, sincerity, and intelligence, and when Mr. Stevenson, the chosen representative of the firemen who were operating the engines the inspection of which was the question involved, and a man who had given the subject as much study as any other man in the country, was of the opinion that the conduct of the Attorney General in this particular was not such as to warrant impeachment, it little lies in the mouth of the uninformed to make such charges.

The next witness was Mr. Arthur J. Lovell, vice president of the Brotherhood of Locomotive Firemen and Enginemen, who testified as to the accidents happening on various railroads during the last few months; and at the conclusion of his testimony Mr. Ralston said:

I have just received a request from Mr. KELLER, asking me for a suspension of about 15 minutes for the purpose of consultation as to the next step, if the committee will take a recess for that time.

The committee took a recess, and in about 30 minutes Mr. KELLER and Mr. Ralston returned to the room. Mr. KELLER insisted upon reading a statement which he had prepared. The committee did not see fit to hear the statement at that time unless Mr. KELLER desired to be sworn as a witness. He insisted on reading his statement, refused to be sworn, condemned the committee, threw his statement on the desk in front of the chairman, and stalked from the room, and from that time has refused to have anything further to do with the proceedings. The statement which he desired to read and which was left with the committee was simply a tirade against the committee, formally announcing his withdrawal from the proceedings, and repeating his statements, which he had previously given out to the newspapers, that the committee was "packed" and that it was evident that Mr. Daugherty was to be "whitewashed."

Mr. Donald R. Richberg, attorney for the defendants in the Chicago injunction suit, was subpoenaed as a witness by Mr. KELLER. Mr. Richberg said:

I would like to state my position briefly, so there might be no misunderstanding of it. I am here in response to a subpoena issued. I understand, by the committee. I have had nothing to do with the investigation or institution of these charges. I am not here in any way as an attorney representing any prosecutor. I am in the position of an attorney in a pending case brought by the Attorney General, which is made the subject of one of the charges here. Under those circumstances, I doubt the propriety of my taking any part in any way in prosecuting charges against the Attorney General. I have no desire voluntarily to submit any testimony.

Mr. Richberg further stated that he had no evidence or information bearing upon the charge other than that which he had filed in the defense in the injunction suit in the Chicago court, and the committee agreed with Mr. Richberg that he

should not be compelled to try before the committee his case which was pending before the court, and Mr. Richberg was therefore excused.

I have discussed only testimony presented by Mr. KELLER, and time forbids reference to further testimony introduced on the remaining specifications. Suffice it to say, however, that the remainder of the testimony was introduced by the attorney for the Attorney General explaining in detail each and every one of the charges made, and from that testimony but one conclusion can be drawn.

Some months ago Mr. JOHNSON of South Dakota and Mr. WOODRUFF, of Michigan, had made charges on the floor of the House in reference to the prosecution of certain war-fraud cases, and Mr. WOODRUFF, of Michigan, had requested the committee that he might be permitted to present evidence when the Keller charges were heard. In consideration of these facts these gentlemen were requested to present to the committee any evidence in their possession tending to substantiate any of the charges made by Mr. KELLER against the Attorney General. Both gentlemen appeared. Mr. WOODRUFF said in part:

Now, Mr. Chairman and gentlemen of the committee, I want to state now that I had nothing whatever to do with the preferment of these charges of impeachment. I knew nothing about it until after it had been done; I had nothing whatever to do with the preparation of the bill of particulars; I did not see that bill of particulars until after it had been submitted to the public; I assume no responsibility whatever for anything that may appear in that bill of particulars. As regards the specifications 1 to 13, I know practically nothing and can give very little, if any, assistance on those specifications. I do have some information about one of the subdivisions of specification 14, and I am prepared to assist the committee in determining the merits of that particular subdivision.

Mr. WOODRUFF requested permission to see certain files and documents in the Attorney General's office bearing upon certain matters which he had referred to in his charges on the floor of the House. At his request, together with his attorney, Captain Schafe, a former employee of the Department of Justice, he was permitted to go to the department and inspect such files and documents as he desired, and after such inspection returned to the committee and stated the results of his inquiry, from which it was apparent to all that Mr. WOODRUFF had no information which would aid the committee in determining whether or not the Attorney General was guilty of the charges made against him by Mr. KELLER.

Mr. JOHNSON of South Dakota said in part:

It should be said in the beginning that at no time have I ever had any connection with these impeachment charges; I did not know that they were to be filed; I never saw them before they were filed; no one ever consulted me concerning them; I knew nothing about them until they were presented to the House.

It should be said that, in my opinion, these charges are not based either on law or facts.

I would say that I not only have no proof on those charges but there are many of them with which I have absolutely no sympathy.

In determining whether or not any proof has been introduced establishing Mr. KELLER's contention that the Attorney General has been guilty of "high crimes and misdemeanors," it becomes important to know just what this phrase contemplates. Article II of section 4 of the Constitution defines impeachable offenses as "treason, bribery, or other high crimes and misdemeanors." A judicial construction of the term "high crimes and misdemeanors" as a definition of an impeachable offense is, from the nature of impeachment trials, impossible; and we must therefore have recourse to textbook authority for this definition.

Black, in his work on constitutional law, says:

Treason and bribery are well-defined crimes. But the phrase "other high crimes and misdemeanors" is so very indefinite that practically it is not susceptible of exact definition or limitation, but the power of impeachment may be brought to bear on any offense against the Constitution or laws which, in the judgment of the House, is deserving of punishment by this means, or is of such a character as to render the party accused unfit to hold and exercise his office.

I have no hesitancy in saying that, in my judgment, absolutely no evidence has been introduced which would tend in the remotest degree to prove that the Attorney General had been guilty of "high crimes and misdemeanors." I hold no brief for Mr. Daugherty. Whether or not he is a highly competent Attorney General, or whether or not his selection to that high office was a wise selection, are matters beside the question, and were not before the committee, and are not before the House at this time. We have but one question to decide. We are not passing upon the conduct of Mr. KELLER, and that conduct should have no bearing upon our verdict, and I feel sure has not entered into the conclusion of the committee.

Personally, I have no knowledge as to whether or not Mr. KELLER was the tool of others in the institution of these proceedings, and make no such charges. I do say, however, that Mr. KELLER displayed a woeful lack of information about the specific charges which he made, and his conduct from the beginning up to the time he dramatically bolted from the com-

mittee room bears every indication of the fact that his hope at every stage of the proceeding was that the committee would refuse to tolerate his conduct so that he might withdraw and charge "whitewash." If this was his thought he was disappointed, because all rules of evidence were waived aside, he was permitted to proceed in his own manner, and he had his own way, and no one familiar with the record will contend that any evidence had been introduced up to the time of his exit. From the beginning he sought publicity and was quoted often in the press, but he failed utterly to prove any of the things he charged. I do not want to condemn him. My information is that shortly after he withdrew from these proceedings he suffered a nervous breakdown, and is now in the South recuperating, and it is my hope that he speedily recovers.

The Judiciary Committee of the House is a bipartisan committee made up of Republicans and Democrats. The personnel of the committee was determined at the beginning of the Sixty-seventh Congress, but many members of the committee have served for years, and the personnel has not changed, with the exception of the addition of one member who filled a vacancy on the committee, since this impeachment resolution was presented to the House. A "packed committee" is, therefore, out of the question. These charges are not sustained.

Mr. VOLSTEAD. Mr. Speaker, I now yield to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Speaker on the first day of July, 1922, while the great railroads of this Nation were transporting coal and food to the industries and homes of our people, 260,000 members of the railway shop crafts went out on a strike.

It was the work and duty of these striking shopmen to inspect and repair the locomotives and rolling stock of the railroads. The law imposed severe penalties upon railroads using defective locomotives that had not been properly inspected. The railroads immediately sought to obtain new shopmen by calling to the service blacksmiths and mechanics who were out of employment and eager to obtain these desirable positions. If the railroads were successful in their efforts the result would be to make the strike ineffective. The strikers were desperate and thereupon by intimidation, force, and violence sought to prevent these strike breakers, so-called, from making the necessary inspection and repairs to the locomotives and rolling stock of the great transportation lines. In this they were partially successful in tying up almost completely the great railroad lines of the country and under the law effectually prevented the use of 70,000 locomotives, as the railroads must violate the law if they did not have the usual inspection of their rolling stock. To make this strike effective in every way and to prevent the transportation of mails, coal, or food the striking shopmen with the aid of their sympathizers sought every opportunity to injure the rolling stock and locomotives of the roads and to willfully and deliberately bring about defective safety appliances and to completely paralyze railroad traffic until the wages demanded by them had been granted by the managers of the railroads.

So critical and serious a condition developed from these unlawful acts of the strikers that President Harding on the 18th day of August went before Congress with a special message in which he called the attention of both Houses to this national crisis that threatened the life of the Nation in the following words:

Sympathetic strikes have developed here and there, seriously impairing interstate commerce. Deserted transcontinental trains in the desert regions of the Southwest have revealed the cruelty and contempt for law on the part of some railway employees, who have conspired to paralyze transportation, and lawlessness and violence in a hundred places have revealed the failure of the striking unions to hold their forces to law observance. Men who refused to strike and who have braved insult and assault and risked their lives to serve a public need have been cruelly attacked and wounded or killed. Men seeking work and guards attempting to protect lives and property, even officers of the Federal Government, have been assaulted, humiliated, and hindered in their duties. Strikers have armed themselves and gathered in mobs about railroad shops to offer armed violence to any man attempting to go to work. There is a state of lawlessness shocking to every conception of American law and order and violating the cherished guaranties of American freedom. At no time has the Federal Government been unready or unwilling to give its support to maintain law and order and restrain violence, but in no case has State authority confessed its inability to cope with the situation and asked for Federal assistance.

Under these conditions of hindrance and intimidation there has been such a lack of care of motive power that the deterioration of locomotives and the noncompliance with the safety requirements of the law are threatening the breakdown of transportation. This very serious menace is magnified by the millions of losses to fruit growers and other producers of perishable foodstuffs, and comparable losses to farmers who depend on transportation to market their grains at harvest time. Even worse, it is hindering the transport of available coal when industry is on the verge of paralysis because of coal shortage, and life and health are menaced by coal famine in the great centers of population. Surely the threatening conditions must impress the Congress and the country that no body of men, whether limited in numbers and responsible for railway management or powerful in numbers and the necessary forces in railroad operation, shall

be permitted to choose a course which so imperils public welfare. Neither organizations of employers nor workmen's unions may escape responsibility. When related to a public service the mere fact of organization magnifies that responsibility, and public interest transcends that of either grouped capital or organized labor.

Another development is so significant that the hardships of the moment may well be endured to rivet popular attention to necessary settlement. It is fundamental to all freedom that all men have unquestioned rights to lawful pursuits, to work and to live and choose their own lawful ways to happiness. In these strikes these rights have been denied by assault and violence, by armed lawlessness. In many communities the municipal authorities have winked at these violations, until liberty is a mockery and the law a matter of community contempt. It is fair to say that the great mass of organized workmen do not approve, but they seem helpless to hinder. These conditions can not remain in free America. If free men can not toll according to their own lawful choosing, all our constitutional guaranties born of democracy are surrendered to mobocracy and the freedom of a hundred millions is surrendered to the small minority which would have no law.

It is not my thought to ask Congress to deal with these fundamental problems at this time. No hasty action would contribute to the solution of the present critical situation. There is existing law by which to settle the prevailing disputes. There are statutes forbidding conspiracy to hinder interstate commerce. There are laws to assure the highest possible safety in railway service. It is my purpose to invoke these laws, civil and criminal, against all offenders alike.

In this great crisis the settlement of which meant so much to the life of the Nation, the President and Congress turned instinctively to that great lawyer, Attorney General Harry M. Daugherty, who, when he assumed the duties of his great office, said:

My duty is clear. As long as I am the responsible head of the Department of Justice the law will be enforced with all the power possessed by the Government which I am at liberty to call to my command.

The Government will endure on the rock of law enforcement or it will perish in the quicksands of lawlessness.

The Attorney General at once sent his agents and assistants over the Nation to investigate and obtain evidence of the unlawful acts of the striking shopmen and their sympathizers, that he might go before the courts with that evidence and obtain the necessary relief. It was a tremendous undertaking, but so successfully did he accomplish his great task that on the 1st day of September he appeared before the Federal court at Chicago with evidence of 17,000 unlawful acts committed by these striking shopmen against the transportation lines of the country and in violation of interstate commerce, committed for the purpose of destroying the railroads. Upon this great mass of evidence he requested of the court an injunction against these striking shopmen and their sympathizers, enjoining them from further interference with the railroads and thus effectively preventing them from committing further acts of violence upon men who had taken the places in the railroad shops of the strikers. In his argument before the court to obtain that injunction, he used these memorable words:

I will use the power of the Government of the United States within my power to prevent the labor unions of the country from destroying the open shop.

When the unions claim the right to dictate to the Government and dominate the American people and to deprive the American people of the necessities, then the Government will destroy the unions, for the Government of the United States is supreme and must endure.

A preliminary restraining order was granted by the court, and for the time being the nation-wide plot on the part of radical labor to force the railroads into Government ownership failed. Efficient men under the protection of this injunction took the places of the striking shopmen, and the roads resumed their customary traffic. The Government at Washington still lived, and the Attorney General received the commendation of all law-abiding people.

Radical labor leaders, however, were not to be easily defeated. Through their attorneys and official heads they immediately applied to the Attorney General to bring injunction proceedings against the railroads to prevent them from using any locomotives or rolling stock that had not been inspected according to law and demanded of him that under like injunction proceedings he restrain and enjoin the railroads in such a manner that would again completely paralyze the traffic.

They said to him, in substance, you have obtained an injunction against the shopmen. Now get one against the railroads. The Attorney General, after consulting with his assistants, reported that in his view of the law he could not legally obtain such an injunction, but that he would do all in his power to see that any willful violations of the law on the part of the railroads should be at once punished and that all safety appliances should be inspected and made safe in accordance with the Federal statutes, and he at once instructed his assistant attorneys general throughout the United States to see that these laws were complied with.

Leaders in this great railroad strike were now desperate. Something must be done to obtain Government ownership of railroads. The Attorney General had refused to aid them in overturning and destroying the Government. The court had fixed September 11 for a final hearing to make the injunction

permanent. The Attorney General must be destroyed. He must be humiliated and ridiculed in the eyes of the people. Congress must impeach him. Such proceedings must start in the House of Representatives. Some one must be found in that body that would commence the proceedings—some one that President Gompers, of the American Federation of Labor, could command and control. The only Member of the House available to do this bidding of the strikers was the gentleman from Minnesota [Mr. KELLER].

This was Mr. KELLER's second term. In his official biography, based on information furnished by himself, in the Congressional Directory, he states that he—

lost the Republican nomination in the convention, but was persuaded by his friends to run as an independent, and with the support of labor was elected.

He claims that he is neither a Democrat nor a Republican but an independent.

During his service in the House Mr. KELLER had often shown his readiness to serve the radical labor leaders that had elected him. At all times he had stood against the administration—for socialism, for Government ownership of railroads, Government price fixing, and Government ownership of public utilities, and many other socialistic ideas.

On November 13, 1919, in a speech in the House of Representatives, he said:

It will be our bounden duty, as representatives of the people, to purchase the railroads and operate them in the public interest. I am ready and willing to assume my share of the responsibility in this matter.

On the 29th day of August, 1919, in the House of Representatives, he further said:

The only remedy for this dangerous condition confronting us is an embargo on exports of all foodstuffs except our surplus and the fixing of prices thereon, as proposed in House Joint Resolution 180, which I introduced a few days ago.

By fixing the prices on the necessities of life the producer will be given his fair return as well as insuring the consumer against excessive prices. It will eventually drive the profiteer out of business. Wages will immediately be stabilized, and the manufacturer will be placed in a position to know where he is at. The result will be a return to normal and a renewal of the confidence of the entire Nation.

The Washington Evening Star of August 8, 1921, quotes Mr. KELLER as follows:

CHARGES WALL STREET CONTROLS GOVERNMENT—REPRESENTATIVE KELLER ATTACKS ADMINISTRATION AND WAYS AND MEANS COMMITTEE.

Charging that the machinery of government has been commandeered by a little clique, ignorant of the A B C's of economics, whose blind obedience to Wall Street is responsible for the stupid, selfish, short-sighted policy that is retarding our prosperity and creating profound distrust and discontent among the people, Representative KELLER, of Minnesota, independent Republican, delivered an attack upon the administration generally and on the House Ways and Means Committee particularly for its handling of tax and tariff problems in a statement issued last night.

Declaring that most Members of the House want to carry out the people's wishes with regard to taxation and other economic questions, Mr. KELLER says a "little dominant minority has tied down the safety valve of free discussion until an explosion impends which will scatter the Republican Party from Maine to California."

"The President has assumed more power than any of his predecessors," Mr. KELLER continues, "and tells Congress what bills to pass and what not to pass. Bills concocted at secret conferences are introduced without being referred to responsible committees."

On the 11th day of September last, while the Attorney General was presenting to the court at Chicago evidence of 50,000 crimes committed by the striking shopmen and their sympathizers for the purpose of obstructing transportation, injuring locomotives and rolling stock, and criminal assaults upon non-union workers who had taken the place of the strikers, Mr. KELLER startled the Nation by rising in the House of Representatives and saying:

Mr. Speaker, I impeach Harry M. Daugherty, Attorney General of the United States, for high crimes and misdemeanors in office.

The SPEAKER. When the gentleman rises to a question of this high privilege he ought to present definite charges at the outset.

Mr. KELLER. The Chair means such charges as acts of the Attorney General?

The SPEAKER. Yes; definite charges.

Mr. KELLER. Very well, Mr. Speaker, I will do so.

First. Harry M. Daugherty, Attorney General of the United States, has used his high office to violate the Constitution of the United States in the following particulars:

- (1) By abridging freedom of speech.
- (2) By abridging the freedom of the press.
- (3) By abridging the right of people peaceably to assemble.

Second. That, unmindful of the duties of his office and his oath to defend the Constitution of the United States, and unmindful of his obligations to discharge those duties faithfully and impartially, the said Harry M. Daugherty has, in his capacity of Attorney General of the United States, conducted himself in a manner arbitrary, oppressive, unjust, and illegal.

Third. He has, without warrant, threatened with punishment citizens of the United States who have opposed his attempts to override the Constitution and the laws of this Nation.

Fourth. He has used the funds of his office illegally and without warrant in the prosecution of individuals and organizations for certain lawful acts which, under the law, he was specifically forbidden to prosecute.

Fifth. He has failed to prosecute individuals and organizations violating the law after those violations have become public scandal.

Sixth. He has defeated the ends of justice by recommending the release from prison of wealthy offenders against the Sherman Anti-trust Act.

Seventh. He has failed to prosecute defendants legally indicted for crimes against the people.

I offer therefore the following resolution and am prepared to appear before a committee of the House, there to produce evidence and witnesses in proof of my charges.

Mr. Speaker, I offer this resolution and I would like to have the Clerk read it.

The SPEAKER. The gentleman from Minnesota offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 425.

Whereas impeachment of Harry M. Daugherty, Attorney General of the United States, has been made on the floor of the House by the Representative from the fourth district of Minnesota: Be it

Resolved, That the Committee on the Judiciary be, and they hereby are, authorized and directed to inquire into the official conduct of Harry M. Daugherty, Attorney General of the United States, and to report to the House whether, in their opinion, the said Harry M. Daugherty has been guilty of any acts which in contemplation of the Constitution are high crimes or misdemeanors requiring the interposition of the constitutional powers of this House; and that the said committee have power to send for persons and papers and to administer the customary oaths to witnesses.

The resolution went at once to the Judiciary Committee and the sensational newspapers of the country gave the charges and Mr. KELLER the necessary large headlines, and many of them accepted the charges as true.

On September 16, five days after these charges had been made, the Judiciary Committee of the House met to hear any evidence that Mr. KELLER might present in support of his charges. He appeared and at once offered the following gratuitous insult to one of the great committees of the House:

I desire at the outset to congratulate the Committee on the Judiciary for its prompt action upon my resolution impeaching Attorney General Daugherty. The committee has thus proved the falsity of the inspired news dispatches which stated that it was the purpose to bury the resolution without action and without hearings.

It was no doubt his intention to so abuse the court before whom he appeared that they would refuse to hear him and he might thereby say to the country that the committee were so prejudiced that they would not hear his evidence, and so forth, and were afraid to give him an opportunity for fear that he might prove the charges he had made against the Attorney General. The committee, however, knowing the prosecutor, refused to be used by Mr. KELLER to get him out of the dilemma into which he had found himself when he was called upon to produce his evidence.

When the committee passed over his insult and asked him to produce his evidence he answered:

The committee should take the charges that I make, and they are true until they are proven not true.

Mr. YATES. Is it your contention that this committee ought now to report this resolution favorably without any showing whatever by you?

Mr. KELLER. Mr. Chairman, I have made my charges, and they are true until they are proven not true.

It took some time for the committee to convince Mr. KELLER that the Attorney General was presumed to be innocent until proven to be guilty, and that the burden and duty of proving the charges against him was upon him who made the charges. It was finally agreed, however, that as Congress was about to adjourn to the regular session in December the committee would meet on the first day of that session, December 4, and hear the evidence to be presented by Mr. KELLER, and that December 1 Mr. KELLER should file with the committee specifications of his charges. Then the following proceedings occurred in the committee. I read from the record, on page 13:

Mr. DYER. Has the gentleman consulted an attorney in regard to this matter?

Mr. KELLER. I should want counsel.

Mr. DYER. Who was the gentleman who just spoke to you?

Mr. KELLER. I do not know.

Mr. MCGRADY. I am Mr. McGrady, representing the American Federation of Labor.

Mr. DYER. I wanted to know who you were.

Mr. MCGRADY. I would like to finish my statement. The American Federation of Labor has asked to be heard on this case. President Gompers, with the executive council of the American Federation of Labor, is at Atlantic City to-day but will be here next week. We have already made a request to be heard.

Mr. KELLER. Somebody asked me what would be a reasonable time, and I said Thursday would be a reasonable time for furnishing what the committee wants.

Mr. MICHENER. You have stated several times here to-day that you have proof, but that you do not want to divulge it to-day. It strikes me that in an important matter of this kind, in which the entire Nation is interested, and in which one of the chief executives of the Nation is interested, if you have this proof prepared and simply do not want to divulge it because it might prejudice your case you could possibly by working on Sunday come in here Monday and give this committee, not all of your proof, but enough to make a case on which we could conscientiously go to Congress one way or the other. It strikes me that that would be no more than fair.

After the adjournment of these proceedings to December 4, Mr. KELLER rushed at once into the columns of the sensational newspapers with the same and additional charges against the Attorney General and boasted of what he would do and prove if he only had the opportunity before the committee. He secured the consent of the House to extend his remarks in the RECORD, and on September 27, 1922, page 13153 of the CONGRESSIONAL RECORD, he again, at great length, went over the charges against Mr. Daugherty and added new ones and was very bitter in his denunciation of the Attorney General.

In the October issue of the Locomotive Engineers' Journal, an organ of the striking shopmen, he contributed an article signed by him and entitled, "Why Daugherty should be impeached," in which he still further added material for the sensational press and new charges against the Attorney General.

Not content with his proceedings before the Judiciary Committee, and not willing to wait a hearing on his charges, he sought every opportunity to make new and reckless charges against the Attorney General, with all disregard of the rights of a high Cabinet officer and a deliberate attempt to prejudice the Attorney General in the eyes of the American people. As a sample of his reckless and unfounded statements, in the article in the Locomotive Engineers' Journal, above mentioned, he said:

The Attorney General of the United States has been guilty both of the abuse of power and the usurpation of power. On the one hand, he has used his office to oppress citizens of one class, to deny them their constitutional rights, to threaten unlawfully to punish them for crimes they have not committed, and to enjoin them unlawfully from doing that which by the laws and Constitution of the United States they are entitled to do.

On the other hand, he has unlawfully granted to another class judicial privileges and favors, has neglected and failed to prosecute them for their criminality, and has released from prison wealthy malefactors convicted of crimes against the American people.

The Attorney General again has repeatedly violated his oath of office by refusing to prosecute malefactors of great wealth. And in certain cases where he was forced to act against wealthy criminals and indictments were found, he has halted their prosecution on false grounds, in an attempt to rescue them from the law.

Radical labor, that had elected Mr. KELLER, now appeared in the person of Samuel Gompers, president of the American Federation of Labor, and in the official organ of the federation for October, 1922, Gompers, under the heading "Attorney General impeached," said:

House Resolution 425, by Representative KELLER, of Minnesota, directed the Judiciary Committee to inquire into the official conduct of Attorney General Harry M. Daugherty and to report whether he has been guilty of any acts which the Constitution declares are high crimes or misdemeanors. The resolution was the result of the injunction applied for by the Attorney General and granted by Judge Wilkinson against the railroad shopmen. We have heard much from the Attorney General about workers interfering with the mails, but the fact is it is the railroads which have interfered by stopping mail trains altogether. Let the railroads first see what can be done about keeping workers on terms to which workers can agree.

It is the purpose of the American Federation of Labor to do everything possible to bring the impeachment proceedings to a successful conclusion. Labor will participate in the proceedings through its representatives, through its council, and through the presentation of testimony of witnesses.

On December 4 the committee met and called upon Mr. KELLER to proceed with his evidence. He claimed he was not ready and would not proceed until the committee obtained from the House power to subpoena such witnesses as he desired, and until that power was given the committee he would not name the witnesses nor would he proceed. The record of the hearings, page 107, shows the following proceedings when Mr. KELLER introduced his attorney:

Mr. MICHENER. Let us have your name.

Mr. RALSTON. Jackson H. Ralston.

Mr. MICHENER. You are a resident—

Mr. RALSTON (interposing). Of Washington.

Mr. MICHENER. What is your business?

Mr. RALSTON. I am supposed to be an attorney.

Mr. MICHENER. Whom do you represent?

Mr. RALSTON. In this particular I am appearing at the request of

Mr. KELLER.

Mr. MICHENER. You are the attorney for the American Federation of Labor also?

Mr. RALSTON. I am.

Mr. MICHENER. And of Mr. Gompers, personally?

Mr. RALSTON. Yes, sir.

That Mr. KELLER might have no excuse for not producing his evidence the committee adjourned to December 12 and on the day of adjournment, December 4, they obtained from the House authority to send for persons and papers, to administer oaths to witnesses, and to sit during sessions of the House.

The committee again met on December 12 and again called upon Mr. KELLER to take up the charges in their order. This Mr. KELLER refused to do. All the witnesses called for by Mr. KELLER had been subpoenaed, but Mr. KELLER and his attorney refused to proceed in the order of the charges. He said he would be ready in the morning to proceed with No. 13, and as to the other charges he insultingly said:

I will be ready when I get ready.

The committee was determined that Mr. KELLER should not evade. They were further determined that he should have no excuse to go back to the House or to the country and say that he had no opportunity to present his evidence and the committee therefore agreed with Mr. KELLER and his attorney to hear evidence first on No. 13; this to be followed with No. 4 and then No. 7, and after this the balance of the charges should be taken up in their order.

The next day the committee proceeded to hear the evidence upon charges 13, 4, and 7, and the first trouble came on the part of Mr. KELLER and his attorney in an attempt to offer to the committee evidence that had nothing to do with the charges, but which was intended to prejudice Mr. Daugherty, evidence that could not be admissible in any court of law. On the objection of the committee to hear such improper evidence, Mr. KELLER and his attorney refused to proceed unless they could put in everything they desired. The committee thereupon opened the door and stated, with the consent of the Attorney General, that Mr. KELLER and his attorney should be given the privilege of putting in any kind of evidence that they desired, which was done. At the conclusion of the evidence upon these three specifications it was obvious to everyone that nothing had been proved, that the evidence offered by Mr. KELLER and his attorney was simply for the purpose of prejudice and not for the purpose of proof and that KELLER had no evidence whatever to sustain his charges and only sought to escape from his responsibility.

Mr. KELLER had frequently stated that one of his attorneys was Samuel Untermyer, of New York. This attorney wrote him about this time a letter, from which I will quote, it being an answer to one from KELLER that he (Untermyer) should attend the proceedings before the committee and assist him. Attorney Untermyer said, among other things:

I refused to do so and advised your friends who consulted me to urge your immediate withdrawal from the proceedings.

Thereupon Mr. KELLER arose and stated to the committee that he wanted to make a statement, which he had reduced to writing. It was handed up to the chairman, and on an inspection of the same it disclosed most abusive language directed against the committee that would be unfit for publication, and the committee thereupon ruled that such statements were not in order and asked him to proceed with his evidence in support of the other charges. This Mr. KELLER refused to do, and he and his attorney, Mr. Ralston, withdrew from the room.

The committee were still further determined that Mr. KELLER should not escape his responsibility; and, on his refusal to proceed or to testify as to what evidence he had in his possession, if any, to support his charges and why he had made them, the committee obtained from the Speaker of the House a subpoena which was served upon Mr. KELLER to appear the next morning as a witness. This was duly served; but Mr. KELLER appeared only by his attorney, who stated that he had advised Mr. KELLER not to appear, and took the ground that the committee itself could not arrest Mr. KELLER and force him to testify, as he, Mr. KELLER, was a Member of Congress and was protected under the Constitution.

The committee were satisfied that they had no power to arrest Mr. KELLER and force him to testify, but that their duty was to report the fact to the House under the resolution and the House could proceed to deal with Mr. KELLER as the rules provided. The committee also voted unanimously to proceed to hear anyone in support of the charges, but no one appeared.

Certain criticisms of the Attorney General's office had been made in the House of Representatives by the gentleman from Michigan [Mr. WOODRUFF] and also by the gentleman from South Dakota [Mr. JOHNSON]. The committee called these two Members before them, and they testified at some length in regard to any knowledge that they had in the matter, as to the truthfulness of these charges. Both Members were very frank to the committee, and concealed nothing, and claimed to know nothing in the way of evidence that would sustain any of these charges.

Mr. WOODRUFF said in part:

Now, Mr. Chairman and gentlemen of the committee, I want to state now that I had nothing whatever to do with the preferment of these charges of impeachment. I knew nothing about it until after it had been done; I had nothing whatever to do with the preparation of the bill of particulars; I did not see that bill of particulars until after it had been submitted to the public; I assume no responsibility whatever for anything that may appear in that bill of particulars. As regards the specifications 1 to 13 I know practically nothing and can give very little, if any, assistance on these specifications.

Mr. JOHNSON, in his testimony, said:

It should be said in the beginning that at no time have I ever had any connection with these impeachment charges; I did not know that they were to be filed; I never saw them before they were filed; no one ever consulted me concerning them; I knew nothing about them until they were presented to the House.

It should be said that in my opinion these charges are not based either on law or facts. * * * I would say that I not only have no proof on those charges but there are many of them with which I have absolutely no sympathy.

The committee then gave an opportunity to the Attorney General to explain by witnesses, if he so desired, the several charges and specifications filed by Mr. KELLER. The Attorney General, by his assistants and witnesses, went minutely into the charges, covering them all with such convincing testimony as to leave no doubt in the minds of the committee that the charges were without any foundation whatever.

The testimony before the committee is found in the printed hearings, covering 573 pages. I have not time to review all the testimony. Mr. KELLER seemed to rely upon the testimony of two witnesses, to wit, Mr. Gompers, head of the American Federation of Labor, but who, when called, furnished no proof whatever in support of any of the charges.

The star witness for the prosecution, that had been paraded a great deal by Mr. KELLER and his counsel, Mr. Thomas O. Stevenson, attorney for the Brotherhood of Locomotive Firemen and Enginemen, testified at great length before the committee, principally in the matter of the Chicago injunction proceedings, but furnished no evidence at all to support the charges. In the course of his testimony I put to him the following questions and received the following answers in regard to the condition of the rolling stock and the want of inspection of locomotives during the strike:

Mr. HERSEY. And they had not been inspected because of the strike; is that it?

Mr. STEVENSON. I must say that we could not consider the reason why they were not inspected.

Mr. HERSEY. What was the reason that brought about the want of inspection or this use of defective locomotives? Was it not due to the strike?

Mr. STEVENSON. That is rather a large subject, sir; if you wish me to go into it and give some personal opinion, I can do so.

Mr. HERSEY. I am asking for your opinion. If the strike had not come on and there had been no strike, you would not have had any complaint, would you?

Mr. STEVENSON. From the viewpoint of a lot of people, not expressing myself; but the cause of it, the primary cause, was the direct intention of certain railroads to break up certain labor organizations.

Mr. HERSEY. Never mind about that. I am asking your opinion. If there had been no strike and the shopmen had continued at work and had not struck, you would have had no complaints to make to the Attorney General at present, would you?

Mr. STEVENSON. Probably not, sir.

Mr. FOSTER, of the committee, further questioned him, as follows:

Mr. FOSTER. In your judgment, knowing the attitude of the Attorney General, do you think his conduct in this matter has been such that in your judgment the Attorney General should be impeached? Give the committee the benefit of your judgment, as you have been in touch with the situation.

Mr. STEVENSON. That is a difficult question to answer.

Mr. FOSTER. Yes; but the committee want your judgment.

Mr. STEVENSON. No; I do not think so.

Mr. Stevenson, although prejudiced in favor of his organization and wishing to do all he could to assist the prosecution, was honest enough to admit that he knew nothing in the evidence that was cause for impeachment of the Attorney General.

After exhausting all information, rumors, or charges that came to the committee in any way the committee reported to the House that—

It does not appear that there is any ground to believe that Harry M. Daugherty, Attorney General of the United States, has been guilty of any high crime or misdemeanor requiring the interposition of the impeachment powers of the House.

In the debate in the House on the acceptance of this report of the committee the gentleman from Virginia [Mr. MONTAGUE], a member of the committee and a Democrat, said:

But, Mr. Speaker, I rose to express my own conviction as a member of the Judiciary Committee that upon the charges investigated there was not sufficient evidence to sustain the charges of impeachment contained in the resolution or as more particularly made in his supplementary resolution or bill of complaint wherein the charges were made in more concrete and precise form.

But I had no doubt, and no one else in the committee had, Mr. Speaker, that the evidence was insufficient to sustain the charges of impeachment formulated against the Attorney General, and I voted in the committee that there was no evidence to prove or support the offense charged in the proceedings, and I stand upon that now. [Applause.]

The gentleman from Tennessee [Mr. TAYLOR], not a member of the committee, but one who had carefully read the impeachment proceedings, addressed the House, and his remarks, while short, cover so completely the work of the committee that I quote them in full, as follows:

Mr. TAYLOR of Tennessee. Mr. Speaker and gentlemen of the House: I have absolutely no patience with the disposition and practice of certain alleged newspapers, certain interests, and certain Members in this and the other legislative Chamber, who make it a daily habit to impugn the motives and sincerity of the President of the United States and criticize and abuse certain branches of his administration. These alleged newspapers and gentlemen have been particularly assiduous and bitter in their attacks upon the Department of Justice, and it

is while assaulting the head of this department that their spleen becomes abnormally inflamed and their invectives wax particularly vitriolic and acrimonious. To lambast the Attorney General seems to be their pet diversion, and it occurs to me that many of their attacks are without any foundation in fact whatsoever. I hold no special brief for General Daugherty, and have no commission to defend him. I think he has frequently demonstrated that he is amply able to take care of himself. But, gentlemen of the House, the thing that I deplore—the thing that I desire to condemn and the thing that I consider thoroughly disgusting and demoralizing—is this wholesale, reckless, rampant, and indiscriminate abuse of public officials generally by every Tom, Dick, and Harry in the country whose peculiar ideas are not reflected in the acts of such public official. An honest, just, and conscientious criticism of the acts of public officials is commendable and should be encouraged. But the type of criticism that is usually indulged in encourages lack of confidence in the integrity of government itself and breeds Bolshevism and anarchy. The impeachment proceedings now pending against the present incumbent of the Attorney General's office has afforded these aforesaid newspapers and gentlemen an opportunity to produce anything detrimental to the character, conduct, and integrity of the administration of the Attorney General's office; and the hearings on this resolution disclose that their efforts to discredit Harry M. Daugherty and his official conduct have been a signal, melancholy, and monumental failure.

His accusers now stand discredited in the estimation of the whole country, "and none are so poor as will do them reverence." It does not matter what we may think of Harry M. Daugherty as an individual. I do contend, however, that we ought to have too much respect for the office of Attorney General than to drag it into ridicule and disrepute, or to attempt to poison public opinion against it by willful and malicious misrepresentation.

In conclusion, I desire to repeat that whenever we destroy the confidence of the people in the integrity of government, there is nothing left but Bolshevism and anarchy.

The House accepted the report of the committee and fully exonerated the Attorney General of any and all of the charges made by Mr. KELLER. The gentleman from Minnesota [Mr. KELLER], who had made these charges and had withdrawn from the committee, is now in the South for his health. A weekly newspaper published in Washington called Labor, the journal of the original labor organizations, denounced the proceedings as a "whitewash" and in attempting to speak for Mr. KELLER, on December 30, 10 days before the report of the committee had been made, said:

Congressman KELLER has already served notice on the Attorney General that unless the latter gets out of public life the impeachment fight will be renewed as soon as the new Congress convenes, and Daugherty has had enough experience with KELLER to know that the fighting Congressman from Minnesota will make good.

Outside of labor journals the reliable newspapers of the country generally commended the report of the committee and the decision of the House that the charges were wholly unsupported.

The Manufacturer, a leading journal in industry, in its issue of December 26, 1922, said:

INQUISITION, NOT IMPEACHMENT.

Fortunately for the public, the collapse of the impeachment proceedings against the Attorney General has been accompanied by an inside view of the animus behind the charges.

In this respect the whole matter takes on a significance extremely important to good government in the United States. If any pronounced radical in Congress can be permitted, without challenge, to abuse the high privilege of his office and demand impeachment of a Cabinet officer for no other reason than to project himself into the limelight, no Cabinet officer is safe and, broadly speaking, the executive departments at Washington can not function.

The breaking down of these impeachment proceedings should be a salutary lesson for the future. There should be no minimizing the gravity of the issue involved. There was never any real chance, of course, that the charges could be substantiated. But if any Member of Congress has the privilege of attacking a Cabinet officer with charges of such a character, no future Attorney General could administer properly the affairs of this great office. Misconduct in executive office should of course be checked and punished, no matter who is the offender nor what his standing; but to make such officer a target for unfounded attack and vicious propaganda is something totally unfair and absolutely contrary to the spirit of American institutions.

I am pleased to note also that a leading newspaper of my State, the Portland Press Herald, in its issue of January 22, 1923, said editorially:

THE PLOT THAT FAILED.

Attorney General Daugherty has been exonerated by an overwhelming vote of the House Judiciary Committee, a vote in which the Democratic members joined. The attempt to have impeachment proceedings brought against him failed. He is now at liberty to get after the grafters who grew fat while the Nation was struggling to win the war. The proceedings brought against him were inspired by these very interests who are threatened with prosecution by the Government and who will be compelled to disgorge some of the money they secured through rich contracts, if the Attorney General has his way. They brought all manner of charges against Attorney General Daugherty in the hope of embarrassing him and preventing him from going ahead with the suits he has already instituted. The plot failed, and now, let us hope, the grafters will be compelled to face the music.

I might quote other expressions of the public throughout the United States in praise of the Attorney General and his work, but have not the time to do so.

I wish to say in closing that the work of the present Attorney General's office in 1922 is now before us. It is a splendid record of achievement. A few brief facts show something of what he has done. I mention a few:

1. Instituted civil suits against builders of Army camps, and so forth, during the war to recover more than \$50,000,000.

2. Secured indictments against those who have conspired against the Government in the purchase and handling of war material to the number of hundreds.

3. Prosecution of violators of the food and drug act and the prohibitory laws. Over \$50,000,000 have been imposed in fines during the past year.

4. Instituted over 60,000 new criminal cases during the past year.

5. Vigorous prosecution of antitrust laws and frauds against the Government.

6. Successful prosecution in injunction proceedings against those who would destroy the transportation system of the country and deprive the people of coal and food in their hour of need.

The Attorney General has shown great ability, honesty of purpose, fearlessness of action, and sublime devotion to duty in his great office. The attempts of certain radical organizations and sinister foes of law and order to prejudice and impeach him have given the people a new insight into the fine character and courage of the man who has placed himself high among the great and fearless leaders of law and order, and these proceedings in Congress to impeach him and the hearings thereon have been of great benefit to the people of this Nation, as they have satisfied this country that the law-abiding people have in him a most trustful and efficient public servant who will protect the best interests of the law-abiding people of this country against the radical attempts of revolution, and future history will place Harry M. Daugherty high among the great and notable men of the present age.

Mr. VOLSTEAD. Mr. Speaker, I now yield to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, I rise to state that I will vote to sustain the adverse report filed by the Judiciary Committee and will vote to pass the resolution recommended by the committee. Unfortunately, I have not been granted sufficient time. The time usually reserved for members of the committee has been partly given to others, and the result is that I have just been advised by the chairman of the committee that I may have two or three minutes. Manifestly no comprehensive or exhaustive statement can be made within that time. I had hoped to be granted 15 minutes at least. I will simply do the best I can under the circumstances.

The charges in this case were substantially as follows:

First, that the Attorney General of the United States had taken more time than was necessary to institute and prosecute certain prosecutions;

Second, that he had been too lenient in recommending certain pardons;

Third, that he had done wrong in discharging certain employees;

Fourth, that he had done wrong in retaining one employee, namely, William J. Burns, Chief of the Bureau of Investigation of the Department of Justice;

Fifth, that he had erred in not bringing injunctions to enforce the duties incumbent upon railroads in the matter of inspection of locomotives;

Lastly, that he had appeared in the United States District Court for the Northern District of Illinois and caused to be issued an injunction restraining certain railroad employees from certain acts.

Before the Committee on the Judiciary, of which I am a member, it was insisted by the Hon. OSCAR E. KELLER, Member of this House, who filed the charges, that these different acts upon the part of the Attorney General constituted high crimes and misdemeanors, for which he should be impeached.

I do not think that the question of the conduct of Mr. KELLER or his misconduct before the committee have anything to do with this question. I do not agree with that portion of the report which at great length goes into the question of whether Mr. KELLER can be punished because of his actions before that committee culminating in his walking out of the committee room after handing to the chairman an abusive letter. It seems to me that any action by the House in regard to that matter should be a separate and distinct thing. I do not believe in making Mr. KELLER a martyr. He did a most serious, and grave, and solemn thing when he charged the chief law officer of the American Government with being guilty of high crimes and misdemeanors—in other words of being guilty of being a criminal. His conduct is to be strongly disapproved, in my opinion, but it has nothing to do with this case, except as it shows that his action in filing the charges was ill-advised and ill-considered, and without due appreciation of the gravity of the matter.

I heard every word of the testimony in this case. I have known Harry M. Daugherty longer probably than any man in this House. We were students together in the same law school in 1882—40 years ago. Since then I have been near him and with him in several campaigns—1896 and 1900, 1908 and 1912, and 1920, if I remember correctly. In other words, I have knowledge of him. Growing out of that knowledge I have confidence in him. In former years I believed him to be honest and fearless. My confidence is justified.

I did not in those days believe him to be a criminal. Accordingly, I watched every line of the testimony in the present case with more care and anxiety than would ordinarily be the case. I am glad to conclude that the evidence does not show that he has become a criminal or is guilty of high crimes and misdemeanors.

There is no time to go into a discussion of the different charges. Some of them seem to me to be exceedingly foolish. For example, it was sought to be shown that Mr. Samuel Gompers, president of the American Federation of Labor, who in answer to questions by me admitted that he had suggested and partly prepared this particular charge, had learned something from President Taft, which President Taft had learned from Attorney General Wickersham, which Attorney General Wickersham had learned from Pardon Attorney Finch, which Pardon Attorney Finch had learned from a man whose name I do not now recall, which this latter man had learned from Mr. Burns. In other words, Burns had told something to a man who had told it to Finch who had told it in an opinion to Wickersham who had told it in an opinion to Taft who had expressed it in a pardon, a copy of which he gave to Mr. Gompers—all about a thing that occurred in 1905 in connection with a prosecution in the West 17 years ago.

William J. Burns was accused of certain misconduct in 1905. Burns denied it all, and his honesty and efficiency were testified to by United States Senator HIRAM JOHNSON, of California.

I believe that the most serious charge brought against Mr. Daugherty was the one which charged him with being guilty of malfeasance in office because he appeared in the United States court in Chicago and obtained a certain writ of injunction. There had been a great strike, and there had been some rioting. Three courses were open to the Government:

First, it could allow murder and train wrecking and other violence to continue;

Second, it could call out the armed forces of the Nation and with rifle fire mow down everybody, including bystanders; or

Third, it could resort to the orderly processes of the law, namely, the writ of injunction.

The highest and finest and kindest thing the Attorney General could have done was to resort to this writ. He did so, and the murder and train wrecking ceased.

I believe it was because the Attorney General did this thing that this prosecution was brought. If he had allowed the murder and train wrecking to continue, he would not be here threatened with impeachment. If the Government had mowed down everybody, this impeachment prosecution would not have been suggested. It was because he dared to do his duty that this thing is here to-day. I am absolutely satisfied that behind this procedure—although it may be to-day directly or indirectly conscientiously approved by Members of this House—I am absolutely satisfied that the purpose of this proceeding was to defy and intimidate the Attorney General of the United States and all future Attorneys General and all future officers of the law; the purpose was to serve notice upon this Attorney General and all coming officers that they must not resort to the orderly processes of the law. On the very day that the Attorney General was standing in his place in court in Illinois, on the 11th day of September, 1922, begging and appealing to the court to issue the writ which would restore law and order this proceeding was instituted before this House. I believe that the time has not yet come in America when an honest and fearless official will be impeached on such a record as has been made in this case, and therefore I vote to acquit him and not impeach him.

Mr. VOLSTEAD. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Speaker and gentleman of the House: I have absolutely no patience with the disposition and practice of certain alleged newspapers, certain interests, and certain Members in this and the other legislative Chamber, who make it a daily habit to impugn the motives and sincerity of the President of the United States and criticize and abuse certain branches of his administration. These alleged newspapers and gentlemen have been particularly assiduous and bitter in their attacks upon the Department of Justice, and it

is while assaulting the head of this department that their spleen becomes abnormally inflamed and their invectives wax particularly vitriolic and acrimonious. To lambast the Attorney General seems to be their pet diversion, and it occurs to me that many of their attacks are without any foundation in fact whatsoever. I hold no special brief for General Daugherty, and have no commission to defend him. I think he has frequently demonstrated that he is amply able to take care of himself. But, gentlemen of the House, the thing that I deplore—the thing that I desire to condemn and the thing that I consider thoroughly disgusting and demoralizing—is this wholesale, reckless, rampant, and indiscriminate abuse of public officials generally by every Tom, Dick, and Harry in the country whose peculiar ideas are not reflected in the acts of such public official. An honest, just, and conscientious criticism of the acts of public officials is commendable and should be encouraged. But the type of criticism that is usually indulged in encourages lack of confidence in the integrity of government itself and breeds Bolshevism and anarchy. The impeachment proceedings now pending against the present incumbent of the Attorney General's office has afforded these aforesaid newspapers and gentlemen an opportunity to produce anything detrimental to the character, conduct, and integrity of the administration of the Attorney General's office; and the hearings on this resolution disclose that their efforts to discredit Harry M. Daugherty and his official conduct have been a signal, melancholy, and monumental failure.

His accusers now stand discredited in the estimation of the whole country, "and none are so poor as will do them reverence." It does not matter what we may think of Harry M. Daugherty as an individual. I do contend, however, that we ought to have too much respect for the office of Attorney General than to drag it into ridicule and disrepute, or to attempt to poison public opinion against it by willful and malicious misrepresentation.

In conclusion, I desire to repeat that whenever we destroy the confidence of the people in the integrity of government, there is nothing left but Bolshevism and anarchy.

Mr. VOLSTEAD. Mr. Speaker, I want to make only one or two observations. The gentleman from Kentucky [Mr. THOMAS] made the statement that we had refused to send for documents and witnesses where there was opportunity to get them. If the gentleman had been more attentive on the meetings of the committee, he might have discovered that a good many of the things he complains of appear in the RECORD or are on file in the committee. Take, for instance, the Hayden letter. I asked the War Department to furnish it, and it is in the committee. The investigation had in the Department of Justice in regard to the United Gas Improvement Co. is likewise available. The complaint that the gentleman from Kentucky [Mr. THOMAS] makes because we did not investigate Mr. Johnson's charges is far-fetched, as that related to the War Department. We had no authority to investigate that matter. The Omand letter and telegram came in after the hearings were completed. Mr. Graham has dealt with that. The Greenburg matter was brought to our attention and investigated. A very thorough investigation of that particular matter was had.

This discussion has not brought to light any fact that would justify impeachment. I am not aware that anyone has made the claim that the record shows any such evidence. No one has pointed to a single charge and said to the House that this charge has been established or that he knows or has reason to believe that there are any witnesses that can sustain such charge. Without something of that kind there is no reason for further investigation. It is not just to keep a man under a criminal charge without cause. The gentleman from Kentucky [Mr. THOMAS], who asks for further investigation, made no such demand when the committee unanimously voted to close the hearings. He ought to have spoken then. It was not fair to remain silent when it was his duty to speak.

I yield to the gentleman from Tennessee [Mr. CLOUSE].

Mr. CLOUSE. Mr. Speaker, some months ago a resolution was introduced by a Member of this House in which he deliberately charged a prominent official of this Government with malfeasance and misconduct in office, and thereupon asked that this official be removed by the solemn judgment of a court of impeachment. Let it be understood that I am not here as the spokesman of the Attorney General, nor am I here to interpose a defense for the distinguished members of the Committee on the Judiciary before whom the hearings upon this matter have been conducted. They need no defense at my hands. I am here in my own right as a Member of the House of Representatives, unabashed and unafraid to proclaim to the world that this the greatest deliberative legislative body on earth has not degenerated to the point of impotency. I would like to believe

that that flag as she unfurls herself to the placid breezes of the newborn day carries not only inspiration and hope but liberty and life, freedom and justice to every citizen beneath its folds, and that in return it exacts, demands, yea, commands, undying loyalty to the Constitution and to the laws enacted pursuant thereto. I believe in liberty under the law. I believe in law. I believe in giving to every man justice and a "square deal," but I do not believe that I or any other Member of this House has the unqualified right to assassinate the character of any citizen upon the flimsiest pretext and then shield ourselves behind the oft-times dirty cloak of "privileged communication."

Do not understand me, sirs, to say that I criticize a man for bringing to the attention of this body matters concerning the conduct of a public official, but upon the contrary, let it be understood that I believe when facts are brought to the attention of a Member of this body from which it is evident, or from which it may be reasonably and honestly inferred that some public official has been or is guilty of corrupt practices, that it is not only the privilege, but the imperative duty of him to take appropriate action. If he does so in good faith he deserves the commendation of every patriotic American, but, if after the step has been taken that besmirches the character, he then seals his lips and defies the authority to question his motive, his actions are indefensible and deserve the condemnation of every citizen of this Republic. I can not believe that it was ever intended that a man, no matter what his station in life may be, no matter whether he be great or small, rich or poor, black or white, in office or out of office, should have the right to besmirch character for self-aggrandizement, or out of a spirit of pure malevolence. This body, in my judgment, has plenary power to go to the root of this matter, and I, for one, shall demand a full investigation into the sources of information upon which the charges were based.

To do this is but to do simple justice toward a faithful public official; to do less is to acknowledge our helplessness and invite a condition the ultimate ends of which may be fraught with the gravest eventualities.

Propaganda has and is now being circulated to the effect that the Judiciary Committee, its chairman, and its several members were prejudiced in favor of the Attorney General and had sought to prevent a full and fair investigation. I am not a member of that committee, but I was present and heard all the testimony offered. I do not believe there is a lawyer in Christendom who has heard, or who will read, the hearings in this case but that will say that the committee at all times admitted testimony against General Daugherty which had no relevancy to the case, and in many instances admitted testimony which was clearly inadmissible because mere hearsay. I attended these hearings because I was anxious to observe the manner and demeanor of the witnesses who testified. I went there with a mind free from bias or prejudice. I had formed no opinion the one way or the other, but when I observed the demeanor and conduct of those in charge of the prosecution I was at once convinced that they were but looking for an opportune time to abandon the hearings under some flimsy pretext. I so expressed my views to a number of my colleagues, and now I am convinced beyond the peradventure of a doubt that the purported prosecution was but a persecution, and this body and this people has the right and should know the whole truth concerning the reasons prompting such action.

There is a tiger in the den and the future peace of this Republic demands firm and courageous action now.

Listen to this editorial from the Washington Times. Clear, concise, and logical. Let us follow the suggestion here made and demonstrate to the world that the integrity of this body or an official of this Government can not be assailed with absolute impunity.

It reads:

What is all this attack on Attorney General Daugherty about? Anybody who has had experience with persecutions of this kind knows they are not due to failure to be aggressive in performance of duty, but are always due to powerful enemies that have been offended by a just and impartial performance of duty.

The plain question in Attorney General Daugherty's case is, therefore, not what has Attorney General Daugherty failed to do, but in what vigorous way has he enforced the law, which has caused some big interest to hate him and to go out to "get him," and to stir up its big hired lawyers and its little owned politicians to attack the man who has offended this interest and to say things that will be printed in newspapers even though they are never proved nor even attempted to be proved.

The investigation of Attorney General Daugherty has fallen utterly flat.

No proof of any allegation has been presented. The chief accuser, and on the flimsiest of pretexts, has even refused to testify; and the evidence which has been heard from the most honorable and independent men like Senator HIRAM JOHNSON, has all been in defense of Attorney General Daugherty, and in support of Attorney General Daugherty and in commendation of his acts and his activities.

What is needed now is another investigation, to find out who the big interests are who are attacking the Attorney General of the United States, and who are trying to discredit him and weaken him and weaken the force of his official procedure.

Is it the whisky ring, against which the Attorney General's office has been especially active?

Is it the war profiteers, who were so powerful with the late Democratic administration?

Is it the Palmer-Garvan outfit, who fraudulently confiscated alien property and delivered it to their friends and whom the Attorney General has exposed?

Most surely there is some big interest and some corrupt interest responsible for the attacks upon the Attorney General of the United States, which attacks up to this time have been so utterly baseless and futile as to make them an insult to the American people whom the Attorney General represents.

Let us make an investigation and make it so thorough that no official of this Government in the years to come shall fear to do his whole duty as God has given him the power to discern the right.

Mr. VOLSTEAD. Mr. Speaker, I now offer the resolution which I send to the Speaker's desk to have read, and on that resolution I move the previous question.

Mr. GARRETT of Tennessee. Mr. Speaker, let us have the resolution reported first.

Mr. THOMAS. Mr. Speaker, I have an amendment which I desire to offer.

The SPEAKER. The Chair will recognize all gentlemen in due time. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 495.

That whereas the Committee on the Judiciary has made an examination touching the charges sought to be investigated under H. Res. 425 to ascertain if there is any probable ground to believe that any of the charges are true; and on consideration of the charges and the evidence obtained it does not appear that there is any ground to believe that Harry M. Daugherty, Attorney General of the United States, has been guilty of any high crime or misdemeanor requiring the interposition of the impeachment powers of the House: Resolved, That the Committee on the Judiciary be discharged from further consideration of the charges and proposed impeachment of Harry M. Daugherty, Attorney General, and that H. Res. 425 be laid upon the table.

Mr. VOLSTEAD. Mr. Speaker—

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. I should like to inquire if the resolution just reported is the resolution on the calendar?

The SPEAKER. The Chair understands that this Resolution No. 425, which the gentleman from Minnesota moves to lay on the table, is the one that is on the calendar.

Mr. GARRETT of Tennessee. May I inquire how it happens to be on the calendar?

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] was acting as Speaker pro tempore at that time. The rule, of course, is that an adverse report will lie on the table unless within three days, I believe, some Member asks that it be put upon the calendar. The Chair understands that when it was reported the chairman of the committee asked that it should go upon the calendar and thereupon the Speaker pro tempore placed it on the calendar.

Mr. GARRETT of Tennessee. Did the chairman of the committee make that request in the House or privately?

Mr. VOLSTEAD. In the House.

Mr. GARRETT of Tennessee. Mr. Speaker, if the resolution offered by the gentleman now be laid upon the table, then that will be the end of the entire matter, would it not, unless a de novo proceeding is instituted?

The SPEAKER. The Chair thinks so.

Mr. GARRETT of Tennessee. Mr. Speaker, I move to lay the resolution upon the table. That is a privileged motion, Mr. Speaker.

Mr. MONDELL. The previous question has been ordered.

Mr. GARRETT of Tennessee. It has not been ordered.

Mr. MONDELL. It has been demanded.

The SPEAKER. The Chair would like to qualify his statement that it would dispose of the whole matter. It would be a question in the Chair's mind whether the charges of impeachment, which the gentleman from Minnesota made, would follow the resolution to the table.

Mr. GARRETT of Tennessee. Mr. Speaker, the Committee on the Judiciary has killed that, and frankly I want to say I am taking the simplest way out of this proposition. There is no way to impeach the Attorney General unless the Committee on the Judiciary brings a resolution of impeachment before us. To lay this matter upon the table, and it is a privileged motion, there is only one higher motion, and that is to adjourn, ends this whole controversy. I move to lay the resolution on the table.

Mr. MONDELL. That motion is not in order.

The SPEAKER. The gentleman means Resolution 425?

Mr. GARRETT of Tennessee. The resolution which the gentleman has offered and that carries everything else with it.

The SPEAKER. The Chair did not understand the gentleman to mean this resolution which the Clerk has just reported.

Mr. GARRETT of Tennessee. That will carry all the rest with it—

The SPEAKER. The Chair misunderstood the gentleman.

Mr. GARRETT of Tennessee. Including Resolution 425.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STAFFORD. The question of recognition for a motion to lay on the table rests with the Speaker?

The SPEAKER. Yes.

Mr. STAFFORD. The gentleman from Tennessee addressed the Chair on a parliamentary inquiry immediately following the demand of the gentleman from Minnesota to move the previous question. Is it not within the province of the Speaker to recognize the gentleman from Minnesota to move the previous question on the resolution just submitted to the desk?

The SPEAKER. The Chair thinks not. Anybody who wishes to move to lay upon the table has always the prior right of recognition over a person moving the previous question. But the Chair misunderstood the gentleman from Tennessee, and possibly in answering the parliamentary inquiry has misled him. The Chair supposed the gentleman from Tennessee, in asking whether a motion to lay on the table would not end the whole matter, referred to Resolution 425. The Chair now understands the gentleman to refer to this last resolution, and that he moves to lay that resolution on the table.

Mr. GARRETT of Tennessee. Then I move to lay Resolution 425 on the table.

Mr. MONDELL. That will leave the matter where it is.

Mr. BEGG. That does not end it. If the House decided to lay it on the table, can not it be taken from the table within any reasonable time? In other words, is the gentleman correct when he says that it ends this whole thing? It does not do anything of the kind.

Mr. GARRETT of Tennessee. If it is laid on the table, will the gentleman from Ohio move to take it from the table within a reasonable time?

Mr. BEGG. There might be somebody similar to the man who made the original charges who would make such a motion.

Mr. GARRETT of Tennessee. Does the gentleman think that the House would sustain it? If the gentleman wants to end it let him—

Mr. MONDELL. The motion would undoubtedly dispose of the resolution now offered by the gentleman from Minnesota, but it would leave the resolution of impeachment and the report made upon it exactly where it was when we began the discussion this afternoon.

Mr. GARRETT of Tennessee. And end it.

Mr. LONGWORTH. On the contrary.

Mr. GARRETT of Tennessee. I should think, Mr. Speaker, if the Committee on the Judiciary made an adverse report except by a blunder it would never have been put on the Calendar and ought not to be.

The SPEAKER. The Chair will say to the gentleman from Tennessee that the Chair, when he answered the parliamentary inquiry of the gentleman from Tennessee, asking whether laying the resolution upon the table would end the matter, supposed the gentleman was referring to House Resolution 425, the resolution which originally referred this matter to the Committee on the Judiciary, and not the resolution of the gentleman from Minnesota [Mr. VOLSTEAD], which is now pending. Is that what the gentleman intended? The Chair now understands the gentleman meant to move that this resolution which the gentleman from Minnesota [Mr. VOLSTEAD] offered, and which lays the whole subject on the table, to lay this on the table. Which does the gentleman mean?

Mr. GARRETT of Tennessee. Mr. Speaker, I think that either would carry this whole proposition and end this matter. I move to lay upon the table the resolution which the Speaker holds in his hand and the report of the Committee on the Judiciary.

Mr. MONDELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONDELL. The gentleman from Tennessee offers that on the theory that if his motion carried, the resolution providing for an impeachment inquiry and the report of the committee made thereon would lie on the table. That is not correct. As a matter of fact they would remain as they are. The only effect his motion would have would be to end the resolution now offered by the gentleman from Minnesota—

Mr. LONGWORTH. And leave alive House Resolution 425.
Mr. MONDELL. Yes; and leave the question we have been debating as it now is.

The SPEAKER. Let the Chair call the attention of the House to just what it is that the gentleman from Tennessee [Mr. GARRETT] now moves to lay on the table. The resolution is—

Resolved, That the Committee on the Judiciary be discharged from further consideration of the charges of impeachment against Henry M. Daugherty, the Attorney General, and that the House resolution be laid on the table.

Now a motion to lay that on the table, in the opinion of the Chair, if carried leaves the matter just exactly where it is now. At first blush it refuses—

Mr. CRISP. Mr. Speaker, can I cite a case in point?

The SPEAKER. Yes; the Chair will be glad to hear the gentleman.

Mr. CRISP. If the Chair will look at section 768 of the rules he will find this citation, and I know from past experience that these citations are accurate. I read:

When a bill is laid on the table, pending motions connected therewith go to the table also (V. 5426, 5427); and when a proposed amendment is laid on the table the pending bill goes there also (V. 5423).

Now, it seems to me, Mr. Speaker, that under those rulings, if this resolution is laid on the table—and the Speaker knows the table in this connection is the final sepulcher in the House; that is the place where you refer a resolution or bill to kill it finally—it seems to me that under these precedents cited if this resolution is laid on the table, all resolutions and all matters in any way connected with the resolution would also go to the table and the whole matter be ended.

The SPEAKER. The Chair's first-blush opinion is this, that this is not a resolution such as is referred to in the citation quoted by the gentleman from Georgia [Mr. CRISP], nor is it an amendment. This is a resolution disposing of the whole matter. This is a resolution laying the whole subject on the table. It seems to the Chair at first blush that a motion to lay that on the table, if it carried, would be equivalent to rejecting it. It would be rejecting a motion to lay the impeachment proceedings on the table, and it seems to the Chair that it would still leave the impeachment matter pending.

Mr. SANDERS of Indiana. The gentleman's motion is a motion to lay on the table a motion to lay a resolution on the table, and that being so, could not some one move to lay his motion on the table, and go on in that way ad infinitum? I submit that that would be the situation.

Mr. MONDELL. Mr. Speaker, the point of order has already been made that this motion is not in order.

Mr. FESS. Mr. Speaker, will the Chair hear me?

The SPEAKER. Yes; the Chair will be glad to.

Mr. FESS. Mr. Speaker, there are two ways to reach an adverse vote on a resolution. One is to vote it down; the other is to table it. This resolution is to discharge the committee. One way to do it would be to vote it down. The other way would be to table it. If you table it, you have not discharged the committee.

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONGWORTH. It is in the line suggested by my colleague. Would not the effect of tabling this resolution be exactly the same as voting it down, which would leave House Resolution 425 in precisely the same position as it is in now?

The SPEAKER. The Chair so stated.

Mr. GARRETT of Tennessee. If it is voted down, there will be made a motion to table House Resolution 425. If we can get rid of this thing, let us do it.

Mr. MONDELL. Mr. Speaker, my contention is that the motion of the gentleman from Tennessee is not in order. You can not move that a motion to table be tabled.

Mr. CAMPBELL of Kansas. Mr. Speaker, if I may be permitted—

The SPEAKER. The Chair will be glad to hear the gentleman.

Mr. CAMPBELL of Kansas. The motion of the gentleman from Minnesota [Mr. VOLSTEAD] is really a motion to lay House Resolution 425 on the table. The gentleman from Tennessee [Mr. GARRETT] moves to lay the motion of the gentleman from Minnesota on the table, which is clearly not in order. The motion of the gentleman from Minnesota, embodied in the motion he sent to the Clerk's desk and had read, disposes of the resolution placed upon the calendar at the suggestion of the chairman of the Committee on the Judiciary a few days ago.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. GARRETT of Tennessee. Would the gentleman from Minnesota be willing to strike out the first part of his resolution and let us come directly to a vote on the last part of his resolution? If so, the matter can be settled in a minute.

Mr. VOLSTEAD. I think not.

Mr. TILSON. Mr. Speaker, will the Chair hear me?

The SPEAKER. Certainly.

Mr. TILSON. Mr. Speaker, there is a resolution on the calendar awaiting action. We have attempted to dispose of it in a certain way and have here a resolution to accomplish the purpose. Among other things, this resolution contains a motion to lay on the table the other resolution now on the calendar. The gentleman from Tennessee [Mr. GARRETT] moves to lay this resolution on the table.

It is clear that such a motion is in order; but if the motion of the gentleman from Tennessee should prevail it would defeat the method that has been chosen of disposing of the resolution which is on the calendar and would leave the resolution on the calendar just where it is now. If we do this we shall have marched up the hill and then marched down again without accomplishing anything. [Applause.]

The SPEAKER. The Chair agrees with the statement just made by the gentleman from Connecticut, which is substantially what the Chair said a few moments ago. If the motion of the gentleman from Minnesota [Mr. VOLSTEAD] were simply a motion to lay upon the table, then the Chair thinks it would not be in order for the gentleman from Tennessee [Mr. GARRETT] to move to lay it on the table; but the Chair thinks that the resolution offered by the gentleman from Minnesota is much more than that, that it is an independent resolution which disposes of the whole subject and which couples with the motion to lay on the table other factors. Therefore the Chair believes the motion of the gentleman from Tennessee is in order, although to adopt it would be simply to refuse to dispose of the subject and would leave it exactly where it is now.

Mr. GARRETT of Tennessee. It will be followed by another motion, if the Chair please.

The SPEAKER. The Chair will recognize the gentleman if he wishes to make the motion, for it is a preferential motion on which the leader of the minority is entitled to recognition.

Mr. GARRETT of Tennessee. I desire to get at it in a parliamentary way.

Mr. VOLSTEAD. I move the previous question on the adoption of the resolution.

Mr. GARRETT of Tennessee. Did the Chair overrule my motion?

The SPEAKER. No. Does the gentleman wish to make a motion?

Mr. GARRETT of Tennessee. I move to lay on the table the motion of the gentleman from Minnesota [Mr. VOLSTEAD].

The SPEAKER. The gentleman from Tennessee moves to lay the motion on the table.

The question being taken, the Speaker announced that the yeas appeared to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 88, nays 204, answered "present" 2, not voting 134, as follows:

YEAS—88.

Abernethy	Dowell	Lankford	Sanders, Tex.
Almon	Driver	Larsen, Ga.	Sandlin
Aswell	Fields	Lazaro	Sinclair
Beck	Fisher	Lea, Calif.	Sisson
Bell	Fulmer	Lee, Ga.	Steagall
Black	Garner	Lanthicum	Stedman
Blanton	Garrett, Tenn.	Logan	Stevenson
Bowling	Garrett, Tex.	McBride	Summers, Tex.
Box	Gilbert	McSwain	Swank
Brennan	Hammer	Mansfield	Sweet
Briggs	Hardy, Tex.	Nelson, J. M.	Tillman
Browne, Wis.	Herrick	O'Connor	Turner
Buchanan	Huddleston	Oldfield	Tyson
Bulwinkle	Hudspeth	Oliver	Upshaw
Byrnes, Tenn.	Humphreys, Miss.	Parks, Ark.	Vinson
Clague	James	Pou	Voigt
Collier	Jeffers, Ala.	Quin	Ward, N. C.
Connally, Tex.	Jones, Tex.	Raker	Weaver
Cooper, Wis.	Kincheloe	Rankin	Wilson
Crisp	Kopp	Rayburn	Wingo
Davis, Tenn.	Lampert	Riordan	Woodruff
Doughton	Lanham	Rouse	Woods, Va.

NAYS—204.

Anderson	Begg	Brown, Tenn.	Chalmers
Andrew, Mass.	Benham	Burdick	Chindblom
Andrews, Nebr.	Bird	Burtess	Christopherson
Anthony	Bland, Ind.	Burton	Clarke, N. Y.
Appleby	Bland, Va.	Butler	Clouse
Arentz	Boles	Byrnes, S. C.	Cole, Iowa
Pacharach	Britten	Campbell, Kans.	Cole, Ohio
Barbour	Brooks, Ill.	Campbell, Pa.	Connolly, Pa.
Beedy	Brooks, Pa.	Cannon	Cooper, Ohio

Coughlin	Hawley	MacLafferty	Rogers
Crago	Hays	Madden	Rose
Crowther	Henry	Magee	Sanders, Ind.
Curry	Hersey	Mapes	Scott, Tenn.
Dale	Hicks	Martin	Shelton
Dallinger	Hoch	Michener	Shreve
Darrow	Hogan	Miller	Smith, Idaho
Deal	Hooker	Mondell	Snell
Dickinson	Hukriede	Montague	Snyder
Dominick	Hull	Moore, Ill.	Speaks
Dunn	Humphrey, Nebr.	Moore, Ohio	Stafford
Dupré	Husted	Moore, Ind.	Steenerson
Echols	Jefferis, Nebr.	Mott	Stephens
Edmonds	Johnson, S. Dak.	Mudd	Strong, Kans.
Elliott	Johnson, Wash.	Murphy	Swing
Ellis	Kearns	Nelson, Me.	Taylor, Tenn.
Evans	Kelley, Mich.	Nelson, A. P.	Temple
Fairfield	Ketcham	Newton, Minn.	Tilson
Faust	Kless	Newton, Mo.	Timberlake
Fenn	Kirkpatrick	Norton	Timcher
Fess	Kissel	Ogden	Tinkham
Fish	Klecza	Palge	Towner
Focht	Kline, Pa.	Parker, N. J.	Treadway
Fordney	Knutson	Parker, N. Y.	Tucker
Foster	Kraus	Patterson, Mo.	Vaile
Freeman	Larson, Minn.	Patterson, N. J.	Volstead
French	Lawrence	Paul	Walters
Frothingham	Leatherwood	Perkins	Ward, N. Y.
Fuller	Lineberger	Porter	Wason
Gensman	Little	Pringle	Watson
Gerner	Longworth	Purnell	Webster
Gifford	Lowrey	Radcliffe	White, Kans.
Goodykoontz	Luce	Ramseyer	White, Me.
Graham, Ill.	Luhling	Reece	Williams, Ill.
Graham, Pa.	McArthur	Reed, N. Y.	Williamson
Green, Iowa.	McCormick	Rhodes	Winslow
Greene, Mass.	McFadden	Ricketts	Wood, Ind.
Greene, Vt.	McKenzie	Riddick	Woodyard
Griest	McLaughlin, Mich.	Rodch	Wurzbach
Hadley	McLaughlin, Nebr.	Robertson	Wyant
Hardy, Colo.	McLaughlin, Pa.	MacGregor	Yates
Haugen	MacGregor		Young

ANSWERED "PRESENT"—2.

Cockran Langley
NOT VOTING—134.

Ackerman	Favrot	Kreider	Sanders, N. Y.
Ansorge	Fitzgerald	Kunz	Schall
Atkeson	Frear	Layton	Scott, Mich.
Bankhead	Free	Lee, N. Y.	Sears
Barkley	Funk	Lehlbach	Shaw
Bixler	Gahn	London	Siegel
Blakeney	Gallivan	Lyon	Sinnot
Bond	Glynn	McClintic	Slemp
Bowers	Goldsborough	McPherson	Smith, Mich.
Brand	Gorman	Maloney	Smithwick
Burke	Gould	Mead	Sprout
Burroughs	Griffin	Merritt	Stiness
Cable	Hawes	Michaelson	Stoll
Cantrill	Hayden	Mills	Strong, Pa.
Carew	Hickey	Moore, Va.	Sullivan
Carter	Hill	Morgan	Summers, Wash.
Chandler, N. Y.	Himes	Morin	Tague
Chandler, Okla.	Huck	O'Brien	Taylor, Ark.
Clark, Fla.	Hutchinson	Olpp	Taylor, Colo.
Classon	Ireland	Osborne	Taylor, N. J.
Codd	Jacoway	Overstreet	Ten Eyck
Collins	Johnson, Ky.	Park, Ga.	Thomas
Colton	Johnson, Miss.	Perlman	Thompson
Copley	Jones, Pa.	Petersen	Thorpe
Cramton	Kahn	Rainey, Ala.	Underhill
Cullen	Keller	Rainey, Ill.	Vestal
Davis, Minn.	Kelly, Pa.	Reber	Volk
Dempsey	Kendall	Reed, W. Va.	Wheeler
Denison	Kennedy	Robison	Williams, Tex.
Drane	Kindred	Rosenbloom	Wise
Drewry	King	Rossdale	Wright
Dunbar	Kitchin	Rucker	Zihlman
Dyer	Kline, N. Y.	Ryan	
Fairchild	Knight	Sabath	

So the motion was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Underhill with Mr. Mead.

Mr. Thompson with Mr. O'Brien.

Mr. Hickey with Mr. Wise.

Mr. Langley with Mr. Clark of Florida.

Mr. Bixler with Mr. Carew.

Mr. Cramton with Mr. Hawes.

Mr. Frear with Mr. Collins.

Mr. Gorman with Mr. Hayden.

Mr. Hill with Mr. Jacoway.

Mr. Ireland with Mr. Johnson of Kentucky.

Mr. Kendall with Mr. Johnson of Mississippi.

Mr. Morin with Mr. Overstreet.

Mr. Olpp with Mr. Park of Georgia.

Mr. Sanders of New York with Mr. Sabath.

Mr. Vestal with Mr. Sears.

Mr. Scott of Michigan with Mr. Stoll.

Mr. Zihlman with Mr. Thomas.

Mr. Reed of West Virginia with Mr. Wright.

Mr. LANGLEY. Mr. Speaker, I have a general pair with the gentleman from Florida [Mr. CLARK]. I do not happen to know

how he would vote on this particular question, but in order to protect him I desire to change my vote from "no" to "present."

The result of the vote was announced as above recorded.

Mr. VOLSTEAD. Mr. Speaker, I move the previous question on the resolution.

Mr. THOMAS. Mr. Speaker, I offer an amendment.

The SPEAKER. But the gentleman from Minnesota has moved the previous question. The gentleman can offer his amendment if the previous question is not adopted.

Mr. THOMAS. But I notified the Chair that I was going to offer the amendment.

The SPEAKER. The gentleman well knows that as a matter of duty and precedents the Chair recognizes the gentleman in charge of the bill. It is in the hands of the House as to whether they wish to consider the amendment or not. If the House votes down the previous question, it shows that it desires to consider the amendment. If it votes for the previous question, it shows that it does not wish to consider the amendment. The question is on ordering the previous question.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is now on agreeing to the resolution.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for a division.

The SPEAKER. Will the gentleman state what division he asks for?

Mr. GARRETT of Tennessee. The first paragraph.

The SPEAKER. The Chair thinks the gentleman is entitled to a division, and the Clerk will read the first paragraph.

The Clerk read as follows:

That whereas the Committee on the Judiciary has made an examination touching the charges sought to be investigated under House Resolution 425 to ascertain if there is any probable ground to believe that any of the charges are true; and on consideration of the charges and the evidence obtained it does not appear that there is any ground to believe that Harry M. Daugherty, Attorney General of the United States, has been guilty of any high crime or misdemeanor requiring the interposition of the impeachment powers of the House.

Mr. MONDELL. Mr. Speaker, I make the point of order that that is not a proper division. The Clerk has not reached the resolution. He is attempting to divide the whereases from the resolution.

The SPEAKER. The Chair thinks the gentleman is entitled to that division.

Mr. MONDELL. But he is not dividing the resolution; he is dividing the preamble from the resolution.

The SPEAKER. The first question is on agreeing to the resolution.

Mr. GARRETT of Tennessee. May we have the resolution read?

The Clerk read as follows:

Resolved, That the Committee on the Judiciary be discharged from further consideration of the charges and proposed impeachment of Harry M. Daugherty, Attorney General, and that House Resolution 425 be laid upon the table.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for the yeas and nays on the resolution.

The SPEAKER. The resolution has been agreed to.

Mr. SANDERS of Indiana. I make the point of order that that comes too late.

The SPEAKER. The resolution has been agreed to and the Clerk will read the preamble. The question is on agreeing to the preamble.

Mr. GARRETT of Tennessee. And on that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 206, nays 78, answered "present" 3, not voting 141, as follows:

YEAS—206.

Anderson	Boies	Clarke, N. Y.	Dickinson
Andrew, Mass.	Brennan	Clouse	Dominick
Andrews, Nebr.	Britten	Cole, Iowa	Dunn
Anthony	Brooks, Ill.	Cole, Ohio	Dupré
Appleby	Brooks, Pa.	Connolly, Pa.	Echols
Arentz	Burdick	Cooper, Ohio	Edmonds
Bacharach	Burtness	Coughlin	Elliot
Barbour	Burton	Crago	Ellis
Beedy	Butler	Cramton	Evans
Begg	Byrnes, S. C.	Crowther	Fairchild
Benham	Campbell, Kans.	Curry	Fairfield
Bird	Chalmers	Dale	Faust
Bland, Ind.	Chindblom	Dallinger	Fenn
Bland, Va.	Christopherson	Darrow	Fess
Blanton	Claque	Deal	Fish

Fisher	Kelley, Mich.	Murphy	Snyder
Fitzgerald	Ketcham	Nelson, Me.	Speaks
Focht	Kless	Nelson, A. P.	Stafford
Fordney	Kirkpatrick	Newton, Minn.	Steagall
Foster	Kissel	Newton, Mo.	Steenerson
Freeman	Klecicka	Norton	Stephens
French	Kline, Pa.	Ogden	Strong, Kans.
Frothingham	Knutson	Palge	Swing
Fuller	Kraus	Parker, N. J.	Taylor, Tenn.
Gensman	Larson, Minn.	Parker, N. Y.	Temple
Gerner	Lawrence	Patterson, Mo.	Tilson
Gifford	Lea, Calif.	Patterson, N. J.	Timberlake
Goodykoontz	Leatherwood	Paul	Tincher
Graham, Ill.	Lineberger	Perkins	Tinkham
Graham, Pa.	Little	Porter	Towner
Green, Iowa	Luce	Pringle	Treadway
Greene, Mass.	Luhling	Purnell	Valle
Greene, Vt.	McArthur	Radcliffe	Volstead
Griest	McCormick	Ramseyer	Walters
Hadley	McKenzie	Ransley	Ward, N. Y.
Hardy, Colo.	McLaughlin, Mich.	Reece	Watson
Haugen	McLaughlin, Nebr.	Reed, N. Y.	Watson
Hawley	McLaughlin, Pa.	Rhodes	Webster
Hays	MacGregor	Ricketts	White, Kans.
Henry	MacLafferty	Riddick	White, Me.
Hersey	Madden	Roach	Williams, Ill.
Hicks	Magee	Robertson	Williamson
Hoch	Mapes	Rodenberg	Winslow
Hooker	Michener	Rogers	Wood, Ind.
Hukriede	Miller	Rose	Woods, Va.
Hull	Mondell	Sanders, Ind.	Woodyard
Humphrey, Nebr.	Montague	Scott, Tenn.	Wurzbach
Husted	Moore, Ill.	Shelton	Wyant
Jefferis, Nebr.	Moore, Ohio	Shreve	Yates
Johnson, S. Dak.	Moore, Ind.	Sinnott	Young
Johnson, Wash.	Mott	Smith, Idaho	
Kearns	Mudd	Snell	

NAYS—78.

Abernethy	Driver	Lazaro	Sinclair
Almon	Fields	Lathicum	Stedman
Aswell	Fulmer	Logan	Stevenson
Beck	Garner	Lowrey	Summers, Tex.
Bell	Garrett, Tenn.	McDuffie	Swank
Black	Garrett, Tex.	McSwain	Sweet
Bowling	Gilbert	Mansfield	Thomas
Box	Hammer	Nelson, J. M.	Tillman
Briggs	Huddleston	O'Connor	Tucker
Browne, Wis.	Hudspeth	Oldfield	Turner
Buchanan	Humphreys, Miss.	Oliver	Upshaw
Bulwinkle	Jacoway	Parks, Ark.	Voigt
Byrns, Tenn.	James	Pou	Ward, N. C.
Cockran	Jeffers, Ala.	Quin	Weaver
Collier	Jones, Tex.	Raker	Wilson
Connally, Tex.	Kincheloe	Rankin	Wingo
Cooper, Wis.	Kopp	Rayburn	Woodruff
Crisp	Lampert	Riordan	Wright
Davis, Tenn.	Lanham	Sanders, Tex.	
Dowell	Lankford	Sandlin	

ANSWERED "PRESENT"—3.

Herrick	Langley	Rouse
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NOT VOTING—141.

Ackerman	Favrot	Larsen, Ga.	Sabbath
Ansorge	Frear	Layton	Sanders, N. Y.
Atkeson	Free	Lee, Ga.	Schall
Bankhead	Funk	Lee, N. Y.	Scott, Mich.
Barkley	Gahn	Leibach	Sears
Bixler	Gallivan	London	Shaw
Blakeney	Glynn	Longworth	Stegel
Bond	Goldsborough	Lyon	Sisson
Bowers	Gorman	McClintic	Slomp
Brand	Gould	McFadden	Smith, Mich.
Brown, Tenn.	Griffin	McPherson	Smithwick
Burke	Hardy, Tex.	Maloney	Sproul
Burrighs	Hawes	Martin	Stiness
Cable	Hayden	Mead	Stoll
Campbell, Pa.	Hickey	Merritt	Strong, Pa.
Cannon	Hill	Michaelson	Sullivan
Cantrill	Himes	Mills	Summers, Wash.
Carew	Hogan	Moore, Va.	Tague
Carter	Huch	Morgan	Taylor, Ark.
Chandler, N. Y.	Hutchinson	Morin	Taylor, Colo.
Chandler, Okla.	Ireland	O'Brien	Taylor, N. J.
Clark, Fla.	Johnson, Ky.	Olpp	Ten Eyck
Classon	Johnson, Miss.	Osborne	Thompson
Codd	Jones, Pa.	Overstreet	Thorpe
Collins	Kahn	Park, Ga.	Tyson
Colton	Keller	Perlman	Underhill
Copley	Kelly, Pa.	Petersen	Vestal
Cullen	Kendall	Rainey, Ala.	Vinson
Davis, Minn.	Kennedy	Rainey, Ill.	Volk
Dempsey	Kindred	Reber	Wheeler
Denison	King	Reed, W. Va.	Williams, Tex.
Doughton	Kitchin	Robison	Wise
Drane	Kline, N. Y.	Rosenbloom	Zihlman
Drewry	Knight	Rossdale	
Dunbar	Kreider	Rucker	
Dyer	Kunz	Ryan	

So the preamble was agreed to.

The Clerk announced the following additional pairs:

On the vote:

Mr. Cannon (for) with Mr. Sisson (against).

Mr. Longworth (for) with Mr. Rouse (against).

Until further notice:

Mr. Blakeney with Mr. Vinson.

Mr. Porter with Mr. Larsen of Georgia.

Mr. Gould with Mr. Steagall.

Mr. Summers of Washington with Mr. Martin.

Mr. Cable with Mr. Doughton.
Mr. Rosenbloom with Mr. Lee of Georgia.
Mr. Perlman with Mr. Tyson.

Mr. Bond with Mr. Hardy of Texas.

Mr. ROUSE. Mr. Speaker, I have a pair with the gentleman from Ohio [Mr. LONGWORTH]. I desire to withdraw my vote of "no" and answer present.

The name of Mr. ROUSE was called, and he answered present.
Mr. LANGLEY. Mr. Speaker, did the gentleman from Florida [Mr. CLARK] vote?

The SPEAKER. He did not.

Mr. LANGLEY. Mr. Speaker, I have a general pair with him. I do not know how he would vote on this question, but I prefer to protect him, and therefore I withdraw my vote of yea and answer present.

The name of Mr. LANGLEY was called, and he answered present.

The result of the vote was announced as above recorded.

On motion of Mr. VOLSTEAD, a motion to reconsider the votes by which the preamble and the resolution were agreed to was laid on the table.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 13474. An act granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River;

H. R. 12777. An act granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North;

H. R. 13139. An act granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania, doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 13195. An act granting the consent of Congress to the State Highway Commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River, in the State of Missouri;

H. R. 13493. An act to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River, near Ferry Pass, Fla.;

H. R. 13511. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; and

H. J. Res. 16. Joint resolution providing for pay to clerks to Members of Congress and Delegates.

TEXAS & PACIFIC RAILWAY CO.

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to file minority views to-day on the bill S. 4029, reported by the Committee on Interstate and Foreign Commerce.

The SPEAKER. The gentleman from Alabama asks unanimous consent to file minority views on the bill referred to. Is there objection?

There was no objection.

LEAVES OF ABSENCE.

Leave of absence was granted to—

Mr. FREE, indefinitely, on account of illness.

Mr. ROBSION, on account of illness.

Mr. DENISON, on account of illness.

Mr. IRELAND, for two days, on account of illness.

Mr. RUCKER, on account of illness.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 6 o'clock and 3 minutes p. m.) the House adjourned until to-morrow, Friday, January 26, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

921. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a draft of a proposed bill "Extending the provisions of the Federal highway act, approved November 9, 1921, to the Territory of Hawaii," was taken from the Speaker's table and referred to the Committee on Roads.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Miss ROBERTSON: Committee on Indian Affairs. S. 514. An act conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate claims which the Cherokee, Creek, and Seminole Indians may have against the United States, and for other purposes; with amendments (Rept. No. 1452). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUTLER: Committee on Naval Affairs. H. R. 13935. A bill to increase the authorized costs of certain vessels now building for the Navy; without amendment (Rept. No. 1453). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDREW of Massachusetts: Committee on Naval Affairs. S. 4137. An act to authorize the transfer of certain vessels from the Navy to the Coast Guard; with an amendment (Rept. No. 1454). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEBSTER: Committee on Interstate and Foreign Commerce. S. 4260. An act to extend the time for the construction of a bridge over the Columbia River, between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon; without amendment (Rept. No. 1455). Referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XIII, the Committee of the Whole House on the state of the Union was discharged from the further consideration of the bill (S. 851) authorizing the Secretary of War to make settlement with the lessees who erected buildings on a five-year lease on the zone at Camp Funston, Kans., and for other purposes, and said bill, together with the report thereon, was referred to the Committee of the Whole House and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LANGLEY: A bill (H. R. 14014) authorizing the President to transfer unused real property of the United States from one department or bureau to another; to the Committee on Public Buildings and Grounds.

By Mr. ZIHLMAN: A bill (H. R. 14015) to provide for the extension of Bancroft Place, between Phelps Place and Twenty-third Street NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. FOCHT: A bill (H. R. 14016) to amend sections 5 and 6 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes; to the Committee on the District of Columbia.

By Mr. STRONG of Kansas: A bill (H. R. 14017) to amend sections 3, 4, 9, 12, 15, 21, 22, and 25 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. DRANE: A bill (H. R. 14018) to provide for a site and public building at Leesburg, Fla.; to the Committee on Public Buildings and Grounds.

By Mr. RIORDAN: A bill (H. R. 14019) to place on the retired list of the Navy certain officers; to the Committee on Naval Affairs.

By Mr. IRELAND: A resolution (H. Res. 493) for the employment of a substitute telephone operator; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Nebraska: A bill (H. R. 14020) granting a pension to Elizabeth Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14021) granting a pension to Matilda Gordon; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 14022) granting an increase of pension to Mary M. Singer; to the Committee on Invalid Pensions.

By Mr. BENHAM: A bill (H. R. 14023) granting an increase of pension to Lucy Jane McGrayel; to the Committee on Invalid Pensions.

By Mr. CANTRILL: A bill (H. R. 14024) granting an increase of pension to Sallie Hager; to the Committee on Pensions.

By Mr. CHALMERS: A bill (H. R. 14025) granting a pension to Catherine Fuller; to the Committee on Invalid Pensions.

By Mr. LEE of New York: A bill (H. R. 14026) for the relief of the owner of the schooner *Malcom R. Baxter, jr.*; to the Committee on Claims.

By Mr. MOORE of Ohio: A bill (H. R. 14027) granting a pension to Leroy S. Brown; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 14028) for the relief of Joseph H. Lokken; to the Committee on the Public Lands.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14029) granting a pension to Susan Laugherty; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 14030) granting a pension to Agatha M. Miller; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 14031) granting a pension to Bert E. Corbett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14032) granting an increase of pension to Martin Guthrie; to the Committee on Invalid Pensions.

By Mr. IRELAND: A resolution (H. Res. 494) authorizing payment of one month's salary to the clerks to the late Hon. Nestor Montoya; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7027. By the SPEAKER (by request): Petition of Phil Sheridan Post, No. 4, Grand Army of the Republic, Boise, Idaho, thanking the House of Representatives for their action in concurring with the Senate in adopting the Bursum pension bill; to the Committee on Invalid Pensions.

7028. Also, petition of the Progressive Civic League, of Detroit, Mich., indorsing a movement for a conference of nations to be called by the President of the United States to seek restrictions of production of raw materials from which narcotic drugs are made so that only enough is produced annually for legitimate use; to the Committee on Ways and Means.

7029. Also, petition of the Washington Central Labor Union, demanding that Congress pass a law suspending immigration for a period of five years; to the Committee on Immigration and Naturalization.

7030. Also, petition of Washington Central Labor Union, recommending that the President set aside a week to be known as "National antinarcotic week"; to the Committee on Ways and Means.

7031. By Mr. ANDREW of Massachusetts: Petition of Massachusetts Convention of Reserve Officers, favoring adequate provision for the Regular Army, the Officers' Reserve Corps, citizens' military training camps, etc.; to the Committee on Military Affairs.

7032. Also, communication of the Massachusetts Public Interests League, of Boston, Mass., protesting against the recognition of the present so-called government of Russia by the United States Government; to the Committee on Foreign Affairs.

7033. Also, communication of the Massachusetts Farm Bureau Federation, of Boston, Mass., protesting against all proposals which would bring about a general influx of aliens of traditions and race radically differing from American standards; to the Committee on Immigration and Naturalization.

7034. By Mr. CRAGO: Petition of Retail Grocers' Protective Union, of Pittsburgh, Pa., urging the retention of the zone advance on second-class mail and their material increase by further enactments and that the increased receipts already effective on second-class mail be at once applied to giving the business men of the country the reduced rate of 1 cent on drop letters, and that each class of mail should pay cost of service in order that no class pay over cost; to the Committee on the Post Office and Post Roads.

7035. By Mr. KAHN: Petition to cut in estimates of the Director of the Budget by subcommittee of the House of Representatives in reporting the Army appropriation bill; to the Committee on Appropriations.

7036. By Mr. KISSEL: Petition of John F. Hylan, mayor, chairman Board of Estimate and Apportionment of the City of New York, favoring a bill amending the national bank act and

providing for validation of prior taxes as passed by the United States Senate; to the Committee on Banking and Currency.

7037. Also, petition of Port of New York Authority, New York City, N. Y., urging that Congress appropriate money for rivers and harbors improvement as recommended by the Chief of Engineers for the port of New York; to the Committee on Appropriations.

7038. By Mr. LAMPERT: Petition signed by citizens of Manitowoc County, Wis., requesting legislation covering immediate aid to the people of German and Austrian Republics, now famine stricken; to the Committee on Foreign Affairs.

7039. Also, petition signed by citizens of Oshkosh, Wis., requesting immediate legislation extending aid to the people of the German and Austrian Republics, now famine stricken; to the Committee on Foreign Affairs.

7040. By Mr. MACGREGOR: Petition of Ed Frommel and 61 other citizens of New York, urging Congress to extend aid to the people of Germany and Austria; to the Committee on Foreign Affairs.

7041. Also, petition of members of Württemberger Schwaben Unterstutzungs Verein, Buffalo, N. Y., indorsing a joint resolution providing for the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7042. Also, petition of members of Young Siegfried Lodge, No. 598, German Order of Harugari's, urging that aid be extended to the indigent people of Germany and Austria; to the Committee on Foreign Affairs.

7043. By Mr. PATTERSON of New Jersey: Petition of 162 residents of New Jersey, favoring the abolition of discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

7044. By Mr. RAKER: Petition of California Farm Bureau Federation, Berkeley, Calif., urging an appropriation of \$168,000 for soil-survey work in the United States; also, Tulare County Pomona Grange, of Visalia, Calif., urging appropriation for the improvement of the General Grant National Park; to the Committee on Appropriations.

7045. Also, petition of Michael Carroll, secretary American Association for the Recognition of the Irish Republic, of San Francisco, Calif., relative to foreign propaganda in the United States; to the Committee on Foreign Affairs.

7046. Also, petition of Immigration Restriction League (Inc.), by A. R. Webster, secretary, of New York City, opposing the legislation admitting Armenians into the United States; to the Committee on Immigration and Naturalization.

7047. Also, petition of J. B. Levison, president Insurance Federation of California, protesting against the monopolistic feature of the Fitzgerald bill; to the Committee on the District of Columbia.

7048. Also, petition of the Pennsylvania State Grange, Williamsport, Pa., relative to the development of the Muscle Shoals project; to the Committee on Military Affairs.

7049. By Mr. WYANT: Petition of the German Beneficial Union of the A. V. District 24, New Kensington, Pa., favoring a joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

SENATE.

FRIDAY, January 26, 1923.

(Legislative day of Tuesday, January 23, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., January 26, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WESLEY L. JONES, a Senator from the State of Washington, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. JONES of Washington thereupon took the chair as Presiding Officer.

TREASURY DEPARTMENT DOCUMENTS.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a report showing the number of documents received and distributed by the Treasury Department during

the year ended December 31, 1922, together with the number remaining on hand January 1, 1923, which was referred to the Committee on Printing.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Interior, in partial response to Senate Resolution 399, agreed to January 6, 1923, relative to the ownership and upkeep of passenger automobiles in the office of the Secretary of the Interior, Bureau of Mines, St. Elizabeths Hospital, and Freedmen's Hospital, which was ordered to lie on the table.

REPORT OF THE AMERICAN ACADEMY OF ARTS AND LETTERS.

The PRESIDING OFFICER laid before the Senate a communication from the secretary of the American Academy of Arts and Letters, transmitting, pursuant to law, the annual report of the academy for the year 1922, which was referred to the Committee on Printing.

USE OF AUTOMOBILES BY DISTRICT GOVERNMENT.

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD, in 8-point type, the report which came in to-day from the District Commissioners relative to automobiles. I desire to note in the RECORD the fact that the report was sent to the Senate after the District appropriation bill was passed, just as I predicted yesterday and the day before would be done.

I want to add that the total annual cost of upkeep and maintenance for automobiles in the city, according to a hasty calculation I have made from the figures, is the enormous sum of \$216,879.50. I also find that there are 17 private policemen listed, each drawing a stipend of \$40 a month additional for upkeep of private automobiles in which to ride. I want to suggest that perhaps that is the reason we have so many accidents.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
Washington, January 24, 1923.

Hon. CALVIN COOLIDGE,

President of the Senate, Washington, D. C.

SIR: The Commissioners of the District of Columbia have received copy of Senate Resolution 399, Sixty-seventh Congress, fourth session, calling upon them to furnish to the Senate certain data regarding automobiles in use in the government of the District of Columbia, and in response thereto inclose herewith the following:

1. Statement showing allowances made from appropriations to officers and employees of the District of Columbia furnishing their own automobiles for use for official business.
2. Statement showing the number, location, and cost of garages, etc., and the number of passenger automobiles kept in said garages.
3. Statement of passenger automobiles the property of the District of Columbia.
4. Statement with reference to automobiles in use outside of the city of Washington.

Very respectfully,

THE BOARD OF COMMISSIONERS
OF THE DISTRICT OF COLUMBIA;
By CUNO H. RUDOLPH, President.

- 1.—Statement showing allowances for privately owned automobiles made to officers and employees of the District government, together with the amount of such allowances, the names, and the positions of those to whom allowances are made.

Amount of allowance per month.	Name.	Position.
\$26	J. W. Ireland.....	Electrical inspector.
26	F. D. Wallace.....	Do.
26	J. J. Murray.....	Do.
26	W. M. Barton.....	Inspector, surface division.
26	G. B. M. Ricker.....	Bridge overseer.
26	W. J. Downing.....	Assistant inspector, building inspection division.
26	S. G. Hunt.....	Do.
26	H. Van Den Boogert.....	Do.
26	Ralph Gedney.....	Do.
25	M. C. Hargrove.....	Purchasing officer.
26	W. E. G. Penny.....	Inspector, city refuse division.
26	W. J. Clements.....	Do.
26	W. C. Smith.....	Do.
26	E. H. Colvin.....	Foreman, city refuse division.
26	W. S. Wilson.....	Do.
26	W. R. Wood.....	Superintendent, city refuse division.
26	D. E. Davis.....	Foreman, city refuse division.
26	Charles Johnson.....	Do.
26	Wm. C. Fowler.....	Health officer.
26	Geo. M. Boteler.....	Assistant health officer.
26	J. T. Sprague.....	Chief, bureau preventable disease and director of bacteriological laboratory.
26	R. R. Ashworth.....	Chief food inspector.
26	R. L. Martin.....	Food inspector, dairy farms.
26	H. V. Neale.....	Do.
26	J. G. Conroy.....	Do.
26	T. W. Sproesser.....	Do.
26	J. B. McClellan.....	Do.
40	W. H. Harrison.....	Inspector, police department.

1.—Statement showing allowances for privately owned automobiles made to officers and employees of the District government, etc.—Continued.

Amount of allowance per month.	Name.	Position.
\$40	J. E. Boyle.....	Sergeant, police department.
40	J. W. McCormack.....	Do.
40	S. J. Marks.....	Do.
40	W. H. Bailey.....	Private, police department.
40	B. C. Black.....	Do.
40	W. H. Brauning.....	Do.
40	A. E. Brown.....	Do.
40	B. E. Gallimore.....	Do.
40	H. R. Levi.....	Do.
40	W. C. Lewis.....	Do.
40	G. M. Little.....	Do.
40	R. H. Mansfield.....	Do.
40	Jeremiah Mills.....	Do.
40	W. M. Rout.....	Do.
40	Avon Shockey.....	Do.
40	J. J. Tolson.....	Do.
40	O. J. Trenis.....	Do.

1.—Statement showing allowances for privately owned automobiles made to officers and employees of the District government, etc.—Continued.

Amount of allowance per month.	Name.	Position.
\$40	F. L. Tyser.....	Private, police department.
40	W. D. Vaughn.....	Do.
40	M. W. Warren.....	Do.
26	George S. Wilson.....	Secretary board of charities.
26	Dr. F. W. Ballou.....	Superintendent of schools.
26	H. F. McQueeney.....	Superintendent of janitors.
26	S. E. Kramer.....	Assistant superintendent of schools.
26	G. C. Wilkinson.....	Do.
26	Miss R. L. Hardy.....	Director of primary instruction.
26	G. W. Bryant.....	Cabinetmaker.
26	W. B. Patterson.....	Supervising principal.
26	Dr. J. A. Murphy.....	Chief medical and sanitary inspector.
26	Dr. W. S. Montgomery.....	Supervising principal, colored schools.

In addition to the above we have nine authorizations for allowances on privately owned automobiles which are not taken advantage of at the present time.

2. Statement showing the number, location, and cost of any garage or garages maintained; where such garages are located; cost of same; rentals on same; the number of passenger automobiles kept in said garages; the names of such officers or employees keeping such automobiles in such garages.

Number of garages.	Location.	Maintenance cost.	Cost of garage.	Rental.	Passenger autos.	Trucks.	Em- ployees.	Em- ployees' autos.
(1) Refuse division.....	Thirteenth and Fourteenth, G and E Streets SE.	\$31, 126.64	\$2, 708.47	None.	1	30	4	None.
(1) Surface division.....	First and Canal Streets SW.....	6, 360.16	1 10, 000.00	None.	8	9	5	None.
(1) Municipal garage.....	1316 D Street NW.....	23, 684.42	34, 082.82	None.	29	9	8	None.
(1) Water department.....	Second and Bryant Streets NW.....	5, 048.85	1 10, 000.00	None.	1	37	4	None.

¹ Approximate.

Cars not kept in garages listed are kept in barns, stables, police precincts, fire houses, etc., and in these cases there are no garage charges.

3.—List of passenger automobiles pertaining to the District of Columbia.

CITY REFUSE DIVISION.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Ford.....	1 \$150.00	\$546.55	.....	Shop use.
Reo.....	1 450.00	707.04	.....	T. L. Costigan.
Ford.....	499.52	2 96.55	.....	D. M. Koontz.
Quick ¹.....	.....	.....	.....	Morris Hacker.
Ford ².....	.....	.....	.....	H. F. Krams.
Do. ³.....	.....	.....	.....	N. Duvall.

POLICE DEPARTMENT.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Ford.....	\$500.00	\$421.00	.....	Not assigned.
Do.....	741.00	500.00	.....	Investigation squad.
Cadillac.....	1, 200.00	800.00	.....	Detective bureau.
Haynes.....	1, 425.00	500.00	.....	Do.
Auto sales.....	3, 475.00	636.00	.....	Courts.
Dodge ⁴	200.00	.....	.....	Inspector of traffic.
Marmon ⁴	225.00	.....	.....	Detective bureau.
Packard ⁴	300.00	.....	.....	Do.
Do. ⁴	775.00	.....	.....	Do.
Hudson ⁴	213.00	.....	.....	Women's bureau.
Do. ⁴	390.00	.....	.....	Major and superintendent.
Dodge ⁴	150.00	.....	.....	Assistant superintendent.
Do. ⁴	195.00	.....	.....	Do.
Oldsmobile ⁴.....	.....	.....	.....	Not assigned.
Dodge ⁴.....	.....	.....	.....	Do.
White ⁴.....	.....	.....	.....	Do.
Studebaker ⁴	483.00	.....	(7)	House of detention.

PUBLIC LIBRARY.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Dodge.....	\$1, 450.00	\$104.99	.....	Librarian and members of staff.

TREES AND PARKINGS.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Dodge roadster ⁸	Emergency car.

¹ Obtained from Washington Reduction Co.

² 4 months.

³ Reported by municipal garage.

⁴ Surplus war equipment.

⁵ 6 months.

⁶ 3 months.

⁷ 2 at \$780 each, 24-hour service.

⁸ Loaned by Post Office Department; not in use.

3.—List of passenger automobiles, etc.—Continued.

SEWER DEPARTMENT.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Ford.....	\$518.22	1 \$600.00	\$1, 126.80	Engineering field party.
Cadillac.....	1, 750.00	249.65	None.	Out of regular service.
Do.....	1, 869.35	611.05	1, 151.84	Supervision of day labor cor- struction.
Do.....	1, 869.35	959.91	None.	Sanitary engineer.
Reo Speed.....	1, 700.00	643.19	None.	Pumping station service.
Ford.....	783.61	561.17	1, 126.80	Engineering field party.
Do.....	783.61	622.48	1, 126.80	Inspection public service co- porations.
Do.....	140.00	1 600.00	1, 126.80	Engineering field party.
Do.....	436.36	1 600.00	None.	Inspection of complaints.
Do.....	518.22	1 600.00	1, 126.80	Engineering field party.

SCHOOL REPAIR SHOP.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Ford touring.....	(7)	1 \$689.78	.....	General delivery work.

SURFACE DIVISION, ENGINEER DEPARTMENT.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Ford.....	\$876.00	\$162.68	\$808.34	Survey party.
Do.....	744.19	177.95	808.40	Do.
Do.....	876.00	284.38	808.40	Do.
Do.....	876.00	233.08	808.40	Do.
Hupmobile.....	1, 650.00	333.79	808.40	Do.
Do.....	1, 650.00	301.40	808.40	Do.
Ford.....	604.12	37.38	808.40	Do.
Do.....	400.96	139.91	808.40	C. B. Hunt.
Do.....	719.74	609.81	None.	Andrew White.
Do.....	719.74	550.01	None.	E. Lynch.
Do.....	536.08	319.23	808.40	Mr. Moss.
Do.....	536.08	143.03	808.40	Mr. Cleaver.
Do.....	582.94	226.26	None.	Disbursing office.
Do.....	536.08	193.23	808.40	Mr. Dare.
Do.....	536.08	149.13	808.40	Mr. Bell.
Do.....	538.01	508.13	None.	A. Mullen.
Do.....	538.01	526.99	None.	F. F. Withers.
Do.....	719.74	273.29	None.	Emergency.
Do.....	783.61	180.17	808.40	Do.
Do.....	783.61	244.34	808.40	Mr. Fennell.
Do.....	812.00	22.87	199.52	Engineer of bridges.
Do.....	594.74	233.08	None.	F. B. Couch.

WATER DEPARTMENT.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Chandler ⁴	\$1, 950.00	\$869.30	2 \$200.00	Superintendent water depart- ment.

¹ Machines in service less than a year; cost estimated on present performance.

² U. S. Government.

³ \$179.58, pro rata share of mechanics' time.

⁴ Exchanged for Cadillac from police department.

⁵ For cleaning.

3.—List of passenger automobiles, etc.—Continued.

PUBLIC SCHOOLS.

Manufacturer's name.	Cost (if no cost state how car was obtained).	Maintenance cost 1 year.	Pay of chauffeur.	Assigned to—
Ford Sedan.....	\$970.00	\$584.21	\$780.00	Community centers.

FIRE DEPARTMENT.

Cadillac touring....	\$500.00	\$1,350.81	(4)	Chief engineer.
Do.....	\$300.00	\$94.91	(4)	Deputy chief.
Dodge roadster.....	(2)	359.29	(4)	First battalion chief.
Do.....	(2)	424.76	(4)	Second battalion chief.
Warren roadster.....	1,750.00	567.17	(4)	Third battalion chief.
Stutz touring.....	2,350.00	989.87	(4)	Fourth battalion chief.
Dodge roadster.....	(3)	223.80	(4)	Fifth battalion chief.
Buick roadster.....	1,625.00	431.54	(4)	Fire marshal.
Jeffery roadster.....	940.50	190.05	(4)	Superintendent of machinery.
Hudson sedan.....	(2)	736.61	(4)	Special service.
Hudson touring.....	2,100.00	\$1,021.91	(4)	Deputy chief.
Washington roadster.....	1,575.00	191.28	(4)	Fire department repair shop.
Dodge touring.....	(2)	643.23	(4)	Do.
Empire roadster.....	(2)	98.67	(4)	Do.

MUNICIPAL GARAGE.

Cadillac touring....	\$3,940.00	\$515.87	\$1,663.66	Commissioner Oyster.
Franklin touring....	2,450.00	845.27	1,653.62	Commissioner Keller.
Empire touring.....	1,280.00	819.76	.....	Major Besson.
Dodge roadster.....	1,475.00	580.11	.....	Major Wheeler.
Reo touring.....	1,495.00	741.87	.....	Surveyors.
Ford touring.....	582.94	473.74	.....	Do.
Do.....	400.96	432.72	.....	Health department.
Ford roadster.....	559.81	438.98	.....	Garage assessors.
Do.....	359.73	495.64	.....	Suburban roads (Grabill).
Do.....	589.53	769.61	.....	Suburban roads (Gass).
Ford touring.....	543.78	700.38	.....	Board of Children's Guardians.
Ford roadster.....	482.50	434.55	.....	Garage.
Ford touring.....	727.75	588.35	.....	Do.
Do.....	727.75	415.05	.....	Do.
Do.....	812.00	462.26	.....	Do.
Ford roadster.....	543.78	410.13	.....	Do.
Do.....	543.78	380.33	.....	Do.
Ford sedan.....	970.00	604.90	.....	Community centers.
Ford roadster.....	569.81	538.83	.....	Electrical department (Lyman).
Do.....	359.51	500.00	.....	Electrical department (Simpson).
Ford touring.....	812.00	663.56	.....	Electrical department (Hadley).
Ford sedan.....	1,069.00	786.60	.....	Playgrounds.
Ford coupe.....	990.00	540.27	.....	Plumbing inspector.
Buick roadster.....	885.00	643.67	.....	City refuse (Hacker).
Ford roadster.....	482.50	619.34	.....	City refuse (Duvale).
Ford touring.....	250.00	450.77	.....	City refuse (Krams).
Do.....	814.75	400.00	.....	Building inspector (Healey).
Chandler touring....	1,200.00	526.81	.....	Assessors.
Ford touring.....	800.00	523.40	.....	Corporation counsel (Dawson).

BOARD OF CHARITIES.

Overland.....	\$650.00	New.	.....	Gallinger Hospital.
Ford.....	700.00	New.	.....	Do.
Overland.....	600.00	\$547.57	(4)	Home for Aged and Infirm.
Ford.....	700.00	New.	(4)	Do.
Do.....	580.00	305.49	.....	Jail.
Do.....	699.91	528.80	.....	Industrial Home School (Colored).
Do.....	632.14	New.	.....	National Training School (Girls).
Do.....	372.00	151.55	(4)	Reformatory.
Buick.....	1,265.00	238.36	(4)	Workhouse.

¹ Chauffeur, part time, plus bonus.

² United States Government.

³ Rebuilt and repainted.

⁴ No chauffeurs employed. Driven by officer or fireman detailed as aid to officer.

⁵ Vehicles used by departments located outside the city of Washington.

4. Statement giving the information listed in the preceding enumerated paragraphs 1, 2, and 3, and pertaining to all passenger vehicles in use in the said departments, independent bureaus, and commissions outside the city of Washington:

1. No allowances made for privately owned automobiles of officers and employees connected with the following institutions which are located outside the city of Washington:

Home for Aged and Infirm.

Reformatory.

Workhouse.

2. Statement showing the number, location, and cost of any garage or garages maintained; where such garages are located; cost of same; rentals on same; the number of passenger automobiles kept in said garages; the names of such officers or employees keeping such automobiles in such garages.

Home for Aged and Infirm: No garage.

Reformatory: No garage.

Workhouse: No garage.

3. Statement containing information relative to passenger automobiles.

See Board of Charities under list of passenger automobiles pertaining to the District of Columbia.

THE MERCHANT MARINE.

Mr. NEW. Mr. President, I ask unanimous consent to have printed in the RECORD and to lie on the table a communication received from the American Chamber of Commerce for Brazil. There being no objection, the communication was ordered to lie on the table and to be printed in the RECORD, as follows:

AMERICAN CHAMBER OF COMMERCE FOR BRAZIL,

Rio de Janeiro, December 22, 1922.

Hon. HARRY S. NEW,
United States Senator for Indiana.

SIR: The ship subsidy bill now before the Senate is of vital importance to all Americans living abroad and engaged in the development of our foreign trade.

The American Chamber of Commerce for Brazil, a body whose membership includes all American firms and individuals interested in the commerce between the United States and Brazil, earnestly solicits your vote for, and support of, the ship subsidy bill. The enactment of this bill into law, without changing its basic principles or hampering the American merchant marine by rules prejudicing its efficiency in competition with foreign lines, means the permanent establishment and continuance of our merchant marine, while, on the other hand, the defeat of this measure or amending it to an extent that would change its fundamental object, or imposing impossible restrictions, would stop the further development of our merchant marine, seriously affect our prestige abroad, hurt and retard the development of our foreign trade.

We Americans abroad, representatives of American manufacturers and commercial enterprises, are away from our native land for the serious purpose of furthering our foreign trade and marketing our home products. We believe that the future greatness of our country depends upon the development of a trade which will supply foreigners with American products, gives employment to many of our fellow countrymen, and enriches the national patrimony. Experience has shown us that the development of our foreign trade is dependent upon three fundamental principles, which are American ships, American cables, and American banking institutions; of these American shipping holds the leading position. We have always to face strong competition by commercial rivals strongly entrenched in the field, and, if we must pay toll to them in the way of ocean freight, suffer delays of and damage to our goods, we are simply defeating our object and nullifying our efforts.

The assurance of the continuation of our merchant marine is of primary importance to us; we believe that the measure under discussion will assure this result. The measure is constructive, financially sound, and based upon business principles: A measure which will stimulate private capital to buy and operate the present Government-owned ships, thereby strengthening the present existing lines, and perhaps bringing new lines into operation; reduce the burden borne by the American people; and salvage a considerable portion of our \$3,000,000,000 investment in ships, is one we hope every Senator will support and, if necessary, temporarily set aside party lines for the general welfare of his fellow citizens.

The American Chamber of Commerce for Brazil has observed the expansion of opportunities for American business and increased prestige since the establishment of the American steamship lines to the east coast of South America. Many of our ships compare more than favorably with those of our competitive European countries. Our business has been benefited by better schedules of arrivals and sailings to the United States, which has opened up a field for trade in perishable goods which previously was impossible.

We believe in governmental aid being freely given to American steamship lines to all parts of the world where American products are marketed until these lines are firmly established.

We oppose governmental ownership and operation of public carriers—that is, steamship and railroad lines—as all our important public utilities have been successfully developed only through private initiative and energy. We also oppose the present method of joint operation by Government and private companies, as it is inefficient and expensive; responsibility can not be successfully divided.

Our competitors have built up large fleets through government support; our own Government has helped develop our great industries by protective tariffs; aid to our shipping interests should not be withheld, especially as they are of such vital importance to our foreign trade and the American people have such a large investment in the ships; aid through the tariff can not be given, but it can be given in some other form.

An analysis and a comparison of present conditions and the relief the ship subsidy bill offers should convince any reasoning man of the benefits to be gained by passing such legislation and win his support for the bill. At present the American people are paying an annual subsidy of over \$50,000,000 to maintain the shipping interests of the Government; this does not provide for new construction or replacement, hence does not guarantee our merchant marine beyond the period that the ships will be serviceable; in addition to this outlay of funds the American people are suffering an annual loss, probably much greater, in the way of deterioration and wearing out of the ships, and it will only be a question of years until this huge investment becomes a total loss.

A continuation of present methods is not only obstructive but is destructive, while by enacting the measure under discussion into law the future of our merchant marine will be assured, a considerable salvage of the \$3,000,000,000 investment will occur, and the annual subsidy will be reduced by one-half.

Your fellow citizens residing here—and many are from your State—strongly urge you to support the ship subsidy bill.

The Chamber of Commerce of the United States, composed of over 1,300 commercial bodies, with a membership aggregating 300,000, by referendum vote is overwhelmingly in favor of this bill. The House of Representatives has passed the measure, and the President is its strong advocate. The American Chamber of Commerce for Brazil feels so strongly in this matter that it intends to give its views the widest publicity and use the full force of its influence toward the support of this measure.

Should this measure fail to pass the Senate our chamber here will feel that those responsible for its failure will have shown a lack of patriotism, foresight, and astounding ignorance of the urgent needs of American foreign trade.

Respectfully yours,

AMERICAN CHAMBER OF COMMERCE FOR BRAZIL,
WM. J. STEVENS, President.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a resolution of the Woman's Club of Rock Springs, Wyo., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. KENDRICK presented resolutions of the Gate City National Farm Loan Association, of Pine Bluffs, and the Laramie County Farmers' Union, both in the State of Wyoming, opposing amendment of the Federal farm loan act in any manner which would affect the cooperative functions of the national farm loan associations, and urging that the Federal land banks be turned over to the farmers to be managed by farmer borrower-directors, which were referred to the Committee on Banking and Currency.

Mr. ROBINSON presented a communication in the nature of a memorial from the Texarkana Freight Bureau, of Texarkana, Ark.-Tex., remonstrating against the adoption of the Ripley plan for consolidation of the railroads, which was referred to the Committee on Interstate Commerce.

Mr. NELSON presented 30 petitions, numerous signed by sundry citizens of the State of Minnesota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

Mr. LADD presented a petition of 53 citizens of Oakes, Crete, Stirum, and Hampler, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Foreign Relations.

He also presented a concurrent resolution of the Legislature of North Dakota, which was ordered to be printed in the RECORD, with the accompanying letter, and referred to the Committee on Commerce:

EIGHTEENTH LEGISLATIVE SESSION,
STATE OF NORTH DAKOTA,
Bismarck, January 23, 1923.

Senator E. F. LADD,
Washington, D. C.

MY DEAR SIR: I am authorized by the Senate of the State of North Dakota to forward you a copy of the Kretschmar concurrent resolution concerning the Great Lakes waterway project, which has been adopted by both houses of the North Dakota Legislature.

You will find a copy inclosed.

Very truly yours,

W. E. PARSONS,
Secretary of Senate.

Senate concurrent resolution introduced by Mr. Kretschmar.
GREAT LAKES-ST. LAWRENCE WATERWAY PROJECT.

Be it resolved by the Senate of the State of North Dakota (the House of Representatives concurring):

Whereas the great and natural resources of the State of North Dakota are as yet undeveloped and said State is dependent upon agriculture for its prosperity, and agriculture being the fundamental basis for prosperity in all Northwest States; and

Whereas in a large measure, if not entirely, the price of agricultural products is dependent upon foreign markets; and

Whereas the present rates for transportation of such products are too high to be in just proportion to the price received therefor at terminal markets, and thus has a tendency to curtail the production of the staple articles of agriculture needed by all people in all lands; and

Whereas the Great Lakes-St. Lawrence waterway project, if completed and perfected, will furnish to the people of the State of North Dakota a cheaper method of transportation of their products to foreign markets, thus assuring them a higher revenue for the same: Now, therefore, be it

Resolved by the Senate of the Eighteenth Legislative Assembly of the State of North Dakota (the House of Representatives concurring therein): That we do hereby memorialize the Congress of the United States, and respectfully urge that Congress take immediate action toward the passage of such laws or law which will make possible the early completion and perfection of the Great Lakes-St. Lawrence waterway project; be it further

Resolved. That the secretary of the Senate send a copy of this resolution to the President of the United States and the President of the Senate and Speaker of the House of Representatives of the United States and of the Montana and Minnesota Legislatures, respectively, also to our Members in Congress.

Approved by the Senate of the State of North Dakota and the House of Representatives of the State of North Dakota.

Mr. CURTIS. I ask to have printed in the RECORD a concurrent resolution of the Legislature of the State of Kansas, and that the resolution be referred to the Committee on Interstate Commerce.

The resolution was referred to the Committee on Interstate Commerce and was ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 5 (by Senator Kyle).

Whereas the Interstate Commerce Commission in its various decisions has construed the transportation act as enlarging its jurisdiction over questions involving intrastate rates, fares, and charges, and has recognized as the controlling element in such decisions the revenue needs of the carriers in a particular group without particularization or definiteness as to the extent of discrimination between persons, companies, firms, corporations, or localities, which was the extent of its jurisdiction prior to the transportation act as evidenced by court decisions: Now, therefore, be it

Resolved by the senate, the house concurring therein. That we urge our Senators and Members of Congress to use their influence and best endeavor to have the transportation act amended restricting the jurisdiction of the Interstate Commerce Commission over matters involving intrastate rates, fares, and charges to that exercised under the interstate commerce act and prior to the passage of the transportation act.

Resolved further. That we urge our Senators and Members of Congress and all other Members of the Congress of the United States to support Senate bill 1150, introduced by Senator CAPPER, and House bill 7947, introduced by Representative HOCH, which bills provide for the amendment of the transportation act and limit the power of the Interstate Commerce Commission over matters involving intrastate rates, fares, and charges to that formerly exercised by that body prior to the passage of the transportation act.

I hereby certify that the above concurrent resolution originated in the senate and passed that body January 16, 1923.

BEN S. PAULEN,
President of the Senate.
ARTHUR S. MCNAY,
Secretary of the Senate.

Passed the house January 17, 1923.

CHAS. E. MANN,
Speaker of the House.
LISIE McELHINNEY,
Chief Clerk of the House.

Approved, January 22, 1923.

JONATHAN M. DAVIS,
Governor.

Mr. STERLING. I send to the desk concurrent resolutions passed by the legislature of the State of South Dakota in regard, first, to Federal farm loans; second, Federal standards for grading grain; third, freight rates for grain and live stock; and, fourth, completion of a steel bridge at Chamberlain, S. Dak. I ask that they may be printed in the RECORD and properly referred.

The PRESIDING OFFICER. Without objection, it is so ordered, and the resolutions will be referred as indicated.

To the Committee on Banking and Currency:

A concurrent resolution memorializing Congress to give immediate and careful consideration to Senate bill 4130.

Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring):

Whereas a bill raising the limit on Federal farm loans from \$10,000 to \$25,000 has been introduced in Congress, and which is now in the Committee on Banking and Currency;

Therefore we urge our delegation in Congress to do their utmost to secure speedy and favorable action by the committee and, thereafter, its prompt passage by Congress, so that it may become the law before March 1, 1923, at which time there are many Federal farm loans to be closed exceeding \$10,000 in amount.

That the passage of this bill will not in any manner impair the operation nor the credit of the Federal land bank, but will result in extending its scope of usefulness so that a larger number of borrowers can be reached.

That all loans are made on the basis of the security offered, and borrowers of large amounts often offer the best security, owing to their executive ability and industry in the management of farm operation.

That the Federal land bank is seriously hampered in its operation owing to the \$10,000 limit; be it further

Resolved. That engrossed copies of this resolution be prepared by the secretary of state, signed by the presiding officers of the senate and house of representatives, and forward one copy each to Senators NORBECK and STERLING and Congressmen CHRISTOPHERSON, JOHNSON, and WILLIAMSON, to the Secretary of the Senate and the Chief Clerk of the House of Representatives of the United States, and to his Excellency, the President of the United States, Warren G. Harding.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. D. FRESKOLN,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk of the House.

To the Committee on Agriculture and Forestry:

A concurrent resolution requesting and demanding modification and revision of the present Federal standards for grading grain.

Be it enacted by the senate of the State of South Dakota (the house of representatives concurring). That the Bureau of Markets of the United States Department of Agriculture, in the spring of 1917, promulgated certain standards for grading wheat, which revolutionized the system of grain inspection to such an extent that the markets were seriously disturbed and confused, and the Federal rules were found unsatisfactory in commercial transactions; and as subsequent attempts by the said Bureau of Markets to amend the original standards and inspection rules have not removed the features objectionable to the wheat producers of South Dakota and the rural shippers of grain, with the result that the present standards are regarded by the farmers of the Northwest as unfair and unreasonable; and

Whereas the grades so established do not meet with the approval of the grain growers and shippers of this State and are believed to confer an undue advantage to the buyers, with a consequent discrimination against the farmers, thereby causing heavy losses every year; and

Whereas the States of Minnesota, South Dakota, North Dakota, Montana, Idaho, and Washington, at a meeting held in Helena, Mont., March 16, 1918, by formal resolution proposed standards for grading spring wheat, which were declared to be fair to all interests directly concerned; and

Whereas the South Dakota Farm Bureau Federation, the South Dakota Farmers Grain Dealers' Association, and other farm and grain organizations repeatedly have declared in favor of substantial modification of the Federal standards so that grain may be tested and graded in accordance with its milling value, and representatives of the States of the Northwest having appeared before the Federal Department of Agriculture and the Committee on Agriculture of both Houses of Congress advocating and urging action favorable to the requests and needs of the farmers of South Dakota; and

Whereas the legislators of Minnesota and North Dakota directed the promulgation of State grades for use in the inspection of grain produced and marketed within those States, the purposes of such legislation being to give the wheat producers of those States all the benefits possible from the application of State rules and regulations, but this plan was found not feasible because of conflict with the Federal rules and laws; and

Whereas the Millers' National Federation has opposed the efforts of the farmers of the State to obtain a modification and revisions of the Federal grain standards; and

Whereas HALVOR STEENERSON, Congressman from the ninth district of Minnesota, has introduced a bill in Congress to establish standards for grading spring wheat, which, if adopted, will virtually recognize the milling value of wheat and place the producers and the buyers on an equal footing in the grain markets of the country: Therefore be it

Resolved by the Legislature of the State of South Dakota, That it hereby, in behalf of the people of South Dakota, requests and demands that the Federal authorities, either in Congress or in the Department of Agriculture, do so modify, revise, or amend the present Federal standards for grading spring wheat as to comply with the requests of the farmers of South Dakota and the Northwest, and thereby remove the present discriminations and penalties, in order to promote the prosperity and welfare of the agricultural interests of South Dakota and the Northwest; be it further

Resolved, That we approve the aforesaid Steenerson grain grading bill and urge its immediate passage by Congress; be it further

Resolved, That copies of these resolutions be forwarded to the President of the United States, the Secretary of Agriculture, to both Houses of Congress, and to the individual members of the South Dakota delegation in Congress.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. O. FRESCOLN,
Speaker of the House of Representatives.
WRIGHT TARBELL,
Chief Clerk of the House of Representatives.

To the Committee on Interstate Commerce:

A concurrent resolution requesting and demanding modification and reduction of the present freight rates for grain and live stock.

Whereas the present freight rates for shipment of grain and live stock by the railroads are excessive and of such a nature as to render the prices received by producers of such commodities less than the cost of production; and

Whereas several efforts have been made by the railroad commissioners of the State of South Dakota to secure reductions that are necessary for the preservation of the great industry of agriculture in the State of South Dakota; and

Whereas the rates now in force are approximately 20 per cent higher than the rates in force prior to 1918; and

Whereas the prices of farm products to the producer in this State are approximately 20 per cent lower than the average prices received by such producers for such commodities during the 10-year period just preceding the year 1918: Be it

Resolved by the Senate of the State of South Dakota (the House of Representatives concurring), That it hereby in behalf of the people of the State of South Dakota requests and demands that the Congress of the United States, by appropriate legislation or otherwise, and the Interstate Commerce Commission and all other bodies of the Federal Government having in their power or discretion to modify, reduce, revise, or amend the present freight rates, perform such duties as to comply with the requests of the farmers of the State of South Dakota and the Northwest, and thereby remove this menace to the prosperity and welfare of the agricultural interests of South Dakota and the Northwest; and be it further

Resolved, That copies of these resolutions be prepared by the secretary of state and forwarded to our Representatives and Senators in Congress, to the Secretary of the Senate and the Chief Clerk of the House of Representatives of the United States, to the Interstate Commerce Commission, and to his excellency the President of the United States, Warren G. Harding.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. O. FRESCOLN,
Speaker of the House of Representatives.
WRIGHT TARBELL,
Chief Clerk of the House of Representatives.

To the Committee on Commerce:

A concurrent resolution memorializing Congress and our Senators and Representatives in Congress to amend section 2 of House Resolution 8744, approved December 21, 1921, and enact in lieu thereof an act to require the completion of a steel bridge at Chamberlain, S. Dak., as required by act of Congress approved April 28, 1916, said bridge to be completed during the year 1923.

Whereas by an act of Congress dated April 28, 1916, the Chicago, Milwaukee & St. Paul Railway Co. was authorized to construct a steel bridge across the Missouri River at Chamberlain, S. Dak., and permission granted to continue the use of a pontoon bridge for the transportation of freight and passengers across said river until the completion of said steel bridge; and

Whereas the right to construct said bridge was extended by act of Congress approved February 25, 1919, and by a further act of Congress approved December 21, 1921, which last-named act extends the time for the completion of said bridge to April 28, 1925; and

Whereas said Chicago, Milwaukee & St. Paul Railway Co. began the construction of and completed a portion of said bridge in the year 1918, but has wholly failed to do anything toward the completion thereof since the early part of 1919; and

Whereas the use of said pontoon bridge is believed to endanger the lives of the employees of said railroad operating trains thereon and the lives of the traveling public; and

Whereas serious and costly accidents and delays in transportation have already occurred, to wit:

First. That on or about June 21, 1922, while a gravel train was crossing said bridge the pontoon used as a draw upset and caused the engine and several cars to be thrown into the Missouri River, together with the engineer, who was seriously injured.

Second. That during the spring of the year when the ice is going out and during the June rise and in the fall of the year, and when the ice is forming or floating in said river, it is impossible to operate the draw in said bridge, and by reason of that fact all passenger, mail, freight, and express traffic to points west of the Missouri River is greatly delayed, especially when said bridge is out or draw open, and the development of the country deterred, and the business interests of the people located between Chamberlain and Rapid City, S. Dak., jeopardized: Therefore be it

Resolved by the Senate of the State of South Dakota (the House of Representatives concurring), That the Congress of the United States and our Senators and Representatives in Congress be, and they are hereby, urged to use all honorable means at their command to secure an amendment to section 2 of House Resolution 8744, which shall require the completion of said bridge not later than during the year 1923; and be it further

Resolved, That engrossed copies of this preamble and resolution be prepared by the secretary of the senate, signed by the presiding officers of the senate and house of representatives and forwarded to the Congress of the United States and to our Senators and Representatives in Congress and to the Secretary of War.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary.
E. O. FRESCOLN,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk.

THE MUSCLE SHOALS PLANT.

Mr. OWEN. Mr. President, I present and ask to have printed in the RECORD and referred to the Committee on Agriculture and Forestry a resolution of the Oklahoma Legislature with reference to Muscle Shoals.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Engrossed House Resolution 8 asking Congress to accept Henry Ford's offer for Muscle Shoals.

Be it resolved by the house of representatives in the Oklahoma Legislature of 1923 as follows:

Whereas the United States Government, for the purpose of rendering useful the immense power running to waste at Muscle Shoals, has spent large sums of the people's money in the construction of dams, etc., and is still expending large sums in the completion of the work begun; and

Whereas in the summer of 1921 the War Department forwarded letters to certain prominent men, firms, and corporations asking if they would consider taking the job of completing the work and operating the plant, one of which letters was sent to Henry Ford, of Detroit, Mich.; and

Whereas Henry Ford was the only person, firm, or corporation who responded favorably to said invitation; and

Whereas Henry Ford did respond by offering to lease said plant from the Government for a period of 100 years, he to complete the plant at actual cost, or the Government to complete it, and when completed Mr. Ford to pay an annual rental to the Government of an amount equal to 4 per cent of the total cost of construction, and at the end of the lease return the property to the Government; and

Whereas the farmers of the South and Southwest believe that Henry Ford by his operation of said plant can save them at least \$75,000,000 each year in the production of cotton alone with his cheap fertilizer; and

Whereas besides the nitrates to be obtained from the air there are rich deposits of phosphates near Muscle Shoals by the use of which on the Corn Belt soils it is possible to double the yield; and

Whereas Henry Ford's offer includes the production of great electric power to take the place of coal rendered expensive by long hauls; and

Whereas we believe Henry Ford's offer for said plant is fair to the Government, and that his operation of said plant will greatly inure to the benefit of the farmers throughout the entire United States; and

Whereas Henry Ford declared that if his offer is accepted he will give employment to 1,000,000 people; and

Whereas his offer is now pending before Congress and has been for a period of time sufficient to be fully understood by its Members: Now, therefore, be it

Resolved, That for the sake of prosperity we believe it will bring to the farmers of the United States in the production of cheaper power and cheaper fertilizer, and for the sake of humanity in the giving of employment to the laboring class we most respectfully urge the Congress of the United States to consider and accept the offer of Henry Ford for Muscle Shoals without further delay; be it further

Resolved, That engrossed copies of these resolutions be sent to Senators OWEN and HARRELD, of Oklahoma, and to Senator CAPPER, of Kansas, at Washington, D. C.

Adopted by the house of representatives this the — day of January, 1923.

MURRAY F. GIBBONS,
Speaker of the House of Representatives.

REPORT OF THE COMMITTEE ON NAVAL AFFAIRS.

Mr. POINDEXTER, from the Committee on Naval Affairs, to which was referred the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, reported it with amendments and submitted a report (No. 1061) thereon.

ENROLLED JOINT RESOLUTION PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on January 25, 1923, they presented to the President of the United States the enrolled joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 3, 6, and 7, 1923, and for other purposes.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WARREN:

A bill (S. 4419) providing for the acceptance of a gift of property to be used as a residence for the Vice President of the United States; to the Committee on Public Buildings and Grounds.

By Mr. POINDEXTER:

A bill (S. 4420) to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service"; to the Committee on Commerce.

A bill (S. 4421) granting a pension to Mrs. William Campbell Gunn; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 4422) extending the provisions of the Federal highway act approved November 9, 1921, to the Territory of Hawaii (with accompanying papers); to the Committee on Post Offices and Post Roads.

By Mr. BURSUM:

A bill (S. 4423) granting a pension to Frederick Muller; to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 4424) to provide credits to secure the successful production and profitable and orderly marketing of agricultural products and live stock in the United States; to the Committee on Banking and Currency.

By Mr. DIAL:

A bill (S. 4425) to authorize appropriations for the relief of certain officers of the Army of the United States; to the Committee on Claims.

RURAL-CREDIT FACILITIES.

Mr. OWEN and Mr. McKELLAR each submitted an amendment intended to be proposed by them to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which were ordered to lie on the table and to be printed.

CLAIMS OF PERSONS NOT INDIANS WITHIN PUEBLO LANDS.

Mr. BURSUM submitted an amendment intended to be proposed by him to the bill (S. 3855) to ascertain and settle land claims of persons not Indians within Pueblo Indian land, land grants, and reservations in the State of New Mexico, which was referred to the Committee on Public Lands and Surveys, ordered to be printed, and to be printed in the Record, as follows:

On page 2, line 8, after the word "Zuni," strike out all down to subsection (b) and insert: "to which the title of the said Pueblos, respectively, or any individual Pueblo Indian holding separate title, has not been extinguished, and so long as such Indian title shall continue."

In lines 12 to 20, inclusive, page 2, strike out subsection (b). In section 2, page 3, in line 15, insert a comma after the word "issued" and after the word "America"; and in line 18, strike out the second "o" in the word "Pojoaque"; and in line 23, after the word "Zuni," strike out all to the end of subsection (a) and insert the following: "to which the title of the said Pueblos, respectively, or any individual Pueblo Indian holding separate title, has not been extinguished, and so long as such Indian title shall continue."

Strike out all of subsection (b) on page 4. In line 15, page 4, strike out "(c)" and in lieu thereof insert "(b)." In line 3, page 5, strike out "(d)" and insert in lieu thereof "(c)." And in line 7, strike out the words "of the" and strike out the letter "s" at the end of the word "inhabitants," and after the word "thereof" insert "or any person."

In line 8, insert the letter "a" between the word "as" and the word "Pueblo."

In line 9, at the end of the syllable "dians," strike out the letter "s" and strike out the words "ex contractu and ex delicto." Strike out all of subsection (e) from line 13 to line 17, both inclusive.

Strike out all of section 3. Strike out all of section 4 and insert in lieu thereof the following: "Sec. 3. All suits brought under this act shall be entitled in the name of the United States of America, as guardian of the particular Pueblo or Pueblo Indian, naming them, respectively."

In lines 13 to 23 inclusive, page 6, strike out all of section 5. In line 24, page 6, strike out "g" and insert "4."

On pages 7 and 8 strike out all of section 7. On pages 8 and 9 strike out section 8 entirely and insert in lieu thereof the following: "Sec. 5. The United States of America, in its sovereign character as guardian of the Pueblo Indians, and of each individual Indian, at the request of the Secretary of the Interior, shall, by the Attorney General, without unnecessary delay, file its bill or bills of complaint, in the nature of an action or actions to quiet title to real estate, with prayer for the discovery of the nature of any adverse claim or claims alleged therein, against any and all such claimants of lands within the limits of any Pueblo Indian grant or so-called 'purchase' lands or any lands otherwise claimed or possessed by such Indians or any of them."

Insert the following new section: "Sec. 6. In all such bills the plaintiff shall disclaim for its said wards, in favor of the occupants of such lands or any part thereof,

all right, title, claim, interest, and demand of, in, and to any and all parcels, lots, and tracts of land, which shall be well described in such disclaimer, situated within the exterior boundaries of any such Indian lands, where it appears to the satisfaction of the Secretary of the Interior, and upon his recommendation to the Attorney General, that the occupants and claimants of such interior parcels, lots, and tracts of land have had adverse possession thereof, within the terms of the limitations or either of them, hereinafter prescribed, and such disclaimer may be made subsequent to the filing of the bill or bills of complaint, if for any good reason it has not been made therein."

Insert the following new section: "SEC. 7. Such disclaimer, if accepted by a writing filed in the said cause by the beneficiary or beneficiaries thereof, either before or after the service of process, but before adjudication, shall be warrant for the said United States district court to enter in such action its decree in favor of such beneficiary or beneficiaries for the premises so disclaimed and so described as aforesaid, quieting and setting at rest in them, respectively, the title thereto, which shall have the effect of a quit-claim deed, and such disclaimer may be amended at any time before final decree entered."

Insert the following new section: "SEC. 8. If such disclaimer is not accepted in manner aforesaid within 30 days after notice thereof in writing given by the Attorney General or his assistant and served and returned by the marshal, as mesne process is served, the suit shall proceed as if no disclaimer had been made, and as if such beneficiary or beneficiaries had been impleaded as wrongfully claiming title to the lands so disclaimed, or the bill may be amended to meet the condition thus created."

Insert the following new section: "SEC. 9. All non-Indian persons claiming the title and ownership of lands within Indian grants or purchases aforesaid may in such suit or suits, in addition to other legal or equitable defenses which they may have to the claim presented by the Government, plead limitation of action, as follows, to wit:

"(a) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed for more than 20 years next preceding the passage of this act, under color of title;

"(b) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed for more than 30 years next preceding the passage of this act, without color of title.

"(c) That section 3364 of the New Mexico Codification of 1915, and section 2938 of the New Mexico Compiled Laws of 1897, as modified by the next preceding subsections (a) and (b), shall be rules of practice and decision in such cases."

Insert the following new section: "SEC. 10. The plea of such limitations, successfully maintained, shall entitle the claimants so pleading to a decree in their favor, quieting and setting at rest in them, their heirs, executors, successors, and assigns, the title to the premises so claimed by them or so much thereof as may be thus established, and judgment and decree in favor of the claimants upon any other ground shall likewise carry with it and express therein the quieting and setting at rest of title in them as aforesaid."

Insert the following new section: "SEC. 11. The Government may likewise plead in favor of the Pueblo or individual Pueblo Indian, as the case may be, and with like effect, the said limitations hereinbefore defined. Strike out all of section 9, pages 9 and 10."

Insert the following new section: "SEC. 12. All lands, the title of which is determined in favor of the non-Indian or any individual Indian claimant, shall, where necessary, be surveyed out and mapped under the direction of the Secretary of the Interior at the expense of the United States."

Strike out section 10 entirely. Insert the following new section: "SEC. 13. All proceedings under this act, as well original as appellate, shall be without costs to any party, and any party to the action, aggrieved by any final judgment or decree, whether civil or criminal, shall have the right to a review thereof by appeal or writ of error, or other process, as in other such cases."

Strike out section 11, page 11. Strike out section 12, page 11. Strike out section 13, page 11. Strike out section 14, pages 11 and 12.

Strike out section 15 and insert in lieu thereof the following: "SEC. 14. The so-called Joy surveys may be used by either party in the trial of any such suit as prima facie evidence of the extent of claim or disclaimer, but shall not be conclusive except in the event of disclaimer based thereon and accepted as aforesaid."

Strike out section 16 and insert in lieu thereof the following: "SEC. 15. Where premises within such Indian grants or purchases, or any part or parcel thereof, on the trial of any such action, are shown not to be the property of the non-Indian claimant under the provisions of this act, but if the claimant acquired the same in good faith and improved such premises by the expenditure of labor or money, believing that he was the lawful owner thereof, in view of equitable considerations he may make application to the Secretary of the Interior to purchase the same, who may allow the application, at such price and upon such terms as he may fix, excluding the value of the improvements, and the money thus derived shall constitute a trust fund to be laid out in the purchase of other lands for the particular pueblo, either within or without the grant or purchase area, and if no suitable lands are purchasable then such fund, at such time as the said Secretary may deem advisable, may be surrendered to the pueblo."

"SEC. 16. In the sense in which used in this act the word 'purchase' shall be taken to mean lands acquired by the Indians other than by grant or donation from a sovereign."

"SEC. 17. Any person not impleaded in any such action may demand to be made a party defendant thereto, with benefit of disclaimer in a proper case, or may intervene in such action, setting up his claim in usual form, and the Government may disclaim in answer to such intervention in like manner as it might have disclaimed in the original bill."

"SEC. 18. Where, as a result of this act, the Indians shall have lost any lands under the plea of limitations, without color of title, the Secretary of the Interior shall cause to be selected and set off to the Indian pueblo from any part of the public domain a tract or tracts of land of value equal to the unimproved value of the land thus lost;

and if the Indians desire the land thus selected and set off to be sold, at the request of the Indian council the Secretary of the Interior shall cause the same to be sold under such plan as he may define, and the proceeds to be applied as he may deem best for the benefit of the Indians or in the purchase of lands held in alien ownership within the pueblo grant or 'purchase.'

COLORADO RIVER AND ITS UTILIZATION.

Mr. ASHURST submitted the following concurrent resolution (S. Con. Res. 34), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 3,000 copies of Water Supply Paper No. 895, entitled "Colorado River and Its Utilization," by E. C. LaRue, of which 1,000 copies shall be for the use of the Senate document room, 1,000 copies for the use of the House document room, and 1,000 copies for the use of the Department of the Interior.

WITHDRAWING POWER FROM FEDERAL COURTS TO DECLARE ACTS OF CONGRESS VOID.

Mr. OWEN. I ask unanimous consent that 500 copies of Senate Document No. 737, Sixty-fourth Congress, second session, entitled "Withdrawing Power from Federal Courts to Declare Acts of Congress Void," be printed for the use of the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL.

Mr. LENROOT. Mr. President, I ask that Senate bill 4287, to provide credit facilities for the agricultural and live-stock industries of the United States, and so forth, may be laid before the Senate and proceeded with.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	Lodge	Ransdell
Ball	George	McCormick	Reed, Pa.
Bayard	Hale	McCumber	Robinson
Borah	Harrell	McKellar	Sheppard
Bursum	Harris	McKinley	Shields
Calder	Harrison	McLean	Smith
Cameron	Hefflin	McNary	Smoot
Capper	Hitchcock	Nelson	Spencer
Caraway	Johnson	New	Sterling
Colt	Jones, Wash.	Norbeck	Trammell
Couzens	Kellogg	Norris	Underwood
Culberson	Kendrick	Oddie	Wadsworth
Curtis	Keyes	Owen	Walsh, Mont.
Dial	King	Pepper	Warren
Dillingham	Ladd	Philpps	Williams
Fletcher	Lenroot	Poindexter	Willis

Mr. SMITH. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is detained at a committee hearing.

Mr. WILLIS. I desire to announce that my colleague, the senior Senator from Ohio [Mr. POMERENE], is detained from the Senate by reason of illness.

The PRESIDING OFFICER (Mr. McNARY in the chair). Sixty-four Senators having answered to their names, a quorum is present.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I ask that the unfinished business may be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. JONES of Washington. I ask unanimous consent that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RURAL-CREDIT FACILITIES.

Mr. LENROOT. I ask unanimous consent that the Senate resume consideration of Senate bill 4287.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

SPECIAL REPRESENTATIVE ROLAND W. BOYDEN.

Mr. LODGE. Mr. President, I ask leave to have printed in the RECORD in 8-point type a letter from the Secretary of State transmitted to the Committee on Foreign Relations yesterday, together with two previous letters, which are very brief, but which are necessary to an understanding of the situation in regard to the Reparation Commission, with which the letter of the Secretary of State deals.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBINSON. What is the document the Senator from Massachusetts had printed in the RECORD?

Mr. LODGE. A letter of the Secretary of State which came to the Committee on Foreign Relations yesterday, which was given to the press and which I think ought to be printed in the RECORD.

Mr. HARRISON. Is it a very long letter, may I ask the Senator?

Mr. LODGE. It was printed in the press, but I think not completely.

Mr. HARRISON. I read what was in the press, but I do not think the letter was printed in full.

Mr. LODGE. No; that is one reason why I ask to have it printed in the RECORD.

Mr. HARRISON. If it is not too long, it might be well to have it read, because it is a matter in which we are all interested.

Mr. LODGE. I do not think that is necessary; it would only cause delay.

Mr. HARRISON. Very well.

The matter ordered to be printed in the RECORD is as follows:

THE WHITE HOUSE,
Washington, July 18, 1919.

HON. HENRY CABOT LODGE,

Chairman Committee on Foreign Relations,
United States Senate.

MY DEAR SENATOR: There are some things in connection with the execution of the treaty of peace which can hardly await the action of the several Governments which must act with regard to the ratification of the treaty, and the chief of these is the functioning of the Reparation Commission. It is of so much importance to the business interests of the United States, as well as to the nations with which we are associated, that the United States should be represented on that commission, and represented now while the work of the commission is taking shape, that I am taking the liberty of writing to ask if you will not be kind enough to consult the Committee on Foreign Relations with regard to this particular appointment, and say to them that I would very much appreciate their approval of my appointing provisionally a representative of the United States to act upon the Reparation Commission.

Very sincerely yours,

WOODROW WILSON.

JULY 22, 1919.

To the PRESIDENT.

MY DEAR MR. PRESIDENT: In accordance with my note to you of Sunday last, I laid your letter of July 18 before the Committee on Foreign Relations yesterday morning. In that letter you suggested that you would be glad to receive the approval of the committee for the provisional appointment of a member of the Reparation Commission which is to be established when the treaty with Germany goes into effect.

The committee instructs me to say that it is the judgment of the committee that until the proposed treaty is ratified in accordance with its terms no power exists to execute any of its provisions, either provisionally or otherwise.

I have the honor to be, respectfully yours,

H. C. LODGE, Chairman.

[For the press.]

JANUARY 25, 1923.

The following correspondence between the Secretary of State and Senator LODGE, chairman of the Committee on Foreign Relations of the Senate, was made public to-day:

On January 16, 1923, the Secretary of State wrote a letter to Senator LODGE outlining, in accordance with his request, the origin and nature of the association of the American observer with the work of the Reparation Commission.

On January 20 Senator LODGE, on behalf of the committee, requested certain additional information with respect to specified points. The Secretary of State, in compliance with this request, wrote a further letter on January 25, 1923.

The two letters are as follows:

JANUARY 16, 1923.

MY DEAR SENATOR LODGE: Referring to our conversation regarding Mr. Boyden's duties in Paris at the present time as American observer with the Reparation Commission, I take pleasure in outlining briefly the origin and nature of his association with the work of that body.

Following the signature of the treaty of Versailles on June 28, 1919, and pending its ratification (the treaty came into effect on January 10, 1920) the committee on organization of

the Reparation Commission was created for the purpose of inaugurating informally the work of the permanent commission contemplated by the treaty, and members of the American peace delegation participated in the work of this committee during the summer and fall of 1919.

Upon the departure of the American peace commissioners in December, 1919, Mr. Albert Rathbone, Assistant Secretary of the Treasury, remained in Paris and attended the meetings of the organization committee of the Reparation Commission. Mr. Rathbone was instructed to keep in close touch with reparation matters, both in order that this Government might be fully informed of developments and also to safeguard the interests of the United States.

At a meeting of the organization committee of the Reparation Commission on January 9, 1920, the United States Government was invited, through Mr. Rathbone, to attend unofficially the meetings of the commission. It was understood, of course, that the United States would not vote or take formal part in the work of the commission. Mr. Rathbone was authorized to accept the invitation thus extended, and on January 24, 1920, he and Col. James A. Logan, jr., attended unofficially the first meeting of the commission.

Since Mr. Rathbone was unable to remain in Paris, Mr. Roland W. Boyden succeeded him in the spring of 1920 as special representative of the United States Treasury at Paris, and attended the meetings of the Reparation Commission in his place. The salaries and expenses of Mr. Boyden and of his alternate, Colonel Logan, have been and are paid by the Government of the United States. The plan of organization adopted by the Reparation Commission made provision, in the case of each national delegation, for office accommodations, as well as for the necessary funds for subordinate staff, and similar provision was made by the commission for the offices and staff needed by Mr. Boyden. This Government saw no reason for objecting to this arrangement.

On February 11, 1921, the previous administration instructed Mr. Boyden to announce to the Reparation Commission his retirement, which he did on February 19, 1921. However, on May 7, 1921, pursuant to an invitation from the allied governments that the United States resume its previous relations with the commission, Mr. Boyden was instructed to attend its meetings as an observer. He has continued to act as an observer since that time. He does not vote or take part as an official representative on the commission, but he is advised as to its transactions and is in a position informally to express his opinion as occasion may make it appropriate for him to do so.

It is deemed to be of great importance to this Government that it should be informed in detail of the proceedings of the Reparation Commission. The work of the commission has such an intimate relation to political and economic conditions that we should be advised of whatever takes place. It is manifest that in view of the extent and character of the commission's work and the intricacy of the many problems with which it deals, this information could not be secured through the ordinary diplomatic channels. In addition to the general information which we ought to have so that we may be prepared to act intelligently in any exigency, there are questions arising from time to time in which this Government and its citizens have an immediate interest. These purposes have been served by the contact with the commission which we have been able to maintain through the present arrangements.

I am, my dear Senator LODGE,

Very sincerely yours,

CHARLES E. HUGHES.

JANUARY 25, 1923.

The Hon. HENRY CABOT LODGE,
United States Senate.

DEAR SENATOR LODGE: In my letter of January 16, 1923, I outlined, in accordance with your request, the origin and nature of the association of the American observer with the work of the Reparation Commission. I also pointed out the great importance to this Government of having detailed information of the proceedings of the Reparation Commission and of being able to protect the interests of the United States in the various matters with which that commission is concerned. I may repeat that the present arrangements are intended to serve this purpose.

On Saturday last you advised me that the Committee on Foreign Relations desired additional information with respect to certain specified points, and it gives me pleasure to comply with their request.

First, you ask for—

"Report of the committee on guaranties to the Reparation Commission, made after their last visit to Berlin (in October?);

also Reparation Commission Document 1462, 'Economic Survey of Germany, September, 1922.'"

I send you herewith the following papers:

"Report of the committee of guaranties:

"Annex No. 1532, a, b, c, d, e, f, g, h, i, Part I, and

"Annex No. 1532, i, bis, Part II;

"Annex No. 1532, j, Part II, first section;

"Annex No. 1532, k, l, Part II, section 2;

"Annex No. 1532, m, Part II, section 3;

"Annex No. 1532, n, Part II, section 4;

"Note by the French representative on the committee of guaranties, Annex 1595; and

"Memorandum by British representative on committee of guaranties, Annex No. 1595, b."

You will observe that each of these documents is marked "confidential," being the confidential print of the Reparation Commission. As the restriction of confidence has not been removed by the commission with respect to these documents, I am sending them to you with the understanding that they will remain in the confidence of the Committee on Foreign Relations and will not be made public.

I also inclose the following papers:

"Annex No. 1462, a, b, and Annex No. 1462, c, d, being 'Reply from the German Government to the letters of the Reparation Commission dated March 21, 1922 (Annex 1353) and April 13, 1922 (Annex No. 1390), concerning the measures to be taken by the German Government regarding the maintenance of the provisional postponement.'"

This is the only "Reparation Commission Document 1462" with which I am acquainted, and I believe that it is the document to which your request refers. While Annex No. 1462, a, b, and Annex No. 1462, c, d, bear the mark "confidential," I understand that the restriction has been released and that these documents are subject to public use.

Second, You ask for—

"Report of bankers, including financial correspondence in June or July, 1922."

I inclose "Report of the loan committee to the Reparation Commission," being annex No. 1478, which is the report of the committee of bankers. This has already been made public.

I do not understand what is meant by "financial correspondence in June or July, 1922," and I must ask that this request be made more specific.

Third, You request further—

"Copy of the so-called Boyden plan."

I handed you some days ago the public statement that I made on January 16, 1923, with reference to the false reports that had been published to the effect that an "American reparation plan" had been submitted to the Reparation Commission. I then said that neither I nor anyone in behalf of the Department of State had approved any plan for submission to the Reparation Commission or had authorized any such submission.

It appeared from the press dispatches from Paris that the misleading reports had reference to a memorandum which had been prepared by Mr. Boyden in November last, and a copy of which had been sent to the Department of State and had been received about December 1. This memorandum, however, was not in any sense a plan for the settlement of reparations nor was it authorized by the department. As so much had appeared in the public press which was likely to give rise to misapprehension, I made public in the statement above mentioned the circumstances in which this memorandum had been prepared.

It is understood that on November 13, 1922, Mr. Boyden had been requested by one or more members of the Reparation Commission to draft, as a purely personal suggestion, a proposed letter to be sent by the Reparation Commission to the German Government on lines he had informally indicated. This Mr. Boyden did in the memorandum in question, which he gave as a draft to one of the members of the Reparation Commission. This memorandum contained no plan for the settlement of reparations; no suggestion as to amounts, time, or manner of payments. It dealt with general considerations as to the necessity of establishing confidence, and especially as to the importance of the attitude of the German Government in expressing Germany's national will for peace. The memorandum was prepared and submitted by Mr. Boyden as a personal matter and without consultation with the Department of State. When its text was subsequently received by the department it was not regarded as a plan for the settlement of reparations or as requiring any action whatever on the part of the department. It was deemed to be a personal memorandum which Mr. Boyden had already submitted to one of the members of the commission, of a general nature, and which merely emphasized some of the fundamental considerations which were

deemed to be pertinent to the situation in a large way. At the time that the memorandum was forwarded to the department it was also advised that the situation had changed since Mr. Boyden had prepared his draft, by the receipt of the German proposals.

The department heard nothing further about the memorandum or its submission until January 13, 1923, when it received a cable message, sent the day before, that this suggestion of Mr. Boyden was to be placed on the commission's agenda, and that the memorandum had been revised slightly in language but not in substance. Thereupon, on January 14, 1923, I telegraphed Mr. Boyden that when the question of replying to Germany should come up in the commission, he should refrain from expressing any opinion and from urging the consideration of his suggestions in the absence of instructions from the department.

As further misleading reports continued to come from Paris, I telegraphed again the next day—January 15—repeating my request that no opinion should be expressed and no plan submitted without express directions from the department; also that the memorandum had in no sense received the approval of the department. I had cabled for the revised text of the memorandum and this was received on January 16. I understand that no further action has been taken with respect to the memorandum.

As I must assume, in the absence of anything else, that the memorandum in question is what is described as the "so-called Boyden plan" in your request, I inclose a copy of the memorandum of Mr. Boyden as originally prepared and also a copy of its revised text. I am advised that this memorandum is still held in confidence by the Reparation Commission, and I am therefore sending it to you with the understanding that it will be held in confidence by your committee.

Fourth. Again, you ask for—

"Copy of any instructions given to Mr. Boyden at the time of his appointment by the present and the previous administrations; also copy of any other instructions issued to him from time to time."

Without in any manner derogating from the constitutional authority of the President in the conduct of foreign affairs, it is my desire to inform your committee as to the steps that have been taken, in the matter in question, in order to protect the interests of this Government. In anticipation of the formal organization of the Reparation Commission, the Department of State on December 19, 1919, telegraphed Mr. Rathbone, who was then an Assistant Secretary of the Treasury and had remained in Paris after the departure of the American peace commissioners, the following instructions:

"You will realize, in view of the nonratification of the United States, that you can not officially take part in the deliberations of the Reparation Commission, which derives its authority from the provisions of the German treaty; but in order to safeguard the vital interests of the United States in matters which may come before the commission you are authorized on the formal organization of the Reparation Commission unofficially to attend its meetings and in accordance with instructions received from time to time give expression to the views of the Government in regard to the above matters when deemed necessary in performance of your duty.

"You may extend similar authorization to your assistants to attend meetings of subcommittees of the Reparation Commission."

Again, on December 27, 1919, Mr. Rathbone was instructed as follows:

"It is intended that you shall, of course, continue acting as heretofore on organization committee, and that upon the organization of the permanent Reparation Commission and until the United States takes definite action in respect to the treaty, or until further notice, you shall, with the approval of the other Governments concerned, attend the meetings of the commission unofficially. As the prime object of your attending those meetings will be to protect the interests of the United States, it will naturally be necessary for you, in order to do so, to participate unofficially in the discussions of any questions arising which concern the United States. The internal organization of the commission and its methods of dealing with the various problems would have considerable bearing on a constructive handling of the various problems; and, as any actions of the commission which might be unsound from a financial and economic standpoint would seriously affect the United States, you should use your best endeavors in advocating the adoption of sound constructive policies."

Then at a meeting of the organization committee of the Reparation Commission on January 9, 1920, an invitation was extended to the American delegation, through Mr. Rathbone, to

attend unofficially the meetings of the commission, it being expressly recognized that attending in this manner they would not have the privilege of voting.

The first meeting of the Reparation Commission was held on January 24, 1920, and according to the minutes Mr. Rathbone and Colonel Logan "attended unofficially during part of the meeting." Col. James A. Logan, United States Army, had been Mr. Rathbone's principal assistant in connection with these matters.

Mr. Rathbone being unable to remain in Paris, Mr. Roland W. Boyden succeeded him. Mr. Boyden is a lawyer of distinction, residing at Boston, and had been connected with the Food Administration under Mr. Hoover. Mr. Boyden attended the meetings of the Reparation Commission in Mr. Rathbone's place, and Colonel Logan acted as his assistant. This course was followed until shortly before the end of the previous administration; that is to say, until February 19, 1921, when the unofficial observers were withdrawn.

When the present administration came into power it was felt that this Government should not forego the opportunity to be made fully cognizant of all the proceedings of the Reparation Commission, and that it was advisable, in order that our information should be complete and our interests should be properly safeguarded, that we should again have the advantages derived from the position of our observers.

Accordingly on May 6, 1921, in response to an invitation extended to this Government, it was publicly announced that Mr. Boyden's attendance in an unofficial capacity in connection with the Reparation Commission would be resumed, and on May 7, 1921, the Department of State sent the following instruction to Mr. Boyden:

"You should immediately inform the chairman of the Reparation Commission that you have been instructed by your Government, in response to the request made by the supreme council, to resume your unofficial position on the commission. You should, as formerly, keep the department informed by cable of the discussions and decisions of the commission with your comments thereon."

I have thus stated, as requested, the instructions given to our observers by the present and the previous administrations. It is impracticable, however, for me to attempt to set forth the other instructions which have been issued from time to time on account of their large number and the varied subjects to which they relate. The work of the Reparation Commission covers an enormous field and its transactions are very extensive. The Department of State has been for about three years in almost constant receipt of information and has sent numerous instructions both with respect to the importance of being advised upon various points and with reference to the protection of particular interests of the United States. For this reason I could not attempt to set forth all the instructions, and I am quite sure that this would serve no useful purpose. If your committee desires information upon any particular point I shall be glad to furnish it to the best of my ability.

I should say, however, that it has not been the policy of this administration to participate in the fixing of the amounts to be paid by Germany upon reparation claims; and particularly with respect to the discussions that have been going on during the past few months before the Reparation Commission in relation to the amounts and terms of Germany's reparation payments, the department has cautioned its observer not to take any position that would involve this Government in these discussions.

As showing some of the subjects which have engaged the attention of the American observers, and as to which instructions and requests for information have been sent from time to time, I may mention:

- (1) Costs of the American army of occupation.
- (2) Interest of the United States in safeguarding the rights, reserved by the joint resolution of Congress of July 2, 1921, under the treaties of Versailles, St. Germain, and Trianon, the benefits of which are secured to the United States by the treaties with Germany, Austria, and Hungary.
- (3) American interests in Austrian and Hungarian pre-war bonds and in the currency notes of the Austro-Hungarian Bank, now in liquidation.
- (4) Lien of the United States on reparation receipts by certain countries.
- (5) Austrian relief, involving the question of the release of Austrian assets pledged to the United States.
- (6) Relief and food purchases by European Governments other than Austria.
- (7) American interests in German oil tankers.
- (8) Various shipping questions.
- (9) Effect of reparation payments on the foreign exchanges.

(10) Instructions as to the position of this Government regarding alien property in the United States.

(11) Information with respect to the Brussels conference of 1920 and other conferences.

In addition there are the general subjects of inquiry and report by reason of the importance of the Reparation Commission as a source of information dealing with economic and political questions in Europe. There has thus been received currently a mass of valuable material.

In conclusion I may say with respect to the work of the American observers that it has been distinctly understood that no opinions were to be expressed on behalf of this Government, except under specific instructions from the Department of State.

Fifth. Your next request is for—

"Information as to the staff of Mr. Boyden, where maintained, cost of maintenance, etc."

Mr. Boyden is the American observer and Colonel Logan is the assistant observer.

Mr. Boyden receives a salary at the rate of \$5,000 a year and in addition has an allowance for expenses not to exceed \$1,000 a month, thus limiting the total amount of his compensation and allowance for expenses to \$17,000 a year. This amount was fixed in July, 1920, and has been continued since that time.

Mr. Boyden has received and receives no compensation or allowance from the Reparation Commission.

Colonel Logan received no salary other than his Army pay until he resigned from the Army in the summer of 1922, and since his resignation he has been paid a salary at the rate of \$4,000 a year. He receives in addition an allowance for expenses not to exceed \$6,000 per annum, making the limit of his salary and allowance for expenses \$10,000 a year.

Colonel Logan has received and receives no compensation or allowance from the Reparation Commission.

I should add that the assistant observer acts as alternate to Mr. Boyden and is on the same basis as to unofficial status, and has been in attendance at meetings of the committee of guaranties and of other committees which have been constituted of the assistant delegates to the Reparation Commission from other countries. This work has been of large importance and has involved a great deal of detail.

The secretarial and clerical staff consists of 21 persons, being a secretary and assistants, a registrar, file clerks, stenographers, and messengers. This staff is maintained at 15 rue de Tilsitt, Paris, the quarters being furnished and the expenses in connection therewith defrayed by the Reparation Commission. Aside from the expense of these premises, the total cost of this staff, with the exception of four messengers, is \$4,887.09 per month. The cost of the four messengers is 2,200 francs a month.

The cost of this staff, as well as the expense of its quarters, is paid by the Reparation Commission. This matter was taken up in May, 1920, under the previous administration, and the arrangement which was definitely approved in July, 1920, has since been continued. There seemed to be no reason why the expense of these facilities should not be defrayed by the Reparation Commission, as the commission was willing to defray it, there being no inherent objection to this, any more than to the agreement to pay the cost of the American Army of occupation.

There are two other persons who have been associated with the American observers but who have rendered technical and expert services to the Reparation Commission and have been paid for these services by it. These are Hugh A. Bayne and Ralph H. Hess.

Mr. Bayne is an American lawyer of high ability, who before the war practiced in New York City for many years. He served with the American Expeditionary Forces in France and has remained there, being now a member of the legal firm of Coudert Bros. He is connected with the legal service of the Reparation Commission and renders services to the commission as a lawyer, and is paid by the commission precisely as any lawyer would be paid for similar services. When the American unofficial observers were withdrawn in February, 1921, Mr. Bayne continued to render legal services to the commission. Mr. Bayne receives no compensation from the Government of the United States. He is paid by the commission, as his total compensation and allowance for expenses, at the rate of \$961.48 a month.

These services of Mr. Bayne do not affect in any way the unofficial status of the American observers. This was distinctly understood, and the Department of State was advised under date of July 1, 1920, upon this point as follows:

"Understanding perfectly clear and so expressed by members commission when decision taken that all payments based solely on theory that commission merely paying compensation for outside assistance rendered to commission in its work. Delegation retains absolute unofficial character unchanged."

The same may be said of Mr. Hess, who is paid by the commission for technical or expert services in connection with the finance service, and receives a total compensation and allowance for expenses at the rate of \$768.54 a month.

I am also advised that Colonel Winship has rendered expert services to the Reparation Commission in connection with the service of restitution and reparation in kind, and that Captain Madison has rendered services in a similar way in relation to maritime matters and questions of valuation. Neither Colonel Winship nor Captain Madison has received a salary from the commission, but they have had allowances other than salary at the rate of \$704.23 in the case of Colonel Winship and \$714.63 in the case of Captain Madison.

The only expense to the Government of the United States in this whole matter (aside from the Army and Navy pay of Colonel Winship and Captain Madison) is the amount of compensation and expense allowances paid Mr. Boyden and Colonel Logan, and this amount, as already stated, does not exceed \$27,000 a year.

Sixth. Finally, you ask:

"Exact fund from which Messrs. Boyden and Logan receive compensation."

Mr. Boyden and Colonel Logan are paid out of the emergency fund of the State Department.

I remain, my dear Senator LODGE,

Very sincerely yours,

CHARLES E. HUGHES.

The Hon. HENRY CABOT LODGE,
United States Senate,

(Inclosures.)

Report of the committee on guaranties:
Annex No. 1532, a, b, c, d, e, f, g, h, i, Part I, and
Annex No. 1532 i, bis, Part II;
Annex No. 1532 j, Part II, first section;
Annex No. 1532 k, l, Part II, section 2;
Annex No. 1532 m, Part II, section 3;
Annex No. 1532 n, Part II, section 4;

Note by the French representative on the committee of guaranties, Annex 1595; and

Memorandum by British representative on committee of guaranties, Annex No. 1595 b.

Annex No. 1462 a, b, and Annex No. 1462 c, d, being—
"Reply from the German Government to the letters of the Reparation Commission dated March 21, 1922 (Annex 1353), and April 13, 1922 (Annex No. 1390), concerning the measures to be taken by the German Government regarding the maintenance of the provisional postponement."

"Report of the loan committee to the Reparation Commission," being Annex No. 1478.

Memorandum prepared by Mr. Boyden (original draft).

Memorandum prepared by Mr. Boyden (revised draft).

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. SMOOT. Mr. President, there is a matter of urgency requiring the passage of the bill (S. 4390) to amend the last paragraph of Section 10 of the Federal reserve act as amended by the act of June 3, 1922. I ask at this time unanimous consent that the measure be taken up for immediate consideration.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER. The Senator from Utah requests unanimous consent for the immediate consideration of Senate bill 4390.

Mr. McKELLAR. Let the bill be read.

The Assistant Secretary read the bill by title.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. ROBINSON. Mr. President, I desire to join in the request of the Senator from Utah that permission be granted to consider this bill. I am certain it will only require a few moments to dispose of it. It relates to the authorization for the construction of branch bank buildings by the Federal reserve banks. It will be recalled by the Senate that some time ago the law touching the subject was modified so as to prohibit the reserve banks from constructing buildings the total cost of which would be in excess of \$250,000. It has been found that in a number of cases plans for the erection of branch bank buildings had already been adopted when the law was modified restricting the right of the reserve banks to construct the buildings. If the law be amended by the passage of the bill for which consideration is now asked, the reserve banks will be enabled to construct those buildings.

The bill proposes to authorize the construction of buildings where the cost of the building proper does not exceed \$250,000; that is, excluding the cost of vaults, equipment, and fixtures. If passed, it will enable the reserve banks to construct a number

of buildings, including the branch bank buildings at Salt Lake City, Utah, and Little Rock, Ark.

It will also be recalled that the Senate some time ago passed a joint resolution known as the Spencer resolution, which authorized the construction of a bank building at St. Louis, Mo., and branch bank buildings at Salt Lake City, Utah, and Little Rock, Ark. That measure passed the other House with amendments, and, although a conference report on the measure was submitted, that conference report has been pending for quite a length of time. It appears that some difficulty has been found in securing consideration of the report. In any event, the matter has not been disposed of.

This bill was originally introduced in the House of Representatives by the chairman of the Committee on Banking and Currency of that body. It has been favorably reported, as I understand unanimously, by the House committee. The object in passing the pending bill here now is to facilitate the legislation so as to make certain that the measure may be enacted prior to the adjournment of Congress on the 4th of March next.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. LENROOT. Mr. President, this subject has been one which has been prolific of debate. I should have no objection to the consideration of the bill if it could be disposed of within a few minutes. If the Senator from Utah will withdraw the bill, if debate on it shall run over 15 minutes, I shall not object to its consideration.

Mr. SMOOT. I certainly shall do so, I will say to the Senator from Wisconsin. I believe, however, the consideration of the bill will take but a few moments.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922, is amended to read as follows:

"No Federal reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any branch bank building of any kind or character, or to authorize the erection of any such building, if the cost of the building proper, exclusive of the cost of the vaults, permanent equipment, furnishings, and fixtures, is in excess of \$250,000: *Provided,* That nothing herein shall apply to any building now under construction."

Mr. SMOOT. Mr. President, I desire to say merely a word or two. The only amendment to the existing law which is proposed by the pending bill is the insertion, after the word "building," of the words "proper, exclusive of the cost of the vaults, permanent equipment, furnishings, and fixtures." Those words are proposed to be added to the existing law.

The joint resolution referred to by the senior Senator from Arkansas [Mr. ROBINSON] was passed by the Senate on June 30 of last year. Subsequently it passed the House of Representatives and went to conference. There is objection to the form in which the joint resolution passed the House, for the reason that it is proposed to authorize the erection of branch bank buildings based upon a certain percentage of their assets. That would give some branch banks of the Federal system three or four times the amount which would be available to some other branch banks in some other districts. For instance, in the Arkansas district they would not have enough money to erect a bank building of the proper size, while in the Salt Lake City district there would be an authorization to expend too much money for the purpose under the provision as the House passed the measure. So the only change in the law provided in this bill, which, I understand, is acceptable to both the Senate and House conferees on the joint resolution referred to, is the insertion of the words to which I have referred. The existing law reads:

No Federal reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any branch bank building of any kind or character, or to authorize the erection of any such building, if the cost of the building is in excess of \$250,000.

Under the proposed amendment of the law it will read:

If the cost of the building proper, exclusive of the cost of the vaults, permanent equipment, furnishings, and fixtures, is in excess of \$250,000.

That is the change proposed of the existing law.

Mr. FLETCHER. It is intended that this proposed legislation shall take the place of a number of resolutions that have been presented and that it shall provide a permanent law to cover all cases?

Mr. SMOOT. That is the object of the bill. The bill has been reported by the Senate committee just as it passed the other House; so that if it shall pass the Senate that will be the end of the matter.

Mr. HARRELD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Oklahoma?

Mr. SMOOT. I yield.

Mr. HARRELD. I wish to make an inquiry. Somewhere along the line the branch banks at Salt Lake City and Little Rock have been included. Was that done in the House, in the Senate, or in conference?

Mr. SMOOT. That was done in the Senate as to Salt Lake City, and that city was added simply because of the fact that in that case the land had been purchased and the plans had been virtually drawn. Therefore Salt Lake City was put into the bill when it was under consideration by the Senate.

Mr. HARRELD. I have no objection to the provision for those two cities; I am merely asking about the procedure. I wish to know if either of those two cities were added in conference without first having been passed upon by the House of Representatives?

Mr. ROBINSON. If the Senator from Utah will permit me, I will say to the Senator from Oklahoma they were not. The Spencer joint resolution as originally presented proposed to authorize the St. Louis bank proper to construct a building for its main offices and a building for the branch bank at Little Rock. The Senate amended the joint resolution so as to include the branch bank at Salt Lake City. The bill, however, went to the House of Representatives and was amended so as to strike out provision for the branch banks and to leave the measure so that the main building at St. Louis could be constructed. It passed the House of Representatives with those amendments, and the measure then went to conference. A conference report was submitted, in which it was proposed that the House recede from its amendments to the joint resolution. The conference report, however, was never agreed to. There were a number of cases where it appeared desirable to construct branch bank buildings, and the House seemingly took the position that a measure of a general character should be enacted. That is the measure of which the Senator from Utah has procured consideration.

Mr. HARRELD. The point I want to make is this—

Mr. SMOOT. Mr. President, I want to say to the Senator further, so that he will have the whole matter before him, that the provision as it passed the House and the Senate read as follows:

That the total investment in such building shall not exceed an amount equal to 25 per cent of its paid-in capital stock and surplus.

I have referred to the fact that in some cases that would give altogether too much money to erect a branch bank building in some places, while in other cases it would not provide enough. Therefore, the bill which I am asking the Senate now to pass was agreed upon to take the place of that measure.

Mr. HARRELD. That does not give me the information I want. I have heard it stated that the conference committee added things to the joint resolution in relation to two of the branch banks that were not in the bill as it passed the House and were not in the bill as it passed the Senate.

Mr. ROBINSON. That is not correct.

Mr. HARRELD. I am inquiring to know whether that is true?

Mr. SMOOT. That is not the fact.

Mr. HARRELD. I have no objection, of course, to Little Rock being included, but I am opposed to methods of procedure such as I have indicated, and that is the reason for my inquiry.

Mr. ROBINSON. I have stated that the original measure embraced a bank building at St. Louis and a branch bank at Little Rock, and the Senate incorporated an amendment relating to Salt Lake City.

Mr. HARRELD. I presume, then, I was merely misinformed about it, and in view of the Senator's statement, which I accept, that will end it, so far as I am concerned.

Mr. ROBINSON. The language was somewhat changed, but provision for buildings at all those places was made in the joint resolution as it passed the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

NANTICOKE RIVER BRIDGE, DEL.

Mr. CALDER. From the Committee on Commerce I report back favorably without amendment the bill (S. 4346) granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the Nanticoke River, and I submit a report (No. 1062) thereon. The Senator from Delaware [Mr. BALL] is very anxious to have the bill passed to-day. It is in the usual form of such measures, and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Delaware State Highway Department and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the Nanticoke River at a point suitable to the interests of navigation, at or near Seaford, in the county of Sussex, in the State of Delaware, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HOOR OF MEETING TO-MORROW.

Mr. JONES of Washington. Mr. President, at this time I desire to submit a request for unanimous consent. I ask unanimous consent that when the Senate closes its business to-day it shall take a recess until 11 o'clock to-morrow, with the understanding that we will conclude the session reasonably early to-morrow afternoon and adjourn then until Monday, so that we may have a morning hour on Monday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. FLETCHER. Mr. President, I am not disposed to object, but I think it is asking a good deal to request Senators to be here at 11 o'clock to-morrow. The Senator promises, however, that he will not keep the Senate very late to-morrow and that an adjournment will be taken to-morrow afternoon to Monday. In view of that, I shall not interpose an objection.

Mr. JONES of Washington. I will say to the Senator that I will be willing to conclude the session to-morrow at not later than 4.30 o'clock.

Mr. KING. Mr. President, may I invite the attention of the Senator from Washington to the fact that eulogies are to be pronounced in the Chamber on Sunday? I do not know whether he will have to modify his request in view of that fact.

Mr. JONES of Washington. Then we can adjourn to-morrow until Sunday, and we will adjourn, of course, on Sunday until Monday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and the order is made.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhulse, its enrolling clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. ANDERSON, and Mr. JOHNSON of Kentucky were appointed managers on the part of the House at the conference.

LEGISLATIVE APPROPRIATIONS.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments disagreed to by the House of Representatives, agree to the conference asked for by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. WARREN, Mr. SMOOT, and Mr. HARRIS as the conferees on the part of the Senate.

PROBLEMS RELATING TO REFORESTATION.

The VICE PRESIDENT. Pursuant to Senate Resolution 398, agreed to January 22, 1923, to investigate problems relating to reforestation, the Chair appoints the following Senators: Mr. MOSES, Mr. McNARY, Mr. COUZENS, Mr. HARRISON, and Mr. FLETCHER.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act, and for other purposes.

Mr. FLETCHER. Mr. President, in reference to this general subject I think there is a pronounced and well-justified demand

all over the country for some system of supplying short-term credit to meet the needs of those engaged in agriculture.

The subject is not without difficulty. There has been one view of it to this effect: On account of the different laws in the different States, the different rates of interest prevailing in different States, the different kind of credit securities, the various and varying requirements as to chattel mortgages, and the distinct provisions as to liens on crops and on personal property generally the view has obtained very largely that these credit associations or agencies for supplying short-term personal credit ought, if possible, to be constituted of local organizations, and that such organizations ought to be created under State laws, if possible. In other words, there has been some doubt whether Congress ought to attempt by national legislation to enter that field and undertake to cover it in the face of the varying conditions and varying laws and requirements in the several States and localities.

If it were possible to have those engaged in agriculture organized in such sort that local credit unions would be formed, and in such a way as to bring about real cooperation among the farmers, it seems to me that would be a more desirable method of effecting what we are trying to do here. I regret to say that it appears, from what has developed in the country and what has been testified to before various committees, that the cooperative spirit among farmers in this country has not yet been sufficiently developed to bring about that condition which would form the soundest and best basis for short-term personal credit. In some States these credit unions have been organized. In some States cooperative societies and associations have been established, and wherever they have been established and are being conducted upon the true cooperative basis they are accomplishing very great beneficial results.

Some years ago this subject was under consideration by what was known as the American commission, with which the United States commission was created to cooperate in studying various systems of agricultural finance which had been established in the older countries of Europe, and which had been found to be eminently successful there. Those commissions visited the European countries. They sailed from New York and landed first in Genoa. They were received at the building built by the King of Italy in Rome as the home of the International Institute of Agriculture, and from there they visited the European countries, including Austria, Germany, the Scandinavian countries, Belgium, Holland, France, England, and Ireland; and they brought with them a mass of literature on the subject which has been of immense value to the people of this country, and especially to Congress, because it formed the basis and furnished the information upon which was constructed the farm loan act.

Those commissions reported at the same time that they submitted their report, on the main question of a plan for financial accommodations for farmers, embodied in Senate Document No. 214, something like 1,000 pages, and, as I say, embracing information and data which it would be impossible to obtain now, and never will be possible to obtain again, some views on the subject of short-term personal credit. The Europe they saw is dead, and the great agricultural development which had taken place there could scarcely be appreciated upon a visit to those countries to-day. However, those who have been in Europe comparatively recently tell me that the farms in Germany, especially, have been kept up, and show evidences of that splendid system known as the *landschaft* system, which had been in operation some 100 years in that country before the war. I am told, too, that the farms in Germany are virtually all free from mortgages. The mortgages were paid off in spite of the depreciated value of the mark. In spite of world conditions, in spite of what Germany has gone through, her farms to-day are practically free from mortgages and are in a high state of cultivation. Certainly the *landschaft* bonds, corresponding to the farm-loan bonds in this country, have been as readily salable as the Government bonds, and in fact never lost their standing as the highest securities offered in Germany.

We passed the farm-loan act. It has been in operation since 1916, except that it required from six to eight months to get the system organized. Under the law 12 district land banks had to be established in 12 different districts of the United States. Those banks had to be officered. The temporary organization required that the Farm Loan Board should name five directors for each of these banks until the stock in each of them to the amount of \$100,000 was acquired by the national farm loan associations, and then they were to be permanently organized. Under that provision for permanent organization six directors in these banks were to be selected by the national farm loan associations, holding stock to the

extent of \$100,000 in each bank, and three of the directors were to be named by the Farm Loan Board. That was the plan of permanent organization. It never has been put into effect. The temporary organization continued, notwithstanding the national farm associations own more than \$100,000 of the stock in every bank of the system, and in four of them practically all.

The system began to function, and was proceeding nicely until finally suit was instituted in the State of Missouri, in the United States court, attacking the constitutionality of the act, and especially assailing that feature of the act which exempted farm-loan bonds from all taxation. That suit was undoubtedly instituted by farm-mortgage associations doing private business which they had been engaged in for years, and in which they had been making enormous profits by charging farmers rates of interest which were oppressive in effect, and which those associations desired to continue without interruption and without opposition or competition; and they realized that once this farm-loan system was thoroughly established there would be very serious competition with them in the matter of making loans upon farms.

They brought the suit. The suit was won in the lower court by the Farm Loan Board and was carried to the Supreme Court. Finally, in February, 1921, the Supreme Court sustained the constitutionality of the act in every respect; so that, that question being settled, the system for the first time had the chance to show what could be done under it. Since then over \$700,000,000 have been found for farmers in the United States at 5 to 5½ per cent interest, payable on practically their own terms, the principal being paid at the rate of 1 per cent per annum, with the right to pay off any portion of the principal at any interest period.

Homes have been saved to farmers in this country. They have been able to develop their estates. They have been able to get their capital requirements, so far the demand has thus far been met, and to-day they are supplied with ample funds to respond to the demands to meet their needs in accordance with the purposes of the act. That has been accomplished by the issuing of farm-loan bonds against collective mortgages by the Federal land banks, as the law provides, and those bonds are readily salable on the market at above par. The last issue bears a rate of interest of 4½ per cent. Seventy-five million dollars of bonds were offered recently, and they were taken within two hours; so that those bonds are upon a splendid footing, and loans are being granted at the rate of \$200,000,000 a year. They are designated as instrumentalities of the Government. They are backed by the personal obligation of the borrower and by a mortgage upon his farm at a valuation of 50 per cent of its value and 20 per cent of the insured value of improvements; they are backed also by the indorsement of the National Farm Loan Association of which the borrower is a member by a pledge of 5 per cent of the stock—5 per cent of the loan must be taken in stock in the Federal land bank—and by the Federal land bank itself, all issued under the supervision and control of a bureau of the Government—the Farm Loan Board. There is no sounder security in the country. There is no agency of the Government which has ever accomplished as much for the farmers of this country. There is no system which has ever been established to meet the needs of agriculture that compares with the farm loan system. They should be able to supply—and no doubt will reach that figure—a million dollars a day to the farmers of the country.

I dislike very much to see any modification or change in the farm loan act. I dislike to have any proposed amendment of that act presented at any time. Of course, I may say that, like all acts of Congress, it could scarcely be said that it was absolutely perfect when it was passed, and as time goes on we may see the need of amendments from time to time as in any general legislation; but I venture to say that there never has been passed by Congress an act which has needed or received as few changes or amendments as has the farm loan act. The Federal reserve act was a splendid, magnificent piece of legislation, and we had supposed that after years and years of study we had passed an almost perfect piece of legislation; but consider the amendments which have been made to the Federal reserve act since it was put upon the statute books, as compared with those which have been offered to the farm loan act. It will be observed that the ratio is 10 or more to 1.

I have not taken the trouble to count them, but I am simply saying that when the farm loan act was passed it was as perfect a piece of legislation, in my judgment, as was ever put upon the statute books; it has accomplished more for agriculture in this country than anything else Congress has ever done, and

naturally I feel disposed to question any attempt to amend that act in any respect.

The bill before us proposes certain amendments, and it may be that it is the wisest thing for us to do now, in order to associate with the long-term credit system provided by the farm loan act this short-term credit system, keeping them separate, however, in administration in the Federal land banks and under the Farm Loan Board.

While hesitating to launch upon this new venture and to enter upon these amendments to the farm loan act, I am inclined to favor this legislation as the best that has been offered, it seems to me, to meet what appears to be a real need on the part of the farmers of the country. They ought to have their own financial system, because agriculture is an industry which is not only the basis of all our prosperity and all our well-being, but it is peculiar in that the business is altogether different from that of a merchant or a manufacturer, where they are turning over their goods from day to day, or in 60 or 90 days, inasmuch as the farmer must wait upon the seasons, take all the chances of drought and flood and enemies of plant life, take all the risks, and can not expect to realize from his labor, his work, his toil, until the crop matures and is finally put upon the market.

The farmer needs a different system from that of the merchant or the manufacturer or the business man. He needs altogether a different plan from the commercial plan. He needs a system peculiarly adapted to meet the needs of that particular industry, which is fundamental, and which must be taken care of, because all our prosperity at last must depend upon a sound and healthy agriculture.

I think, therefore, it is advisable to link this plan up with the Farm Loan Board and the farm loan act, rather than with the Federal reserve act and the Federal Reserve Board, which is, after all, a part of our commercial system. I am therefore going to support this bill, although I hesitate even now to favor changes in or amendments to the farm loan act.

Referring to the work of those commissions which I have just mentioned, I had the honor of being the chairman of both of the commissions; and I must say, although I perhaps should not, inasmuch as no one else, I believe, has mentioned it, that, although Congress appropriated some \$20,000 to cover the entire expenses of the United States Commission in connection with that work, involving three months of travel and investigation and study in Europe, we actually paid back into the Treasury something like \$3,000 of that fund and did not ask Congress for an additional appropriation, which is quite the uniform practice in the Senate, I find. We actually covered the entire expenses for clerks, translators, and everything connected with the commission in that tremendous study and work, and returned to the Treasury a part of the appropriation which had been made to meet our expenses.

On March 13, 1914, that commission submitted to the Sixty-third Congress, second session, Document No. 380, a report in three parts. One of the parts refers to personal or short-time credits, and I beg leave to call attention to some of the things which we stated in that report. I read:

The purpose of credit unions is not to make commercial profits but to give credit to members on favorable terms.

That is based upon a study of credit unions established in European countries and was submitted for consideration because the commissions finally decided that they had better confine themselves to this long-time credit plan as being the primary need of the farmers of the country and not make any recommendation at that time with reference to short-time personal-credit systems. We said:

As generally found throughout Europe this system does not even admit of any distribution of dividends. Where this rule is in complete force all net earnings or profits are carried to the reserve fund or used in the creation of institutions of public utility or are devoted to the common good.

That is at page 28 of the report I am reading. I continue:

A few of the credit unions, however, and particularly those which have a material share capital, provide for the distribution of dividends, but even in these cases rules are very strict, and the dividends never exceed the maximum rate of interest charged the borrower. In Austria the profits are never paid in the form of interest on shares, except in the very rarest cases, being placed in the reserve almost always, although in some cases small amounts are devoted to the common good. The same general rule applies in the case of Italy and other European countries.

The fact that no dividends are paid or that dividends when paid are insignificant does not mean that these credit unions are not prosperous. Taking Germany again as an illustration because of the fact that Germany has literally thousands of these societies, we find that the great majority close their business each year with a respectable fund designated "net earnings." Out of the 12,797 credit unions referred to in the small table presented above 11,793, or more than 92 out of each 100, closed the last fiscal year for which reports are available with net earnings, while only 911, or 7 out of each 100,

declared a loss. Ninety institutions closed their business for the year with a balanced sheet, showing neither profit nor loss.

If we take the total result of all these credit unions under consideration the net earnings after subtracting losses amount to not far from \$2,000,000 for one year, or almost 30 per cent of the share capital of these institutions; but, as noted above, this is not declared in the form of dividends on the share capital, and, as a matter of fact, when the total working capital is considered, these profits represent only about 0.4 per cent, showing what a narrow margin the institutions consider safe.

We rather thought that there ought to be encouraged in the United States this idea of creating these local credit unions in the various States, and in that way the plan would be worked out for supplying the personal credits, or the credits based on the personal obligations of the borrower in connection with the mortgage or lien upon his personal property, whatever that might be, somewhat after the plan proposed in this bill.

Then, in the summary, at page 29, we said:

A careful examination of the descriptions of these European banks or credit unions suggests the questions: Are these institutions necessary in this country; and if so, should they be provided for by law, or is any legislation necessary?

The members of your commission feel that such institutions are necessary in many, if not all, country communities in the United States. We will not take space or time here to establish this position, believing that it represents the unanimous opinion of farmers and of unbiased or unprejudiced observers acquainted with the problem.

The members of your commission are of the opinion that credit unions could be organized in almost every State in the Union, if not in every State, without specific legislation, as they were organized in many European countries and as they have already been launched in several American States. At the same time it is believed that legislation clearly defining credit unions, their scope, their functions, their methods of operation and limitations, as well as a system of inspection or supervision of these institutions, is eminently desirable.

The members of your commission are agreed that it is clearly within the power of the different States to pass the necessary legislation, and we desire to call the attention of Congress to the specific laws of Massachusetts, New York, Wisconsin, and Texas providing for credit unions within those States.

Then follow certain conclusions and recommendations; for instance:

The minimum capital for banks organized under Federal charter is fixed at \$25,000 in the national bank act. The Federal reserve act reenacted this provision in fixing the capitalization for member banks in the new system. It follows, therefore, that the rediscount privilege created by the new law is extended only to banks having a capital equal to that of national banks under the old law.

There are more than 8,000 State and private banks in the United States with a smaller capital than that required by law of member banks in the new system. These banks are located mainly in small country villages and do business either directly or indirectly with farmers. No reorganization of our national banking system can be complete and just to the agricultural interests which deprives or withholds from these small banks participation in the benefits of the Government rate of discount.

In order to be sure of its ground, your commission addressed letters of inquiry to several hundred of these small State and private banks, asking if it was their purpose to increase their capital so as to join the new system; and if not, whether they would join were the capitalization to be reduced to \$10,000. The replies were practically unanimous. These banks will not increase their capital, because in most instances a capital of \$25,000 is not warranted by the volume of business transacted by them; this minimum is excessive for banks located in thinly settled farming districts. For this reason, then, and not from any spirit of hostility to it, these banks will not enter the new system. The very large majority of those replying stated that with a minimum capital of \$10,000 they would reorganize and become member banks of the regional system.

The decision of these country banks renders it certain that without amendment to the national bank act relatively few farmers can become patrons of member banks in the reserve system. Thus the advantage of direct Government rediscount—which is the rational basis of all approved systems of short-time rural credit—will be largely withheld from farmers because of their residence in thinly settled parts of our country. Our rural population is justly entitled to receive credit direct from reserve banks in the same degree that urban population enjoys this advantage; and the method of bank organization should be such that residents of country districts can successfully overcome the disadvantages of their environment.

Your commission is of the opinion that a very few changes in the present banking systems would better adapt large numbers of existing small banks to the needs of great numbers of farmers and farm laborers, and at the same time leave these institutions unimpaired to perform the commercial functions for which they were primarily established.

Considering that was written in March, 1914, it seems to be rather prophetic. I am glad of some effort to induce the smaller State banks to become members of the Federal reserve system. The situation now was cited in the preamble of a resolution offered by the Senator from Connecticut [Mr. McLEAN] yesterday that—

It appears from the last annual report of the Federal Reserve Board that 9,640 State banks and trust companies, constituting over 85 per cent of the eligible State banks and trust companies in the United States, have failed to become members of the Federal reserve system.

The bill offers some inducement in that direction and it may be that more of the banks will join. But I conceive the trouble to be not so much the need of additional member banks in the system as increased activity on the part of those who are members of the system. A great many of the member banks at present do not transact any rediscount business at all. They apparently are not serving the communities in which they now

exist. Even the members of the present system seem not inclined to make rediscounts and seem to pride themselves on the fact that they are not discounting any of their paper.

Mr. KING. Mr. President—

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. KING. The Senator from Florida has referred to the fact that there are a large number of State banks and trust companies which as yet have not affiliated with the Federal reserve system, as I understood him. He took the position that he believed it would be advantageous for more of the institutions to which I have referred to become associated with the Federal reserve system. May I ask the Senator what reasons he has for assuming that great advantages would flow from the State banks and State institutions affiliating with the Federal reserve system?

I ask the question particularly in view of the fact that last summer when I was west I encountered a good many bankers in my own and in other States who had not joined the Federal reserve system, who deprecated what they seemed to think was the tendency of the Federal reserve system, namely, to impose so many impediments, restrictions, and obstacles as to separate the people from the banks. That is to say, under the old system they contended that the banker was brought into contact with the people, knew their needs and their wants, could understand the element of the personal equation in making loans, and could make safer and better loans, and could better satisfy the people than could be and has been done by the Federal reserve system. Their contention was that the Federal reserve system made a sort of procrustean bed that tried to establish some system of uniformity, and that the personal equation and the legitimate needs of the people could not be taken into account. Therefore, they insisted that they did not intend to become members of the Federal reserve system.

I would like to have the views of the Senator from Florida upon that criticism.

Mr. FLETCHER. I know there is a sentiment of that sort. They do not care to come under the control of the Federal Reserve Board and have certain restrictions and limitations placed upon them, certain examinations made, requirements as to the kind of paper and securities they may take, and so forth. But the Senator will note that in order that paper may be rediscounted by the Federal reserve banks and circulating notes issued on that paper, it must bear the indorsement of a member bank of the system. Consequently the banks outside of the system have not the facilities that the member banks have for obtaining circulating notes on paper. Hence it is thought to be important that as many banks as possible should acquire the status of members in order that they may have the full rediscount privileges and be entitled to have circulating notes issued on the paper rediscounted for them. That, of course, is a great facility and it must have many advantages. It is upon that theory it is desirable, if possible, to increase the membership of the Federal reserve system.

Mr. KING. May I call the Senator's attention to the fact that there are members of the Federal reserve system who have not availed themselves of the privileges of rediscount?

Mr. FLETCHER. Precisely, but I think that is a great mistake.

Mr. KING. They are sufficiently strong that they feel they do not need to resort to rediscounting their paper with the Federal reserve banks.

Mr. FLETCHER. I observed just a moment ago that I thought that there was a real difficulty and weakness in the system, that the member banks themselves were not taking advantage of the facilities in sufficient degree. To my mind, instead of using as a sort of advertisement the fact that they do not need to rediscount their paper and thus bolstering up confidence in them, I think it shows they are neglecting the requirements of their communities.

Mr. KING. The Senator must not forget, however, that the banks of our country to-day have assets of the aggregate value of perhaps \$40,000,000,000 to \$50,000,000,000. In view of the fact that many of the banks have large deposits and large resources, sufficiently large to meet the legitimate demands of their customers, they feel that there is no necessity of applying, even though they are members of the Federal reserve system, to the central organization for the privileges of rediscount. It seems to me they are wise in adopting that course. They have all of the interest, because they are not paying any part of it to the central organization. They are deriving all of the benefits, all of the profits and advantages that result from the lending of money, and are not compelled to share with the central organization.

Mr. FLETCHER. Of course, they are not subject to criticism if, as a matter of fact, they are meeting all the needs of their several communities without rediscounting. They ought not to be criticized for not availing themselves of that opportunity under the system. On the contrary, they are to be commended for it. However, I am very much afraid that some of them have the impression that if they can let it be known that they are not rediscounting paper in the Federal reserve bank they are thereby on such a solid foundation and entitled to so much confidence that it can be and is used as a sort of advertisement, which I do not think is the right spirit if their communities really need all the facilities which those banks can afford. If we could increase the membership and spread it out in the Federal reserve system, I think we would make a wider field for the use of the rediscount privileges under the Federal reserve act, and thereby be helpful to agriculture as well as business generally.

Mr. KING. Let me say to the Senator, if he will pardon me further—

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Florida yield further to the Senator from Utah?

Mr. FLETCHER. Certainly.

Mr. KING. The criticism has been made by many economists and many students of our fiscal affairs, agriculturists as well as bankers, that the facilities for credit in the United States perhaps have been too great, the result of which has been that we have become a Nation of debtors as well as a Nation of creditors, with property of the value of perhaps \$250,000,000,000 to \$300,000,000,000. I am speaking now of the aggregate value of all the property of the United States and all of its nationals. We have an indebtedness—National, State, municipal, and individual—of from \$100,000,000,000 to \$150,000,000,000. I have attempted to ascertain approximately what was the indebtedness of the character last referred to. The figures differ, but I have not any hesitancy in saying the obligations of the United States, the States, municipalities, and private individuals reach the stupendous figure of more than \$100,000,000,000.

Now, with a mortgage of more than one-third of the value of all the property of the United States upon that property it does seem to me we can not complain about not having sufficient credit. I grant in some sections the fountains of credit have been perhaps dried up or have not flowed sufficiently copiously, but, generally speaking, it seems to me we have gone mad upon the question of credit. Instead of seeking economies we have sought to develop new fountains of credit.

I was wondering if the Senator believes that the need of the country now is additional credit, unrestricted credit, or rather the development of markets for the commodities which are produced so abundantly, particularly by the farmer and also by the manufacturer of the United States. We need markets, it seems to me, more than we need anything else, and opportunities for the farmers and the producers of commodities to obtain sufficient credit to enable them in an orderly way to place in the hands of the consumer those commodities which the consumers must have.

Mr. FLETCHER. Mr. President, referring to the question of the junior Senator from Utah [Mr. KING], I will say that, of course, primarily we do need, and probably our greatest need is, the development of markets and marketing facilities and a proper solution of the problem of distribution. There is no question that we must devise some plan for the economical distribution of products. That would be most helpful. At the same time, whereas it may be that we have abundant credit facilities—that is, possibilities of extending credit and therefore possibilities of going into debt—still the matter of interest is very important in that connection.

Our people from time to time have been borrowing a great deal of money, but they have been paying enormous rates of interest. For instance, agriculture for nearly a century past has paid rates of interest which would have meant the destruction of any other industry; no other industry in the world could have survived under the burdens of interest and charges and terms which agriculture has had to bear. The main thing to be gained now is to afford to agriculture that accommodation which it needs to-day upon terms and at a rate of interest which the industry can stand. That is the object we are trying to attain in the passage of the pending legislation.

Referring to the report from which I previously read, at page 32, I will continue to the conclusion of it:

Students of this subject will recognize in these suggestions the elements of the French system of rural banks, which is the latest system to be devised and which has been tested sufficiently by actual experience to prove its efficacy. Happily, these principles adapt themselves very easily to our reserve system, and in our opinion would prove of large benefit to our rural population. We are aware that France sup-

plements the rediscount advantage by the deposit of considerable sums of public moneys in these banks to be loaned exclusively to farmers. The Government of France is also very friendly to the agricultural interests of the nation, and encourages a liberal policy by the Bank of France in extending rediscount privileges to the farm paper held by these small banks. The commission feels justified in assuming that the Federal reserve act will be administered in a similar spirit toward our agricultural interests, and, while making no recommendations to that effect, the commission records its conviction that in some sections of the United States either aid of similar character by our Government will be necessary or founders' shares will have to be purchased by men who are inspired by altruistic motives if personal loans are to be speedily extended to farmers in all sections of the Republic at fair rates of interest.

Banking laws have been unfair to rural industry because farmers have been widely scattered and not in a position to use them, and because no special type of institution has been provided in the past to care for their special needs. As a result these laws have militated against the growth of industrial democracy, and unless supplemented will destroy the fruition of the new freedom to a large part of our industrial population.

Your commission believes that it is also within the power of Congress to pass laws providing for credit unions or cooperative credit associations and making them fiscal agents of the National Government, but the conditions of agriculture differ so widely, the needs of farmers vary so greatly, and the status of the different classes of people in rural communities are so unlike that it is our opinion that such laws where called for can best be enacted by the various State legislatures.

DUNCAN U. FLETCHER, Chairman.
THOMAS P. GORE,
RALPH W. MOSS, Vice Chairman.
HARVEY JORDAN.
JOHN LEE COULTER, Secretary.
KENYON L. BUTTERFIELD.
CLARENCE J. OWENS.

That was the view we held in March, 1914. As I said at the outset, I have all along been impressed with the feeling that if those who are engaged in agriculture would cooperate among themselves—and I have always hoped that the national farm-loan associations would be the nucleus for that sort of cooperation—and then would establish such institutions as they might need, such as the credit unions, under the laws of the different States in the different communities, that would be probably the best way to work out a system of short-time personal credit. However, the cooperative spirit has not seemed to spread very greatly, although its soundness and advantages are being realized especially amongst our people who have to do with marketing agricultural products. Such cooperation is essential in the handling of their products, and cooperative marketing associations have been established and have accomplished a great deal of good; but cooperation in the nature of credit unions it seems has not developed sufficiently to meet the needs. Hence we come now to Congress to provide some sort of plan, and the plan worked out in the bill which is now before us seems to be the best we can offer.

I wish to say just another word with respect to the question of tax exemption of securities. The Senator from Wisconsin [Mr. LENROTH] yesterday expressed his view that there ought to be an end of the exemption of securities from taxation of any kind of securities; I take it he means whether issued by the States, the Federal Government, or any other agency. The Senator seems to be somewhat inclined to apologize for the provision in the pending bill which proposes to exempt from taxation the debentures which will be issued by the Federal land banks under the proposed act. I make no sort of apology for that. On the contrary, I should not support the measure unless it did carry the provision that such debentures were to be exempt from taxation. I differ from the Senator with regard to the whole subject, as to the proper policy to be pursued by the Government and as to the great loss which it is claimed the Government is suffering in the failure of taxes because, as alleged, the rich are investing their money in tax-exempt securities.

It seems to me the whole basis for that sort of a claim is absolutely wrong. In the first place, the Federal Government is not losing anything, because it never had any right to tax State securities or the securities issued by any subdivision of a State. The Federal Government never undertook to tax its own bonds in all the history of the Government until within a recent time—I think it was in 1916 or 1917—when we began under certain conditions to require the income from certain Government bonds to be taxed. In my judgment it is an unwise proceeding for the Government to issue its bonds and then require that a tax upon those bonds or the income derived therefrom shall be paid to the Government.

Certainly the right of the States to tax their own securities or not to tax them should not in anywise be interfered with by the Federal Government; and I am opposed to any sort of constitutional amendment which would undertake to deprive the States of the right to tax their own securities or exempt their own securities or the securities of any subdivisions of such States. It is a monstrous proposition. We are gradually cutting away all the rights which the States have left.

Some people do not seem to realize the nature of this Government. The Federal Government has only the power that the States have granted to it and such as are necessarily implied therefrom. The States have all the powers reserved to them which have not been granted to the Federal Government and not prohibited by the Constitution to the States. The power to tax is the power to destroy, as Chief Justice Marshall said in *McCulloch* against Maryland, and now the proposition is embodied in a joint resolution, which recently passed the House and is now before the Finance Committee of the Senate—I do not know what action they will take upon it—to amend the Constitution so that the Federal Government may tax securities issued by the State.

I call attention to the provision of the Constitution:

AMENDMENT X.

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

Some people keep talking about what the Federal Government is losing because a large amount of money is being invested in securities that are exempt from taxation. The Federal Government is losing what it never had and what it had no right to have. It is a very queer kind of a situation when multimillionaires come forward—such as Kuhn, Loeb & Co., J. P. Morgan & Co., the Farm Mortgage Bankers' Association of Chicago, and the Wall Street Journal—and advocate this kind of a constitutional amendment. These altruistic, beneficent friends of the poor, downtrodden taxpayers of the country are insisting that they are being robbed under the present plan and that it ought to be changed in order that the rich may contribute their proper share of taxes of the country. Millionaires and multimillionaires demanding that they, the rich, shall be taxed more than they are now taxed; that they shall not be permitted to escape taxation by investing their money in tax-free securities! Whoever heard of those gentlemen insisting that they ought to be taxed more than they are now taxed? Who is preventing them from bearing their share of the taxes? Whoever heard of those friends of the downtrodden proletariat, who are now demanding that the common, every-day taxpayer shall be relieved by their additional contribution to the taxes of the country? That insistence from that source is a suspicious circumstance, it seems to me, that should be considered in connection with the movement to amend the Constitution in order that State securities may be taxed by the Federal Government.

I venture the assertion right here, Mr. President, that this movement, this whole agitation with reference to amending the Constitution and this whole cry against tax-free securities, found its very beginning and inception in the Land Mortgage Bankers' Association—a multimillionaire organization that has grown rich out of the charges it has imposed upon the farmers of the West—because they started out with a proposition to deprive farm-loan bonds of that feature. They knew perfectly well that if the tax-exemption feature was taken out of the act under which farm-loan bonds were issued the rates of interest which the borrower would have to pay for the money obtained from the proceeds of those bonds would be very greatly increased. It is estimated that it would be necessary to fix as to these bonds, or every kind of security that must pay a tax, a rate from 1 to 2 per cent more than the rate they bear if they are tax free; and, consequently, the Land Mortgage Bank Association wanted to increase the rate of interest to the farmers of this country, and thereby somewhere nearly reach the amount of interest which they would charge upon loans obtained through them. They started this whole movement to destroy the tax-exempt feature of farm-loan bonds; and, inasmuch as they could not make headway in that direction as to those bonds, they then spread out and changed their plans and brought to themselves other multimillionaires, and said, "We want to eliminate all this exemption feature as to all securities by States, cities, counties, or other subdivisions, and by the Federal Government."

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. FLETCHER. I yield to the Senator from Arkansas.

Mr. CARAWAY. Has the Senator ever considered how much profit might come to these people who already hold tax-exempt bonds if all other issues should be stricken down?

Mr. FLETCHER. I think beyond any question they would profit to the amount of something like a billion dollars. It is estimated that the securities outstanding to-day that are now tax exempt run from ten to eighteen billion dollars. The minute you impose taxes on all future issues, of course, the value of these tax-free securities will at once increase, and I dare

say those gentlemen holding them will profit to the amount of nearly \$1,000,000,000; but it is perhaps not so much that that is in their mind as that some of them undoubtedly are influenced by the idea that if tax-exempt securities can be taken off the market it will broaden the market for their industrial securities, their railroad bonds, their industrial bonds of every kind and character. The public will absorb just so much; and if you impose taxes upon these securities which are now exempt you will bring them up to the level of the industrial securities, and the industrial securities will undoubtedly enjoy a broader market than they have to-day.

So, in the first place, I am utterly and teetotally opposed to any further inroads being made upon the reserved rights of the States of this country. I have not been as careful about that heretofore, I am afraid, as I am getting to be the longer I am here and the more I see the States being gradually deprived of almost the last vestige of rights and of sovereignty. I am very much indebted to the Senator from Utah [Mr. KING], who sits before me, for some sound doctrine on that subject from time to time declared here, and I have been impressed by his observations, and I feel more than ever the danger point being reached in that regard. The whole foundations of the Government are about to be undermined by repeated efforts being made on every hand and on the slightest pretext with the purpose to disregard and even usurp the rights and the sovereignties of the States and to vest in the central power here full authority over the people and their affairs.

That is the first proposition, and that prompts me in the outset to oppose this movement. In the next place, I do not agree that any increase of revenue of any consequence would come to the Federal Government even if this sort of change is made. It is estimated by experts on the subject, as I have just said, that these tax-free securities sell at par at a rate of interest 1 per cent less than they would sell for if they were not tax free. Very well. Here are people with money. They invest in these tax-free securities. They practically discount their income tax by making that investment to begin with. They say: "I am willing to take 1 per cent less interest on my money where I know it is safe and I have no income tax to pay than I would take if I had to pay an income tax on my investment." Therefore, as I say, they practically pay their income tax when they invest their money in the first instance in tax-free securities.

In the second place, without this tax-exempt feature there are many municipalities, many counties and districts in the United States which would be unable to go on with great public improvements that mean the progress and development of those communities. I had some occasion to say this on that subject on January 12, 1922, and the more I think about it, the more the soundness of it is fastened upon my convictions:

But the arguments offered are challenged for the following reasons:

1. There is no proof that exempt securities, outside of United States bonds, are held in large amounts by men of large incomes. And who can say with certainty that investment by this class of investors in United States bonds is inspired more by a desire to escape taxation than by patriotic motives and safety.

2. Such amendment can not affect outstanding tax-exempt securities, and therefore no increase of Federal revenue can come from outstanding issues.

3. The amendment would deprive States and municipalities from procuring future funds at a low rate of interest, and thus prevent development and progress in the way of essential public improvements.

4. The class of funds which go into tax-exempt securities comes largely from estate and trust funds, for the benefit of widows and orphans, by reason of the fact that the element of speculation—consequent from high interest rates—must be eliminated from such securities, the safety of the principal being the first requisite.

Again, capitalists will not, simply to escape a reasonable income tax, invest in securities paying from 4½ to 6 per cent when they are able to make many times this per cent by investing in some business or enterprise.

I stand by that now.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. FLETCHER. I yield to the Senator.

Mr. CARAWAY. I was just going to ask the Senator to discuss this phase of the question: It is contended that if tax-exempt securities be stricken down, the people will profit. If the securities are taxed, who has to pay the tax?

Mr. FLETCHER. Unquestionably the people who issue the securities.

Mr. CARAWAY. The Government has not a dollar of its own. In other words, the man taxes himself for the privilege of saying that the security is taxed. Is not that it?

Mr. FLETCHER. It comes to that eventually.

Mr. CARAWAY. And it always costs quite a good deal to collect a tax, does it not?

Mr. FLETCHER. It does.

Mr. CARAWAY. The people never get back what they paid.

Mr. FLETCHER. The percentage of cost of collection is growing all the time. The cost of collection, I think, is very much higher to-day than it ever has been before.

Mr. CARAWAY. And that would be a clear loss, would it not, to the people who had to finance their activities?

Mr. FLETCHER. Precisely. In other words, the taxpayers would pay the increased rate of interest and then pay a bureau to go out and get a part of it back. We will take, for instance, as an illustration of that point, these figures: The average of all returns for income taxes in 1920 was \$3,270. The amount of capital invested in bonds at 4½ per cent that would yield that income would be \$72,666.57. The taxpayer whose income is \$3,270 presumably in the first instance would be entitled to the exemption of a head of a family, which would be \$2,000. Therefore, he would only pay, say, 4 per cent on \$1,270. You see what that would be. Four per cent on \$1,270 would be a little over \$50. That is the amount of the tax which he would pay, leaving off the cost of collection entirely, assuming that he just comes up and pays it over to the Government, and there is no cost at all, and the Government gets \$50 income tax. What do the people pay who issued those bonds? Seven hundred and twenty-six dollars and sixty-six cents—1 per cent more—is the estimate of all the experts. That seems to be quite agreed upon as the difference between what would be paid on tax-exempt securities and what would be paid on those that bear the tax. One per cent on \$72,666.67 is \$726. In other words, the county or the State which issued those bonds would pay \$726, and the Federal Government would get \$50. That is the way the thing works out.

Suppose there were no exemption. The income yield to the Government would be \$130.80 on this investment of \$72,666 in taxable securities, and the taxpayers who issued those bonds would be obliged to pay \$726 a year in order that the Government might get \$130.80 income. You see how it works out.

In the Daily News of January 16, 1923, this statement is made:

Well, friends, admitting there are two sides to this question, we desire to offer the following facts in extenuation of the principle of tax-exempt municipal and State securities—a principle which seems to lack press agents just now.

If there had been no tax-exempt securities San Francisco would still be in the throes of a corrupt, inefficient, and nerve-wrecking street car monopoly; Los Angeles would be buying water and hydraulic power from a private monopoly, as many less-favored cities are doing; Detroit would have no municipal street railroad; there would be mighty few State or county paved highways, and the electric power of the future would be securely held "in trust" by the first friends of Messrs.—

I need not call any names here, but meaning these multi-millionaires.

The rich lovers of the common folk may be perfectly pure in their protestations, but somehow we are suspicious of the whole Greek gift-bearing outfit.

Mr. CARAWAY. Mr. President, right in that connection, in any other respect did you ever hear a rich man howling for the opportunity to pay taxes?

Mr. FLETCHER. As I said awhile ago, that is a most unusual performance, and it is one to excite some suspicion when you consider the influences back of this whole agitation. To bring the matter very close home, and make a definite application of it, I know, for instance, that one of the most progressive and highly developed counties in Florida is Polk County. Beginning in 1916, they issued \$1,500,000 of bonds for the purpose of building county-wide asphalt roads. There was another issue by districts in 1917, 1919, 1920, and 1921, a total of \$2,540,000 of bonds issued in that county by the whole county and by different districts. Those bonds were all exempt from taxation. The county-wide bonds sold for one-eighth above par. The balance sold for something less than that. All of the proceeds from the sales went to the county, and were expended for the building of hard-surfaced roads in Polk County. The effect of the expenditure of that money on good roads has greatly increased the value of all kinds of property in the county.

The assessed valuation in 1914 was \$9,755,090. In 1922 the assessed valuation was \$20,516,873, and the increase attributable to the improvements financed by the bond issues is 90 per cent, according to the tax assessor. Unquestionably they could have sold those bonds without the tax-exempt feature, but they would have paid an average of 1 per cent more interest than they pay now, and by the use of those bonds they have increased the assessed value of property in that county in three years from \$9,000,000 and something to over \$20,000,000. Anyone riding through the county to-day will observe the splendid development taking place in every direction wherever those roads reach, and whereas a few years ago you would ride mile after mile between one home and another home, now when

you ride along those beautiful roads it is almost as if you were on the paved streets of a city. Settlement is taking place on both sides of every road everywhere; there are orange groves, vegetable farms, beautiful homes lining these great highways, and the development and progress of the county are almost beyond comprehension. That has been brought about by the issue of bonds and the making of these great public improvements, and I have no doubt it is typical of other counties. I am quite sure it is. I could name other counties in my own State where the same thing is true, and I have no doubt every Senator here can cite cases of that kind.

The proposition is to make the people who have issued these securities for the purpose of these public improvements, and in order to promote the progress and development of their communities, pay an additional 1 per cent interest on those bonds annually until their maturity in order that the Federal Government may lay its hand on the income and derive some little revenue, nowhere approaching the amount of the additional tax that would rest upon the shoulders of the people who issue the securities. So I say that I am utterly against this whole proposition of amending the Constitution in order to accomplish what these gentlemen claim is in their minds, and I am heartily in accord with that feature of this bill which exempts the debentures the Federal land banks are to issue in the same way that farm-loan bonds are exempted. I do not believe the constitutional amendment has any chance of receiving a two-thirds vote in the Senate, and I do not believe it has the ghost of a chance of receiving the ratification of the requisite number of States, but just as sure as that amendment is adopted it will be found that every farm-loan bond hereafter issued will be taxed by the Government, and these debentures will be taxed, and the farmers of this country will be called upon to pay an additional rate of interest over that which now prevails.

Mr. CARAWAY. I ask the Senator if he observed with what horror the proponents of the amendment viewed the amendment to strike out the word "hereafter," so as to make all bonds taxable? Did the Senator read the proceedings in the House? They looked upon that as absolutely unconscionable. In other words, they do not want the amendment to reach the people who have all the billions of wealth, and therefore they would not consent to striking out the word "hereafter," so that the tax would rest upon all bonds. They want it merely on bonds issued hereafter.

Mr. FLETCHER. I have not kept up carefully with the debate in the House, though I have been interested in reading some of it and found it very admirable; but I can well understand what the Senator suggests about it. It means this—and there is no escape from it—that under this constitutional amendment the Federal Government could not tax State securities, unless it taxed farm-loan bonds, and therefore the ultimate result of this thing would be that the farm-loan bonds would be taxed.

Mr. CARAWAY. That was the primary object.

Mr. FLETCHER. That was the primary object, and they are reaching it in a roundabout way instead of directly.

Mr. CARAWAY. May I suggest to the Senator, too, that they undertake to make it appear that the State gets an advantage in having the right to tax Federal securities; but who pays the tax? I would like to ask again, whether the tax is levied on a Federal security or a State security, who pays it?

Mr. FLETCHER. Of course the taxes must come out of the people.

Mr. CARAWAY. The same people?

Mr. FLETCHER. Yes; the same people.

Mr. CARAWAY. It does not create one dollar of wealth, does it?

Mr. FLETCHER. Not at all.

Mr. CARAWAY. Therefore it is no extension of a privilege to the citizens.

Mr. FLETCHER. The Senator is undoubtedly right about that. In connection with that subject, Mr. President, I ask to have inserted in the RECORD as a part of my remarks an article by Mr. Stuyvesant Fish, taken from the New York Times of Sunday, January 21, 1923. It is a very clear, fair, and forceful statement.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[The New York Times, Sunday, January 21, 1923.]

ARGUMENT FOR TAX-FREE BONDS ANSWER TO PROFESSOR SELIGMAN—RIGHT OF RAISING REVENUE RESERVED WHEN FEDERAL GOVERNMENT WAS ESTABLISHED—ASSERTS CONTENTION OF ECONOMIST IS BASED ON FALSE PREMISES.

(By Stuyvesant Fish.)

May I be permitted a few words on Prof. Edwin R. A. Seligman's article which appeared on Sunday, December 31, 1922, on the first and seventh pages of the New York Times? Under the heading "Menacing,

flood of tax-free bonds," he makes a studied plea for the proposal now pending in Congress to further amend the Constitution so as to deprive the several States and their municipalities of their inherent rights to borrow money free of Federal taxation.

Had the Constitution been framed for the purpose of enabling the Federal Government to tax the several States and the people thereof without limit, there might be some cogency in the arguments brought forward by the administration at Washington and elaborated by Professor Seligman. The Constitution was and is a delegation by the several States to the Federal Government of certain powers for certain purposes, as is so clearly set forth in the preamble thereto.

Upon its ratification by the States 10 amendments—our "Bill of Rights"—were adopted defining and limiting the powers of the Federal Government. They end thus:

"The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people."

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

From the beginning to this day that which Mr. Jefferson somewhere refers to as "our agency at Washington" has been so continuously and of late so aggressively usurping to itself the powers reserved by the States to themselves or to the people that we now find even so well read a man as Professor Seligman led into the error of speaking of the "exemption" of State and municipal bonds from Federal taxation. He even goes so far as to speak of Congress as "conferring a special privilege and advantage on the States," and "according a special privilege to the State and local government bonds." Neither he nor any member of the administration can fail to know that the Federal Government lacks all authority to confer or accord privileges or advantages to the States or any of them.

The States and their minor divisions enjoy no exemption whatever, the fact being that they have not given Congress power to tax their bonds or the interest thereon.

The proposition now before Congress is simply an effort by those at Washington to deprive the States, their municipalities, and their people of yet another of their reserved rights, and must be resisted by all who do not want to see a "Frankenstein" created at Washington, which its creators, the States, may later have, for self-preservation, to destroy.

It would require a letter as long as Doctor Seligman's—say, five or six columns in the Times—to review and answer all the sophistries therein set forth. But let us look into some of them.

I.

Under his heading "III" Doctor Seligman figures the Federal, State, and local bonds which he speaks of as "exempt" as amounting to about \$15,000,000,000, and the interest thereon at $\frac{4}{5}$ per cent as \$675,000,000, and then says:

"The Federal Government alone will have lost up to 1926 not only the 8 per cent normal tax, but also the surtax, in so far as these securities are held by the richer individuals."

Like others, the Federal Government has not lost and can not lose that which it never had, namely, the right to tax its own bonds which were issued tax free, and the bonds of States and municipalities which Congress has never had the power to tax in any way. Those seeking for fresh fields for Federal spoliation could readily and might just as logically figure out a vastly larger total in the value of lands and buildings in the United States which Congress can not and does not tax. The real estate in the city of New York alone was last year assessed for \$10,249,991,835, and so on through the whole country.

Doctor Seligman then says:

"If we assume that these bonds are so held that they are subject to an average tax of 40 per cent, we have a loss to the Federal Government of \$270,000,000 a year. * * * This makes no allowance for the $\frac{1}{2}$ per cent tax on the bonds held by corporations, which will bring the figure to at least \$300,000,000."

From which he argues that this nonexistent and imaginary loss transcends any possible gain that might accrue to the Federal Government from lower rates of interest on tax-exempt bonds. But where does he get his figure of 40 per cent? The present law requires an income of at least \$68,000 for the exaction of a 40 per cent income tax. How misleading his estimate is will be further shown in a moment.

II.

Lower down, under the same heading "III," Doctor Seligman produces figures from the report of the Secretary of the Treasury, made public a few days ago. Taking his figures we find that the number of returns for income-tax purposes, the amount of revenue collected therefrom, and the average income return to have been as follows:

	Total number of returns.	Total net income.	Average income per return.
1916.....	437,036	\$6,298,577,620	\$14,412
1917.....	3,472,890	13,652,383,207	3,643
1918.....	4,425,114	15,924,639,355	3,599
1919.....	5,332,760	19,859,491,448	3,724
1920.....	7,259,944	23,735,629,183	3,270

The average income throughout the United States having in 1920 been \$3,270 and obviously tending downward, what becomes of Doctor Seligman's assumption that the income from the bonds which he speaks of as exempt "are so held that they are subject to an average tax of 40 per cent"?

In another part of his article, under his head "IV," Doctor Seligman makes a comparison between 4 per cent tax-free bonds and 5 per cent bonds subject to 1 per cent tax, ignoring the fact that under the present law it would require at least a taxable income of \$38,000 to yield 25 per cent income tax.

III.

The Secretary of the Treasury, in his report for 1922 (p. 13), gives as "among the means frequently used to reduce the amounts of income subject to taxation" these four:

1. Deductions of losses on sales of capital assets, with the failure to realize on capital gains;
2. Exchanges of property and securities so as to avoid taxable gains;
3. Tax-exempt securities; and

"4. Other avenues of escape, such as the division of property, the creation of trusts, and the like."

But not so Doctor Seligman.

Under his subheading "How the plan works," he says:

"It is beyond peradventure of doubt that the prodigious falling off implies an immense investment in the tax-exempt securities."

Doctor Seligman must know that with the introduction of a highly complicated, graduated income tax law there sprang up all over the country a class of lawyers who give their undivided attention to advising those capable of paying their fees on making out their tax returns. Apart from this, any very rich man, having been mulcted out of 73 per cent of his income in one year, would naturally look around during the next 12 months to see how he could better his condition: and I incline to think from what those learned in that business have told me that some of the very rich have subdivided their securities among various corporations or trustees. Secretary Mellon's report for 1922 (p. 13) shows that in 1916—

Of incomes of over \$300,000 there were returned for taxes
And in 1920.....

\$892,972,986
246,354,585

Decrease..... 746,618,401

Assuming that the securities which yielded this difference carried $\frac{4}{5}$ per cent interest, the principal involved would have been \$16,591,520,022. Does Doctor Seligman want us to believe that those having incomes of over \$300,000 have bought up all, indeed more than all, of the \$15,000,000,000 of untaxed bonds?

IV.

Toward the end of his paragraph III Doctor Seligman says that—
"With the growing and imperious needs of the Federal Government we may be compelled to depend again in large measure on the largesses of the States."

Wouldn't it be better to limit the "imperious needs of the Federal Government" and make that concern "cut its coat according to its cloth"? The plain people who do not directly pay taxes are beginning to understand that a great part of the awful burden which they do carry in the excessively high cost of living comes from taxation and maladministration of Government, Federal, State, and municipal.

Throughout Doctor Seligman speaks of the exemption from taxation as "accruing to the rich." Bless his honest soul! Does not every man, rich and poor, try to so manage his affairs as to escape some of the terrible burden which is oppressing us? He must know, as I know, many holders of exempt bonds, so-called, whose return for income tax does not bring them above the normal.

V.

Doctor Seligman's statement under his heading "V" "What is the solution?" gets down to this: He proposes that the Nation shall have the right to subject State and local bonds to the same tax it assesses on its own bonds; the State and local governments shall have the right to subject Federal bonds to the same burdens as they impose on their own bonds, all of which reminds me of the equally "naïf" proposition made in his historically informing book on "The Income Tax" (Macmillan Co., 1911), published while the sixteenth amendment to the Constitution was under consideration. His solution of various difficulties then in view (see page 655) was that "the National Government assess the (income) tax, and let the State and local governments share in the proceeds." Out of all the billions which the Federal Government has taken from the people by way of income tax in the last 10 years, has one cent been restored to any of the States or the citizens thereof?

VI.

Professor Seligman's whole argument is based on the false premise that holders of what he calls exempt bonds escape burdens, which they pass on to others. On the contrary, those who lend to the United States, the States, and their minor divisions, against their tax-free securities, by accepting 4 per cent per annum interest, while they might get 5 on taxable securities (Doctor Seligman's estimate), really pay more than their share, and at the outset agree to pay it for the full life of such securities. To that extent they benefit all other taxpayers.

Should the Constitution be so amended as to prevent the further issue by the States and their municipalities of tax-free securities, the difference between the interest on taxable and nontaxable securities, which Doctor Seligman, I think rightly, figures at 1 per cent per annum, will have to be added to the taxation of every State and municipality throughout this broad land for all time. To us here in New York, where the city has already borrowed so nearly up to if not beyond the legal limit of such borrowing, the change will have relatively small effect on the taxpayer. But our friends in the rural parts of this State and throughout the West and the South, whose growing needs call and will continue to call for fresh borrowings of untold billions, must in their own interest see that this amendment be defeated alike in Congress and in the State legislatures. The maxim that "the power to tax is the power to destroy," must not be forgotten.

As to the contention that by way of income tax there can be collected anything approaching to the difference in interest between a 4 per cent and a 5 per cent bond, let me point to the fact that the Government has never given out any figures showing what is collected as income tax on interest on taxable Government bonds. In letters to the Treasury Department, to Members of Congress, and to the Federal Reserve Board at Washington, and in various other ways, I have been vainly trying to get some light on that subject, ever since the former Secretary of the Treasury, Mr. McAdoo, first departed from the settled, honest and wise American policy of issuing all obligations of the United States as tax free. The power of Congress to tax is ever unlimited as to amount. That to-day those who hold taxable securities of the United States are not mulcted out of 100 per cent of the interest covenanted in them to be paid is due to the forbearance of Congress and not to its want of power to thus repudiate the whole debt.

The average of all returns for income taxes is yearly decreasing and was, in 1920, \$3,270. Taking Doctor Seligman's rate of yield for State and municipal bonds, $\frac{4}{5}$ per cent, this represents a capital of \$72,666.67. Returns of \$3,270 of income yield the Government \$130.80 per annum. But as he figures that subjecting such securities to taxation will raise the rate of interest to be borne by them by 1 per cent per annum this collection is less than one-fifth of the \$726.67 required to pay the increased interest, not to speak of the cost of collecting. In the collection of internal revenue the per cent of cost of collection has in recent years risen from 0.95 per cent in 1917 to 1.30 per cent in 1922.

I am fully aware that in dealing with the average figures of returns, I am subjecting myself to the retort that under our graduated income tax vastly higher percentages are exacted from the very rich. But Mr. Mellon's reports are eloquent and convincing on the unwisdom of the very "high brackets," as a means of collecting revenue. It is sad to say so, but none the less true, that those who can afford the price of "the advice of counsel" always have and ever will protect their own interests within the law, be it what it may, as against the great mass of the plain people who can't afford the necessary fees.

Mr. FLETCHER. Some time ago, on Sunday, December 31, 1922, there appeared an article in the New York Times by Professor Seligman, and this is a reply to what Professor Seligman had to say. I would not mind putting his article in the RECORD, but it is a very long one, and this perhaps refers to the portions of it which are particularly material and in point. I submit that these propositions laid down by Mr. Fish are absolutely sound, and his argument, it seems to me, in unanswerable. It is in accordance with what I submitted on the subject in January, 1922, and confirms absolutely my conviction that the joint resolution proposing an amendment to the Constitution ought to be opposed by every possible means that can be exerted against it.

I close by saying that I am in hearty accord with the provision of the bill which exempts these debentures from all taxation, and I feel that the measure as now submitted is perhaps the best that can be proposed at this time. I believe it can, if properly executed, accomplish a great deal of good and be of immense value to the farmers of the country.

It will depend, after all, on the administration. If the administration is what it ought to be, this plan can be made most effective and valuable. If the administration chooses to hold it back or to neglect it or to delay and indirectly, if not directly, in a way refuse to have it function properly, then it will not accomplish any good, but it will be a failure. But that, of course, we will have to learn from experience. If it is administered as I hope it will be—and I do not mean to imply that I question that it will be well administered under the Farm Loan Board—I think the measure will be of great value.

The Farm Loan Board prefers not to take the responsibility upon itself of administering this system, and there is a little complication about it, it being linked up with the farm loan system, which is altogether based upon mortgages to meet capital needs, and for long time. It is distinct in many ways from that system. There has been an attempt in this bill to keep the operations separate in the Federal land banks, and I hope that can be done. I can see how the Farm Loan Board hesitated a little, even as I hesitated, to amend the farm loan act and take on this additional work and responsibility, but if Congress puts it on the Farm Loan Board, I think they will conscientiously and energetically endeavor to administer it to carry out the purposes and objects of the legislation. I hope that will be the case in any event.

HELENE M. LAYTON.

During Mr. FLETCHER's speech,

Mr. BAYARD. Mr. President, I ask unanimous consent for the immediate consideration of the bill (S. 4113) for the relief of Helene M. Layton.

The PRESIDING OFFICER. The Senator from Delaware asks unanimous consent for the immediate consideration of Senate bill 4113. Is there objection?

Mr. JONES of Washington. Mr. President, while technically under the rule the Senator from Delaware could not properly interrupt the Senator from Florida for that purpose, if the bill will excite no discussion, I shall make no objection to its consideration.

Mr. BAYARD. I will state the purposes of the bill, if the Senator desires me to do so.

Mr. JONES of Washington. If the bill takes no time for consideration, I shall make no objection.

Mr. BAYARD. It is a very short bill.

Mr. FLETCHER. If I shall not lose the floor by doing so, I am perfectly willing to yield.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. Let the bill be read, Mr. President.

The PRESIDING OFFICER. There being no objection, the Secretary will read the bill.

The Assistant Secretary read the bill (S. 4113) for the relief of Helene M. Layton, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helene M. Layton, administratrix, cum testamento annexo, of the estate of Lewis W. Mustard, deceased, the sum of \$2,852.43 by reason of an overcharge in connection with the estate tax on the above estate arising out of the requirement of the United States Court in China, at Shanghai, China, that the tax be paid by Edward H. Dunning, the executor in China, before the account of said executor could be closed.

Mr. BAYARD. May I state to the Senator from Washington—

Mr. JONES of Washington. I have no objection to the consideration of the bill if it may be passed at once.

Mr. KING. I hope the bill may be immediately considered and passed.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

After the conclusion of Mr. FLETCHER's speech,

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McFadden, Mr. Dale, and Mr. Wingo were appointed managers on the part of the House at the conference.

TAXATION OF NATIONAL BANKS.

The PRESIDING OFFICER (Mr. Ladd in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McLEAN. I move that the Senate insist upon its amendments, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. McLEAN, Mr. PEPPER, and Mr. FLETCHER conferees on the part of the Senate.

Mr. CARAWAY. Mr. President, in another body the curtain was rung down yesterday on a great farce. The headlines in the Washington Post of this morning read:

Daugherty cleared by House, 204 to 77.

Permit me again to say that there is a very great difference between the word "cleared" and the word "whitewashed." The words "cleared" and "whitewashed" seem to be used interchangeably. I am not criticizing the House; but it could not "clear" Mr. Daugherty. There are things that even the House of Representatives can not do. It can "whitewash" Mr. Daugherty, and it did it. It was no surprise. Everybody knew it was to be done.

I should not say a word about the matter at all if it were not for the heat with which the chairman of the Committee on the Judiciary of the House pursued the witnesses who had the temerity to appear against the Attorney General. He said in effect that if it were not for his kindness of heart he would have another Member of that body [Mr. KELLER] in jail until he talked as he—the chairman—wanted him to talk.

I should like to call attention to the fact, Mr. President, that Mr. KELLER and the chairman of the committee are from the same State. They are members of the same political organization, both being members of that nearly defunct political party called the Republican Party. They both submitted their claims to the people of Minnesota in November, both standing on their records. The chief effect, I understand, that each made in the election was to call attention to what had been his attitude touching the charges against the Attorney General. Mr. KELLER had insisted that charges should be investigated. Mr. VOLSTEAD, as chairman of the committee, had prevented the investigation. When the election was over Mr. KELLER was found to have received the largest majority that he had ever received, and, I understand, the largest majority ever given for a Congressman in that district. Mr. VOLSTEAD received several thousand less than a majority, and will hereafter have that rare experience for him of trying to make a living without being on the Federal pay roll.

Mr. WOODRUFF was also one of the men who had asked for an investigation of the Attorney General and his resolution had gone to the Committee on Rules. The chairman of the Committee on Rules, the gentleman from Kansas [Mr. CAMPBELL], after the committee had voted out the rule, put it in his pocket and refused to report it to the House, and intimated that the desire to investigate the Attorney General was purely political and cheap politics at that. Mr. WOODRUFF and Mr. CAMPBELL both belong to the same party. Both of them are members of whatever remains of the Republican Party. They each went to their people on the question of whether they had been wise or otherwise in dealing with the question.

Mr. WOODRUFF got every vote cast for Congressman in his district. Mr. CAMPBELL got all but a tremendous majority; he got a small minority. Mr. WOODRUFF will continue to represent his district in Congress; Mr. CAMPBELL will have to find something he can do outside of holding office.

Therefore I say that the committee can not clear the Attorney General. The committee can do what every colored man in my State does in the spring of the year—whitewash. It will not stay on quite as long as the "whitewash" we put on our cabins, but it is composed of the same material.

I am under no obligation to defend a Republican against a Republican. Ordinarily, I think about the only time we might with some confidence accept the statement of a Republican is when he is criticizing another Republican. But I would like to show who Mr. WOODRUFF is, whom the chairman of the Committee on the Judiciary on yesterday so contemptuously refused permission even to make a statement. I read from the Congressional Directory:

ROY ORCHARD WOODRUFF, Republican, of Bay City, Mich.; born at Eaton Rapids, Mich., March 14, 1876; educated in the high school at Eaton Rapids and Detroit College of Medicine, Detroit; received the degree of doctor of dental surgery from the latter institution; practiced dentistry for 10 years in Bay City; was elected mayor of Bay City in April, 1911, and was elected to the Sixty-third Congress in November, 1912; served as an enlisted man through the Spanish War with the Thirty-third Michigan Volunteer Infantry; served two years in the World War as an infantry officer, acquiring the rank of major during service in France.

I want to say again that he received every vote in November that was cast for a Member of Congress in his district. The chairman of the Committee on Rules received a truly small minority. What is more remarkable is the fact that on yesterday every Republican who defended the action of the committee in the other body, except one, had been given a commission to stay at home next year.

But these men, whose faith in people has gone since the people have withdrawn their support from them, find themselves now anxious to bow to the powers that be, the powers that can appoint, as we saw yesterday illustrated in the Senate on the street-car fare question. I tried to cure that situation by a resolution which suggested that defeated Members of either House ought not to participate in framing fundamental legislation.

It was said in the paper—and I am talking about that, only incidentally mentioning this other "body" in passing, not in a spirit of criticism, because I have no intention of doing that—that the—

Exoneration of KELLER's charges is complete.

It was said also in the article, following what has been quoted, that there was no evidence to sustain the charges and that witnesses, wherever they were suggested, could not be had. Of course they could not be had when the committee would not hear them.

I am not inclined to waste the time of the Senate in discussing these charges against the Attorney General. I shall merely ask permission to insert in the Record certain letters upon which I wish to comment briefly.

The PRESIDING OFFICER (Mr. LADD in the chair). Without objection, permission is granted.

The letters are as follows:

Hon. ROY O. WOODRUFF,
House of Representatives, Washington, D. C.

MY DEAR MR. WOODRUFF: Before bringing to your attention my memorandum to Col. Guy D. Goff, Acting Attorney General, dated March 13, 1922, and incorporated in your speech to Congress on April 11, I desired to be sure that Hon. H. M. Daugherty, the Attorney General, was personally acquainted with and fully informed as to all matters involved in the situation at the Department of Justice, in order that he might act in the premises if he desired to do so.

I was informed that Col. T. B. Felder was a very close personal friend of Mr. Daugherty, and I was brought in contact with Colonel Felder and explained the situation to him and requested him to call the attention of the Attorney General to the reports that I had filed and to inform him that unless he acted I would pursue the course indicated in the memorandum referred to. The next day I was called to the office of the Attorney General, and he stated to me that he had my reports before him, and I then ascertained that he had been personally acquainted with the situation.

The Attorney General stated to me that he would call me into conference on the following Tuesday, but I heard nothing further from him, and after waiting a sufficient time to give him every opportunity to act, I formally transmitted the matter to you, as is now well known. I might add that I had never known Colonel Felder before meeting him on this occasion and for the purpose stated, and subsequent thereto have only seen him casually until last night.

Yesterday I had a message from Colonel Felder to meet him in his room at the Shoreham Hotel, which I did last night, and in the presence of a witness I engaged with him in an extended discussion of conditions in the Department of Justice, of which I had complained. I stated to him that I had no animus against the Attorney General, but that I felt most bitter against the conditions which he was permitting in the Department of Justice. During the course of the conversation Colonel Felder stated that he had been retained as counsel for the Bosch Magneto Co. and that he desired to associate me with him in the case. He told me that he had been with the Attorney General

during the afternoon and had gone into the matter with him fully and that the Attorney General wanted him to see me. He stated that the Attorney General had agreed to cooperate with us and that he had also talked with Col. Guy D. Goff for an hour and a half during the afternoon, and that everything had been arranged for us to proceed.

Before leaving his room in the Shoreham Hotel, Colonel Felder stated that he was going to spend the night with the Attorney General at the Wardman Park Hotel and that they would talk about the matter until 3 o'clock that night. Each time Colonel Felder broached the subject of my employment I shifted the subject, and when we parted he asked me to do nothing in my fight until he could see me next day. When we parted Colonel Felder took a taxi for the Wardman Park Hotel and asked me to join him that far out on my way home, but I declined. This morning I received a letter from Colonel Felder notifying me that I had been retained in the Bosch Magneto case, a copy of which is hereto attached.

While I think it is eminently proper that a suit should be brought to set aside the Bosch Magneto sale, and while under ordinary circumstances I would have had no hesitation in being employed in the case, when Colonel Felder disclosed the fact that he had come to me from the Attorney General and with the arrangements that had been suggested, the impropriety of the proposal I consider reprehensible, and I desire that you be acquainted with the facts.

In order that there may be no misconception of my true position and intentions in the matter in case I am further approached, I am reducing the foregoing statement to writing and will have this letter duly witnessed.

Very truly yours,

H. L. SCAIFE.

SHOREHAM HOTEL, Washington.

DEAR CAPTAIN SCAIFE: Am obliged to return to New York to-night. Sorry I did not see you before my departure. I expect to return on Monday or Tuesday next, when I will complete our tentative arrangements. You may consider yourself retained in the Bosch Magneto case. We will discuss the details on my return.

Very truly yours,

THOS. B. FELDER.

The above letter was undated, but bears postmark of May 5, 1922.

Mr. CARAWAY. Captain Scaife, a man as to whose high character Members on the floor of the Senate have borne testimony, had formerly been an investigator in the Department of Justice under the present Attorney General. Because the Attorney General would not move in some cases where men who had perpetrated great frauds upon the Government and would not prosecute them, Mr. Scaife resigned. He would not be a party to a farce that pretended to prosecute people who had violated the law when in fact there was to be no prosecution of them. So he quit the department.

Thomas B. Felder, whose name, I presume, everybody has forgotten, but who at one time was an attorney in the State of Georgia until Georgia had a house cleaning, when he sought more congenial associates and went to New York, had had some dealings with the Attorney General with reference to procuring a pardon for Charles W. Morse, who was confined in the penitentiary at Atlanta. By the way, he is the same Charles W. Morse for whom the Attorney General had the Senator from Indiana [Mr. WATSON] so vehemently deny that he, the Attorney General, when in private practice had had anything to do in procuring a pardon, or that he had ever received a cent in connection with his, the Morse case. Afterwards, when I read his contract with Morse into the Record, which showed not only that he was attorney for Morse but had been paid for his services, or at least paid in part, the Attorney General had the poor grace to turn on his friend and supporter and say that the Senator from Indiana [Mr. WATSON] had misquoted him. Oh, he used stronger language than that, but I want to be decent about the matter.

But in fact he left the question of veracity between himself and the Senator from Indiana to determine each for himself. I think everybody who knows both of them, however, had no trouble in doing that. We all believed the Senator from Indiana, and necessarily disbelieved the Attorney General, because the Attorney General had given out so many contradictory statements about his connection with this case that his denial came too late to be accepted. However, I am wandering.

Felder came down here, as he had come on many occasions before. Whenever he had a case involving some violation of the Federal statutes, it seems that his practice was to see the Attorney General, and he had very good luck with his clients after that. He came here and, according to his own statement, entered into an agreement that he should become attorney for the stockholders of the old German Bosch Magneto Co. and bring suit against the Federal Government; that he and the Attorney General had agreed in advance upon what should be the result of the trial seems implied. He was required, so he said, to take Captain Scaife in with him. So a man working for the department went to see Captain Scaife and took him to the hotel where Felder was, and Felder there disclosed what he said had been an agreement. This is disclosed in the first letter set out above. He also said that he had been required to take care of Captain Scaife in this case and in some others in order that he might effect the settlement with the Attorney General. In the presence of at least one man representing the department—oh, but I will take that back; a man working for

Mr. Burns, who is at the head of the investigating department for the Attorney General—he suggested that Scaife should be paid \$10,000, one-half down and one-half when the case was terminated.

Scaife declined it. He was then offered \$12,000 to accept employment in this case. In confirmation of that statement, I desire to say that Mr. Felder was called away to New York that night, and he wrote Captain Scaife a letter. That letter has been in the Record for nearly a year. It has been commented on in both Houses and has never been either explained or denied. Mr. Felder wrote Captain Scaife a letter stating, "Go no further in your fight"—I am not quoting the letter exactly, but I will have the letter reinserted in the Record—"you may consider yourself employed in the Bosch Magneto matter." This is the second letter printed above. It was an attempt to retain him who had been the chief agent investigating the matter on the part of the Government to appear with Mr. Felder against the Government, representing the German stockholders of the German Bosch Magneto Co.

I repeat, that letter was never explained or denied. Having commented upon it, I then received a letter, among many others that Mr. Felder wrote me, in which he said if I would give him a chance he could satisfactorily show that his and the Attorney General's position were compatible, one representing the Government and the other representing the stockholders who were to sue the Government; that it was perfectly legitimate and compatible that they should get together and have him hire away from the Government—the Government's chief investigator—and then the controversy settled. He said also if I were inclined to be critical he would bring his clients—that is, the people who held the stock of the German Bosch Magneto Co.—here and show that the arrangement was perfectly proper. I put that letter in the Record months ago. I repeat, none of these letters has ever been explained and never been denied. All those matters were before the House investigating committee. They knew the witnesses, but not one of them was asked to testify.

If it be true, Mr. President, that the Attorney General of these United States may enter into a conspiracy with a lawyer representing hostile interests to settle a case at a cost to the people of millions of dollars, and that be entirely proper, of course the committee ought to have applied the whitewash brush very heavily. The people, I am sure, do not agree with that view, however. There is not a lawyer, I venture the assertion, before the bar in any State which is represented by a Senator now on this floor who would not have been disbarred had he been guilty of such conduct. The allegation goes unanswered and undenied, and yet the chairman of the committee put in all of his time denouncing those who made the accusations.

Mr. KING. Mr. President, will the Senator from Arkansas permit a question?

Mr. CARAWAY. I yield with pleasure.

Mr. KING. I wish to ask two questions, so as to save interrupting the Senator again.

First, was Captain Scaife, to whom the Senator has referred, actually in the employ of the Government with the knowledge of the Attorney General at the time Mr. Felder says he was directed by the Attorney General to confer with Mr. Scaife? That is the first question.

Mr. CARAWAY. No; he was not. Let me answer that question. If I left that impression I wish to correct it now. I thought I explained that Scaife had been connected with the Attorney General's office and had grown impatient and resigned. He could not even see the Attorney General, as is disclosed in his letter to WOODRUFF herein presented, until he got Mr. Felder to arrange for him to have an interview.

He could not speak with his own chief until Mr. Felder, who represented hostile interests, made an appointment with the Attorney General so that Captain Scaife might see him. He became disgusted with that situation and left the employ of the Government, and was trying to have Congress call the Attorney General to account for his failure to do his duty. Then Mr. Felder was sent to him, as I have shown, and said, in effect, "Come with me and you will receive \$10,000 in this Bosch Magneto case, and will be employed in other cases." The Senator from South Carolina [Mr. SMITH] knows Captain Scaife, who is a citizen of South Carolina, and the Senator knows whether he is a man of high character and ought to be believed.

Mr. KING. So far as the record shows, did the Attorney General know that Captain Scaife had been making the investigation for the Government and that as a result of his investigation the Government had instituted some suits or was pre-

paring to defend the suit which was about to be instigated against the Government?

Mr. CARAWAY. Yes. Captain Scaife left the service and wrote a letter to the Attorney General explaining why he was leaving the service.

Mr. KING. Mr. President, does the Senator from Arkansas have any information as to the final result of the case? Were the \$2,000,000 paid?

Mr. CARAWAY. No; they never proceeded further. After the whole affair became public the proceedings seemed to have stopped.

I do not care whether it is an impeachable act or not; but a member of the household of the Attorney General, in the presence of two other witnesses, speaking about the question of examining the mail of Representatives and Senators, said to me that he knew the Attorney General had the mail of Representative JOHNSON of South Dakota and Representative WOODRUFF, of Michigan, examined, and that among those who examined it was the negro chauffeur of the Attorney General, who seems to have been converted into a very great detective. He is almost the head of the Secret Service so far as examining into the mail of Congressmen is concerned.

For all these and many other acts the committee pardoned the Attorney General.

There is a court, Mr. President, before whose bar all of us have to go. The Attorney General, his chief, the members of the committee, the Members of the Senate—all of us must go before the bar of public opinion, before the constituencies whom we represent. I am sure that they will appraise accurately the relative merits of the people who are connected with this controversy. I should like to add that wherever they have had the opportunity to speak they have recorded their verdict in favor of the charges and against the whitewash; and that they will continue to mete out to each of us the deserts which we are entitled to receive I have no doubt. Therefore it makes no difference, and it is rather hypercritical to call attention to the fact that the Washington Post in its headlines declares "Daugherty cleared by the House." If the word "cleared" conveys the idea of what the writer of the article understands the word "whitewash" to mean, I have no objection at all.

In conclusion, Mr. President, I have no desire to criticize anyone in connection with the matter. It is not a closed incident, however, because I have lying right on my desk reports and copies of reports that touch very vitally the conduct of the office of the Attorney General. I have photostatic copies of letters which I have hesitated heretofore to publish; but as soon as I have time to arrange them in the order which I desire I may publish and let the public themselves judge as to whether the Attorney General has been "cleared" or "whitewashed."

RURAL CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. KING. Mr. President, I did not have the opportunity on yesterday of hearing the address of the Senator from Wisconsin [Mr. LENROOT] on the bill now before us. Doubtless he canvassed the points to which I am about to call his attention. May I inquire of the Senator whether there is a unanimous report upon the bill now before the Senate?

Mr. LENROOT. There is not. One member of the committee, the Senator from South Dakota [Mr. NORBECK], dissented and submitted a statement of his views.

Mr. KING. I inquire of the Senator whether the Senator from South Dakota was the only member of the committee who dissented from the report of the committee?

Mr. LENROOT. There is no other signature to the views of the minority. I am not myself a member of the committee, and so I really can not answer the Senator's question.

Mr. KING. A page has just handed me the views of the minority, which I have had no opportunity to examine, but I observe on page 2 the heading:

Inadequacy of the Lenroot bill.

Apparently this criticism of the Senator from South Dakota is based upon the proposition as stated in the views of the minority as presented by him that—

No regard is given to the well-known fact (that has again been demonstrated by the War Finance Corporation) that shortage of credit is more acute in certain districts than others, where there is an abundance of local and banking capital, so that only on rare occasions is assistance needed.

May I ask the Senator whether in his opinion there is justification for that criticism; whether or not his bill is a sort of blanket bill that extends exactly the same privileges, no more, no less, to each section regardless of the needs—the greater needs, probably—of some sections as compared with other sections of the country?

Mr. LENROOT. I will say that the bill provides for the subscription to the capital stock of \$5,000,000 for each one of the 12 existing land banks. The bill provides that one bank may use its funds for the business of another land bank, but it is optional and not compulsory. The bill also has a provision that if in any land-bank district the capital is not sufficient to meet the needs of agriculture, upon application of the Farm Loan Board, approved by the President of the United States, the capital of that bank may be increased another \$5,000,000; so the bill is designed to take care of the very situation of which the Senator speaks.

Mr. KING. Then the Senator believes that under the provisions of this bill, if an acute shortage of credits should exist in any of the 12 districts, sufficient elasticity is found in the bill to provide relief for that situation?

Mr. LENROOT. If in one land-bank district there is not a demand for credit, of course that bank naturally, if there is a demand from another land-bank district, will rediscount the paper of the other land bank. If there is a demand for the entire \$60,000,000, for instance, or an acute demand in some section, there is a means provided for doubling the capitalization, but I do not know of any way whereby we can go above that unless we simply take further sums out of the United States Treasury.

Mr. KING. The Senator will appreciate the fact that but few Senators are members of the committee reporting this bill, and they did not have the opportunity of hearing the numerous witnesses who testified; and I am told that a number of witnesses did appear before the committee, some of whom are experts of recognized standing in the United States. I regret to say that no Senator, at least on this side of the Chamber, has explained the provisions of this bill; and its defects, if there be any, have not been pointed out. So some of us who have been waiting for light are somewhat in doubt as to the wisdom of this bill and as to whether or not it meets all of the evils which it has been declared have existed in the past and which exist now with reference to the agricultural interests of the United States.

Mr. LENROOT. I will say to the Senator that I occupied two hours of the Senate's time yesterday in explaining this bill. Of course, I understand that the Senator does not criticize anyone. It was his own misfortune if what I said was worth listening to at all and he was not here to listen to it.

Mr. KING. The Senator understands that committees are in session now and were yesterday.

Mr. LENROOT. I understand.

Mr. KING. And many Senators, including myself, were compelled to be absent from the Chamber during the time that the Senator delivered his address.

Mr. LENROOT. I shall be glad to answer any questions that the Senator may desire to put.

Mr. KING. Then the Senator thinks that the criticism of the Senator from South Dakota, as I have just directed attention to it, is not sound, and that there is sufficient flexibility to meet any emergency that may arise?

Mr. LENROOT. The Senator will find, when he goes through the minority report, that the chief criticism of the Senator from South Dakota is that this scheme does not provide money enough for this personal-credit system; and that means, of course, that we must choose between something of this kind and taking four or five hundred million dollars out of the United States Treasury.

Mr. KING. The Senator knows that in the discussion of rural credits bills there has been and doubtless is a diversity of opinion as to whether a Government agency should be set up to loan Government money and to furnish newer capital, or whether provision should be made for the creation of proper corporations with private capital under governmental supervision for utilization by the agriculturists of the United States, to obtain necessary credits. May I inquire whether the bill now before us attempts to meet the criticism that I have understood was urged at one time against a measure which the Anderson-Lenroot committee proposed, namely, that it puts the Government into the loaning business or into the banking business? Does it put the Government into the banking business, or does it rather encourage the furnishing of capital by private individuals, under governmental supervision, to meet the needs of agriculture?

Mr. LENROOT. It does put the Government into the banking business not directly but very similarly to our present Federal reserve bank—not member banks but the Federal reserve bank.

Mr. KING. The parent or central bank?

Mr. LENROOT. The central bank. No provision is made for direct loans to farmers or to any other individuals. There has been, as the Senator says, diversity of opinion as to whether the Government should enter this field; but I have not heard from anyone, from the many, many witnesses that were examined both by the Commission of Agricultural Inquiry and by the Banking and Currency Committee, that any plan can be devised whereby the Government does not furnish the initial capital, except possibly in the case of large live-stock interests, which the Capper bill covers, where it is hoped that under that plan the large live-stock interests, having large resources, doing business upon a very large scale, can organize their corporations under Federal supervision and secure the money necessary; but it has not been suggested to the committee by anybody, so far as I know, that that plan can be carried out so as to be utilized by the average small farmer of the United States.

Mr. KING. Does the Senator know whether the committee considered the advisability and feasibility of so amending the Federal reserve banking system as to furnish the credits which the bill now before us seeks to supply to the agriculturists of the United States? The Senator will recall that some fiscal experts, some of our economists and students of banking matters, have believed that the Federal reserve system, devised primarily to care for the commercial interests of the United States, might be so expanded and modified as to furnish needed credits, credits which might be denominated commercial credits, in contradistinction to land credits, to the farmers and stock growers; that it could be expanded so that the paper of the farmers could be rediscounted and loans extended for a period of one year. Does the Senator know whether or not the committee or the commission with which he was associated in this investigation considered the feasibility of amending the Federal reserve law so that adequate credits of the character to which I have just referred might be furnished agriculturists?

Mr. LENROOT. I will answer the Senator by saying that this bill, as did the Capper bill, has a provision extending from six months to nine months the eligibility for rediscount of agricultural paper. With reference to that extension, I will say that the Commission of Agricultural Inquiry, which made its report more than a year ago, after a very exhaustive investigation, did not at that time make any recommendation that that paper be extended beyond six months. The commission took that action because of the fact that it was advised by the Federal Reserve Board and by bankers generally that the resources of the Federal reserve system were so largely loaned out, and there was such demand, that there was great necessity of keeping the resources as liquid as possible; and of course the Senator understands that this whole question of the term of paper is dependent upon the liquidity of it. We often hear it said that this class or that class furnish so much of the deposits, and therefore they are entitled to long-time loans. Of course, the first duty of any bank is to protect its depositors; and that is the reason, as the Senator well knows, why long-term paper generally is not feasible—because it can not be realized upon. Conditions have changed during the last year, however, so that now bankers generally and the Federal Reserve Board feel that that eligibility can be safely extended to nine months, but I do not think there is any opinion that it will be safe to extend it beyond nine months.

Mr. KING. Even a limited quantity of paper?

Mr. LENROOT. This bill and the Capper bill, too, limit it in this sense: Having in mind an emergency where it might be necessary to limit it, the power and the duty are given to fix the amount of such nine months' paper or over six months' paper upon a percentage of the assets of the Federal reserve bank.

Mr. McLEAN. Mr. President, I also call attention to the fact that the Lenroot bill proposes an amendment to the Federal reserve act which reduces somewhat the capital required by State banks and makes the system more inviting in that way to some of them. There are over 9,000 eligible State banks that have not come into the system. That amendment is, I think, in the Lenroot bill and the Capper bill.

Mr. LENROOT. Both of them; they are identical. I may say to the Senator from Utah, with reference to the amendments to the Federal reserve bank law found in this bill, that with one exception, which relates solely to land banks, they will be made the same as they were in the Capper bill, because

an agreement was reached in the committee as to what should be done; and so they were put in both bills with the idea that the first bill that goes through will contain these provisions amending the Federal reserve system, and they will be eliminated from the one that is behind.

Mr. KING. I observe on page 3 of the minority report submitted by the Senator from South Dakota, under the head "Establishment of separate agencies," what appears to be a criticism of this bill because a separate organization was not provided similar to the War Finance Corporation. May I ask the Senator whether that question was brought to the attention of the committee and whether emphasis was laid upon the proposition that there ought to be two agencies; that an organization devoted to dealing with land and the extension of credits upon land mortgages might not, by its training and its disposition toward the entire subject of credits, have the right slant, the right point of view, in dealing with paper of farmers, paper which might be denominated "commercial," in contradistinction to mortgages upon real estate?

Mr. LENROOT. That was very fully considered by both the Commission of Agricultural Inquiry and the Committee on Banking and Currency. One very prominent farm organization of this country favors entirely separate agencies if that could be brought about. There are two objections to a separate agency. I think it was Secretary Wallace who stated that a difference of 1 per cent in the interest rate paid by the farmer was equal to a 20 per cent reduction in his freight rates. If we establish entirely independent agencies, the cost, which, of course, is very large in gross, must either be paid by the farmers or come out of the Federal Treasury; and I do not think the Senator would maintain that, outside of the central organization, such as the Federal Reserve Board or the Farm Loan Board, the Federal Treasury should be charged with all the administration of a personal credit system. That ought to be carried by those who receive the benefit of it.

Mr. KING. I agree with the Senator.

Mr. LENROOT. We thought, and we were firmly convinced, that we could get a lower rate of interest for the farmer by having this system a department in an existing agency, and thus save all the overhead of an extra organization; and, in addition to that, it would take a year, in all probability, to establish and organize a separate agency, while this could be put into effect and operation almost immediately.

Mr. KING. This bill, then, utilizes existing organizations—

Mr. LENROOT. Yes; it does.

Mr. KING. And empowers them to extend credits to farmers under the conditions named in the bill?

Mr. LENROOT. I would be very glad to state, in a word, just what it does in that respect.

Mr. KING. I should be glad to have the Senator do so.

Mr. LENROOT. The bill sets up in each one of the 12 land banks a farm-credits department, with an initial capital of \$5,000,000 for each, provided by the United States Government. The credits department is managed by the present board of directors so long as the temporary board of directors shall be in control, but if a permanent organization shall go into effect, wherever the permanent board of directors shall control the affairs of the organization, the credit side shall be managed by the district directors only, or, in other words, those appointed by the Federal Farm Loan Board. The assets and liabilities of the credits department are entirely separate and apart from the existing system, and it simply runs as a separate department, with the same general officers, but it is, of course, expected that a competent manager would be appointed for each department in each land bank.

Mr. KING. Would dividends, if any are declared, be segregated? Are there two kinds of stock in the bank?

Mr. LENROOT. Yes; the stockholders of the farm loan bank, as it now exists, will have nothing to do with this part of the business.

Mr. KING. Then if losses should result in the administration of the provisions of this bill, the existing farm banks can not be affected?

Mr. LENROOT. They would not be affected in any way.

Mr. KING. Or the dividends affected?

Mr. LENROOT. No. That is expressly provided in the bill.

Mr. KING. Is there provision for two characters of stock and two kinds of stockholders?

Mr. LENROOT. No; the Government is the only stockholder.

Mr. KING. The Government is the only stockholder under this system?

Mr. LENROOT. That is correct.

Mr. KING. Is there any provision under which at any time the Government may cease to be a stockholder and the stock be acquired either by the agriculturists who borrow, or by any other agency, or any individual or corporation?

Mr. LENROOT. No; there is not, and I very frankly say to the Senator that at various times during the consideration of this measure the joint commission had that subject under consideration. After the fullest inquiry, this being not a profit-making institution—and if it is to serve the farmer, it must not be a profit-making institution—we could not find any feasible way to apply the present farm-loan system to this system, because there would not be subscriptions to the stock. This contemplates the principal benefit to the farmer through the medium of the banks, State and National, whether they are members of the Federal reserve system or not, but provision is made in the bill for the discount of paper of credit companies or corporations such as the Capper bill provides, so that if a bank is unwilling to serve its customers as it should there will be another means by which access can be had to this system. But banks are not going to subscribe to the stock of the Federal land banks for the privilege of doing that, and farm-loan associations are not feasible, as I think the Senator will see in a moment, because it would not be good business to allow 5 per cent subscriptions to the capital stock and then allow a farmer twenty times the amount of his subscription on his personal note, with no other security. Of course, so far as the land bank is concerned, we have the security of the real estate in every case, so there is a very clear distinction between the farm-loan association system as applied to real estate and any possible association as applied to a personal credit system.

Mr. OWEN. Mr. President, as I understand the Senator, the United States is authorized to subscribe a primary capital of \$5,000,000 for the farm credits department, and that then is permitted to build up a surplus, and from the time when it amounts to \$2,000,000, thereby providing a new going capital, 25 per cent in additional surplus goes to liquidate the original capital advanced by the United States, and the capital itself is being built up by three-fourths of the added surplus from time to time as it may be earned. Is that correct?

Mr. LENROOT. That is correct, and, as the bill now reads, until the capital furnished by the Government is reduced to \$1,000,000. I stated yesterday I would be willing to support an amendment that would still further reduce it, so that it would be only a nominal sum held by the Government.

Mr. KING. May I inquire of the Senator if he does not think there is some incongruity in engrafting upon an organization now in existence, which was created for the purpose of making real estate loans to farmers, and which provides for the ultimate absorption by the farmers of the stock, and the elimination of the Government as a stockholder from the organization, an organization such as is created by this bill, which embarks upon an entirely different enterprise, different in the sense that this makes provision for short-time credits and the other long-time credits upon real estate, and which retains the Government perpetually as the only stockholder?

Mr. LENROOT. Let me correct the Senator in one particular. The present law does not contemplate the Government being eliminated entirely at any time from the present farm loan bank system. All the present law does is to provide that when the subscriptions by borrowers are equal to the subscriptions of the Government, the permanent organization provided by the law shall go into effect and the Government stock be retired; but at all times the Government will have one-third of the board of directors.

Mr. SMITH. The Senator is speaking of a farm loan act, and not this bill?

Mr. LENROOT. Not this bill. The Senator from Utah asked if it was not incongruous. Under the proposed system the Government will have three directors all the time, and the bill provides that the three directors, who shall always be there representing the Government, shall manage the credit department.

Mr. SMITH. Mr. President, if the Senator from Utah will allow me—

Mr. KING. I yield.

Mr. SMITH. It is provided that the Government maximum for the 12 banks may reach \$160,000,000?

Mr. LENROOT. One hundred and twenty million dollars.

Mr. SMITH. Yes; \$120,000,000. There are 12 banks, and the provision is for \$10,000,000 each. After it gets to be a going concern, a certain percentage is set aside from the profits for a sinking fund, until that shall reach \$1,000,000. That means that the Government is still to be the only stockholder

in this credit department, but deriving its money from a different source than from the initial subscription?

Mr. LENROOT. Yes.

Mr. SMITH. The first coming from the Treasury and the other coming from the profits which accrue?

Mr. LENROOT. The Government's management will be the same, however, whether its stock is retired or not.

Mr. SMITH. This bill proposes that as the volume of business increases, if the institution should be a success, no limit shall be placed upon the amount of bonds or obligations which may be issued in furtherance of the accommodations to be extended?

Mr. LENROOT. Ten times the amount of the capital.

Mr. SMITH. And the ultimate capital is fixed at \$10,000,000 for each one of the Federal land banks?

Mr. LENROOT. It is fixed at \$5,000,000 initially.

Mr. SMITH. But \$10,000,000 ultimately?

Mr. LENROOT. That is correct.

Mr. SMITH. That would then give something like \$1,000,000,000, in round numbers.

Mr. LENROOT. One billion three hundred and twenty million dollars.

Mr. SMITH. That would be the entire amount available from all sources for carrying on the farm industries of the country. That source of credit it also supplemented by a slight liberalizing of the Federal reserve law as it now stands?

Mr. LENROOT. A very substantial liberalizing, as applied to this system.

Mr. SMITH. I shall not take occasion this afternoon, Mr. President, to go into this matter as fully as I intend to before the pending bill shall be disposed of. I have been considerably confused as to why there should be any hesitancy on the part of the Congress to extend to agriculture the same access to all the credits available under the Federal reserve act that it has extended to commerce. All of us know that the substitution of the Federal reserve act for the old banking and currency act was to furnish the people of this country with a flexible system of currency, safe in its basis of redemption, but also capable of meeting the expanding and contracting conditions which are incident to all business. Hence there was incorporated into this bill perhaps the one distinctive feature, namely, the power to issue upon the wealth of the country, put in the proper commercial form, a temporary form of currency, known as Federal reserve notes. They are clearing-house certificates. That is what they really are. We make our Federal reserve system the clearing house for the wealth of the country and, upon that wealth being put in proper form, there may be issued from time to time, upon these commodities as collateral, a certain form of credit known as Federal reserve notes.

Of course, the inertia of habit and the power of custom and the disasters which have overtaken us in the form of panics from time to time had made the banking world stand near the shore. Hence they insisted upon and demanded a short-time credit in the very best gilt-edge form. Ninety days was about the extent to which they felt safe to invest the available liquid currency of the country, even a per cent of it, for fear that something might occur and a panic would be precipitated, because the money supply might be tied up in 90-day paper, and before the 90 days should have expired disaster would have befallen them. We thought we had obviated the possibility of the recurrence of a panic by providing that the wealth of the country when in commercial form should be the basis of the issuance of this temporary form of credit.

I do not recall a time since the enactment of the law when the gold reserve was not amply sufficient to justify a further expansion of the circulating medium, the temporary medium, at any given time. The gold held in the country that was available for reserve certainly reached a most stupendous, colossal amount above the required reserve during the very time when the country was suffering most from lack of credit. I think I am correct when I say that I was informed by the Comptroller of the Currency that at one time in 1921 we had perhaps in excess of \$1,500,000,000 of free gold, gold against which there was not a single obligation, gold against which there was not a single reserve note. That \$1,500,000,000 of free gold in the country would have become something like three or four times the basis of credit on safe commodities plus the gold. It was not extended. I shall not take the time this evening to give my opinion as to why it was not extended.

What I want to say, with these few preliminary remarks, is that what the banking world has been afraid of under the old system was not a basis of fear under the new system. Under the old system the amount of currency that could be put into

circulation was as rigid and as unchangeable as the value of gold. It was absolutely fixed. So that a tying up of an appreciable amount of it in what they termed long-time paper left us really in serious danger of a famine. It is not so under the provisions of the new system. We may have under it, as we have heretofore experienced, a commodity panic, but I defy any Senator upon the floor to say that it is remotely possible, if indeed at all possible, that we should have a money panic under the present system.

As long as the country produces the marvelous wealth that it does produce, as long as national and international trade shall exist at all, we can not have a money panic under the Federal reserve system. Of course, under the policy of the governors or the managers we could have a commodity panic. We may deny credit, but the basis of unlimited circulation, practically speaking, is always in the hands of those who are managing our system. I think that would go without a challenge from anyone on this floor.

Now, that being true, why are we afraid to provide in our law that agriculture shall have a credit rediscount or a credit—leaving out the term "rediscount" so confusing to the ordinary lay mind—a credit of 12 months as against ordinary commercial transactions of 30, 60, and 90 days? That was largely the product of the old system. It would not be necessary under the present system. The liquidity of paper is based upon the rapidity with which the ordinary business is transacted. No producer and no manufacturer wants to hoard up his manufactured goods when, by a rapid turnover of his capital within 12 months, he would make in the aggregate turnover more than he would if he were to pyramid his manufactures and raise the price. He would run too many risks and it would be too doubtful. But as long as he can, with a reasonable per cent of profit, turn over his holdings rapidly, he would prefer the 30-day sale to anything like pyramiding. I say that is generally true of the manufacturers of the country.

Under our standardized system, or, I should say, under the standardization of commerce, the perfection which it has reached came about naturally. Under our wonderful systems of communication, transportation, and manufacture we have almost approximated an ideal condition of standardization, not only nationally but internationally. I dare say the manufacturers of this country know to-day almost every 10 minutes practically the consumptive potentiality of every consuming spot in the civilized world. They know where and when and how they can turn over their manufactured articles and get a per cent which, if turned over rapidly in the aggregate, would grant them a large return. We say we accommodate him with 30-day paper, that is one character of manufacturer; another with 60-day paper, that is another character; and another with 90-day paper, or somewhat the same with some little exigencies he desires to meet. But I maintain that even that arbitrary limitation of prime commercial paper under the new Federal reserve system is not necessary. It was necessary under the old system to safeguard against tying up the limited available circulating medium. It is not necessary under the present system, because the very commodity that we produce is in itself, under the genius of the Federal reserve system, capable of liquefying itself under the proper policy of the Federal Reserve Board. Not only that, but it is really a money-making process for the Federal reserve system.

If that be true, and I maintain that I have given a brief outline of the difference between the present system and the old system, why do we hesitate at all to extend 12 months' time of credit to agriculture? I maintain that under section 16 of the Federal reserve act, without jeopardizing a single dollar necessary for ample accommodation of commerce, we could accommodate agriculture for 12 months.

Mr. OWEN. Mr. President—

The PRESIDING OFFICER (Mr. STANFIELD in the chair). Does the Senator from South Carolina yield to the Senator from Oklahoma?

Mr. SMITH. With pleasure.

Mr. OWEN. What the Senator from South Carolina has said has very considerable force, because in reality commodities, under the modern system of banking, are substituted for gold.

Mr. SMITH. That is true.

Mr. OWEN. Forty per cent of gold is maintained, and then the commodity notes come in with 100 per cent commodities and 100 per cent of increased credit behind them in the Federal reserve system. So that, speaking apart from any other consideration, the securities would appear to be abundant. Since the securities are nonperishable, since they are marketable, since they are put in storage and are covered by

warehouse receipts, they themselves comprise as stable a form of security as gold itself, because they are convertible into gold upon the necessity arising.

The old system under which bankers thought that 30-day notes were more valuable than 60-day notes, and that 60-day notes were more valuable than 90-day notes, existed because they had no means by which they could get currency in case of a sudden demand. But now that currency is abundantly provided to expand in accordance with the needs of commerce, that requirement is abundantly met by the system itself, and the argument upon which the old theory was based that a 30-day note was better than a 60-day note has disappeared. I think it merely becomes a question of policy as to whether or not the credits should be extended so long a time that men might be induced to hoard commodities for a rise in value or something of the kind which can be controlled easily by the supervising powers conducting either one of the sets of banks.

Mr. SMITH. I am glad to have the position I have taken endorsed by such an authority as the Senator from Oklahoma. He has put in another form the exact idea that I had. He suggests that we should not so extend the time of discount as to invite hoarding. I think it goes without saying, or I think I have made clear—certainly clear to my own mind—that there are very few manufacturers who would desire to hoard if the market would absorb their turnovers as rapidly as they within reason produce.

Mr. President, I challenge any Senator to stand on this floor and state a reason why under the present commodity basis of credit we may not amend the Federal reserve law, since it has been tried and now found to be so splendidly workable, and extend credit to agriculture for 12 months rather than for 6 or 9 months. The Senator from Oklahoma very rightfully calls attention to the danger that might arise by extending too long a time upon certain paper, which would invite hoarding; but the Senator will agree with me when I state that though a period of 30 days is ample for certain forms of artificial production in this country, 60 days for other forms, and 90 days for still other forms, with no limit whatever upon their access to the credit facilities of the country, yet agriculture, which requires 12 months for the production of its products in the great laboratory of nature, is given but 6 months as the limit for paper which may be used as the basis for the issuance of Federal reserve notes, and a 9-month limit is denied.

Mr. McLEAN. Under the pending bill 9-month paper is eligible for rediscount if it is secured.

Mr. SMITH. I had overlooked that. The Senator from Connecticut now states that under the pending bill 9-month paper is eligible for rediscount under the proposed amendment of the Federal reserve act for the application of the issuance of Federal reserve notes.

Mr. LENROOT. If secured.

Mr. SMITH. If secured. Mr. President, that is conceding something. The fact is, it is an extension of three months beyond what I had at first a right or any ground to hope for. However, why restrict the period to nine months?

It takes the average agriculturist 12 months to produce for the manufacturing and consuming world the subsequent 12 months' supply. I can not understand why there should be given to a manufacturer all the time he requires to produce his commodities and to dispose of them under the operation of natural law and deny the agriculturist the same right, when the power of the law could accommodate him just as readily as it accommodates the manufacturer without jeopardizing the credit of the country one iota. Why do we desire under the flexible system of our present Federal reserve act to restrict agriculture? When the wheat crop is made and put in an elevator, properly stored and properly insured, it is then ready for distribution over the next 12 months. Why not grant to the producer of that commodity, who by the law of nature has to take 12 months in order to produce a 12 months' supply, a credit based upon his commodity and give the Federal reserve system the power to issue a sufficient amount of Federal reserve notes guaranteed by that commodity so as to enable him to distribute it through sale over the 12 months, as it took him 12 months' time in order to produce it?

I myself, farmer as I am, should hesitate to say that we ought to grant the rediscount privilege to 12 months' paper on an agricultural commodity if the amount of circulation that could be issued were limited and restricted; but there is no such limitation; the only limitation is the wealth which agriculture can produce. It is like a cork on water—when the water rises the cork rises, and when the water recedes the cork recedes. With the volume of agriculture expanding, why come in here with little bits and chunks and chips and special little subterfuges for the farmer? Why not open the door to

the ample credit provided under the present Federal reserve system and give the farmer the same access to the issuance of Federal reserve notes and the credit of the country as is given to others?

The farmer makes the basis of all our credit; and as the farmer increases the number of his cattle and the quantity of his wheat and of his wool and his cotton, the basis of the issuance of Federal reserve notes increases; so the farmer is producing the very basis upon which circulating medium shall be furnished to the country. Ample provision has been made under the 30 and 60 and 90 day issues of Federal reserve notes for those who convert the farmer's raw material into the finished product. By the same token, why should the farmer be denied accommodation for the time during which nature has provided in which he must dispose of his production, if he disposes of it profitably?

Why is a six months' limitation suggested? It is said, "We are afraid to tie things up"; but nothing is tied up, because the very commodity in the warehouses and in the elevators is the basic substitute for gold, for the issuance of credit to enable the farmer to dispose of his products in 12 months.

Let us be more specific and get right down to the real issue involved. A manufacturer in order to complete a certain form of transaction needs but 30 days. He has been amply provided for; all the credit of America is placed at his disposal on 30-day paper. Another manufacturer will require 60 days, and he has been amply provided for with unlimited credit and access to every member bank and trust company of the reserve system, which is as wide as is the credit of America. So has the manufacturer who needs accommodation for 90 days been provided for. Bear in mind that we had 30-day, 60-day, and 90-day paper, because previous to the passage of the Federal reserve act we had a fixed and limited amount of circulating medium. Under this bill the commodity itself—the volume and value of it—becomes the basis of the issuance of currency known as Federal reserve notes. In the case of the farmer it requires 12 months for him to produce; he labors for 12 months; he assumes liabilities for 12 months; and then within 30 days the accumulated fruits of 12 months are realized in the form of a crop that is harvested. It takes 12 months to dispose of that crop. Somebody must finance it. The Government has come royally to the support of commerce and has provided ample facilities in order that it may take advantage of the flexible features of the Federal reserve system; and yet it denies to agriculture the right to liquefy its assets, which it took 12 months to produce, and refuses to give to agriculture an opportunity to distribute the marketing of its product over the 12 months, for 12 months is the growing period of its product, and 12 months is its marketing period, as contradistinguished from the 30, 60, and 90 days. I maintain that it is an insult and a reflection on the agricultural and live-stock raising interests of this country that we stand here and stultify ourselves by denying them the use of the very principle in the bill that safeguards every penny of credit that might be extended while we pour out an unlimited volume to others.

I do not wish anybody to misunderstand the position I am taking. I am not inveighing against manufacturing and commerce; I am merely saying that we have provided ample means of credit of which they may take advantage in the shape of a splendid and flexible financial system, but for some inscrutable reason the door has been shut in the face of agriculture. Why? What danger would there be if we should write into the Federal reserve act a provision to the effect that the officers of a member bank in the system might apply to the Federal reserve bank for the issuance of Federal reserve notes for 12 months' time, based upon commodities in the warehouses and elevators of this country in which are stored farm commodities produced in the preceding 12 months' period, and thus give these producers credit and time sufficient to market their products? No one supposes that the farmer would attempt to pile crop upon crop, for he knows that when the day of sale comes the world can only consume a 12 months' supply. What he would do would be this: He would upon this credit thus extended to him be the financier of his own crop and sell it as his judgment dictated and not be forced to liquidate by virtue of the burden of debt incurred in its production.

Mr. KING. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. KING. I was called from the Chamber and did not hear all of the remarks of the Senator. May I inquire whether his position is not this: That the Federal reserve system may be so amended and expanded as to furnish a basis for credit to farmers commensurate to that which is furnished to the manufacturing and commercial interests of the United States?

Mr. SMITH. Let me restate my position to the Senator.

Mr. KING. I am interested, though, in knowing whether the Senator thinks we ought to create more agencies or give the present agency greater power.

Mr. SMITH. This body and the one at the other end of the Capitol should take the present system and provide unchangeably and unmistakably that agriculture shall have equal access to the credit facilities of this country on the same footing as other industries, so that its peculiar needs may be accommodated as those of commerce have been accommodated.

Mr. KING. I agree with the Senator; but what I am trying to get at is: Does the Senator think that can or can not be done under the Federal reserve system by amending it?

Mr. SMITH. Certainly. I started to say we hardly need to amend it; but we ought to take away certain discretion that is now unfortunately exercised by those who have it in charge. I state without fear of contradiction that the five members of the present Federal Reserve Board could in 24 hours relieve agriculture and furnish it all the credit it needs safely and without jeopardizing a dollar, and do it at rates of interest that would make the country blossom like the rose.

Have we forgotten that the basis of the Federal reserve notes is the wealth of the country and that the volume of Federal reserve notes that can be issued is only measured by the production and actual wealth of the country? Then, why furnish ample facilities to one part of the producing and commercial element and deny them to another, when they could be granted to the other without jeopardizing a dollar or restricting the currency? Aye, there is the rub; it would not restrict the currency or the amount available for other people, but when the needs of agriculture shall be met by the temporary loan of the Federal reserve notes the volume will be increased and the lending of somebody else's money will be jeopardized. There is the rub.

The time is not far distant when the people of this country, understanding the principle of the Federal reserve system, will rise up and put it into operation, if they have to clean the stable from the house down. It is here, it is in the Federal reserve act, amply safeguarded.

Mr. NORRIS. Mr. President, may I interrupt the Senator there?

Mr. SMITH. Certainly.

Mr. NORRIS. The Senator's contention, as I understand, is that the Federal reserve act does not need amendment, but does need different administration?

Mr. SMITH. I do make that contention in a way. I do not wish to put it exactly in that form, but I will say I do in a way; but we need to extend to agriculture the time that agriculture needs, which is at least 12 months. I said before the Senator came into the Chamber that the limitation of 30, 60, and 90 day paper was brought over from the old system, when we had but a very small volume of currency and no way to get any more. It was as restricted and rigid as the eternal law of gravitation; but when we passed this law we made the possible volume of currency in the form of Federal reserve notes as great as the volume of wealth produced in this country—no greater, but as great as that. Now, if agriculture produces its pro rata, under certain conditions, that bill would meet it if you and I understood it and had the courage to demand it. Thirty, sixty, and ninety day paper, as I said, was only arbitrarily prescribed because under the old laws of 1864 and 1870 they were afraid to give any longer time, for fear the majority of the currency might be tied up in 90-day paper and some fellow might corner the market and produce a panic. A panic can not be produced now. I defy any man to say that under the Federal reserve system a panic can be produced.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. SMITH. Certainly.

Mr. NORRIS. If I get the Senator's position—and I have talked with him privately about it a good many times, as he knows, and I think I understand what his views are—but to get it down to a concrete proposition there are two things we ought to do with the Federal reserve system in the Senator's estimation—to give ample relief to agriculture as well as to business. One of those is to have men in charge who have the right viewpoint, and the other is to amend the law so that the limitation that is now in the law will be extended to at least 12 months.

Mr. SMITH. Surely; that is right.

Mr. NORRIS. That will give a complete remedy.

Mr. SMITH. That is right. Now, just let me explain this to the Senator, because I may be a thousand miles away, but if I am my mental limitations are such that when I helped in part to frame this law, when I wrote part of one of the sections with my own pen at my own desk, I was delighted with the idea that we had at last, through the composite brain effort of

loyal, patriotic citizens, cut the Gordian knot and turned the people loose; and how had we done it? In place of having a simple metallic basis for the issuance of currency, and no other, we had substituted a commodity basis for temporary currency, known as Federal reserve notes, to be extended for what length of time? For the length of time that ordinary business said was necessary between the time of production and the normal time of distribution and consumption. Then the amount of notes that had been issued to you for your accommodation during the period when you desired to market your stuff would be returned and a like amount canceled, so that as rapidly as the volume of the wealth was converted into consumption or passed into actual use the amount of Federal reserve notes was reduced by that amount.

That meant that if I went to the Federal reserve bank and through the application of the Federal reserve agent there was issued to me upon a commodity \$1,000, when I sold that commodity for \$1,000, or whatever margin I realized beyond that figure, and went to my bank and took up my note which secured the issuance of the Federal reserve notes for \$1,000 there were canceled \$1,000 of Federal reserve notes; so that the 30, 60, and 90 day paper is no longer a necessity in the ordinary transaction of business, because of the fact that the wealth in the process of consumption and use is represented by clearing-house certificates known as Federal reserve notes.

Now, I ask you this question: If a certain form of business which can turn over its affairs in 30 days comes and asks for a 30-day credit, covering the time in which the man buys his raw material, converts it into finished products, and sells it, we accommodate him. We open every avenue of credit in this country and turn him loose in it. We do the same for 60-day paper and the same for 90-day paper. We say: "We must have these short-time, quick, convertible assets," because we are afraid of what? We can not have a panic now—we could before—as a result of tying up our currency in long-time paper. We can not now, because as long as wealth is here, under the law we can issue a liquefying circulating medium to represent it, and we are on a commodity basis now as against a metallic basis before.

Now agriculture comes along and says: "Why, that is fine. It takes me 12 months to produce. I do not sell some along, but it takes me 12 months to get all my production ready for market. In that commodity I have a 12 months' supply for the next 12 months. It will take me 12 months to sell it. It takes this manufacturer 30 days, that one 60 days, and this one 90 days, but it takes me 12 months. Now, it is not going to jeopardize the volume of your currency a bit; it will increase it. I ask for the issuance of Federal reserve notes to me for 12 months to liquefy my production, as you give the other fellow 30, 60, and 90 days."

That is all there is to it. And whom have you hurt? I have produced the actual basis upon which the law says you can issue this temporary credit. The manufacturer simply converts it. I produce it; and yet the man who calls his wealth actually into existence where it did not exist before is discriminated against in favor of the man who simply changes the form of the wealth.

Instead of coming in here with an expedient such as the Capper bill—of course, if we can not get anything else we must take some crumbs that fall from our master's table—I maintain here this afternoon that we ought to sweep into the wastebasket every one of these subterfuges and write in three years for live stock and one year for agricultural commodities produced in the field and give them the same liberal advancement of Federal reserve notes or credit that we do the others.

What are we quibbling about here? Is it possible that those who have the volume of wealth, as evidenced by a hearing before a committee of which I am a member, in the oil business—God help us!—where fortune after fortune is piled up until it staggers the imagination, the men who furnish my tractors with the gasoline on which they run, the men who furnish the fuel for the trucks that carry in part the commerce of this country, shall have an unholy dividend and return while we, who feed and clothe and shoe the world, must come here on bended knees and beg for a crumb that falls from our master's table? It is a disgrace to the American Senate. It is a reflection on those who would stop us at the door of our opportunity. It is an everlasting reflection on those who put their hands on this flexible, splendid system, and distorted it to the sacrifice of American agriculture.

Mr. OWEN. Mr. President—

Mr. SMITH. I yield to the Senator from Oklahoma.

Mr. OWEN. I was simply going to observe that in the matter of letting credit by the banks of the country they loan credit to a borrower who comes in seeking credit, and they

manufacture credit by taking his note as a good security and entering a deposit and giving him a deposit slip. They create, then and there, a credit. The credits which are established under the Federal reserve act are safeguarded by that act with actual commodity values, merchantable and nonperishable. That act, by doing this, has converted merchantable, nonperishable commodities into valid credits, and therefore has increased the power of America as a creditor nation by building up credits on a gigantic scale, so that the resources of the banks, which were only about twenty-five billions when this system was established, are now over fifty-six billions, because credits have been created through a recognition of the merchantable value of commodities in transit. When these commodities are recognized as a proper basis of credit and when credits are issued against them they appear as deposits, and they may be loaned back and forth; and as long as they remain upon that basis of stability they are sound—just as sound as if they were based upon gold—because these merchantable, nonperishable commodities are convertible into gold at will.

Mr. SMITH. May I ask the Senator a question right there? The very moment that those who have the administration of this law begin to create a doubt in the minds of the people as to their willingness to recognize it as a basis of credit and to extend the credit, they destroy its credit basis and its market value and produce just what we went through in 1920-21.

Mr. OWEN. There is no question about the destructive effect upon the value of commodities when you deny credits, because you can constrict credits and thereby prevent the purchase of these commodities, you can constrict credits and thereby prevent the production of these commodities, and you can constrict credits and prevent the transportation and exchange of these commodities, all of these factors going to break down the value in the markets of these commodities themselves; and, therefore, striking at the very toproot of credit, you break down confidence in the country.

Mr. SMITH. And striking at the very genius of the present law.

Mr. OWEN. It strikes at the spirit and purpose of the Federal reserve act, which was intended to give stability to credits and not to be used as an agency by which credits could be impaired and broken down.

Mr. SMITH. Mr. President, I had not intended to say even this much this afternoon. I wanted my constituents and my colleagues here to understand that before we do this thing we ought to be fully advised as to what we are doing. Before we place the devoted agricultural interests of this country in the attitude of mendicants in their own home, in the attitude of beggars at the door of their own production and wealth, we had better understand what we are doing.

I do not believe that the educated agriculturists—and they are all more or less educated now—will longer stand this condition under which they are suffering.

Mr. President, I want to call the attention of the Senate to this fact, which perhaps we are overlooking; we are in a brand new world and do not know it. We are in entirely brand new circumstances and do not know it. We are in an age as divorced from every other as if we were in another world, and it seems as if our stupidity is forcing us to legislate for conditions which have passed and gone forever, and which our legislation will not fit.

Mr. KING. The Senator has in mind the fact that we are now a creditor nation, have most of the gold of the world, and that the rest of the world is in economic chaos.

Mr. SMITH. Precisely; that is one of the conditions, and another is this, that your grandfather and mine, if they were fortunate enough to get a college or a university education, found the training of their logical faculties devoted largely to a very scanty knowledge of philosophy, Greek, and Latin, and physics in a very crude form.

Mr. OWEN. The rule of three and the pons asinorum.

Mr. SMITH. They were attempting to train the mind of a young man in Greek, not that he expected to use Greek in his everyday affairs as Greek, but those who were doing the training knew that that was a language which expressed thought, a beautiful language, and that certain variable forms of words in a sentence determined the kind of a sentence it was, and they did not get the meaning unless their minds were so trained as to understand the logical relation of one word to another, and then they interpreted it and got the meaning. The young man did not use the Greek out in life, he forgot it; but the logical habit of his mind stood him in good stead in the conflict of life.

What about to-day? The most ignorant negro who works in a garage is coming in contact with the logical relation of facts

more powerful and potent than ever a Greek accent or a Greek form, because if he puts together certain factors the engine runs; if he does not, it does not run. Even though he may not read and write, he is being educated logically more powerfully than were our grandfathers who studied Greek.

Mr. OWEN. I think that is true.

Mr. SMITH. In every department of our life science has established a practical university and made the veriest laborer a beneficiary of logical reasoning. That would be enough to advance us materially beyond our forebears, but in practically every State there is compulsory education.

As I have said before, knowledge of figures and letters no more constitutes education than fruit jars constitute fruit. Real education is the power to think logically, reasonably, and consecutively, and the even step of science with the unfolding of education has given the power to learn the forms in which education may be preserved, as well as giving the substance of it in practical illustration, and from the lowest hut to the highest castle we have unequaled opportunity for real education, and you will not hold the man in bondage by juggling words over a Federal reserve act. That is what I have come to. It can not be done. I am not here holding any brief for anything except the good old democratic doctrine, clear-cut and contradistinguished from socialism or communism, that each man under the law has an opportunity as God has invested in him, and not as somebody happens to invest in the Standard Oil Co. or in a national bank; that every door of opportunity shall not be shut, because a certain percentage must be made by the capitalists regardless of whether or not agriculture falters and dies.

That is the plea I am making, and I have not come here with some wild-eyed scheme. I hailed the advent of the Federal reserve system as the liberation of the toiling masses of this country, by making it possible for credit to be extended to the producers of wealth, those entitled to it, and not distorting the policy so that its wonderful power and flexibility makes a money panic impossible, but makes a commodity panic imminent. Those who own the banks may go on and do this thing, but they are piling up wrath against the day of judgment.

As I sat and listened to those enormous, staggering figures of profits made out of one of the ordinary necessities of modern organized life, I thought how foolish those men were. Are they going to force us to choose between two evils, the concentration and control of the necessities of life by the greedy individual, or control by the Government? It is not the people clamoring for Government control; it is these everlasting profiteers and greedy men, who are laying such burdens on the people that we are driven to either pay tribute to them in unholy amounts or turn the industries over to the Government and risk our chances with that policy.

If they are wise in their day and generation, they will be perfectly satisfied with a reasonable return, which we want them to make, and would like to encourage; but these colossal fortunes are piled up, and you and I are denied even the very credits provided for, and are told to come in at some back or side door, or, perhaps, we are told, "We will let you have \$5,000,000 under certain good conditions, providing you go through a bank, and then through that bank to a trust company, then through that trust company to another one, and shed some of the money as you go. If you open your mouth, sir, you are ruined."

Mr. OWEN. Mr. President, in drawing the alternative between Government ownership and private ownership as a means of correcting this evil, unless these gentlemen who have been drawing extraordinary profits are willing to take a reasonable profit, I think perhaps the Senator overlooks the power and the ability, and perhaps the duty, of the Government of the United States and the State governments, to say to those who are exercising monopolistic powers that they shall be content with a reasonable profit, and to provide the mechanism by which to restrain them, leaving the ownership in private hands, but protecting the public by a reasonable allowance of profit to those who are conducting these enterprises which control the necessities of life.

Mr. SMITH. We have not been very successful with that process. It seems as if the enactment of every law for the control of human greed is seized upon by the nimble wits of those men in the employ of those making inordinate profits to be turned into a breastwork behind which they are then immune from the law. Witness the Sherman antitrust law.

Mr. OWEN. If the Senator will pardon me, the Sherman antitrust law proceeded upon the theory that a monopoly was a public enemy, and that a monopoly ought to be treated as a criminal. That has never been successfully carried out as a matter of fact. In Germany, where they use the cartel system,

they recognize monopolies as having been constructed under modern conditions, and they insist upon a fair charge to the public, which will give a fair reward to capital and safety to capital, while protecting the public. We never have really established that system in America, or anything which compares with it.

Mr. SMITH. That is true. That distinction ought to be made whenever we are discussing the Sherman antitrust law, because the distinction between the German form under the cartel and the American form was that the German form allowed the individual to go on but restricted the return he might make, while here in America we look upon a combination as a criminal thing, when it may not be.

Mr. OWEN. In the comment of Mr. Rowe on the testimony given by Mr. Stewart of the Indiana Standard Oil Co., he called attention to a computation made by him that \$100 invested in that company some 10 or 12 years ago was now worth \$37,000, because of dividends, and then dividends upon dividends, until the investment multiplied itself. Whether that computation is accurate or not I do not pretend to know, I am merely calling attention to it, and to what Mr. Stewart himself said in the public press immediately afterwards. I will not attempt to give his words, but the substance of what he said was that the time had come in this country when capital must recognize the rights of other people; the rights of those who labor, the rights of the consumers; otherwise that it was laying up a day of wrath for itself, just as the Senator suggests.

Mr. KING. Mr. President, apropos of what was said by the Senator from Oklahoma [Mr. OWEN] in referring to the cartel system in Germany, I would like to have the RECORD show that notwithstanding the cartel system, which did attempt to restrict profits, the Thyssen group and other groups have accumulated stupendous fortunes, perhaps as fabulous and as colossal as those which have been accumulated by the Standard Oil and other corporations and individuals in the United States. How they have done it I am not quite able to state, but it is a fact that Hugo Stinnes, for instance, accumulated, before the war and since the war, a fortune perhaps larger, in proportion to the wealth of Germany, than the fortune of any man in the United States.

Mr. OWEN. Mr. President, I would like to call the attention of the Senator to the fact that under the cartel system, under which a reasonable profit is charged, those who handle any commodity find that there is an enormously increased consumption of that commodity, because it is sold to the people at a fair rate, and therefore while their percentage of profit on the turnover may not be very large, the volume of their business being greatly expanded, they make as much money that way as they would in any other; but they do it by rendering service to the country, and not by interfering with production, and by preventing people from being able to get the necessities of life except by paying two or three or four hundred per cent. They really make a surplus under that system which the public can afford to pay them.

Mr. KING. I do not doubt that what the Senator has said is accurate. I am merely calling attention to the fact that even under the cartel system of Germany the accumulation of large fortunes has been permitted. The huge turnover and the profits derived in the packing business is an example in the United States. The enormous turnover, notwithstanding a very small amount is made upon that turnover, in part, it is said, accounts for the huge fortunes which have been made by those interested in the packing business.

Mr. SMITH. I think perhaps I shall have occasion to say something more on this subject before the pending bill shall pass. I honestly confess that I feel humiliated, as a Member of the United States Senate, that I have to be forced to be a party protesting against the humiliating spectacle, to which we have been subjected for the last two or three years, of trying to get some roundabout way to serve the basic industry of this country. It is a reflection, if not a disgrace, upon every Senator sitting upon this floor that we have not fearlessly fixed this splendid system so that it would serve the purpose for which it was created.

Why, Mr. President, to show how there gets to be a habit of thought in reference to the man in the sticks, we provided under the rehabilitation of the War Finance Corporation that agriculture should have 12 months' credit through its cooperative societies. Senators will remember the fight we had as to whether the War Finance Corporation should cater to the individuals, or should cater to the individuals through a bank and through their cooperative society. At that stage of development I stood for the cooperative plan. There is a form of contract now existing with reference to the cotton cooperative marketing association, providing that the farmer must dispose

of one-eighth or an average of one-eighth of his holdings each month, which means that he must dispose of all of it within eight months, when the law was supposed to give him 12 months. What better advertisement for the exploitation of the poor fellow whose cotton constitutes that pool than to serve notice on the public that each month one-eighth must go on the market? It is compulsory. What better advertisement would we want to put his head in the halter than that?

Now, I propose, unless that contract is modified, to offer an amendment to the War Finance Corporation act, providing that the cooperative society deriving financial loans from the War Finance Corporation shall have the right to sell in such quantities and at such times as they see fit within the 12 months. Of course it would be the duty of the War Finance Corporation to watch the trend of the market or to make loans upon such a margin as that they would be secure. Surely the net is spread in vain in the face of the bird. If we are going no further than we have, and if we compel him to sell one-eighth of his crop each month, he will be certain to have the prices so fixed that it will not be disposed of for his benefit.

Mr. President, I must apologize to the Senate for the length of time I have taken. I hope I have contributed something to clarify the situation, and I shall again speak upon the subject before the bill becomes a law.

Mr. OWEN. Mr. President, there is one item in the bill which I can not approve, although I would like to say that I regard the bill itself as a distinct step forward. I regard it as providing a number of exceedingly useful features, and while it might be accomplished in some other way I am grateful for the opportunity of participating in passing a measure which I believe will be of service to the country, although I do not think it meets the conditions as fully as it is highly desirable they should be met. If there were proper time and occasion, I think it could be very much improved. I think that the granting of the primary credits, for instance, of \$5,000,000 to each of the banks and the establishment of a farm-credits department are very useful and valuable features, and I give it full-hearted approval both as to the purpose and as to the belief that it will serve a very useful end.

I have always thought of the reserve act, however, as an act intended for public rather than private purposes, as an act which ought to give stability to credits rather than to be used to destabilize credits; that the banks were not intended to be money-making banks, but that the capital which was furnished by the members of the system in the form of the reserve should be content with a reasonable profit upon the reserve. But they already, in the short time since the banks were established, have earned 100 per cent. That has been employed as a surplus and has been passed into the capital as a part of the earnings of the bank. That has already been accomplished. Six per cent interest has been earned besides, which has been paid to the banks, I believe, without exception. I have not recently examined the figures, but I think that has been done without exception.

Mr. McLEAN. May I say to the Senator that the Dallas bank has not earned a surplus of 100 per cent?

Mr. OWEN. It has not?

Mr. McLEAN. No.

Mr. OWEN. I did not intend to say that the banks had all earned 100 per cent. They had all earned 6 per cent and I thought nearly all of them had earned 100 per cent which had gone to surplus.

Some time ago the Congress provided that the banks should be content with 6 per cent earnings, but I observe that a 3 per cent additional earning has been given in the pending bill, on the theory that the banks, I suppose, ought to have a larger return.

Mr. LENROOT. Oh, no.

Mr. OWEN. I shall be very glad to know what the theory is.

Mr. LENROOT. The only theory or purpose of that was to give an inducement or incentive to the smaller State banks which have not come in to come into the system. There was no other purpose than that. There are, I believe, some 9,000 State banks not yet members of the Federal reserve system.

Mr. OWEN. Most of those State banks make their terms for accommodation through some national bank with which they are affiliated in one way or another, and while they do not pay directly to the system, I take it that the national banks which extend accommodation in the matter of existing rates see to it that they get their compensation from that source. Many of the State banks, I know, put their deposits with the national banks, and the national banks, out of their deposits thus obtained, expand the deposits in the reserve system.

Mr. LENROOT. It is true a great deal is done in that way, yet I think the Senator will agree that it would be very desir-

able to get the small State banks directly into the reserve system.

Mr. OWEN. I think it would be desirable to have them come in. All the great State banks and great State trust companies, of course, are in the system now. The Senator undoubtedly is referring to the little banks with small capital.

Mr. LENROOT. I am; and they are the ones who are primarily serving the agricultural needs.

Mr. OWEN. Those small banks have not come in to any great extent. But the provision to which I have referred gives a charge of 3 per cent additional upon the entire capital which is invested, which includes, I take it, the surplus which has already been accumulated of 100 per cent.

Mr. LENROOT. That is true.

Mr. OWEN. It means in reality more than 9 per cent upon the capital which is invested in the bank, so that the 3 per cent in reality represents twice that amount.

Mr. McLEAN. I will say to the Senator that 9 per cent is, however, below the average earnings of the banks of the country. We felt that it was important to invite the eligible State banks into the system and also to prevent banks which are already in the system from going out, as some of them are doing.

Mr. OWEN. I am very sure, although I have not seen the figures recently, that there can not be any substantial loss of membership in the system.

Mr. McLEAN. Nothing very substantial.

Mr. OWEN. Only enough for argument, perhaps.

Mr. McLEAN. One or two banks within the last two or three months.

Mr. OWEN. There must have been some particular reason why they left, and not because they were not receiving the additional 3 per cent on their ownership.

Mr. McLEAN. Probably that is so, but 9 per cent is below the average, which did not seem to the committee to be unreasonable.

Mr. OWEN. Six per cent is regarded by all the States of the Union, nearly without exception, except where the element of insurance enters into the question of the loan, as being a fair rate to earn.

Mr. McLEAN. Yes; a fair rate, but we are talking about profits now.

Mr. OWEN. I am talking about profits, too. This is an investment in the stock of the reserve banks which already has been doubled by the earnings in a few short years.

The reason why I call attention to the purpose of the Federal reserve act being to stabilize credits is because we saw that an inflation period took place. That was unavoidable because of the war, but it was not restrained as it might have been if we had had a sufficiently extended period of experience in handling the reserve system. We permitted an inflation period to go on, and we found that that went to an extreme, so that when the reaction of prices took place immediately following the war in 1919 and 1920, we reversed that policy rather suddenly and the consequence was we made an industrial depression more severe than otherwise it would have been. But if we hold out the idea of using the banks for the purpose of making profits, I think it would have a tendency on the part of those who are controlling the banks to extend credits for that purpose in order to earn profits, which I do not think ought to be done. I do not believe any credit should be extended by the banks except where it is essential to protect our industrial life and our commerce, because they are the reserve of business. They are not like the ordinary bank capital.

Mr. LENROOT. I am entirely in agreement with the Senator upon that point. It is just a question of whether the benefits to be gained by getting the small State banks into the system are sufficient to warrant the increase in the rate of dividends.

Mr. OWEN. I do not believe the State banks who are now not coming into the system would be led in by an increase of 3 per cent in the amount of interest they would get on what they might hold. For instance, let us take a bank with \$10,000 capital and with, perhaps, \$50,000 of deposits. Such a bank, putting in a reserve of 10 per cent, would have—

Mr. LENROOT. But a bank with \$10,000 capital would not be eligible.

Mr. OWEN. Under the system it would be increased to \$25,000, I believe?

Mr. LENROOT. Yes.

Mr. OWEN. Then, take such a bank of \$25,000 capital, with \$150,000 deposits. Nine per cent of that would be about \$13,000, and 3 per cent on \$13,000 would be really a very small amount. I do not think it would be sufficient to induce the small banks to come into the system. When we come to take that out of the commerce of the country on the gigantic amount which is already in, it is imposing a tax upon the commerce of the coun-

try for the favor of the banks at large that does not justify the purpose in view. Am I wrong about that?

Mr. McLEAN. Does the Senator think that would be reflected in the discount rate?

Mr. OWEN. I was not speaking of the discount rate.

Mr. McLEAN. That is where they get their profits. Does the Senator think an additional 3 per cent on the capital—

Mr. OWEN. I was only speaking of 3 per cent on the investment of a \$25,000-capital bank. It would be a very limited amount that they would get from it.

Mr. LENROOT. The profit comes out of the discount rate.

Mr. OWEN. But the Senator was speaking of inducing them to come into the system by giving them this additional rate. I am pointing out that it would be so small that I doubt if it would accomplish the end in view.

Mr. LENROOT. On the other side the query comes, Would the inducement of a 3 per cent rate influence the bank to give a lower rate of discount than it otherwise would for the purpose of making additional profits? I am frank to say I do not consider that vital.

Mr. OWEN. I do not think it is important to the bill at all. I think it might be very readily augmented. I am making this comment on it now because I know that the farmers of the country feel that the banks are already taxing commerce beyond the point of endurance. I, of course, have a very sympathetic relationship with the banks themselves. I established the first bank that Oklahoma had. I am still a director of it. I have been a stockholder in it and I am still interested in the banks from that end. But I do not believe it is a wise thing to put such a provision in the bill. A similar provision, in substance, has already passed in the Capper bill.

I merely wanted to express my dissent. That amounts to about all I wish to do, yet I would move, in order to modify the dissent, to strike out in section 7, page 13, in lines 16, 17, and 18, the words "when net earnings exceed 12 per cent an extra dividend of not to exceed 3 per cent may be distributed to stockholders, and" so that it would read:

And thereafter the remaining net earnings, if any, shall be paid to the United States as an additional franchise tax.

I offer that as an amendment and ask that it may be printed and lie on the table for the present. I shall bring it up later.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

APPOINTMENT OF POSTMASTERS.

Mr. WILLIS. Mr. President, a few days ago my friend, the junior Senator from Tennessee [Mr. McKellar], who, I observe, is now in his seat, made a statement concerning appointments in the Post Office Department. It was very interesting, but I felt sure at the time that the Senator was somewhat mistaken as to the facts so far as they related to the State which I in part represent. I immediately called upon the Post Office Department and asked them for a statement of the facts touching appointments showing the percentage of appointees who had been taken from the highest on the list, and so forth. I ask unanimous consent to have that statement from the Postmaster General printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., January 26, 1923.

Hon. FRANK B. WILLIS,
United States Senate.

MY DEAR SENATOR: In accordance with your request on the 19th instant, I am furnishing certain data regarding the appointment of postmasters at offices of the first, second, and third classes from March 4, 1921, to and including January 20, 1923.

The total number of appointments was 9,465. Of these appointments, 1,353 were promotions from the service, 276 of those promoted being women and 6 ex-service men; there were also 1,126 women appointed from eligible registers, 1,250 ex-service men appointed from eligible registers; and of the total number of 7,493 appointments from eligible registers 4,166 were the first on the register. Four hundred and fifty appointments were made where no eligibles were secured, 98 of these being women and 5 ex-service men. One hundred and sixty-nine appointments were made where examinations were not held, which included reappointments, appointments in the Territories of the United States, etc., 51 of these being women.

The total number of appointments in the State of Ohio was 336. Of these appointments 40 were promotions from the service, 11 of those promoted being women. There were also 34 women appointed from eligible registers, 46 ex-service men appointed from eligible registers, 142 were first on the register. Ten appointments were made where no eligibles were secured, one of these being a woman. Five appointments were made where examinations were not held, which included reappointments, etc.

In this connection my attention has been called to statements regarding the appointment of postmasters at Gainesboro and Rutherford, Tenn.

Regarding the appointment of a postmaster at Gainesboro, the records show that only one eligible was certified as a result of an

examination for postmaster at this office. In view of this fact the department recommended the promotion of Mr. Joseph M. Dudney, a rural carrier at Gainesboro since September 1, 1907, his record being clear. As the Civil Service Commission reported that he was eligible for promotion, his nomination was submitted to the Senate on December 20.

Regarding the post office at Rutherford, Tenn., the records show that as a result of an examination held on August 13, 1921, the following were certified as the highest three eligibles:

William W. Taylor (preference).
Lowell C. Rickman (preference).
Terrence A. Bone (preference).

Subsequently the Civil Service Commission requested that the papers of the examination in this case be returned to that office for review. After reviewing the papers in the case the commission advised that all of the ratings previously given had been changed, and submitted a revised register, as follows:

Mrs. Claris E. Akin.
William W. Taylor (preference).
Lowell C. Rickman (preference).

Mr. Lowell C. Rickman withdrew his candidacy in a telegram dated March 27, 1922, making Terrence A. Bone third on the register.

Mrs. Claris E. Akin, the first eligible, was nominated on April 31, 1922, but failed of confirmation, and she was appointed acting postmaster, effective July 17, 1922. Again on November 23, 1922, Mrs. Akin's name was submitted to the Senate, but was rejected by that body on December 4 last.

The question of the appointment of some other person as postmaster at this office is now receiving consideration by the department.

Very truly yours,

HUBERT WORK.

Mr. McKELLAR. Mr. President, in reference to the statement presented by the Senator from Ohio [Mr. WILLIS], I wish to call attention to a statement that was made here by the Senator from Nebraska [Mr. NORRIS] the other day in reference to the appointment of postmasters through civil-service examination, in which, as I recall, the Senator from Nebraska said that both parties had violated the civil-service rules.

Just before the last administration went out of power the then Postmaster General sent out a letter in order to ascertain the political affiliations of postmasters who had been appointed under civil-service rules during the Wilson administration. Some time ago the Senator from North Carolina [Mr. SIMMONS] placed in the RECORD a statement which shows that substantially about 45 per cent of all the postmasters appointed under the civil-service rules under the Wilson administration were Republicans and about 55 per cent were Democrats. That included, of course, the 11 Southern States, where a very large preponderance of Democratic postmasters were appointed. Not counting those 11 States, in the remainder of the country a majority of the postmasters appointed were Republicans in their party affiliations. I should like to have printed in the RECORD, so that it may appear in connection with the statement which has been printed at the request of the Senator from Ohio [Mr. WILLIS], the statement to which I have referred.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

OFFICE OF INFORMATION,
POST OFFICE DEPARTMENT,
February 26, 1921.

Since the President's order of March 31, 1917, applying the non-partisan civil-service test to the selection of presidential postmasters, appointments to these offices have gone to the candidate first on the list of eligibles furnished by the Civil Service Commission, and the Post Office Department has had no record indicating the political affiliations of the several successful candidates.

The assertion has frequently been made that this order has not been conscientiously administered. To show whether this charge is true and to ascertain just how the application of the civil-service principle has operated in eliminating partisanship and establishing service as the standard of fitness for appointment, the following letter was, on February 12, 1921, addressed to postmasters who have been appointed under this system:

"On March 31, 1917, the President issued an Executive order whereby appointments to presidential post offices were made as the result of an open competitive examination, the result thereof being certified by the Civil Service Commission to the Postmaster General, who submitted to the President the name of the highest qualified eligible for appointment, unless it was established that the character or residence of such applicant disqualified him for appointment.

"In accordance with this order you were appointed postmaster, the appointment being based solely on merit, as shown by the result of the examination. It is now claimed by some that in making these appointments the department has shown discrimination for political reasons. The department is without knowledge of the political affiliations of those appointed under the Executive order, as politics was not considered. It will be to the interest of the service to demonstrate that there has been an impartial administration of this order. As all appointments have been submitted to the Senate, it can not affect the selection or appointment of anyone, and in order to enable the department to answer this charge, which is unfounded, you will state in the space below your political affiliations.

"It is not desired to know how you voted in any particular election or whether you voted for any particular candidate, but the party with which you usually affiliate."

There have been three points of attack upon the Post Office Department in an effort to discredit the sincerity of the President's order applying the civil-service principle to the appointment of residential postmasters. This disposes of the last of these attacks.

The first allegation was that the eligible having the highest standing was set aside and some one of lower standing appointed where party politics could be served by the attack. This charge was dis-

posed of by citation of the record, which showed that of 1,560 appointments then made 1,454 had gone to persons whose names appeared first on the eligible list submitted by the Civil Service Commission, and that where the first eligibles were not appointed it was because of their death, declination, or some disability.

The next false accusation was that the Post Office Department failed to recognize the preference given to ex-service men under the law. In response to a resolution of the Senate on this subject the Postmaster General submitted a list showing the names of applicants for these offices who passed successfully the examination held by the Civil Service Commission. Applicants certified to the commission as entitled to preference on account of military service having been nominated to the Senate for confirmation, the department appointed either first eligibles or gave the preference over first eligibles to veterans according to the demands of the best interest of the service.

The Postmaster General's reply to this resolution gives a list of 218 nominations sent to the Senate, but not confirmed, who were entitled to preference for military service, 90 of the nominees not being the highest eligibles. There is also given a list of 49 who for sufficient reasons were not given preference over the higher eligibles, some having declined or withdrawn their applications, some disqualified by age, some being canceled by the Civil Service Commission, and some for some other disqualifying cause.

The records show statistically that there has been no political bias in making appointments under the President's order of March 31, 1917; that the first eligible has invariably been appointed unless disqualified, and that preference has been given to eligibles with military service except where this could not be done without injury to the service.

Replies have been received from 2,103 postmasters to the letter above set forth, which, of course, removes beyond cavil the question of their party affiliation. These replies cover every State in the Union and show that, including all sections, 1,012 appointees were Democrats, 907 were Republicans, 32 were Independents, 10 were Prohibitionists, 3 were Socialists, 129 had no affiliation, and 10 failed to state their affiliation.

Omitting the 11 Southern States of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Texas, and Virginia—overwhelmingly Democratic in their population—the equation stands 598 Democrats, 846 Republicans, 28 Independents, 9 Prohibitionists, 3 Socialists, 95 without affiliation, 9 blank, and 6 dead.

Even in the 11 almost solidly Democratic States a considerable number of Republicans received appointment as postmasters under the application of this civil-service order. In Alabama 6 Republicans were appointed postmasters, in Arkansas 5, in Florida 7, in Georgia 6, in Kentucky 5, in Louisiana 4, in Mississippi 1, in North Carolina 9, in South Carolina 2, in Texas 11, and in Virginia 5.

In States where the population is more evenly divided between the two great political parties, the appointment of Republicans frequently preponderated. In California, 33 Republicans and 14 Democrats were appointed; in Colorado, 10 Republicans and 15 Democrats; in Connecticut, 10 Republicans and 5 Democrats; in Delaware, 1 Republican and 2 Democrats; in Idaho, 11 Republicans and 5 Democrats; in Illinois, 62 Republicans and 33 Democrats; in Indiana, 19 Republicans and 29 Democrats; in Iowa, 63 Republicans and 19 Democrats; in Kansas, 29 Republicans and 20 Democrats; in Maine, 18 Republicans and 10 Democrats; in Maryland, 4 Republicans and 10 Democrats; in Massachusetts, 20 Republicans and 6 Democrats; in Michigan, 46 Republicans and 16 Democrats; in Minnesota, 55 Republicans and 15 Democrats; in Missouri, 18 Republicans and 54 Democrats; in Montana, 25 Republicans and 10 Democrats; in Nebraska, 55 Republicans and 21 Democrats; in Nevada, 2 Republicans and 1 Democrat; in New Hampshire, 7 Republicans and 4 Democrats; in New Jersey, 21 Republicans and 11 Democrats; in New Mexico, 3 Republicans and 7 Democrats; in New York, 40 Republicans and 36 Democrats; in North Dakota, 26 Republicans and 16 Democrats; in Ohio, 34 Republicans and 29 Democrats; in Oklahoma, 26 Republicans and 61 Democrats; in Oregon, 11 Republicans and 5 Democrats; in Pennsylvania, 55 Republicans and 37 Democrats; in Rhode Island, 1 Democrat; in South Dakota, 27 Republicans and 18 Democrats; in Tennessee, 8 Republicans and 24 Democrats; in Utah, 4 Republicans and 4 Democrats; in Vermont, 3 Republicans and 3 Democrats; in Washington, 23 Republicans and 10 Democrats; in West Virginia, 10 Republicans and 31 Democrats; in Wisconsin, 54 Republicans and 7 Democrats; and in Wyoming, 10 Republicans and 3 Democrats.

One Prohibitionist, 1 Socialist, and 1 having no affiliation were appointed from California. One Prohibitionist and 1 of no affiliation were appointed from Idaho. In Illinois there were 1 Independent, 1 Prohibitionist, and 7 of no affiliation. In Iowa there were 2 Independents, 1 Prohibitionist, and 9 of no affiliation. In Kansas, 1 Prohibitionist and 9 of no affiliation. In Massachusetts, 2 Independents. In Michigan there were 2 Independents and 4 of no affiliation. In Minnesota, 2 Independents, 1 Prohibitionist, and 7 without affiliation. In Missouri, 1 Independent and 4 without affiliation. In Nebraska there were 2 Independents, 1 Prohibitionist, and 11 without affiliation. In New York there were 1 Independent, 1 Socialist, and 3 without affiliation. In Ohio, 2 Independents and 5 without affiliation. In Oklahoma there were 2 Independents, 1 Prohibitionist, and 3 without affiliation. In Texas there were 2 Independents and 8 without affiliation. In South Carolina, 1 Prohibitionist and 1 without affiliation. In Vermont, 1 Independent, Virginia, 2 without affiliation. In Washington, 1 Independent and 1 without affiliation; and in Wisconsin, 3 Independents, 1 Prohibitionist, and 4 without affiliation.

The non-partisan operation of the President's order applying civil-service rules to these appointments is indicated by the correspondence conveying this information, as well as by the statistics assembled. One postmaster writes, "At time of my appointment I was Republican county chairman," and another says, "Have been Republican county chairman for 10 years." Another Republican postmaster says, "The charge of political discrimination by your department is unfounded."

Another Republican postmaster writes:

"I was one of the six who took the examination for this position. I was the only one who was a Republican; the rest were Democrats; two boasted of party influence. I simply took the exam. I had taught in grammar and high schools; been superintendent of schools for 25 years, and for 2 years had been treasurer and head bookkeeper of a corporation doing some thousands of dollars a week of business. I felt if I did not get the position there must be something wrong about

"civil service," but I got it, although in the "wrong" party. I never voted a Democratic ticket in my life." * * *

Another Republican writes:

"I am returning to-day answer to your inquiry as to my party affiliation. I do not think, however, that the mere statement that I am and always have been a Republican is sufficient answer in my case to the inquiry."

"For 40 years I have edited Republican newspapers in * * *. More than 30 of those years I edited newspapers in this city. They were not merely Republican in name. I was regarded as a radical, uncompromising, "stand-pat" Republican. With that record I entered the contest for the * * * post office when it was announced that civil-service rules would govern the appointment."

"When the Civil Service Commission made its report I was the highest on the list, and my name was certified to Postmaster General Burleson, who promptly recommended me for appointment, and President Wilson at once made the appointment as recommended. If there is any question or doubt as to the fairness or consistency of the administration in living up to its pledges in this line, my own case should be sufficient to prove the doubt groundless. I desire to give my testimony as to the absolute fairness of the department in making these appointments."

After stating his party affiliation, one says:

"I feel that I should further state that I have affiliated with the Republican Party for the past 20 years."

"So far as I have been able to ascertain, the question of politics did not enter into either the examination or my subsequent appointment to this office."

One of those who disavowed any political affiliation said:

"The commission certainly never showed political favoritism in my appointment. The other candidate was a Democrat, while I lived with my father, who is a lifelong Republican and has been the judge of every election in this place for 20 years."

Another letter from a Republican shows that a very narrow margin of superiority in his rating was sufficient to secure his appointment. He says:

"I wish to state that I was appointed because I made the highest grade in the competitive examination, beating the next highest by only fifty-five one-hundredths of a point."

"This appointment came promptly and without the use of any outside influence, and I consider that the department has lived up to the letter and meaning of President Wilson's wise order."

A Republican writes:

"I received the appointment but did not accept; but I always felt that the order was administered impartially."

Another Republican says:

"I believe it my duty to express my candid and sincere belief in the impartial administration of the Executive order of March 31, 1917. Long before I received my appointment and up to the present time I have followed through the press the action of the department in making appointments, and it is my frank belief that it has been impartial in every respect."

A postmaster who reports himself as being a Democrat says:

"William took the examination at the same time I did. * * * We were competitors for the office. He was an ex-service man, wounded in 'no man's land,' and a Republican. My standing was much higher than his in the examination, but he was appointed postmaster at this office. I was glad of it; would not have taken the examination had I known he was going to take it. He resigned and I was appointed in his stead."

A Republican writes:

"I was treated with absolute fairness in every step of procedure from the time of taking the examination until I received my appointment as postmaster. I shall be glad to render any further aid in this matter that you may see fit to ask. The merit system as established by Executive order should be retained as a permanent thing or part of the Postal Service."

An independent writes:

"The records of the department will show that my appointment was bitterly opposed by the pie-eating Democrats and indorsed by the leading business men regardless of political faith. * * * On account of this opposition there was one or more investigations, and your inspector called on every business house in the city and got a personal expression from them on my appointment."

"Have voted for the following men: Bryan, President Wilson, Senator CAPPER for governor and Senator, and Governor Allen. This is why I was not considered a deserving Democrat, and the chairman of the Democratic central committee did all in his power to prevent my appointment."

Another postmaster says:

"I have always been a Republican, first, last, and all the time, and nothing was said in my application or any correspondence from the department relative to my politics, and if the matter was ever discussed at any time I had no knowledge of it and am sure that the department did not know my party affiliation at the time of my appointment."

One postmaster says that prior to his appointment it had been reported in his community that appointments were being made without regard to the civil-service order, and that he was urged to believe that he would stand no chance of appointment on account of not being a Democrat:

"I refused to believe such information"—

he says—

"for, having read the Executive order very carefully, I reached only one conclusion, that merit alone would be the deciding factor. And the results proved my decision, for had it not been for the Executive order under which I took my examination with an equal opportunity with all the other candidates, I would not be the postmaster at * * * to-day. For, being a Republican, I would have had no chance if the matter was to be decided politically."

"I am frank to say that I fail to see where there are any facts to base this criticism upon. In fact, if it was to be political and one party favored, then why was the order issued?"

"In the judgment of the writer, while a Republican, and should any changes be made, the postmaster stands in line for continuous service, yet I believe the order was one of the finest things issued from the Executive Office, for it removes all political squabbles for the postmasterships and places them upon a competitive basis. The result will be, not as often would happen, incompetency, but highest efficiency. I sincerely hope that the new administration will go one step farther and place the postmasters under the classified civil service. This will be a great step forward."

"I will further add that when I took my examination I was warned in writing by the commission not to mention religion or politics anywhere."

"It would certainly be of interest and value, I think, if the result of your inquiry could be sent to all the postmasters."

Another Republican whose appointment came as a surprise says:

"The inclosed communication does not call for more information than stated on the blank spaces, but I think my case is just a little different than most appointments. I served four terms as postmaster in this office from 1898 to 1914. When the postmaster who succeeded me resigned I was requested by patrons of the office to take up the examination. I could not see any reason for appointing a Republican, but to test the new rule of civil service I submitted my papers and was very much surprised when I received notice that I was at the head of the list and was appointed postmaster. There certainly was no political influence in my case. Had I known that the post-office appointments were going back to politics, I never would have given up a good position to come back."

Another says:

"I desire to advise that absolutely no political, religious, or fraternal affiliations were mentioned in the appointment of the postmaster at * * *. I have been a lifelong Republican and received my appointment solely on merit after passing the highest grade in the civil-service examination for the position."

One postmaster says:

"I am in possession of three commissions signed by Republican Presidents for postmaster at another office of the third class, and at the examination held for postmaster at * * * the other applicant was a Democrat and chairman of the precinct committee, so I can truthfully state that there was no discrimination shown in this case for political or other reasons. The Hon FRANK W. MONDELL will verify that he has recommended me to the previous appointments as postmaster under a Republican administration, and am satisfied that the ruling of March 31, 1917, was strictly adhered to in this case. Any further information will be cheerfully supplied."

One of the postmasters who is a Democrat writes:

"I am glad to state that in making my appointment the department adhered strictly to the presidential order of March 31, 1917. The department had no knowledge at that time of my party preference, as I made no reference thereto on the papers I submitted with my application. As a matter of fact, I had the combined opposition of both major parties in my own town, and also the opposition of the Congressman from my district. Had the appointment been made from a political standpoint I certainly would not have received it. My appointment was due to the fact that I received the highest grade in the competitive examination."

An independent says:

"Have always been strictly an independent in politics, not affiliated with any political party, but guided entirely by the issues and men presented in each campaign. Have twice voted for a Republican President and three times for a Democratic President. During the past 20 years, with one or two exceptions, I have supported the Republican Members of Congress, and generally speaking have supported the Republican State ticket. At the time I was appointed postmaster here my appointment was strongly opposed by every Democratic politician in the State."

In another instance of a Democrat being appointed the postmaster writes:

"When the civil-service examination was held to fill the position as postmaster at this office four applicants contested; three Democrats and one Republican."

"The Democrat who had the indorsement of the Democratic organization, and who had secured the appointment as acting postmaster at this office, stood third in the examination, and the Republican stood fourth, and I stood first, and in compliance with the Executive order I was nominated for the position."

"The department did not know or ask what my political affiliation was. I am convinced I could have never secured the appointment on a political basis."

A Republican writes that he was rejected by the local board in August, 1917 (draft), because of bad eyes and that his attention was called to the President's Executive order relative to the competitive appointment of postmasters and advised to take the examination. Of the four applicants who took the examination, he says:

"The other three were affiliated with the Democratic Party and two have been candidates for other offices. I and my father before me have always been affiliated with the Republican Party."

"No information was asked of me at any time as to my political affiliations, and I can say further that the Democratic committee from this precinct worked for one of the candidates and that a friend of another of the candidates who happened to be at the Capitol, made a special call in the interests of his friend, and I can also say further that one of the applicants also had petitions signed by about 25 asking for his appointment."

A Democrat, explaining how he got into office says (names being omitted):

"Politics did not enter into the appointment of the postmaster at * * * in any way."

"* * * A Republican had charge of the office at the beginning of the present administration. Soon after his time expired and an examination was held to fill the vacancy."

"He * * * and I * * * took the examination. His grade was three or four points higher than mine and he was given the position and held it five years. His health failed and he appointed his son * * * assistant."

"The office was then raised to the third class and an examination was held for third-class postmasters to fill the position at * * *. This son * * * and I took the examination. But before the appointment was made * * * resigned to take a better position in a bank, and I was appointed postmaster."

"There was no politics in it at all. It was not even suggested. The same thing happened at * * *. A Republican and a Democrat took the examination. The Republican was given the position because he passed the best examination."

It is frequently said in letters by postmasters who avow themselves to be Democrats that no political influence was used to secure their appointments and that though they were Democrats their political affiliation was not known or inquired into. One Democrat says:

"In connection with the inclosure I might say that I filed my application for the local post office, passed the examination, and was appointed and confirmed without at any time writing or asking anyone either in public or private life for any assistance. My politics could

not have been known to anyone handling the matter unless such persons on his own initiative discovered what my politics were and if this was done I do not know anything about it."

One Republican postmaster closes his communication with this suggestion:

"The Republican Party will do well to copy the Democratic Party in the matter of post-office appointments. A lot of my friends thought there would be no use for me to take the examination for postmaster on account of being a Republican, but politics did not enter into the matter at all. The Democratic Party has been very fair, as far as I am concerned, and the Republican Party will make a mistake if the old political spoils system is employed in making post-office appointments."

Mr. LENROOT. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield to the Senator from Wisconsin.

Mr. LENROOT. Has the Senator from Tennessee separate figures as to first, second, and third class post offices as distinguished from fourth-class post offices?

Mr. McKELLAR. I have not examined the statement with care, but I think so. However, I call the attention of the Senator from Wisconsin to the statement which will be found printed in the RECORD in the morning.

Mr. NORRIS. Mr. President, I do not intend to detain the Senate now by going into the civil-service question, which the Senator from Ohio [Mr. WILLIS] and the Senator from Tennessee [Mr. McKELLAR] have incidentally brought up, but the Senator from Tennessee referred to a statement made by me the other day and has offered some document to be printed in the RECORD, to which I have no possible objection, I presume in partial answer to what I stated.

Mr. President, I merely wish to say that so long as Senators and Representatives defend the party to which they belong in the administration of the civil service law and only complain when the opposite political party is in power we will never get very far in a fair administration of the civil service.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. I hope I did not misquote in any way the Senator from Nebraska. I did not intend to do so.

Mr. NORRIS. I do not think the Senator did.

Mr. McKELLAR. I wish to say to the Senator that I think he is correct in his statement. I think it is the duty of Senators on both sides of the Chamber to see, to the best of their ability, that the civil-service rules are carried out, whatever may be the administration in power. I merely produced the figures embodied in the document presented by me because they seemed to give the other side. I have no doubt that under the Democratic administration there were violations of the civil-service rules when there ought not to have been.

Mr. NORRIS. Mr. President, I have called attention to many such violations from time to time, and I do not intend to go over them again now, but I wish to call attention to just one instance of the many to which I have heretofore called the attention of the Senate. I refer to the Government Printing Office. I presented to the Senate or had printed—and I think the statement was printed in the CONGRESSIONAL RECORD; it ought to have been, if it was not—two columns from the page of a newspaper referring entirely to the Government Printing Office and showing demotions and promotions, and in every case a Republican was demoted and a Democrat promoted. That was under a Democratic administration. It has been the same way, to a great extent, everywhere; and one reason why is because, although we promise the people that we will enforce the civil service law fairly, when we get into power we forget our promise and do not do it.

I have, Mr. President, not defended my own party in that respect. I said the other day on the floor of the Senate that I thought we had done worse than the Democrats, so far as post offices were concerned; that it looked that way to me. We either ought to make good our promises or stop making promises, one or the other, and we ought to be just as ready to condemn violations of the civil service law where they are perpetrated by members of our party or officers of our party as though they were perpetrated by somebody else. But whenever a charge is made against a Democratic administration we see Democrats coming to the relief, and whenever a charge is made against the administration of a Republican official of the civil service we see Republicans coming to the relief.

I believe in the civil service; I think we must have it in order to have an efficient Government, but I have repeatedly stated that I have perfect respect for those who do not agree with me; they may be right, but I think they are wrong. If, however, a majority of Congress thinks they are right, then we

ought to wipe off the statute books the civil service law and stop pretending something which we do not believe and claiming a virtue which we do not possess.

CORWIN'S ARTICLE ON TAX-EXEMPT SECURITIES.

Mr. WALSH of Massachusetts. Mr. President, this week's issue of the New Republic contains a very able article on "Tax-exempt securities," by Edward S. Corwin, professor of jurisprudence at Princeton University and the author of several books on constitutional law. The article reviews the decisions of the Supreme Court on this question. In view of the constitutional amendment in reference to tax-exempt securities which is now pending in Congress, it seems to me that the article is a valuable contribution to the discussion of the subject, and I ask that it may be printed in the RECORD in 8-point type.

There being no objection, the article referred to was ordered to be printed in the RECORD in 8-point type, as follows:

TAX-EXEMPT SECURITIES.

That a Constitution framed for an agricultural community with a population of 3,000,000 should still, after 135 years, furnish the basis of government for a highly industrialized Nation of 110,000,000 souls, the majority of whom are city dwellers, is a frequent theme for marvel; and the explanation usually forthcoming is that the decisions of the Supreme Court have kept the Constitution flexible—have, in the words of Chief Justice Marshall, "adapted" it "to the various crises of human affairs." The explanation has unquestionably this limited truth: The Supreme Court has not always, or even generally, followed the narrowest possible reading of the Constitution. On the other hand, it should be remembered that the court is not an originating body, that the utmost it can do is to ratify what Congress or the President has initiated, and that its distinctive rôle is one of control rather than of instigation. Furthermore, there are occasions when desirable policy encounters constitutional difficulties which are clearly not due to the Constitution as it would be construed by an intelligent man reading it at first hand, but to a sophisticated gloss upon it to be found in the decisions. For instance, consider the growing embarrassment with which the ever increasing quantity of governmental bonds exempt from taxation confronts both the National and the State Governments to-day. I venture to suggest the question whether a constitutional amendment is really necessary to meet this situation—whether, in other words, the Constitution is not already a good enough Constitution so far as this matter is concerned.

The Constitution is the supreme law of the land; constitutional law—the decisions of the court—is only derivative law. The whole body of doctrine upon which the exemption of governmental securities from taxation rests—so far as such exemption is not a voluntary donation from a State or the National Government—is simply judge-made law, for which the text of the Constitution furnishes not a single peg; and what is more, it is to-day judge-made law which later law from the same source goes far to discredit.

The starting point is furnished by the famous decision in *McCulloch v. Maryland* (4 Wheaton, 316; 1819), in which the court, speaking through Marshall, held that Maryland was not entitled to tax the business of a branch of the United States Bank at Baltimore. In the course of his opinion the Chief Justice advances three different reasons for this holding: First, he says, it would be wrong for one sovereignty to tax the agencies of another; but then "waiving this theory," he, in the second place, invokes the supremacy of the National Government within its sphere of action; finally, he indicates that Congress impliedly exempted the bank from State taxation in the act of establishing it.

But in the later case of *Osborn v. The Bank* (9 Wheat. 738, 1821) he bases the bank's exemption exclusively upon this last ground; and this is obviously the correct ground, invoking as it does no extraconstitutional theories but simply the power of Congress to pass "all laws necessary and proper" to keep the National Government and its agencies functioning efficiently. And this, moreover, is the doctrine to-day so far as national banks are concerned, their taxation by the States being regulated in all respects by section 5219 of the Revised Statutes. Why, then, should not the same rule apply to national bonds? And if it does, why a constitutional amendment for the purpose of subjecting such bonds to taxation by the States as property in the hands of their owners? It may be added that even as matters stand they are taxable as part of an inheritance.

Let us now turn to the other side of the problem—the exemption of State and local bonds from national taxation. The leading case is *Collector v. Day* (11 Wall. 113, 1870), in which the court held that the salary of a State judge was not subject

to a national income tax. The argument of the court owes something to the first of the three grounds advanced by Marshall in the McCulloch case, but flatly contradicts the second ground and ignores the third. Far more important, however, as a source of this decision was Marshall's celebrated dictum in the earlier case that "the power to tax involves the power to destroy." This being so, the court argued in effect: If we permit Congress to tax the salary of a State judge at all, it may tax all salaries of all State judges to extinction, and thus destroy the State judiciaries. Unfortunately the court overlooked the obvious fact that in taxing the salaries of State judges to the point of extinction by a general income tax Congress would be taxing all other incomes to extinction also, and so nobody would have any money left wherewith to pay State judges their salaries. The doctrine of the decision is in truth the veriest nonsense and is not supported in the remotest way by a single word in the Constitution; on the contrary, as already suggested, it flies in the face of the supremacy which is guaranteed by the Constitution to acts of Congress made in pursuance of it, "anything in the constitution or laws of any State to the contrary notwithstanding."

The one thing that may be urged in partial extenuation of the court's action in *Collector v. Day* is a possible fear on its part that Congress might some time undertake to tax the salaries of State officials as such; but it should have waited for that highly improbable situation to arise, when it could have reminded Congress of the guaranty which by Article IV of the Constitution the United States extends to every State in this Union of a republican form of government.

But remote as the danger was in 1870, it is still more remote to-day on account of the principles which have been since developed against all sorts of rankly discriminatory legislation. In the light of recent doctrine it may indeed be questioned if an act which imposed a special tax upon salaries of State officials or upon incomes derived from State and municipal bonds could be considered a tax in the constitutional sense, such a classification not being a reasonable one for purposes of taxation. (See *Brushaber v. Union Pacific Co.*, 240 U. S. 1, and the recent *Child Labor* case.) The doctrine of *Collector v. Day* and of the decisions following in its track is in short out of date. Furthermore, the logic of it has been abandoned by the court itself. Thus in *Flint v. Stone Tracy Co.* (220 U. S. 107, 1910) the Supreme Court sustained the right of Congress to tax the privilege of doing business as a corporation. It is difficult to see how a general income tax which incidentally taxes incomes from municipal and State bonds is a tax on the State's borrowing power if a special tax on the privilege of doing business as a corporation is not a tax on the power of the State to charter corporations. As a matter of fact, any such view of the effect of a general income tax involves a fine-spun theory of the incidence of taxation which may be interesting for purposes of speculation, but from a practical point of view is deserving only of impatient rejection.

But at this point in my argument I can see the widows and orphans—who are invariably the owners of governmental bonds when any question of their taxation is to the fore—showing signs of acute nervousness, and presently an indignant protest is launched against any attempt to discredit a principle on the faith of which, first and last, billions of securities have been bought and sold. Is the Supreme Court, the question is put, which stands by to see that the States pass no laws impairing the obligation of contracts, to be asked to do that very thing by overturning a decision of half a century standing? The question seems a formidable one, but I believe it can be met. There is really no need of overturning *Collector v. Day* and its successors to date, thus canceling the immunities they confer upon earlier issues of securities, provided only the Supreme Court, recognizing the inherent weakness of those decisions, repairs with a fresh mind to the interpretation of the sixteenth amendment as cases affecting issues of later date come before it.

The sixteenth amendment reads as follows:

"The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration."

That this language should not be given a retrospective application has just been conceded, but why should it not be held to determine the law in all other respects? What could be more comprehensive than the words "from whatever source derived"? Nor is it perceived by what rule of logic or syntax the ensuing phrases subtract from the literal force thereof.

Nevertheless, it is insisted that it was not the intention of those who framed the amendment to enlarge Congress's power in the way of taxing incomes, but only to relieve it of a certain

mode of procedure; that the immediate occasion of the amendment was the decision in *Pollock v. The Farmers Loan & Trust Co.* (157 U. S. 429; 158 U. S. 601; 1895) that taxes on incomes derived from property were "direct," and so required apportionment; that the objection was raised against the amendment while it was pending that it would enable the National Government to tax incomes from State and municipal bonds, and was refuted by supporters of the amendment. However, the answer is clear. It was in this very *Pollock* case that the doctrine was first explicitly announced—on the basis of *Collector v. Day*, to be sure—that incomes from State and municipal bonds were exempt from taxation by the National Government; and if it was the intention of the framers of the amendment to overcome that decision in part, why not in whole? Why should they have wished to make two bites of the cherry? Again, the objection mentioned was raised by quite as good authority as that by which it was answered—perhaps better, since Mr. Hughes has subsequently sat on the Supreme Court, an honor which has never befallen Mr. Root. But finally, in view of the explicit language of the amendment, the intentions of its framers are a matter of absolutely no importance. For the court to abandon the solid footing of the words of the amendment in order to embark on a voyage of discovery for the intentions of the Congress which proposed it and the 40 or so legislatures which ratified it would be an outright repudiation of the rules of constitutional construction (see e. g. *Addystone Pipe & Steel Co.*, 175 U. S. 211).

But it is urged further that the Supreme Court itself has adopted the view that the sixteenth amendment was not intended to enlarge Congress's power of taxing incomes. What is meant is that certain justices have expressed this view obiter, for the point has not been directly involved in any case to date. The most debatable case is that of *Evans v. Gore* (253 U. S. 245; 1919), in which the court held that to assess an income tax against a salary of a judge of the United States who was in office when the tax was enacted would amount to a diminution of salary contrary to article 3, section 1, of the Constitution. In other words, the general terms of the sixteenth amendment leave this more specific provision still operative. But that is far from saying that the amendment leaves standing a mere doctrine which can claim no such support from the language of the instrument, albeit this doctrine was brought sharply to the attention of the framers of the amendment, so that they might easily have chosen terms to safeguard it.

Approached without preconceptions, the sixteenth amendment clearly gives the power to tax incomes from municipal and State bonds, as well as the salaries of State officials, by a general income tax. The perplexity of otherwise intelligent citizens when they are told, on the authority of *Collector v. Day* and the *Pollock* case, that the contrary is the fact is ample proof of this assertion. Nor, indeed, is there any good reason why the owners of such securities or the recipients of such salaries should not be called upon to discharge to the full the normal duties of national good citizenship. As was remarked above, any attempt by Congress to discriminate unfavorably in such cases would raise radically different questions, but, contrariwise, there is no constitutional reason why it should discriminate favorably.

To sum up: The question of tax-exempt securities presents four aspects: (1) The exemption of national securities from national taxation is obviously a matter which rests with Congress alone, consequently no constitutional amendment is necessary to cure this phase of the mischief. (2) The exemption of State and municipal securities from local taxation is likewise a matter which rests with the State; so again no constitutional amendment is demanded. (3) The exemption of national securities from State taxation is, it seems clear, a matter to be determined by Congress within the broad limits set by the "necessary and proper" clause; consequently no constitutional amendment is required to abate this phase of the evil. (4) Finally, the exemption of incomes derived from State and municipal bonds, from national income taxation, which never rested on any better foundation than a highly vulnerable precedent of constitutional law, has been done away with by the simple, literal reading of the sixteenth amendment. By this amendment Congress may tax incomes "from whatever source derived." Words could not be clearer unless, perhaps, to adapt a saying of the late Judge Gaynor, Congress had chosen to add, "these words mean what they say."

In short, no constitutional amendment dealing with this subject is necessary, and none should be proposed by Congress which might in any way prejudice the speedy determination of the question on the basis of the existing Constitution, the way

for which should be facilitated by the necessary changes in the present income tax law. If in reaching a proper result the court should find it desirable to overrule *Evans v. Gore*, that, too, would be all to the good.

EDWARD S. CORWIN,

MUSTAPHA KEMAL—CONDITIONS IN NEAR EAST.

Mr. OWEN. Mr. President, I call the attention of the Senate to a remarkable address to the American people by Mustapha Kemal, leader of Turkey. I do not wish to take up any time of the Senate to read it, but it is something which every Senator and Member should see, for here is a man who speaks the American language, though he be a Turk; a man who is highly educated; one who is informed with regard to the history of the nations of the world; a man who declares with authority the purpose of the nationalists of Turkey, what they are trying to accomplish. He is entitled to a hearing. What he declares, in substance, is that they are striving to get rid of outside domination so that the Turks may develop their own life in their own way, just as our forefathers established this Republic. I believe that the American people are in favor of having Turkey enjoy territorial integrity and political independence; and that the American people do not wish to see the Allies or any nation in the world invade Turkey and deprive the Turks of their political independence in any way whatever. I ask, without reading, to have printed in the Record this address, together with the interview of Mustapha Kemal, with regard to it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

KEMAL DEMANDS ABSOLUTE INDEPENDENCE FOR TURKEY—IS READY TO RESUME WAR—TURKISH NATIONALIST LEADER, WHO SELECTS GEORGE WASHINGTON AS HIS MODEL, URGES AMERICANS TO UNDERSTAND TURKS' INTENSE DESIRE FOR LIBERTY—SAYS FOREIGN PROPAGANDA BLINDS EYES HERE—FREEDOM FOR ALL, BUT NO SPECIAL PRIVILEGES, ESPECIALLY FOR CHRISTIANS—ASKS JUSTICE, BUT RELIES ON ARMY—PLANS FOR NATIONAL REJUVENATION.

TEXT OF MUSTAPHA KEMAL'S ADDRESS TO AMERICAN PEOPLE.

(By Mustapha Kemal.)

To the great American Nation:

You have expelled tyranny and despotism from your country. You have obtained and established your freedom and independence after a long and sanguinary struggle, and you have built up a civilized, strong, democratic State based upon the sovereignty of the people.

On the opposite side of the earth there is to-day another nation that is struggling and shedding blood for the same aims of freedom, independence, and democracy. They seek to blind your eyes to the purity and elevation of those aims. The authors of this propaganda are either ignorant fanatics or the agents of those who are openly or secretly fighting against us to frustrate and destroy our newly won liberty. Do not believe calumniators.

Keep your hearts open to the Turkish people, who are fighting for freedom and independence, and sincerely striving to become an element of progress and justice in the world, like yourselves.

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[Special cable dispatch.]

ANGORA, January 24.—To be registered in history as the George Washington of his country is the characteristic ambition best picturing the personality of Mustapha Kemal Pasha, the national hero of Turkey resuscitated.

"The great George Washington, foremost modern pioneer of liberty, who won independence for his country by driving out the foreign despots oppressing it, is the man whose example inspires and influences me most deeply," was Kemal's spontaneous reply to the question which great character in history he chiefly admired.

Those words are a revelation of Kemal's past achievements as well as future hopes. Like that great American whom he passionately desires to emulate, he has vanquished the foe in the field and is ready to devote his genius to peaceful organization of the nation he has liberated, but nothing except complete and absolute independence of his country will satisfy him, and if the great European powers can not yet bring themselves to recognize it he is prepared to resume and carry on the struggle until force of arms imposes it upon their comprehension.

FROM OBSCURITY TO MASTERSHIP.

This man who has led the Turkish people to final victory after 10 years of misfortunes and defeats is not quite 43 years old. Three years ago, although his brilliant defense of the Dardanelles during the Great War had attracted the attention of military specialists, his name was practically unknown to the world. Disgraced by Enver Pasha, who sensed a dangerous rival, he lived apparently an idle life of pleasure in Constantinople during the early days of the allied occupation while secretly forming a nucleus of devoted patriots with whose aid he suddenly launched that desperate coup in Anatolia which was eventually to make him master of the situation in the Near East.

No visitor upon whom Kemal fixes the strange, concentric gaze of steel blue eyes, rendered uncannily intuitive and inscrutable by the slightest possible squint, can doubt for an instant he is in the presence of a born leader of men. There is no escaping that enveloping omniscient squint, which seems to have the power to read all hidden thoughts and penetrate all the secrets and motives of men, and it must be an alarming experience indeed to come before him with a bad conscience or an insincere heart.

IS "GUEST" OF HIS ARMY.

Kemal's house in Angora is called "Echoing Rock" because of the isolated stony eminence upon which it stands, dominating the sprawling town on the flat plain. It was presented to him by the grand assembly, but he immediately transferred the gift to the army, so he resides

there as the guest of his soldiers. The approach is guarded by volunteers, wild but faithful fellows from Trebizond, clad in the sinister black nationalist costume.

Angora is by no means a "forbidden city." Kemal mixes freely among its inhabitants, taking any seat happening to be vacant in the crowded little hall of the National Assembly, like an ordinary deputy, but foreigners are stringently and efficiently probed before they are allowed to visit the capital or enter Kemal's presence.

Like all really great men, Kemal is no extremist. There is no mental affinity between him and the Russian Bolshevik leaders. His views are moderate, and he expresses them with moderation. So, when he says a thing can be done, you feel it is capable of realization, not a fanatical dream. Even in denouncing what he believes to be injustice he strives to avoid injustice himself. While formulating his appeal to the American people he criticized America's attitude toward the Near East crisis, but tempered his censure by expressing the belief that it was not at all America's fault, and that it occasioned surprise rather than anger among his fellow citizens.

FIGHTING FOR THEIR FREEDOM.

"Americans," he declared, "seem not to realize the sacrifices the Turkish people have made, the trials through which they have passed in order to reconquer their long-lost liberty. Otherwise the United States Government and the press surely had shown greater fairness in judging events in the Near East. The Turkish people are fighting for freedom from foreign domination and exploitation just as the Americans fought 150 years ago, for Turkey has been reduced during the last century to the conditions of a colony of the great European powers."

"But the American people have not been allowed to discern the similarity between the struggle of the Turks to-day and the war of independence of the American colonists."

"Foreign propaganda, ignorant fanaticism, and prejudice have blinded the eyes of America to the truth. If she should open them without heeding insidious falsehood propagated by foreign agents, she would see valiant people risking its all against a world of enemies for the conquest of the same rights that found immortal expression in the American Declaration of Independence."

A NEW ORIENTAL TYPE.

Kemal appears to be the ideal representative of an entirely new type of oriental, whose existence the west is only dimly beginning to realize, but which it will be forced to take into account very seriously in the future.

Till now the western mind has been accustomed to regard the oriental patriot, whether Turk, Arab, Egyptian, or Hindoo, as a fanatical dreamer prone to sudden wild outbursts of enthusiasm and energy, but incapable of sustained effort, not amenable to disciplined organization, and easily corruptible by European gold. The type still exists—there are idle boasters and traitors even in Angora, but it is rapidly becoming extinct and its place is being taken by men like Kemal and his associates, calm, efficient, incorruptible hard workers.

DISPLAY TRUE EFFICIENCY.

The most convincing evidence that a new era has dawned for the East over the barren table-land of Anatolia is the efficiency and strict attention to business displayed by everyone in Angora, army officers of all ranks, deputies, and high and low governmental officials. Here, as in Asia Minor, removed from corrupting influences which for 50 years have come to the oriental in the guise of western civilization, a new race of men has developed, amid the sacrifices and hardships of an originally almost suicidal struggle, whose bravery, honesty, and abnegation of self justify belief that the renaissance of the East is no longer an empty dream.

It is needful to comprehend this fundamental change which the oriental mentality is undergoing in order to realize that Kemal's plan for instituting in Turkey the most democratic régime in the world is practical to-day. Before the nationalist movement in Anatolia it would have been madness.

"Turkey's future form of government," Kemal explained, "will be democratic in the fullest sense of the term. The right of sovereignty will be invested in the people and exercised by the national assembly, composed of members elected by the people. The national assembly will in turn exercise its authority through the council of commissars whom it chooses among its members."

WILL HAVE NO PRESIDENT.

The system differs from both the American and Swiss forms of republican government, for there is no President. Kemal himself, though president of the national assembly, has no special authority beyond that inherent in his dominant personality.

"For more than a century," he continued, "the Turkish people have desperately striven to establish their own Government upon a democratic basis like this; they tried to assimilate the scientific and political progress achieved by western countries during the nineteenth century. Turk intellectuals attempted to introduce reforms by bringing specialists from Europe. Not a few of Turkish enlightened sons sacrificed their lives for this end."

"But European diplomacy placed innumerable obstacles in the Turkish people's path to progress; did everything in its power to retard and prevent Turkey's growing strong and prosperous, fearing she might cast off the yoke of Europe's exploitation and domination. However, this selfish hostility of Europe toward everything spelling reform and revival in Turkey overshot its mark, for it inflamed the Turkish people with a passionate desire for freedom, which has found its final expression in Angora."

"To-day victorious Turkey takes herself, without asking permission, political and economic liberties enjoyed by all civilized nations."

TURKEY'S CULTURED FUTURE.

The correspondent was curious to know Kemal's opinion on a question that is considerably agitating the patriots in Angora and all oriental nationalists, as to whether the Turks or other eastern peoples should seek salvation in the assimilation of western civilization or hold themselves aloof and rather try to recreate a civilization of their own based upon their ancient culture. As always, his reply was characteristic of the moderation of his well-balanced intellect.

"My earnest desire," said Kemal, "is that Turkey will profit by the scientific and commercial progress of the west and by western civilization generally in so far as is compatible with her own national culture. The ancient civilization of Turkey was halted in its development by the continual clash of political ambitions in Europe, which forced the Turks in the time of their greatness to devote all their energies to war, and later by the intrigues of European statesmen who

wish to keep Turkey in subjection. But now these obstacles are being removed, one by one, and Turkey will be free to perfect her ancient culture while adopting all that is most valuable of the modern civilization of the west."

Asked whether there was any prospect of Americans being called upon to assist in the modern reconstruction of Turkey, Kemal replied: "We shall gladly welcome the help of the American specialists. I particularly hope the Turks may learn American business methods through the establishment of close trade relations between the two countries. American commerce may always be assured of full protection in Turkey."

Kemal is keenly aware that the chief obstacle to American appreciation of the effort the Turkish people are making to regain the former greatness is the situation of Christian minorities in Turkey. He unhesitatingly expressed the most solemn assurance that Christian citizens of the new Turkey will enjoy the same protection and rights as Moslems, provided they obey the laws of their country and refrain from revolutionary activities.

NO PRIVILEGES FOR CHRISTIANS.

"All Christians in Turkey," was his declaration, "will enjoy equal rights and protection with Moslems. They will be safe from persecution. But to no Christian minority will ever again be granted privileges exceeding the rights of the Moslem majority. The greatest blunder the Turks ever made was when, centuries ago, they conferred privileges and favors which no other nation ever dreamed of giving aliens upon Christians who entered the Turkish dominions."

"The Turks were actuated by a love for freedom and deep respect for the rights of others, which are great virtues from an idealistic point of view. But in practice they proved disastrous, and the Turkish Empire's decline and misfortunes date from this ill-advised preferential treatment of foreigners. Turkey is determined to grant no other rights in the future to foreigners within her borders, save those which are enjoyed by aliens in all other civilized countries. The same applies to scientific institutions and schools established by foreigners in our country. They will have full protection as long as they respect our laws by including the teaching of the language, history, and geography of Turkey in their educational program, and accepting our control and inspection."

On the wall of Kemal's library hangs a great crooked saber presented to him after the Battle of Sangarlar by the famous sheik of the Senussi, the most powerful and most fantastical Arab chieftain of the present day. It is a symbol of what the Turk leader represents in the eyes of millions of Moslems impatient of European rule.

Angora is the great center of oriental nationalist activities—Afghan, Arabian, Egyptian, and Indian missions are continually arriving—and the atmosphere is impregnated with the problem of pan-Islamism, the menace of a great war of independence of the East against the West. But questions regarding these dark possibilities for the first time drew a diplomatic reply from Kemal:

"If the principle of self-determination established by Woodrow Wilson is admitted, it is manifestly impossible that Turkey should not wish to see all Moslem peoples become free and independent," was his cryptic statement. Likewise, with reference to Turco-Russian relations, all he would say was, "There is no reason why the relations between Turkey and Russia should not be as friendly in the future as they have been up to the present."

In the field Kemal is as frugal and inured to hardships as any Anatolian peasant or soldier—he and his staff lived on baked beans 14 days during the campaign that ended with the capture of Smyrna—but in his Angora home he does not disdain a certain refined elegance. His library is tastefully furnished with fine carpets; curious old daggers and pistols hang on the walls, and well-bound books are scattered over the table.

CONVERTED TO PROHIBITION.

In his days of misfortune under Enver Pasha's despotic and corrupt rule he was famous for the variety of pink, yellow, and green liquors with which he furnished his sideboard, but to-day he is an earnest advocate of prohibition as decreed by the national assembly. Undeterred by America's experiences, he declared, "The Turks by nature are not a drinking people, wherefore the enforcement of prohibition in Turkey can present no difficulties."

In a land that admits polygamy, Kemal has remained single up to the present day. It is rumored he is engaged to a beautiful, wealthy young lady of a good Turkish family in Smyrna, and it was stated even that the wedding would take place upon his arrival in that city on his present tour of inspection, but the death of his mother, who was particularly desirous of bringing about the match, may have changed his plans. His conception of the rôle of women in society is diametrically opposed to traditional Turkish views. He will have none of the veil of the harem, which, indeed, is fast disappearing. His declarations on this subject were categorical:

"One of the most important problems confronting the Turkey of to-day is to secure absolute legal and social equality for women and men. Our women have displayed the highest qualities of courage and self-sacrifice in the war of independence in which we have been engaged. They are eager to acquire education and learning, and some of them already are achieving success in the fields of science and literature. Women also already are working in many industrial establishments throughout Anatolia. No progress is possible where the forcible seclusion of women destroys family life."

Kemal is frankly skeptical of the pacifist movement that has held the western world in its grip since the Great War.

"Disarmament and permanent peace," he said, "will be possible when particularly the statesmen of the great powers have learned to recognize the equal rights of all nations, great and small, to prosperity and independence—and not before."

DARKNESS SHROUDS ITS FUTURE.

The future of Turkey is still shrouded in the darkness that is ominously spreading over the whole Eastern Hemisphere, and it remains to be seen whether Kemal's great projects for the renaissance of the Turkish people will be realized or will once again be retarded and frustrated by war. War would delay and cast into jeopardy all the great plans for the reconstruction of his country which are dear to his heart. But it is equally certain he is determined to take the field again if he fails to obtain such peace terms for his country as he considers necessary in order to effect this reconstruction successfully.

Ending the interview, this victorious general, who is most often seen in civilian clothes, declared:

"The happiest moment of my life was when I smashed the Greek Armies in the pitched battles of Adum Karahissar and Dumlupinar

and I knew my country was saved. Our army is even stronger to-day than then, and is ready to do duty again if needful. The Turkish people is so passionately attached to its liberty that it is prepared to make every sacrifice in order to safeguard it. The best qualities of the Turks are fidelity to their promises, faithfulness to their friends, and unflinching devotion to the independence of their country."

Mr. KING. Mr. President, the Senator from Oklahoma [Mr. OWEN] has offered for the RECORD what he denominates a remarkable address issued by Mustapha Kemal to the American people. The Senator refers to this revolutionary Turkish leader as a man of education and one who is advised concerning the "history of nations."

And, with a fine sense of justice, the able Senator declares that the Ottoman Turks are entitled to a hearing before the bar of public opinion and are also entitled to liberty and to the enjoyment of political rights. I will not disagree with the distinguished Senator in these views, but in determining what attitude should be taken toward the Turks and what restrictions, if any, should be imposed upon them by the allied and associated powers, many facts and circumstances must be taken into consideration. Of course, speaking academically, the Ottoman Turks have the right to freedom and independence and to establish a form of government which to them seems best, but that is not the paramount question at issue now between the Turks and the allied nations and the United States.

The appeal by Kemal Pasha, to which the Senator refers, is a most adroit and intriguing document. One would suppose that it emanated from a man who had been schooled in democracy and who was guided by the spirit of a Hampden or a Chatham or a Patrick Henry and was seeking to extend the principles of liberty throughout the world. It is a subtle appeal, which undoubtedly, it is hoped, will temper the sharp edge of world-wide criticism because of the barbarities perpetrated by the Kemalists and the Turks upon Christian minorities within what have been and doubtless will be the boundaries of the Turkish Empire. It is likewise an appeal to justify the refusal of the Turks to abide by the treaty of Sevres or to enter into a fair and just treaty with the allied representatives during the protracted negotiations at Lausanne.

Mr. President, the publicity given to this statement by Mustapha Kemal calls for some reply and justifies a discussion, within proper limits, of what is known as "the Turkish question," which comprises the issues presented in the Near East. I read in this morning's paper the statement the Senator from Oklahoma has just placed before us and am somewhat surprised that it so soon finds its way into the RECORD. In order that we may have a better understanding of the situation and be better prepared to determine just what the rights of the Ottoman Turks are it is proper that a hasty though obviously an imperfect review of certain historical facts should be made, and in so doing I want to present the cause of the Armenians and show what they have suffered at the hands of the Turks, including this same Mustapha Kemal.

Kemal Pasha assumes that the Turks rightfully occupy the territory which constituted the kingdom of Armenia and all of Asia Minor and are entitled to the possession and control of Thrace and perhaps other territory in Europe; and he assumes the competency of the Turks to govern and to extend freedom and justice to all races and creeds within the boundaries of Turkish authority. Perhaps title to land, if not to peoples, may be acquired by prescription initiated by force and violence and maintained by cruelty and bloodshed. But one can be forgiven for questioning the validity of such title and requiring that other muniments of title be submitted in the court of public opinion and before the bar of international justice. A discussion of the Turkish question compels an examination of conditions in western Asia and in what we call the Balkan territory, anterior to the appearance of the oriental hordes which swept down from central Asia in more recent times.

We have heard much of the Armenians and have for many years protested against the cruel policies executed by the Turks, which had for their object the extermination of this splendid race. But there are many who do not know the history of this brave people, and there are some who are inclined to think that they have sought to intrude themselves into Turkish territory and usurp the authority exercised by the Turkish Government. The fact is that the Armenians migrated to Asia Minor from southeastern Europe more than 2,500 years ago. They belong to the Aryan race and find their roots in the same soil from which sprang European peoples. Philologists declare their language to be Indo-European and their literature gives support to that view.

The historian Strabo declares that they migrated from Thessaly and established themselves in the country which for cen-

turies has been called Armenia. Professor Ripley, in his valuable work *The Races of Europe*, states that:

The second racial type in this borderland (Armenia) between Europe and Asia we may safely follow Chantre in calling Armenoid, because the Armenians most clearly represent it to-day. . . . The similarity of this to our Alpine races of western Europe has been especially emphasized by the most competent authority, Von Luschan. . . . Were it not for the potent selective influence of religion (Christianity and Mohammedanism) complete rupture by the invading Tartar-Turks might conceivably have taken place. As it is, the continuity of the Alpine races across Asia Minor can not be doubted.

I mentioned the historian Strabo. He refers to the origin of the Armenian people and speaks of Jason and his expedition into Armenia, and states that from "Armeus the country had its name."

Some historians of note claim that the progenitors of the Armenians migrated from Thrace about 1,400 years B. C., and after crossing into Asia they passed through Bythnia and entered Cappadocia and Cilicia, from which countries, some time in the seventh or eighth century, B. C., they reached the broad plateau upon which is Mount Ararat. In this region they remained and extended their occupation until they brought within their authority that vast region which was known as the kingdom of Armenia, and with the boundaries of which, generally speaking, we are familiar.

I think it is now accepted by historians and philologists that the Illyrians, whom we now know as the Albanians, the Phrygians, the Greeks, and the Armenians all belong to the same branch of the Aryan family. At one time it was believed by some writers that the Armenian language was a branch of the Persian, but that view is discredited and is no longer accepted by authorities who have written upon the origin of races and the development of languages. The earlier boundaries of Armenia may not perhaps be definitely determined, but it is generally agreed by historians that Armenia at one time embraced that vast domain extending from the Black and Caspian Seas southwesterly to the Mediterranean Sea, comprising an area of approximately 150,000 square miles. Cilicia, or, as it is sometimes called, Lesser Armenia, which borders upon the extreme northeastern shore of the Mediterranean Sea, constituted its southwesterly extremity.

To the west of Armenia is Anatolia, which we commonly call Asia Minor. The greater part of Armenia is a vast plateau from which rise mountains and within which are found valleys and deserts. It possesses varied resources and contains extensive and valuable agricultural lands and rich mineral deposits. The Armenians were in contact with the Potian Greeks, who occupied a portion of Asia Minor to the west of Armenia and along the southern littoral of the Black Sea, as well as with the Hellenic peoples of the Mediterranean and Aegean Seas. To the south and east were the Assyrians, Babylonians, Medes, and Persians, and the various races and peoples who inhabited the successive kingdoms that rose and fell in Persia and Mesopotamia.

The Armenians were known to be a strong, vigorous, intellectual, and progressive people. Long prior to the days of Caesar and the dawn of the Christian era their fame had spread throughout the civilized world. During the ministry of St. Paul they were visited by the Apostles Thaddeus and Bartholomew, who introduced Christianity among them. The new faith spread throughout the land, and about the year 300 A. D. it was accepted by the King of Armenia, who established it as the State religion. From that time until the present, the Armenian race have persevered in their adherence to the Christian faith.

Some historians state that the inhabitants of what is called Armenia are first mentioned in the annals of the Assyrians many hundred years before Christ. The Assyrian armies made war upon them, but in the ninth century before Christ the Armenians united and formed what was called the Kingdom of Urartu. These same historians contend that the powerful Kingdom of the Medes made war upon the Kingdom of Urartu and brought its inhabitants under rule of that powerful nation. It is further shown by these historians that later King Darius of Persia asserted dominion over the great plateau north of Mesopotamia and south of the Caucasus Mountains, and which was inhabited by the Armenian race.

During the period of Persian domination Armenia was divided into two satrapies for administrative purposes. But these political subdivisions were practically independent, the people paying but a small tribute to the Persian Government. In the second century before Christ the Armenians revolted from the authority of the Seleucid King of western Asia. A few centuries later Tigranes the Great became King over Armenia. He possessed great executive and administrative ability and brought

honor and fame to his country. He was related to Mithradites, the famous Pontic King, who sought to build an empire uniting the Hellenic and Iranian peoples. The Roman power, however, shattered his dream and also constituted an impediment to the growth and development of the Armenian Kingdom, which now became a buffer State between Rome on the west and the Parthian rulers of Iran.

Tigranes developed the spirit of Armenian nationality and linked the Armenian people to the West, removing from them any veneer of Persian Zoroasterianism.

For several centuries Armenia was in the eddy of the great contending forces of the East and the West. It was besieged and assailed by the Parthian armies, and upon the death of King Tiridates, who had accepted Christianity and established it as the State religion, his kingdom fell, a portion of the people coming under Persian rule and the residue acknowledging Roman authority.

But the Armenians remained devoted to the new faith which they had espoused, and no persecution was sufficient to alienate them from that faith. For several centuries the conflicting tides of the East and the West rolled over them, but they clung to their national church and to their political ideals, whether their rulers were Persians or Romans.

In the seventh century the control of western Asia passed to the Arabs, and in the eighth or ninth century the power of the caliphate declined and the Armenians established a Christian principality which survived for several centuries. In the eleventh and twelfth centuries nomadic Turkish tribes marched from Asia and fell upon Persia and Armenia and countries which had been controlled for several centuries by the Arabs. The Armenian rulers sought protection from the Roman Empire of the East, but its lethargy and inherent weakness afforded but slight protection against the savage assaults of the barbarous Asiatic Turks in their western movements.

Near the end of the thirteenth century the Karluchs and other wild Asiatic hordes invaded western Asia and the barbarous Mongols, who destroyed civilization wherever they found it, swept through Persia and over the Armenian plateau during the same century. For several centuries anarchy and chaos reigned in western Asia. Then came the Osmanli to power. This was a Turkish clan which attempted to bring under its authority western Asia and eastern Europe. It expanded across the Dardanelles and extended its authority as far as the gates of Vienna. Armenia was completely overrun as early as 1514, and in the sixteenth century the eastern world from Vienna to Persia was linked under one control. From that time until the present, broadly speaking, Armenia, except the Province of Erivan, which was conquered by the Persians in the seventeenth century and held until 1834, when it was ceded to Russia, and the Province of Kars, which was acquired by Russia in 1878, has been under Turkish rule.

It will thus be perceived that the Armenians for centuries constituted the outer bulwark of western civilization, against which the invasions of Mongols and Turks and Tartars and Saracens and barbaric hordes were directed. They occupied the great highways leading from southeastern Europe to Asia, and along these highways wild Asiatic hordes traveled like successive billows of the sea seeking the conquest of superior races and the acquisition of the lands which were the homes and countries of other races.

The pages of history do not record a more courageous and valorous people than the Armenians. None have exhibited greater fidelity to their religious convictions and to their ideals. Besieged upon every hand, robbed and plundered and butchered by successive invading hordes, they survived; however, millions were killed, and the tragedies and sorrows with which they were visited only strengthened the faith of survivors, increased their tenacity, and nerved them for still greater sorrows and heavier persecutions. The Ottoman Turks, when they inundated their territory, destroyed hundreds of their towns and cities, and slaughtered hundreds of thousands of their people. They conquered Mesopotamia, Armenia, Syria, Palestine, the country we call Asia Minor, and pushed on into western Europe. It was the Armenian people who held back for many years the Tartars and the Turks, and thus enabled the peoples of Europe to prepare themselves for the final contest before the gates of Vienna in 1683. The victorious march of these barbarous hordes was stayed and they were thrown back into the Balkan Peninsula. Greece, Constantinople, Thrace, and the territory which we now know as Bulgaria, Rumania, Serbia, all passed under the crescent of the Turk. The heavy hand of Turkey was laid upon the Armenian people. Wild bands of Kurds and Turks and Tartars settled in their midst, robbed them of their lands, plundered them of their property, and inflicted upon them cruel persecutions. The Turkish Government, controlled often by

fiends and monsters, imposed upon them oppressive burdens and enforced cruel and merciless edicts.

Under the rule of their own kings and rulers the Armenians enjoyed a large degree of freedom and reached a high place in the civilization of nations. Their frugality and industry, their love of home and country, their earnest application to the development of their fields, and their industrial life gave them a preeminence among the nations and peoples surrounding them which was not denied by their contemporaries and which historians have affirmed. They built cities and towns, established industries, and developed a large domestic and foreign trade and commerce which added to their wealth and influence. Upon the shores of three seas they built ships and constructed ports from which rich argosies came and went, adding to their wealth and national prosperity. They developed remarkable ability in business pursuits and enterprises and pioneered the way into other countries for the sale of their products. They brought remote peoples together and nations into contact, through trade and by means of commercial transactions. While possessing a strong nationalistic spirit and a pride in their own land, they were catholic in their views and sought to break down narrow and provincial prejudices and those extreme racial antipathies which have been provocative of so much controversy and, indeed, bloodshed in the past. As I have indicated, for centuries prior to the conquest of their country by the Turks they had been assailed by the wild, barbarous tribes and the nomadic forces from western and central Asia and had sustained losses and been the victims of cruel and rapacious raids and destructive ravages.

The topography of their country, with its lofty mountains and mighty valleys and plains, influenced the character of the people. The historian Buckle, in his monumental work, attempts to establish the thesis that physical surroundings and climatic conditions not only influence but perhaps determine the thoughts, characters, and lives of the people. He attributes the characteristics of the Scotch, as exemplified in such men as John Knox and the Covenanters, to the bleak highlands and the rugged conditions of Scotland. Nature was harsh and stern and relentless as he perceived her manifestations in the cliffs and rocks and sterile lands of Scotland. He found in this remarkable race a reproduction of nature's inflexible form and frowning face.

Be that as it may, the Armenians in many ways reflected their physical surroundings. The noble mountains, reaching into the skies, and the far-reaching plains and the deserts fading into the horizon were ever before them as objects, or subjects, rather, which influenced their lives. They saw in these great works of nature the creative power of an Omnipotent One.

After Christianity had been accepted by them and had become a State religion, they were imbued with the thought that they were the guardians of immortal truth and were to be ambassadors of the risen Lord for the salvation of man. Their literature and art reveal how strongly their lives were influenced by Christianity. Historians refer to the wonderful developments of music and art among the Armenians following the acceptance of the teachings of the Apostles. Mr. Henry F. B. Lynch, in his work upon Armenia, refers to the architectural development among the Armenians and ascribes to them the origin of the gothic style. They erected thousands of churches which exhibited the most beautiful forms of architectural design and testified to the religious devotion and spiritual aspirations of the people.

The Armenians gave attention to education, established schools and seminaries of learning, and applied in their community life those policies and virtues and charities which have demonstrated a high degree of culture among Christian nations. They possessed a respect for the law and established courts which administered justice among the people. Many of the young men of Armenia attended the great centers of learning in Athens, Rome, and Alexandria, and thousands of them found positions of trust and responsibility in the business activities of other nations as well as in the governments to which they went. They became financiers, generals, statesmen, and teachers in other countries than their own. Some of the greatest military leaders of Russia and other near-by nations were Armenians. In the days of the Byzantine Empire many of its emperors and empresses were Armenians, among them being Maurice, Philip, Leo, Basil, Alexander, and Constantine. The Armenians have furnished prime ministers for Persia, Egypt, and Hungary, and they have also filled high administrative positions, even under the Turkish Government. Armenia has furnished the world with brilliant poets and musicians and painters, and has taken high rank in all intellectual fields.

When we recall the vicissitudes through which this noble race has passed and the persecutions and woes which have pursued it for centuries, we can only express wonder at the mighty record of achievement and the imperishable legacy which it has left for the enrichment of the world. Our admiration for the Armenians is increased when we remember the awful conditions which have surrounded them, particularly under Turkish rule.

It is not too much to say that if Armenia had not been invaded and the Armenian race had been permitted to pursue its destiny unmolested by the Tartars and Kurds and Turks, and the Asiatic tribes that were ever at their door, they would have developed into a mighty nation with millions of inhabitants who would have challenged the admiration of the world and been a beacon light to the peoples of the Near East and, indeed, to eastern Europe and western Asia.

If the Christian nations of Europe had given help to Armenia in the fourteenth and fifteenth centuries, there would have been no Turkish question. The Pan-Turanian movement would have been halted at the eastern borders of Armenia. Greece would have become a mighty nation, and history would not have recorded the centuries of bloodshed and oppression to which the Christian peoples of Greece and the Balkan States have been subjected.

As I have indicated earlier in my remarks, there has not been an understanding by Americans or Europeans of the great contributions made by Armenia to the cause of Christian civilization and to the progress and enlightenment of the world. Many have forgotten, if they ever knew, that Armenia was a well-organized nation administering justice and developing a fine culture at least 1,000 years before any other nation in Europe except Greece and Rome, and that her origin dates back to an earlier period than that of the Roman Empire.

Under the inspiration of the Christian religion the progress of Armenia was phenomenal. During the first two centuries of the Christian era an Armenian alphabet was developed, the Bible was translated into the vernacular of the people, the foreign trade and commerce of the country was increased, and great progress was made in education and culture.

Armenia has given more martyrs to the world in proportion to population than any other land. For centuries her valleys and plains have been incarnadined with the blood of her martyrs.

Under Turkish rule their property has been confiscated, their cities and towns have been burned, hundreds of thousands of men, women, and children have been deported to die of starvation in the mountain fastnesses and in the deserts or to be murdered by the wild and savage bands of Kurds that surrounded them. Their children have been butchered, their daughters and wives have been seized and taken to Turkish harems, and constant efforts have been made to bring about the complete extermination of the race.

Mr. President, at this point, without reading, I desire to place in the Record a few statements made by distinguished writers and statesmen who testify to the fine character and noble qualities of the Armenian people.

The PRESIDING OFFICER. Without objection, the request will be granted.

Mr. KING. Dr. Cyrus Hamlin states that—

The Armenians are a noble race.

Prof. Karl Roth declares that—

The importance of the Armenian people is often ignored. The Armenians have played in antiquity, and more especially in the Middle Ages, an important rôle. As a factor of civilization in the Orient the Armenian is more important than is generally realized. The Armenians are without doubt intellectually the most awake among all the peoples that inhabit the Ottoman Empire. They are superior to Turks and Kurds.

Dr. E. J. Dillon makes the statement that—

The Armenians constitute the sole civilizing, the sole humanizing element in Anatolia; peaceful to the degree of self-sacrifice, law-abiding to their own undoing, and industrious and hopeful under conditions which would appall the majority of mankind. At their best they are the stuff of which heroes and martyrs are molded.

The late Andrew D. White, former United States ambassador to Germany, in his autobiography states that—

The Armenians are a good people, of large and noble capacities. For ages they have maintained their civilization under oppression that would have crushed almost any other people. The Armenian is one of the finest races in the world. If I were asked to name the most desirable races to be added by immigration to the American population I would name among the very first the Armenian.

Lord Bryce, ex-ambassador of Great Britain to the United States, in speaking of the Armenians, declares:

Among all those who dwell in western Asia they stand first, with a capacity for intellectual and moral progress, as well as with a natural tenacity of will and purpose beyond that of all their neighbors—not

merely of Turks, Tartars, Kurds, and Persians, but also of Russians. They are a strong race, not only with vigorous nerves and sinews, physically active and energetic, but also of conspicuous brain power.

Henry Morgenthau, ex-United States ambassador to Turkey, in his "Ambassador Morgenthau's Story," pages 287 to 289, states:

The Armenians of the present day are the direct descendants of the people who inhabited the country 3,000 years ago. Their origin is so ancient that it is lost in fable and mystery. There are still undeciphered cuneiform inscriptions on the rocky hills of Van, the largest Armenian city, that have led certain scholars—though not many, I must admit—to identify the Armenian race with the Hittites of the Bible. What is definitely known about the Armenians, however, is that for ages they have constituted the most civilized and most industrious race in the eastern section of the Ottoman Empire. From their mountains they have spread over the Sultan's dominions, and form a considerable element in the population of all the large cities. Everywhere they are known for their industry, their intelligence, and their decent and orderly lives. They are so superior to the Turks intellectually and morally that much of the business and industry has passed into their hands. With the Greeks the Armenians constitute the economic strength of the empire. These people became Christians in the fourth century, and established the Armenian Church as their State religion. This is said to be the oldest Christian church in existence.

In face of persecutions which have had no parallel elsewhere these people have clung to their early Christian faith with the utmost tenacity. For fifteen hundred years they have lived there in Armenia, a little island of Christians surrounded by backward peoples of hostile religion and hostile race. Their long existence has been one unending martyrdom. The territory which they inhabit forms the connecting link between Europe and Asia, and all the Asiatic invasions—Saracens, Tartars, Mongols, Kurds, and Turks—have passed over their peaceful country. For centuries they have thus been the Belgium of the east. Through all this period the Armenians have regarded themselves not as Asiatic but as Europeans. They speak an Indo-European language, their racial origin is believed by scholars to be Aryan, and the fact that their religion is the religion of Europe has always made them turn their eyes westward. And out of that western country, they have always hoped, would some day come the deliverance that would rescue them from their murderous masters.

Mr. KING. Permit me to direct attention to a later period in the history of Turkey and the Christians within her borders. Russia declared her intention of becoming the protector of the Christian races in the Near East. The European nations were beginning to learn of the martyrdom of the Christian peoples who lived under Turkish rule. They learned of the barbarous treatment accorded the Armenians, the Greeks, the Bulgarians, the Rumanians, and the Serbians, but were unwilling to protect them if in so doing it required war upon Turkey. Russia's professed desire to mitigate the horrors of Turkish misrule brought but slight alleviation to the suffering Christians. In 1821 Greece revolted and won her independence. Later Serbia and Rumania achieved their independence, and finally Bulgaria threw off the Turkish yoke. Senators will remember that the Russo-Turkish War ended in 1877 and was followed by the treaty of San Stefano, under the terms of which Russia was to occupy a considerable portion of the Turkish territory until massacres and rapine ceased and governmental reforms were put into operation.

Unfortunately Great Britain, fearing the dominance of Russia in the Near East and the possible effect of such preeminence upon her Indian possessions, interfered, and the treaty of Berlin superseded the treaty of San Stefano. The Berlin treaty promised Turkish protection to the Armenians, and Great Britain agreed to help the Turkish Empire in the event of a controversy with Russia. But Turkey, in violation of her solemn pledges, continued her persecution of the Armenian people and of the Christian minorities within her domain. In 1880 the powers joined in a note to Turkey, demanding observance of her promises and an immediate cessation of Armenian and Christian persecution. This demand was wholly ignored by Turkey, and the massacres continued periodically and the promised reforms were denied to the non-Moslem populations of Turkey. In 1894-95 the Sultan, Abdul-Hamid, caused to be murdered more than 100,000 Armenians. In 1908, 700,000 Armenians were destroyed. The awful carnage was continuing when the Christian nations of the world, horrified by wholesale massacres, protested, and secured promises of reform. The young Turks obtained control of the Government, and European nations, as well as the United States, hoped that the promises of a liberal government would be realized. The new régime solemnly agreed that there would be no further enslavement of the Armenians, no further confiscation of property, and a just system of taxation, the rights of the Armenians to be regarded as citizens and to bear arms and to have places in the army and a voice in the administrative affairs of the Empire. But none of these promises were fulfilled.

In 1914 the great World War began. It is difficult to ascertain the number of Armenians then living in Asiatic Turkey. It is estimated by some that there were 2,000,000. Other writers place the number at 2,500,000. Senators will recall that a portion of what had formerly been Armenia had been annexed by Russia and Persia had extended her dominion over still

another portion. What is now known as Azerbaijan, which is under Soviet Russia's control, was at one time a part of the Kingdom of Armenia.

When the war broke out there were residing in what is known as Russian Armenia perhaps 2,000,000 Armenians. There were several hundred thousand scattered throughout Asia Minor, and approximately 150,000 resided in Constantinople. Cilicia, which borders the Mediterranean Sea and at one time was a part of the Kingdom of Armenia, and is still known as Lesser Armenia, contained many thousand Armenians, and tens of thousands resided in the Provinces of Broussa and Adin, which includes the Smyrna district. As I have heretofore stated, the portion of what was formerly the Armenian Kingdom constitutes a part of Russia.

At the outbreak of the World War the Armenian people were placed in a most unfortunate and, indeed, dangerous position. Turkey was under the influence of the Kaiser and the military elements surrounding him. After intriguing for some time Turkey joined the Central Empires. German diplomats were in Turkey directing her political movements and German officers were in her armies training and preparing them to support the Central Empires. When Russia mobilized her armies to repel the German and Austrian invasion of her territory the Armenians within Russia entered the Russian armies and rendered heroic service.

The sympathies of the Armenians, both in Turkey and in Russia, were with the Allies. They believed the contest was between democracy and liberty upon one hand and militarism and autocracy upon the other hand. They had struggled for centuries for liberty and realized that so long as the Turkish power existed they would be under the heel of the cruel Turks. However, when Turkey entered the war the Armenians residing within Turkish Armenia endeavored to discharge their obligations to their Government. Thousands of them were drafted into the army for menial service, and many were employed in the construction of roads and bridges and in transporting Turkish munitions and military supplies.

It is difficult to understand just what motives inspired the Turkish rulers to execute the cowardly and cruel purpose which soon became manifest. Authentic reports indicate that German military leaders who were in Turkey, if they did not direct, at least approved the plan for the wholesale extermination of the Armenian race within Turkish territory, or at least within Turkish Armenia.

At the time Turkey entered the war there were perhaps, as I have stated, more than 2,000,000 of Armenians under the Turkish flag. The greater part of them were in the seven Armenian vilayats or provinces, viz, Erzerum, Van, Bitlis, Trebizond, Manvour-et-ul-Aziz, Diarbekr, and Sivas.

The census prepared by the Armenian patriarchate in 1912 shows the Armenians within the provinces just named to have been considerably more than 1,100,000. In addition, there were Nestorians, Greeks, and other Christians, numbering more than 200,000. The number of Armenians in Russian Armenia at that time approximated 2,000,000.

I should have stated that when the young Turks obtained control of the Turkish Government and promised reforms and a mitigation of the persecutions and political and economic discriminations to which the Armenian people had been subjected, the Armenians welcomed these promises and entered wholeheartedly into the plan for administrative reforms and for the execution of policies which would strengthen Turkey, increase her prestige, and augment her prosperity. They showed a loyalty to the Government that was most extraordinary, in view of the centuries of wrongs which had been burned into their very souls. But the new régime soon became more reactionary than Abdul-Hamid and inaugurated a systematic scheme for the Ottomanization of Turkey, which meant the extermination of the Armenian population.

As illustrative of the purpose of the Armenians to aid Turkey in becoming a better and a greater nation, I call attention to the fact that in the Balkan wars the Armenians fought side by side with the Turks against the Bulgarians and other Balkan States. While they regretted war with Christian nations, they observed their obligations to the Turkish Government and fought for its protection. Their bravery and heroism challenged the admiration of their Turkish military leaders.

With the entrance of Turkey into the World War the Young Turk régime, which controlled, conceived the plan of exterminating the Armenians. They had abandoned all pretense of reform and had committed themselves to the policy of Prussianizing Turkey and inaugurating a Pan-Turanian movement. They dreamed of a great Turkish and Moslem Empire controlling the east, allied to a military power—Germany—which would control the west. They planned to conquer Egypt and

Persia, and to bring under the political power of the Sultan at Constantinople the Mohammedan forces of the world.

The Armenians were Christians, and they clung tenaciously to the lands of their fathers and to the spiritual and moral inheritance which had come down to them from the past. They had resisted all efforts to bring them under the influence of the Moslem faith. Murder and rapine and persecution had not sufficed to extinguish their faith. Thousands of their children had been seized by the Turks and brought up in Turkish households. The tongues of fathers and mothers had been cut off by the Turks, so that they might not teach their children the Christian faith. Many of their churches had been burned and thousands had been forced to worship secretly in forests and in mountain fastnesses and underground caves. Their cruel masters had subjected them to the most inhuman and fiendish tortures and persecutions, and still the race survived and within the hearts of the people burned that living and inspiring faith that raises humanity to glorious heights.

As I have stated, the Armenians who were subjects of Turkey when the latter joined the Central Empires in 1914 gave no cause for complaint of disloyalty. Many were drafted into the army, and thousands, as I have stated, were employed in the construction of roads and in various activities connected with military operations. No authenticated charge has ever been made of treason by the Armenians to Turkish authority during the war. Various excuses have been offered for the diabolical plan which was devised by the Turkish authorities, and systematically executed, for the extermination of the Armenian race. These pretenses have been carefully examined by Viscount Bryce in his painstaking and carefully prepared volume of nearly 700 pages, which was printed in 1916 under the title "The Treatment of Armenians in the Ottoman Empire, 1915-16."

Let me add at this point that this monumental work demonstrates beyond the possibility of a doubt that the Turkish Government deliberately planned the destruction of all Armenians within the boundaries of the Turkish Empire. The accounts of the frightful atrocities perpetrated by the Turks in the execution of this plan caused a feeling of horror throughout the world. Many in the United States and in Europe could not credit the apparently authentic accounts of the butcheries and premeditated deportations which were being carried out under direction of the Turkish Government. Viscount Bryce undertook to sift the evidence and to assemble documents and facts bearing upon this horrible crime committed by the Turkish Government. He gathered more than 140 documents, and a vast amount of indisputable evidence, which he presented to Lord Grey, then Secretary of State for Foreign Affairs in Great Britain. Lord Grey, in thanking Viscount Bryce for the documents "on the Armenian massacres," described them as "a terrible mass of evidence."

In the preface to this exhaustive volume, Viscount Bryce states that—

The record of the rulers of Turkey for the last two or three centuries from the Sultan on his throne down to the district mutessarif, is, taken as a whole, an almost unbroken record of corruption, of injustice, of an oppression which often rises into hideous cruelty. Can anyone still continue to hope that the evils of such a Government are curable? Or does the evidence contained in this volume furnish the most terrible and convincing proof that it can no longer be permitted to rule over subjects of a different faith?

Mr. H. A. L. Fisher, who subsequently was a member of the British cabinet, as I recall, of Lloyd-George, in reviewing the volume states that—

the evidence here collected with respect to the sufferings of the Armenian subjects of the Ottoman Empire during the present war will carry conviction wherever and whenever it is studied by honest inquirers. . . . It is clear that a catastrophe, conceived upon a scale quite unparalleled in modern history, has been contrived for the Armenian inhabitants of the Ottoman Empire. It is found that the original responsibility rests with the Ottoman Government at Constantinople, whose policy was actively seconded by the members of the committee of union and progress in the Provinces. And in view of the fact that the representations of the Austrian ambassador with the Porte were effectual in procuring a partial measure of exemption for the Armenian Catholics, we are led to surmise that the unspeakable horrors which this volume records might have been mitigated if not wholly checked had active and energetic remonstrances been from the first moment addressed to the Ottoman Government by the two powers who had acquired a predominant influence in Constantinople. The evidence, on the contrary, tends to suggest that these two powers were in a general way favorable to the policy of deportation of the Armenians.

Permit me to add, Mr. President, that since the war further facts have come to light which prove that German diplomatic representatives and German military leaders who were with the Turkish armies not only connived at these massacres and deportations but encouraged them.

Hon. Moorfield Storey, in a letter to Lord Bryce, after reviewing the records submitted, declares that they establish—

beyond any reasonable doubt the deliberate purpose of the Turkish authorities practically to exterminate the Armenians, and their responsibility for the hideous atrocities which have been perpetrated upon that unhappy people.

If time permitted, I should like to read from this volume accounts of the deliberate and merciless manner in which the Turkish Government proceeded in the execution of its wicked design. I shall only present one paragraph, from page 627:

There is no dispute as to what happened in 1915. The Armenian inhabitants of the Ottoman Empire were everywhere uprooted from their homes and deported to the most remote and unhealthy districts that the Government could select for them. Some were murdered at the outset, some perished on their way, and some died after reaching their destination. The death roll amounts to upward of 600,000; perhaps 600,000 more are still alive in their place of exile; and the remaining 600,000 or so have either been converted forcibly to Islam, gone into hiding in the mountains, or escaped beyond the Ottoman frontier. The Ottoman Government can not deny these facts, and they can not justify them. No precaution or misdemeanor on the part of individual Armenians could justify such a crime against the whole race.

The cumulative evidence shows that early in 1915 a decree was issued that all Armenians should be disarmed. Those who were fighting in the army were withdrawn and compelled to engage in road building, constructing fortifications, and in other work nonmilitary in character. Soon afterwards orders were issued and executed with methodical precision for the deportation of the male Armenians. No warning was given. They were immediately roped together or driven in groups from their homes in the cities and towns in which they lived into the deserts and mountains, where most of them were butchered. This fiendish plan was carried out in all of the vilayets to which I have referred, as well as in various parts of Anatolia. Some of the Armenians who belonged to the Catholic Church were exempted from the order, but in the main substantially all male inhabitants were deported and most of them murdered by the gendarmerie or by fanatical Moslems or by the wild and irregular bands of Kurds who infested the mountains and plains.

Later the women were ordered deported. Some, under promise of a renunciation of their faith, were permitted to remain. This meant that they were forced into harems or into marriage with some brutal Tartar. Many women and girls were ravished and butchered, and the long lines of deportees driven by cruel gendarmes and Turkish soldiers fell by the wayside and perished in the mountain fastnesses and deserts.

Thousand died of hunger, thirst, and exhaustion. Brigands and outlaws assailed them, murdering some, carrying others into captivity. This horrible picture can not be properly delineated. No language can overdraw it, no words can exaggerate its hideous outlines.

Maj. Gen. James G. Harbord, of the United States Army, in 1919 visited many of the scenes of these massacres. He visited Cilicia and from there proceeded to various Provinces of Armenia, among them Sivas, Kars, Erzerum, Erivan, and Tiflis. Members of the mission visited other parts of Asia Minor and obtained evidence as to conditions there prevailing and bearing upon the massacres and atrocities of the Turks.

Under date of October 16, 1919, General Harbord submitted his report to the Secretary of State. It is a strong indictment of Turkish misrule, and corroborates the statements of Lord Bryce and the reports which have come to the United States of the cruelties to which Armenians have been subjected. In his report General Harbord, speaking of the policy of extermination in 1915, refers to it as the "last and greatest of these tragedies." He states that—

massacres and deportations were organized in the spring of 1915 under definite system, soldiers going from town to town. The official reports of the Turkish Government show 1,100,000 as having been deported. Young men were first summoned to the Government building in each vilayet and then marched out and killed. The women, old men, and children were, after a few days, deported to what Talaat Pasha called "agricultural colonies," from the high, cool, breeze-swept plateau of Armenia to the malarial flats of the Euphrates and the burning sands of Syria and Arabia. The dead from this wholesale attempt on the race are variously estimated from 500,000 to more than a million, the usual figure being about 800,000.

He further states that the Armenians were—

Driven on foot under a fierce summer sun, robbed of their clothing and such petty articles as they carried, prodded by bayonet if they lagged; starvation, typhus, and dysentery left thousands dead by the trail side. The ration was a pound of bread every alternate day, which many did not receive, and later a small daily sprinkling of meal on the palm of the outstretched hand was the only food. Many perished from thirst or were killed as they attempted to slake thirst at the crossing of running streams. Numbers were murdered by savage Kurds, against whom the Turkish soldiery afforded no protection. Little girls of 9 or 10 were sold to Kurdish brigands for a few piasters, and women were promiscuously violated. At Sivas an instance was related of a teacher in the Sivas Teachers' College, a gentle, refined Armenian girl, speaking English, knowing music, attractive by the standards of any land, who was given in enforced marriage to the beg of a neighboring Kurdish village, a filthy, ragged ruffian, three times her age, with whom she still has to live and by whom she has

borne a child. In the orphanage there maintained under American relief auspices there were 150 "brides," being girls, many of them of tender age, who had been living as wives in Moslem homes and had been rescued. Of the female refugees among some 75,000 repatriated from Syria and Mesopotamia, we were informed at Aleppo that 40 per cent are infected with venereal disease from the lives to which they have been forced. The women of this race were free from such diseases before the deportation. Mutilation, violation, torture, and death have left their haunting memories in a hundred beautiful Armenian valleys, and the traveler in that region is seldom free from the evidence of this most colossal crime of all the ages. Yet immunity from it all might have been purchased for any Armenian girl or comely woman by abjuring her religion and turning Moslem. Surely no faith has ever been put to harder test or has been cherished at greater cost.

Further on in his report General Harbord refers to the thousands of orphans who were receiving American aid. He states that at the time of his visit 20,000 were being cared for at the expense of various relief agencies in the Transcaucasus, and that 50,000 were receiving Government or organized care along the route traveled by the mission accompanying him. He described the condition of the refugees who had survived and who were found in Transcaucasus as "pitiable in the last degree. They were in rags and 80 per cent suffering from malaria and other diseases." He refers to the statement made by Damad Ferid Pasha, who represented the Turkish Government at the peace conference in Paris in June, 1919, in which he admitted for the Turkish Government the commission of—misdeeds which are such as to make the conscience of mankind shudder with horror forever—

and that—

Asia Minor is to-day nothing but a vast heap of ruins.

He mentions the plea that the Grand Vizier made in behalf of the Turkish Empire and his promise of reforms in the government of Turkey and for amends for the crimes committed. A few sentences of the reply of the council to this plea are as follows:

Yet in all these changes there has been no case found either in Europe or in Asia or in Africa in which the establishment of Turkish rule in any country has not been followed by a diminution of prosperity in that country. Neither is there any case to be found in which the withdrawal of Turkish rule has not been followed by material prosperity and a rise in culture. Never among the Christians in Europe nor among the Moslems in Syria, Arabia, or Africa has the Turk done other than destroy wherever he has conquered. Never has he shown that he is able to develop in peace what he has gained in war. Not in this direction do his talents lie.

I have referred to the Russian Armenians. Perhaps I omitted to state that Russian Armenia contains approximately 27,000 square miles within which in 1914 there were nearly one and one-half million Armenians. There were also several hundred thousand in what is known as southern Caucasus, so that in Russia there were approximately 2,000,000 Armenians at the beginning of the war in 1914. Perhaps one-tenth of the entire population was in the Russian Army fighting for the same cause and the same principles as the United States contended for when it entered the contest.

The testimony is uniform as to the bravery of the Russian-Armenian soldiers. Kerensky, speaking of their services, stated that soon after the Turks entered the war their military forces were marching victoriously toward Russian territory, and that while the Russians were preparing for flight the—

Armenians alone stuck to their posts, organized volunteer forces, and by the side of their Russian comrades faced the formidable assaults of the enemy and turned his victorious march into a disastrous rout.

After the collapse of the Russian army, following the overthrow of Kerensky, it was the Armenian soldiers who heroically met the enemy upon the Caucasian front. For six months they held back the Turkish armies and thus materially aided the British forces in Mesopotamia. They also captured Baku and finally joined the British forces at that point in July, 1918. General Ludendorf in his work declares that—

the principal factor that forced the breakdown of the German army in the west was due to the lack of fuel supply, because the Turks did not get to Baku in time.

It will be recalled that the military leaders of the Turkish forces withdrew thousands of them from the Palestine front and sent them to the Caucasus to join the Tartars in their military operations against the Russian Armenians.

After the Turkish order for the extermination of the Armenians had been executed, many who escaped joined the English and French military forces in Palestine and Syria and contributed materially to the victory which was won by General Allenby. Thousands of American Armenians, and Armenians who were not naturalized but who were living in America, volunteered prior to and after the United States entered the war, and fought with the American and French and British forces on many battle fields of Europe.

In 1916 M. Briand, who was president of the Council of Ministers in France, proposed to organize a legion, to be known as the Legion of the Orient. Syrians and Armenians in large

numbers became members of this military organization; and it was declared that one of the principal objects of the organization was that its members might aid the allied cause and free Cilicia and Syria from Turkish control. Military leaders and statesmen of the allied nations all testify to the valorous conduct of the Armenian and Syrian soldiers and to their material contributions to the allied victory.

For centuries the appeals of the Christian minorities within the Turkish Empire for succor and support have occasionally aroused the civilized world, and, as I have indicated, upon a number of occasions demands were made of the Turkish Government that its massacres and persecutions of the non-Moslem populations should cease. During the war, and particularly after it became known that Turkey had deported and murdered more than a million Armenians, the allied and associated nations, including the United States, demanded that when the war was over the remnants of the Armenian race should be freed from the tyranny of Turkey and that there should be assigned to them a portion of their former kingdom, within which they might establish a government of their own choice.

Lloyd-George stated in the House of Commons that—

recognition of the separate claims of Armenia shall constitute one of the aims of Great Britain—

And in July, 1918, Mr. Balfour stated that the British Government was following with—

sympathy and admiration the gallant resistance of the Armenians in the Caucasus in defense of their liberties and honor.

He declared, in substance, that the leading statesmen among the allied powers were in favor of a settlement of the Armenian case upon the principle of self-determination.

Clemenceau in July, 1918, said that one of the peace terms must be the—

liberation of oppressed nations.

He referred to the—

spirit of self-abnegation of the Armenians, their loyalty to the Allies, their contributions to the Foreign Legion, to the Caucasian front, and to the Oriental Legion, called later the Armenian Legion—

And stated that—

these contributions have strengthened the ties that connect them with France.

He further declared that—

it was the purpose of his government, as well as that of Great Britain, to settle the fate of the Armenian nation according to the supreme laws of humanity and justice.

In the same year the Italian Chamber of Deputies, by a practically unanimous vote, resolved in favor of the independence of Armenia. When M. Poincare was President of France he addressed a letter in February, 1919, to the Armenian archbishop of Cilicia and declared, in substance, that by reason of the—

joint sufferings and tribulations of France and Armenia the two countries would now commune with each other with common joy and common pride.

He further stated that—

France understood that Armenia was to enjoy the benefits of security, of peace, and liberty.

Premier Briand in the Chamber of Deputies in 1921 declared that France would fulfill her international duties, not only to satisfy her allies but also her associates, the United States. He was referring to Armenia and the independence which had been promised to the Armenian race.

Mr. Asquith, when prime minister, in a speech on November 9, 1916, speaking of the Armenians, promised—

An era of liberation and redemption for that ancient people.

Lloyd George, in addressing the Trades Union Congress January 5, 1918, declared that—

• • • especially Armenia, Mesopotamia, Syria, and Palestine are, in our judgment, entitled to a recognition of their separate national conditions. It would be impossible to restore to their former sovereignty the territories to which I have already referred.

Mr. Lloyd George, in the House of Commons on the 29th of April, 1920, referred to the Christian minorities in Cilicia and stated that the French were to exercise "guardianship over them." He referred to the struggle which was going on and expressed the hope that the Armenians would secure sufficient protection. Continuing, he said:

We can not disassociate ourselves from the responsibility that is cast upon us by our pledges in respect to the Armenians. If the United States of America feel that they can not take direct responsibility, we shall have to consider the whole position and will undoubtedly take our share in the matter of helping the Armenian community to equip themselves for their very difficult task, a perilous task.

I could refer Senators to numerous other statements made by representatives of the allied and associated nations with reference to the guarantees and promises made in behalf of the Armenians, but time forbids.

Permit me to call attention to the statement of President Wilson, appearing in his 14 points:

While the Turkish portions of the Ottoman Empire should be assured a secure sovereignty, the other nationalities which are now under Turkish rule should be assured an undoubted security of life and absolutely unmolested opportunity for autonomous development.

During the war and following the armistice Senators, both Republicans and Democrats, declared in favor of a free and independent Armenian State, and announced that one of the objects of the war was to redeem the Armenians from the tyranny of the Turkish Empire. A great American, Theodore Roosevelt, in an address delivered by him at the Lafayette Day exercises in New York City, September 6, 1918, said:

Germany has been able to wage this fight for world domination because she has subdued to her purpose her vassal allies—Austria, Turkey, and Bulgaria. Serbia and Rumania must have restored to them what Bulgaria has taken from them. The Austrian and Turkish Empires must both be broken up, all the subject peoples liberated, and the Turk driven from Europe.

He referred to Czechoslovakia and Poland and the Baltic Provinces, and declared that their rights must be considered. Speaking of the Baltic Provinces, he said:

They must be granted their freedom and independence.

Again, in this remarkable address, he said that—

Armenia must be free, Palestine made a Jewish State, and the Syrian Christians liberated.

Colonel Roosevelt correctly interpreted the spirit of the American people with respect to the objects of the war and the peace terms which should be written following the triumph of the allied cause.

I distinctly remember that the leader of the Republicans in the Senate [Mr. Lodge] stated in substance that the Armenians must be freed from Turkish rule.

The present Secretary of State, in a speech delivered February 8, 1919, referred to the friendship which the Americans had always entertained for the Armenians and the admiration which they felt for the intellectual alertness and sobriety of the Armenians. He further stated that:

We have revolted at the thought of such a people being under the yoke of the Turk. Now we rejoice that the hour of liberation has come. The vain ambition of brute force has overreached itself and has resulted in the emancipation of the downtrodden and oppressed of centuries. There is to be a settlement of this long account, and the credit balance is to be found in the opportunity for a free and independent life.

The Secretary then referred to the capacity of Armenians for freedom and self-government, and declared that:

We propose to-night to throw such influence as we have into the scale for Armenian independence.

After the withdrawal of Russia from the war the Armenian military units which had opposed the Turkish forces continued the contest until the armistice. In May, 1918, the Armenians residing within what is known as Russian Armenia declared their independence and set up a Republic with its capital at Erivan. Recognition was accorded the new Government by the allied nations as well as by the United States. However, neither the allied nations nor the United States gave material aid or proper moral support to the Armenians in the perilous task before them. The Bolshevik leaders at Moscow sent emissaries to the new Republic to sow the seeds of dissension and followed them with military forces. The Turkish authorities at Angora sent Turkish troops to make war upon the Republic. These forces, cooperating with Bolsheviks and Tartars and Soviet soldiers from Ajerbaïjan, made war upon the Armenian Republic. Left without support by the allied nations and after valiantly struggling for many weeks, their resistance was finally broken down and the brutal and motley forces of the Bolsheviks, Kurds, Turks, and Tartars overran the territory of the Armenian Republic.

Thousands of men, women, and children were butchered; hundreds of villages laid waste, and all the horrors, except on a smaller scale, which had been witnessed in 1915 under the exterminating policy of the Turkish Government, were again reproduced.

Perhaps I should add that after the destruction of the Russian-Armenian Republic the Communist authorities of Moscow permitted the establishment of a Soviet government in Russian Armenia; but it was a mere creature of the Bolshevik leaders and in no sense represents the aspirations and ideals of the Armenians. I record, however, the fact that after it began to function there was less persecution of the Armenians who were within its borders than they would have been subjected to under Turkish rule.

In August, 1920, the treaty of Sevres was signed. While it recognized the independence of the Russian-Armenian Republic, it also provided that a portion of the Provinces of Erzerum, Van, Bitlis, and Trebizond, which were within the

limits of the Turkish Empire, should be awarded to the Armenians in order that they might establish a government of their own. It was understood that Russian Armenia in time would be united with the portion of Turkish Armenia over which Turkish authority was extinguished, and that thus a strong Armenian Republic might be established. It was further provided that the President of the United States should delimit the southwestern boundary of the new republic, which he did in November, 1920, and under his decision approximately 42,000 square miles of the four Provinces before mentioned were awarded to the Armenians to constitute a part of their new State.

But even the treaty of Sevres failed to do justice to the Armenians. An important part of Turkish Armenia, to which they were entitled, and all of Cilicia, which is one of the richest Provinces within the Turkish Empire, were awarded to Turkey.

It is important to know that Turkey by the treaty of Sevres recognized Armenia as a free and independent State and agreed to accept the arbitration of the President of the United States upon the question of the boundary between Turkey and Armenia in the vilayets of Erzerum, Trebizond, Van, and Bitlis and upon Armenia's rights to access to the sea. At the time of the signing of the Sevres treaty Great Britain, France, and Italy entered into an agreement for the protection of the Armenians and other Christians in Cilicia, which was placed within the French zone. The Armenians had insisted that Cilicia should constitute a part of their Republic, but this claim was denied. However, it was understood that Cilicia would have an autonomous government under the protection of France. There had gathered into Cilicia many thousands of Armenians, Greeks, and other Christians, and they looked forward with faith and hope to the building up of a progressive and enlightened State in which liberty might be enjoyed.

Soon after the execution of the treaty of Sevres jealousies entered into the councils of the allied nations in respect to the Near East. France and Italy were not in accord as to their respective spheres of influence in the Near East, nor were they satisfied with the attitude assumed by Great Britain toward the treaty of Sevres and the obligations of the signatories thereunder. I shall not attempt an analysis of the causes leading to these jealousies and controversies. Perhaps they were inevitable, although I have felt that selfishness and greed influenced the conduct of each nation. However, I do feel free to say that Great Britain more earnestly sought to protect the Christian minorities in the Near East and to preserve the Armenian Republic. She has been criticized because of her desire to restore to Greece territory which formerly constituted a part of Greece and within whose boundaries the Hellenic peoples were predominant. Undoubtedly Great Britain was desirous of building up a strong Hellenic State, and she was likewise committed to the policy of establishing a strong and vigorous Armenian nation. Undoubtedly both Italy and France did not feel that this program was to their advantage in the Near East.

The Armenians had cooperated with France in driving back the Turkish armies and in conquering Cilicia. She had accepted by the treaty of Sevres a solemn obligation to protect the Christian minorities within Cilicia. But after she had signed the treaty she gave notice of her purpose to withdraw all military forces. Terror seized the Armenians and Greeks and the Christian minorities within Cilicia, because they knew that the gathering Turkish forces under Kemal Pasha would subject them to the same fate which had overtaken so many hundreds of thousands of their race.

When the Turks perceived the disunion and jealousies among the allied nations they became truculent and avowed their purpose to ignore the treaty of Sevres, and, if necessary, engage in further military operations. They established a revolutionary government at Angora and began the mobilization of the defeated Turkish armies.

I have referred to their invasion of the territory of the Armenian Republic, in cooperation with the Bolsheviks, the Tartars, and the Kurds, and the slaughter and the indescribable butcheries which followed their military successes. They now directed their attention against the Greeks who inhabited that part of Anatolia bordering upon the Black Sea and which was known anciently as Pontus.

Senators are familiar with the fact that hundreds of years before the Christian era a branch of the Hellenic race had settled along the southern littoral of the Black Sea. They organized a great and powerful State which represented Hellenic thought and Hellenic culture. The Greeks in those remote ages carried their laws and culture and civilization beyond the Greek States and free cities in what is known as Greece proper. Thrace, including Constantinople, was Greek; northern and

western Anatolia was Hellenic; the islands of the Aegean Sea were peopled by the Hellenic race, and to the east on the mainland Greek cities and colonies were founded. There Homer was born, and many of the greatest philosophers and statesmen and leaders of the Hellenic race were cradled on the western shores of Asia Minor, in what are now known as the Provinces of Adin and Broussa and the district of Smyrna.

In 1920 there were about 1,500,000 Greeks in Asia Minor and nearly 800,000 in Thrace and the region of Constantinople. There were approximately 1,000,000 Greeks in the vilayets of Adin and Broussa (including Smyrna), the number exceeding the Turkish population within the same territory. In 1914 there were nearly three-quarters of a million Greeks in Pontus and in other portions, not heretofore referred to, of Asia Minor. In 1919, in the vilayet of Constantinople, which comprises Stamboul, Pira, and Scutari, and the suburbs as far as Chatalja, there was a total population of 1,174,000. Of this number only 449,000 were Turks.

In the city of Constantinople there were at that time fewer Turks than there were Christians. In Constantinople proper there were approximately 308,000 Turks and 250,000 Greeks, 140,000 Armenians, 38,000 Jews, and in the neighborhood of 135,000 belonging to other nationalities. There were fewer Turks in western Thrace than there were Greeks and Bulgarians.

I mention these facts for the purpose of calling attention to the justice of the treaty of Sevres, which awarded western Thrace to Greece, and reserved that part of eastern Thrace consisting of Constantinople and a few square miles east of the Chattaqua line for further action by the allied and associated powers.

The government of Constantinople and environs was placed temporarily in the hands of a commission, but it was hoped that this district would be internationalized or placed in the hands of commissioners to be named by the League of Nations or by the allied and associated powers. At any rate, none of the victorious nations or their people conceived it possible that Constantinople would be returned to Turkey or that the Turkish Government would ever be permitted to exercise political authority in Europe. Gladstone had declared in his day that the Turks must be driven from Europe "bag and baggage." I repeat that when the treaty of Sevres was written it was felt throughout the Christian world that the Turk would no longer be permitted to rule in Europe. He had been a cruel, incompetent master. He had failed to do justice to his own race and had been cowardly and cruel in his treatment of other races under his flag.

Former President Taft expressed the views of the civilized world concerning the Turks when he said:

Speaking of the Ottoman Government, it is a lawless form of medieval autocracy, imposed on subject races by pressure from without; sustained by fraud and force; knowing no law; despising justice; alien to every instinct of humanity; deaf to sympathy; and glorying in the shame of the power to injure and destroy.

The Turks, realizing that they were in the minority in Thrace and in Constantinople, accepted the treaty of Sevres, and many of their leaders looked to the establishment of a Turkish capital at Angora or some appropriate place in Anatolia.

The allied nations were entirely willing that the Turk should have a home and a country. They were willing, notwithstanding the fact that there were hundreds of thousands of Christians within the boundaries of Anatolia, to incorporate them within the boundaries of the Turkish Empire and subject them to the rule of the Turkish people. They insisted, however, upon guarantees and reserved to themselves certain authority which would enable them to protect the Christian minorities from oppression at the hands of the Turks.

As I was preceeding to state, when it became manifest that the allied nations were drifting apart and that jealousies were separating them in the administration of Near East affairs, Kemal Pasha and other ambitious Turks began plotting and intriguing to destroy the treaty of Sevres, to further divide the allied nations, and to pluck victory from an admitted inglorious defeat. A rapprochement was made with the Bolsheviks, and material aid was given and promised by the Moscow government in the program which the Kemal government was preparing to execute. May I add that the territory awarded to Turkey under the treaty of Sevres was rich and possessed many advantages as well as almost limitless resources. It was bounded upon the north by the Black Sea; upon the west were the Sea of Marmora and the Straits leading from the Aegean and Mediterranean Seas to the Black Sea. Its area was large—indeed so great as to afford for centuries to come homes for an expanding and growing population. But the defeated Turks planned for an ultimate victory, and re-

sponding to the sinister intrigues of the Bolsheviks soon developed grandiose schemes, and sought to embroil the Near East and Egypt and all Mohammedan lands in bitter and relentless war.

Their emissaries, joined by the secret agents of the Soviet Government, penetrated the new Arabian State and Egypt, Afghanistan, and far-off India, seeking to raise the standard of revolt and to precipitate a deadly religious war. France and Italy pursued a course that encouraged the military movements of the Turks. They sold them enormous quantities of military supplies, withdrew their armed forces from territory which they should have protected, and signified a willingness for the Angora government, under Kemal Pasha, to repudiate the Sevres treaty and to light again the fires of war.

In this situation the Turks continued their persecution of the Greeks and Armenians and other Christians who were within Anatolia. Hundreds of thousands of Greeks were deported and thousands of them butchered and subjected to privations and hardships which resulted in death. The history of the treatment of the Potian Greeks is as tragic as many of the pages which record the cruelties and persecutions inflicted upon the Armenians. Tens of thousands of them were driven to Russia, and large numbers, after their homes were pillaged and towns destroyed, succeeded in escaping from their cruel persecutors and finally found their way into Greece or Constantinople or other cities and sections where there was temporary relief at least from the vengeful hand of the pursuing Turk. Thousands of Greeks and Armenians were murdered in Cilicia and in districts to the north and west, and most of the remainder were driven from Turkish soil.

The victory of the allied nations over the Central Empires and Turkey did not change the mentality of the Turks. They remained, and still remain, the same cruel tyrants, the same fanatical persecuting fiends that they have been in the past. There can be no protection for Christians under Turkish rule. So successful were the Kemalists in their schemes that the Greek military forces were driven from Asia Minor.

A great portion of Smyrna was burned, hundreds of thousands of Armenians and Greeks were driven from western Asia Minor, from the Provinces of Broussa and Adin, and were forced to take refuge upon the islands of the Aegean Sea or in Greece, where they are destitute and suffering incredible hardships. Inflamed by these successes, the Kemalists forced the abdication of the Sultan and marched their victorious armies to the very gates of Constantinople. Great Britain sought in an honorable way to unite the Allies in some policy that would bring peace to the Near East and save the Allies from a humiliating and ignoble compact with the Turkish leaders. France, unfortunately, had entered into a separate treaty with the Kemalists shortly after the treaty of Sevres and Italy had signified negatively if not affirmatively her willingness for the Kemal government to engage in military operations, destroy the Greek armies, and reconquer Constantinople. It is manifest that both France and Italy were jealous of Great Britain and were unwilling to see her dominant in the Near East or the controlling power in Constantinople and in the straits. The course of France and Italy, in my opinion, is regrettable, and has brought about the unfortunate conditions to which I have referred.

A united front upon the part of the Allies would have avoided all of these serious consequences. Great Britain indicated a willingness to defend important terms of the treaty of Sevres and to prevent the return of the unspeakable Turk to authority and control in Europe. France and Italy refused their support in the execution of this policy. As a result the Turk, arrogant and insolent, is again in Europe. The Turkish armies have marched through the streets of Constantinople and driven tens of thousands of Greeks from their homes in Thrace. These suffering people have been compelled to abandon their homes and their property and to seek an asylum in the congested lands, overpopulated and impoverished as the result of war and famine, to the south of them. The sufferings of these poor wanderers as they fled before their cruel dispossessioners can not be described. Fleeing through the mountains, thousands of them perished and thousands who succeeded in reaching Greece found poverty and hunger and starvation awaiting them.

The allied nations have capitulated to the demands of the Turks. These demands prove that Turkey has won the war. The great western nations, whose representatives met the cunning Turk at the peace table at Lausanne, discovered that no matter what might be said of Germany or Austria or Bulgaria, it was apparent that Turkey was emerging from the World War as a victorious nation. Her representatives at Lausanne were truculent and were supported by Tchitcherin and

the Bolsheviks of Moscow. They demanded terms which, in my opinion, self-respecting nations would not assent to.

The destruction of the Armenian Republic is confirmed and the remnants of the Armenians who were found in Asiatic Turkey are to be expelled. It is true there are but few remaining. The bones of hundreds of thousands of these martyrs lie bleaching upon the plains and in the mountain fastnesses of what was once the Armenian kingdom. The cruel Turk has at last triumphed. It has taken hundreds of years to accomplish his end, but now, with the connivance of Christian nations, he succeeds in driving from the land in which Armenians have lived for more than 2,500 years the few survivors there found. In the centuries since these Asiatic barbarians invaded the homeland of the Armenians millions have been butchered and wrongs and cruelties perpetrated which 10,000 historians can not record. Is it possible that wrong is to triumph and justice to be denied? I am reminded of the biting words of Wilde:

Christ, dost Thou live, indeed, or are Thy bones
Still straightened in their rock-hewn sepulcher?
And was Thy rising only dreamed by her,
Whose love of Thee for all her sin atones?

For here the air is horrid with men's groans,
The priests who call upon Thy name are slain;
Dost Thou not hear the bitter wail of pain
From those whose children lie upon the stones?

Come down, O Son of God! Incestuous gloom
Curtains the land, and through the starless night
Over Thy cross the crescent moon I see!
If Thou in very truth didst burst the tomb,
Come down, O Son of Man and show Thy might,
Lest Mahomet be crowned instead of Thee!

Mr. President, one will be justified in condemning those nations which have permitted Turkey to write victory above her banners. For weeks their representatives, led by Lord Curzon, have been pleading and fencing to secure a treaty from a nation that has practiced the murder of helpless people and waged a war of extermination against Christian races. Lloyd-George, speaking of them and their statements, said:

I remember representatives of Turkey admitting that millions of Armenian Christians have been slaughtered, ravaged, outraged, and tortured. Yet I know of governments that have not hesitated to make agreements with the people who take a leading part in the direction of those outrages and murders.

Mr. President, France and Italy should cower under these stinging words. They cut like a lash. They reveal the selfish, if not imperialistic, policies that have guided some of the allied nations following the treaty of Sevres in their dealings with the Near East and the stricken, sorrowing non-Moslem peoples.

Mr. President, I believe that the majority of the American people felt, even though the Versailles treaty was rejected and we did not enter the League of Nations, that there was an obligation resting upon the United States to aid the Armenians in obtaining their freedom and establishing an independent government. It is true our Government did not declare war upon Turkey and Bulgaria. In my opinion that was a mistake. They were our enemies as much as was Austria, and our military forces were operating against them as they were contending against the forces of Germany and Austria, though, perhaps, there were no points of actual contact. In 1917 I insisted that our Government recognize a state of war as existing between it and Bulgaria and Turkey, and offered a resolution which was a declaration of war against these nations. I contended that if we failed to declare war and no declaration of war came from them, when hostilities ceased we would be denied the opportunity of participating in the peace conference and have no voice in dictating peace terms.

However, as I have shown, the American people recognized, and our Government recognized, that one of the objects of the war was the defeat of Turkey and the establishment of an Armenian Government. The duty rested upon the allied and associated powers to protect Armenia as it protected Belgium and Poland and Czechoslovakia. America failed, in my opinion, to do her duty toward the Armenians. We saw her abandoned by the allied nations and made no protest. Congress was apathetic and heard with apparent unconcern the piteous appeals from the Armenians for the redemption of the promises made by the victorious nations.

The American Committee for the Independence of Armenia, of which the Hon. James W. Gerard is and for several years past has been chairman and Hon. Henry W. Jessup has been secretary, and which has an executive committee composed of some of the most eminent statesmen of our country, including Secretary Hughes, Judge Parker, Elihu Root, Charles W. Eliot, Senators Lodge and Williams, Dr. Nicholas Murray Butler, and Hon. Edward P. Wheeler, has rendered invaluable and conspicuous service in behalf of the Armenians. This committee for several years has earnestly and faithfully labored to pre-

sent the cause of Armenia and to compel our Government and the American people to discharge the obligations which they had solemnly undertaken for the protection of the Armenian people.

No praise is too great for the unselfish and noble work performed, particularly by former Ambassador Gerard and Mr. Jessup. No stronger papers have been presented in behalf of a worthy cause than those submitted by these men to the Chief Executive of the United States, the State Department, and to Congress and the American people. I wish time permitted the presentation to the Senate of some of the reports, addresses, and papers prepared by these two distinguished men. However, I shall ask permission to place in the Record without reading a statement found in one of the pamphlets submitted by Mr. Gerard under date of April 14, 1922, in which reference is made to America's responsibility in Armenia's tragedy. While I do not agree with all that is said, I recognize the splendid and logical presentation and gladly offer it for consideration.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The matter referred to is as follows:

AMERICA'S RESPONSIBILITY IN ARMENIA'S TRAGEDY.

Armenia joined the Allies in the war three years before we did and lost by actual fighting over 100,000 lives. Through the President of the United States we proclaimed to the world that the liberation of Armenia was one of the war aims of America, and later we reaffirmed the President's pledge by a congressional resolution. But we quit the war before we made any practical gesture to bring about the recognition of the rights of a little nation, which had fought on our side and which was no longer able to help itself. We did not forget, however, that the defeat of Turkey, to which we had contributed indirectly, had given us the right to claim, as we now officially do, certain economic advantages in Turkey. But this is not all.

When the peace conference was sitting the Armenians, relying upon the repeated and specific pledges of the allied powers that the creation of an Armenian State would be one of the fruits of victory, had no thought of turning to the United States for aid. They expected that the European powers would carry out both the letter and the spirit of their promises.

Indeed, during the winter of 1918-19 official spokesmen of France made deliberate and persistent intimations to the Armenians that they ask France to take a mandate for Armenia, of which nearly one-half part had already been allotted to France by the secret Sazonoff-Paleologue convention of 1915 and the Sykes-Picot compact of 1916. But our delegation to the peace conference conveyed to the Armenians the clear impression that America was favorably disposed to the assumption of that task. Manifestly it was not for the Armenians to question the constitutional authority of an official body, headed by the President of the United States, ostensibly representing America. That such an impression, amounting to a promise, was given the Armenians was subsequently proved by the fact that the President asked the Senate on May 24, 1920, for authority to accept a mandate for Armenia.

While we rejected the proffered mandate by numerous subsequent utterances, some of them made by our highest officials and others embodied in our national party platforms, we continued to hold out to them the hope that we would help them to become a nation.

When the Armenians turned their faces to us and we, without regard to party, officially and unofficially held out to them the hope that we would help them we actually induced them to relieve the powers from their own responsibility to help them and thereby assumed a fixed and binding moral and legal responsibility to help them to become a nation.

I shall herein below set forth a set of facts which constitute, in my opinion, the bases of our responsibility toward Armenia, a responsibility which we can not shirk without stultifying ourselves. They show that for a continuous period of over three years we have held out to the Armenians the hope that we would help them—we have made solemn promises to help them—and thereby deprived them of the opportunity of looking elsewhere for help.

1. In December, 1918, Senator Lodge offered a resolution in the Senate in favor of the independence of Armenia, and further expressing the hope that "the peace conference—of which America was a member—will make arrangements for helping Armenia to establish an independent Republic." (The peace conference did make the hoped-for arrangement.)

2. On February 8, 1919, at a banquet held in New York, a representative American audience, after having heard Mr. Justice Hughes and Mr. Bryan, adopted Senator Lodge's resolution and cabled it to the President, who replied that "it struck a responsive chord in my heart."

3. On March 3, 1919, 20,000 ministers and priests, a cardinal, 85 bishops, 40 governors, and 250 college and university presidents subscribed to two petitions, addressed to the President, embodying Senator Lodge's resolution.

4. On March 17, 1919, Mr. Bryan cabled the President in favor of the inclusion of Cilicia in Armenia, and the President made a sympathetic reply. (Mr. Bryan suggested that we should keep the President's reply for future use and reference.)

5. During the winter of 1918-19, the American delegation to the peace conference conveyed to the Armenians the impression that America would accept a mandate for Armenia, relying upon which the Armenians refrained from responding to intimations made to them by France that they ask France to accept a mandate for Armenia.

6. On April 22, 1919, 75 bishops, by cablegram, expressed to the President the hope that America may accept a mandate for Armenia, to which the President replied that "You may be sure I share the deep interest in the fate of Armenia."

7. On May 25, 1919, 15 representative Americans, by cablegram, pledged to the President their sympathetic support in the matter of America's accepting a mandate for Armenia, in reply to which the President expressed "our deep appreciation of the trust reposed in us in a matter in which our hearts are very much enjoined."

8. On May 18, 1919, Colonel House assured us that the American delegation was giving necessary attention to the Armenian case and that it was in a satisfactory condition.

9. On May 21, 1919, the United States sent a warning to Turkey against her treatment of the Armenians.

10. On June 22, 1919, eight Americans, including Hughes, Root, Lodge, Eliot, Senator WILLIAMS, and others, by cablegram, urged the President that "either the Allies or America, or both, should at once send to Caucasus Armenia requisite food, munitions, and supplies for 50,000 men and such other help as they may require, to enable the Armenians to occupy the nonoccupied forts of Armenia, within the boundaries defined in the memorandum of the delegation of Integral Armenia"; in reply to which message the President sent the Harbord mission to Armenia.

11. On September 8, 1919, Senator WILLIAMS offered a resolution in the Senate embodying the provisions of the Lodge resolution and, further, advocating the dispatch of troops to Armenia, etc. A subcommittee of the Senate Foreign Relations Committee, headed by Senator Harding, held hearings in September and October, examined numerous witnesses, some of whom had come from Armenia to appear before that committee, but did not make its report to the Foreign Relations Committee until May 14, 1920.

12. In the fall of 1919 the Department of State intimated that the President was favorable to making remedial recommendations to Congress for Armenia, if he could feel that the Republican leaders would support him; whereupon, on December 18, 1919, 10 Americans, including Hughes, Parker, Root, Butler, Hibben, and others, with the full approval of Lodge, asked the President to abandon the proposition of America's accepting a mandate for Armenia—since we were not a member of the league—and urged him that "the administration declare itself in favor of America's extending direct aid to Armenia, and to that end formulate a definite, continuing policy."

13. On April 23, 1920, we recognized the independence of Armenia.

14. On May 21, 1920, the President accepted the invitation extended to him by the allied supreme council to define the southwestern boundaries of Armenia, which he did on November 22, 1920.

15. On May 24, 1920, the President asked Congress for authority to accept a mandate for Armenia. Before the President had sent in his message to Congress we informed him, on the basis of careful inquiries we had made as to the attitude of the Senators, that it would be overwhelmingly rejected, and that its rejection would, in effect, constitute an invitation to the enemies of Armenia to attack her; and after he had sent in his message to Congress we warned the Senators in charge of the resolution in reply to the President's message, and also several other members of the Foreign Relations Committee, that a rejection of the President's request, without a substitute plan for helping Armenia, would be fatal for Armenia, but they did not agree with our conclusion; and thus the steps taken by the executive and legislative branches of our Government, for which the Armenians were in no wise responsible, resulted disastrously for Armenia.

16. In June, 1920, the Republican Party inserted a plank in its national platform which declared that "we deeply sympathize with the people of Armenia and stand ready to help them in all proper ways"; and the Democratic Party inserted a plank in its national platform which declared that "we express our deep and earnest sympathy for the unfortunate people of Armenia, and we believe that our Government, consistent with its Constitution and principles, should render every possible and proper aid to them in their efforts to establish and maintain a government of their own."

17. When Armenia was invaded by the Turks in the fall of 1920 the administration, in reply to our urging that it warn the Turks and the Allies, intimated that it was reluctant to do anything that might embarrass its successor. Whereupon on December 17, 1920, the American Committee for the Independence of Armenia, secured the approval of President-elect Harding to a note to be addressed to the powers, and copy thereof to be transmitted to the Turks, calling upon them to enforce and respect the Armenian provisions of the Sevres treaty, when the President would ask Congress for "such financial, material aid to the new Republic, when put in possession of its rightful territory, as will enable it undisturbed to attain in due time its proper development."

18. In May, 1921, the President expressed himself in favor of the independence of Armenia and of the American people and Government doing their share in the upbuilding of Armenia.

19. In May, 1921, Senator KING offered a resolution in the Senate in favor of the enforcement of the Armenian part of the Sevres treaty.

20. We have in our possession numerous letters written by the highest officials of the Government during 1919, 1920, 1921, and 1922, all of which, without exception, favor America's helping Armenia by this or that method.

The major conclusions to be drawn from the foregoing facts are that—
(a) The American people, speaking through their leaders and chosen representatives, made specific and solemn promises to the Armenians, during a continuous period of over three years, that America would help Armenia to become a nation;

(b) Armenia, relying upon the promises thus made by America, refrained from asking the powers to fulfill the pledges which they had made to her, and in one instance turned down a specific offer of help made to her by one of the great powers, and, by so doing, antagonized her;

(c) The United States Government waited for a year and a half to inform the powers and the Armenians of its decision with regard to accepting a mandate for Armenia, and during that period held out to the world the hope that it would take a hand in the setting up of an Armenian State.

(d) The United States Government, after having waited for a year and a half to determine its course on the mandate proposition, in disregard of the warnings which have been given to it that a rejection of the proffered mandate without a substitute project to help Armenia would throw her upon the mercy of her enemies and of those whom she had antagonized by ignoring their offer of help, induced by our promises, made of the Armenia case a football of American party politics, with disastrous consequences to Armenia.

(e) In September-October, 1919, a subcommittee of the Senate Foreign Relations Committee held hearings in connection with a resolution favoring measure of direct aid to Armenia, thus holding out to the Armenians the hope of help, and thereby depriving them of the opportunity of seeking help from the powers—a step which would have constituted a gross act of disrespect to the Senate had they taken it—and without any good reason, and notwithstanding the obvious and admitted necessity for speedy decision by the subcommittee, affirmative or negative, waited for eight long months to make its report.

(f) The United States Government, by its failure to inform the powers within a reasonable time that it would not accept the Armenian mandate and by its failure to act within a reasonable time on a reso-

lution—Senator WILLIAMS's resolution, referred to in paragraph (e)—delayed the settlement of the Armenian problem for a year and a half; and the President, who had accepted the invitation of the allied supreme council to define the southwestern boundaries of Armenia on May 21, 1920, by not rendering his decision until November 22, 1920, delayed the enforcement of the Armenian part of the Sevres treaty, which was concluded on August 10, 1920.

Mr. KING. Mr. President, it is well understood that President Wilson deeply sympathized with the aspirations of the Armenians. He was willing that the United States accept a mandate over Armenia. Let me emphasize a fact or two mentioned in the statement just placed in the RECORD. Our distinguished colleague, Senator WILLIAMS, offered a resolution early in 1920, which was referred to a subcommittee composed of President Harding, who was then Senator, and Senators WILLIAMS and NEW, extending congratulations to Armenia upon her independence and "recommending the dispatch of a battleship to the eastern waters and the landing of marines to aid in holding the Batum-Irivan line." A report was submitted, prepared, as I understand, by Senator Harding, which was ratified by the Senate, and it comprehended in its recommendation all that had been declared in the resolution. On the 24th of May, 1920, President Wilson, in a message to Congress, referred to Senator Harding's report and declares that it "embodies his own convictions and feelings with regard to Armenia and its people." He further stated that it was to the American people and their Government that the struggling people of Armenia turned—

as they emerged from a period of indescribable suffering and peril, and I hope that the Congress will think it wise to meet this hope and expectation with the utmost liberality.

The President asked for authority to accept a mandate for Armenia, but the Senate Foreign Relations Committee denied his request, and the Senate adopted a resolution refusing the Executive the power to accept a mandate as requested.

Mr. McKELLAR. Mr. President, in view of the statement as to what has happened to Armenia since the war closed, I suppose the Senator and I ought to feel that we did the right thing when we voted in favor of a United States mandate over Armenia as I remember the Senator and I did vote.

Mr. KING. The Senator is correct as to our attitude upon that matter, and I do not regret that I was one of the 12 Senators who voted to authorize the President to accept a mandate for Armenia.

Mr. McKELLAR. Nor shall I ever regret my vote.

Mr. KING. Mr. President, after the allied nations refused to enforce the treaty of Sevres and the Kemalists forces were encouraged, as I have shown, to engage in further military operations, it became apparent to the allied nations that a state of war still existed between them and Turkey, and that some form of treaty must be agreed upon and formally ratified. In the spring of 1921 Lloyd-George, speaking for the allied premiers, submitted proposals as a basis for a revision of the Sevres treaty. One of the proposals called for recognition by Turkey of the rights—

of the Turkish Armenians to a national home on the eastern frontiers of Turkey in Asia, delimitation of the frontiers to be decided by a mission appointed by the council of the League of Nations.

This declaration was followed by a memorandum later issued by the foreign ministers of the allied powers which confirmed the proposal for such a national home. This proposition proved attractive to some who were sincere friends of Armenia, but it was evident that the plan was not feasible, and that it would not cure the long-standing evil nor bring relief to the Armenian people. It implied a division of Armenia between Turkey and Russia and the separation of the Armenian people. It recognized as a fait accompli the rightful and permanent assertion of authority by Russia over the Armenian Provinces now controlled by the Soviet Government. It likewise recognized the sovereignty of Turkey over the so-called Turkish-Armenian "home" within which it was proposed that the Armenians scattered in Asiatic Turkey and in Europe would gather. It was a denial of independence to the Armenians and the consignment to the grave of their centuries of hopes and aspirations for freedom and independence.

And, in the meantime, the insolent Turk has continued his plan to destroy the Armenians. He has realized the weakness and impotency of the allied nations to afford them protection or to impose upon Turkey terms of peace which justice and righteousness demand.

And the present administration, regarding the rejection of the Versailles treaty as a mandate to do nothing for Europe or for the Armenians or to discharge those obligations which our association with the allied nations imposed, looks coldly upon all propositions to aid the Armenians in obtaining their liberty and in setting up an independent government. It has refused to even express to the allied nations the deep interest

of the American people in the fate of the Armenian race. It has refused to indicate to the signatories of the treaty of Sevres that in so far as that treaty protects the Armenians this great Republic, which has always championed the cause of the oppressed, is profoundly interested in its provisions, and views with deep concern any proposition looking to the modification of such terms and to the denial of freedom and liberty to the Armenian race, whose interests, it was understood, were involved in the World War.

Indeed, Mr. President, our Government apparently looks with unconcern upon the tragic conditions in the Near East. No voice of protest is raised against the deportation of Greeks from Thrace, the burning of Smyrna, the deportation of tens of thousands of Christians from the Smyrna district, and the deliberate execution of the cruel plan to accomplish the extermination of all non-Moslems now within Asiatic Turkey. It is quite likely, in view of this apathetic and calloused spirit, that we will soon be called upon to welcome the Turk into the family of nations, to resume intimate and most cordial diplomatic relations with him, and to accord to him the honors of a triumphant and victorious power. It seems as though but little is needed to complete the humiliation of the allied and associated powers.

Mr. President, the chapter will soon close. It will record the betrayal of a brave and heroic people, the denial of their aspirations, the crucifixion of their ideals, and it will show how great and mighty Christian nations, quarreling over the spoils of war and territorial concessions and spheres of influence, were willing to sacrifice a brave people who had fought with them for world liberty and the cause of civilization. It will likewise portray this Nation, the most powerful in the world—a nation which should exercise the authority of a moral and spiritual leader in the world—as having abdicated its high privilege and taken refuge behind the ramparts of materialism and alleged self-interest.

Mr. STERLING. Mr. President, much that has been said by the Senator from Utah [Mr. KING] is quite apropos of a bill now on the calendar, the bill S. 4092, providing for the admission into the United States of certain refugees from near eastern countries. If it were not so late in the day, and if there was a somewhat larger attendance of the Senate, I would be tempted to ask unanimous consent for the present consideration of the bill. But because of those conditions I shall not ask it. I hope Senators will give their attention to the bill, with the view on my part of moving its consideration at the earliest practicable time.

I wish to say with reference to the bill as it is now before the Senate, that it is for the relief of Armenian refugees to this country. The original bill introduced by the Senator from New Hampshire [Mr. KEYES] provided for the relief of all refugees of whatsoever nationality or racial group that might come from Turkish territory or territory occupied by Turkish troops or Turkish civilian population, and who had been compelled to flee from their homes on account of Turkish outrages. But the Committee on Immigration modified the bill so as to make it apply to Armenians alone. In their inquiry into the subject they found that the Armenians as a race were of that high character so well described by the Senator from Utah. Indeed, Madison Grant, in his book entitled "The Passing of a Great Race," pauses to pay a high tribute to the Armenian people and to their excellent qualities.

In addition to what the Commissioner General of Immigration estimates might be between 5,000 and 6,000 refugees, the bill provides for the admission of 25,000 homeless or orphan Armenian children, in both instances this country to be safeguarded against any adults or children becoming charges. It seems to me that the United States has at least the responsibility of doing that much for the relief of those people.

SPEECH OF EX-GOVERNOR JAMES M. COX.

Mr. KING. I ask unanimous consent to have printed in the RECORD in 8-point type a speech of former Governor Cox of Ohio, on the occasion of the Jackson Day dinner in Lancaster, Ohio.

There being no objection, the speech was ordered to be printed in the RECORD, in 8-point type, as follows:

SPEECH BY EX-GOVERNOR JAMES M. COX AT LANCASTER, OHIO, ON THE OCCASION OF A JACKSONIAN OBSERVANCE, WEDNESDAY, JANUARY 17.

The principles of our Democracy were written by the same hand that put into form the Declaration of Independence. The great Democrat who conceived them as essential to the perpetuity of free institutions translated theory into demonstration and turned preachment into performance. Under his beneficent rule the borders of our domain stretched to the western ocean, universal happiness grew from the consciousness and

advantage of equal rights, and our country made an amazing growth in internal resource and international prestige. When the romance of what was then the western forests felt the touch of the pioneers of our modern civilization and the development of a great empire offered fruitful reward to individual endeavor, human greed asserted itself in the form of enterprises created to feed on governmental preference. But out of the wilderness came another great Democrat, who believed the first duty of government to be the maintenance of the sacred pledge of justice upon which it was founded. What Jefferson conceived Jackson preserved, and under the superb leadership of his honesty and his courage our organization took on a strength that has sustained the faith through the storms of years. Other political parties have come and gone, mere wreckage on the barren wastes of time. The historian writes of their failures rather than of their achievement. They were false to immortal truths.

We profane the underlying sentiment of this solemn occasion unless we pledge our efforts to make the Democratic Party an instrumentality of useful service. In reflecting upon our duty and our opportunity let us see what the present situation is. In the last presidential contest we lost the election, but history will certainly say of that campaign that the circumstances of our defeat were more creditable than the circumstances of the victory registered by the Republican Party. We are proud of the cause we espoused, while the opposition party is seeking to make a closed book of its sloganized misrepresentations. The campaign of 1920 created a very interesting historic analogy. The Whigs came into power as the result of the election in 1840. The contest was a veritable hysteria of hate. Heterogeneous groups had but one thing in common—an implacable dislike for Jackson. The Whig convention presented no platform of principles, for the very controlling reason that the malcontents gathered together could not agree upon a program of legislative or administrative action. They all hated Andrew Jackson, blamed him for the reaction that came from an unprecedented prosperity, and, as the records show, their orators urged "a change." The Whig victory was overwhelming—Jackson's State of Tennessee and Van Buren's State of New York were caught up in the political tidal wave. Confusion in governmental affairs came with the first days of the new administration. Cohesive thought or action was impossible. There could be agreement on no vital question. In 1844 the Whigs were defeated, and the party in a few years ceased to exist. A standard authority says of the movement:

"It was a heterogeneous party composed of diverse and conflicting elements. Its only bond of union was a common desire to gain political power. Had the party been one of fixed political principles it might have made a glorious record. But it was lacking in principles. It was faithful to no program. As a result it accomplished but little."

History repeated itself in 1920, but there was a difference in one detail. A platform in this instance was written, but it was with deliberate care made so ambiguous as to be innocuous, hence it offended none of the groups that followed the Republican standard, and sang together the hymn of hate. They were in agreement in their fancied grievances, and nothing else mattered. Again a plurality quite beyond precedent was recorded against the party in power. No sooner was the change in government made than the country began reaping, for the second time in history, the harvest of impulsive anger. Gestures were made now and then to one element or another, but protest from other quarters soon calmed the waters to a state of perfect tranquillity. There was no agreement at the outset on principles. Except for the element of hatred there was accord in nothing, and quite naturally nothing to speak of has been done. The currents of public opinion are running now against the Republican leaders as they did against the Whigs. There is open revolt in the ranks. Unless present portents are misleading the fate that befell the Whig Party may overtake its successor.

The present public indictment is that general incompetence is enthroned at Washington. We have the President's own official statement that the Congress has passed two measures that would have bankrupted the Treasury except for his own intervention. The executive and legislative departments are equally responsible for a tariff law that is condemned in every community, as a menace to our markets, a subsidy to campaign contributors, and the certain forerunner of industrial troubles. More lamentable is the failure in international affairs. Never since the dawn of civilization have the sons of man been so plagued with conditions that bring disaster to individuals and uncertainty as to the very existence of nations. We have indeed had a World War and the whole world suffers from it! Its awful reactions have spared no nation. The disaster is so

widespread that any attempt at piece-meal repair is but a pathetic evidence of national or racial endeavor.

The concerted labors of peoples everywhere are essential, and this is practicable only through governments. What fragmentary fortunes of war there are seem to be with us. We have a commanding gold supply and our agencies of productivity are unimpaired. However, we can not trade with our gold except across the seas, and there can be no trade with prostrate nations. Our fields and factories can produce, but normal production is useless unless we can find a market in which to sell. Our aims in the war were admittedly unselfish. We are not engulfed in the bitterness that has impaired reason elsewhere. Every element is present for a helpful leadership, spiritual and practical. The teachings of every religion tell what any nation so circumstanced ought to do. Every human conscience free from the poison of partisanship is moved by a common prompting, and yet in the sea of international responsibility we drift as aimlessly as a floating derelict. For two years the administration, Micawberlike, has seemingly lived in the hope that something would turn up. Doubtless its philosophy has been that matters could not get much worse and any development might improve the situation.

In the past few months the effort has chiefly been to sustain a theory of justification, and the propaganda reaching to communities has carried the expression often heard from partisans that "after all are we not fortunate to be out of the European mess?" For the time this may carry the intended appeal, but the facts underlying the Turkish imbroglio will in brief season be known. It may surprise some to discover that one of the trails of responsibility leads directly to our State Department in Washington. If we had not abandoned a responsibility assumed during the war the situation in the Near East would not now be so serious. Mr. Hughes's contention that we were not at war with Turkey is an evasion. We were in fact but not in law at war with Turkey. We were an ally of the nations fighting Turkey. We turned munitions over to our allies without question as to where they were to be used. When soldiers from our allied armies went to the scenes of Turkish hostilities our own soldiers took the places they gave up on the western front. Furthermore, one of President Wilson's 14 points expressly dealt with Turkey.

When we abandoned our allies in the forms and tasks of peace the Turk profited by this break in what had been a strong and effective association. But there came a later development, out of which grew a military offensive. Let us see whether anyone in truth can deny our share in the blame. Many years ago civilized powers sought to prevent the shipment of arms and munitions to so-called backward peoples, notably certain tribes in Africa. As a part of the movement we became a party to the Brussels act of 1890, which dealt specifically with this problem. In 1919 it became apparent that the Brussels act was inadequate and out of date, so the peace conference at Versailles drew up the new convention of St. Germain. An able American, Mr. Louis Beer, now deceased, became our representative on the commission. The convention continued a prohibition on arms and munitions shipments to certain African areas and enlarged the scope of the provision so as to take in specified regions surrounding Persia and the Red Sea. It went further and required that all shipments of arms should be given license by the national authority in any country in which these supplies originated. As an added precaution information bearing upon the traffic was to be promptly filed with the League of Nations. Mr. Wilson was unable to submit this convention to the Senate, and not until August, 1922, did our Government officially report its intention not to ratify the treaty. The assembly of the league adopted a resolution expressing the desirability of having the United States submit its objections to the treaty in order that an effort might be made to procure another treaty, one in fact that would meet the American view. So far as known Mr. Hughes has never responded to this suggestion. It will be seen that during this period of uncertainty and confusion there was no interference with shipments of war materials, and the Kemalists equipped themselves for the offensive movement which has resulted not only in an insolent attitude to the world generally but in the slaughter of thousands of men, women, and children as well. Not all of the war necessities were imported by the Kemalists, but most of them were. If this is not another tragedy to be charged against the policy of indifference and aloofness, then I mistake the plain significance of events. It is not unfair to assume that our failure to help create safeguards against an international crisis was directly in consequence of the fanatical policy of having nothing to do with any movement attached in any way to the league, even though the question of our membership was in no way involved.

There is another phase of the Near East situation which will doubtless enter into the public's final analysis. It presents the question of whether the administration's attitude of silence when women were outraged and thousands of adults and children killed squares with the time-honored American policy of protecting religious minorities. Secretary of State John Hay expressed it in a vigorous way when Jews were persecuted in Rumania in 1902. Other precedents are numerous in support of the American theory, which the administration ignores. Such distinguished premiers as Cass, Evarts, Blaine, and Fish felt no restraint in maintaining the Nation's self-respect through plain words to offending foreign authorities. When the slaughter of Christians was at its height, a committee of church ministers called on the President of the United States and urged some official expression of our people's outraged feelings. The Executive is quoted as saying that he did not favor any protest unless we were in a position to back it up. Within a fortnight our Government filed a protest but not in behalf of human life. Instead it was entered to protect oil interests in a part of contested territory.

It is now quite two years since the present national régime was installed. Certainly any public insistence upon a definite international policy can not properly be charged to impatience. The party in control gave three definite pledges.

The senatorial "round robin," formed in opposition to the covenant of the treaty of Versailles, professed a "sincere desire that the nations of the world should unite to promote peace."

The present Executive in his formal speech of acceptance as the candidate of his party declared for an "association of nations."

The committee of 31 leading Republicans, headed by Messrs. Hughes, Root, Hoover, Lowell, and Taft (Henry), in its appeal favored bringing "America into an effective league to preserve peace * * * by frankly calling upon the other nations to agree to changes in the proposed agreement which will obviate the objections now the subject of dispute."

To use a popular yet a comprehensive phrase, Is it not time for a show-down? Does the senatorial group believe that a promise to America on a most solemn matter is to be regarded as having no binding responsibility? Is the President not ready to report on the structural plans for an association of nations and at the same time advise his countrymen what steps have been taken to assure cooperation from abroad? The committee of 31 certainly did not assume to speak without the knowledge and consent of the candidate who, if elected, would possess in his official status the constitutional right to "call upon the other nations to agree to changes in the proposed agreement." Has the committee of 31 performed its part of the trust? It may be that the signers of the round robin, the members of the group of 31, and the President himself—all may have departed from their announced positions. If so, then in frankness their revised plans, if they have any, should be given to the public. If, on the other hand, they are without program or suggestion, a candid admission will reflect credit upon them. No one need fear either an accusing conscience nor the disrespect of his fellows by expressing an honest conviction.

Mr. Hughes very recently said that the question should be taken out of politics. No one questions the wisdom of this course, nor is any useful purpose served by any elaborate reminder to Mr. Hughes that the Republican senatorial conspiracy put it into politics at a time when the Nation's endeavors were purely nonpolitical. These are stressful times, and public officials in their arduous responsibilities deserve public cooperation so long as good faith is shown. The administration has forfeited the people's confidence because it has stubbornly held to views that common sense defied. Our people are tired of following a leadership that neither leads nor gets anywhere. The betrayal of the civilized powers in the St. Germain affair is followed now by the obstinate refusal to cooperate with the Reparation Commission. When the French-German crisis approached the administration met widespread criticism with the observation that we were not properly represented on the Reparation Commission. The Robinson resolution, providing the very thing Mr. Hughes said we lacked, was at once presented in the Senate, only to be met with Mr. Hughes's objection that its adoption now would be untimely. When positive action is proposed for remedial purposes there invariably comes a hint from the administration that something else is under way, but it never materializes. Can there be any more effective device to wear out the patience of a forbearing public?

Mr. Hughes will render a conspicuous service if the pressing problem of our international relationship is removed from poli-

tics; but if his labors are to be fruitful, he must bestir himself. Within another year we will be on the very threshold of another presidential contest. I most earnestly hope that solution will be so far under way that this subject matter of such widespread concern can not be thrown into a political campaign. I feel assured that the American people will not be hairsplitting in their consideration of details. They realize now from the bitter lesson of experience that we are a part of an economic unit that involves the markets, the human activities, and the well-being of our civilized world. We can not cut ourselves from it and thrive. Profound statesmanship is not so much the element necessary to a proper adjustment of our international affairs as are common sense and a disposition to forget fetish and any false pride in sponsorship of things behind us. If Mr. Hughes will forget his politics, strip himself of all thought of the alliances made in 1920 to win a partisan victory, and take a position determined by the single thought of serving humanity, he will save the world. We should be reminded that Sir Robert Peel and Lord John Russell in England made their places in history by forsaking the corn laws which they had espoused. Changed conditions justified their course. They may have been moved by the thought of Emerson that—

A foolish consistency is the hobgoblin of little minds, adored by little statesmen and philosophers and divines.

Mr. Hughes should sanction without delay the congressional proposal to vitalize our participation in the affairs of the Reparation Commission. America should then, through her representative, bring about an economic survey of Germany. The suggestion of turning the problem over to a committee of bankers is putting the cart before the horse. Obviously, economic experts, including bankers, would serve in the survey, but as subordinates to the Reparation Commission their report would not only be presented to the public opinion of the world but it would be a base for action by a legally created body that has powers. Let us illustrate the point in this way: If a group of international bankers conducted an analysis, its conclusions would become merely a public document. It would be a process much like the gathering of evidence in a court trial without submitting it to either judge or jury. It would be but another development lacking the virtue of positive action.

The time is here for action. The fate of the world is imperiled and time is of the essence. If the Reparation Commission, on the other hand, makes its inquiry, and it can, as efficiently as the suggested international bankers possibly could, then the detail of procuring the facts will have been completed and the facts can go to the Reparation Commission—a body with power to act. The world wants the truth and action based upon the justice which truth would render clear would sweep away the rubbish of petty controversy. In these circumstances, if Germany refused to accept the award of the Reparation Commission, she would deserve no sympathy and get none. If all parties in interest except France were to accept it, then she would be an outlaw nation, because she would be regarded as having rejected the decree of a tribunal she had helped to create—a tribunal whose decisions she had pledged herself to respect. She is no way committed to any finding that might otherwise be made on reparations.

But if Mr. Hughes continues trying to strait-jacket the soul of America and if the administration goes on drifting, then what? In that contingency, this great question unavoidably becomes more of a political issue than it has ever been before.

When this comes, if it does, what will be the duty of the Democratic Party? Let us address ourselves seriously to this thought. We hear it said that the question was settled in 1920, and that a mandate was spoken against our entering the league. Let us see whether the facts justify that contention. Three distinct groups voted against our ticket because of purely racial grievances, untold thousands voted against us because of heavy taxes, others were controlled by a discontent growing out of internal war measures. Republicans in every community accepted in good faith the assurance of the committee of 31 that the surest way to get into the league was through the suggested compromise plan of the Republicans rather than by adhering to what was designated as the unyielding Democratic position. These votes more than made up the Republican plurality, and yet they were not directed against our membership in the League of Nations. The claim obviously falls before the facts.

Now, for the sake of argument, let us assume that a plain mandate was given. If so, was the mandate for the association of nations that the Republican candidate promised to create, or the League of Nations amended as Messrs. Hughes, Root, Hoover, Lowell, Taft, and others proposed? Since we have procured neither the amended covenant of the league nor the asso-

ciation, is it safe to assume that the people will just let the matter drop? If there was a mandate against the Democratic plan, then certainly the suggested Republican alternative was sanctioned. There is no escape from this conclusion. At all events, the matter stands just as it was two years ago. If any Democrat believes a verdict was registered against the league and that it should be accepted as conclusive, what about the tariff? We have been defeated in the past on that issue, but did the Democracy give up the faith? On the contrary, we continued to reaffirm it, and did so in 1920, while the Republicans stood for a protective tariff. Are we to accept the present tariff monstrosity as the expressed preference of the people, or will we renew the fight in 1924?

The condition of things in the world clearly makes an issue, and under our system of government if the contingency described arises this issue will be discussed in the same manner that vital questions always have been in this country. Certainly the points at issue are being clearly drawn. The world is slowly but surely drifting to a state of horror. When the war closed a going concern, the League of Nations, was formed to substitute reason for force. Nations bound themselves together in agreement to go to conference rather than war, and to put an end to the system of secret treaties that had plagued civilization. It is the only organized movement for this specific purpose. Men criticize it, but they have no substitute, either in created or creative form. The proposed Republican alternatives presented in the campaign of 1920 have come to naught. We must enter into some international arrangement or remain in isolation. There is no middle ground. Since those who suggested other plans have abandoned them, common sense opens the only avenue of service—service not only for Europe but ourselves as well.

You hear at times the partisan observation that the treaty of Versailles is responsible for the present confusion. Most treaties following severe wars have taken on some of the spirit of bitterness. They are concluded before the cooling-off process takes place. We need not go outside our own history to find where the element of hate brought on the awful days of reconstruction in the Southern States—an enforced cruelty that no one now even attempts to justify. If Lincoln had lived, it would not have occurred. Each day, because time heals wounds and softens asperities, would have helped to make his creed of "malice toward none and charity for all" an accomplished fact.

When the treaty of Versailles was concluded, even as strong an advocate as General Smuts, the eminent South African statesman, said that there were terms in it that ought not and could not be enforced. The time had come, however, bringing with it the dangers of starvation and disorder, when a start had to be made in organizing and administering the new order. We must not lose sight of the important fact that the treaty was assigned to the League of Nations, a body having elastic powers, rather than to an international court. The court would have accepted it as a decree to enforce. The league, on the other hand, possessed the discretionary right to act as developments suggested. Is it not true that chartered constitutions, laws, and regulations are refined in part by the sensible manner of their enforcement? Even courts in their liberal view of public policy have not interfered. Men of the type of Wilson, Smuts, Gray, Cecil, and others doubtless looked to the machinery of the League of Nations to work out the solution of problems as they arose, having in mind that accruing time would make the task easier. What Lincoln would have meant to the reconstruction of the American Union the League of Nations, in its administration of the treaty of Versailles, would have been to the reconstruction of the world.

The Reparation Commission, for instance, was clothed with broad powers. An outstanding virtue to the plan was the provision for American membership in the league. We were not infected with the bitterness that possessed Europe. We were asking for neither territory nor indemnity. Our good faith was recognized even by the vanquished nations. Our judicial attitude would at once have established our moral and constructive leadership. But America did not go into the league. At the very beginning of things we were separated from the whole enterprise. European nations were soon at each other's throats, and the golden opportunity for a service that would have had no historical precedent was lost. We are not in the International Court of Justice, nor have we any useful relation to anything that is going on in Europe. It is true that we have observers, engaged in the job of snooping around and making themselves and our Nation ridiculous in the view of the world. The reparations tangle could have been adjusted, but by America and America only. Last summer every national interest in Europe desired our offices of mediation. A peculiar psychology

made it possible for our Government to successfully intervene. At that time an economic survey of Germany's condition would have been welcomed by the powers in interest. Obviously then, as now, it was not a question of what Germany ought to be made to pay but how much she could pay and live. Chancellor Wirth in Berlin said that Germany would gladly subject herself to a careful economic examination, provided it was made under the impartial auspices of American leadership. He went so far as to say that Germany desired to enter the League of Nations when America did, but not before, for the reason, as he advanced, that under other conditions German membership would only mean her subjection to what was characterized by him as "the ruling intolerant bitterness of Europe."

The right to remain an active member of the Reparation Commission was never impaired, but the administration at Washington has not availed itself of it. Mr. Hughes, instead, had another plan—again it was to be something different. It failed in the "borning" and now the march of French troops is on German soil. Credits are affected. Upon our markets will fall another chill. Our farmers, now borrowing millions of dollars to meet losses already sustained, will face another unprofitable season, and every home, in city and country, will have a quickened appreciation that a divine agency made us a part of the world and no human device can change the order of things.

Now, assuming that the administration will not settle this question—then what will we as Democrats do? What would Andrew Jackson have done in like circumstances? What did Jackson do when France violated her treaty with us, and even Clay, Webster, and Calhoun denied him congressional appropriations for the adequate maintenance of our self-respect? The timid said he should delay matters. He went forward and France settled. What did Jackson do when the franchise for the Federal bank was to be renewed or rejected? The timid, even in his cabinet, said he should go slow, but he went forward and crushed the monster menace. What did Jackson do when the Government funds were to be taken from the Federal bank? The timid again, even in his cabinet, urged postponement in order to avoid a panic. He went forward. The bank was closed, and when the Whigs later tried to resurrect it, John Tyler, the Whig President, recognized that Jackson was right, and twice vetoed the bill.

What would Andrew Jackson do now? He would follow the path which his clear vision always blazed for him, the path of duty. He would establish relationships with the nations of the world in order to save humanity. Recognizing the futility of waiting longer for alternatives he would ask America to join the only operating concern created for this critical need—the League of Nations. He would impose such conditions as would befit the dignity of our country and harmonize with the composite public opinion of our people. Andrew Jackson never retreated when duty faced him. He was unschooled in the art of retreat. A solemn duty confronts the Democracy now and we must not retreat.

INDIANS OF THE MESCALERO RESERVATION.

Mr. CURTIS obtained the floor.

Mr. BURSUM. Mr. President—

Mr. CURTIS. I will yield to the Senator if the bill he desires to call up will involve no debate.

Mr. BURSUM. If it does I shall not press its consideration. I ask unanimous consent for the immediate consideration of the bill (H. R. 6294) promoting civilization and self-support among the Indians of the Mescalero Reservation, in New Mexico.

A bill similar in substance passed the Senate last September, appropriating \$250,000 to be advanced to the Mescalero Indians and to be repaid out of the sale of timber. The House passed a different bill, on the same line and for the same purpose, but did not pass the Senate bill. The House bill is different in that it simply authorizes the appropriation. I ask for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of \$250,000 for the purpose of promoting civilization and self-support among the Indians of the Mescalero Reservation, in New Mexico, to be expended or distributed in the discretion of the Secretary of the Interior, under such regulations as he may prescribe; to remain available for a period of five years from the date of the enactment of this act, and to be reimbursed to the United States from the sale of timber on said reservation.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session, the doors were reopened; and (at 5 o'clock and 15 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Saturday, January 27, 1923, at 11 o'clock a. m.

EXTRADITION TREATY WITH COSTA RICA.

In executive session this day the following treaty was ratified, and, on motion of Mr. Lodge, the injunction of secrecy was removed therefrom:

To the Senate:

With a view to receiving the advice and consent of the Senate to ratification, I transmit an extradition treaty between the United States and Costa Rica, signed at San Jose on November 10, 1922, and, for confirmation by the Senate, copies of notes exchanged between the American minister at San Jose and the Costa Rican Minister for Foreign Affairs, by which assurance is given on the part of the United States that the death penalty will not be enforced against criminals delivered by Costa Rica to the United States for any of the crimes enumerated in the treaty, and that such assurance is, in effect, to form part of the treaty and will be so mentioned in the ratifications of the treaty.

The attention of the Senate is invited to the accompanying report of the Secretary of State, in which it is explained that a precedent for this course is found in the case of the extradition treaty between the United States and Portugal in 1908, where like notes were exchanged and were confirmed by the Senate.

WARREN G. HARDING.

THE WHITE HOUSE, December 20, 1922.

The PRESIDENT:

By its resolution of February 22, 1922, the Senate advised and consented to the ratification of the treaty of extradition signed between the United States and Costa Rica at San Jose on January 21, 1922. The treaty was amended by the Costa Rican Congress by the insertion of a supplementary article providing as follows:

"The delivery of a person by the Republic of Costa Rica in virtue of this treaty will be made under the condition that capital punishment shall not be applied to the criminal."

This Government was unable to agree to this modification, but the American minister at San Jose was instructed to indicate this Government's willingness to effect an exchange of notes similar to that which followed the signing of the treaty of extradition between the United States and Portugal in 1908, as set forth on pages 1475 and 1476 of the compilation entitled "Treaties, Conventions, International Acts, Protocols, and Agreements Between the United States and Other Powers."

This course being agreeable to the Government of Costa Rica, a new treaty, in substitution of the treaty of January 21, 1922, was signed at San Jose, and the exchange of notes mentioned made on November 10, 1922. This treaty of November 10, 1922, being word for word the same as the substituted treaty of January 21, 1922, the undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to its ratification, together, for the Senate's confirmation, with copies of the notes exchanged at the time of its signature between the American minister at San Jose and the Costa Rican Minister for Foreign Affairs, by which the understanding is stated on the part of Costa Rica, and the assurance is given on the part of the United States that the death penalty will not be enforced against criminals delivered by Costa Rica to the United States for any of the crimes enumerated in the treaty, and that such assurance is, in effect, to form part of the treaty and will be so mentioned in the ratifications of the treaty.

In its resolution of May 22, 1908, giving its advice and consent to the ratification of the extradition treaty between the United States and Portugal of May 7, 1908, above mentioned, the Senate stated its understanding "that it is agreed by the United States that no person charged with crime shall be extradited from Portugal upon whom the death penalty can be inflicted for the offense charged by the laws of the jurisdiction in which the charge is pending, and that this agreement on the part of the United States will be mentioned in the ratifications of the treaty and will, in effect, form part of the treaty."

A similar confirmation by the Senate of the notes exchanged at the time of the signature of the Costa Rican treaty is necessary.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, December 19, 1922.

The Republics of the United States of America and of Costa Rica, desiring to assure the prompt and efficient action of justice in punishing delinquents who attempt to escape the penalty prescribed by the laws of one country by taking refuge in the other, have resolved to conclude a treaty of extradition. For that purpose they have named as their respective plenipotentiaries:

The President of the United States of America, Mr. Roy Tasco Davis, envoy extraordinary and minister plenipotentiary of the United States of America in Costa Rica; and

The President of the Republic of Costa Rica, the Secretary of State in the Office of Foreign Relations, Señor José Andrés Coronado Alvarado;

Who, after having mutually communicated their full powers, and they being found in good and due form, have stipulated as follows:

ARTICLE I.

It is agreed that the Government of the United States of America and the Government of Costa Rica shall, upon mutual requisition duly made as herein provided, deliver up to justice any person who may be charged with, or may have been convicted of, any of the crimes specified in Article II of this convention committed within the jurisdiction of one of the contracting parties while said person was actually within such jurisdiction when the crime was committed, and who shall seek an asylum or shall be found within the territories of the other, provided that such surrender shall take place only upon such evidence of criminality, as according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II.

Persons shall be delivered up according to the provisions of this convention who shall have been charged with or convicted of any of the following crimes:

1. Murder, comprehending the crimes designated by the terms of parricide, assassination, manslaughter, when voluntary, poisoning or infanticide, as well as the attempt to commit these crimes.

2. Rape, abortion, carnal knowledge of children under the age of 12 years.

3. Bigamy.

4. Arson.

5. Willful and unlawful destruction or obstruction of railroads, which endangers human life.

6. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the laws of nations or by statute;

(b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas for the purpose of rebelling against the authority of the captain or commander of such vessel or by fraud or violence taking possession of such vessel; and

(d) Assault on board ships upon the high seas with intent to do bodily harm.

7. Burglary, defined to be the act of breaking into and entering the house of another in the nighttime with intent to commit a felony therein.

8. The act of breaking into and entering into the offices of the Government and public authorities, or the offices of banks, banking houses, saving banks, trust companies, insurance companies, or other buildings not dwellings with the intent to commit a felony therein.

9. Robbery, defined to be the act of feloniously and forcibly taking from the person of another goods or money by violence or by putting him in fear.

10. Forgery or the utterance of forged papers.

11. The forgery or falsification of the official acts of the Government or public authority, including courts of justice, or the uttering or fraudulent use of any of the same.

12. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by National, State, provincial, territorial, local, or municipal governments, bank notes, or other instruments of public credit, counterfeit seals, stamps, dies, and marks of State or public

administrations, and the utterance, circulation, or fraudulent use of the above-mentioned objects.

13. Embezzlement or criminal malversation committed within the jurisdiction of one or the other party by public officers or depositaries, where the amount embezzled exceeds \$200 (or Costa Rican equivalent).

14. Embezzlement by any person or persons hired, salaried, or employed, to the detriment of their employers or principals, when the crime or offense is punishable by imprisonment or other corporal punishment by the laws of both countries, and where the amount embezzled exceeds \$200 (or Costa Rican equivalent).

15. Kidnaping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them or their families, or for any other unlawful end.

16. Larceny, defined to be the theft of effects, personal property, or money, of the value of \$25 or more (or Costa Rican equivalent).

17. Obtaining money, valuable securities, or other property by false pretenses, or receiving any money, valuable securities, or other property knowing the same to have been unlawfully obtained, where the amount of money or the value of the property so obtained or received exceeds \$200 (or Costa Rican equivalent).

18. Perjury or subornation of perjury.

19. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director, or officer of any company or corporation, or by anyone in any fiduciary position, where the amount of money or the value of the property misappropriated exceeds \$200 (or Costa Rican equivalent).

20. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.

21. The extradition is also to take place for participation in any of the aforesaid crimes as an accessory before or after the fact, provided such participation be punishable by imprisonment by the laws of both contracting parties.

ARTICLE III.

The provisions of this convention shall not import claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses; and no person surrendered by or to either of the contracting parties in virtue of this convention shall be tried or punished for a political crime or offense. When the offense charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of the sovereign or head of a foreign State, or against the President of either of the signatory Republics, shall not be deemed sufficient to sustain that such a crime or offense was of a political character, or was an act connected with crimes or offenses of a political character.

ARTICLE IV.

No person shall be tried for any crime or offense other than that for which he was surrendered.

ARTICLE V.

A fugitive criminal shall not be surrendered under the provisions hereof, when, from lapse of time or other lawful cause, according to the laws of the place within the jurisdiction of which the crime was committed, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI.

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof, be actually under prosecution out on bail or in custody, for a crime or offense committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined, and, until he shall have been set at liberty in due course of law.

ARTICLE VII.

If a fugitive criminal claimed by one of the parties hereto shall be also claimed by one or more powers pursuant to treaty provisions, on account of crimes committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received.

ARTICLE VIII.

Under the stipulations of this convention neither of the contracting parties shall be bound to deliver up its own citizens or subjects. In each Republic, according to their respective laws, shall the citizenship of the delinquent be determined.

ARTICLE IX.

The expense of the arrest, detention, examination, and transportation of the accused shall be paid by the Government which was preferred the demand for extradition.

ARTICLE X.

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense or which may be material as evidence in making proof of the crime, shall, so far as practicable, according to the laws of either of the contracting parties, be delivered up with his person at the time of the surrender. Nevertheless, the rights of a third party with regard to the articles aforesaid shall be duly respected.

ARTICLE XI.

The stipulations of this convention shall be applicable to all territory, whatever may be its situation, belonging to one or the other of the contracting parties or which may be occupied and under the jurisdiction of the same.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agencies of the contracting parties. In the event of the absence of such agents from the country or its seat of government, requisition may be made by superior consular officers.

It shall be competent for such diplomatic or superior consular officers to ask and obtain a mandate or preliminary warrant of arrest for the person whose surrender is sought, whereupon the judges and magistrates of the two Governments shall respectively have power and authority, upon complaint made under oath, to issue a warrant for the apprehension of the person charged, in order that he or she may be brought before such judge or magistrate, that the evidence of criminality may be heard and considered; and if, on such hearing, the evidence be deemed sufficient to sustain the charge, it shall be the duty of the examining judge or magistrate to certify the same to the proper executive authority, that a warrant may issue for the surrender of the fugitive.

If the fugitive criminal shall have been convicted of the crime for which his surrender is asked, a copy of the sentence of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, with such other evidence or proof as may be deemed competent in the case.

ARTICLE XII.

If when a person accused shall have been arrested in virtue of the mandate or preliminary warrant of arrest issued by the competent authority as provided in Article XI hereof, and been brought before a judge or a magistrate to the end that the evidence of his or her guilt may be heard and examined as hereinbefore provided, it shall appear that the mandate or preliminary warrant of arrest has been issued in pursuance of a request or declaration received by telegraph from the Government asking for the extradition, it shall be competent for the judge or magistrate at his discretion to hold the accused for a period not exceeding two months, so that the demanding Government may have opportunity to lay before such judge or magistrate legal evidence of the guilt of the accused, and if at the expiration of said period of two months such legal evidence shall not have been produced before such judge or magistrate the person arrested shall be released, provided that the examination of the charges preferred against such accused person shall not be actually going on.

ARTICLE XIII.

In every case of a request made by either of the two contracting parties for the arrest, detention, or extradition of fugitive criminals, the legal officers or fiscal ministry of the country where the proceedings of extradition are had shall assist the officers of the Government demanding the extradition before the respective judges and magistrates by every legal means within their or its power; and no claim whatever for compensation for any of the services so rendered shall be made against the Government demanding the extradition: *Provided, however*, That any officer or officers of the surrendering Government so giving assistance who shall, in the usual course of his or their duty, receives no salary or compensation other than specific fees for services performed, shall be entitled to receive from the Government demanding the extradition the customary fees for the acts or services performed by them, in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIV.

This treaty must be submitted for approval in the form prescribed by the laws of the two countries, and shall take effect from the day of the exchange of the ratifications thereof; but either contracting party may at any time terminate it on giving to the other six months notice of its intention to do so.

The ratifications shall be exchanged in San Jose of Costa Rica or in Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the above articles and have hereunto affixed their seals. Done in duplicate at the city of San Jose de Costa Rica this 10th day of November, 1922.

ROY TASCO DAVIS.
J. A. CORONADO.

EXCHANGE OF NOTES.

[Secretaría de Relaciones Exteriores. No. 333, B.]

REPUBLICA DE COSTA RICA,
San José, 10 de noviembre de 1922.

Excmo. Señor ROY T. DAVIS,

Enviado Extraordinario y Ministro Plenipotenciario de los Estados Unidos de América, San Jose.

SEÑOR MINISTRO: Tengo la honra de informar a Vuestra Excelencia que he recibido instrucciones del señor Presidente de la República para hacer la manifestación, de parte del Gobierno de Costa Rica, con referencia al Tratado de Extradición que Vuestra Excelencia y el suscrito acaban de firmar, de que es entendido que el Gobierno de los Estados Unidos de América asegura que la pena capital no se aplicará a los criminales entregados por Costa Rica a los Estados Unidos de América, por cualquiera de los crímenes enumerados en dicho Tratado, y que esa seguridad formará efectivamente parte del Tratado y así se mencionará en su ratificación.

Aprovecho esta oportunidad para reiterar a Vuestra Excelencia el testimonio de mi más distinguida consideración.

J. A. CORONADO.

[Ministry of Foreign Relations. No. 333-B. Translation.]

REPUBLIC OF COSTA RICA,
San Jose, November 10, 1922.

Most Excellent Mr. ROY T. DAVIS,

Envoy Extraordinary and Minister Plenipotentiary of the United States of America, San Jose.

MR. MINISTER: I have the honor to inform your excellency that I have received instructions from the President of the Republic to make the statement on behalf of the Government of Costa Rica with reference to the treaty of extradition which your excellency and the undersigned have just signed, that it is understood that the Government of the United States of America assures that the death penalty will not be applied to criminals delivered by Costa Rica to the United States for any of the crimes enumerated in the said treaty, and that such assurance will form in effect part of the treaty and will be so mentioned in the ratifications.

I avail myself of this occasion to reiterate to your excellency the assurance of my most distinguished consideration.

J. A. CORONADO.

[No. 63.]

LEGATION OF THE UNITED STATES OF AMERICA,
San Jose, Costa Rica, November 10, 1922.

His Excellency Señor don JOSÉ ANDRÉS CORONADO,

Secretary of State for Foreign Affairs, San Jose.

EXCELLENCY: In signing to-day with the Secretary of State for Foreign Affairs of the Republic of Costa Rica the extradition treaty which was negotiated between the Government of the United States and that of Costa Rica, the undersigned envoy extraordinary and minister plenipotentiary of the United States of America has the honor to acknowledge and to take cognizance of the note of the Secretary of State for Foreign Affairs of this day's date, stating that he desires to place on record, on behalf of the Costa Rican Government, its understanding that the Government of the United States assures that the death penalty will not be enforced against criminals delivered by Costa Rica to the United States for any of the crimes enumerated in the said treaty, and that such assurance is, in effect, to form part of the treaty and will be so mentioned in the ratifications of the treaty.

In order to make this assurance in the most effective manner possible, it is agreed by the United States that no person charged with crime shall be extraditable from Costa Rica upon whom the death penalty can be inflicted for the offense charged by the laws of the jurisdiction in which the charge is pending.

This agreement on the part of the United States will be mentioned in the ratifications of the treaty and will in effect form part of the treaty.

I avail myself of this occasion to renew to your excellency the assurance of my highest and most distinguished consideration.

ROY T. DAVIS.

NOMINATION.

Executive nomination received by the Senate January 26 (legislative day of January 23), 1923.

POSTMASTER.

MASSACHUSETTS.

William K. Kaynor to be postmaster at Springfield, Mass., in place of T. J. Costello. Commission expired October 1, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 26 (legislative day of January 23), 1923.

PROMOTIONS IN THE ARMY.

Herbert Warren Hardman to be captain, Quartermaster Corps.

Martin Douglas Mims to be first lieutenant, Medical Administrative Corps.

John Thomas Axton to be chief of chaplains, with rank of colonel.

POSTMASTERS.

ARIZONA.

Allie A. Dickerman, Tucson.

COLORADO.

Dixon D. Pennington, Victor.

FLORIDA.

Herschel C. Anderson, Hastings.

Elizabeth D. Barnard, Tampa.

Benjamin F. Hargis, Umatilla.

MARYLAND.

William L. Whittington, Crisfield.

PENNSYLVANIA.

William P. Parker, Kittanning.

VIRGINIA.

John R. Yates, Brookneal.

WITHDRAWAL.

Executive nomination withdrawn from the Senate January 26 (legislative day of January 23), 1923.

POSTMASTER.

Christopher G. Simpson to be postmaster at Springfield, in the State of Massachusetts.

HOUSE OF REPRESENTATIVES.

FRIDAY, January 26, 1923.

The House met at 12 o'clock noon.

Bishop William F. McDowell offered the following prayer:

Almighty God, wilt Thou draw near to us and bless us as we undertake to-day's work in the name of the great worker for good in all the world. Grant to guide us in the way of truth and of righteousness and of human sympathy, and help us to do those things that will be good for the world. May we always remember our place as the servant of mankind, and may the Nation, whose we are and whom we serve, render its large service to the world to-day. Let Thy special tenderness and kindness abide with the Chaplain of this House as he sits in grief and loneliness. Pour back into his own heart something of the kindness and sympathy that he always poured out of his heart. And with him and with all Members of this body who carry great sorrows of any sort wilt Thou constantly abide. Hear us in our morning prayer, be with us in our work, and guide us always. For Thy name's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

VALIDATING BANK TAXES.

Mr. McFADDEN. Mr. Speaker, I ask to take from the Speaker's table the papers in reference to the bill H. R. 11939, disagree to the Senate amendment, and ask for a conference.

The SPEAKER. The gentleman from Pennsylvania asks to take from the Speaker's table, disagree to the Senate amendment, and ask for a conference on the bill which the Clerk will report by title.

The Clerk read as follows:

H. R. 11939. An act to amend section 5219 of the Revised Statutes of the United States.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I did not get the whole statement as to the amendments. I understand this is a bill validating national bank back taxes.

Mr. McFADDEN. I will say to the gentleman I realize how important this is to the gentleman's State and the State of Massachusetts and several other States, with a view of harmonizing and getting a correction of the law, and realizing that his State and some of the other States are particularly interested in our permitting validation, I can assure him and the other Members of the House that the conferees will give the House an opportunity to vote on the validating clause in this bill.

Mr. SNELL. That will be very satisfactory so far as our State is concerned.

Mr. MacGREGOR. Reserving the right to object, as I understand the gentleman there will be no attempt, or will the House conferees be in accord with the Senate conferees as to the main part of the bill?

Mr. McFADDEN. Of course, I can not bind the conferees, but I believe I can say to the gentleman that we will be in accord. We have had, I can say, an informal discussion of this matter, and I can not see any disagreements concerning the bill.

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. WINGO. If the gentleman will permit, I do not want a misunderstanding of the gentleman's statement to be in the mind of the gentleman from New York. Of course, I have no quarrel with my friend from Pennsylvania, but I, as one of the conferees, do not want the impression to be left that the House conferees are going to violate the judgment of the House by agreeing to any part of the Senate amendment. We are going into a full, free conference, subject to the agreement I understand the gentleman has made, that before final settlement of the so-called validation amendment the House will be given an opportunity to express itself upon that.

Mr. ANDERSON. With that statement I think I shall have to object to the conference at this time.

Mr. WINGO. If the gentleman does not want any legislation, the responsibility is on him.

Mr. MONDELL. Mr. Speaker, I think this matter can be adjusted. I do not think there is any real disagreement. What is insisted upon is that before the conferees have finally agreed upon the bill as a whole the conferees will return to the House and give the House an opportunity to pass upon the question of validation.

Mr. WINGO. I do not object to that. But I do not want anybody to think that I, as a conferee, am bound to agree to any part of the Kellogg amendment.

Mr. McFADDEN. I agree with what the gentleman from Wyoming has just said; that is exactly the position. I do not want to give the impression to the House, however, that I am in favor of that members of the conference committee are in favor of the validating clause.

Mr. MONDELL. I do not think that it is necessary for any one to express any opinion on the matter one way or the other. All the House desires is that before the conferees reach an agreement the House shall have opportunity to pass on the question of validation. I think we all understand that, and it ought to be stated.

Mr. ANDERSON. This proposition is not quite on all fours with some matters that come up before the House on the basis of the consideration of Senate amendments. This bill is on the House Calendar; it can be called from the Speaker's table, and the House can proceed to consider the Senate amendments without sending the bill to conference, so that the matter does not stand on the same basis, for example, as an appropriation bill. There are some of us who are interested in the Senate amendment as proposed. I hesitate somewhat to surrender the right which I think we have to call for a vote on the Senate amendment in order to send this bill to conference if it is understood that the House conferees are going to adhere to the position which the House took originally on this subject.

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. WINGO. As I understand, what the gentleman is thinking about is the dispute over the terms or the language of the validation provision. Is that what the gentleman has in mind?

Mr. ANDERSON. Primarily.

Mr. WINGO. Now the difference between the two is simply whether or not we shall accept one of the Senate provisions

on validation, which would authorize the legislative veto of a judicial decision. I will say frankly to the gentleman that if the House wants to vote on that I shall have no objection, but I will never agree to such a provision permitting a legislative veto on a judicial decision. I will not agree to that. I think the better course would be to pursue the course suggested by the gentleman from Pennsylvania [Mr. McFADDEN] and the gentleman from Wyoming [Mr. MONDELL]; let it go to conference. The gentleman has assured you that you will have a vote on that proposition. If that is what you want, all right.

Mr. PARKS of Arkansas. Mr. Speaker, what is the regular order?

The SPEAKER. This is the regular order.

Mr. PARKS of Arkansas. I can not understand what is going on, and I ask for the regular order.

The SPEAKER. The regular order is the consideration of the conference report. Is there objection to the present consideration of the conference report, to the request that it be taken from the Speaker's table and sent to conference?

Mr. STAFFORD. I understand the other provisions of the bill are acceptable to the gentleman from Pennsylvania.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. McFADDEN, Mr. DALE, and Mr. WINGO.

AGRICULTURAL APPROPRIATION BILL—CONFERENCE REPORT.

Mr. ANDERSON. Mr. Speaker, I call up the conference report on the bill H. R. 13481, making appropriations for the Department of Agriculture.

The SPEAKER. The gentleman from Minnesota calls up the conference report on the bill H. R. 13481, which the Clerk will report.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 16, 17, 22, and 28.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 6, 8, 12, 13, 14, 15, 20, 23, 24, 27, 29, 30, and 32, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "For the investigation and improvement of cereals, including corn, and methods of cereal production, and for the study and control of cereal diseases, including barberry eradication, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, \$697,505: *Provided*, That \$425,000 shall be set aside for the location and destruction of the barberry bushes and other vegetation from which rust spores originate: *Provided further*, That \$125,000 of this amount shall be available for expenditure only when an equal amount shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations, for the accomplishment of such purposes"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$2,891,450"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$3,376,470"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$225,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu

of the sum proposed, insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$1,797,880"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$541,223"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "\$4,005,853"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 11, 31, 33, 34, and 35.

SYDNEY ANDERSON,
WALTER W. MAGEE,
EDWARD H. WASON,
J. P. BUCHANAN,
GORDON LEE,

Managers on the part of the House.

CHAS. L. McNARY,
W. L. JONES,
I. L. LENROOT,
LEE S. OVERMAN,
WM. J. HARRIS,

Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, submit the following statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On No. 1: Provides, as proposed by the Senate, that the appropriation for printing and binding shall not include work done at the field printing plants of the Weather Bureau and the Forest Service authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919, or emergency field printing and binding authorized by said joint committee.

On No. 2: Makes the appropriation of \$30,000 for the interpretation, translation, and transcription of discussions and the printing, binding, and distribution of the proceedings of the World's Dairy Congress immediately available, as proposed by the Senate.

On Nos. 3 and 4: Strikes out the language, proposed by the Senate, extending the activities of the Weather Bureau under the appropriation for frost-warning service.

On No. 5: Appropriates \$250,000, as proposed by the Senate, for the eradication and control of the white-pine blister rust instead of \$200,000, as proposed by the House.

On No. 6: Strikes out a comma in the paragraph appropriating for soil-fertility investigations, as proposed by the Senate.

On No. 7: Appropriates \$697,505 for the investigation and improvement of cereals, instead of \$772,505, as proposed by the Senate, and \$622,505, as proposed by the House, and sets aside \$425,000 for the location and destruction of barberry bushes, instead of \$500,000, as proposed by the Senate, and \$350,000, as proposed by the House; and further provides that \$125,000 of the amount thus set aside shall be expended only when an equal amount shall have been appropriated, subscribed, or contributed by States, counties, or local authorities for the accomplishment of such purposes, instead of \$150,000, as proposed by the Senate. Eliminates the provision proposed by the Senate that \$10,000 might be expended for investigations concerning rust-resistant wheat.

On No. 8: Appropriates \$104,115, as proposed by the Senate, for sugar-plant investigations, instead of \$94,115, as proposed by the House.

On Nos. 9 and 10: Correct totals in the bill.

On No. 12: Inserts the State of Pennsylvania in national forest district 7, as proposed by the Senate.

On No. 13: Appropriates \$135,000, as proposed by the Senate, for silvicultural experiments and demonstrations, instead of \$110,000, as proposed by the House.

On Nos. 14 and 15: Correct totals in the bill.

On No. 16: Appropriates \$123,000, as proposed by the House, for investigations of insects affecting truck crops, instead of \$173,000, as proposed by the Senate.

On No. 17: Corrects a total in the bill.

On Nos. 18 and 19: Appropriates \$225,000 for the prevention of the European corn borer, instead of \$250,000 as proposed by the Senate and \$200,000 as proposed by the House, and provides that \$100,000 of this amount shall be available for expenditure only when an equal amount shall have been appropriated by States, counties, etc., for the accomplishment of this purpose, instead of \$125,000 as proposed by the Senate and \$75,000 as proposed by the House.

On No. 20: Appropriates \$30,000, as proposed by the Senate, for the control and prevention of the spread of the Mexican bean beetle, instead of \$25,000 as proposed by the House.

On No. 21: Corrects a total in the bill.

On No. 22: Strikes out the provision, inserted by the Senate, that \$150,000 of the appropriation for predatory animal work may be expended in the State of California.

On No. 23: Appropriates \$700,000, as proposed by the Senate, for the market-news service, instead of \$426,400, as proposed by the House.

On No. 24: Corrects a total in the bill.

On No. 25: Appropriates \$541,223 for the enforcement of the United States grain standards act, instead of \$546,223 as proposed by the Senate and \$536,223 as proposed by the House.

On No. 26: Corrects a total in the bill.

On No. 27: Provides, as proposed by the Senate, that the publications entitled "Diseases of the Horse" and "Diseases of Cattle" shall be deposited one-third in the folding room of the Senate and two-thirds in the folding room of the House of Representatives, and said documents shall be distributed by Members of the Senate and House of Representatives.

On No. 28: Strike out the word "blackleg," proposed by the Senate, in the appropriation for eradication of foot-and-mouth and other contagious diseases of animals.

On No. 29: Provides, as proposed by the Senate, that mileage rates for motor vehicles shall include travel at official stations.

On No. 30: Inserts the language proposed by the Senate further limiting the payment of claims for damage to goods while in storage in Center Market that have accrued or may accrue at any time during the operation thereof by the Secretary of Agriculture in accordance with such regulations as he may prescribe.

On No. 32: Inserts the title proposed by the Senate for the authority extended to the President in inviting other nations to appoint delegates to the International Farm Congress.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 11: Permitting the exportation of timber and other forest products from the State or Territory in which said forests are respectively situated.

On No. 31: Relating to the maximum salaries of scientific investigators and employees engaged in scientific work in the Department of Agriculture during the fiscal year 1924.

On No. 33: Relating to the appropriation for forest roads and trails.

On No. 34: Relating to the purchase of seeds for drought-stricken areas.

On No. 35: The total of the bill.

SYDNEY ANDERSON,
WALTER W. MAGEE,
EDWARD H. WASON,
J. P. BUCHANAN,
GORDON LEE,

Managers on the part of the House.

Mr. ANDERSON. Mr. Speaker, the Agricultural appropriation bill as it passed the House carried a total of \$69,068,053. As it passed the Senate it carried a total of \$73,741,653, an increase of \$4,673,600. If the House accepts the recommendations of the managers on the part of the House, the bill for 1924 will carry \$69,536,653, an increase over the amount recommended by the House of \$468,600 and an elimination of amendments in the Senate carrying \$4,205,000.

I shall take up in detail only three or four amendments which the conferees considered and on which they have come to an agreement. The first of these items is Senate amendment No. 7, relating to the eradication of the barberry, on which the Senate increased the amount of \$350,000, carried by the House bill, to \$500,000. The conferees have agreed upon a total amount of \$425,000; \$125,000 of this sum contingent upon contributions by States, counties, municipalities, and other organizations of an equal amount.

On the European corn borer the Senate increased the amount of \$200,000, carried in the House bill, to \$250,000, and the conferees have agreed upon \$225,000.

On the item for the control of the white-pine blister rust the Senate increased the amount carried by the House from \$200,000 to \$250,000, and the House recedes from its disagreement to that amendment.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. ABERNETHY. I see on page 4, under Senate amendment No. 23, the House conferees agree upon \$700,000 for the market news service, instead of \$426,400, as proposed by the House. Do I understand this will take care of the news service in the country?

Mr. ANDERSON. I do not know that I understand exactly what the gentleman means by that, but what it is contemplated that the amendment will do is to extend the existing service to portions of the country not now covered. It does not include any service which is not now undertaken under this item.

Mr. ABERNETHY. The reason why I asked the question is that the Southeastern States at the present time have not the service that the other sections of the country have. This will extend the service to the entire country?

Mr. ANDERSON. This will extend the service to the entire country, including the Southeastern States.

Mr. HAUGEN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. HAUGEN. No agreement has been reached on the maximum salaries?

Mr. ANDERSON. No agreement has been reached on that.

Mr. HAUGEN. Has the gentleman in mind the idea of discussing that after he gets through the report?

Mr. ANDERSON. Yes. We will take up the amendments serially.

Mr. HAUGEN. You have no objection to indicating the position of the conferees?

Mr. ANDERSON. I expect to move to concur in the Senate amendment.

Mr. HAUGEN. That will increase the salaries of these 3,750 scientists about \$7,500,000?

Mr. ANDERSON. No; I will explain that in a moment.

Mr. CHALMERS. Mr. Speaker, I have to-day introduced a House concurrent resolution requesting the President of the United States to call a joint peace conference. I ask permission to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CHALMERS. Mr. Speaker, I want to raise my voice for peace. I am to-day introducing a resolution providing for the appointment of a congressional committee to call upon the President, requesting him to call a world peace conference.

While I think there is no doubt about the sentiment in this country, that it is overwhelmingly opposed to the United States ever again entering European entanglements, in my judgment there is no power on earth that could keep the United States out of war if another world war is allowed to come.

Civilization is approaching danger. A fight is brewing on the international world campus. The United States is opposed to that fight. If it is to be stopped, it must be now. We must not sit supinely by and allow civilization to go on the rocks. The lives of your boy and my boy are at stake. Let us act vigorously and act now.

The following is a copy of the peace resolution:

IN THE HOUSE OF REPRESENTATIVES,
January 26, 1923.

Mr. CHALMERS introduced the following concurrent resolution; which was referred to the Committee on Foreign Affairs and ordered to be printed:

House concurrent resolution providing for the appointment of a congressional committee to call upon the President of the United States to request him to call a world peace conference.

Whereas European nations seem to be rapidly drifting toward war, and although the sentiment of this country is overwhelmingly opposed to our entering another world war, nevertheless, if war comes, probably no power on earth can keep this country out; and

Whereas the European nations are too close to get the proper perspective and the danger seems too real to them individually to view the situation reasonably; and

Whereas the United States is far removed and is universally held as the unselfish, impartial, and unprejudiced friend of all peoples working to stabilize civilization:

Resolved by the House of Representatives (the Senate concurring), That a congressional committee of 10, 5 from the House of Representatives, appointed by the Speaker of the House of Representatives, and 5 from the Senate, appointed by the President of the Senate, call upon the President of the United States to request him to call a conference of leading world powers to consider and work out a specific plan for world

stabilization, and that the President of the United States formulate the agenda for said conference and issue the call in the name of the people of the United States of America.

I also want to call your attention to the following resolution adopted by the council of the city of Toledo:

Whereas international relations in Europe at present are such that a renewal of the World War appears imminent; and

Whereas it appears that the United States is in a position to, and should, assume the leadership in making plans to place the world on a basis of political, financial, and economic sanity: Therefore be it

Resolved, That it is the sense of the council of the city of Toledo, State of Ohio, that President Harding should call a conference of leading world powers for the purpose of taking up economic problems, reparations, debts, limitations of land and sea armaments, and working out a specific plan for world habilitation, all compatible with existing agreements between the United States and other countries; and be it further

Resolved, That the clerk of council be, and he is hereby, directed to send a copy of this resolution to the President of the United States of America.

I quote editorials from one of my home papers, the Toledo News-Bee:

DO YOU WANT TO KEEP THE UNITED STATES OUT OF WAR?

Every day conditions in Europe are growing worse. Nations great and small are tottering, unable to pay expenses. Suffering among the peoples is increasing. Famine threatens here and there. Unemployment is growing. A sort of suicidal desperation—a don't-care-what-happens mood—has settled down over half the world. Say "Boo!" and a new world war will start which by comparison will bleach the red horror of the last one. And if such a blaze is started, it will sweep everything before it—us along with the rest. Some of us honestly think we could "keep out." Impossible!

Yet we stand around and do nothing to stop it.

They say the time to convert a hardened sinner is right after he turns the corner of a dangerous illness but while he is still in fear of a relapse.

One of these days, if we are lucky, the present crisis in Europe may ease off a bit. Sobered over its narrow escape, the world may then be in the moment's mood for salvation.

Then will be the time for the United States to be ready with a plan to offer as a basis of world sanity—political, financial, economic. If it is not ready with such a plan then, it should forever after hold its peace.

"Plan? Plan? Have you anything constructive to offer?" That is the reply of our Government—Congress, the President, the State Department—when asked if we as a Nation have any plan or policy. They confess they have no plan; no policy.

Criticize? Oh my, yes! Say what ought not to be done? Washington officialdom is chock full of those ideas. But of anything constructive, never a word.

So one is offered by this newspaper. It is not pretended to be perfect. But it does contain the nucleus of an idea, perhaps a basis to work from. It is at least something, instead of nothing.

THE PLAN.

1. The United States must assume the leadership.
2. At the first possible opening, President Harding should call a conference of the leading World War powers.
3. The program at this conference should be in two sections:
 - I. Economic problems, reparations, war debts.
 - II. Limitation of armament—on land, on sea.
4. Instantly the conference is called to order, America's spokesman should lay before the assembly some specific plan of world rehabilitation. This might follow somewhat these lines:

SECTION I.

A. A general moratorium on reparations and war debts, so that no payments of principal or interest need be paid for from three to five years.

B. Full American participation in a reparations commission, which, freed of politicians and soldiers and guided by economic experts, should fix the amount Germany can pay, not what she ought to pay.

C. Germany should know that until this amount is paid in full France, under allied supervision, will remain on the left bank of the Rhine.

D. An international loan to Germany; part to go to France to help tide her over the next few years, the balance to be used to stabilize Germany's finances.

E. Willful default on the part of Germany to be met by sanctions as provided for under the treaty of Versailles.

F. The United States and Great Britain to agree to aid France in the event Germany attacked her without provocation. (Absolutely safe, since Germany would never attack France without provocation as long as such an agreement stood.)

G. Allied debts to the United States to be got into understandable form pending the general moratorium, and then refunded or revised or adjusted satisfactorily as between the nations concerned.

SECTION II.

A. The question of armaments might now be tackled. Europe could, should, and must demobilize most of her troops, and Italy and France must conform to the terms of the Washington naval agreements.

B. The great powers to agree on narrow limits for the number, tonnage, and armament of submarines and other naval auxiliaries and tackle other problems not settled at the Washington conference.

Then the world, solvent, with useful tools in hand instead of weapons, could set about earning its bread in the sweat of its brow and raise crops instead of hell.

KEEP OUR SONS OUT OF WAR.

We are unalterably opposed to American young men being sent across the seas again to fight in another foreign war.

We believe there is not a family in the United States, rich or poor, which does not wholeheartedly share this sentiment.

The duty of the Government at Washington, then, is clear. It is up to the officials to take the steps necessary to keep us out of such a war.

How can this be done? By preventing such a war—certainly not by continuing the policy of "isolation." We tried that from 1914 to 1917. We tried hard. And we failed.

A new war is brewing in Europe. If it comes, we will be dragged in again.

Americans are not servile cowards, and there is a point beyond which we will always cease to turn the other cheek.

Washington officials must choose between two courses. One, the easiest way, is to do nothing—let the war drift upon us; then try to keep out with every chance against our being able to do so.

The other, the harder way, the way which requires statesmanship, is to avert war, not wait until it comes.

Yesterday the News-Bee offered a plan to prevent another World War.

We suggested that President Harding call a conference of the chief World War powers and lay before them a definite, check-your-gun-at-the-door proposition for world sanity.

The plan involves no "meddling" in European politics; it suggests nothing to "entangle" us; there is nothing about it any more radical than President Harding has already undertaken in the four-power pact to keep the peace of the Pacific.

It merely means the United States, the greatest power on earth, and the one great disinterested power, would throw every ounce of its stupendous weight into the balance for peace and against war.

The American Government is in a position to lay before the world a peace program which no European cabinetiers or politicians would dare refuse to support. The peace-hungry peoples over there would chuck them out on their heads if they did.

World peace means work instead of war. It means life instead of death; food instead of hunger; it means markets for the American farmer's surplus crops and the American manufacturer's surplus products. It means less unemployment; more money; better times.

It means keeping our boys at home.

PEACE OR WAR?—THE STAKE IS YOUR BOY'S LIFE.

Now and then somebody rises to say international conferences don't get us anywhere.

Simon-pure mossbacks! With a simple "pooh-pooh" they wave aside the efforts of several previous administrations, both Republican and Democratic, to have world powers agree to arbitration rather than go to war over their disputes.

The "pooh-poohers" point to the conferences of Europe, an endless series of which having accomplished little.

England is suspicious of France. France is even more suspicious of England. Belgium doesn't know which, if either, to rely on. Italy eyes them all with distrust. Germany is awaiting the day when she can "come back." Russia, jealous and desperate, is ready to join any combination which promises recognition. And so on.

Not one nation of Europe trusts any other nation of Europe. And with reason.

On the other hand, these nations are asking the United States to help.

They know they can trust this country. We have nothing to gain but world peace, and they know it. So our word means something. That is why a conference with the United States taking a leading part would get somewhere.

But supposing it didn't. Suppose not a single agreement were reached by the great powers attending the conference. What would be the result?

This: 1. The world must at least credit the United States with having done everything it could to put civilization back on its feet. (Just now the world hates us because people are saying we can help them and won't.)

2. The world would know just which nation or group of nations is blocking peace, and why.

3. World opinion thus brought to bear on such a nation or group of nations would ultimately bring it to its senses.

In short, a conference would clarify the international atmosphere. Uncertainty, the greatest foe known either to business or to peace, would be swept away, whatever happened.

We would know where we are headed and could act accordingly.

There's everything to gain and nothing to lose by trying to avert the war now being cooked up in Europe.

If war comes, no power on earth can keep this country out. Make no mistake about that. The way to keep out of the next war is to prevent such a war. That is a job that Uncle Sam can do and that nobody else can.

"I am only stating quite frankly my view that unless America takes a hand * * * a real settlement will be postponed until the hour of irreparable mischief strikes." (David Lloyd-George, former Premier of Britain.)

Mr. ANDERSON. Mr. Speaker, I yield 15 minutes to the gentleman from Kansas [Mr. LITTLE].

The SPEAKER. The gentleman from Kansas is recognized for 15 minutes.

CODE OF LAWS OF THE UNITED STATES.

Mr. LITTLE. Mr. Speaker, after 20 months of great patience in delay the House Committee on Revision of the Laws, which on May 16, 1921, passed through this House by unanimous vote House bill 12, a bill to establish a Code of the Laws of the United States, has for the first and only time received a suggestion of a mistake from the committee to which that bill was assigned some 20 months ago at the other end of the Capitol. That after the strongest pressure we could only secure a suggestion of one mistake is, of course, in effect a very great compliment to the bill, and as that is the only one specified, let us hope that the bill will be passed without further delay.

ONLY 1 SECTION OF 10,000 ALLEGED WRONG.

The claim is that the law with regard to foreign ministers and ambassadors in sections 3221 and 3214 is wrong. Section 3221 says that there shall be one minister resident accredited

to Guatemala, Costa Rica, Honduras, Salvador, and Nicaragua. We are told that there are now five and that our section is wrong. The Thirty-fifth Statutes at Large, page 672, found in our section 3214, says that—

Hereafter no new ambassadorship shall be created unless the same shall be provided for by act of Congress.

It is claimed that that is not the law. As this is the only suggestion of error, we will take it right up. I urged upon the gentleman that if he would name 10 mistakes we would soon dispose of that number and it would be a better evidence of his good faith. My colleague, Mr. LONGWORTH, of Ohio, who was with me, will verify the fact that he only claimed to point out one mistake, to put his finger on one statement of the law that was wrong.

By the way, my colleague suggested that probably the committee was right, and the gentleman from Massachusetts [Mr. ROGERS], an eminent member of the Committee on Foreign Affairs, said to me this morning that our committee did the only thing it could do, putting it in.

As you know, the purpose of House bill 12 is to present the law as made by Congress, unless it has been repealed or decided to be unconstitutional by the Supreme Court. The committee has no earthly excuse for just quietly omitting some law, and we have had some considerable opposition because we declined to allow interested people to induce us to omit the law.

The situation is this: The Thirty-fifth Statutes at Large, page 672, says:

Hereafter no new ambassadorship shall be created unless the same shall be provided for by act of Congress.

This is the law of the United States as made by Congress. No court, so far as I can learn, has ever held that it is unconstitutional. Therefore, in the judgment of the Committee on Revision of the Laws, it is still in force and effect and it is inserted as section 3214 of House bill 12.

While the other people have not directed our attention to the Constitution of the United States and probably had not thought of it in this connection, the basis of their suggestion, which they evidently got from somebody else, is Article II, section 2, of the Constitution of the United States, which provides that the President shall appoint ambassadors and consuls, with the advice and consent of the Senate, but the Congress may by law vest the appointment of such inferior officers as they think proper in the President alone, in the courts of law, or in the heads of departments.

In the case of *United States v. Eaton* (109 U. S. 331-352) it was held that Congress may vest the appointment of a vice consul in the President if it wants to.

The act of March 1, 1893 (27 S. 497), authorizes the President to direct that the representatives of the United States to other governments shall have the same title that is given by the other governments to their diplomatic representatives to the United States, and this law was in force until March 2, 1909, when it was repealed by the specific statement of repeal in 35 S. 672, and Congress said what is embodied in section 3214 of House bill 12.

Nevertheless, the department and the President have acted on the theory evidently that it is unconstitutional, as many good lawyers have, and it is quite probable that the courts would so hold, but the Committee on Revision of the Laws does not feel that it is authorized to suggest to Congress that it repeal the law or hold it unconstitutional. We do not attempt to govern or even suggest the position that the President and the Secretary of State should take in enforcing the law or in not enforcing it, but we feel that it is our duty under our pledge to the House to repeat the law as Congress wrote it and make the same mistakes that Congress made, if any. [Applause.]

The President has appointed quite a number of ambassadors and ministers plenipotentiary to various countries, which appointments are not authorized by any law except by Article II of the Constitution, if it governs. That article can be found by all comers in the Constitution of the United States, but it is not found anywhere in any laws enacted by Congress, and that is all the committee has reported.

There is in section 3221 of the proposed code a law providing that only one minister shall be sent to the five Central American Republics. The President has since provided a minister for each of them and Congress has made appropriations to pay them, but Congress has never amended the law embodied in section 3221 and in section 3222. This Committee on Revision is the servant of the House and therefore of the Congress, and until we are directed by Congress that there is an amendment of the law embodied in sections 3221 and 3222, it would seem to me that it is absolutely imperative that these

laws shall be presented in any code that may be proffered in the House or in Congress.

The laws of the United States, as found in the Revised Statutes, 1682; 18 S. 484, and 40 S. 1326, embodied in section 3221 of House bill 12, state that—

There shall be but one minister resident accredited to Guatemala, Costa Rica, Honduras, Salvador, and Nicaragua.

THE SECTION IS AS MADE BY CONGRESS EXACTLY.

There has been no repeal of this by Congress; there has been no declaration that it is unconstitutional by any court. However, the President has appointed five ministers to those five States, and Congress has appropriated for them. As this law has never been repealed and never declared unconstitutional, it is, of course, still in effect, but the appropriations by Congress are paying the five gentlemen who go to Central America.

Having found no repeal and having learned of no decision declaring it unconstitutional, the committee had no option but to place it here in H. R. 12. It will not be any more in effect if the bill becomes a law than it is right now, and the situation will continue just as it is with five ministers being paid down there. That is a difficulty in the law for which the committee is in no way responsible. The Congress should keep the laws in better shape and more understandable.

We undertake to repeat what you have done, not to correct it. If there is a flaw in it, it is yours, not ours. [Applause.]

As to the ambassadorships, Thirty-fifth Statutes, page 672, which is presented in section 3214, specifically provides that hereafter there shall be no more ambassadorships after that date except by authority of Congress. There is not any other law on the subject except what is in the Constitution, which is quite accessible, and which will not be interfered with by anything Congress does any time. As the law in the Thirty-fifth Statutes, page 672, has never been repealed and has never been declared unconstitutional, as far as I can learn it is still the law and should be right where it is in this proposed legislation.

On November 22, 1922, the chairman of the Revision of Laws Committee wrote the solicitor of the State Department that whenever this H. R. 12 may become a law, having thus assembled all the statutory enactments on the subject, an amendment to the present laws should be arranged for by the State Department which would bring the ambassadorial appointments down to date and embody them in a statute.

Mr. TILSON. The gentleman from Kansas is making a very important statement and we should all be able to hear it. This legislation is of great importance.

The SPEAKER. The House will be in order.

Mr. LITTLE. All it is is all of the laws of the United States. That is all.

THEY CAN AMEND IN FIVE MINUTES, IF AN ERROR IS LOCATED.

If they wish to make an amendment, it can be done in five minutes. Let them bring it back here then, and we will see what we will decide about it. We will have no trouble in acting promptly on it.

It is the judgment of the committee and of every lawyer in the House with whom I have consulted that the law as presented in House bill 12 with regard to the ambassadors and ministers is the law just as it was made and just as it stands. If the other committee has any arguments to produce, they will, of course, produce them, because we will take it for granted that their chairman is acting in good faith and should be prepared to justify his position. No lawyer would ever announce that a statute was unconstitutional and expect us to believe him without argument, and of course no gentleman would endeavor to toss all this work by the House and its committee and its double vote of confidence in the bill into a wastebasket under some unsupported criticism of his, and we shall expect to hear the reasons why he thinks sections 3214 and 3221 should be eliminated or his frank confession that we are right.

WHY DELAY 20 MONTHS?

Furthermore, we must frankly say that nobody that has any respect for himself will stand on one objection like that if he really proposes to veto a bill of this extent and labor. We shall expect soon another statement of what specific section is wrong in this bill, and if we do not get it that will be equivalent to a confession that no other alleged mistakes have been found in any other sections.

Mr. GARNER. Does the gentleman believe that is the real reason why this bill has not been reported and passed by the Senate?

Mr. LITTLE. Will the gentleman excuse me from answering that at present?

Mr. GARNER. Certainly, I will; but I thought the gentleman ought to take the House into his confidence.

Mr. LITTLE. I will presently, if it is necessary.

Mr. GARNER. The matter has been threshed out pro and con, criticisms have been made, inferences have been drawn, but there has nothing been said about any book concern holding up this bill. I want the gentleman to tell the truth about it as far as he knows it.

Mr. LITTLE. They have presented just one objection, and I have disposed of it here to-day. I now await their next one. If they have but one, I will ask them to approve or give their reasons. As to any other objections, if they state them, I will take them up as soon as they are pointed out.

Mr. ROGERS. Will the gentleman yield?

Mr. LITTLE. I yield to the gentleman from Massachusetts.

Mr. ROGERS. Anyone who asks the gentleman's committee to eliminate this controverted section is really asking the gentleman's committee to take the place of the Supreme Court of the United States, is he not?

Mr. LITTLE. Yes; and asking us to violate our oaths. [Applause.]

Mr. FISH. I should like to emphasize what the gentleman said in this debate. The other day the Committee on Appropriations had put in a provision creating an ambassador. At that time the gentleman from Virginia [Mr. MOORE] called attention to the statute which said that the President was prohibited by Congress from creating an ambassador by the act of 1909. The gentleman from Indiana said that that had been declared unconstitutional. Now, the fact is brought out here that it has not been declared unconstitutional.

Mr. LITTLE. It never was.

Mr. FISH. That is the great objection to that kind of legislation. It is not referred to the proper committee, and it is passed hastily through the House without the careful consideration which this codification has received.

Mr. LITTLE. They decline to give consideration to a bill which has the unanimous indorsement of the House, 150 Members of which inspected the work with care when it was being done in the committee rooms and were its enthusiastic supporters. Is that chairman so much greater lawyer than the committee, the revisers, and the House?

This House has twice unanimously indorsed this bill and approved it. There have been two years of delay before we got a committee meeting at the other end of the Capitol, but practically no investigation, and only one mistake pointed out. To be honest about it, it has never had two hours' real consideration there, but he waves his hands and says, "Off with its head! So much for Buckingham!" [Applause and laughter.]

Mr. HARDY of Texas. Will the gentleman yield?

Mr. LITTLE. I yield to the gentleman from Texas.

Mr. HARDY of Texas. If the gentleman will permit me this bill is one of the great constructive measures this Congress has had a chance to pass. The House committee has done its full duty in presenting this bill after exhaustive research and labor. The House has done its full duty in passing the bill more than 20 months ago. The Senate committee has utterly failed to act or to do anything. There is no justification or excuse for their nonaction and every court in the land is anxious for such legislation. But the public does not and can not know of its importance, and so it sleeps. As to sections 3214 and 3221 it is obvious that they are existing law and the gentleman from Kansas rightly left them in this bill.

Mr. LITTLE. They met a few days ago for the first time in 20 months. The chairman said he did not like the bill, and he thought just as much of the bill as I did of his judgment. [Applause.]

Herewith I add the letter from Secretary Hughes as extension:

DEPARTMENT OF STATE,
Washington, January 27, 1923.

MY DEAR MR. LITTLE:

I have the honor to acknowledge the receipt of your letter of January 23, 1923, in which you state that in a communication dated November 22, 1922, to which no written reply has been received, you advised the department of the attitude of the House Committee on Revision of the Laws regarding certain suggestions which the department had made concerning sections 3214, 3221, and 3222 of bill H. R. 12, and that you understood that the department concurred in the view of the committee. You add that Senator ERNST, chairman of the Senate Committee on Revision of the Laws, has informed you of the receipt from the department of a communication criticizing sections 3221 and 3222 of the bill, and inclose a statement of the law as understood by your committee, concerning which you desire the department's comments.

I beg to inform you that in response to a communication dated November 10, 1922, from Senator ERNST, requesting that the department give to the Senate Committee on Revision of the Laws the benefit of any suggestions it might desire to make concerning bill H. R. 12, the department on December 7, 1922, stated that at the time bill H. R. 9389 was receiving the consideration of the House committee a memorandum had been prepared in response to a request from you containing brief comments on certain sections of the bill. A copy of the

memorandum was transmitted to Senator ERNST for the information of the Senate committee and he was advised that the department at that time had no additional suggestions to offer concerning the sections covered by that memorandum.

It is observed that the title of H. R. 12 is "A bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919." At the time the department's memorandum was prepared it was assumed that it was within the scope of the work of your committee in revising the laws of the United States to make all the changes suggested in the memorandum. In any event it was thought desirable to give your committee the benefit of such suggestions as occurred to the department with respect to the sections covered by the memorandum. The question, however, whether the scope of the work of the committee in revising the laws of the United States would permit the adoption of the suggestions which the department made concerning sections 3221 and 3222 of the bill (none was made respecting section 3214) is obviously a matter for determination by the committee, concerning which I would not feel free to express an opinion.

I have noted your statement that after the bill becomes a law you intend to suggest to the department that an amendment be prepared for the purpose of correcting such inaccuracies as may appear.

I am, my dear Mr. LITTLE,
Very sincerely yours,

CHARLES E. HUGHES.

And I present the answer to the Secretary's letter from the chairman:

JANUARY 28, 1923.

HON. CHARLES E. HUGHES,

Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: Replying to your favor of the 27th answering my letter of the 23d, I note that on December 7, 1922, the department in response to a communication from Senator ERNST dated November 10, 1922, sent him "a copy of a memorandum" and stated that "at the time H. R. 9389 was receiving consideration in the House, a memorandum had been prepared in response to a request from the chairman of the House Committee on Revision, containing brief comments on certain sections of that bill" and "that the department had no additional suggestions to offer concerning the sections covered by that memorandum."

I write to inquire whether you will kindly send me a copy of the memorandum that you forwarded him December 7, with the date thereof. H. R. 9389 passed the House December 20, 1920, and the memoranda with regard to that were long since utilized.

I note your remark that you say, "I have noted your statement that after the bill becomes a law you intend to suggest to the department that an amendment be prepared for the purpose of correcting such inaccuracies as may appear." I presume you refer to my letter of April 11, 1922, in which I said, "Our plan is simply to prepare a bill that contains the present law without any change whatever. This bill is now the law, and if it passes the Senate it becomes a law, and we will then have something to begin with, doing away with the past confusion. Our committee will then bring in a bill suggesting some changes correcting what appear to be errors in the present law." I was not referring to inaccuracies in our bill, but the errors in the present law, such, perhaps, as may exist with regard to these ministers and ambassadors, but which are errors by Congress—not in this bill.

Before the old Revised Statutes were fully printed a bill was passed correcting 34 mistakes in it, and two years later a bill was enacted which corrected 242 imperfections in the old Revised Statutes. In my bill to establish a code I have supplied 60 omissions in the Revised Statutes which still remain. If we adhere to the precedent set by the Revised Statutes people we will, as you suggest, introduce a bill to correct our mistakes, if any there be. I suppose we ought to adhere to that precedent, should we not? Our book is three times as large as was theirs, and if we adhered to their percentage of mistakes we would have over a thousand to correct, and with all the nervous assistance of young gentlemen admitted to the bar here and there, and people who want us to omit the law to make easy their social duties, we have been only able to locate 66 instead of over a thousand. I am glad you feel that what the committee did was just what it should have done.

Very sincerely yours,

Mr. ANDERSON. I yield to the gentleman from Massachusetts [Mr. ROGERS].

Mr. HARDY of Texas. May I ask unanimous consent for two minutes to make some observations on the same subject?

Mr. ANDERSON. I have yielded to the gentleman from Massachusetts [Mr. ROGERS].

COAL SHORTAGE.

Mr. ROGERS. Mr. Speaker, on January 11 I called to the attention of the House the fact that in spite of the extreme shortage of coal, and especially of anthracite, in the United States this winter we had been shipping to Canada largely increased quantities both of anthracite and bituminous coal. I pointed out that October, 1922, exports to Canada showed a 33 per cent increase over the exports of October, 1921, and that November, 1922, showed a similar increase. I also gave official figures to prove that total exports to Canada of bituminous coal had recently been greatly larger than in 1921, although the latter year was the largest coal-export year in the history of the United States.

I had hoped—and, frankly, I had believed—that the December figures, when announced by the Department of Commerce, would tell a very different story. The extremity of our consumers, the fact that we are now in midwinter, and the notorious extortion which is being practiced upon purchasers all over the country—all these things seemed to me to combine in an insistent demand that the sending out of anthracite coal to Canada should be greatly curtailed, if not completely stopped.

In this connection I noted the statement of our Fuel Distributor, Mr. Spens, just before he left office, in which he said, referring to the necessity of using substitutes for anthracite in this country, "We have no information that similar drastic steps have been adopted in Canada."

I had in mind the statement reported in press dispatches from Ottawa that Dr. Charles Camsell, Deputy Minister of Mines and member of the Federal Fuel Board of Canada, recently stated that in the course of a visit which he had made to Washington "he had been assured that Canada would be treated as though it were a State of the Union in the matter of fuel supplies." In a time of our own extreme stress I ask, parenthetically, Should Canada be treated like a forty-ninth State?

I had in mind that in certain portions of Canada at least it is authoritatively stated that there is more American anthracite in proportion than there is in almost any section of the United States, and that advertising has been utilized as a medium of effecting sales, and I had in mind the fact that all the evidence seems to point to a sale price of American coal in Canada very much less—from \$2 to \$7 a ton less—than at most points in the United States.

I had in mind a telegram which I have just received from my own city that Lowell "is destitute of hard coal." I had in mind the statement made by the president of the Lynn Chamber of Commerce—although Lynn is a city on tidewater—to the following effect:

In the small amount of anthracite coal that comes into Lynn only about 65 per cent of it is combustible fuel. The poor and humbler citizens of the community are paying anywhere from \$18 to \$22 a ton for coal that is so miserable in quality that it should never have been shipped from the mines in any event.

I had in mind a recent letter from Detroit, typical of many, which contains the following sentences:

I have personally visited many families of the tenement districts of Detroit and the condition is appalling. I met a family consisting of father, mother, and five children burning wood and obtaining poor heat out of that. The mother is expected to be confined shortly, and one of the children is sick in bed.

As I recalled these things they seemed to me to present a case for drastic and instant action. I could not believe that our coal-regulating authorities would have allowed the conditions of October and November to persist through December.

But the official figures just released by the Department of Commerce tell their own story. For December, 1921, we exported to Canada 800,000 tons of anthracite coal; 1921, as I have said, was the greatest coal export year in our history. Yet in December, 1922, we exported 375,000 tons, an increase of about 25 per cent. Did we skimp Canada on bituminous? In December, 1921, we exported 621,000 tons of bituminous to Canada. Last month we exported 1,376,000 tons, very much more than twice as much as a year ago. Evidently all this talk of a coal shortage in the United States is, in the minds of some of our officials, a figment of the imagination. Is there, after all, plenty of coal in the United States, if we can so largely increase our exports in midwinter?

Take the combined figures for the three months, October, November, December, 1921 and 1922. For the three months a year ago the anthracite export figure was 923,000 tons. For the three months just ended it was 1,209,000 tons, 30 per cent more than a year ago.

The bituminous figures are, respectively, 2,637,000 for 1921 and 4,586,000 for 1922, an increase of about 75 per cent.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. GREENE of Vermont. Will the gentleman tell us whether those who may have official responsibility in this business give any satisfactory reason for the diversion of the coal to Canada?

Mr. ROGERS. I will refer the gentleman to the speech which I made in the House on January 11, in which I went into that question with a good deal of particularity. The only reason I have heard advanced by any responsible person, and I have talked with a good many, was that we must be neighborly. When Canada can purchase freely American anthracite for \$2 to \$7 a ton less than we must pay in America when we can get it at any price, I think neighborliness may be said to be carried to an extreme.

Mr. GREENE of Vermont. In view of the revelations I did not know but that they might have changed the form of their answers.

Mr. ROGERS. I thought that December would certainly show a change in the figures as well as in the answers.

Mr. SNELL. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. SNELL. I have just received a communication from St. Lawrence County, in my State, inclosing a clipping from

the largest daily in Montreal, in which it says that they could furnish all the coal that was wanted if the people would pay the price, and he wanted to know why if the people of Montreal could get it the people in St. Lawrence County could not get it. Can the gentleman give us any information?

Mr. ROGERS. I have a telegram from my own city, Lowell, which says that it is destitute of hard coal. I have a statement from the Chamber of Commerce of Lynn, Mass., a city on tidewater, which says that when they can get coal at all they have to pay from \$18 to \$22 a ton for it. These are typical of conditions everywhere in the United States. Yet the control price of American anthracite in Canada is \$15.50 to \$16.50 per ton.

Mr. GARNER. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. GARNER. Do I understand the gentleman to say that the American coal miner is willing to sell his coal at a less price to people in Canada than he does in the United States?

Mr. ROGERS. I did not say that. I will say what is the fact, that the Canadian consumers of American anthracite pay less than the average consumer in the United States.

Mr. GARNER. That would indicate that the miners are selling it over there for a less price than they are selling it here.

Mr. ROGERS. I think in a large measure the spread is due to the imperfect control of profiteering here. I have in my files an explicit statement from the Federal fuel administrator that profiteering is going on in the coal industry. After all this is simply a statement of what we all know to be the fact.

To me the situation is so incredible and so preposterous that I scarcely know how to make comment upon it. The American people—I say to the House again what I said two weeks ago—will not be indefinitely patient as they see themselves denuded of the coal which is essential to their comfort and prosperity—even to their very lives.

Pick up almost at random any newspaper in the northern and eastern sections of the United States and you will find that this subject is what I hope I shall be pardoned for calling a burning issue. The Boston Post of Wednesday, for example, has two articles upon coal. One is in the form of a dispatch from Augusta, Me., which states that Andrew P. Lane, State fuel director for Maine, declared to the legislative committee that coal dealers in Portland were exacting as high as \$30 a ton for coal. Since last Thursday, Mr. Lane said, he had visited 285 families in the city of Portland who had been unable to secure coal. The same issue of the Boston Post reports that less coal came into Boston last week than in any week in over a month. Yesterday's Boston Herald has the following dispatch from the statehouse:

At the close of its first public hearing yesterday the house rules committee voted to admit an order filed by Representative James J. Mellon, of Charlestown, which would put the house on record in favor of the bill of Congressman JOHN JACOB ROGERS for the embargo on exportation of anthracite.

I again assure Members of the House that the people of the country are more concerned with this question than with any other domestic matter. The Congress of the United States will be held to a strict accounting. We go out of existence March 4 and in ordinary course the new Congress will not convene until December. We must deal with this coal matter now or it will be too late. I believe that the American people demand action and, what is more to the point, that they have an absolute right and duty to summon us to action.

Mr. YOUNG. Will the gentleman yield?

Mr. ROGERS. Yes.

Mr. YOUNG. Has the gentleman the figures for 1921 when it is said that more coal was sent to Canada than in any other year? Why does not the gentleman give the figures for the whole year?

The SPEAKER. The time of the gentleman from Massachusetts has expired.

[Mr. ROGERS had leave to extend his remarks in the RECORD.]

Mr. ROGERS. As illustrative of the extremities to which our people are now being reduced, I desire to quote a brief article which was published in the Lowell Courier-Citizen day before yesterday:

A doctor's prescription calling for coal was made out several days ago by a local doctor, and through the efforts of Charles F. Richardson, of the Humane Society, the sick person to whom the prescription was made out is now more comfortable, although the supply of coal that was received was not alarmingly large.

This prescription is the first that has come into the hands of the Lowell Humane Society, but throughout the winter Mr. Richardson has had many pathetic pleas from almost destitute people who have been without fuel of any sort for many days. In some cases the stories of suffering have been almost unbelievable, and in each case the society has done its best to relieve the suffering.

Mr. ANDERSON. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, a Representative in this House should be closer to the people than a representative at the other end of the Capitol. We have to go back to the people every two years to be passed upon and get a new commission in order to come back. Our distinguished brethren in the other end of the Capitol only have to go back for approval every six years. For that reason we are held responsible to the people and by the people more than are our brethren at the other end of the Capitol. It should make us a little more careful than they on expenditures of the public funds.

When this bill first came before the House for consideration and passage the Bureau of the Budget had estimated for this department a maximum of \$69,031,613. But the committee, presided over by our distinguished friend from Minnesota [Mr. ANDERSON], had pared down the estimates, had pared down the proposed expenditures, and brought the bill in below the estimate by exercise of proper economies. But the House in passing the bill inserted numerous amendments, so that when it left this body the House by amendment had increased the Budget estimate by \$36,440.

Now what happened in the Senate? They have passed it with additional increases of \$4,673,600. That is the way the bill comes back to us. What are some of these increases? Let me call attention to amendment No. 31 passed by the Senate. Under the present law of this land the scientific employees in the Agriculture Department have a basic salary fixed by law at \$4,500. But the Senate is not content with providing an increase in this appropriation of \$2,000 each for 15 employees for this year, but they make a permanent law by amendment No. 31, authorizing an increase of as much as \$2,000 each thereafter to at least as many as 2,500 and possibly to as many as 8,700 scientific employees.

Mr. ANDERSON. Will the gentleman yield?

Mr. BLANTON. In one minute. They say:

Hereafter the maximum salary of any scientific investigator, or other employee engaged in scientific work and paid from the general appropriation of the Department of Agriculture, shall not exceed at the rate of \$6,500 per annum: *Provided*, That for the fiscal year 1924 no salary shall be paid under this paragraph at a rate per annum in excess of \$5,000 except the following: Not more than 12 in excess of \$5,000 but not in excess of \$5,500 each, and not more than 5 in excess of \$5,500 each.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. BLANTON. In one minute. The "hereafter" they put in this amendment makes it permanent law, and after 1924 the \$2,000 raise may be given to at least 2,500 employees. My colleague knows that that makes it permanent law for all time until Congress shall change it. It may be that some of them ought to have their salary raised, but it should be by a proper legislative committee of the House, which should pass upon it and determine it.

Let me show you how some of these scientific experts earn their salaries. I am informed by reliable pecan experts in Texas that the State of Texas now produces about 90 per cent of all of the commercial pecans raised in the whole United States. There had been established four years ago in the State of Texas what was known as a pecan laboratory. Through the work and influence of that laboratory thousands of good citizens were induced to plant trees, to bud and graft the native pecan trees along the many streams of Texas. They have invested hundreds of thousands of dollars. Then one of the experts in charge of that laboratory, who happens to be a native of Georgia, with his interests mostly in Georgia, without any hearing at all issued an order to box up that pecan laboratory and move it to Georgia, move it from a State that now produces the great bulk of the commercial pecans of this country. He had the pecan laboratory boxed up and at the railroad depot and ready to go into the cars when the people found out about it and raised a protest.

That expert caused the pecan raisers of my State to go to the expense of sending their representatives across the State to attend hearings in respect to the matter, and they did so before they could induce the expert to keep the laboratory there. After the hearing he kept it there, and now we have raised his salary \$2,000. Georgia is raising some very fine pecans, and if it needs a laboratory, Congress will give it one, but the one in Texas should not have been disturbed. I am not against a proper raise of salaries, where they may be passed upon properly, but a legislative committee ought to do that.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. I have only 10 minutes and I think the gentleman is going to get 15 minutes directly. I am with him on his proposition. I want to show you how easy it is to put things in appropriation bills. The Senate, for the schools of Washington, added an increase of over

\$1,000,000 above the House estimates. No legislative committee, nor any subcommittee of the Appropriations Committee, considered that, but it was put on there on the recommendation of Superintendent Ballou. Let me show you another recommendation of Superintendent Ballou. Recently he issued an order that no teacher of the 2,500 in Washington shall teach more than five hours a day, four days in the week. He is establishing a 20-hour teaching week for the teachers, which will require one-fifth more teachers in the District of Columbia to be paid for by the taxpayers of the District of Columbia, 60 per cent, and by the general taxpayers of the United States, 40 per cent. Why should a teacher teach only five hours a day for only four days a week? Why should not a teacher teach five days a week? Why should a teacher teach only 20 hours a week? I am one of those who believe that every man, Congressman and everyone else, should give a good day's work and a good week's work.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I want first to yield to the gentleman from Kentucky. Then I will gladly yield to the gentleman from New York.

Mr. KINCHELOE. The gentleman said that a proper legislative committee ought to regulate these salaries. Last year the Committee on Agriculture spent days in hearings on this matter and reported a bill which has been on the calendar for a year. Yet there has been no request from the Agricultural Department for consideration of that bill, but they come in here now and endeavor to make this permanent law.

Mr. BLANTON. That is exactly what I have been trying to emphasize in my argument, that it is the duty of our legislative committees to make these substantial changes in our laws that are almost impossible to change thereafter in the annual supply bills.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. PARKS of Arkansas. Mr. Speaker, I do not think such speeches as these ought to be made to empty benches. I make the point of order that there is no quorum present.

Mr. ANDERSON. Will the gentleman withhold that for a moment until I move the previous question on the conference report?

Mr. PARKS of Arkansas. Yes.

Mr. ANDERSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 11: Page 36, after the word "forests," in line 17, insert "and the Secretary of Agriculture may hereafter, in his discretion, permit timber and other forest products cut or removed from the national forests to be exported from the State or Territory in which said forests are respectively situated."

Mr. ANDERSON. Mr. Speaker, I move to recede and concur with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "and the Secretary of Agriculture may, in his discretion, permit timber and other forest products cut or removed from the national forests to be exported from the State or Territory in which said forests are respectively situated."

Mr. ANDERSON. Mr. Speaker, this amendment simply restores the language which has been carried in the House for many years with respect to this item and strikes out of the Senate amendment the word "hereafter," so that it becomes an annual instead of a permanent law.

Mr. DOWELL. What is meant by the word "exported"?

Mr. ANDERSON. That refers to exportation out of the State and also exportation out of the United States.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Minnesota to recede and concur.

The motion was agreed to.

Mr. HARDY of Texas. Mr. Speaker, will the gentleman yield me two minutes in which to make a brief statement?

Mr. ANDERSON. I shall be glad to upon the next item.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 31, page 81, after line 17, insert:

"MAXIMUM SALARIES.

"Hereafter the maximum salary of any scientific investigator, or other employee engaged in scientific work and paid from the general appropriation of the Department of Agriculture, shall not exceed at the rate of \$6,500 per annum: *Provided*, That for the fiscal year 1924

no salary shall be paid under this paragraph at a rate per annum in excess of \$5,000 except the following: Not more than 12 in excess of \$5,000 but not in excess of \$5,500 each, and not more than 5 in excess of \$5,500 each."

Mr. PARKS of Arkansas. Mr. Speaker, I think this matter is important enough to be considered by more people than are here now, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Arkansas makes the point of order that there is no quorum present. Evidently there is not.

Mr. ANDERSON. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Elliott	London	Schall
Ansorge	Free	Longworth	Scott, Mich.
Atkeson	Funk	Luhning	Shelton
Bankhead	Gahn	Lyon	Shreve
Barkley	Gallivan	McArthur	Siegel
Blakeney	Goldsborough	McClintic	Sisson
Bland, Ind.	Goodykoontz	McDuffie	Slomp
Boles	Gould	McLaughlin, Pa.	Smith, Mich.
Bond	Graham, Pa.	McPherson	Sproul
Bowers	Griffin	Mead	Stedman
Brand	Henry	Merritt	Stiness
Brennan	Hickey	Michaelson	Stoll
Burke	Himes	Mills	Strong, Pa.
Burroughs	Huck	Moore, Va.	Sullivan
Cantrill	Husted	Morgan	Tague
Carew	Ireland	Morin	Taylor, Ark.
Carter	James	Mott	Taylor, N. J.
Chandler, N. Y.	Jeffers, Nebr.	Mudd	Ten Eyck
Chandler, Okla.	Johnson, S. Dak.	Newton, Minn.	Thompson
Clark, Fla.	Jones, Pa.	O'Brien	Thorpe
Classon	Kahn	Opp	Underhill
Codd	Keller	Osborne	Vestal
Collins	Kelley, Mich.	Overstreet	Voigt
Colton	Kennedy	Park, Ga.	Voik
Connolly, Pa.	Kless	Perlman	Walters
Copley	Kindred	Petersen	Ward, N. C.
Crago	King	Porter	Webster
Cullen	Kitchin	Rainey, Ala.	Wheeler
Darrow	Klecza	Rainey, Ill.	White, Me.
Davis Minn.	Kline, N. Y.	Reber	Williams, Tex.
Dempsey	Knight	Reed, W. Va.	Winslow
Denison	Kreider	Riddick	Wood, Ind.
Drane	Kunz	Robson	Woods, Va.
Drewry	Langley	Rodenberg	Woodyard
Dunbar	Layton	Rossdale	Wurzbach
Dyer	Lee, N. Y.	Ryan	Zihlman
Echols	Lehbach	Sanders, N. Y.	

The SPEAKER. Two hundred and eighty-one Members have answered to their names; a quorum is present.

Mr. ANDERSON. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. ANDERSON. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. GARNER].

COMMITTEE ON APPROPRIATIONS.

Mr. GARNER. Mr. Speaker, if I can have the attention of the House, probably I can hold it for a minute anyway; but I want to make a suggestion, if I may, to the Committee on Appropriations, to the House of Representatives, and the subcommittee acting for the Committee on Appropriations. I believe I stated once before, or a number of times, I was one of those who believed in creating a large committee and voted for the rule creating it, and I believed it would be beneficial to the country by reducing the appropriation from \$100,000,000 to \$3,000,000. I have not changed my views entirely about that yet. At the time this committee was created, as I understand it, it was with the distinct understanding that it would not report any legislation upon an appropriation bill. Now, if it was not the understanding, I want some gentleman to rise in his place and correct me. The history of the Committee on Appropriations does not bear out that assumption. Now we hear the Committee on Appropriations, through its chairman, Mr. MADDEN, and through the ranking Member on the Democratic side, Mr. BYRNS of Tennessee, say to the House of Representatives, "We will not report any legislation." But, if I understand it, in the Army bill, while the subcommittee recommended 15 amendments which carried legislation, the entire committee struck them all out; and I commend the entire committee for its wisdom. But here is what happened, and what happened in this instance. You go over to the Senate, and they put on some amendments. You meet in conference, and the conferees disagree to those amendments; and the subcommittee comes back to the House of Representatives and moves to concur in those amendments. So the result is that what you have refused in the House is accomplished through the Senate.

I want now to say to the gentleman from Minnesota [Mr. ANDERSON], the gentleman from Tennessee [Mr. BYRNS], and the gentleman from Illinois [Mr. MADDEN], that if you mean

what you say, if you do not intend to infringe upon the other committees by reporting legislation, when you go back to the Senate and get around the conference table, the first thing I would say to the Senators would be that "not one line of legislation would go in this bill with our permission. Whenever you get ready to recede from your legislation we are ready to go into conference and consider the other items, but as long as you insist upon your legislation we are going back to the House of Representatives and ask them to confirm us in our stand against the legislation." And I venture the suggestion that if you will do that the House of Representatives will back you up and the Senate will take off this legislation. [Applause.] But you have got to have a little courage yourself. I will tell you the reason they do not do it, and I am not impugning the motives of any man, but some of the conferees want some legislation themselves, and they are willing to agree to it, and the result is they do not want to change this policy. I say they are making a mistake. They are going to come back to the proposition of nine appropriating committees and have nobody to blame for it but themselves, because you are not carrying out the spirit of this House when it was enacted into a large committee. You have the power to do it, and I venture the assertion that this House would rise by 90 per cent and declare that to be the policy, that if you will not agree to any legislation on an appropriation bill put on by the Senate, we will back you up. But if you come back and undertake to discriminate yourself then we propose to discriminate ourselves. We have the right as well as you and—

Mr. TILSON. Will the gentleman yield?

Mr. GARNER. I will.

Mr. TILSON. I agree with the position of the gentleman, but is the gentleman sure that the House would do what he says with such unanimity as he predicts? Is it not a fact in the case of the Army bill that the subcommittee kept the legislation off of the bill, but we ourselves put on a considerable number of amendments carrying legislation?

Mr. GARNER. Yes; but if the chairman of the Committee on Appropriations and the chairmen of the subcommittees will get up on the floor of the House and say, "Gentleman, it is the policy of your committee; are you willing to stand back of it?" do not you believe they will do it?

Mr. TILSON. We did not do it in the case referred to.

Mr. GARNER. I will ask the gentleman, as a general policy would not he do it?

Mr. TILSON. We ought to do it.

Mr. GARNER. Then I presume that the gentleman will do what he ought to do in supporting the policy of the committee.

Mr. TILSON. I have supported the position of the gentleman from Texas.

Mr. GARNER. But the trouble about it is this—

The SPEAKER. The time of the gentleman has expired.

SEVERAL MEMBERS. Take some more time.

Mr. GARNER. I do not care for more time. I merely desired to call attention to this.

Mr. ANDERSON. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, I agree in the main with the views expressed by the gentleman from Texas [Mr. GARNER]. I think we should live up to the letter and the spirit of the policy we announced in creating a single appropriating committee. I think the committee should avoid, so far as it is humanly possible, reporting legislative provisions. I think the Senate should refrain, so far as it is possible under existing conditions, from attempting to place legislative items on an appropriation bill; but we can scarcely expect that the new order shall work perfectly immediately, or so soon after its adoption.

Mr. JONES of Texas. Will the gentleman yield?

Mr. MONDELL. In just a moment; let me make my statement and then I will yield. I think that the legislative committees are themselves just a little to blame for the situation in which we find ourselves.

The Committee on Appropriations should not attempt to legislate or report legislation, but the legislative committees should legislate and should report legislation; and they should insist upon the consideration of their important legislation.

Mr. BLACK. Mr. Speaker, will the gentleman yield for just one question at that point?

Mr. MONDELL. Yes.

Mr. BLACK. The gentleman recalls, does he not, that upon this particular matter of a reclassification of salaries the Committee on Reform in the Civil Service did report a reclassification bill, and the House passed it, covering not only all the positions in this branch of the service but all the positions in all the other branches of the service?

Mr. MONDELL. Yes. More than that, my understanding is—and the chairman of the subcommittee will correct me if I am not correct in my statement, if I may have the attention of the chairman of the subcommittee [Mr. ANDERSON]—my recollection is that a bill was reported some time ago carrying practically the provisions that are contained in this item.

Mr. ANDERSON. A bill on the subject was reported which is similar to the provision carried in this bill.

Mr. MONDELL. And it was reported something over a year ago?

Mr. ANDERSON. It was reported, I think, about March 12, 1922.

Mr. HAUGEN. Mr. Speaker, I do not think that statement should go into the Record without explanation.

Mr. MONDELL. There was a bill reported on this subject.

Mr. HAUGEN. I understood the gentleman to state that the legislative committee was to blame.

Mr. MONDELL. Oh, no; the gentleman has not said that the legislative committees were to blame.

Mr. HAUGEN. I prefer to have the matter cleared up now.

Mr. MONDELL. It is a fact, is it not, that the Committee on Agriculture did report a bill on this subject more than a year ago?

Mr. HAUGEN. It is altogether a different bill.

Mr. MONDELL. It is a bill embracing the same subject, and it is a bill that would have enabled the House, if considered, to pass upon the matter just as we are now proposing to pass upon it.

Now I have not said and I shall not say that the Committee on Agriculture has been derelict in its duty in not calling that bill up. We have been crowded for time, and while the committee has occupied the time of the House on various occasions since that bill was reported, it has had other important legislation which has been considered. I am not complaining of the Committee on Agriculture, and yet I think it is true that if the committee had considered that measure of primary importance we could have arranged for its consideration.

Mr. JONES of Texas. Mr. Speaker, will the gentleman yield just for information?

Mr. MONDELL. In a moment. But the matter not having been considered, a condition has arisen in the Department of Agriculture under which the Secretary of that department says it is absolutely essential that he shall have some relief.

Now I yield to the gentleman from Texas.

Mr. JONES of Texas. I just want to ask a question for information. Could not this trouble have been cured by making legislation on an appropriation bill subject to a point of order at any time, just as an appropriation on a legislative bill is subject to a point of order at any time?

Mr. MONDELL. A lot of things could be done in the way of a modification of the rules. I think the rules are all right as they are touching these matters.

Mr. JONES of Texas. At the present time if an appropriation item is put on a legislative bill a point of order can be made at any time. Consequently, since the establishment of this rule there has never been an appropriation placed on a legislative bill. Now, if you would turn around and say that no legislation shall be carried on an appropriation bill, that would remedy the situation.

Mr. MONDELL. We have exactly that rule now. Legislation can not be placed on an appropriation bill unless it comes under the Holman rule without being subject to a point of order.

Mr. JONES of Texas. But we require that a point of order must be made before the legislation is passed in the House, at the time it comes up in the House; and if the Senate puts on a legislative provision you can not knock it out; whereas you can knock out an appropriation on a legislative bill.

Mr. GARNER. Mr. Speaker, will the gentleman yield for a question there?

Mr. MONDELL. For a brief question.

Mr. GARNER. If a matter is of sufficient importance or emergency that legislation ought to go on an appropriation bill, do not you think that the rules of the committee ought to provide for that legislation and give the House a chance to consider it, rather than have the Committee on Appropriations take the responsibility?

Mr. MONDELL. It is not so easy a matter. In the first place, there is the question as to what constitutes legislation. A committee can not know in advance what the ruling will be under certain circumstances. There is no question about an appropriation. An appropriation is an appropriation, and there is no question of ruling in regard to it. We simply say that an appropriation shall not be made by a legislative committee. That is a comparatively simple matter.

But just one word more; it is a matter I have had in mind for some time. I do think that all the legislative committees—and I say this without intent to criticize—should very carefully consider their responsibilities under the changed conditions under which they do their work and have been doing their work since we have consolidated appropriations.

I think there has been rather too much of a disposition to take the position that, having lost the right to appropriate, there is nothing worth while left for the legislative committees to do. I think there is a wide and fruitful and useful field of work and effort for those committees. I think there are two things they should do. First, those committees that have not taken that action should report the legislation necessary to make in order those items that are the ordinary and necessary items on an appropriation bill. One of our difficulties lies in the fact that, as to some of the departments, we can not carry on an appropriation bill some of the essential items necessary to the carrying on of the regular work of the department because the legislative committees have failed to make those items in order. Without criticizing other committees, may I refer to the action taken by the Committee on Indian Affairs? That committee brought in a bill carefully prepared, which was carefully considered by the House, that clearly defined the authority of the Appropriations Committee, and in so doing clearly defined the authority of that committee in legislation. Following that this committee each session has taken up for consideration the legislation presented to it, the legislation suggested during the examinations before the Committee on Appropriations, and reports out an omnibus bill. In due time that bill is considered. I commend that practice to all of the legislative committees.

I think it would be very well, indeed, if following the consideration of the appropriation bills by the Committee on Appropriations the legislative committees would take up for consideration the legislative matters that have been presented to the Appropriations Committee and which that committee properly declined to consider. There were, as I understand it, 16 items—

The SPEAKER. The time of the gentleman has expired.

Mr. J. M. NELSON. I ask unanimous consent that the gentleman have five minutes more. I wish to ask him a question.

Mr. ANDERSON. I yield to the gentleman from Wyoming two minutes more, and will yield five minutes to the gentleman from Tennessee [Mr. BYRNS], and after that I shall yield only to gentlemen who want to talk about this amendment.

The SPEAKER. Is there objection to the extension of five minutes?

There was no objection.

Mr. J. M. NELSON. Mr. Speaker, I have been very much interested in this matter. I have been for the new rule, but I can see the harmful influence on the committees that have been deprived of much of their power. I wish to ask the floor leader if he has noticed any distinct result so far as this reform is concerned.

Mr. MONDELL. Of course, I have not time in five minutes to discuss this matter in detail. I hope a little later to go into the question of the effect of the new method of appropriating. I have scarcely the time to answer that question in detail now. May I follow the line of my suggestion? There are several of the legislative committees that may very properly take up for consideration the propositions of legislation that have been presented to the Committee on Appropriations during its consideration of appropriation bills. Those legislative committees might well go further. They might very properly at some proper time enter upon the work which at one time it was contemplated the expenditures committees would perform, that of examining the expenditures of the departments.

During each examination there would come from the departments, and otherwise, suggestions and requests for legislation, and out of the suggestions that came from the hearings before the Committee on Appropriations, out of the proposals presented during examinations and from time to time by members of the committee, there could very properly be made up an omnibus legislative bill covering the activities of government over which each committee has jurisdiction. I think it would be quite proper to amend the rules so as to make in order the consideration by the House of at least one such piece of legislation from each of the legislative committees during a session of Congress. I think that in order to balance the matter of privilege and leave the legislative committees in as favorable a situation as they were before they were deprived of authority to appropriate, they should under the rules have the right to bring in at the proper

time at least one omnibus legislative bill each session and have it privileged.

Mr. DOWELL. May I suggest to the gentleman that if he desires to stop legislation on appropriation bills, if he will amend the rules so as to prevent any legislation on appropriation bills it will force the legislative committees to act promptly.

Mr. MONDELL. We discussed that some time ago. The rules now prohibit legislation on our appropriation bill; but this is the thought I desire to emphasize, that the legislative committees of the House should, in good faith and with earnestness, apply themselves to their duties and responsibilities under the new conditions, and should present to the House at the proper time carefully considered legislative propositions, preferably in a single bill rather than divided up into numerous popgun measures, only one or two of which may, perhaps, be considered. And let me say again, I think it would be well to give such omnibus measures a privileged status in the House.

Mr. DAVIS of Tennessee. Is it not a fact that nearly all the legislative committees of the House do report out legislation and have legislation on the calendar, but that they can not get it up because Calendar Wednesday is usually dispensed with?

Mr. MONDELL. Well, we have dispensed with Calendar Wednesday in order to get rid of the appropriations program, practically by unanimous consent. We have now taken up Calendar Wednesday again. We will also have special rules. We will consider during this session much legislation coming from the legislative committees; but the legislation coming from those committees is divided into a multitude of small measures. If they could to a considerable extent be put together in one general legislative bill and given a privileged status, this whole matter of legislative authority being outrun by the needs of the public business would be largely cured, in my opinion.

Mr. ANDERSON. I yield five minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Speaker, I want to talk for a moment on the rule and also on the amendment. I am in entire accord with what the gentleman from Texas [Mr. GARNER] has said concerning the impropriety of carrying legislation upon appropriation bills. It is true, as I remember it, that when the present rule was adopted, there were statements made and assurances given that thereafter there would not be legislation upon appropriation bills unless it was authorized under the rules of the House, and that the legislative committees would report such legislation as should be adopted. I feel satisfied that all the members of the Appropriations Committee realize the force of that pledge or promise, whatever you care to call it, and that they seek to keep legislation out of appropriation bills. As a matter of fact, the chairman of the Committee on Appropriations, the gentleman from Illinois [Mr. MADDEN], when it develops, as it develops frequently in the consideration of these appropriation bills, that certain legislation is important and would be very helpful economically and otherwise, has, without incorporating those provisions in the appropriation bills, reported them to the chairman of the proper legislative committee, with the suggestion that he take them up with his committee and that his committee take such action as it deems wise.

But the trouble, gentlemen, is that the rules of the House and the rules of the Senate differ. My own idea is that it would be entirely proper and very helpful if the concurrence of the Senate could be obtained for a joint committee to be appointed to take up the question of the rules governing the making of appropriations, so as to have some uniformity between the two Houses. The Senate acts under different rules, and the result is that when the House conferees go to the Senate and are confronted with matters of legislation upon an appropriation bill and call the attention to the Senate conferees to the rule of the House which prohibits the legislation, we are confronted with the fact that under the rules of the Senate it is entirely in order, but the Senators insist upon their amendment. The gentleman from Texas [Mr. GARNER] has said that there is a great deal of legislation upon appropriation bills. I lay down this proposition, that if you will investigate the record of appropriation bills since this new rule went into effect you will find far less legislation carried upon those appropriation bills than was enacted prior to the adoption of that rule. There can not be any question about that, and any gentleman who will take the time to investigate the appropriation bills passed prior to the adoption of that rule will find that that is a fact. I think that something ought to be done so as to bring about uniformity between the rules of the House and the rules of the Senate, because as long as nonuniformity exists we are going to be confronted by these propositions. It should be said that under the new rule adopted that the House now has full opportunity to pass upon the legislation, whereas under the old rule the House never had an opportunity to pass on the legislation carried in

an appropriation bill, because the conferees would meet and agree on the legislation, report it back in the body of the report, and no Member had an opportunity to attack that piece of legislation, because in order to defeat it the House must vote down the whole report.

Mr. CRAMTON. Will the gentleman yield?

Mr. BYRNS of Tennessee. In just a moment. I do not know whether all these salaries are justified or not. They appear to me to be very large. I want to see the experts paid a reasonable salary, so that we can have the best experts obtainable.

I do not know whether all the salaries should be paid. They are much larger than they are in some other departments. When the amendment was put on the last appropriation bill it went on for that year alone, but now we are confronted with the fact that we are asked to vote for an amendment which makes it permanent law. I think the House should vote down the motion to concur in the amendment of the Senate and concur in the amendment with an amendment to apply to this fiscal year alone, and meanwhile let the Agricultural Committee report a bill and let the House take action upon that.

I agree with the gentleman from Wyoming that the trouble is that many of the legislative committees do not always consider legislation which should be reported and enacted, and in saying this I am offering no criticism, but calling attention to what we all know to be a fact.

The trouble is that many matters are called to the attention of the committees which are not taken up on the floor of the House. The Appropriations Committee is confronted with them; we are confronted with the absence of legislation for things necessary and imperative, and yet when we put them on appropriation bills we are met with criticism on the floor of the House that we are not following the rules of the House. I hope the legislative committees will take these matters up and report some of this legislation so that the House can pass upon it. [Applause.]

Mr. ANDERSON. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Speaker and gentlemen of the House, I want to address my remarks to members of legislative committees. I want to say to you that the principle involved in Senate amendment No. 31 vitally affects every legislative committee in this House. Now, the gentleman from Wyoming seems to leave the impression by innuendo, if not directly, that the Agricultural Committee has not done its duty. Under the system of this Republican House pertaining to legislative committees, before any of them can get consideration of any of the bills the chairman has to go, figuratively speaking, on his hands and knees to the Republican steering committee of the House, of which the gentleman from Wyoming is a prominent member, and get their consent before it can be considered.

Now, what is Senate amendment No. 31 that is proposed here? It proposes to make permanent law giving the Secretary of Agriculture the absolute power in his discretion to increase the salaries of every scientific employee in the Agricultural Department to \$6,500 a year if he wants to, with the exception of the year 1924. How many employees are there doing scientific work in the Department of Agriculture? Let me show you what the hearings say. The gentleman from Texas [Mr. BUCHANAN] says:

Can you give a general idea about how many scientific men you have at the Department of Agriculture?

Mr. BALL of the Agriculture Department, says approximately 2,500 technical scientists; about 3,700 scientific men.

Mr. ANDERSON. Does the latter include the first group?

Doctor BALL. Yes. But when you get down to men that are doing technical research work, there are about 2,500. That is more than there are in all the other Government bureaus put together.

Therefore if this amendment is adopted as it is written, which will make it permanent law, you put into the hands of the Secretary of Agriculture the power to increase the pay, if he wants to, to \$6,500 of 2,500 men after the year 1924.

They talk about the diligence of the Agricultural Committee. Why, we conducted days' hearings last year on this matter, with the Secretary of Agriculture before us and all of his experts, and we carefully considered and reported the bill H. R. 10819 on the 9th day of March, 1922, to fix salaries of scientific men in this department. When the item came up in the Agricultural appropriation bill last year it went out on a point of order in the House. Then it was inserted in the Senate, and the members of the subcommittee of agriculture of the House said it ought to stay in the bill because the Committee on Agriculture had recently reported the bill but had not had time to consider it. This bill, H. R. 10819, has been on the calendar since March, 1922, and there has never been one request to the chairman of the Committee on Agriculture from the Secretary of Agriculture to consider this legislation.

Mr. ANDERSON. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. ANDERSON. Does the gentleman think that if the Committee on Agriculture reported the bill the Secretary of Agriculture should stand behind it with—

Mr. KINCHELOE. No; but I am opposed to the Secretary of Agriculture running to the Senate and asking for these increases, the same as last year, and the Senate giving him a bigger sum than he asks for, as I will show in a minute.

The only time the great steering committee gave the Committee on Agriculture any days for legislation was inspired by reason of the request for a rule, not for the consideration of public business like this, but for the consideration of private bills, sugar claims, to mulct the Government out of \$4,000,000. [Applause.] If it had not been for that we never would have gotten a rule even to consume those two days. That is the diligence of the Committee on Agriculture, and that is the procedure of your steering committee, and the procedure of your majority members of the Committee on Rules. To take care of some fellows who have private bills, who gambled in sugar and lost \$4,000,000, we got two days in which to consider important bills.

I say that in this amendment we are giving the Secretary of Agriculture more than the Secretary of Agriculture asked when he went to the Senate. In the hearings Senator Jones of Washington asked the question:

I understand, Mr. Secretary, that the provision which the House committee reported and which went out on a point of order is what we put in the last bill.

The Secretary said it was. Then the question was asked:

You would like to have that renewed—

That referred to the provisions of the last bill, and the Secretary said he would, "Very much, indeed."

What was the provision of the last bill? It provided for a maximum salary of \$6,500 in scientific work, in the discretion of the Secretary of Agriculture, but for the fiscal year 1923 8 men should receive a salary in excess of \$5,000 but not in excess of \$5,500, and 3 men in excess of \$5,500. That is what the Secretary asked for the other day before the Senate committee. Instead of having 8 men in excess of \$5,000, they put in 12, and instead of 3 men in excess of \$5,500 you have put in five. You have given the Secretary of Agriculture more than he asked for.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. ANDERSON. The gentleman knows that the number is exactly in accordance with the recommendations which the Secretary of Agriculture made to the Budget and the Budget made to the Congress.

Mr. KINCHELOE. I do not know anything about the Budget, but you gave him more than he asked for.

Mr. ANDERSON. We have not given anything yet.

Mr. KINCHELOE. No; but you are making an assault with attempts to, and I hope that you will fail. [Applause.] What does the bill which the Committee on Agriculture reported after days of hearings, with the approval of the Secretary of Agriculture and with the approval of all who appeared before that committee, provide for? We did not give carte blanc to the Secretary to increase to the amount of \$6,500, 2,500 men engaged in scientific work in the Department of Agriculture. Here is what we gave: Not more than seven in excess of \$4,500 and not to exceed \$5,000; not more than five in excess of \$5,000 and not in excess of \$5,500; not more than three in excess of \$5,500 but not in excess of \$6,000; and in no case was the salary to exceed \$6,000. We gave him the right to increase the salaries set out there of 15 men only that are engaged in scientific work. I have nothing against the Secretary of Agriculture. I have a high regard for him. I have said privately, and I say it now, I think he is the best man in the Cabinet, but I am against the idea of the legislative committees of this House losing their functions every day. I owe just as much responsibility to the people I represent as any member of the Committee on Appropriations does, and so does every other man in this House. [Applause.] Are we going to sit supinely and let these departments, whichever one it may be, ignore the committee appointed for the consideration of business applying to the particular department and run over to the other body, just because it is in order to get an amendment tacked on, where we can not make a point of order under our rules, because it is not against the Senate rules, and ignore the proper legislative committees of the House? Then, to add insult to injury, are we to sit supinely, as the chairman of the subcommittee has asked you to do to-day, and increase the appropriation, and not only that, but to make it permanent forever and a day after the year 1924?

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. BUTLER. What increase over the amount reported from the Committee on Agriculture is there; how many officers?

Mr. BLANTON. Over \$4,000,000 increase in this bill over what the House passed.

Mr. BUTLER. And we have to consider that all in an hour?

Mr. KINCHELOE. I will answer the gentleman. Under Senate amendment No. 31 we give to the Secretary of Agriculture carte blanche authority, if he wants to exercise it, to increase the compensation of every employee in the scientific work in the Department of Agriculture to the amount of \$6,500 after 1924.

Mr. McLAUGHLIN of Michigan. Does the gentleman know how many scientific employees there are?

Mr. KINCHELOE. I just read that a short time ago.

Mr. McLAUGHLIN of Michigan. I think the gentleman is in error. The report from the Department of Agriculture states that a year ago—December, 1921—there were 3,778.

Mr. KINCHELOE. This says that there are 2,500 technical scientists, and so forth.

Mr. McLAUGHLIN of Michigan. And this would permit an increase of \$2,000 for every one of them, or a total increase of \$7,500,000.

Mr. KINCHELOE. As I say, that gives him the power to do that, but our bill limits it to 15; and, as I say, I have high regard for the Secretary of Agriculture. However, I serve notice upon him, and upon the Department of Agriculture, that so far as I am concerned individually, as a member of the Agricultural Committee, if they want cooperation they must come to the committee that is empowered to act for them.

Mr. ANDERSON. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. HAUGEN].

Mr. HAUGEN. Mr. Speaker, I have no quarrel with the Committee on Appropriations, nor have I any suggestions to make as to the present system. The only suggestion I have to offer is that the committee should observe the law and live up to the spirit of the law and the rule. The committees on legislation have been criticized for not reporting legislation. It has been suggested that the Committee on Agriculture reported a bill similar to the one that is under consideration. The committee did; it carried an increase of salary for nine people in the department, all that was asked for by the department. After conference with Doctor Ball we wrote into the bill exactly what was suggested and added one, Doctor Ball, to the list, giving everything that was requested. We expected that the representatives of the department would act in good faith and make their contract good with the committee. Instead of that evidently the agreement made was overlooked, and for some reason or other the numbers were increased. If all had acted in accordance with agreement made with the committee, there would have been no controversy about this matter.

Section 1 of the bill reported by the committee gave the Secretary authority to increase the salaries of 15 scientific investigators whose salaries are at present limited to \$4,500, as follows: Not more than 7 in excess of \$4,500, but not in excess of \$5,000 each.

Not more than five in excess of \$5,000, but not in excess of \$5,500 each.

Not more than three in excess of \$5,500, but not in excess of \$6,000 each.

The increases in salaries authorized for the current year were 8 in excess of \$5,000, but not in excess of \$5,500, or an increase of 3 over the number agreed upon, and the number of increases suggested in the Senate amendments are 12, or 7 more than the number agreed upon. The number of increases ranging from \$5,500 to \$6,000 were increased to 5 for the current year, at a salary from \$5,500 to \$6,500, and the same number are provided for in the proposed Senate amendments.

Section 2 of the bill reported authorizes the increase of salary of nine officers of the Department of Agriculture who were on the statutory roll of the department, were seven chiefs and the librarian and, as before stated, Doctor Ball, director of scientific work, was added to the list submitted. Salaries were fixed as suggested and as follows:

Title.	Present salary.	Salary proposed.
Director of Scientific Work.....	\$5,000	\$6,000
Chief of the Bureau of Animal Industry.....	5,000	6,000
Chief of the Bureau of Plant Industry.....	5,000	6,000
Chief of the Bureau of Forestry.....	5,000	6,000
Chief of the Bureau of Chemistry.....	5,000	6,000
Chief of the Bureau of Markets.....	5,000	6,000
Chief of the Bureau of Biological Survey.....	4,000	4,500
Chief of the Division of Accounts and Disbursements.....	4,000	4,000
Librarian.....	2,000	2,500

What is the suggestion at this time? The representative of the department asked for increases, and indicated, as has been stated, the proposed amendment would make it possible to increase the salary of 3,778 employees of the department \$2,000 each, or more than \$7,500,000. We have heard a good deal about economy. I believe some of you probably discussed it in the last campaign. I doubt, my friends, you can satisfy your constituents by decreasing the appropriation for the control and eradication of hog cholera more than \$100,000; no increase in appropriation for the control and eradication for tuberculin testing of animals, or for the payment of indemnities; and only \$25,000 increase to exterminate the corn borer, thus giving the corn borer, now invading the Corn Belt, the right of way; and, on the other hand, authorizing the increase of salary of 3,778 employees, or \$7,500,000 increase in salary. I believe that is all I care to say. I yield back the remainder of my time. [Applause.]

Mr. ANDERSON. Mr. Speaker, I yield 10 minutes to the gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Mr. Speaker and gentlemen of the House, I regret to find myself in an emphatic disagreement with the chairman of the Committee on Agriculture and my Democratic colleagues who have spoken. If there ever was a time when agriculture should not be handled lightly, it is now. Everybody is talking about helping the farmer, and I doubt exceedingly the wisdom of doing this injustice to the Department of Agriculture because we are not pleased with the proceedings of the Senate and the House. There has been a great deal said here in criticism of the Secretary of Agriculture for going to the Senate. But, gentlemen, the Secretary of Agriculture came to the Committee on Agriculture and that committee had exhaustive hearings and reported a bill, unanimously favorable, covering the general purpose of this amendment under consideration. The facts are, and I am not criticizing anybody, but the facts are the bill has been on the Calendar of the House nearly a year, and the chairman of the Committee on Agriculture has not gotten it up for the consideration of the House.

And I am not here to criticize the chairman or the Secretary of Agriculture. But after the Secretary had waited nearly a year and gotten no action in the House, then why should he not go to the Senate and try to get some recognition?

Mr. HAUGEN. The gentleman knows the chairman is not at liberty to call up a bill. The chairman has acted on orders made by the committee to call up bills as directed by that committee.

Mr. ASWELL. The committee reported the bill favorably and it has been on the calendar nearly a year. I thought that action was an order.

Mr. HAUGEN. The committee reported about 20 other bills which have not been considered on calls of committees.

Mr. ASWELL. I merely state the facts, that this bill has not received consideration by the House. The gentleman from Iowa has not gotten it up.

Mr. KINCHELOE. Will the gentleman yield for a question?

Mr. ASWELL. In just a moment. There has been criticism for putting legislation upon an appropriation bill. My own opinion, my own judgment, is clear; the way out of this dilemma, the way out of all this mass of confusion, is to abolish the Committee on Appropriations of 35 and put the authority back to the nine committees, where it belongs. [Applause.] And I for one in the new Congress will do my part to bring that to pass. Now, gentlemen, I want to call attention to this fact: The Secretary of Agriculture asks for some additional salaries at \$6,500 a year. This very Congress has authorized salaries in one of the departments of this Government of \$25,000 a year, and others at \$20,000 in that department, and here, because the Secretary of Agriculture appeals to the Congress for a salary of \$6,500 a year, you criticize the Secretary and make it appear he has committed some crime. I for one, under the conditions of agriculture in this country to-day, would be willing to vote for the Secretary of Agriculture to get 10, 12, or 20 people at \$6,500 a year in order that he may transact the business and help agriculture in this country. [Applause.] Again, you will observe that there is no provision in this amendment that authorizes the Secretary of Agriculture to increase a number of people to \$3,500, as some have stated, because he can not increase any salary until he comes back to Congress and gets authority.

Mr. KINCHELOE. Will the gentleman now yield?

Mr. ASWELL. I will.

Mr. KINCHELOE. Does the gentleman contend that the first part of this amendment did not give him the right in his discretion to increase every scientific employee he wants to up to \$6,500?

Mr. ASWELL. Provided he can get the money from Congress. Mr. KINCHELOE. Does the gentleman say he is in favor of this increase? Does the gentleman undertake to say to the House he is in favor of making this permanent without giving any hearings at all?

Mr. ASWELL. I made no such statement, and intimated no such thing. I said the word "hereafter" should be stricken from this amendment, and I said that if the Secretary of Agriculture believes he can bring some additional body of men into the department at this great crisis in agriculture to assist in promoting the agricultural welfare of this country, I am willing to give him a chance to do it.

Mr. KINCHELOE. Will the gentleman yield for another question?

Mr. ASWELL. Yes.

Mr. KINCHELOE. I will say to the gentleman that the parliamentary situation developed so that I wanted to give the gentleman an opportunity to vote what he is advocating.

Mr. ASWELL. I will vote to cut out the word "hereafter" and as far as criticizing the Secretary in regard to the number of five men for \$6,500 each, I am for it, and if the Secretary wants 10 he may have them, and if the Secretary of Agriculture comes to Congress and says he wants 20 I will be for that.

Mr. HAUGEN. I think that we will agree that if you strike out the word "hereafter" making it permanent law, I am in favor of giving the Secretary all the assistance he thinks is necessary. But the gentleman is aware of the fact that the Congress in making up the appropriations has adopted a suggestion that makes it possible for the Secretary to increase every one of them up to \$6,500 if the appropriations are made.

Mr. ASWELL. The gentleman would not make that statement seriously if he understood the amendment.

The SPEAKER pro tempore. The gentleman yields back the remainder of his time.

Mr. ANDERSON. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

The SPEAKER pro tempore. The gentleman from Michigan is recognized for five minutes.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I am heartily in favor of the amendment to provide higher salaries for scientific men. It is now at \$4,500, altogether too low. That situation has existed for many years. It has been impossible under it for the department to engage, or to keep very long, competent men. The Secretary is constantly embarrassed by not being able to pay salaries high enough.

With that in mind, the officials of the department asked the Committee on Agriculture to prepare a bill. The committee did prepare a bill, and, as has been stated on the floor, that bill has been on the calendar for 9 or 10 months, but no action has been taken on it. As prepared by the committee it was satisfactory to the department, as I remember their testimony, although by it the limit would be raised to only \$5,500, an increase of only \$1,000, whereas my amendment would raise it to \$6,500. The department was also satisfied with the further limitation which the bill carries—that is, only so many at the \$5,500 rate, and only so many at \$5,000; the remainder, I presume, to stay at \$4,500, or less.

Now the Senate amendment provides a limit of \$6,500, \$1,000 more than the department itself wished, as I remember it, a year ago. But I approve the Senate amendment. Six thousand five hundred dollars is not too large. I approve of the use of the word "hereafter," to make the law permanent. But my opinion is that some limitation ought to be placed upon it, so that the condition that the chairman of the Committee on Agriculture [Mr. HAUGEN] says may arise can not be permitted, by opening the door wide, allowing the Secretary of Agriculture the discretion of placing a very large number of men on the roll at the limit of \$6,500.

Mr. BLACK. Mr. Speaker, will the gentleman yield.

Mr. McLAUGHLIN of Michigan. I can not; there are certain things I wish to say, and my time is limited.

Now, as to the limit of \$6,500, I would amend the Senate amendment. If one has the bill before him, he can see what I wish. If he has the Senate amendment before him in print, he can see what I mean. I will state it differently. In the bill I would strike out the words "for the fiscal year 1924," and, on the next page, I would strike out "\$5,500," so that if the Senate amendment is adopted, amended as I suggest, it would read:

That the limit shall be \$6,500: *Provided*, That no salary shall be paid under this paragraph at a rate per annum in excess of \$5,000 except the following: Not more than 12 in excess of \$5,000 but not in excess of \$6,500 each, and not more than 5 in excess of \$5,500 each.

It would make the limit of \$6,500 permanent, but I would make \$6,500 available for the next fiscal year, whereas the Senate amendment, favored by the gentleman from Minnesota

[Mr. ANDERSON] will not make it available until 1925. It would make the qualification as to the number permanent and permit the paying of salaries of 12 up to \$6,500 and the salaries of 5 at \$5,500. Those 12 and 5 are 17, which is 6 more than the Secretary of Agriculture himself asked for only a short time ago; several more—I do not have in mind the exact number—than the Secretary of Agriculture approved at the time the bill was under consideration by the Committee on Agriculture. At the proper time I shall offer that amendment and ask its adoption. If adopted it will provide the higher salaries to more men than does any other proposal now before the House, and these higher salaries may be paid one year earlier than is possible under any other proposal.

Mr. ANDERSON. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLACK].

The SPEAKER pro tempore. The gentleman from Texas is recognized for five minutes.

Mr. BLACK. Mr. Speaker, the only opposition I have to this Senate amendment No. 31 is to the language that makes it permanent law, and I understand that the gentleman from Kentucky [Mr. KINCHELOE] is going to ask for a division of the question, and if the House votes to recede, then he will move to recede and concur with an amendment making these salary changes apply only to the fiscal year 1924.

Mr. ASWELL. Mr. Speaker, will the gentleman yield?

Mr. BLACK. In a moment I will be glad to yield to the gentleman.

Now, the reason why this amendment should be adopted as permanent law is the fact that it gives the Secretary of Agriculture the broad and inclusive power to classify all scientific employees in any classification that he sees fit, provided that the salaries are under \$6,500.

The House has already passed the bill known as the Lehlbach reclassification bill, which provides the machinery for reclassifying all of the Government employees, and one of the classifications is the scientific class. Now, some Members—a good many Members—voted against that bill because they thought the salaries provided were too high. And yet if the House passes this pending amendment you are giving the Secretary of Agriculture much broader authority than was given to any head of a department in the reclassification bill. I have the reclassification bill here as it passed the House, and it provides for six different grades of professional men, and there is but one grade that would draw up to \$6,500, and that grade is grade 6, which would include a very limited number of employees. Let me read it to you. The only class that would draw that amount is grade 6, in the professional class, which may be referred to as the chief professional grade. I read:

It shall include all classes of positions in this service the duties of which are to act as the scientific and administrative head of a major professional or scientific bureau.

There are but few employees in the Government service that could go as high as \$6,600, and those would be such as the Chief of the Bureau of Standards and, perhaps, the Chief of the Bureau of Animal Industry and the Chief of the Bureau of Chemistry, in the Department of Agriculture, and administrative positions of that kind.

Mr. KINCHELOE. Mr. Speaker, will the gentleman yield?

Mr. BLACK. Yes.

Mr. KINCHELOE. I will say to the gentleman that if this bill reported by the Committee on Agriculture shall become a law everyone in excess of \$6,000 comes within the purview of that.

Mr. BLACK. Yes; and if my friend from Kentucky will permit, the pending amendment would give to the Secretary of Agriculture complete authority to make a reclassification of all the scientific employees in his department. I am not saying the Secretary of Agriculture would abuse the authority. What I say is that it is not the policy of Congress to grant such powers. What Congress needs to do is to enact the reclassification bill which the House has already passed and then have a thorough, comprehensive reclassification of all Government employees.

Mr. ASWELL. Mr. Speaker, will the gentleman yield?

Mr. BLACK. Yes.

Mr. ASWELL. This amendment is for one year only. Does the gentleman fear there would be any difficulty in adding to the number, inasmuch as it ended this year?

Mr. BLACK. Yes; but after one fiscal year—

Mr. ASWELL. You would not favor cutting out the word "hereafter"?

Mr. BLACK. Yes; I so stated.

Mr. ASWELL. Then you are in favor of one year only?

Mr. BLACK. Yes; I explained that.

Mr. ASWELL. Does the gentleman believe that the Secretary of Agriculture could find a scientist of any value unless he gave him some permanent position? Does the gentleman think he could get a scientist to go there who would amount to anything?

Mr. BLACK. The point I am making is not against the particular salary schedule provided for the one fiscal year of 1924, but the bill goes further and provides for the Secretary of Agriculture to make a permanent classification limited only by a maximum of \$6,500 salary. If Congress is going to provide a system of classification, it should be done in accordance with some such bill as the Committee on Agriculture brought before the House, or it should be done by such a bill as the Lehlbach reclassification bill. I am sure there are some very high class scientific men in the Department of Agriculture, but there are others equally as worthy in other departments and it does not seem to me the proper thing to merely favor one department. It is just that kind of piecemeal legislation which has occasioned so much complaint. I therefore hope that Senate amendment No. 31 to this bill, making permanent law, will not be agreed to.

The SPEAKER. The time of the gentleman has expired.

Mr. ASWELL. One more question.

Mr. BLACK. My time has expired.

Mr. ANDERSON. I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, as I understand, this appropriation bill carries the appropriations to care for 15 scientists at above the \$4,500.

Mr. KINCHELOE. For the year 1924.

Mr. TINCHER. For the year 1924. Now, there is some objection to the language authorizing the Secretary of Agriculture to pay out that appropriation. There can be no question but that the Congress should legislate upon these salaries. The Committee on Agriculture reported out a bill which at any rate can not be said to be out of accord with what the appropriating committee has done this year, but the House has not passed that bill. The Committee on Agriculture, as I recall, was unanimous in reporting that bill, so no one is trampling on our toes. We have announced for the policy of paying these men. There may be something in the language of the appropriation bill calculated to make it permanent law; but the Agricultural Committee will still function, and if there is something wrong with that we will pass a law to cover it. We will not lose our jurisdiction. It will not be permanent unless the Committee on Agriculture is abolished.

Mr. BLACK. Will the gentleman yield for a suggestion?

Mr. TINCHER. In just a moment. What I do not understand is why every time when we try to appropriate a few thousand dollars here for a department in which everyone concedes there is efficiency, for a department at the head of which there is a man of whom even our friends on that side boast, we spend more time on it and there is more quibbling about it than there is over the expending of hundreds of millions of dollars in some other department.

I believe it would be all right to give the present head of the Agricultural Department \$50,000,000 to use in the interests of agriculture. I believe we would be perfectly safe in making that appropriation. Finally, I do not want to go on record or be classified as one who is always finding some little work that is wrong and spending so much time in appropriating a little money for the Department of Agriculture. This bill does not carry an appropriation for 3,700 scientists at above \$4,500. It only carries an appropriation for 15. The Committee on Agriculture has declared in favor of that. We did not give them all that they asked for when we reported out that bill, but we did report it out unanimously. What is the difference if we do forget that we had a bill? We appropriated for these men last year. The bill stays here on the calendar. This Congress has been busy. The Committee on Agriculture has had a great deal to do. Of course it did not call up this bill because there were others pressing. The committee has declared for this principle. What does the country care about which committee reported it out here? The committee has not been ignored. There is too much talk about this every time. And why is it that we always jump on poor old agriculture when we want to economize a little? [Applause.]

Mr. BLACK. I just want to suggest on the question of the diligence of the Committee on Agriculture that the chairman of the committee tried to get this bill up on unanimous-consent day.

Mr. TINCHER. Probably some town boy objected to it, and the same fellow who objected will probably come in here to-day in holy horror and vote against appropriating this money for

these men, while for some river and harbor project or some other expenditure he will vote \$100,000,000 and never bat an eye. [Applause.]

Mr. HUDSPETH. Will the gentleman yield?

Mr. TINCER. I yield to the gentleman from Texas.

Mr. HUDSPETH. The gentleman states that the Committee on Agriculture reported a bill declaring for this very proposition.

Mr. TINCER. Declaring for the principle of it, when we reported out the same 15. This appropriation carries only 15.

Mr. HUDSPETH. The gentleman states further that it was the unanimous action of the committee.

Mr. TINCER. Yes; I so understand it.

Mr. HUDSPETH. I take it there were Democrats there?

Mr. TINCER. Yes.

Mr. HUDSPETH. They were for the bill?

Mr. TINCER. Yes. I am not accusing the Democrats of making this fight. This is not a party fight. There is always a fight when this bill comes up to give something to agriculture, and it does not come from any particular party. My friend from Texas knows it comes from all parties. The gentleman from Texas is with us in this matter.

Mr. HUDSPETH. And I will be with you in the future, too.

Mr. KINCHELOE. I know the gentleman does not mean to leave the impression that he did leave. The Agricultural Committee followed the principle in the proviso of the amendment, but this proviso applies only to 1924, and after that it is permanent law.

Mr. TINCER. It ought to be until we act on it. [Applause.]

Mr. ANDERSON. I yield five minutes to the gentleman from Iowa [Mr. Towner].

Mr. TOWNER. Mr. Speaker and gentlemen of the House, let us see how far we are in agreement. There has been no dissenting voice on the proposition that there should be power given to the Secretary of Agriculture to increase, as this amendment does increase, to \$6,500 the amount of salaries to a certain number of men who are occupying scientific positions in the Department of Agriculture. What is the fear expressed in giving that authority to the Secretary? In the first place, objection is made because the provision makes it permanent law. It does make it permanent law, unless in any year the House of Representatives concludes that it would be unwise to continue it. At any time this can be changed by anyone who offers an amendment to reduce the amount of the appropriation if the House agrees to the amendment. It is within our power to change it if we see fit, or if it is shown at any time that an unnecessary number at the maximum rate are appointed.

Now, gentlemen, let us be sensible about this proposition. We ought to recognize this fact: The Department of Agriculture has been losing every year some of its most valuable men because of insufficient salary. It can not go to the scientific schools and ask them to send their best men here, because those men, on an average, get more than \$6,000 a year.

They can not secure the men that they want and ought to have in the matter of scientific attainments because of the fact of insufficient salary. For that reason the Department of Agriculture is handicapped in the very place where it needs men of this character most and the country needs men of this character most. These men can not come or will not come at the present salaries unless you make this permanent legislation, because of the fact that they say, "It is true you will give me \$6,500 next year, but I am sure of an increase and a permanent place at a larger salary where I am."

Now, gentlemen, can you trust the Secretary of Agriculture? That is the proposition. Let us see whether we can or not. During the last seven or eight years Secretaries of Agriculture have had the power to raise salaries to \$4,500. Have they done that in many cases? There was a far greater temptation to do that than there would be to raise to \$6,500, and a far greater necessity. And what is the fact? No man can say that during the seven or eight years, under different administrations, under three or four Secretaries of Agriculture, there has been a single man advanced even to that salary who was not entitled to it and approved; and the total number, I understand, is very small indeed.

So why do we hesitate? Why do you want to handicap the Secretary of Agriculture? You all say that you can trust him, and in your next breath you say you will not trust him. The great interests of this country demand that this department, which creates more wealth and which looks after the health of the people more carefully than all the other departments of the Government combined, shall have the benefit of this amendment, and yet you say to them, with the record of the Secre-

taries of the department during past years, you will not trust them. If at any time you think it is unnecessary or excessive or that wrong appointments have been made in the exercise of this power you can cut it off.

Mr. HAUGEN. Will the gentleman yield?

Mr. TOWNER. Yes.

Mr. HAUGEN. Does not the gentleman think that Congress should retain the power and not transfer it to the Secretary of Agriculture? As the gentleman knows, in transferring it to the Secretary of Agriculture you put it out of the hands of Congress, and the gentleman knows that it is not the Secretary of Agriculture that we are transferring it to but some one in the department. Is it not safe to leave it in the hands of Congress?

Mr. TOWNER. I can not agree with my colleague in that regard. I think the Secretary's judgment in that regard far more valuable than that of Congressmen. It is absolutely important and necessary that this Congress should not handicap the Secretary in regard to this matter, because Congress has the right at any time, if he does the wrong thing or pursues a wrong policy, to stop it, and you can not tell what the circumstances may be as they arise.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. ANDERSON. Mr. Speaker, I think the issue on this amendment is pretty clearly defined. I should like to make a few observations in reference to the amendment. The Agricultural Department, in the employment of its scientific force, comes in competition with all of the State universities and agricultural colleges throughout the United States. The general scale of salaries in universities for scientific men and in agricultural colleges is not only far above the \$4,500 limitation, but far in excess of the \$6,500 limitation proposed in this amendment. In addition, the Department of Agriculture, in getting scientific men, comes into competition with the great commercial institutions of the country. I am not contending that the department should pay salaries equal to commercial salaries, but I do think it should be put in a position to compete with the universities and the agricultural colleges in obtaining scientific men.

For example, the University of Pennsylvania pays a maximum salary of \$7,000 or \$8,000 for professors. The University of Wisconsin pays \$7,500; Michigan, \$7,500; Illinois, \$7,000; California, \$6,000; Ohio, \$7,500; Cornell, \$6,250. The Ohio State University pays \$15,000 for its dean.

Now, let us get down to brass tacks on this proposition. Under existing law the salary of scientific men in the Department of Agriculture is limited to \$4,500. That limitation was imposed in 1915, and it has been in effect about seven years. Has the department abused that limitation? Has it advanced a large portion of its scientific force to \$4,500? As a matter of fact, in the seven years that provision has been applicable to the Department of Agriculture only 74 men, approximately 2 per cent of the total scientific force of the Department of Agriculture, have been advanced to a salary of \$4,500. Now, this provision of \$6,500 has been in effect for two years. Up to this time no one—not one man—in the Department of Agriculture has been appointed at a salary of \$6,500. Under the limitation 20 men have been appointed at salaries of \$5,000 and 6 of \$5,500. In two years 35 men out of a total force of about 3,800, less than 1 per cent, have been advanced in salary, and none have been advanced to the maximum. The provision will cost the Government just \$20,000.

Mr. McLAUGHLIN of Michigan. I agree with my colleague heartily that the salaries ought to be increased, but—

Mr. ANDERSON. The gentleman wants to limit the salaries so that it would absolutely tie up the Department of Agriculture to a fixed and limited schedule of salaries for all time.

Mr. McLAUGHLIN of Michigan. My amendment would put more men on a higher salary than the Secretary of Agriculture ever asked for and more than does the gentleman's bill. I will say this—

Mr. ANDERSON. I decline to yield further. I have only 10 minutes and I want to use them. Why do gentlemen want to impose a limit on the Department of Agriculture which they do not impose on any other department? There are 7,700 men in other departments who are getting more than \$5,000. Yet the Committee on Agriculture, which is supposed to have the interests of the agriculture of this country at heart, proposes to limit salaries in the Department of Agriculture above \$5,000 to 15 for all time. It is so absurd that I am surprised that anybody should suggest it.

Mr. McLAUGHLIN of Michigan. The Secretary of Agriculture's suggestion to our committee would not give as much liberality as my amendment would give it.

Mr. ANDERSON. I do not know what the Secretary of Agriculture proposed to the gentleman's committee. I do not think that he ever proposed to hamstring the department. I have no criticism of the Committee on Agriculture; it is charged with legislation in the interest of agriculture and it ought to have the substantial interests of agriculture at heart. I want it to have a chance to give some new consideration to this question. I would like to see if the Committee on Agriculture really wants to deal fairly with the matter. I would like to find out whether it is willing to give the Department of Agriculture the same opportunity, the same power, with respect to salaries as is given to other heads of departments.

Mr. Speaker, because I want to give them that opportunity, because I would really like to see them demonstrate whether they are in favor of a policy of reasonable liberality with respect to salaries of scientific men in the Department of Agriculture, I am going to move to concur in the Senate amendment with an amendment which will limit the application of these salaries to one year, and I hope the Agricultural Committee will get together and consider this question from a reasonable point of view and bring out a piece of legislation here that will adequately deal with the situation.

Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

" MAXIMUM SALARIES.

" During the fiscal year 1924 the maximum salary of any scientific investigator or other employee engaged in scientific work and paid from the general appropriations of the Department of Agriculture shall not exceed at the rate of \$6,500 per annum: *Provided*, That for the fiscal year 1924 no salary shall be paid under this paragraph at a rate per annum in excess of \$5,000, except the following: Not more than 12 in excess of \$5,000 but not in excess of \$5,500 each, and not more than 5 in excess of \$5,500 each."

Mr. ANDERSON. Mr. Speaker, I move the previous question on the motion to recede and concur with an amendment.

Mr. KINCHELOE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KINCHELOE. Would it be in order at this time to congratulate the gentleman upon offering this amendment now?

The SPEAKER. It would not. The question is on ordering the previous question.

Mr. BLANTON. Mr. Speaker, I ask for a division of the motion of the gentleman from Minnesota.

The SPEAKER. The question is now on ordering the previous question.

Mr. BLANTON. I want to ask for a division of the main question when it is put.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The gentleman from Minnesota moves to recede and concur in the Senate amendment with an amendment, and the gentleman from Texas demands a division. The first question is on the motion to recede.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 128, noes 1.

So the motion to recede was agreed to.

The SPEAKER. The question now is on concurring in the Senate amendment with an amendment.

Mr. KINCHELOE. Mr. Speaker, can we have the amendment again reported?

The SPEAKER. Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment.

The SPEAKER. The question now is on the motion to concur in the Senate amendment with the amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 33: Page 83, beginning with line 11, strike out the remainder of the page and lines 1, 2, 3, and 4 on page 83 and insert: "Forest roads and trails: For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, and as authorized by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922, to be available until expended, \$6,500,000."

Mr. ANDERSON. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment which I send to the Clerk's desk.

The Clerk read as follows:

FOREST ROADS AND TRAILS.

For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, \$3,000,000, to be available until expended, being part of the sum of \$6,500,000 authorized to be appro-

riated for the fiscal year ending June 30, 1924, by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the approval of this act, also to apportion and prorate among the several States, Alaska, and Porto Rico, as provided in section 23 of said Federal highway act, the sum of \$3,500,000, constituting the remainder of the said authorization of \$6,500,000: *Provided further*, That the Secretary of Agriculture may incur obligations, approve projects, or enter into contracts under his apportionment and prorating of this authorization, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof: *Provided further*, That the appropriations heretofore, herein, and hereafter made for the purpose of carrying out the provisions of section 8 of the act of July 11, 1916, and of section 23 of the Federal highway act of November 9, 1921, and acts amendatory thereof and supplemental thereto, shall be considered available for the purpose of discharging the obligations created hereunder in any State or Territory: *Provided further*, That the total expenditures on account of any State or Territory shall at no time exceed its authorized apportionment.

Mr. ANDERSON. Mr. Speaker, the House carried a provision for forest roads, which made an appropriation of \$3,000,000, on account of the authorization of \$6,500,000 for the next fiscal year. It carried with that provision a proviso which authorized the Secretary of Agriculture to apportion and prorate among the States the balance of the authorization, amounting to \$3,500,000. The Senate made a straight appropriation of \$6,500,000 on the item. When we came to examine the proposition we found that the language which the House carries was not sufficient to accomplish the purpose we had in mind. Under existing law the appropriations are apportioned and prorated to the States, on the basis specified in the law, for the construction of highways which complete the State highway system and for forest roads and trails for purposes of fire protection. The consequence of this situation was that we had tied up in the proposition a considerable amount of money which was not needed for payment upon contracts which were coming due within the fiscal year. The object of this amendment is to make the total sums already appropriated available interchangeably in any State or upon any contract. The program is now going forward at the rate of \$10,000,000 a year. This will give the department something over \$11,000,000 to apply on those contracts during the next fiscal year.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. DOWELL. In what respect does this amendment change the bill from the way it passed the House?

Mr. ANDERSON. It does not change it at all. It simply conforms to some suggestions made by the Forest Service, in order to comply with the methods they are operating under down there.

Mr. DOWELL. The substance of this amendment is the same as was contained in the original bill?

Mr. ANDERSON. Yes.

Mr. SUMMERS of Washington. And this will not deprive the fund in any way of the full amount of authorization of last June?

Mr. ANDERSON. No; it will not.

Mr. Speaker, I yield five minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker, I was not present when the distinguished gentleman from Texas, Mr. BLANTON, was submitting some observations early in the day on the provision in this bill relative to the pecan industry of the United States. I am advised, however, that he stated that Texas produced 90 per cent of the pecans produced in the United States.

Mr. BLANTON. Commercial pecans.

Mr. CRISP. There is no way of differentiating between the commercial and the other pecans, so far as statistics are concerned. Texas is a great State and I rejoice in any good that befalls it. Of course, I think Georgia is a greater State. I have just phoned to the Census Office and to the Agricultural Department to get the statistics as to the production of pecans, simply for the purpose of keeping the record straight. The last available statistics were for the year 1919. Both the Census Office and the Agricultural Department advise me that in 1919 there were produced in the United States 31,808,508 pounds of pecans; that the great State of Texas produced 16,757,421 pounds, which is a fraction over 50 per cent. Of the rest, Georgia produced 2,544,377 pounds; Oklahoma, 4,296,647 pounds; Louisiana, 2,242,859 pounds; Florida, 1,025,673 pounds; and Mississippi, 155,245 pounds.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. BLANTON. If the gentleman will get the hearings that were passed at the meeting called by Doctor Quintance, who is at the head of this department, with reference to the removal of the pecan laboratory from Texas, he will see that the evidence there, just a month ago, was that Texas produces about 90 per cent of the commercial pecans of the United States.

Mr. CRISP. Well, I appeared before the Committee on Appropriations and urged this appropriation. I did not read or know of any such evidence, but I know that the statistician of the Department of Agriculture has just advised me as to these figures, and told me he had no later figures. Now, I wanted, for the purpose of keeping the record straight, to put these figures in. The pecan industry in my State is a new one, comparatively new, and only for the last four or five years has it been enlarging. It is now growing very rapidly. I have no doubt Georgia raised twice as many pecans last year as she did in 1919. In my section there are a number of pecan orchards containing 2,000 acres. One of them is partially owned by one of our colleagues in this House [Mr. McFADDEN, of Pennsylvania], and no State and no country is producing larger, finer, or more delicious pecans than the State of Georgia. [Applause.]

Mr. LOWREY. Will the gentleman yield?

Mr. CRISP. I will.

Mr. LOWREY. Will not the gentleman at least agree that his colleague, the gentleman from Texas, comes from the nuttiest State in the Union? [Laughter.]

Mr. BLANTON. Except Mississippi.

Mr. MONTAGUE. Will the gentleman from Minnesota permit me to ask him a question?

Mr. ANDERSON. I will.

Mr. MONTAGUE. It may have been asked this morning, and therefore—

Mr. ANDERSON. I never object to answering questions twice if I can answer them the same way each time.

Mr. MONTAGUE. I wish to know if the appropriation of \$700,000 as proposed by the Senate for market news service is sufficient to extend the service into my State and in some of the Southeastern States?

Mr. ANDERSON. The amount appropriated is sufficient to extend to all parts of the United States the existing telegraphic service on fruits, vegetables, and live stock.

Mr. MONTAGUE. So I am justified in the conclusion that the purpose of the legislation at least is to give this extension in the service?

Mr. ANDERSON. Yes; but the gentleman must realize that it only extends the existing service and does not involve any new service.

Mr. MONTAGUE. Perhaps it would not apply to Virginia and some of these other points.

Mr. ANDERSON. It would depend somewhat upon the character of the production.

Mr. ABERNETHY. Will the gentleman yield for a question?

Mr. ANDERSON. I will.

Mr. ABERNETHY. I think that service is provided for in these various State colleges. Is that right?

Mr. ANDERSON. All I can say about it is that the purpose of the Senate amendment was to extend the existing service to the sections of the country which do not now have it, which includes the southeastern, the intermountain section, the west coast, and the southwest.

Mr. ABERNETHY. Mr. Speaker, I desire unanimous consent to insert in the RECORD a letter from my State college about this matter we are talking about.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

STATE COOPERATION IN MARKETING WORK IN NORTH CAROLINA.

DIVISION OF MARKETS AND RURAL ORGANIZATION.

Raleigh, N. C., January 22, 1923.

[North Carolina State College of Agriculture and Engineering and bureau of markets and State department of agriculture cooperating.]

Hon. C. L. ABERNETHY,
Washington, D. C.

DEAR SIR: For several years we have been attempting to supply the growers of this State with market information on a few of the leading crops during the shipping season. Because of the very great expense of the ordinary telegraph service we have had to limit this work to strawberries, white potatoes, and peaches, giving about a three weeks' service on each. Our growers have constantly clamored for a more continued service and have asked us to include daily market information on all the farm crops, but this will be impracticable without we are able to secure an extension of the Federal leased-wire service into this State.

For some time the leased-wire service of the United States Department of Agriculture has been available to the New England, North Atlantic, East North Central, and West North Central States. Then during the war it was extended to the Pacific coast and recently a special appropriation has been made to take it into the State of Texas. Mr. J. H. Meek, of the Virginia Division of Markets, states that for this service the Federal Government has expended as follows:

1918	\$893, 130
1919	1, 171, 920
1920	322, 920
1921	403, 920
1922	390, 000

It is anticipated that \$405,000 plus \$20,000 for the extension of the service into the State of Texas will be expended in 1923, and \$401,400 in 1924, as per estimates placed before Congress.

Mr. Meek recently made a trip to Washington to determine if it would be possible to add a provision on the present appropriation for extending this leased wire into North Carolina, Virginia, South Carolina, Georgia, Alabama, Louisiana, Tennessee, Florida, and Mississippi. It was estimated at least \$150,000 would be required for this purpose.

Do you not feel that the truck growers of the southeastern section are being discriminated against somewhat by not having this service?

At the present time we are very well equipped for broadcasting radio news inasmuch as the State college station here is one of the best in America. We are unable to use it, however, except very slightly, because of the enormous cost of collecting market information. The State of North Carolina might be financially able to pay for an extension of the leased wire into Raleigh, but we feel that all of the States in this section need the same service and that it will be much cheaper to provide for all at the same time.

We trust that you will see fit to inquire into this matter and assure you that if this service can be extended into Raleigh, the division of markets will abundantly care for the dissemination of market prices to the growers throughout the State.

Very truly yours,

GORRELL SHUMAKER,
Acting Chief, Division of Markets.

Mr. ANDERSON. Mr. Speaker, I move the previous question on my motion.

The previous question was ordered.

The SPEAKER. The question is on the motion to recede and concur with an amendment.

The question was taken, and the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment 34: On page 84 of the bill after line 10 insert:

"Purchase of seeds for drought-stricken areas: That the Secretary of Agriculture is hereby authorized, for the crop of 1923, to make advances or loans to farmers in the drought-stricken areas of the State of Washington and of the State of New Mexico, where he shall find that special need for such assistance exists, for the purchase of wheat for seed purposes in the State of Washington and the purchase of pinto beans for seed purposes in the State of New Mexico, and, when necessary to procure such seed and sell same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed thus obtained by him for the production of crops. A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. All such advances or loans shall be made through such agencies as the Secretary of Agriculture shall designate. For carrying out the purposes of this paragraph, to be immediately available (not more than \$100,000 of which shall be available to procure pinto bean seeds), \$550,000.

"That any persons who shall knowingly make any false representation for the purpose of obtaining an advance, loan, or sale under the preceding paragraph shall, upon conviction thereof, be punished by a fine of not exceeding \$1,000, or by imprisonment not exceeding six months or both."

Mr. ANDERSON. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

Mr. SUMMERS of Washington. Mr. Speaker, I offer a preferential motion, to recede and concur.

The SPEAKER. The gentleman from Minnesota moves further to insist on its disagreement, and the gentleman from Washington makes a preferential motion to recede and concur in the Senate amendment.

Mr. ANDERSON. I yield five minutes to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Speaker and gentlemen, as to whether this policy of Federal aid to drought-stricken farmers is a sound policy or not I need not now discuss, because we have already established that policy during the two preceding years. This Congress in 1921 appropriated for the drought-stricken wheat farmers of Montana and the Dakotas and Idaho \$2,000,000. In 1922 we appropriated for the same purpose \$1,500,000. During 1922 there were loans to 6,554 farmers in the State of Montana, \$756,000. In South Dakota to 4,977 wheat farmers, \$661,000, and North Dakota to 431 farmers, \$37,600.

Mr. HUDSPETH. Will the gentleman yield for a short question?

Mr. SUMMERS of Washington. I will.

Mr. HUDSPETH. Are drought conditions in the State of Washington as severe as in the State of New Mexico?

Mr. SUMMERS of Washington. I am not familiar with conditions in New Mexico.

Mr. HUDSPETH. There was 1 inch of rain in that State in the last 15 months, and I will state to my friend that if the conditions are as bad in his State as in the State of New Mexico, the people need this help and I am for it.

Mr. SUMMERS of Washington. I thank the gentleman. I want to state the conditions a little further. The loans which were made to drought-stricken farmers in the States just referred to have been productive of splendid results. I drove through all of those States last summer. I found a good wheat crop growing, which later matured, and they harvested millions of bushels of wheat, the best crop they have had in many years.

And I learned further—in fact, I was told by a Member of this House only two days ago—that hundreds and hundreds of those farmers have been enabled to remain on their farms instead of having to go into bankruptcy, lose their stock, lose their machinery, lose their farms, and the farms have not remained idle.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. If the gentleman will permit, I would like to go a little further first.

The situation in the State of Washington is this: In most of the wheat-growing portions of the State of Washington we have the very best and most productive wheat lands to be found anywhere in the United States. Statistics bear me out in this statement. But there is an area including some five or six counties which has been suffering for the past six years. For five years in succession they had a shortage of moisture. In 1922 the rainfall was so limited that they had almost a complete failure and produced only from 1 to 4 bushels per acre over a part of this area.

The banks took care of those farmers during all of these years.

The merchants carried them. The millers carried them. But they have all gone down together. Now, if that condition were going to continue, certainly the Federal Government would not be justified, nor would anyone else be justified, in helping them to seed a crop at this time.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Mr. SUMMERS of Washington. Mr. Speaker, I would like to have five minutes more.

Mr. ANDERSON. Mr. Speaker, I yield to the gentleman five minutes more.

The SPEAKER pro tempore. The gentleman is recognized for five minutes more.

Mr. SUMMERS of Washington. The situation at this time is this: After putting forth every effort to purchase seed wheat, they succeeded in seeding last fall all but about 400,000 acres. It has cost them to plow, harrow, cultivate that land and prepare it for seeding, according to the farming methods out there, not less than \$1,500,000. But I am informed they will not be able to seed this spring unless they secure outside help.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. A little later, if you please. I asked for and have received numerous affidavits from wheat growers of many years' standing in that section of the State, and I appeared before the Committee on Agriculture and laid the information before the committee. The Secretary of Agriculture has asked for this relief, and the Senate has written this amendment into this appropriation bill.

The weather conditions are the all-important matter there. The soil is all right. After these six years the drought is now broken. They have already been having unusual rains, and they had a very heavy snowfall at a time when the ground was not frozen, so that when the snow melted the moisture went into the ground, and there is every prospect of a good crop this summer, if we are willing to do for these farmers exactly what we have done for their neighbors across the State line during the past two years.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. HICKS. The question I wanted to ask was whether these loans, made to these farmers in other States, are being paid back?

Mr. SUMMERS of Washington. I understand they are being paid back at the rate of many thousands of dollars every day.

I provided in the bill which I introduced that the loans should bear 5 per cent interest and should be repayable by November 1. This amendment, which was inserted in the bill by the Senate, provides, of course, for a first mortgage on the growing crop, or the Secretary may require any other security that he thinks is necessary to secure the Government.

Now, gentlemen, this is the situation: These farmers are in exactly the same condition as were the farmers across the line. By our action the farmers in the other States were able to grow a good crop and are reestablished in their farming operations. These men—hundreds and hundreds of them—are absolutely down and out unless they can get a little outside aid. Their condition is not a consequence of any fault of theirs. They have done the best they could. They have made every effort possible, and the community has done the best it could for them. But they have come to the point where they are not able to go out and purchase the necessary seed wheat so that they can seed these 400,000 acres and grow a crop this year.

Mr. LOWREY. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. LOWREY. Have these lands produced good crops before this period of drought? Have they been proven to be good wheat lands?

Mr. SUMMERS of Washington. The figures submitted show crops of 15 to 20 bushels per acre and as high as 35 or 40 bushels an acre previous to this drought. It is not that these lands are unproductive—they are productive—but there has been a shortage of moisture during these years.

Mr. WATSON. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. WATSON. This amendment may not be looked upon as a privileged one to the farmers alone; but is it not for the benefit of the American people?

Mr. SUMMERS of Washington. Yes; it is for the benefit of the American people. I trust my motion will be sustained. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Washington has again expired.

Mr. ANDERSON. Mr. Speaker, I sympathize with the position in which my friend from Washington [Mr. SUMMERS] finds himself. But this is not a Federal proposition, and it is not one that justifies a Federal appropriation. There are four or five counties in the State of Washington where, as I understand it, they have not had a crop for five years, where the banks had made loans, and the situation is rather badly tied up. But, if we make these loans, we would do substantially as we did before and help the banks rather than the farmers, for, after all, these loans will mean that the banker has better security, and in some cases the farmer will pay his note at the bank and borrow money for seed from the Government.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from Washington.

Mr. SUMMERS of Washington. Does not the gentleman think that if we enable the farmer who has been putting forth his best efforts to put in a crop and to remain on his farm rather than to lose everything, when there is every prospect that this can be repaid, and will be repaid this fall, we shall do about the right thing? It seems to me the fact that it is a smaller area should not militate against the passage of this. Two years ago we appropriated \$2,000,000 and last year we appropriated \$1,500,000, and now we are asking for \$450,000 for that same class of farmers.

Mr. ANDERSON. Mr. Speaker, when we made the prior appropriation for seed loans the proposition was one covering hundreds of thousands of acres, in which several States were interested, and some of those States practically admitted their bankruptcy and inability to deal with the situation. Now, I do not suppose that the State of Washington, with its legislature in session, is admitting its inability to deal with these farmers in four or five counties in the eastern part of the State.

Mr. JOHNSON of Washington. Will the gentleman yield to me?

Mr. ANDERSON. Certainly.

Mr. JOHNSON of Washington. I think, on the contrary, that the State legislature in the State of Washington is at this time endeavoring to memorialize Congress in reference to this situation.

Mr. MADDEN. Why do they not memorialize the State?

Mr. JOHNSON of Washington. They have. If the gentleman will give me one minute, I will say that the drought-stricken counties in the State of Washington are, perhaps, 200 miles from where I live. When I got home to the State of Washington last fall, after being here and away from it for two years, I was very much surprised to find the extent of the drought and distress in eastern Washington. I found that five or six counties had gone to the mat in the effort to carry themselves through those bad years. I found only four bank failures. There had been the most tremendous financial effort to hold up those counties. Of course, the other banks helped and to the limit in the effort to enable them to hold their own and not make necessary an appeal to the Nation. Now we come with a modest request, which has been agreed to in the Senate, and we come with an almost certain pledge—agreeing to pay interest—that this money can be returned this winter. We base this appeal on the precedent of the help for other States. We make it because we know that this Congress has been desirous of helping the farmers. We can not do any more than present the merits of the case. We make the appeal to the membership to recede and concur in the Senate amendment, remembering that at the same time there is an item here on behalf of New Mexico, whose Representative in Congress died only a few days ago and can not

speak for himself. I hope the amendment of the gentleman from Washington [Mr. SUMMERS] will prevail.

Mr. ANDERSON. Mr. Speaker, of course everyone in this House sympathizes with the situation, but there must be an end somewhere to the Federal Government being the Santa Claus of everybody who happens to be in distress. There are people in distress in my district. There are people in distress in every district in the United States. Why pick out four counties in Washington and a little piece of New Mexico and deal with them? If we are going to loan to people who are in distress, why not pass legislation which will deal with all the States and all of the people who are in distress and who need loans?

And let me just say to my good friends on the Committee on Agriculture that here is a place where they can very properly assert their jurisdiction. If the salary item was legislation, this is more legislation. This is a matter which ought to receive the consideration of the Committee on Agriculture if it ought to receive the consideration of any committee.

Mr. KINCHELOE. Will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. KINCHELOE. It has been before the Committee on Agriculture, but it has never got out of that committee.

Mr. ANDERSON. I think that answers the question. There is nothing more to be said about it.

Mr. SUMMERS of Washington. The answer is in exactly the same way that the preceding question was answered. The committee failed to take action. I was assured that there would have been a favorable report at the time this was presented to the committee, but there was no quorum present.

Mr. MADDEN. My understanding is that there was a distinct understanding when the last loan was made that no other applications would come to the House, and there ought not to be any consideration of this one now.

Mr. SNELL. What proportion of the previous loans have been paid?

Mr. CLARKE of New York. That is what I want to know, too.

Mr. ANDERSON. In November, 1922, 42 per cent of the 1921 loan had been paid and 30 per cent of the 1922 loan had been paid.

Mr. SNYDER. What was the term of the loan when it was made?

Mr. ANDERSON. I think it went to the crop year, approximately six months.

Mr. SUMMERS of Washington. In 1921 their drought continued. In 1922 they made a crop, and before their marketing time had half passed they had repaid almost half of the loans for the two years. In November the wheat is not all marketed by any manner of means, not half of it marketed, and everybody knows who is familiar with conditions that they did not make a crop in 1921 and could not pay, but in 1922 they did.

Mr. SNYDER. If that is so, there was no idea of paying the loan when it was supposed to come due.

Mr. SUMMERS of Washington. When they made a crop they paid the loan. Surely no bad faith can be charged against them for not paying in 1921 when they had nothing with which to pay.

Mr. CRAMTON. If the gentleman will yield, I want to suggest that under the previous appropriations made, chiefly in Montana, when it came to repaying the loan the Government was obliged to spend considerable money to make collections, and in many cases encountered obstacles put in its way by the banks who were so largely the beneficiaries of this kind of legislation. Instead of coming to the aid of the Federal Government and cooperating in getting the money repaid they were far from cooperating, as the hearings held before the Committee on Appropriations will demonstrate.

Mr. ANDERSON. That is unquestionably true, Mr. Speaker. This is clearly not a Federal proposition.

I move the previous question.

The SPEAKER. The gentleman from Minnesota moves the previous question.

The previous question was ordered.

The SPEAKER. A preferential motion was made by the gentleman from Washington [Mr. SUMMERS] on which the vote will come first, that the House recede and concur in the Senate amendment.

The question being taken, the motion was rejected.

The SPEAKER. The question is on the motion of the gentleman from Minnesota [Mr. ANDERSON] that the House further insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment. The Clerk read as follows:

Page 85, line 13, strike out the figures "\$69,068,053" and insert "\$73,741,653."

Mr. ANDERSON. Mr. Speaker, I move to recede and concur with the following amendment:

The Clerk read as follows:

Mr. ANDERSON moves to recede and concur with the following amendment: In lieu of the sum proposed in said amendment insert \$69,536,653.

The SPEAKER. The question is on agreeing to the motion. The motion was agreed to.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its secretaries, announced that the Senate had insisted upon its amendment to the bill (H. R. 11939) to amend section 5219 of the Revised Statutes of the United States, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McLEAN, Mr. PEPPER, and Mr. FLETCHER as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed with amendments the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed the bill (S. 4114) for the relief of Bertha N. Rich, in which the concurrence of the House of Representatives was requested.

LEGISLATIVE APPROPRIATION BILL.

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 13926, the legislative appropriation bill, disagree to all the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to take from the Speaker's table, disagree to all the Senate amendments, and ask for a conference, a bill of which the Clerk will read the title.

The Clerk read as follows:

H. R. 13926, making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman a question. The Senate has placed numerous, not a few, but numerous, legislative items on this bill, going up to an enormous sum of money.

Mr. MADDEN. The amount put on by the Senate is about \$100,000.

Mr. BLANTON. Oh, more than that.

Mr. ANDERSON. No; it is a relatively small amount, about \$100,000.

Mr. BLANTON. Then I have been misinformed.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed as conferees on the part of the House Mr. CANNON, Mr. ANDERSON, and Mr. JOHNSON of Kentucky.

SENATE BILL REFERRED.

Under clause 2 of Rule XXV, Senate bill of the following title was taken from the Speaker's table and referred to the Committee on Claims:

S. 4114. An act for the relief of Bertha N. Rich.

PRIVATE PENSION BILLS.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that private pension bills in order to-day may be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from Illinois asks unanimous consent that private pension bills in order to-day may be considered in the House as in the Committee of the Whole. Is there objection?

Mr. GARRETT of Tennessee. That request applies to H. R. 12887?

Mr. FULLER. Yes; this is a private pension bill to correct a mistake made in a former bill.

Mr. GARRETT of Tennessee. And it does not apply to a legislative bill?

Mr. FULLER. It applies to this bill and an omnibus bill.

Mr. GARRETT of Tennessee. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

JACOB F. ROSENBERGER.

Mr. FULLER. Mr. Speaker, I call up the bill H. R. 12887, granting a pension to Jacob F. Rosenberger.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Jacob F. Rosenberger, helpless and dependent son of Frederick Rosenberger, late of Company B, One hundred and thirty-ninth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

Mr. FULLER. Mr. Speaker, the reason for this bill is that there was a clerical mistake in the same case which was included in an omnibus bill passed in the second session of the Congress and which became a law on the 18th day of September last. In that bill the name was given as Joseph F. Rosenberger when it should have been Jacob. The bill is to correct that mistake, and I offer an amendment at the end of the section striking out the period, inserting a comma, and adding "from the 18th of September, 1922."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 10, after the word "month" strike out the period, insert a comma, and add the words "from the 18th day of September, 1922."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. YOUNG. Mr. Speaker, Mr. H. N. Owen, editor of Farm, Stock and Home, Minneapolis, delivered a very thoughtful and convincing address in favor of a controlled production at the Tri-State Grain Growers' Convention, held this month at Fargo, N. Dak.:

ADDRESS DELIVERED AT THE TRISTATE GRAIN GROWERS' CONVENTION, FARGO, N. DAK., THURSDAY, JANUARY 18, 1923.

In a short story by Ambrose Bierce he develops a situation in which the leading character battles with an unseen enemy. He is constantly aware of its presence; it thwarts all his efforts to shake it loose, and all of the plans that he tries out to kill and eliminate this unseen enemy are futile.

Now, it seems to me that agriculture is in a good deal the same situation as the man in this story. It is battling an unseen enemy. We have a situation in this country that should give us prosperous agriculture. We have, next to Russia, the largest area of possible farming land in the world. We have a large consuming population. We have means of rapid transportation. We have an intelligent class of farmers. I believe the most intelligent class of farmers of any country in the world, and yet the returns to farmers are less than the returns that come to any other line of productive enterprise.

I believe that before I get through I will bring this unseen enemy that now apparently has such a hold on the throat of agriculture out in plain view. I will go further than merely showing it to you. I will suggest a remedy. I will suggest a means of killing and doing away with this enemy.

First, however, I want to pay some attention to the various remedies proposed to help out farmers at this time. Let us examine, first of all, for a few minutes, the credit situation. Congress is busy working on credit legislation, hoping that by giving farmers access to more money at lower interest rates, they can tide themselves over the present crisis. Now, I believe nearly everyone in this room know my sentiments on credit and the necessity of cheap money for farmers, but unless there is a chance of making money on borrowed money, ability to borrow is not going to solve the problem. Borrowing money to lose simply prolongs the struggles of the borrower, and he keeps working and hoping that in some mysterious way the tide will turn and enable him to pay his debts. When the deflation started in the fall of 1920, I fully believed that greater credit facilities to enable farmers to tide over the deflation period was necessary and desirable. I believed at that time that agriculture was being deflated first and that all other lines of industry would follow in due course. Unfortunately, however, that has not been the case. In manufacturing there was some decline in prices of manufactured goods, but for the last six months there is every indication that manufacturing has stood all the deflation that we can expect to see. Prices of many articles have started up. There has been in some lines a slight revival of business in the last quarter of 1922, and this revival may extend into the first half of the present year, but agriculture has not as yet shown a proportional rise from its

deflation, so that instead of the price of what the farmer buys getting closer to what he has to sell, the last few months have seen the tendency the other way. Under these circumstances it is difficult to see how a farmer is going to make enough profit to take care of his indebtedness or even to take care of the interest on his indebtedness.

Now, let us suppose, for an illustration, that a man owes \$5,000, on which he is paying 9 per cent. Then let us assume that, by reason of legislative action, it is possible for that man to get money at 6 per cent. He saves then \$150 a year. Of course, this is some saving, but, after all, how much will it really help him if his farming operations are still showing a loss? Every \$150 that can be saved on the outgo, of course, lightens the burden just that much, but if money is still being lost, the eventual finish will be just the same whether the man is paying 9 per cent or 6 per cent. It will take a little longer to go broke. People can not borrow themselves into prosperity. We have got to look further for our remedy than more credit.

I refer here to the chart of the increase in mortgaged farms. I am not going to use these figures, as you probably think I am going to. I am not going to use them, as they are so frequently used by sensational speakers, to indicate the downhill course of agriculture. A mortgage does not necessarily mean that it has been entered into because of monetary losses. Mortgages may be used for raising money to make it possible to make more money; so, for the sake of argument, I am going to assume that this increase in mortgage indebtedness does not necessarily mean, taken by itself, that agriculture is going downhill.

But putting the best meaning possible on it, what conclusion do we reach? Let us take Minnesota, for instance, with its increase of 10 per cent in the number of farms mortgaged between 1910 and 1920. Now, this decade includes the period of the war and only includes a few months of the deflation period. It includes the period when it is popularly supposed agriculture reached its greatest height of prosperity. We find in the same decade North Dakota increased the number of mortgaged farms 25 per cent, with South Dakota making practically the same increase. These three States we might classify roughly as grain States. In the older States of Iowa, Illinois, and Wisconsin we do not find as great an increase in mortgages, but there was a much larger percentage mortgaged in 1890 in Iowa than in Minnesota, and even in 1920 we find that Iowa had a larger percentage of mortgaged farms than Minnesota. Illinois makes the best showing of the six States under consideration. Wisconsin shows a large percentage of increase in the prosperous decade of 1910-1920. Now, it does not make any difference whether these mortgages were made to raise money to pay losses or to build better buildings, till, buy more stock, or what not. The indebtedness is there just the same. It was created on a high-price level and must be paid on a lower-price level. If that price level remains say 25 per cent below the level that the debt was contracted on, it means that for every dollar borrowed, \$1.25 will have to be paid back, this entirely aside from interest, so that, looking at the matter from this standpoint, credit, instead of helping, has been a detriment.

Let us turn for a moment to the matter of cooperative marketing. Just now cooperative marketing is being hailed as the great cure all for all our agricultural troubles; if we can only get all the farmers in the country organized to market all their products cooperatively, there would no longer be an agricultural problem. Now, what I am going to say may be construed by some of my friends as going back on some of my previous ideas—that I have always been a cooperater, that I have always been strong for cooperation. Well, now I want to say that I am just as strong for cooperative marketing to-day as I ever was, but I do not believe that cooperative marketing to-day is going to solve the matter of greater profits on the farm. Cooperative marketing developed to its fullest extent may cut out some of the spread between what the ultimate consumer pays and the farmer receives for his product; it may raise the price of what the farmer gets, at the same time lowering to a certain extent the price the consumer pays. That, at all events, is the ideal that the true cooperater has in mind. But cooperative marketing can not of itself be much of a price maker unless it can reach a point where the flow from the farm to the market can be regulated to meet demand. In that way something can be done in raising the price; but even that has its limitations. The citrus-fruit growers of California have probably the most successful cooperative enterprise we have in the United States, and have actually increased the price the growers receive through their methods of marketing, but in doing so they have opened the great danger that threatens cooperative marketing.

It is estimated by the citrus people themselves that the better profits they have secured for their members have caused a doubling of the fruit-producing area in California, which will begin to come into bearing in about five years. Now then, what is going to happen when this new acreage comes into bearing and when the additional acreage that will be put into trees during the next five years begins to come into bearing? Can the Citrus Fruit Growers' Association expand their market as rapidly as they expand their product? Another example is what has happened as a result of cooperative potato marketing:

The seven northern States, Michigan, Wisconsin, Minnesota, North Dakota, South Dakota, Montana, and Nebraska, produce 62 per cent of the potato crop grown in the United States.

In the last three or four years a number of these States have organized more or less efficient cooperative marketing associations, Michigan being a particular example of efficiency, and yet, in the last three years production in these seven States has increased 33 per cent and while there still are factors in the marketing end that can be improved all the States agree that the crop produced is larger than can be marketed profitably. Here are the figures:

ACREAGE—3 YEARS.

State.	1920	1921	1922
Michigan.....	345,000	340,000	357,000
Wisconsin.....	308,000	315,000	328,000
Minnesota.....	319,000	430,000	486,000
North Dakota.....	83,000	124,000	198,000
South Dakota.....	75,000	90,000	110,000
Nebraska.....	85,000	102,000	139,000
Montana.....	40,000	41,000	46,000
Total (7 States).....	1,258,000	1,442,000	1,664,000

YIELDS—3 YEARS.

State.	1920	1921	1922
Michigan.....	26,225,000	27,200,000	37,800,000
Wisconsin.....	33,200,000	21,400,000	40,600,000
Minnesota.....	31,500,000	32,200,000	43,700,000
North Dakota.....	6,500,000	11,900,000	17,800,000
South Dakota.....	7,900,000	5,400,000	8,500,000
Nebraska.....	8,400,000	8,100,000	11,600,000
Montana.....	4,400,000	4,700,000	5,700,000
Total (7 States).....	128,000,000	111,000,000	165,000,000

To just the extent that cooperative marketing increases the profit to the producer it will lead the producer to greater production, and in time to overproduction. Then, what can cooperative marketing do, if it has more to handle than there is demand for? Therefore, I do not think that cooperative marketing of itself can save the situation.

Then we are told by certain people that all that ails farming is high railroad rates, that if the railroad rates were reduced there would be no further difficulty. Well, I will admit that high railroad rates are a great handicap to farmers. They catch him coming and going. He has to pay the freight on what he sells, and he also has to pay the freight on what he buys. In a way, high freight rates are restricting and localizing his markets. Under the present freight rate structure the farmers in the Eastern States are enjoying the greatest prosperity they have had for a great many years, because they can compete for the markets in the large cities on the eastern coast. Notwithstanding the higher cost of production of farm products in the East, the freight rate structure acts pretty much as a tariff wall. But suppose we got our freight rates down to where they were prior to the war. What would it amount to to the individual farmer? I do not believe it would amount to \$200 a year on the average. Now, are you so nearly prosperous that a \$150-a-year saving on a \$5,000 indebtedness and a \$200-a-year saving on freight rates will make you prosperous? I do not think so. I do not believe that the line is as fine as that, or can be closed as easily.

Then there was the matter of tariff. It has been felt that if we had an adequate tariff on farm products it would go a long way toward solving our problems. Well, we have a high tariff on farm products, the highest tariff on farm products we have ever had in this country. Unfortunately, we also have the highest tariff on everything the farmer must buy that we have ever had in this country, so I am rather inclined to think that, as the tariff situation stands, the farmer really is not very much better off than he was before, except possibly as to wheat. I know it is argued that there is no protection to the American farmer as long as the United States and Canada are both exporters. As an economic proposition that is probably correct, that inasmuch as both the United States and Canada must compete in the world's market, the fact that Canadian wheat and flour can not come into this country does not make any particular difference. Now, I said as an "economic proposition," which I mean to qualify by saying that in this sense I use economic and theoretical in about the same way. There are a great many economic propositions that can be demonstrated theoretically to be correct, but in actual practice do not work out that way. I do not believe the competition of Canadian wheat can by any possibility be as great to the North Dakota farmer in Liverpool as it would be on the sample tables of the Minneapolis Chamber of Commerce; therefore I believe a tariff on wheat is necessary, and as I develop my theme I think I will convince you that a tariff on agricultural products is necessary to carrying out and applying the remedy for our situation that I have in mind.

For the last two years we have been told that the trouble with our farmers is due to the fact that our exports of foodstuffs have been too light, on account of the inability of Europe to buy. This has been repeated on platforms, in the daily press, and in the trade press until it has become ingrained in the thinking of the people. It is accepted as readily as the statement that two and two make four. As far as I know, outside of myself there has been no effort made whatever to put the facts before the people of the United States. There seems to be a propaganda at work that sees fit to ignore the facts, that sees fit to refuse to refer to them. I am not going to take time here and now to impute motives to the spreaders of this propaganda. It isn't as though the facts were inaccessible; it isn't as though they were mysteries; they have all been published; they have been collated by the Department of Commerce and the Department of Agriculture, and yet no reference is made to exact figures. The statement is simply made that farmers are going broke because Europe can not buy our food.

Now, let us have these figures sink in a little bit, because, in view of the way they have been persistently suppressed, they are of the utmost importance:

Exports to Europe.

WHEAT—INCLUDING FLOUR.

	Bushels.
5 years, 1909-1913.....	503,575,000
5 years, 1914-1918.....	1,090,712,930
4 years, 1919-1922.....	1,134,288,284
CORN.	
5 years, 1909-1913.....	216,739,000
5 years, 1914-1918.....	200,509,000
4 years, 1919-1922.....	319,032,468
RYE.	
5 years, 1909-1913.....	40,978,000
5 years, 1914-1918.....	57,207,805
4 years, 1919-1922.....	158,504,377
TOTALS OF WHEAT, CORN, AND RYE.	
5 years, 1909-1913.....	771,292,000
5 years, 1914-1918.....	1,348,429,735
4 years, 1919-1922.....	1,611,825,129

This refusal to recognize facts is one of the finest examples of controlled news I ever saw. Somebody has passed the word that people must be told that Europe is not buying our foodstuffs, and the well-trained chorus sings the song.

I have taken the five-year period prior to the war, the five years covered by the war, and the four-year period since the war. Now, these exports are by calendar years. The 1922 exports in all cases

contain estimates for the December exports; but, even so, the figures will not be far enough out of the way to have any bearing on the argument.

Now, what do we find? We find that in the five pre-war years we exported in round numbers 503,000,000 bushels of wheat, 216,000,000 bushels of corn, and 40,000,000 bushels of rye. During the war, when it was not a question of price, when it was entirely a question of getting food, our wheat exports aggregated for these five years a little over a billion bushels. Our corn exports were about 200,000,000 bushels, and our rye exports were about 57,000,000 bushels. The great increase in wheat was due, of course, to the fact that the war was on, that Russia was out of the wheat-exporting business, and the people of Europe required food, and food was raised and sent them. Then we come to the four years since the war, and what do we find? Simply that in these four years, when Europe has been bankrupt, when Europe has been "unable to buy food," we have shipped them 1,134,288,284 bushels of wheat, 319,032,468 bushels of corn, and 158,504,377 bushels of rye.

Let us put it another way. In five years previous to the war the total exports of the three food grains—wheat, corn, and rye—amounted in round numbers to 771,000,000 bushels. During the war, when food was the paramount issue, when food had to be got at any cost, the United States' exports of these three grains was 1,348,000,000 bushels. Then we come to the four years that have followed the war—four years of a bankrupt, starving Europe, a Continent that can not buy food, a Continent that must be helped to buy food—and what do we find? Simply that in these four years we have shipped 1,611,000,000 bushels of these food grains, more than double in four years what we shipped in the five years prior to the war, and almost 300,000,000 bushels more in four years than we shipped in the five years of the war, when every muscle was being strained to produce food.

Now, in the light of these figures, do you blame me for saying that there is some ulterior motive back of this propaganda that American agriculture is depressed because Europe is not buying food?

Senator NORRIS has a bill now pending to form a corporation to finance the exporting of food to Europe. I have no criticism to make of Senator NORRIS. I believe he is one of the most valuable men that agriculture has in Congress to-day, but I believe that the Senator has been misled by taking the word of the propagandists as to our exports of food to Europe. I have no quarrel with Senator NORRIS's proposition if it will enable our farmers to ship more to Europe, but in the light of the figures I do not believe it will. Food is something that will be bought by the people of Europe irrespective of their financial condition, and I doubt very much whether financing exports will enable the individuals in Europe to buy any more than they require to sustain life; or, even if it would enable them to do so, I question very much whether they would do so under present conditions.

Now I have given you my reasons for thinking that all of the proposed recommendations will fall short of accomplishing their purpose, and that while they are all good and all necessary, no one of them will do the work, nor will all of them do the work unless this unseen thing in agriculture is brought into view and grappled with. Just what is this unseen thing I have been talking about and referring to? Well, in brief, it is this: About five years ago I began to compare the returns of agriculture as a whole with other lines of productive effort, and I found that agriculture lagged far behind manufacturing; therefore it seemed logical to suppose that there must be some law that manufacturers were observing that farmers were not. Arguing from that basis, I began to compare the methods of production of manufacturers and farmers. I found that a manufacturer is very careful to gauge his probable sales before contracting for his raw materials. The manufacturer—it doesn't make any difference what line it may be—sends out his traveling men to take orders for delivery from six months to one year in advance, and he bases his purchases of raw materials and the amount of goods that he expects to produce by the amount of sales booked by his traveling men.

The jobber who buys from the manufacturer sends his traveling men out to the retailers, and so does not place his orders with the manufacturer until he has a pretty good line on how much he is going to be able to sell the retailers. On the other hand, the retailer gauges his purchases from the jobber by the crop outlook and the population of his trading area. If he is in a manufacturing district, he takes into consideration the probability of continuous employment or the probability of strikes. He weighs carefully the question of whether labor is satisfied or not. If he is in a farming community, he keeps pretty close tab on crop conditions, so he places his orders accordingly.

Well, now, what does the farmer do? He puts in every acre that he can put in with himself and boys and as many hired men as he can get hold of, and he does it without any idea of how much is being produced in the world or what the demand for his products is going to be when he gets them ready for market. He simply hopes that they will be taken at a satisfactory price when he gets ready to sell them. We have a fundamental difference in procedure here, and we also have a fundamental difference in returns received, as this chart shows. Now, then, what is the answer? It is simply this: The manufacturer, the jobber, and the retailer have been conducting their business along sound economic principles, while farmers have not been doing so. The farmer has always felt that the size of the crop determined his prosperity. It is only within a few years that they have begun to realize that something besides size of crops determines their well-being. The farmers have not been alone in this. Nearly everyone has felt that whenever we had a big crop, irrespective of price, the country was all right; but 1922, with its good crop, has not brought the business revival that everyone expected would come, so it is beginning to dawn on business and financial interests that something besides the number of bushels determines the general condition of business in the United States.

This is the unseen thing that has been throttling agriculture, this working in defiance of sound economic law. Of course, the first thing that will come to the minds of a great many in this audience is that I am wrong when I talk about there being an overproduction of food, and will say that there can not be any overproduction of food as long as there is anybody starving in the world. Well, that is one of those statements that are true but while being true have very little weight in the question that we are now discussing. And yet there is a great deal of confusion in the minds of almost everybody on this subject. I want to see if I can get this distinction clear. If I can, it is going to be pretty easy to get what I want to say across. If I can't, I am not going to get anywhere at all. The question of there being people in the world who haven't enough to eat, who haven't sufficient clothing, or who haven't decent places in which to live is entirely distinct from the question of controlling agricultural production so as to make a profit for the farmer. The question of the distribution of

opportunity, the distribution of work so that the physical well-being of every person in the world can be 100 per cent, is something that must be worked out and will be worked out as the years go by. But it can not be worked out by farmers and manufacturers producing goods that can not be purchased at a profit to them. We have two demands recognized by economists. One is known as the potential demand; that is, the demand that would exist if everybody could have all of every sort of production that they wanted. Then there is the effective demand, which means the demand that will take and pay a profitable price for the products. The effective demand is the only demand that the manufacturer considers; it is the only demand he can afford to consider, no matter how much he might desire to take into account the potential demand and attempt to fill it. Let me illustrate this point a little further. I think as a general proposition it is true that nearly every owner of a Ford, a Dodge, a Chevrolet, or any of the lower priced automobiles way down deep in their hearts have a desire for a Packard, a Pierce-Arrow, or even a Rolls-Royce. In other words, there is a potential demand in this country for these high-priced cars, just about equal to the number of the cheap cars now owned. But do you see the Rolls-Royce, the Packard, or Pierce-Arrow manufacturers bending their energies and adding to their plants for the purpose of making cars enough to supply this potential demand? Are they wasting any tears because several million people in this country are driving Fords who would like to have Packards? Not so anybody could notice it.

Every clothing manufacturer might produce clothing so that every man, woman, and child in the world could have two suits of clothes at a time; yet if there was no means of getting these clothes to these people he would simply have piled up a useless surplus and would go broke. The same thing applies exactly to the production of food, with a fundamental difference. There is a natural limitation to the consumption of food that does not apply to the consumption of goods. The consumption of goods is governed by the financial ability of the individual to purchase. It seems to be a law of human nature that as one's financial condition improves he buys more things; but it doesn't make any particular difference how rich a man may be he will only eat just about so much. He will eat what satisfies him, so the limit of food production is naturally reached some time before the limit of the production of goods.

Now, the farmers of the United States could undoubtedly produce double the amount of wheat and rye and corn that they are now producing. They could feed everyone who is now hungry; but if there was no means of getting that food to these people who are hungry, the farmers would be in exactly the same position as the manufacturer who ran his factory to take care of the potential rather than the effective demand. This may seem like a cold-blooded way of looking at this problem, but, in point of fact, it is not. If it were possible to feed these hungry people by producing irrespective of profit, then there might be some justification in asking farmers to make the sacrifice. But overproduction beyond the effective demand for farm products would simply break the farmers and not do the starving people of the world any good. There is a great deal of misunderstanding, I find, when I begin to talk this controlled-production idea. A great many farmers say, "Well, what good will higher prices do us when we have not anything to sell?" Controlled production simply means having something to sell at a profit. I have a letter on my desk from a farmer who says, "I am heavily in debt. The only chance I will ever have to pay my debts is to produce to the limit." Well, I might use this illustration: Suppose a shoe manufacturer was heavily in debt, and he was making shoes that cost him \$2 a pair to make, but he could only sell those shoes for \$1.50 a pair, and he would say to himself, "Now, here I am in the hole, and the only way I have of getting out of the hole is to produce all the shoes I can by working my factory 24 hours a day." I leave it to anybody here how far he would get in getting out of debt. How far is the farmer going to go toward getting out of debt if he produces 1,000 bushels of wheat that cost him \$1.25 to produce and he only gets \$1.10 a bushel for it? Is he going to get out of debt? Maybe he is, but I doubt it.

Now, I want to refer to the chart showing the curve of acreage and price of wheat from 1912 to 1922, inclusive. I want you to notice that price does not control production, but as the thing stands now, the farmer is getting the short end of it. He is about a season too late. Of course, in a way these are abnormal years. In 1914 the breaking out of the war caused a jump in price which induced a large acreage for the 1914-15 crop. In the fall of 1915, about the time the winter wheat people were putting in their 1916 acreage, there was a drop in the price of wheat and you will see a corresponding drop in the acreage for 1916. In the fall of 1916 there was a fairly good bulge in wheat, which was reflected to some extent in the increased acreage, and would probably have been increased more had not the season of 1917 in the spring-wheat district been rather backward. Then, of course, under the war stimulus, we shot our acreage up in 1919 to its highest point, because the armistice was not signed until after the winter-wheat seeding. There was a slight dip in price in the fall of 1919, and this dip in consideration of the war being over, caused a sharp break in the acreage for the 1920 crop, which, in view of developments in the fall of 1920, was exceedingly fortunate. The acreage of 1921 held about even with 1920, but the acreage for the crop year 1922 showed a considerable decrease, owing to the falling price during the year 1921.

Now, this shows that production is controlled by the rise and fall of prices. This chart shows substantially the same curves on many of the grain crops, therefore a great many economists say that the present situation, if left alone, will eventually adjust itself, that production will naturally continue to decline until there will be a scarcity, which will cause prices to go up again, and they will continue to go up until production increases to a point that begins to build up a surplus. Of course this is true, but it is a hard road to travel. It is a road that is strewn with the wrecks of farm homes, of blasted hopes, suicide, and premature old age. But this natural control of production gives us the cue that, if we will but follow it, will lead to the control of production intentionally, which will hold prices at a more stable level, preventing these great swings from year to year, with their consequent losses and profits to the farmer.

There is a bill before Congress, known as the Christopherson bill, for the stabilization of nonperishable farm-products prices, the idea being to have the Government agree at the beginning of a crop year to purchase any surplus at a guaranteed price and sell this surplus on the world's market for what they will bring. The prices for the following year are to be determined by the amount of surplus that had to be disposed of the previous year, so if a surplus was produced one year the guaranteed price would be made so low as to make it unattractive for the growers to put in that particular crop the following

year. That is the theory of the Christopherson bill. It recognizes the necessity of coupling stabilization up with some sort of controlled production. Unless this is done in some way, any guaranteed-price plan would eventually fall of its own weight. If there was no limit to the production in any way, there would be so much produced that the taxpayers of the country would rise in revolt against carrying out the promise to purchase. The United States Government would then be in exactly the same position as the Governments of Europe are now in with their printing-press money. They would simply be swamped with farm products, so that if farmers expect any help from the Government in the way of price fixing or price stabilization, they must make up their minds to do something themselves.

We hear a good deal yet about the danger of the United States becoming an importer of foodstuffs. I believe that this is absolutely impossible, because long before the United States would get to a point where it would begin to import foodstuffs prices would reach a point where it would be profitable to grow them. But I believe the greatest profit to agriculture, and incidentally to the entire United States, lies in producing just as closely as possible enough for our home consumption, letting Canada, the Argentine, Australia, India, and Russia, with their cheap lands, feed the world. I believe that it is about time for the American farmer to realize that he has gone broke trying to feed the world. We must remember that, while it may take several years, eventually Russia is going to come back as an exporting country of foodstuffs. We must not overlook Canada. One of the recent ministers of agriculture of Canada made the statement that Canada has 252,000,000 acres of potential wheat land. Personally I think this minister was a little bit overoptimistic. When you consider that 252,000,000 acres of wheat land is practically the entire wheat acreage of the world at this time, it is hardly probable that Canada will ever have as much land as that under wheat, for the simple reason that if they ever did it would be so cheap they would all go broke.

But to get down to the realm of reasonable probability, I believe the time is comparatively near—by comparatively I mean within, say, a quarter of a century—that Canada will be producing as much wheat as the United States. That will mean that they will be just that much stronger competitors of ours in the markets of the world. Of course, if that time ever comes, the United States will be forced out of the wheat-producing game for export. Now, would it not be a great deal better to get out of the exporting business and make a profit on every crop of wheat for the next 25 years than it would be to buck the growing Canadian surpluses and lose money on every crop of wheat? It seems to me that here is a plain business proposition.

Referring again to the figures I gave in the matter of exports, I would like to ask what do you think is going to happen to the American farmers when the time comes, as it will, when our exports of the three leading food grains drop to the basis of 1909-1913? We surely will eventually get back to that basis of exports. Russia is not going to be out of agricultural production forever, although I am willing to grant it will probably be from 5 to 10 years before Russia can become much of a factor in the world's export of foodstuffs, but without Russia there is no question but what Canada is going to progressively increase her output. There is little doubt but what we will see an increase from Argentina and probably from Australia. There is no way possible to prevent the time coming when our aggregate exports of the three leading food grains will be back to a basis of around 700,000,000 bushels for a five-year period. We certainly are not going to continue to produce on the basis of an export of 1,811,000,000 bushels for four years. If, as the propagandists I referred to claim, the trouble with American agriculture is that we are not sending food to Europe, in the light of our exports in the last four years, what is going to happen to us when we really drop to a 700,000,000 or 800,000,000 bushels aggregate for five years? Following out the natural economic law, as our exports decline, if we continue to produce on the same basis we are now producing, prices will also decline, and the decline in these prices will cause an eventual falling off in production to meet the demand.

I want to emphasize again that production does adapt itself to demand, so in advocating intentional adaptation of production to demand, I am simply advocating a course that is absolutely in accordance with economic law, with this difference—controlled or adapted production means this: It means more intensive farming of fewer acres, which will cut down the overhead cost and naturally the cost of production. There is a vast difference between a short crop caused by climatic conditions when the yield of wheat, for instance, may not average more than 9 bushels to the acre, and the production of an equal amount of this short crop with an acre yield of 14 bushels to the acre. Farmers have often said when I have been talking to them on the controlled production idea: "Well, what good would it do us when we have a higher price if we haven't anything to sell?" Of course, if a man can't see the difference between controlled production and having nothing to sell, that chap is about hopeless and there isn't very much use trying to waste any more time or words on him. A surprisingly large number of farmers seem to think that what is meant by controlled or adapted production is no production at all. I don't know where they get that idea, except that they choose to believe the opponents of the idea rather than the statements of the advocates of the idea. It certainly shouldn't take very much eloquence to prove to a man that he would be better off with, say 750 bushels of \$1.50 wheat raised on 60 acres than he would be with 1,200 bushels of 75-cent wheat raised on 120 acres, particularly as the 750 bushels would have cost him less money to produce than the 1,200 bushels.

I also think that farmers have been paying too much attention to commercial production and not enough attention to production for living. By that I mean that there is too much of foodstuffs bought from the grocery store that might just as well be produced on the farm in a great many cases. I believe a farm family would be much better off if instead of growing 100 per cent of their stuff for sale they grew, let us say, 90 per cent for sale and 10 per cent for their own use. Farmers would then be doing two things. By this method of procedure they would be cutting down the amount available to sell and they would also be cutting down the outgo for the family food. Of course, it might be argued in this that by proceeding along this line they would be cutting down the market for the producers of the food they were raising themselves.

While this might be true to a certain extent, it would probably bring up the amount of food produced for market by causing the people who were producing what the farm was now buying to go into other lines, so that the actual decrease of production of products for sale would not amount to the whole 10 per cent. But even so, it would improve the economic condition of the farmer.

Now, I am coming to a very important consideration: in fact, I am coming to the biggest rock, the biggest obstacle, that we will have to remove if it is ever possible to put the idea of controlled or adapted

production across. Will the farmers themselves realize the necessity of working together? Unless some outside pressure can be brought to bear, I am frank to confess that I believe the chances of getting farmers to work together with sufficient unanimity to put a program of controlled production over are rather remote. But, on the other hand, unless farmers are willing to get together and are willing, as I will show a little later on, to join in a plan sponsored by the Government to control production, then I say that farmers might just as well quit running to legislatures and to Congress for relief. They might just as well quit asking their farm papers to help them. It all comes down to a question of whether or not the farmers are going to get together and help themselves put over the only thing that will give agriculture the same standing and the same profits of other productive enterprises. We are getting pretty close to the parting of the ways in this country. We are getting almost to a point where we have got to make a great decision. When I say "we" I mean the farmers. Farmers have got to decide pretty soon whether or not farming is going to grow into a business where the returns will be somewhere near the returns received in other lines of productive industry, or they have got to take the other road, where farming will be merely a question of shelter, food, and a few clothes, where it will be merely a board and keep proposition, where it will be practically on the same level as existed in Europe prior to the war and probably will exist in Europe for many years to come. Are we to have business men or peasants on American farms?

The decision rests entirely with the farmers. They have got to work out their own salvation on this to a great extent. In order to do it they have got to give up some of that individuality and individualism which is such a marked characteristic of the American farmer.

For good or ill, we will not discuss which, organized labor has become a great power in this country, and it became a great power because every member of a labor union is loyal to every other member of that union. The solidarity of union labor is what has given it its power. If union labor had never grown beyond the mere loose organization that we now have even in the best of our farmer organizations, it would not have got anywhere.

Now, then, the great question is to take our material as we find it and try and determine whether or not the material we have on hand can be made into such a structure as we desire. Five years ago, when I first began to talk controlled or adapted production, I did not have any concrete idea of how it was going to be done. I saw the obstacles; I saw the difficulty of getting farmers to work together, but I put up the general proposition that controlled production must come. Then last year, after the agricultural conference at Washington, Mr. Roger Babson, the statistician, made the statement that he regretted no one told the conference at Washington just what was the matter with agriculture. He said there were about 10 per cent too many farmers. He said 10 per cent of the farmers of to-day should be plasterers, carpenters, masons, or what not. In a speech at St. Paul last December, Mr. Babson raised his percentage and said there were 25 per cent too many farmers. Now that is simply putting in another way the statement that we are producing more agricultural products than can be handled profitably, and 25 per cent of our farmers should be off the farm and in some other business where they would be consumers. Babson suggests they ought to be carpenters, bricklayers, plumbers, plasterers, and so forth. That is very fine, if it were possible to make a bricklayer, carpenter, or plumber of a farmer overnight if all he had to do was to get the tools. But unfortunately a farmer in any one of these crafts would not be any better and would not be any more skillful than would a carpenter, bricklayer, or plumber if he were dropped on a farm and told to farm it.

If it is a fact, and I do not dispute the general conclusion, that under the present methods of hit-and-miss, haphazard production we have 25 per cent too many farmers, it means that eventually 1 farmer out of every 4 has got to quit. But, when he does quit, he won't be a bricklayer, carpenter, plumber, or any kind of a skilled laborer, because the fourth that quit will, in the following out of the inexorable economic law, be the least efficient and the only thing that he can put his hand to will be unskilled labor, the lowest-paid labor we have. He would become a competitor in the labor market. He would tend to reduce wages, the reduction of wages would naturally be reflected in lower prices for farm products, and lower prices for farm products would be reflected in a lessening demand for goods—so we have a vicious circle established here that must be broken in some way. I believe the way to do it is to make it profitable for all the farmers we now have on the land to stay on the land and become a market for the products of the skilled laborers in industry. Of course the consumers of food are against any idea of controlling production, because they feel it will raise prices. I am willing to admit it will raise prices; that is the intention, but I believe that the lesson of the last two years has been pretty well learned. I believe the laboring man realizes as never before that cheap food is not to his interest.

Now, this brings us back to the proposition of the consumption of food and the consumption of manufactured goods, because there is no question that, measured by our ability to produce manufactured goods, there is an overproduction that is now measured by the potential demand I referred to in the opening. As I see it, we must first of all get the farmers of the country in such shape that a large part of this potential demand now existing on the farms must be made an effective demand for manufactured goods; make it much nearer the potential demand—that is, we must have such farm prices and profits that will enable the great mass of farmers in this country to buy more goods. In that way the spread between the potential demand for food and effective demand for food will be narrowed through the full employment and higher wages of the laborers in the cities. Then production can be increased just to the extent that the effective demand increases. Everyone admits that the prosperity of the farmers is the groundwork of the prosperity for everybody else, so I feel that a plan of adapted or controlled production, worked out scientifically, will go further in bringing about that ideal that we want for our country—when there will be no poverty, no one short of food, no one short of clothes—than any other plan that has ever been thought of. But we still come back to the old question: How are we going to do it?

Congressman YOUNG of North Dakota has this suggestion: He says let the Government sponsor an organization of farmers who will come into this organization under an agreement to obey orders as to the amount of acreage they will put in of any given crop. Then let the Government agree to buy the crop at a certain specified price that will yield a profit to the producers. The people who do not see fit to come into this organization, who want to go their own way, let them go

their own way, but the Government will be under no obligation whatever and will not buy anything that the nonmembers of that organization have for sale. Congressman YOUNG will do two things with this plan, two very essential things. He will fix a price that will be profitable and at the same time will prevent the production of an unwieldy surplus. Of course, this idea isn't worked out in full detail. It can't be until some ideas can be had of how the farmers will regard it; whether or not they will be willing to take it up. In view of the fact that our winter-wheat acreage just put in is the third largest on record, a great many people are saying that farmers are being misrepresented by those who are trying to help them. They are saying that farmers must have been satisfied with last year's price of wheat, else they would not have put in such an enormous acreage of winter wheat. Now, this is a hard argument to meet. It is rather difficult to tell anyone who brings up this argument that farmers are a lot of dubs and are perfectly willing to keep on producing at a loss. Well, we have either got to tell them that, or else admit that all the figures and claims we have been making that farm prices are less than cost of production aren't so. Really, it puts us in a very embarrassing position, and if the spring-wheat farmers next spring go to work and put in as large an acreage of wheat as they did last year, I don't see where I am going to have a leg to stand on when I am told that the farmers must be perfectly satisfied with prices as they are.

When I was presenting the idea of controlled production through an organization of this sort before the House Agricultural Committee last month, I was asked if I thought the American farmers would go into a plan of this kind. Well, the only answer I could make was that I didn't know, but that I did have enough confidence in the common sense of the American farmer to think he would go in if he could be persuaded that he could make money by doing so.

Now, gentlemen, we have come up to this point. I don't know whether you agree with all I have said here or not, but if you do I don't want you to go away from this convention and say: "Yes, that is a good thing; that ought to be done." What I want to know is whether you are going to do it or not. I want to know whether you are merely going to sit around and say: "Yes, that is a good thing and should be done," or whether you are going to do it. I want to know whether you are for or against such an organization as your Congressman YOUNG proposes. I don't know of a better place for a show of hands on this proposition than right up here in the great bread basket of the Northwest; and I would like to see before this meeting adjourns some evidence that the farmers of this part of the country, at least, are willing to go ahead on a controlled-production program that will lead them out of their present situation into one where they can pay off their debts and make a profit.

We want cooperative marketing. We need it under this plan of controlled production. We need lower freight rates. We need lower taxes. We need a tariff on agricultural products. We need stabilized prices. All these things will be required even under a program of adapted production, because they will all save money; but I want to tell you right now that if you get your farming on a profitable basis ability to borrow money and the interest rates won't be much of a factor. You will have people coming around trying to loan you money at practically your own rates. If you are making money, the freight rates won't be so oppressive, the taxes won't be so oppressive, but the cornerstone of the whole structure has got to be profits, and that cornerstone has got to be high, broad, and firmly laid or else the whole structure of American agriculture is going to fall. The very cornerstone of profitable agriculture is controlled production; and if this generation doesn't see it, if we go on to a point where we get a peasantry on the land, we can't have that American standard of living that we hear so much about in the cities. A peasantry on the land will mean a condition and a plane of living in this country just about equivalent to that in the pre-war days in Europe. Better farming to the end that we get more to the acre, fewer acres under cultivation, to prevent getting a burdensome surplus, is the way out of our whole difficulty.

Now, I may have been talking to no purpose here. I may not have convinced you; but, whether I have or not, I feel that sometimes the logic of events will convince you that I am right. Sometime you will have to come to what I am now advocating, but I want to see it done now.

Following my remarks in the House and before the House Committee on Agriculture in favor of a controlled production, editorials appeared in a number of newspapers. Here are two from Farm, Stock, and Home:

STABILIZATION AND PRODUCTION.

At the recent hearings on price stabilization, before the Senate and House Agricultural Committees, the writer took the position that any governmental price-fixing, or price stabilization of farm products policy, unless joined with a plan to keep down production to the limit of demand, would result in failure, because of the inevitable increase in production that guaranteeing a high price would bring about. Rich as the United States is, it could not carry out its promises, because of the protests of taxpayers. There would be the same economic waste in overproduction, even though the producer got a higher price, that there is with an overproduction and low prices, the only difference being the loss would not fall so directly on the producer in the former case as it does in the latter.

Congressman YOUNG, of North Dakota, has suggested a plan to control production. He hasn't it worked out in detail, so its final form may be very different from the first draft. In brief, he proposes to have the Government say to the farmers that if they will come into an organization to be formed and supervised by the Government, and agree to reduce their acreage on the various grain crops whatever per cent ordered, the Government will buy at a guaranteed price the crops of those who join the organization and live up to its terms. Those who preferred to keep out and go their way, putting in as much of the various grains as they pleased, could not sell their crops to the Government, but would have to take their chances on the world market just as the Government would have to do on whatever surplus grains there might be.

This is simply applying the tariff principle to agriculture. It is considered perfectly legitimate for American manufacturers to get as much as they can for all they sell at home and dispose of their surplus to foreign buyers for what they can get. We think Congressman YOUNG has supplied the missing link in the Johnson-Peek plan, which is the same as outlined in the foregoing, lacking the vital matter of controlled production. It is also an improvement on the Lyon plan, which contemplates the purchase of the surplus at a price set before seeding. An adjustment the following year is to be

made in the price to discourage the production of the crop having the burdensome surplus.

This is the groundwork of the Christopherson bill. In actual practice, we believe the first year under this plan would produce so much of everything that next year's prices would have to be far too low, and the loss sustained by the Government would be very high on the first crop. With Congressman YOUNG's plan, the reduction of the surplus would start at seeding time of the first harvest to be handled under a price-fixing plan, so that the surplus, if any, would be small, and the loss to the Government would not be great.

Take the United States out of the exporting column and the world price for wheat would rise to very nearly the price the Government might guarantee. If Canada could be induced to adopt a similar system, the world price would go to the guaranteed price in the United States and Canada, for there is no question that North America holds the key to the wheat price if her peoples will but realize it. We will discuss other phases of Congressman YOUNG's plan in future issues.

It may be, as suggested by a member of the House Agricultural Committee, that farmers would not take kindly to the plan because of its hampering the exercise of their own judgment as to how much of a certain crop they will grow. Our answer was that we had enough confidence in the ability of the majority of American farmers to realize the possibility of greater profits to bring them into such a working agreement. We will hold to that view until farmers themselves prove they prefer to continue in the old rut of hard labor and scant return.

[From Farm, Stock, and Home, Minneapolis, Minn., January 15.]

WILL YOU HELP YOURSELVES?

It is now generally admitted that growing more than can be sold at a profitable price is the fundamental cause of agricultural depression. Nevertheless we hear farmers say, "What good will high prices do us if we haven't anything to sell?" Do you know, folks, when that is sprung on us by presumably intelligent men we feel like throwing up our hands and saying it's no use.

Controlled production does not mean growing nothing at all; yet an appalling large number of people seem to have that idea. Controlled production does not mean deliberately bringing about famine, as President Harding and others seem to think. It simply means trying to match supply to demand by having every farmer reduce his acreage of crops a certain per cent.

The big question is how to do it. As stated in last issue, we believe Congressman YOUNG has the idea. Let the Government sponsor an organization of farmers who will pledge themselves to obey orders and reduce their acreage as requested. Then let the Government agree to pay a fixed minimum price for the crops, this price to be high enough to insure a fair profit.

Now, the question is, Will the farmers come into such a scheme if organized? We do not know, but we are going to test the matter out right now as far as this part of the country is concerned by making it easy for every reader of Farm, Stock, and Home to say whether or not they would go into such a deal with Uncle Sam. Fill out coupon in signboard. If you will, say so; if you won't, say so. The point is we want a showdown in this, and want it quickly.

The Courier-News, Fargo, said:

GOVERNMENT CONTROL.

The railroads of the country are under Government control. Their rates are fixed by the Government and the amount of profit they may make is supposed to be regulated, although this feature is not yet perfected. The railroads accept this as the lesser of two evils. The other evil, which they fear more than control, is Government ownership.

Yet the evil came upon them through their own sinning. The day of rebates, of making the public pay "all the traffic would bear," and of outrageous wrong and discrimination, brought upon the railroads the natural fruits, and rigid control by the Government was that fruit. Bitter as it is, the railroads, while they make wry faces over it, accept it rather than the final result which impends—Government ownership.

But railroads are not alone in Government control. Our street-car lines, our public-service companies, supplying gas, light, and heat, our public warehouses, all are under the hand of some government—State, county, or city—that their rapacity and natural greed may be curbed and the public protected.

If Government control is necessary in these instances, and there are few who will deny it, why should not Government control be extended to cover the farmer and agriculture?

That seems to be the gist of the question asked by Congressman GEORGE M. YOUNG, who surprises the Courier-News with the advanced position he takes and the lengths to which he is willing to go to redeem agriculture.

You will read Mr. YOUNG's statement elsewhere in this issue. It was prepared for publication in a farm weekly, but as it talks mighty plain doctrine to the farmer, it has its place in our columns.

What, in brief, Congressman YOUNG proposes is that the Government take over the marketing of farm products. He wants to see a corporation which he would call a Federal Marketing Corporation, which will have for its duties the handling of the matter of farm production much as the manufacturer now handles and controls his product!

In other words, the Government would control farming as it does the railroads. It would not own the farm lands or the machinery of production, any more than it owns the rails or coaches or engines of the railroads. But it would put a period to overproduction and would set the rate at which the various farm products might be sold. It would serve as a governing body, eliminating waste and overproduction and assuring the man who went into farming a just return for his labor and on his investment.

We can hear some people remark: "That's socialism, thinly disguised," and expect the consequent denunciation. Others will smile and say: "That is nonpartisan doctrine, lacking only the label."

To both the answer of Congressman YOUNG is commended. It is either that, or "we shall have, as they have in Europe, classes of society well defined, say, the peasant class, the middle class, the upper class. What an end for America!"

It is well worth while to consider what George N. Peek, a hard-headed business man says upon the subject of a controlled production. Mr. Peek is president of the Moline Plow Co. In

an address before the Ohio Implement Dealers' Association, he said:

The implement industry is at its lowest ebb. Why?

First. The buying power of its customer, the farmer, is paralyzed. Second. It was organized to give American farms their original equipment during our development period. That day is done. We shall now have a replacement business only. We have an excess of manufacturing and sales capacity. The fittest will survive. This elimination contest is here, intensified many times by the desperate condition of agriculture. What must you and I do to survive and flourish? Know the situation and chart our course by knowledge.

Let us look to our customer. The weighted net average of wholesale prices is called the general price index. The net average of terminal prices for farm products is called the farm price index. The former is a measure of the price the farmer pays for what he buys; the latter, of what he gets for what he sells. Comparison of the two shows the exchange value of his product. That comparison is shocking. It shows exchange value about 65 per cent of pre-war. But even this is above the mark, because:

(a) Retail prices have gone up more than wholesale, and the farmer pays retail prices.

(b) The farmer does not get terminal prices. He pays an enormously increased freight both ways.

(c) The figures do not adequately reflect increases in rent, interest, and taxes since the war.

Considering these other elements it is probably safe to say that the farmer's buying power has been cut squarely in two.

This is a desperate situation. There are two ways to cure it—

(1) Raise the price of what the farmer sells.

(2) Lower the price of what he buys.

Can we raise the price of what he sells?

Never forget this. American price of every crop we export is not fixed here by American conditions. It is fixed by world conditions. Why? We must sell our surplus abroad in world competition, at a price fixed by world supply and demand and regulated by world conditions. Since it is economic law that the price of the surplus is the price of the crop, world price fixes domestic price. A tariff of \$10 per bushel on wheat would not make one cent's difference. Chicago price is now, and always has been, Liverpool price less cost of transportation.

The farmer buys in a tariff-protected market regulated by American conditions; he sells in a free-trade market regulated by world conditions. For this reason you can raise the price of what he sells in only two ways:

1. Fix world conditions.

2. Find a way to let the farmer's home price be regulated as are industrial domestic prices—by American conditions in a protected market.

I am not here to talk of fixing the world. Let Lloyd-George do it. But I know we must fix the American farmer. All we could do to lower the price of what he buys would not restore his buying power. His buying power is, say, 40 per cent of total buying power. Ninety-two per cent of our commerce is domestic. When he is 50 per cent out of the market nearly one-fifth of our domestic commerce is gone. This is enough to destroy our economic structure. Therefore you, I, everybody in America have one prime job, and that is to give the farmer an American price for his product. It is not an insurmountable problem. Industry solved it long ago. How?

Industry regulates production and supply to demand. If it produces a surplus that would depress price below cost, it either holds and checks production or dumps it abroad at less than the American price, and by equalizing supply with demand at home maintains price at cost plus a profit. It can dump abroad because the tariff protects it, and because it is organized and financed to do so, but above all, because it controls its own marketing mechanism.

If agriculture suggests regulating production a hypocritical howl goes up from every blind leader of the blind in America. If the manager of a great industry did not regulate production he would be sent to an insane asylum.

The steps necessary to restore agriculture to an American price are:

(1) Organize and finance it to a point where unified sales policy is possible, where it can hold or sell surplus abroad at world price, regulating supply to demand at cost plus profit on the domestic market.

(2) Protect it by tariff.

(3) Give it control of its own marketing mechanism.

Exactly this has been done with industry. Therefore it can be done for agriculture. Until it is done, and as long as we have a depressed world fixing farm price and a high tariff and highly organized industry fixing all others (which may be forever), there will be a spread so wide between the price the farmer pays and the price he gets that farm buying power will be dead and domestic commerce disarranged and paralyzed. For industry and commerce to permit this would be slow suicide for them and for the Nation, politically as well as economically; therefore, they will not permit it when they understand. The only question is one of the time and effort necessary to impregnate the opinion of 110,000,000 people with an economic truth.

Such is the outlook on restoring the farmer's dollar by raising the price he gets. Before considering the other method—lowering price he pays—let me warn you that while you can help in the latter way you can not cure. You can only cure by permitting him to sell, not in a free-trade market regulated by world conditions but, like every other American citizen, in an American market regulated by American conditions.

NESTOR MONTOKA, JR.—FRANCES MONTOKA.

Mr. A. P. NELSON. Mr. Speaker, by direction of the Committee on Accounts, I call up House Resolution 494.

The Clerk read as follows:

House Resolution 494.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to Nestor Montoka, jr., the sum of \$186.66 and to Frances Montoka \$120, being the amount received by them per month as clerks to the late Hon. Nestor Montoka at the time of his death, January 13, 1923.

Mr. A. P. NELSON. Mr. Speaker, this is the usual and customary resolution following the decease of a Member. I do not think that I ought to take up the time of the House to say

anything more than that it has had the consideration of the Committee on Accounts and was unanimously recommended for adoption.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

On motion of Mr. A. P. NELSON, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

SUBSTITUTE TELEPHONE OPERATOR.

Mr. A. P. NELSON. Mr. Speaker, I present the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 493.

Resolved, That there shall be paid out of the contingent fund of the House, for the employment of a substitute telephone operator, compensation at the rate of \$2.50 per diem, from February 1 to March 3, 1923, inclusive.

Mr. A. P. NELSON. Mr. Speaker, this resolution is necessary to provide for a telephone substitute operator to take care of the business, and comes recommended by the Clerk of the House, Mr. Page. It will involve an expenditure of only \$77.50. Mr. Page wrote to the chairman of the Committee on Accounts as follows in respect to this matter:

JANUARY 19, 1923.

Hon. CLIFFORD IRELAND,
Chairman Committee on Accounts,
House of Representatives, Washington, D. C.

MY DEAR MR. IRELAND: Inclosed is a draft of a resolution for the employment of a substitute telephone operator from February 1 to March 3, 1923, inclusive.

This will involve an expenditure of \$77.50, made necessary by reason of the exhaustion of the appropriation for a substitute telephone operator for the current fiscal year through sickness and the continuous operation of our exchange. For the same purpose from March 3 until the end of the fiscal year I shall submit a deficiency estimate to the Committee on Appropriations.

Very truly yours,

WM. TYLER PAGE.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. A. P. NELSON. Yes.

Mr. STAFFORD. What is the necessity for a substitute telephone operator during the month of February to March 4?

Mr. A. P. NELSON. As the gentleman knows, there has been considerable sickness. The regular operators have been unable to perform their duties. We have had to have substitute telephone operators in order to take care of the business.

Mr. STAFFORD. Oh, it is to provide a substitute for some one who is sick?

Mr. A. P. NELSON. Yes.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, I rise, if I may be permitted to do so, to inquire about the plan for business to-morrow.

The SPEAKER. The Chair understands that to-morrow the program is to consider claims unobjected to on the Private Calendar.

Mr. GARRETT of Tennessee. And if any of the pension bills, which the gentleman from Illinois [Mr. FULLER] desires to call up to-day, are not concluded to-day, will they also be continued to-morrow? In other words, will to-morrow be a Private Calendar day?

The SPEAKER. The Chair so understands.

Mr. GARRETT of Tennessee. Then I understand it is the purpose of the gentleman from Wyoming to ask that the business in order to-day shall be in order to-morrow?

Mr. MONDELL. Yes. And I make that request now, and ask that at the conclusion of business before the House we may take up the consideration of bills on the Private Calendar, unobjected to.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that at the conclusion of the pension bills, bills on the Private Calendar unobjected to may be taken up to-day and to-morrow. Is there objection?

Mr. GARRETT of Tennessee. So that there will be no misunderstanding about it, I understand the gentleman from Illinois [Mr. FULLER] has but one bill, and that the gentleman from Minnesota has another bill?

Mr. KNUTSON. I have two omnibus bills.

Mr. GARRETT of Tennessee. Then I understand that the request is that at the conclusion of the pension bills we take up private bills unobjected to, and that the business in order to-day be in order to-morrow?

Mr. MONDELL. That is it.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, would it not be well to state in the request that the Private Calendar would not be taken up until to-morrow because there are a number of gentlemen who are interested in that Calendar who would probably have to remain all the afternoon here waiting the conclusion of the pension bills?

Mr. MONDELL. Oh, gentlemen surely can remain here for an hour; it will not take longer than that.

Mr. BLANTON. I shall not object.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none, and it is so ordered.

AMPLIFIERS IN THE HOUSE CHAMBER.

Mr. MONDELL. Mr. Speaker, the gentleman from Kansas [Mr. CAMPBELL] has a resolution which he desires to call up that I did not have in mind at the time I made the request a moment ago. I ask unanimous consent to modify the order just made so that this resolution from the Committee on Rules may be presented, following the consideration of the pension bills.

Mr. GARNER. Let us have the resolution reported; let us know what it is.

Mr. CAMPBELL of Kansas. It is a resolution introduced by the gentleman from Massachusetts [Mr. GREENE], providing for final disposition of the amplifiers here in the House, as to whether they shall be retained, or what disposition shall be made of them. The resolution provides that the Committee on Rules shall make an investigation of the matter and report their conclusions to the House.

The SPEAKER. Is there objection to modifying the order just made, so that the resolution referred to may be considered at the conclusion of the pension bills? [After a pause]. The Chair hears none.

BUSINESS IN ORDER ON MONDAY NEXT.

Mr. MONDELL. Mr. Speaker, Monday next is a maverick Monday. I ask unanimous consent that District of Columbia business shall be in order on Monday next, January 29, 1923.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that business of the District of Columbia be in order on Monday next? Is there objection?

Mr. BLANTON. That will not interfere with the regular District day that follows?

Mr. MONDELL. No; that will be an additional day.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none, and it is so ordered.

PENSIONS.

Mr. FULLER. Mr. Speaker, I call up the bill H. R. 13980, an omnibus pension bill, and I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois calls up an omnibus pension bill and asks unanimous consent that it may be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 13980) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Nancy J. Crum, widow of Peter Crum, late of Company H, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Kate M. King, widow of Mordecai S. H. King, late of Company F, One hundred and twenty-sixth Regiment Ohio Volunteer Infantry, and Company I, Twenty-first Regiment Veteran Reserve Corps, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Eliza Burns, widow of William H. Burns, late of Company A, Third Regiment Wisconsin Volunteer Infantry, and Company C, Sixth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Cynthia Luttrell, widow of Newell Burr, late of Company H, Eighty-eighth Regiment Illinois Volunteer Infantry, and Company F, First Regiment United States Veteran Volunteer Engineers, and pay her a pension at the rate of \$50 per month.

The name of Ella Brodrick, helpless and dependent daughter of William P. Brodrick, late of Company F, Eighteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving, through duly appointed guardian.

The name of Marion D. Sweet, late of Company D, Thirteenth Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of William H. Linnabarry, helpless and dependent son of Andrew Linnabarry, late of Company F, Thirty-eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Rosamond C. Dailey, widow of Orrin V. Dailey, late of Company E, First Regiment Nebraska Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Josephine Walker, widow of George Walker, late of Company L, Eighth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Jane N. Ashley, widow of Edward M. Ashley, late of Company B, Ninth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Mary Barnett, widow of Morris Barnett, late of Company F, One hundred and sixteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Amanda Fuller, widow of David Fuller, late of Company C, One hundred and sixty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Drusilla Luce, widow of James M. Luce, late of Company H, Thirty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Martin L. Stokesberry, helpless and dependent son of Richard R. Stokesberry, late of Company C, One hundred and twenty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Jennie Helm, widow of Felix G. Garner, alias William Helm, late of Company G, Twelfth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rosie Lambert, widow of Moses Lambert, late of Company F, Second Regiment Arkansas Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary C. Reeves, former widow of William M. Reeves, late of Companies F and C, Ninth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Robert Wiley, helpless and dependent son of William Wiley, late of Company G, Fifty-seventh Regiment United States Colored Volunteer Infantry, and pay him a pension at the rate of \$20 per month through duly appointed guardian.

The name of Anna B. Hurd, widow of Charles W. Hurd, late of Company B, One hundred and sixty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Kate L. Littlepage, widow of Lewis D. Littlepage, late of Company A, Seventeenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Christopher C. Pratt, helpless and dependent son of Henry Pratt, late of Company E, Fourteenth Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of \$20 per month through duly appointed guardian.

The name of Jeannette Goslin, widow of Alexander Goslin, late of Company C, One hundred and sixteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Alwilda E. Williamson, widow of John Williamson, late of Companies B and H, One hundred and sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Emma Stites, widow of George W. Stites, late of Company F, Eighty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Lucy S. Fraser, widow of Ziba M. Fraser, late of Company I, Third Regiment Pennsylvania Volunteer Militia Infantry, and Company F, Forty-first Regiment Pennsylvania Emergency Volunteer Militia Infantry, and pay her a pension at the rate of \$30 per month in lieu of that she is now receiving.

The name of Nancy A. Felton, widow of Daniel Felton, late of Company I, Ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Samuel C. Shattler, helpless and dependent son of Frederick Shattler, late of Seventeenth Ohio Independent Battery Artillery, and pay him a pension at the rate of \$20 per month.

The name of Mary Roland, widow of Samuel Roland, late of Company H, One hundred and forty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$40 per month.

The name of Mathew H. Uell, alias William H. Clark, late of Companies K and D, First Regiment Michigan Volunteer Engineers and Mechanics, and pay him a pension at the rate of \$50 per month.

The name of Josefa Martinez, helpless and dependent daughter of Narciso Martinez, late of Company B, First Regiment New Mexico Volunteer Cavalry, and pay her a pension at the rate of \$20 per month through duly appointed guardian.

The name of Orilla S. Spicer, former widow of Porter B. Earl, late of Company H, Forty-fourth Regiment, Illinois Volunteer Infantry, Company L, Eleventh Regiment Michigan Volunteer Cavalry, and Company G, One hundred and fourteenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Anna E. Hughes, widow of John Hughes, late of Company H, Ninety-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Catharine Strauser, widow of Daniel Strauser, late of Company H, Seventeenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Lillian Strauser, helpless and dependent daughter of said Catharine and Daniel Strauser, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Catharine Strauser, the name of said Lillian Strauser shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Catharine Strauser, paid through duly appointed guardian.

The name of Elizabeth House, widow of John House, late of Company G, Second Regiment Wisconsin Volunteer Infantry, and Company I, First Regiment Minnesota Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Nellie A. Hope, widow of Michael B. Hope, late quartermaster Fourth Regiment Kentucky Volunteer Infantry, aid-de-camp to Brigadier General Fry, and Company B, Fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Bessie B. Celley, widow of Charles N. Celley, late of Company H, Second Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Anna R. N. Beach, widow of William Beach, late of Company C, Thirty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Susan A. Wilsey, former widow of William H. Gesford, late of Company B, Seventh Regiment Missouri Volunteer Cavalry; Cap-

tain Breditt's company, Black Hawk Cavalry; and Company C, Black Hawk Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Merico E. Fox, widow of Daniel S. Fox, late of Company B, First Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Rosalia M. Burroughs, widow of Augustus C. Burroughs, late of Company B, First Battalion New York Volunteer National Guard Light Artillery, and pay her a pension at the rate of \$30 per month.

The name of Jacob Staley, late unassigned, Indiana Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Annie Brewer, widow of Thomas Brewer, late of Company E, Fourth Regiment Kentucky Volunteer Mounted Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Amelia Mathena, widow of John M. Mathena, late of Company E, One hundred and forty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Anna P. McCrosky, widow of Charles McCrosky, late of Company H, Fifty-first Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary M. Lewis, widow of John M. Lewis, late of Company B, Twenty-fifth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Gregory Bird, alias William Galer, late of Battery M, Third Regiment New York Volunteer Light Artillery, and United States Navy, and pay him a pension at the rate of \$50 per month.

The name of Theresa A. Hunter, widow of William M. Hunter, late of Company B, Fifteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Effie Edwards, helpless and dependent daughter of Leander Edwards, late of Company K, Fourteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$20 per month.

The name of Clara A. McCarty, widow of Thomas G. McCarty, late of Company C, Third Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Annie Ackerman, widow of Harlow P. Ackerman, late of Company B, Second Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Elizabeth Sizemore, former widow of Wilburn Sizemore, late of Company L, Fourteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Jane Dyer, widow of Gideon A. Dyer, late of Twenty-third Independent Battery New York Volunteer Light Artillery, and Company H, Eighth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Syntha Black, widow of Samuel Black, late of Company B, Forty-ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary J. Lake, widow of Israel Lake, late of Company K, Ninety-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Bridget Stapleton, widow of Michael Stapleton, alias Michael Mahar, late of Company E, Fifth Regiment Connecticut Volunteer Infantry, and Company C, One hundred and thirteenth and One hundred and twentieth Regiments Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Genoa H. Scholz, widow of Henry C. Scholz, late ordinary seaman, U. S. S. *Hartford*, United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Robert M. Mann, late of Company D, Fifty-seventh Regiment Indiana Volunteer Infantry, and Company E, Second Regiment Ohio Volunteer Heavy Artillery, and pay him a pension at the rate of \$50 per month.

The name of Anna M. Billet, widow of George Billet, late of Company B, One hundred and forty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Ole E. Billet, helpless and dependent daughter of said Anna M. and George Billet, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Anna M. Billet the name of said Ole E. Billet shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Anna M. Billet.

The name of Polly Nelson, helpless and dependent daughter of Gabriel Nelson, late of Company D, First Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Minnie Hosier, widow of George W. Hosier, late of Company L, Third Regiment, and Company B, Eighth Regiment, Indiana Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Emma J. Philhower, widow of Isaac N. Philhower, late of Company I, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sarah J. Doll, widow of Lewis Doll, late of Company G, Eighty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Harriett E. Kilgore, widow of John Kilgore, late of Company A, Fifty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary C. Woodward, widow of Wells R. Woodward, late of United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Margaret A. Addington, former widow of William J. Addington, late of Company B, Seventy-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Catharine Hand, widow of Daniel Hand, late of Company K, Eighty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of William H. Turnbull, late of United States Navy, and pay him a pension at the rate of \$50 per month.

The name of Amelia M. Hetherington, widow of Joseph S. Hetherington, late of Company G, Fifty-first Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Elsie M. Pool, widow of Hiram R. Pool, late of Company L, Second Regiment New York Veteran Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Mary Holmes, widow of Marion Holmes, late of Company H, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Almira L. Boutelle, widow of William Boutelle, late of Company A, First Regiment New Hampshire Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Elmira Pariseaux, former widow of Frederick Minnie, late of Company C, Twenty-second Regiment New York Volunteer Infantry, and Company A, Sixteenth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Frances Conner, widow of James L. Conner, late of Company F, Thirtieth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Narsisus Butler, widow of John T. Butler, late of Company I, Seventh Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Margaret Kirkpatrick, widow of Anibel D. Kirkpatrick, late of Company C, Twenty-fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah Anderson, widow of Solomon Anderson, late of Company E, Thirty-first Regiment, and Company E, Thirty-second Regiment, Maine Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Harriet Boyer, former widow of Robert Forrester, late of Company A, Thirtieth Regiment Illinois Volunteer Infantry, and First Regiment Mississippi Marine Brigade of Infantry, and pay her a pension at the rate of \$30 per month.

The name of Jennie A. Robinson, widow of Albert B. Robinson, late of Company C, First Regiment New Hampshire Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Martha R. Potts, helpless and dependent daughter of Israel B. Potts, late of Company A, Forty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Susan A. Sims, widow of John Sims, late of Company C, Nineteenth Regiment Kentucky Volunteer Infantry, and Company B, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month.

The name of Mary E. Griffith, widow of William E. Griffith, late of Company D, Twelfth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Olive A. Bosworth, widow of Benjamin I. Bosworth, late of Company D, Sixth Regiment Michigan Volunteer Cavalry, and Company H, First Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Sophia Wilson, widow of John H. Wilson, late of Company G, Ninety-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Laura Morris, helpless and dependent daughter of Samuel Morris, late of Company K, Ninety-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Harriet E. Waterman, widow of Lucius A. Waterman, late of United States Navy, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary E. Davis, widow of Randall M. Davis, late of Companies A and I, First Regiment Maine Volunteer Heavy Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of James S. Davis, helpless and dependent son of said Randall M. Davis, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary E. Davis, the name of said James S. Davis shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Mary E. Davis.

The name of Elizabeth Sterling, widow of Wilbur E. Sterling, late of Company A, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Laura C. Wible, widow of Francis M. Wible, late of Company D, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Chloira Wible, helpless and dependent daughter of said Laura C. and Francis M. Wible, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Laura C. Wible, the name of said Chloira Wible shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Laura C. Wible, paid through duly appointed guardian.

The name of Ezra Pokett, late of Company F, Fifth Regiment Missouri Volunteer State Militia Cavalry, and Fourth Battery Iowa Volunteer Light Artillery, and pay him a pension at the rate of \$50 per month.

The name of Reese Tunks, late of Company F, Eighteenth Regiment Missouri Volunteers, Company B, Fourth Regiment Provisional Enrolled Missouri State Militia, and Company H, Fifteenth Regiment Kansas Volunteer Cavalry, and pay him a pension at the rate of \$50 per month.

The name of Emma C. Weinhold, widow of William S. Weinhold, late of Company G, Ninetieth Regiment Pennsylvania Volunteer Infantry, and Company E, Fourteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Emma W. Mitchell, widow of George J. Mitchell, late of Company C, Thirty-second Regiment Pennsylvania Enrolled Militia, and United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Mary E. O'Reilly, widow of Thomas O'Reilly, late of Company C, Sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Josephine Campbell, widow of John Campbell, late of Company C, First Regiment Pennsylvania Volunteer Artillery, and Battery E, First Regiment Missouri Volunteer Light Artillery, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Margaret F. Roach, helpless and dependant daughter of Edward Roach, late of United States Navy, and pay her a pension at the rate of \$20 per month through duly appointed guardian.

The name of Mary A. Mallory, widow of Daniel H. Mallory, late of Company B, Forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Maria C. Falcoun, widow of Joseph Falcoun, late of Company H, Twelfth Regiment Pennsylvania Volunteer Reserve Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah A. Gill, former widow of John A. Klein, late of Company C, Eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Alice A. Mangum, widow of Andrew J. Mangum, late of Company D, Thirty-first Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Catherine E. Mangum, helpless and dependent daughter of said Alice A. and Andrew J. Mangum, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Alice A. Mangum, the name of said Catherine E. Mangum shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Alice A. Mangum through duly appointed guardian.

The name of Luraney R. Standley, widow of James C. Standley, late of Company A, National Guards, East Tennessee, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Jennie J. Dickey, widow of William N. Dickey, late scout, United States Army, and pay her a pension at the rate of \$30 per month.

The name of Richard M. Johnson, late of Company B, One hundred and ninety-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Ella Day, former widow of Alpheus B. Day, late of Company K, Fifth Regiment Ohio Volunteer Cavalry, and Company I, Thirtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Josephine C. Long, widow of Levi R. Long, late of Company I, Seventeenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of George W. Morgan, late of Company G, Seventy-eighth Regiment, and Company C, Twenty-fifth Regiment, Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Annie H. Sines, widow of Charles D. Sines, late of the United States Marine Corps, and pay her a pension at the rate of \$30 per month.

The name of Elizabeth Sutton, widow of Henry H. Sutton, late of Company H, Thirty-fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Stepson Sutton, helpless and dependent son of said Elizabeth and Henry H. Sutton, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Elizabeth Sutton the name of said Stepson Sutton shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Elizabeth Sutton.

The name of Parthine Curtis, widow of Felix Curtis, late of Company B, Third Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Elmira Bauer, widow of Abraham Bauer, late of Company L, Seventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Annie Rheb, helpless and dependent daughter of Louis Rheb, late of Company D, One hundred and sixty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Angie Scanks, widow of Jacob Scanks, late of Company H, and Company B, Seventeenth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary E. McGill, widow of William H. H. McGill, late of Company B, Forty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Susan S. Boyd, widow of James P. Boyd, late lieutenant colonel One hundred and sixteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Elizabeth Fenner, widow of James W. Fenner, late of Company B, one hundred and sixty-eighth Regiment Ohio Volunteer National Guard Infantry, and pay her a pension at the rate of \$30 per month.

The name of Annie E. Thompson, widow of Samuel S. Thompson, late of Company G, Fifth Regiment United States Volunteer Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of David Housel, late of Company E, Fifty-first Regiment Pennsylvania Volunteer Infantry, Company G, Eighth Regiment United States Volunteer Infantry, and Company A, Eighth Regiment United States Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Henry C. Williams, late of Company G, Ninety-third Regiment, and Company B, Fifty-fourth Regiment, Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Sylvester Haus, late of Company E, One hundred and fifty-fourth Regiment Ohio Volunteer National Guard Infantry, and pay him a pension at the rate of \$50 per month.

The name of Henry C. Bagley, late of Company K, Seventh Regiment Illinois Volunteer Cavalry, and pay him a pension at the rate of \$50 per month.

The name of Frances Laport, widow of William Laport, late of Company B, Ninety-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Margaret A. Bryant, widow of Walter B. Bryant, late of Company E, Thirty-seventh Regiment, and Company C, Twentieth Regiment, Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of M. Lovina Porter, widow of John W. Porter, late of Company D, Thirtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Azubath Srofe, widow of John V. Srofe, late of Company E, Seventh Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Nancy Veatch, widow of James D. Veatch, late of Company A, One hundred and thirty-seventh Regiment Indiana Volunteer

Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah B. Jewett, widow of Orin Jewett, late of Company G, Third Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Eliza J. Creighton, widow of Frederick Creighton, alias Gillen, late of United States Navy, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Sarah J. Warren, widow of James Warren, late of Company H, Sixteenth Regiment, and Company B, Thirty-seventh Regiment, Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sarah J. Hellman, helpless and dependent daughter of Elias Hellman, late of Company C, One hundred and sixty-sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Mary E. Hart, widow of Robert D. Hart, late of Company G, Third Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Alice Hadsell, widow of Homer Hadsell, late of Company E, Sixth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Francis M. Meadows, late of Company K, Sixty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Clara S. Shuler, widow of John B. Shuler, late of Company B, Forty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Ann Starkey, widow of Almon J. Starkey, late of Company D, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Anna M. Miller, widow of Joseph Miller, late of Company E, One hundred and thirty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sallie Laswell, helpless and dependent daughter of John D. Laswell, late of Company H, Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Louis Van Dyke Rousseau, late of United States Navy, and pay him a pension at the rate of \$35 per month.

The name of Nancy E. Adams, widow of Thomas Adams, late of Company K, Second Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Lucretia Coffman, widow of Charles Coffman, late of Company G, Two hundred and ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary P. Davis, widow of George E. Davis, late of Company A, First Battalion Delaware Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Margaret Davis, widow of Thomas L. Davis, late of Company G, One hundred and forty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Della Loveless, widow of Silas Loveless, late of Company D, Eleventh Regiment New York Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of John Usner, helpless and dependent son of Adam Usner, late of Company B, Two hundred and fifth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving, through duly appointed guardian.

The name of Anna R. Jackson, widow of Henry F. Jackson, late landsman, United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Elizabeth Sowers, widow of Erastus Sowers, late of Company I, Fifty-second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Eliza C. Maher, widow of George W. Maher, late of Company I, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Huldah E. Hall, widow of Benjamin F. Hall, late first-class pilot, U. S. S. *Victory*, United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Permelia McDonald, widow of David McDonald, late of Company C, Seventy-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Amanda W. Jordan, widow of Thomas T. Jordan, late of Company K, One hundred and fifty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Alice Loree, widow of Charles M. Loree, late of Company L, Third Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Mary E. Sutton, widow of Azariah K. Sutton, late of Company G, Eighty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Frances Jackson, widow of Philip Jackson, late of Company K, Thirtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Eliza J. Hall, widow of Alfred L. Hall, late of Company I, One hundred and twenty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Eugene Kee, helpless and dependent son of John R. Kee, late of Company H, Forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of George W. Briggs, late of Company B, First Battalion Maine Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Mary L. Cornell, widow of Albert H. Cornell, late of Company F, Eighth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Robert King, late of Company H, Third Regiment Tennessee Volunteer Mounted Infantry, and pay him a pension at the rate of \$50 per month.

The name of Rachel A. Kendall, widow of Bladen A. Kendall, late of Company A, Tenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Catharine M. Painter, widow of George W. Painter, late of Company A, Fifteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Annie M. France, helpless and dependent daughter of William France, late of Company F, One hundred and fourteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Dolly P. Beckner, widow of David R. Beckner, late of Company B, Twenty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Barbara E. Rhea, widow of Patterson Rhea, late of Company I, Third Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary J. Lawson, widow of William H. Lawson, late of Companies K and F, Fourteenth Regiment Illinois Volunteer Infantry, and Company F, Veteran Battalion, Fourteenth and Fifteenth Regiments Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary J. Martin, widow of Robert B. Martin, late of Company D, Fifty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Nancy F. Ralston, widow of Andrew D. Ralston, late of Company K, Eighty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Benjamin F. Ralston, helpless and dependent son of said Nancy F. and Andrew D. Ralston, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Nancy F. Ralston the name of said Benjamin F. Ralston shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Nancy F. Ralston, paid through duly appointed guardian.

The name of Susan Kiley, helpless and dependent daughter of Michael Kiley, late of the United States Navy, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Martha E. Leach, widow of John W. Leach, late of Companies C and G, Fifth Regiment West Virginia Volunteer Infantry, and Company G, First Regiment West Virginia Veteran Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Susan R. Vittoe, widow of William Vittoe, late of Company K, Third Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Hannah E. Cahey, widow of Bernard Cahey, late of United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Tabitha E. Isbell, widow of Thomas R. Isbell, late of Company B, Seventh Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of \$30 per month.

The name of Catherine Crow, widow of George W. Crow, late of Company I, Fifty-first Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Alice L. Byers, widow of Seth W. Byers, late of Company G, One hundred and tenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sarah Harris, widow of John M. Harris, late of Company C, First Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Ella H. Candy, widow of Charles Candy, late colonel Sixty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Laura M. A. Jones, widow of Charles H. Jones, alias Charles H. Clark, late of Company H, Thirteenth Regiment New York Volunteer Cavalry, and Company F, Third Regiment New York Provisional Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Caroline W. Kinsloe, widow of Albert S. Kinsloe, late of Company D, Fifty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sylvester Condon, late of Company H, Eighty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Joseph D. Thompson, late of Company B, Twenty-sixth Regiment Illinois Volunteer Infantry, and Company F, Second Regiment United States Veteran Volunteers, and pay him a pension at the rate of \$50 per month.

The name of Lucy A. Parker, helpless and dependent daughter of Abram Parker, late of Company G, Eleventh Regiment, and Company A, Eighth Regiment, Michigan Volunteer Cavalry, and pay her a pension at the rate of \$20 per month.

The name of Sarah J. Pettit, widow of Stephen M. Pettit, late of Company A, One hundredth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Nellie Pettit, helpless and dependent daughter of said Sarah J. and Stephen M. Pettit, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Sarah J. Pettit the name of said Nellie Pettit shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Sarah J. Pettit.

The name of Hannah Seward, widow of William F. Seward, alias William Ward, late of Company K, First Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Elizabeth Jones, widow of Alonzo C. Jones, late of Company H, Sixty-third Regiment Enrolled Missouri Volunteer Militia Infantry, and pay her a pension at the rate of \$30 per month.

The name of Celesta Lamma, widow of Ferdinand Lamma, late of Company B, Twenty-sixth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary L. Dill, widow of Ira W. Dill, late of Company B, Thirty-fourth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Penina A. Wright, widow of George H. Wright, late of Company B, Seventy-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of William B. McElhaney, alias McElharney, late of Company D, Third Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Orilla J. Hainline, widow of Andrew J. Hainline, late of Company D, One hundred and twenty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of James N. Parker, alias Charles Thompson, late of Company E, One hundred and thirty-ninth Regiment New York Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Mary E. Todd, widow of Grandison Todd, late of Company B, Second Regiment, and Company D, First Regiment, North Carolina Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Charlie Todd, helpless and dependent son of said Mary E. and Grandison Todd, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary E. Todd the name of said Charlie Todd shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Mary E. Todd.

The name of Mary A. Powell, widow of Amasa C. Powell, late of Company H, First Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Margaret Newell, widow of Henry W. Newell, late of Company E, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Mary C. McCabe, widow of Felix McCabe, late of Company B, Eleventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Caroline Candus Criswell, helpless and dependent daughter of William Criswell, late of Company A, One hundred and thirty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving, through duly appointed guardian.

The name of Emma A. Carl, widow of Ira Carl, late of Company M, Sixteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Frances S. Gooding, widow of James W. Gooding, late of John Berins's company, Arkansas Rangers, and pay her a pension at the rate of \$30 per month.

The name of Martha Kailey, widow of George W. Kailey, late of Company E, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Elsie V. Reinhart, widow of Ferdinand Reinhart, late of Company K, One hundred and twenty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Adelaide Thacker, widow of Martin Thacker, late of Company D, Fifty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of S. Harriet Morris, widow of Caleb M. Morris, late of Company C, One hundred and ninety-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Malvina Cost, former widow of Asher T. Coleman, late of Company F, Eighth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Lavinia A. Griswold, widow of Adrian M. Griswold, late of Company F, Seventy-sixth Regiment, and Company F, Ninety-first Regiment, New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rosamond Barker, widow of Edward Barker, late of Company B, Ninety-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Julia I. Stuart, former widow of Isaac L. Foster, late of Company H, Twenty-second Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Ardella M. Farnsworth, widow of Horace Farnsworth, late of Company A, First Regiment Minnesota Volunteer Cavalry (Mounted Rangers), and pay her a pension at the rate of \$30 per month.

The name of Mary A. S. Campbell, widow of John H. Campbell, late of Companies B and G, Fourth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Elizabeth Stinson, widow of James Stinson, late of Company G, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Margaret D. Wise, widow of Jacob Wise, late of Company L, Fifty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Melissa D. Ellis, widow of Thomas Ellis, late of Company K, Twenty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Sarah A. Radell, widow of Bernard Radell, late of Company C, First Battalion Missouri State Militia Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Alexander Surrall, alias Syrrall, late of Company C, One hundred and sixty-fourth Regiment New York Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Mary E. Logan, widow of Francis M. Logan, late of Company F, Fifty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Letha J. Logan, helpless and dependent daughter of said Mary E. and Francis M. Logan, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary E. Logan the name of said Letha J. Logan shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Mary E. Logan.

The name of Elizabeth J. Thorn, widow of Levi Thorn, alias John Sumney, late of Company M, Fourth Regiment Pennsylvania Volunteer Cavalry, and Company F, Fourteenth Regiment Veteran Reserve Corps, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Abigail J. Gardner, widow of Samuel Gardner, late of Company C, Ninety-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary Jewett, widow of Henry Jewett, late of Company B, Forty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Susan L. Shew, widow of Lewis S. Shew, late of Company K, One hundred and ninety-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of John M. Shew, helpless and dependent son of said Susan L. and Lewis S. Shew, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Susan L. Shew the name of said John M. Shew shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Susan L. Shew.

The name of Casper Runz, late of Eighth Battalion, District of Columbia Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Emily J. Thompson, widow of Jonathan Thompson, late of Company G, Second Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Alice J. Stoddard, widow of Nelson Stoddard, late of Company H, Twenty-fourth Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Carrie M. Flandreau, widow of Daniel A. Flandreau, late of Company A, Eighty-seventh Regiment New York Volunteer Infantry, and Company G, Seventh Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Maria A. King, widow of James R. King, late of Company I, Ninety-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Augusta Seubert, widow of John Seubert, late of Company K, Ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary J. Marshall, former widow of Andrew J. Marshall, late of Company H, Eleventh Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Nancy J. Lance, widow of Charles H. Lance, late of Company H, Fourteenth Regiment, and Company M, Eighth Regiment, Missouri Volunteer State Militia Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Pricy Eveline Cook, widow of Timothy Cook, late of Company C, Seventh Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Martha A. Shirley, widow of John T. Shirley, late of Company H, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary A. Shoemaker, widow of Adam S. Shoemaker, late of Company G, Eighty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary E. Veith, widow of Frank Veith, late of Company E, Second Regiment New York Veteran Volunteer Cavalry, synonymous with Empire Light Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Catharine McQuade, widow of James McQuade, late of United States Marine Corps, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Fannie M. McQuade, helpless and dependent daughter of said Catharine and James McQuade, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Catharine McQuade the name of said Fannie M. McQuade shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Catharine McQuade.

The name of Ella S. Robison, widow of Henry Robison, late of Company K, Sixty-first Regiment, and Company I, Eighty-second Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Frances A. Harris, widow of John P. Harris, late of First Independent Battery, Kansas Volunteer Light Artillery, and pay her a pension at the rate of \$30 per month.

The name of Emeline Rader, widow of John Rader, late of Company D, Sixth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Candace A. Kain, widow of Silas D. Kain, late of Company K, Sixteenth Regiment, and Company F, Sixty-second Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary R. Pinkley, widow of John Pinkley, late of Company H, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Charles F. Ogden, helpless and dependent son of Levi H. Ogden, late of Company E, One hundred and forty-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$20 per month through duly appointed guardian.

The name of Geneva Beha, helpless and dependent daughter of Gerhard Beha, late of Companies A and H, Fifth Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Mahala E. Broadbent, widow of Samuel S. Broadbent, late of Company A, Third Regiment Massachusetts Volunteer Infantry, First Battalion Massachusetts Veteran Volunteer Cavalry, Company F, Fifty-eighth Regiment Massachusetts Volunteer Infantry, and Company C, Twenty-second Regiment United States Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary Mason, widow of Judson A. Mason, late of Company G, Ninety-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Harriet A. Bishop, widow of Harvey W. Bishop, late of Company D, Thirteenth Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Addie J. Green, widow of Samuel H. Green, late of Company E, Second Regiment United States Volunteer Sharpshooters, and pay her a pension at the rate of \$30 per month.

The name of Rebecca J. Dunn, widow of Harvey T. Dunn, late of Company B, One hundred and twenty-third Regiment, and Company F,

Sixty-first Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Angie O. Allen, widow of George H. Allen, late of Company B, Fourth Regiment, and Company B, Seventh Regiment, Rhode Island Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Minerva J. Gardner, widow of Robert Gardner, late of Company C, One hundred and thirty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Adaline Walker, widow of Henry Walker, late of Company B, Eighth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Fannie F. Kennedy, widow of Daniel E. Kennedy, alias Samuel Cooper, late of Company D, Seventy-seventh Regiment Illinois Volunteer Infantry, and Company K, Ninth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Mary Powell, widow of John H. Powell, late of Companies I and G, Thirtieth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Cora Campbell, widow of Edward Campbell, late of Company F, One hundred and eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rachel M. Baxter, widow of John W. Baxter, late of Company B, One hundred and twenty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Sarah Ervin, widow of John F. Ervin, late of Company C, Fiftieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary I. Hidy, widow of William Hidy, late of Company C, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Lizzie B. Shriner, widow of George W. Shriner, late of Company F, Fifteenth Regiment Pennsylvania Volunteer Infantry, and Company C, Fourth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Melvina Glidden, widow of Sylvester S. Glidden, late of Company C, Sixth Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Sarah E. Young, widow of John H. Young, late of Company G, One hundred and twentieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Cynthia Earnest, widow of Joseph Earnest, late of Company I, Eleventh Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Hannah M. Earhart, widow of Joseph D. Earhart, late of Company C, Thirty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Louisa Logan, widow of John Logan, late of Company G, Fifth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Edward Barr, helpless and dependent son of Edward Barr, late of Company B, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and Company F, Second Regiment United States Volunteer Cavalry, and pay him a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Etta Vanzant, widow of George W. Vanzant, late of Company G, First Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Amanda Baird, widow of William K. Baird, late of Company A, Thirty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Unity P. Spencer, widow of Moses C. Spencer, late of Company E, Thirteenth Regiment Veteran Reserve Corps, and pay her a pension at the rate of \$30 per month.

The name of Sarah J. White, widow of William W. White, late of Company K, Fourteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Minnie E. White, helpless and dependent daughter of said Sarah J. and William W. White, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Sarah J. White the name of Minnie E. White shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Sarah J. White.

The name of Mary E. Clifford, widow of Joseph C. Clifford, late of Ordnance Department, United States Army, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Alfred Clifford, helpless and dependent son of said Mary E. and Joseph C. Clifford, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary E. Clifford the name of said Alfred Clifford shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Mary E. Clifford.

The name of Dora Coffman, helpless and dependent daughter of William Coffman, late of Company K, One hundred and twenty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of John Wait, late of Company A, Third Regiment, and Company A, Eleventh Regiment, Missouri Volunteer Cavalry, and pay him a pension at the rate of \$50 per month.

The name of Mary M. Kelly, widow of Henry A. Kelly, late first lieutenant and quartermaster Eighth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Mina Riley, widow of George W. Riley, late of Company B, Tenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Florence C. Clark, widow of Frank Clark, late of Company I, Seventh Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Libbie M. Ryan, widow of James W. Ryan, alias James Conklin, late of Company D, Thirty-fourth Regiment Ohio Volunteer

Infantry, and Company K, Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Emma Taylor, former widow of John Lewis Scholl, late of Company I, Third Regiment Maryland Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Lucinda M. Fuller, widow of Henry A. Fuller, late of Company M, First Regiment New Hampshire Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Ada G. Sherwood, former widow of Thomas W. S. Hale, late of Company F, Twenty-fourth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Julia Adams, widow of James A. Adams, late of Company I, Eighth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Eliza Hill, widow of Alexander Hill, alias Alexander Chandler, late of Company B, Fifth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of \$30 per month, through duly appointed guardian.

The name of Margaret A. Medley, widow of James H. Medley, late of Company L, Seventh Regiment Missouri Volunteer Militia Cavalry, and Company H, Thirtieth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Julia B. Cole, widow of George H. Cole, late of Company B, One hundred and forty-fifth Regiment Pennsylvania Volunteer Infantry, and Eighty-ninth Company, Second Battalion Veteran Volunteer Reserve Corps, and pay her a pension at the rate of \$30 per month.

The name of Huldah A. E. Dutton, widow of John M. Dutton, late of Company M, Second Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Mary B. Elliott, widow of Oliver Elliott, late of Company E, Fortieth Regiment, and Company D, Eighty-eighth Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary A. Morris, helpless and dependent daughter of Aaron Morris, late of Company K, One hundred and fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$20 per month through duly appointed guardian.

The name of Sarah F. Champlin, widow of Orrison Champlin, late of Company B, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Lucy M. Raymond, helpless and dependent daughter of Leonard Raymond, late of Company C, Eighteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Elizabeth J. Wright, widow of Ethan B. Wright, late of Company E, Second Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Clarice Fly, widow of Joseph Fly, late of Company G, Fifty-sixth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Francis S. Haynes, alias Francis S. Reedy, late of Company H, Second Regiment Missouri Volunteer Cavalry, and Companies I and F, Forty-third Regiment Illinois Volunteer Infantry, and Nineteenth Regiment United States Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Mary Underwood, widow of William O. Underwood, late of Company C, Seventy-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Nancy E. Alward, widow of Smith M. Alward, late of Company C, Twentieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Emily French, widow of William French, late of Company F, Twenty-first Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary A. Ramsey, widow of Samuel Ramsey, late of Company D, One hundred and sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Samuel Ramsey, helpless and dependent son of said Mary A. and Samuel Ramsey, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary A. Ramsey, the name of said Samuel Ramsey shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Mary A. Ramsey.

The name of Emma V. Wilkerson, widow of Benjamin F. Wilkerson, late of Company C, Fifteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sarah A. Blevins, widow of Reuben Blevins, late of Company F, Thirtieth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Margaret E. Myers, widow of William B. Myers, late of Company D, One hundred and forty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary Reilley, widow of John A. Reilley, late of Company B, First Battalion Fremont Rangers, Missouri Volunteer Home Guards, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Sarah E. Leavitt, widow of Seth E. A. Leavitt, late of Company G, Twelfth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary E. Higley, widow of Lyman A. Higley, late of Company D, One hundred and fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah A. Atherton, widow of Edwin R. Atherton, alias Edwin R. Gross, late of Company D, First Regiment Maine Volunteer Cavalry, and unassigned Fourteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Anna R. McAdams, widow of George L. McAdams, late leader of band, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Eliza A. Salomon, widow of Jacob Salomon, late of Company F, Eighth Regiment United States Infantry, and Company M, Ninth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Lina J. Harcourt, widow of Thomas J. Harcourt, late of Company G, Twenty-first Regiment Indiana Volunteer Infantry, and Company H, Eighty-ninth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Cynthia M. Bowles, widow of Justus C. Bowles, late of Company K, Ninety-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Louisa Gilmore, now Louisa Smith, former widow of Robert B. Gilmore, late of Company A, Twenty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Kate M. Henry, widow of Charles V. Henry, late first lieutenant and quartermaster, Ninety-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Alice Darr, widow of William N. Darr, late of Company F, Fourteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sophronia O. Hubble, widow of Levi J. Hubble, late of Company H, One hundred and twenty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Catherine Foster, helpless and dependent daughter of William Foster, late of Fourth Battery New Jersey Volunteer Light Artillery, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Kate E. Clear, widow of Samuel A. Clear, late of Company K, One hundred and sixteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Lavenia A. Collett, widow of Henry Collett, late of Company I, Fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Arminda Russell, widow of Carlos M. Russell, late of Company H, Thirty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Georgia A. Scarbrough, widow of Gilbert Scarbrough, late of Company H, Eighth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Hester E. Aldrich, widow of Garner Aldrich, late of Company F, One hundred and forty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Florence S. Bradbury, former widow of Rufus D. Bradbury, late of Company M, Sixteenth Regiment Illinois Volunteer Cavalry, and Company H, Eighteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Charity I. Haskell, widow of Andrew J. Haskell, late of Company E, Tenth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Jennie E. Nelson, widow of Edward Nelson, late of Company D, Sixtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Ida Nelson, helpless and dependent daughter of said Jennie E. and Edward Nelson, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Jennie E. Nelson the name of said Ida Nelson shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Jennie E. Nelson.

The name of Sarah Dobner, widow of Isadore Dobner, late of Company I, Two hundred and fifteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Clara E. Brass, widow of Albert N. Brass, late of Company C, Forty-sixth Regiment Massachusetts Volunteer Militia Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of John Keller, helpless and dependent son of Jacob Keller, late of Company K, Fifty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Susan Clark, widow of Alfred E. Clark, late of Company B, Sixteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of L. Ethel Bolton, helpless and dependent daughter of Charles W. Bolton, late of Company I, Ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Helen Calvert, helpless and dependent daughter of Washington Calvert, late of Company F, Sixty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Mark Gilliam, late unassigned, One hundred and ninety-eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Caroline Hazen, widow of Horace D. Hazen, late of Company D, Fifth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of Mary J. Belt, widow of John C. Belt, late of Company I, Twelfth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Amanda L. Hill, widow of James M. Hill, late of Company K, One hundred and fifteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Esther A. Deyo, former widow of Charles G. Deyo, late of Company G, Ninth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$50 per month.

The name of Jessie Parsons, widow of David Parsons, late of Fourteenth Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of \$30 per month.

The name of Emma A. Kline, widow of Martin Kline, late of Company C, Fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Theodore S. Steffy, late of Company B, Permanent Party, Tod Barracks, Ohio, and unassigned, Thirty-second Regiment,

Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Elizabeth Tice, widow of Myron C. Tice, late of Company M, First Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Addie Peck, widow of John H. Peck, late of Company D, One hundred and fifth Regiment, and Company H, Ninety-fourth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Georgianna M. Burroughs, widow of Joseph F. M. Burroughs, late of Company H, One hundred and sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Melissa S. Omans, widow of George Omans, late unassigned recruit, United States Army, and Companies B and D, Eleventh Regiment New York Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Isabella L. Williamson, widow of Joseph Williamson, late of Company E, First Regiment Tennessee Volunteer Light Artillery, and pay her a pension at the rate of \$30 per month.

The name of Emma Wilson, widow of Robert C. Wilson, late of Company H, Eleventh Regiment, and Company K, Twelfth Regiment, Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Josinah Brinson, widow of Anthony Brinson, late of Captain Bassett's Independent company, and unassigned, Thirtieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of John F. Brinson, helpless and dependent son of said Josinah and Anthony Brinson, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Josinah Brinson the name of said John F. Brinson shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Josinah Brinson.

The name of Asa Daniel, late of Company A, One hundred and ninety-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Martha L. Harris, former widow of Charles S. Harris, late of Company B, Fourteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rachel E. Kerby, widow of Samuel D. Kerby, late of Company D, Seventeenth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Charles M. Cornelius, helpless and dependent son of George W. Cornelius, late of Company A, One hundred and twenty-sixth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Linda Bentley, widow of Jacob C. Bentley, late of Company A, Tenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Harriett L. Sheets, widow of Benjamin F. Sheets, late of Company K, First Regiment Northeast Cavalry, Missouri Home Guards, and pay her a pension at the rate of \$30 per month.

The name of Belle Torrence, widow of Finton G. Torrence, late of Company A, First Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Louisa Fields, widow of Henry Fields, late of Company D, Nineteenth Regiment, and Company A, Seventh Regiment, Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Elenor J. Valen, widow of Joseph A. Valen, late of Company D, One hundred and eighteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Rosy J. Barnes, helpless and dependent daughter of Calvin Barnes, late of Company I, One hundred and forty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Sarah A. Brown, widow of Peter Brown, late of Company K, One hundred and forty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Seneca Beamon, widow of Austin C. Beamon, late of Company D, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah C. Canan, widow of William H. Canan, late of Company G, Forty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Virginia V. Deyo, widow of Nelson J. Deyo, late of Company C, One hundred and ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mattie A. Tansil, widow of Zebeland G. Tansil, late of Company K, Second Regiment Tennessee Volunteer Mounted Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary J. Steele, widow of John H. Steele, late of Company G, Fifty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary S. Bisco, widow of Hiram R. Bisco, late of Company F, Sixtieth Regiment Massachusetts Volunteer Militia Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah F. Murdock, widow of William H. Murdock, late of Twelfth Independent Battery, Massachusetts Volunteer Light Artillery, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary E. Buckley, widow of William W. Buckley, late of Company D, First Regiment Rhode Island Volunteer Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Ida M. Pierson, widow of Frank W. Pierson, late of Company D, Twentieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Edith Bonter, helpless and dependent daughter of Cornelius Bonter, late of Company B, First Regiment Michigan Volunteer Light Artillery, and pay her a pension at the rate of \$20 per month.

The name of Louis Weiss, late of Company G, Twenty-fourth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$50 per month, through duly appointed guardian.

The name of Ella Clark Shoecraft, widow of Ross P. Shoecraft, late of Company A, Thirteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sarah Lighthart, widow of Lewis Lighthart, late of Fourth Battery, Wisconsin Volunteer Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary Garbo, widow of George Garbo, late of Company D, Second Battalion, Sixteenth (subsequently Twenty-fifth) Regiment United States Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Martha Flener, helpless and dependent daughter of Napoleon Flener, late of Company C, Eleventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Ava Pinkerton, widow of Nicholas J. Pinkerton, late of Company I, Fifth Regiment Tennessee Volunteer Mounted Infantry, and pay her a pension at the rate of \$30 per month.

The name of Hannah M. Atha, widow of William P. Atha, late of Independent Battery, Ohio Volunteer Light Artillery, and pay her a pension at the rate of \$30 per month.

The name of Esther E. Green, widow of Oliver H. Green, late of Company D, Twenty-first Regiment New York Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary Koch, helpless and dependent daughter of Henry Koch, late of Company A, Third Regiment Missouri Volunteer Infantry, and Company E, Seventeenth Regiment Veteran Volunteer Reserve Corps, and pay her a pension at the rate of \$20 per month.

The name of Carrie S. Pierce, widow of Henry H. Pierce, late of Company H, Eighth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary J. Robbins, widow of Alexander Robbins, late of Company B, Sixteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Martha A. Worden, widow of Arnold J. Worden, late of Company F, Sixteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$30 per month.

The name of James W. Beckwith, late of Company I, Seventy-ninth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of \$30 per month.

The name of Carrie Wolbert, widow of William R. Wolbert, late of First Battery, Minnesota Volunteer Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Annie M. Hartzell, widow of Jonas M. Hartzell, late of Company I, One hundred and ninety-third Regiment, and Company D, Sixty-third Regiment, Pennsylvania Volunteer Infantry, and Company E, Eighth Regiment United States Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rachel Hagan, widow of Lawrence Hagan, late of Company G, Twentieth Regiment Kentucky Volunteer Infantry, and Company D, Sixth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Ada L. Kinsey, widow of William B. Kinsey, late lieutenant colonel One hundred and sixty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Jennie G. Bourne, helpless and dependent daughter of Benjamin Tolman, late of Twentieth Company, unattached, Massachusetts Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Eliza J. Terry, widow of Oliver C. Terry, late of Company H, First Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Elizabeth T. Cousens, widow of William G. Cousens, late of Company F, Twenty-seventh Regiment Maine Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Isabel Sandlin, widow of Hurliah Sandlin, late of Company I, Fourth Regiment Kentucky Volunteer Mounted Infantry, and Company I, Eighth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Elenore C. Akers, former widow of Wilbur F. Goheen, late of Company C, One hundred and seventeenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary J. Brown, widow of William Brown, late of Company M, Second Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Della E. Hudson, widow of Richard W. Hudson, late of Company K, Third Regiment Pennsylvania Volunteer Provisional Cavalry, and pay her a pension at the rate of \$42 per month: *Provided*, That upon the attainment of the age of 16 years by, or in the event of the death prior to the attainment of the age of 16 years of, Roy G. Hudson, minor child of the said Della E. and Richard W. Hudson, \$12 per month of the pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Della E. Hudson, before the attainment of the age of 16 years by Roy G. Hudson, the name of said Roy G. Hudson shall be placed on the pension roll at the rate of \$12 per month from and after the date of death of said Della E. Hudson until he attains the age of 16 years. And to drop from the pension roll, from the date of the signature of this act by the President, the name of Roy G. Hudson, now pensioned at the rate of \$12 per month.

The name of Mabel Ortiz, helpless and dependent daughter of David Ortiz, late of Company E, Fifth Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of \$20 per month.

The name of Emily Stewart, former widow of William Stewart, late of Company I, Thirty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Adelia Chill, widow of Zebulon Chill, late of Company F, Tenth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Virginia J. Sawrey, widow of John E. Sawrey, late of Company D, One hundred and fifty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Anna C. Walquist, helpless and dependent daughter of John S., alias Jonas, Walquist, late of Company K, Ninety-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Julia Metzger, widow of William D. Metzger, late of Company E, Seventy-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rachel E. Diehl, widow of Milton Diehl, late of Company G, Twenty-fifth Regiment Indiana Volunteer Infantry, and Company H, Thirty-second Regiment, and Company H, Twenty-first Regiment, United States Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Rachel Slaten, widow of Henry L. Slaten, late of Company C, Sixty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Angeline Lacey, widow of Thomas J. Lacey, late of Company F, Nineteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Eliza F. Andrews, widow of William O. Andrews, late first-class boy, United States ship, Stars and Stripes, United States Navy, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Elizabeth Starr, widow of William Starr, late of Company F, Seventh Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Nancy A. King, widow of William King, late of Company D, Thirtieth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Angie H. Skinner, widow of Andrew A. Skinner, late unassigned, Twenty-eighth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sarah J. Hiatt, widow of Jesse M. Hiatt, late of Company D, One hundred and forty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Priscilla Metcalf, widow of William M. Metcalf, late of Company H, Twenty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Anna C. White, widow of Thornton F. White, late acting assistant surgeon, United States Army, and pay her a pension at the rate of \$30 per month in lieu of that she is now receiving.

The name of Gertrude A. Robinson, former widow of Carl Rantzau, known as Charles H. Grantson, late of Companies E and B, Thirtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Maria L. Westgate, widow of William Westgate, late of Company F, Eleventh Regiment Rhode Island Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Abram Jones, late of Companies A and C, Sixth Regiment Kansas Volunteer Cavalry, and pay him a pension at the rate of \$50 per month.

The name of William Karch, late of Company D, Fifty-seventh Regiment, and Company K, Tenth Regiment, Indiana Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Jesse Wilcox, helpless and dependent son of Josiah Wilcox, late of Company K, Forty-eighth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Freeman A. Burris, helpless and dependent son of Rufus Burris, late of Company F, Seventy-first Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Elizabeth Shaw, widow of William Shaw, late of Company B, Eleventh Regiment Missouri Volunteer State Militia Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Ruben Riley, helpless and dependent son of Smith Riley, late of Company E, One hundred and forty-eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving, through duly appointed guardian.

The name of Margaret J. Essex, widow of Martin Essex, late of Company K, Seventy-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Lizzie C. Masters, helpless and dependent daughter of Isaac W. Masters, late of Company K, Sixty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Hulda J. Gilmore, widow of Charles W. Gilmore, late of Company D, Ninth Regiment United States Colored Volunteer Heavy Artillery, and Company E, One hundredth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving, through duly appointed guardian.

The name of Cynthia R. Hess, widow of John C. Hess, late of Company D, One hundred and thirty-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Agnes Hess, helpless and dependent daughter of said Cynthia R. and John C. Hess, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Cynthia R. Hess the name of said Agnes Hess shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Cynthia R. Hess.

The name of Charlotte E. Rockhold, widow of Edward G. Rockhold, late of Company E, One hundred and thirty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Ann K. Kindred, widow of Thomas J. Kindred, late of Company K, Ninety-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Cora E. LaPage, widow of Joseph LaPage, late of Company H, Ninth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Sophia Hubbard, widow of William McK. Hubbard, late of Company C, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Ella E. Johnson, widow of Matthew Johnson, late of Company G, Sixtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Mary E. Grayson, helpless and dependent daughter of Thomas M. Grayson, late of Company E, Sixth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Belle Bair, widow of William T. Bair, late of Company B, One hundred and third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah A. Smith, widow of William D. Smith, late of Company I, One hundred and seventeenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Rachel M. Goin, former widow of William B. McDaniel, late of Battery C, First Battalion Tennessee Volunteer Light Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Allie Powell, helpless and dependent daughter of William Powell, late of Company A, One hundred and forty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of George M. Howe, late of Company D, One hundred and fifty-fifth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Nettie M. Howe, widow of Charles M. Howe, late of Company C, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Alice Howe, helpless and dependent daughter of said Nettie M. and Charles M. Howe, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Nettie M. Howe the name of said Alice Howe shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Nettie M. Howe, through duly appointed guardian.

The name of Laura I. Brown, widow of Edward Brown, late of Company I, One hundred and eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Emilia Rueppel, helpless and dependent daughter of Charles C. Rueppel, late of Company D Fourth Regiment United States Reserve Corps, Missouri Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Zippora B. Sowards, widow of Archibald Sowards, late of Company I, Second Regiment United States Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Lottie Fralley, widow of William Fralley, late of Company D, Forty-eighth Regiment, and Company E, Twenty-sixth Regiment, Kentucky Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of John W. Fralley, helpless and dependent son of said Lottie and William Fralley, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Lottie Fralley the name of said John W. Fralley shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Lottie Fralley.

The name of Sarah Palmer, widow of Erastus Palmer late of Company L, Sixteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Laura Birkhimer, helpless and dependent daughter of Charles Birkhimer, late of Company K, Thirteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$20 per month.

The name of Maude Monrean, helpless and dependent daughter of Michael Monrean, late of Company B, Forty-sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Jane L. Wagner, widow of James H. Wagner, late of Company A, Fifty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Mary Wagner, helpless and dependent daughter of said Jane L. and James H. Wagner, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Jane L. Wagner the name of said Mary Wagner shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Jane L. Wagner, through duly appointed guardian.

The name of Mary A. Huffman, widow of Tyler Huffman, late of Company C, Twenty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary A. Sims, widow of Alemuel Sims, late of Company C, Fifty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Margaret E. Zeek, widow of John Zeek, late of Company E, Fifty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Amanda Kline, widow of William Kline, late of Company A, Eighty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Catherine Hogan, widow of Patrick Hogan, late of Company G, Twenty-fifth Regiment Missouri Volunteer Infantry, and Companies L and E, First Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Thomas Casey, alias Thomas Clancy, late of Company C, Second Regiment Vermont Volunteer Infantry, and Company G, First Regiment Vermont Volunteer Cavalry, and pay him a pension at the rate of \$50 per month.

The name of Malissa A. Bostwick, widow of Joseph L. Bostwick, late of Company L, Ninth Regiment New York Volunteer Light Artillery, and Company M, Second Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Jessie Johnson, helpless and dependent son of Albert J. Johnson, late of Company I, Fourth Regiment, and Company B, Sixth Regiment, Iowa Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of James McCullough, alias James Smith, late of Company K, Twenty-first Regiment Missouri Volunteer Infantry, and Company E, One hundred and fifty-sixth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Lottie Kyle, widow of Irvin M. Kyle, late of Company C, One hundred and seventy-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Margaret Corr, helpless and dependent daughter of Philip Corr, late unassigned, Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Sarah Burch, former widow of Francis M. Crouch, late of Company K, Fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Edna M. Johnson, helpless and dependent daughter of John B. Johnson, late of Company E, First Regiment Vermont Volunteer Heavy Artillery, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Hannah W. Manning, widow of Cornelius E. Manning, late quartermaster, United States ship *Acacia*, United States Navy, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Mary Marley, helpless and dependent daughter of John Marley, late of Company D, Eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Edith M. Ball, helpless and dependent daughter of Charles E. Ball, late of Company G, Ninety-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Emma Page, widow of Alonzo J. Page, late of Company E, One hundred and sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Catharine Hayden, widow of James B. Hayden, late of Company I, Eighty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Hoyt Hayden, helpless and dependent son of said Catharine and James B. Hayden, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Catharine Hayden the name of said Hoyt Hayden shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of \$20 per month from and after the date of death of said Catharine Hayden.

The name of Etta E. Divine, helpless and dependent daughter of Joshua Divine, late of Company C, Sixty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Lucretia Bernard, widow of Lemuel Bernard, late third assistant engineer, United States Navy, and pay her a pension at the rate of \$30 per month.

The name of Herman E. F. Schroer, helpless and dependent son of Stephen H., alias Henry, Schroer, late of Company E, One hundred and sixty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Julia E. Hammond, helpless and dependent daughter of Israel B. Hammond, late of Company I, Twenty-eighth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Elizabeth Palmer, helpless and dependent daughter of John Palmer, late of Company D, Seventeenth Regiment, and Company H, One hundred and fifty-first Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Arthur R. Blakeslee, helpless and dependent son of Henry M. Blakeslee, late of Company I, Sixth Regiment Connecticut Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Lucy Stevens Wilson, former widow of William Stevens, late of Company M, Fourteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Barbara Beaver, widow of John Beaver, late of Company E, Forty-eighth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Mary Burdick, widow of Lewis B. Burdick, late of Company K, One hundredth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Nancy J. O'Connor, widow of John O'Connor, late of Company B, Twenty-third Regiment Illinois Volunteer Infantry, and Company F, Twenty-seventh Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of James H. Arnold, helpless and dependent son of Alexander Arnold, late of Company B, Sixth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Lilly Hudson, helpless and dependent daughter of John Hudson, late of Company F, One hundred and ninety-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$20 per month, through duly appointed guardian.

The name of Luther L. Sloan, helpless and dependent son of William H. Sloan, late of Company E, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Mary A. Shook, widow of Lytle J. Shook, late of Company C, One hundred and fifty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Margaret E. Dotson, widow of William Dotson, late of Companies B and K, First Regiment Missouri Volunteer Engineers, and pay her a pension at the rate of \$30 per month.

The name of Salina A. Julius, widow of Aaron Julius, late of Company D, One hundred and fifty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Nellie L. Atkins, helpless and dependent daughter of John A. Atkins, late of Company I, One hundred and fifty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Anna D. Arrowsmith, widow of Albert Arrowsmith, late of Company H, Eighty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Nellie A. Farley, helpless and dependent daughter of John Farley, late of Company G, One hundred and forty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Elizabeth Fry, helpless and dependent daughter of John Fry, late of Company C, One hundred and fifty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$20 per month.

The name of Thomas C. Jones, late of Company F, Eleventh Regiment Maine Volunteer Infantry, and pay him a pension at the rate of \$50 per month.

The name of Adaline Donaldson, widow of Thomas Donaldson, late of Company B, First Regiment Potomac Home Brigade Maryland Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of David Graff, helpless and dependent son of Oliver Graff, late of Company D, Eleventh Regiment New York Volunteer Cavalry, and pay him a pension at the rate of \$20 per month, through duly appointed guardian.

The name of William B. Williams, helpless and dependent son of Cincinnati B. Williams, late of Company D, Seventy-fifth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Elida G. Cusick, helpless and dependent daughter of Hiram A. Cusick, late of Company E, Twenty-second Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Margaret Wellman, widow of Elisha F. Wellman, late of Company G, Fourteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Kate Bantz, widow of William A. Bantz, late of Company B, Seventh Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Margaret Devlin, widow of William Devlin, late of Company D, Ninety-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Leona M. Ferguson, helpless and dependent daughter of Robert Ferguson, late of Company I, Ninth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Francis M. Lucas, helpless and dependent son of Reason Lucas, late of Company C, One hundred and twenty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of \$20 per month.

The name of Laura A. Hurd, widow of Elias Hurd, late of Company B, Second Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Lewina Hoffer, widow of John Hoffer, late of Company C, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Augusta A. Fiske, former widow of Calvin D. Johnson, late of Company D, Fifteenth Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah Adams, widow of Edwin H. Adams, alias Francis P. Wyse, late seaman, United States ship *Minnesota*, United States Navy, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Sarah M. Hopkins, widow of Thomas J. Hopkins, late of Company M, Eleventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Augusta Lambert, helpless and dependent daughter of Andrew Lambert, late of Company A, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Sarah Irene Brown, former widow of John McClelland, late of Company A, Fiftieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

The name of Emma Tomlinson, former widow of Peter Cummings, late of Battery A, Pennsylvania Reserve Volunteer Light Artillery, and Company D, Eleventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of \$30 per month.

The name of Alice F. Parrigin, widow of Joseph Parrigin, late of Company F, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Lydia Bedortha, widow of Burrett S. Bedortha, late of Company E, First Regiment Ohio Volunteer Light Artillery, and pay her a pension at the rate of \$30 per month.

The name of Mary L. Cory, widow of Uzal E. Cory, late of Company C, One hundred and thirty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of Matilda D. Bell, widow of Mordecai Bell, late of One hundred and fifty-sixth Company, Second Battalion Veteran Reserve Corps, and Company A, Eighteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$30 per month.

This bill is a substitute for the following House bills referred to the Committee on Invalid Pensions:

H. R. 1839. Nancy J. Crum. H. R. 9151. Mathew H. Udell, alias William H. Clark.

H. R. 2032. Kate M. King. H. R. 9166. Josefa Martinez.

H. R. 3354. Eliza Burns. H. R. 9176. Orilla S. Spicer.

H. R. 4439. Cynthia Luttrell. H. R. 9178. Anna E. Hughes.

H. R. 4724. Ella Brodick. H. R. 9225. Catherine Strauser.

H. R. 5454. Marion D. Sweet. H. R. 9377. Elizabeth House.

H. R. 5611. William H. Linnabarry. H. R. 9484. Nellie A. Hope.

H. R. 5664. Rosamond C. Dailey. H. R. 9532. Bessie B. Celley.

H. R. 5861. Josephine Walker. H. R. 9564. Anna R. N. Beach.

H. R. 5863. Jane N. Ashley. H. R. 9917. Susan A. Wilsey.

H. R. 5920. Mary Barnett. H. R. 9926. Merico E. Fox.

H. R. 6096. Amanda Fuller. H. R. 9948. Rosalla M. Burroughs.

H. R. 6137. Drusilla Luce. H. R. 10035. Jacob Staley.

H. R. 6631. Martin L. Stokesberry. H. R. 10048. Annie Brewer.

H. R. 7042. Tennie Helm. H. R. 10128. Amelia Mathena.

H. R. 7117. Rosie Lambert. H. R. 10191. Anna P. McCrosky.

H. R. 7291. Mary C. Reeves. H. R. 10233. Mary M. Lewis.

H. R. 7321. Robert Wiley. H. R. 10317. Gregory Bird.

H. R. 7960. Anna B. Hurd. H. R. 10362. Theresa A. Hunter.

H. R. 8224. Kate L. Littlepage. H. R. 10484. Effie Edwards.

H. R. 8234. Christopher C. Pratt. H. R. 10510. Clara A. McCarty.

H. R. 8635. Jeannette Goslin. H. R. 10680. Annie Ackerman.

H. R. 8686. Alwilda E. Williamson. H. R. 10686. Elizabeth Sizemore.

H. R. 8754. Emma Stites. H. R. 10709. Jane Dyer.

H. R. 8800. Lucy S. Faser. H. R. 10793. Syntha Black.

H. R. 8866. Nancy A. Felton. H. R. 10810. Mary J. Lake.

H. R. 9040. Samuel C. Shattler. H. R. 10832. Bridget Stapleton.

H. R. 9116. Mary Roland.

H. R. 10855. Genoa H. Scholz.
H. R. 10856. Robert M. Mann.
H. R. 10884. Anna M. Billet.
H. R. 10922. Polly Nelson.
H. R. 10930. Minnie Hosier.
H. R. 10935. Emma J. Philhower.
H. R. 10959. Sarah J. Doll.
H. R. 10963. Harriett E. Kilgore.
H. R. 10991. Mary C. Woodward.
H. R. 11092. Margaret A. Addington.

H. R. 11096. Catharine Hand.
H. R. 11148. William H. Turnbull.
H. R. 11157. Amelia M. Huntington.
H. R. 11261. Elsie M. Pool.
H. R. 11266. Mary Holmes.
H. R. 11290. Almira L. Boutelle.
H. R. 11293. Elmira Pariseaux.
H. R. 11316. Frances Conner.
H. R. 11318. Narcissus Butler.
H. R. 11325. Margaret Kirkpatrick.
H. R. 11334. Sarah Anderson.
H. R. 11377. Harriet Boyer.
H. R. 11383. Jennie A. Robinson.
H. R. 11386. Martha R. Potts.
H. R. 11425. Susan A. Sims.
H. R. 11426. Mary E. Griffith.
H. R. 11437. Olive A. Bosworth.
H. R. 11442. Sophia Wilson.
H. R. 11457. Laura Morris.
H. R. 11482. Harriet E. Waterman.
H. R. 11483. Mary E. Davis.
H. R. 11484. Elizabeth Sterling.
H. R. 11495. Laura C. Wible.
H. R. 11496. Ezra Pokett.
H. R. 11501. Reese Tunks.
H. R. 11502. Emma C. Weinhold.
H. R. 11525. Emma W. Mitchell.
H. R. 11535. Mary E. O'Reilly.
H. R. 11541. Josephine Campbell.
H. R. 11542. Margaret F. Roach.
H. R. 11551. Mary A. Mallory.
H. R. 11556. Maria C. Faloon.
H. R. 11557. Sarah A. Gill.
H. R. 11558. Alice A. Mangum.
H. R. 11575. Luraney R. Standley.
H. R. 11576. Jennie J. Dickey.
H. R. 11582. Richard M. Johnson.
H. R. 11585. Ella Day.
H. R. 11587. Josephine C. Long.
H. R. 11594. George W. Morgan.
H. R. 11597. Annie H. Sines.
H. R. 11601. Elizabeth Sutton.
H. R. 11602. Parthine Curtis.
H. R. 11611. Elmira Bauer.
H. R. 11614. Annie Rhee.
H. R. 11632. Angie Scanks.
H. R. 11641. Mary E. McGill.
H. R. 11642. Susan S. Boyd.
H. R. 11643. Elizabeth Fenner.
H. R. 11651. Annie E. Thompson.
H. R. 11662. David Housel.
H. R. 11663. Henry C. Williams.
H. R. 11664. Sylvester Haus.
H. R. 11666. Henry C. Bagley.
H. R. 11670. Frances Laport.
H. R. 11671. Margaret A. Bryant.
H. R. 11679. M. Lovina Porter.
H. R. 11680. Azubath Srofe.
H. R. 11683. Nancy Veatch.
H. R. 11689. Sarah B. Jewett.
H. R. 11690. Eliza J. Creighton.
H. R. 11700. Sarah J. Warren.
H. R. 11709. Sarah J. Hellman.
H. R. 11711. Mary E. Hart.
H. R. 11713. Alice Hadsell.
H. R. 11714. Francis M. Meadows.
H. R. 11718. Clara S. Shuler.
H. R. 11719. Ann Starkey.
H. R. 11720. Anna M. Miller.
H. R. 11725. Sallie Laswell.
H. R. 11728. Louis VanDyke Rouseau.

H. R. 11852. Susan R. Vittioe.
H. R. 11854. Hannah E. Cahay.
H. R. 11860. Tabitha E. Isbell.
H. R. 11861. Catherine Crow.
H. R. 11875. Alice L. Byers.
H. R. 11882. Sarah Harris.
H. R. 11891. Ella H. Candy.
H. R. 11892. Laura M. A. Jones.
H. R. 11898. Caroline W. Kinsloe.
H. R. 11899. Sylvester Condon.
H. R. 11910. Joseph D. Thompson.
H. R. 11913. Lucy A. Parker.
H. R. 11914. Sarah J. Pettit.
H. R. 11916. Hannah Seward.
H. R. 11917. Elizabeth Jones.
H. R. 11918. Celesta Lamm.
H. R. 11925. Mary L. Dill.
H. R. 11935. Penina A. Wright.
H. R. 11937. William G. McElhane.

H. R. 11945. Orilla J. Hainline.
H. R. 11948. James N. Parker.
H. R. 11949. Mary E. Todd.
H. R. 11953. Mary A. Powell.
H. R. 11960. Margaret Newell.
H. R. 11961. Mary C. McCabe.
H. R. 11973. Caroline Candus Criswell.
H. R. 11974. Emma A. Carl.
H. R. 11977. Frances S. Gooding.
H. R. 11978. Martha Kailey.
H. R. 11979. Elsie V. Reinhart.
H. R. 11981. Adelaide Thacker.
H. R. 11982. S. Harriet Morris.
H. R. 11994. Malvira Cost.
H. R. 11995. Lavinia A. Griswold.
H. R. 11997. Rosamond Barker.
H. R. 11998. Julia I. Stuart.
H. R. 11999. Ardella M. Farnsworth.

H. R. 12001. Mary A. S. Campbell.
H. R. 12002. Elizabeth Stinson.
H. R. 12004. Margaret D. Wise.
H. R. 12005. Melissa D. Ellis.
H. R. 12010. Sarah A. Radell.
H. R. 12026. Alexander Surrall.
H. R. 12027. Mary E. Logan.
H. R. 12028. Elizabeth J. Thorn.
H. R. 12038. Abigail J. Gardner.
H. R. 12043. Mary Jewett.
H. R. 12049. Susan L. Shew.
H. R. 12056. Casper Runz.
H. R. 12057. Emily J. Thompson.
H. R. 12058. Alice J. Stoddard.
H. R. 12064. Carrie M. Flandreau.
H. R. 12076. Maria A. King.
H. R. 12078. Augusta Seubert.
H. R. 12079. Mary J. Marshall.
H. R. 12080. Nancy J. Lane.
H. R. 12085. Price Eveline Cook.
H. R. 12089. Martha A. Shirley.
H. R. 12095. Mary A. Shoemaker.
H. R. 12096. Mary E. Veith.
H. R. 12102. Catharine McQuade.
H. R. 12108. Ella S. Robison.
H. R. 12109. Frances A. Harris.
H. R. 12111. Emeline Rader.
H. R. 12112. Candace A. Kain.
H. R. 12113. Mary E. Pinkley.
H. R. 12114. Charles F. Ogden.
H. R. 12116. Geneva Beha.
H. R. 12118. Mahala E. Broadbent.
H. R. 12128. Mary Mason.
H. R. 12130. Harriet A. Bishop.
H. R. 12131. Addie J. Green.
H. R. 12133. Rebecca J. Dunn.
H. R. 12135. Angie O. Allen.
H. R. 12136. Minerva J. Gardner.
H. R. 12139. Adaline Walker.
H. R. 12147. Fannie F. Kennedy.
H. R. 12150. Mary Powell.
H. R. 12164. Cora Campbell.
H. R. 12168. Rachel M. Baxter.
H. R. 12178. Sarah Ervin.
H. R. 12179. Mary I. Hidy.
H. R. 12180. Lizzie B. Shriner.
H. R. 12183. Melvina Glidden.
H. R. 12184. Sarah E. Young.
H. R. 12185. Cynthia Earnest.
H. R. 12194. Hannah M. Earhart.
H. R. 12198. Louisa Logan.
H. R. 12201. Edward Barr.
H. R. 12203. Etta Vanzant.
H. R. 12204. Amanda Baird.
H. R. 12215. Unity P. Spencer.
H. R. 12217. Sarah J. White.
H. R. 12219. Mary E. Clifford.
H. R. 12245. Dora Coffman.
H. R. 12251. John Wait.
H. R. 12256. Mary M. Kelly.
H. R. 12258. Mina Riley.
H. R. 12260. Florence C. Clark.
H. R. 12262. Libbie M. Ryan.
H. R. 12273. Emma Taylor.
H. R. 12280. Lucinda M. Fuller.
H. R. 12282. Ada G. Sherwood.
H. R. 12283. Julia Adams.
H. R. 12285. Eliza Hill.
H. R. 12286. Margaret A. Medley.
H. R. 12287. Julia B. Cole.
H. R. 12289. Hulda A. E. Dutton.
H. R. 12290. Mary B. Elliott.
H. R. 12295. Mary A. Morris.
H. R. 12296. Sarah F. Champlin.

H. R. 11727. Nancy E. Adams.
H. R. 11736. Lucretia Coffman.
H. R. 11737. Mary P. Davis.
H. R. 11741. Margaret Davis.
H. R. 11742. Della Loveless.
H. R. 11743. John Usner.
H. R. 11745. Anna B. Jackson.
H. R. 11749. Elizabeth Sowers.
H. R. 11752. Eliza C. Maher.
H. R. 11753. Huldah E. Hall.
H. R. 11754. Permelia McDonald.
H. R. 11755. Amanda W. Jordan.
H. R. 11757. Alice Loree.
H. R. 11761. Mary E. Sutton.
H. R. 11770. Frances Jackson.
H. R. 11777. Eliza J. Hall.
H. R. 11784. Eugene Kee.
H. R. 11786. George W. Briggs.
H. R. 11796. Mary L. Cornell.
H. R. 11805. Robert King.
H. R. 11813. Rachel A. Kendall.
H. R. 11819. Catharine M. Painter.
H. R. 11820. Annie M. France.
H. R. 11821. Dolly P. Beckner.
H. R. 11837. Mary J. Lawson.
H. R. 11838. Barbara E. Rhea.
H. R. 11841. Mary J. Martin.
H. R. 11845. Nancy F. Ralston.
H. R. 11849. Susan Kiley.
H. R. 11851. Martha E. Leach.

H. R. 12297. Lucy M. Raymond.
H. R. 12298. Elizabeth J. Wright.
H. R. 12299. Clarence Fly.
H. R. 12300. Francis S. Haynes.
H. R. 12301. Mary Underwood.
H. R. 12302. Nancy E. Alward.
H. R. 12303. Emily French.
H. R. 12304. Mary A. Ramsey.
H. R. 12305. Emma V. Wilkerson.
H. R. 12307. Sarah A. Blevins.
H. R. 12308. Margaret E. Myers.
H. R. 12309. Mary Reiley.
H. R. 12310. Sarah E. Leavitt.
H. R. 12312. Mary E. Higley.
H. R. 12314. Sarah A. Atherton.
H. R. 12322. Anna R. McAdams.
H. R. 12326. Eliza A. Salomon.
H. R. 12327. Lina J. Harcourt.
H. R. 12328. Cynthia M. Bowles.
H. R. 12333. Louisa Gilmore, now
Louisa Smith.
H. R. 12335. Kate M. Henry.
H. R. 12336. Alice Darr.
H. R. 12338. Sophronia O. Hubble.
H. R. 12339. Catherine Foster.
H. R. 12342. Kate E. Clear.
H. R. 12347. Lavenia A. Collett.
H. R. 12353. Arminia Russell.
H. R. 12358. Georgia A. Scarbrough.
H. R. 12359. Hester E. Aldrich.
H. R. 12361. Florence S. Bradbury.
H. R. 12364. Charity I. Haskell.
H. R. 12366. Jennie E. Nelson.
H. R. 12373. Sarah Dobner.
H. R. 12375. Clara E. Brass.
H. R. 12380. John Keller.
H. R. 12388. Susan Clark.
H. R. 12394. Helen Calvert.
H. R. 12400. Mark Gilliam.
H. R. 12404. Caroline Hazen.
H. R. 12405. Mary J. Belt.
H. R. 12419. Amanda L. Hill.
H. R. 12423. Esther A. Deyo.
H. R. 12428. Jessie Parsons.
H. R. 12429. Emma A. Kline.
H. R. 12430. Theodore S. Steffy.
H. R. 12433. Elizabeth Tice.
H. R. 12434. Addie Peck.
H. R. 12438. Georgianna M. Byn-
roughs.
H. R. 12439. Melissa S. Omans.
H. R. 12442. Isabella L. Williamson.
H. R. 12450. Emma Wilson.
H. R. 12462. Josinah Brinson.
H. R. 12463. Asa Daniel.
H. R. 12476. Martha L. Harris.
H. R. 12483. Rachel E. Kerby.
H. R. 12484. Charles M. Cornelius.
H. R. 12499. Lindia Bentley.
H. R. 12500. Harriett L. Sheets.
H. R. 12501. Belle-Torrence.
H. R. 12503. Louisa Fields.
H. R. 12507. Elenor J. Valen.
H. R. 12518. Rosy J. Barnes.
H. R. 12519. Sarah A. Brown.
H. R. 12520. Seneca Beamon.
H. R. 12521. Sarah C. Canan.
H. R. 12522. Virginia V. Deyo.
H. R. 12530. Mattie A. Tansil.
H. R. 12535. Mary J. Steele.
H. R. 12541. Mary S. Bisco.
H. R. 12546. Sarah F. Muddock.
H. R. 12547. Mary E. Buckley.
H. R. 12551. Ida M. Pierson.
H. R. 12552. Edith Bonter.
H. R. 12554. Louis Weiss.
H. R. 12565. Ella Clark Shoecraft.
H. R. 12571. Sarah Lighthart.
H. R. 12573. Mary Garno.
H. R. 12575. Martha Flenor.
H. R. 12583. Ava Pinkerton.
H. R. 12585. Hannah M. Altha.
H. R. 12619. Esther E. Green.
H. R. 12630. Mary Koch.
H. R. 12633. Carrie S. Pierce.
H. R. 12634. Mary J. Robbins.
H. R. 12635. Martha A. Worden.
H. R. 12637. James W. Beckwith.
H. R. 12642. Carrie Wolbert.
H. R. 12645. Annie M. Hartzell.
H. R. 12653. Rachel Hagan.
H. R. 12654. Ada L. Kinsey.
H. R. 12655. Jennie G. Bourne.
H. R. 12664. Eliza J. Terry.
H. R. 12665. Elizabeth T. Cousens.
H. R. 12673. Isabel Sandlin.
H. R. 12678. Elenore C. Akers.
H. R. 12679. Mary J. Brown.
H. R. 12687. Della E. Hudson.
H. R. 12698. Mabel Ortiz.
H. R. 12709. Emily Stewart.
H. R. 12710. Adelia Chilli.
H. R. 12714. Virginia J. Sawrey.
H. R. 12722. Anna C. Walquist.
H. R. 12724. Julia Metzger.
H. R. 12771. Rachel E. Diehl.
H. R. 12772. Rachel Slaten.
H. R. 12773. Angeline Lacey.
H. R. 12775. Eliza F. Andrews.
H. R. 12784. Elizabeth Starr.
H. R. 12785. Nancy A. King.
H. R. 12787. Angie H. Skinner.
H. R. 12803. Sarah J. Hiatt.
H. R. 12812. Priscilla Metcalf.
H. R. 12813. Anna C. White.
H. R. 12833. Gertrude A. Robinson.
H. R. 12838. Maria L. Westgate.
H. R. 12843. Abram Jones.
H. R. 12845. William Karch.
H. R. 12852. Jesse Wilcox.
H. R. 12855. Freeman A. Burris.
H. R. 12867. Elizabeth Shaw.
H. R. 12871. Ruben Riley.
H. R. 12880. Margaret J. Essex.
H. R. 12888. Lizzie C. Masters.
H. R. 12901. Hulda J. Gilmore.
H. R. 12902. Cynthia R. Hess.
H. R. 12908. Charlottette E. Rockhold.
H. R. 12909. Ann K. Kindred.
H. R. 12914. Cora E. LaPage.
H. R. 12940. Sophie Hubbard.
H. R. 12942. Ella E. Johnson.
H. R. 12978. Mary E. Grayson.
H. R. 12989. Belle Blair.
H. R. 12993. Sarah A. Smith.
H. R. 12995. Rachel M. Goin.
H. R. 13008. Allie Powell.
H. R. 13018. George M. Howe.
H. R. 13027. Nettie M. Howe.
H. R. 13035. Laura I. Brown.
H. R. 13036. Emma Rueppel.
H. R. 13037. Zippora B. Sowards.
H. R. 13042. Lottie Fralley.
H. R. 13050. Sarah Palmer.
H. R. 13057. Laura Birkhimer.
H. R. 13062. Maude Monrean.
H. R. 13082. Jane L. Wagner.
H. R. 13083. Mary A. Huffman.
H. R. 13086. Mary A. Sims.
H. R. 13088. Margaret E. Zeek.
H. R. 13090. Amanda Kline.
H. R. 13098. Catherine Hogan.
H. R. 13101. Thomas Casey, alias
Thomas Clancy.
H. R. 13106. Malissa A. Bostick.
H. R. 13109. Jessie Johnson.
H. R. 13117. James McCullough,
alias James Smith.
H. R. 13168. Lottie Kyle.
H. R. 13172. Margaret Corr.
H. R. 13206. Sarah Burch.
H. R. 13210. Edna M. Johnson.
H. R. 13212. Hannah W. Manning.
H. R. 13248. Mary Marley.
H. R. 13254. Edith M. Ball.
H. R. 13260. Emma Page.
H. R. 13267. Catharine Hayden.
H. R. 13273. Etta E. Divine.
H. R. 13277. Lucretia Bernard.
H. R. 13278. Herman E. F. Schroer.
H. R. 13281. Julia E. Hammond.
H. R. 13282. Elizabeth Palmer.
H. R. 13290. Arthur R. Blakeslee.
H. R. 13333. Lucy Stevens Wilson.
H. R. 13354. Barbara Beaver.
H. R. 13359. Mary Burdick.
H. R. 13364. Nancy J. O'Connor.
H. R. 13369. James H. Arnold.
H. R. 13389. L. Ethel Bolton.
H. R. 13393. Lilly Hudson.
H. R. 13422. Luther L. Sloan.
H. R. 13435. Mary A. Shook.
H. R. 13437. Margaret E. Dotson.
H. R. 13439. Salina A. Julius.
H. R. 13443. Nellie L. Atkins.
H. R. 13445. Anna D. Arrowsmith.
H. R. 13470. Nellie A. Farley.
H. R. 13472. Elizabeth Fry.
H. R. 13485. Thomas C. Jones.
H. R. 13507. Adaline Donaldson.
H. R. 13533. David Graff.
H. R. 13564. William B. Williams.
H. R. 13582. Elida G. Cusick.
H. R. 13584. Margaret Wellman.
H. R. 13587. Kate Bantz.
H. R. 13602. Margaret Devlin.
H. R. 13667. Leona M. Ferguson.
H. R. 13669. Francis M. Lucas.
H. R. 13687. Laura A. Hurd.
H. R. 13701. Lewvina Hoffer.
H. R. 13717. Augusta A. Fliske.
H. R. 13725. Sarah Adams.
H. R. 13729. Sarah M. Hopkins.
H. R. 13732. Augusta Lambert.
H. R. 13734. Sarah Irene Brown.
H. R. 13765. Alice F. Parrigin.
H. R. 13783. Emma Tomlinson.
H. R. 13846. Lydia Bedortha.
H. R. 13885. Mary L. Cory.
H. R. 13902. Matilda D. Bell.

bill may be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman from Minnesota calls up a bill and asks unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 12019) granting pensions and increases of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Isabel Bertrand, widow of Joseph Bertrand, alias Abraham Magnus, late of Company C, Tenth Regiment United States Infantry, war with Mexico, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of Clark Brown, late of Company I, Third Regiment Georgia Infantry, War with Spain, and pay him a pension at the rate of \$18 per month in lieu of that he is now receiving.

The name of Benjamin Ratliff, late of Company F, Twenty-fifth Regiment United States Infantry, and pay him a pension at the rate of \$12 per month.

The name of Irene Sullivan Kehrmeier, widow of Leonard P. Kehrmeier, late of the United States Navy, and pay her a pension at the rate of \$12 per month, with \$2 per month additional for each of the sailor's three minor children until the age of 16 years is attained.

The name of Anne Claude Howard, widow of Thomas Benton Howard, late rear admiral, United States Navy, and pay her a pension at the rate of \$50 per month.

The name of Isaac Townsend, late of the Fourteenth Company United States Coast Artillery, and pay him a pension at the rate of \$12 per month.

The name of Emily F. Hill, former widow of Gabriel Smoot, late of Captains Bryan's and Peden's company, North Carolina Volunteers, Indian war, and pay her a pension at the rate of \$12 per month.

The name of William H. Mercer, as dependent father of Grover C. Mercer, late of the United States ship *Wabash*, United States Navy, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Frances A. Brown, widow of John R. Brown, late of Company A, First Regiment Nebraska Militia Cavalry, and pay her a pension at the rate of \$12 per month.

The name of Daniel W. Higginbotham, late of Company K, Seventh Regiment United States Infantry, and pay him a pension at the rate of \$17 per month.

The name of Robert L. Abston, late of Company I, First Regiment United States Infantry, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Francis M. Coats, dependent father of Lafayette Coats, late of Company L, Twenty-fourth Regiment United States Infantry, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Ida S. Guthrie, dependent mother of Charles E. Guthrie, late of the One hundred and forty-ninth Company United States Coast Artillery Corps, war with Spain, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Charles A. Halbert, late of the United States Marine Corps, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Edmond L. Smith, late of Troops C and M, Fourth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Rebecca T. Alexander, dependent mother of Roy Alexander, late of Company D, First Regiment West Virginia Infantry, war with Spain, and pay her a pension at the rate of \$12 per month.

The name of Robert P. Cato, late of Company L, First Regiment Florida Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of Julia Cannon, mother of Martin Cannon, late of Troop F, Fourth Regiment United States Cavalry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Georgianna Cawthorne, dependent mother of Arthur Cawthorne, late of Company B, One hundred and sixty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of \$12 per month.

The name of William Lanier, late of Company F, Sixteenth Regiment, and Company D, Second Regiment, United States Infantry, and pay him a pension at the rate of \$12 per month.

The name of William J. Phillips, late of Troop H, Third Regiment United States Cavalry, and Troop H, Seventh Regiment United States Cavalry, and pay him a pension at the rate of \$12 per month.

The name of William Price, late of Company F, United States Mounted Rifles, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Helena Bunt, mother of Joseph W. Bunt, late of Troop B, Thirtieth Regiment United States Cavalry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of John M. Jeans, late of Captain J. W. Robertson's Company B, Second Regiment Oregon Mounted Volunteers, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Margaret L. Ferriter, widow of John Ferriter, late of Battery H, Second Regiment United States Artillery, Regular Establishment, and pay her a pension at the rate of \$12 per month.

The name of Columbia A. Seaman, late of Troop H, Nineteenth Regiment Kansas Cavalry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of William J. Bandhauer, late of Company B, Tenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$24 per month.

The name of Homer E. Harlow, late of Company L, Second Regiment United States Infantry, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Lester W. Stoddart, late of Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of \$15 per month.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. KNUTSON. Mr. Speaker, I call up for consideration the bill H. R. 12019, and ask unanimous consent that the

The name of Elizabeth C. Grady, widow of William Madison Grady, late of Company C, Second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of William C. Wooton, late of Company H, Seventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$15 per month in lieu of that he is now receiving.

The name of George L. Porter, late captain and assistant surgeon, Second Regiment Tennessee Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Charles L. Nix, late of Company M, Second Regiment North Carolina Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of John Mesmer, late of Company C, Seventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Oh Wan, alias Katok, late of Company B, First Battalion Arizona Infantry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Mo Ush Ak, alias Ush Mo, now known as Mosak, late of Company B, Battalion First Regiment Arizona Infantry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Cochino Achuk, alias Coche Aar, late of Company B, Battalion First Regiment Arizona Infantry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Wanatt Shoma, alias Shoma Wanatt, now known as Ramon White, late of Company B, Battalion First Regiment Arizona Infantry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Machie Gulack, alias Gulack Machie, now known as Pantaloon, late of Company B, Battalion First Regiment Arizona Infantry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Choir Aquisse, alias Cheroquis, late of Company B, Battalion First Regiment Arizona Infantry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Margaret Kuhn, mother of John E. Kuhn, late of Company H, Forty-third Regiment United States Volunteer Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Margaret Hunter, mother of Charles O. Hunter, jr., late of Hospital Corps, United States Army, war with Spain, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Walter Hughes, late of Company I, Fifth Regiment United States Infantry, and Troop B, Second Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of \$20 per month.

The name of Lee T. Philpot, late of Company L, First Regiment United States Volunteer Cavalry, war with Spain, and pay him a pension at the rate of \$18 per month.

The name of Russell Dewalt, late of Company A, Tenth Regiment Pennsylvania Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of Mary Jane Lamb, widow of Evan M. Lamb, late of Captain Wilson's company, Georgia Volunteers, Indian wars, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Emma E. Howe, widow of Alfred Howe, late of Troop M, Second Regiment United States Cavalry, and pay her a pension at the rate of \$12 per month.

The name of James H. Laffin, late of Company B, Tenth Regiment United States Infantry, and pay him a pension at the rate of \$24 per month.

The name of Edward J. Bundschu, late of the United States Marine Corps, and pay him a pension at the rate of \$12 per month.

The name of John W. Harris, late of Captain Nat Benton's company, Texas Volunteer Infantry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Benjamin F. Johnson, late of Company G, Signal Corps, United States Army, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Isaac C. Livingston, late of Company A, General Service United States Army, and Company B, First Regiment United States Infantry, and pay him a pension at the rate of \$17 per month.

The name of William D. Scott, late of Company G, Forty-ninth Iowa Volunteer Infantry, and pay him a pension at the rate of \$12 per month.

The name of John W. Smith, late of the Ordnance Department, United States Army, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Henry M. Conlin, late of Troop E, First Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of \$24 per month.

The name of Elizabeth Jane Fee, widow of John Fee, late of Company H, Nineteenth Regiment Kansas Cavalry, Indian wars, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Frank G. Himes, late of Company M, Third Regiment Kentucky Infantry, war with Spain, and pay him a pension at the rate of \$18 per month in lieu of that he is now receiving.

The name of Edward Chaney, late of Company C, First Regiment United States Infantry, and pay him a pension at the rate of \$17 per month.

The name of James F. Lyons, late of Company K, Twenty-ninth Regiment United States Infantry, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Lucian D. Coplin, late of Battery F, Third Regiment United States Artillery, and pay him a pension at the rate of \$17 per month.

The name of Charles L. Dewey, late of Company F, Fourth Regiment Illinois Infantry, war with Spain, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Mary E. Trask, widow of Samuel A. Trask, late of Troop E, Fifth Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Frederick W. Duden, late of Troop D, Third Regiment United States Cavalry, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of John H. Hoover, late of General Mounted Recruits, subsequently Troop I, Third Regiment United States Cavalry, and pay him

a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Charles E. Keck, late of Hospital Corps, United States Army, war with Spain, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Fred A. Martin, late of One hundred and eleventh Company, United States Coast Artillery, and pay him a pension at the rate of \$12 per month.

The name of Evan D. Lewis, late of Battery E, First Regiment United States Artillery, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Joseph Hermann, alias Hermann King, late of Company I, Fifth United States Infantry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of William Casteel, dependent father of William S. Casteel, late of Troop G, Thirteenth Regiment United States Cavalry, and unassigned Sixth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Samuel F. Shannon, late of Company L, First Regiment Nebraska Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Marion Lawson, late of Company F, Seventh Regiment United States Infantry, and pay him a pension at the rate of \$30 per month, payments to be made to duly appointed committee or guardian.

The name of Robert L. McFarland, late of Company M, Seventh Regiment United States Infantry, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Wilbur C. Gahret, late of Company L, Second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Rosa Reaves, widow of Transum Reaves, late of Troop A, Ninth Regiment United States Cavalry, and pay her a pension at the rate of \$12 per month.

The name of Jane Ann Robinson, mother of John E. Robinson, late of Company F, Eighth Regiment Ohio Infantry, war with Spain, and pay her a pension at the rate of \$12 per month.

The name of Marie Thorson, mother of Arthur P. Thorson, late of Company C, Third Regiment Wisconsin Infantry, National Guard, and pay her a pension at the rate of \$12 per month.

The name of Marcus C. Luttrell, late of Company C, Sixth Regiment United States Volunteer Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Charles A. Waters, late of Company A, Twentieth Regiment Kansas Infantry, Company D, Thirty-sixth Regiment United States Volunteer Infantry; Troop K, Fourteenth Regiment United States Cavalry; and Company E, Eighth Regiment United States Infantry, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of William J. Chester, late of Company D, First Regiment South Carolina Infantry, war with Spain, and pay him a pension at the rate of \$30 per month.

The name of James A. Childers, late of Company I, Eighteenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Harriet M. Miller, widow of Charles D. Miller, late of Company D, Powell's Battalion, Missouri Mounted Volunteer Infantry, and pay her a pension at the rate of \$30 per month in lieu of that she is now receiving.

The name of Jane Tilly, widow of John W. Tilly, late of Company D, Santa Fe Battalion Missouri Mounted Volunteers, Mexican War, and pay her a pension at the rate of \$30 per month.

The name of Joseph McG. Lunsford, late of Company H, Eleventh Regiment United States Infantry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of John F. Scott, late of Company I, Sixth Regiment Missouri Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Charles F. King, late of Company I, Fifth Regiment Pennsylvania Infantry, war with Spain, and pay him a pension at the rate of \$12 per month in lieu of that he is now receiving.

The name of Tamar Ervin, mother of Grover Cleveland Ervin, late seaman U. S. S. *Nine*, United States Navy, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Margaret A. Harris, mother of the late Hardy A. Harris, late of the United States Marine Corps, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Warren Algie Ritter, late of Company M, Forty-fourth Regiment United States Volunteer Infantry, and pay him a pension at the rate of \$22 per month in lieu of that he is now receiving.

The name of Richard Howe, late of Company G, Thirtieth Regiment United States Infantry, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Eliza J. Tyler, mother of Charles A. Tyler, late of Company K, Twentieth Regiment United States Infantry, war with Spain, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Shiloh Sally, late of Company C, Twenty-third Regiment United States Infantry, and pay him a pension at the rate of \$12 per month in lieu of that he is now receiving.

The name of Edward P. Wolfe, alias Thomas B. Hixson, late of Company B, Third Regiment United States Infantry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Charles S. Kinman, late of Company C, Seventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$12 per month in lieu of that he is now receiving.

The name of Harry E. Snyder, late of Company H, Eighth Regiment Pennsylvania Infantry, war with Spain, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Alice Kingery, mother of William H. Kingery, late of Company L, Seventeenth Regiment United States Infantry, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Elizabeth F. Hampton, mother of Otto L. Hampton, late of Fourth Company United States Coast Artillery, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Henry E. Rubendall, late of Company D, Tenth Regiment United States Infantry, and pay him a pension at the rate of \$17 per month.

The name of Annie McNamara, widow of Robert C. McNamara, major of the Fifth Regiment Pennsylvania Infantry, war with Spain, and pay her a pension at the rate of \$35 per month in lieu of that she is now receiving.

The name of Fred Rife, late of Company A, Fifth Regiment United States Infantry, and pay him a pension at the rate of \$17 per month.

The name of Anne Brooks, mother of Walter J. Brooks, late of the United States Navy, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Lambert Weiss, late of Company M, Thirteenth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of \$18 per month in lieu of that he is now receiving.

The name of Martha A. Brigrance, widow of Phagan Brigrance, late of Captain Gillespie's company, Texas Mounted Volunteers, Mexican War, and pay her a pension at the rate of \$30 per month.

The name of Elize Hilpisch, mother of Carl Hilpisch, who served in the United States Marine Corps under the name of Charles Altan, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Catherine Swigart, widow of Eli Swigart, late of Troop M, Seventh Regiment United States Cavalry, Indian wars, and pay her a pension at the rate of \$12 per month.

This bill is a substitute for the following House bills referred to the Committee on Pensions:

H. R. 511. Isabel Bertrand.	H. R. 9898. James H. Ladin.
H. R. 2858. Clark Brown.	H. R. 10049. Benjamin F. Johnson.
H. R. 3814. Benjamin Ratliff.	H. R. 9911. Edward J. Bundschu.
H. R. 5880. Irene Sullivan Kehr-	H. R. 10036. John W. Harris.
meyer.	H. R. 10082. Isaac C. Livingston.
H. R. 5908. Anne Claude Howard.	H. R. 10103. William D. Scott.
H. R. 7475. Isaac Townsend.	H. R. 10131. John W. Smith.
H. R. 7576. Emily F. Hill.	H. R. 10202. Henry M. Conlin.
H. R. 8093. William H. Mercer.	H. R. 10205. Elizabeth Jane Fee.
H. R. 8240. Frances A. Brown.	H. R. 10232. Frank G. Himes.
H. R. 8292. Daniel W. Higgin-	H. R. 10255. Edward Chaney.
botham.	H. R. 10307. James F. Lyons.
H. R. 8325. Robert L. Abston.	H. R. 10339. Lucian D. Copin.
H. R. 8452. Francis M. Coats.	H. R. 10354. Charles L. Dewey.
H. R. 8512. Ida S. Guthrie.	H. R. 10389. Mary E. Trask.
H. R. 8548. Charles A. Halbert.	H. R. 10396. Frederick W. Duden.
H. R. 8580. Edmond L. Smith.	H. R. 10436. John H. Hoover.
H. R. 8618. Rebecca T. Alexander.	H. R. 10475. Charles E. Keck.
H. R. 8751. Robert P. Cato.	H. R. 10534. Fred A. Martin.
H. R. 8833. Julia Cannon.	H. R. 10545. Evan D. Lewis.
H. R. 8861. Georgianna Cawthorne.	H. R. 10558. Joseph Hermann, alias
H. R. 8915. William Lanier.	Hermann King.
H. R. 8992. William J. Phillips.	H. R. 10601. William Casteel.
H. R. 9001. William Price.	H. R. 10679. Samuel F. Shannon.
H. R. 9025. Helena Bunt.	H. R. 10684. Marion Lawson.
H. R. 9118. John M. Jeans.	H. R. 10685. Robert L. McFarland.
H. R. 9174. Margaret L. Ferriter.	H. R. 10691. Wilbur C. Gahret.
H. R. 9355. Columbia A. Seaman.	H. R. 10699. Rosa Reaves.
H. R. 9375. William J. Bandhauer.	H. R. 10719. Jane Anne Robinson.
H. R. 9419. Homer E. Harlow.	H. R. 10722. Marie Thorson.
H. R. 9423. Lester W. Stoddart.	H. R. 10788. Marcus C. Luttrell.
H. R. 9438. Elizabeth C. Grady.	H. R. 10881. Charles A. Waters.
H. R. 9478. William C. Wootton.	H. R. 10889. William J. Chester.
H. R. 9488. George L. Porter.	H. R. 10916. James A. Childers.
H. R. 9523. Charles L. Nix.	H. R. 10962. Harriet M. Miller.
H. R. 9533. John Mesner.	H. R. 10983. Jane Tilly.
H. R. 9556. Oh Wan, alias Katok.	H. R. 11053. Joseph McG. Lunsford.
H. R. 9557. Moh Ush Ak, alias Ush	H. R. 11087. John F. Scott.
Mo, now known as	H. R. 11142. Charles F. King.
Mosak.	H. R. 11160. Tamar Ervin.
H. R. 9558. Cochino Achuk, alias	H. R. 11202. Margaret A. Harris.
Coche Aar.	H. R. 11208. Warren Algie Ritter.
H. R. 9559. Wanatt Shoma, alias	H. R. 11267. Richard Howe.
Shoma Wanatt, now	H. R. 11311. Eliza J. Tyler.
known as Raymond	H. R. 11314. Shiloh Sally.
White.	H. R. 11367. Edward P. Wolfe.
H. R. 9560. Machie Gulack, alias	H. R. 11370. Charles S. Kinman.
Gulack Machie, now	H. R. 11375. Harry E. Snyder.
known as Pantaloon.	H. R. 11420. Alice Kingery.
H. R. 9561. Chor Aquisse, alias	H. R. 11462. Elizabeth F. Hampton.
Cheroquis.	H. R. 11468. Harry E. Rubendall.
H. R. 9660. Margaret Kuhn.	H. R. 11486. Annie McNamara.
H. R. 9682. Margaret Hunter.	H. R. 11505. Fred Rife.
H. R. 9698. Walter Hughes.	H. R. 11538. Anne Brooks.
H. R. 9704. Lee T. Philpot.	H. R. 11539. Lambert Weiss.
H. R. 9819. Russell Dewalt.	H. R. 11540. Martha A. Brigrance.
H. R. 9864. Mary Jane Lamb.	H. R. 11747. Elize Hilpisch.
H. R. 9890. Emma E. Howe.	H. R. 11759. Catherine Swigart.

During the reading the following occurred:

Mr. KNUTSON. Mr. Speaker, I desire to offer the following amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. KNUTSON: On page 9, strike out lines 7, 8, 9, and 10.

Mr. KNUTSON. Mr. Speaker, I will say to the House that John W. Harris has died since this item was allowed.

The question was taken, and the amendment was agreed to. Later,

Mr. STAFFORD. Mr. Speaker, I would like to inquire of the committee what policy has been followed by the committee in the award of these various pensions to these different individuals. What are the ranges of rate that the committee decided upon for various disabilities?

Mr. KNUTSON. I will say to the gentleman from Wisconsin that the policy of the committee, so far as it can possibly follow, is to allow applications for pensions that have been rejected by the Pension Bureau on some technicality. We waive technicalities. These two small omnibus bills represent a number of bills which have been allowed since last May, I think,

Mr. STAFFORD. Then the gentleman does not exceed in any instance the rate for pay under the general law?

Mr. KNUTSON. Well, yes; where it is proved that the applicant is bedridden and in bad circumstances physically. I have in mind a case where the applicant was receiving \$30 per month at the Pension Bureau and he was absolutely helpless, and I think we allowed him \$72. The injuries were the result of his service, but there are few instances, and they are very exceptional, where a greater amount is allowed than under the general law.

Mr. STAFFORD. Will these two omnibus bills complete the work, so far as omnibus bills are concerned, of this session?

Mr. KNUTSON. No; I think we will probably have 40 or 50 bills reported out some time next month.

Mr. STAFFORD. The gentleman means there are 40 or more claims that will have to be considered in an omnibus bill?

Mr. KNUTSON. Yes; and that will clean up the work of the committee.

Mr. McKENZIE. Will the gentleman yield?

Mr. KNUTSON. I will.

Mr. McKENZIE. It is fair to state in connection with what was stated by the gentleman in reply to the gentleman from Wisconsin, that where you granted \$72 to this Spanish war veteran you did not exceed the general law now in force for soldiers of the Civil War who are suffering total disabilities.

Mr. KNUTSON. No; we try to put all on the same basis and do exact justice to all.

Mr. STAFFORD. I withdraw the pro forma amendment.

The Clerk resumed and concluded the reading of the bill.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. KNUTSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. KNUTSON. Mr. Speaker, I desire to call up the bill H. R. 13540, and ask that this bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 13540) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Marianne H. D'Arcy, former widow of Abraham Edmunds, late of Company E, Third Regiment Ohio Infantry, Mexican War, and pay her a pension at the rate of \$20 per month.

The name of Benjamin Dockery, late of the Thirty-first Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Carl Olson, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Marguerite B. Fitzgerald, widow of John Fitzgerald, late of Signal Corps, United States Army, Regular Establishment, and pay her a pension at the rate of \$12 per month.

The name of Mary A. Blair, widow of Jesse Blair, late of Lieutenant Robert M. White's company, Texas Mounted Rangers, Indian wars, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Raymond A. Zehnder, late of Company A, Eighteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$30 per month.

The name of Angus J. MacDonald, late of Company M, Ninth Regiment Massachusetts Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Robert H. Claggett, late of Company E, Third Regiment Kentucky Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of William B. Yeater, late of Company C, First Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of John D. Gardenhire, late of Company A, Eighth Regiment California Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of William T. Marshall, late of Troop F, Fifth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Mary T. Schmidt, widow of John F. Schmidt, late of Company B, Twenty-first Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$12 per month, and \$2 per month additional on account each of the minor children of said John F. Schmidt until they reach the age of 16 years.

The name of David McMillan, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Martha E. McDonald, widow of William B. McDonald, late of Captain Caldwell's company, First Regiment Georgia Mounted Volunteers, Indian wars, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving, payment to be made to duly appointed guardian.

The name of Claude Wallace, late of Company F, Twenty-fourth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of Lewis H. Tubbs, jr., late of Company F, First Regiment Texas Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of Mary E. Brubaker, dependent mother of Charles E. Brubaker, late of Company F, Sixth Regiment Ohio Infantry, war with Spain, and pay her a pension at the rate of \$12 per month.

The name of Green W. Blakely, dependent father of John W. Blakely, late of Eighty-first Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Walter L. Hartman, late of Company D, Twelfth Regiment Pennsylvania Infantry, war with Spain, and pay him a pension at the rate of \$18 per month.

The name of Green A. Settle, late of Troop D, Seventh Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Albert B. Campbell, late of Battery M, Second Regiment United States Artillery, Regular Establishment, and pay him a pension at the rate of \$17 per month.

The name of Daniel J. Graves, late of Company M, Eleventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Charles N. Cannon, late of Company E, Third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month in lieu of that he is now receiving.

The name of Edward Shaw, late of Quartermaster Corps, United States Army, Regular Establishment, and pay him a pension at the rate of \$17 per month.

The name of James Wise, late of Company M, Fifth Regiment Pennsylvania Volunteer Infantry, Spanish-American War, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of John Shannon, late of Troop B, Eighth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Lee Byrd, dependent father of Clarence Byrd, late of Troop B, Ninth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of William Anderson, late of Troop F, Eleventh Regiment United States Cavalry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of John E. Williams, late of Company G, Twenty-eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Alice C. Downey, widow of James C. Downey, late of Company K, Third Regiment Tennessee Volunteers, war with Mexico, and pay her a pension at the rate of \$40 per month in lieu of that she is now receiving.

The name of John Long, late of Company C, Eighteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Charles R. Taylor, late of Troop H, Eighth Regiment United States Cavalry, and pay him a pension at the rate of \$12 per month.

The name of Harry L. Hoff, late of Company C, Thirteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Lillie E. Trego, widow of Jacob A. Trego, late of Company L, Third Regiment United States Artillery, Regular Establishment, and pay her a pension at the rate of \$12 per month.

The name of John W. Thompson, late of Troop L, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of David Miller, late of Company D, Second Regiment Infantry, West Virginia National Guard, border defense, and pay him a pension at the rate of \$30 per month.

The name of Charles E. Kidder, late of Company H, First Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Chester A. Herd, late of Company B, Third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Floyd A. McPherrin, late of Company F, Third Regiment Iowa Infantry, border defense, and pay him a pension at the rate of \$12 per month.

The name of Robert J. Jones, late unassigned recruit for foot service, white, United States Infantry, war with Spain, and pay him a pension at the rate of \$15 per month.

The name of William W. Kinne, late of Company D, Fourteenth Regiment Minnesota Infantry, war with Spain, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Mary R. Philbrick, dependent mother of John Philbrick, late of Company C, Twenty-sixth Regiment United States Volunteer Infantry, Philippine insurrection, and pay her a pension at the rate of \$12 per month.

The name of Frank McCoy, late of United States Marine Corps, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Kate Garrity, dependent mother of Joseph P. Garrity, late of Company A, Fiftieth Regiment Iowa Infantry, war with Spain, and pay her a pension at the rate of \$12 per month.

The name of Dennis F. Higgins, late of Company I, Sixty-ninth Regiment New York Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of Silas G. Burkett, late of Company A, Twenty-second Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Edward Jackson, late of Company C, Fourth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Mike Grubb, late of Fifty-eighth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of William H. Stanbery, late of Company D, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Clifford Baldwin, late of Thirty-fifth and Sixth Companies, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Thomas Devine, late of Company F, Eighth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$24 per month.

The name of Dudley J. Howell, late of Company C, Hospital Corps, United States Army, Regular Establishment, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Lucy C. Range, widow of Weldon E. Range, late of Company M, Seventh Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$12 per month, and \$2 per month additional for each of the soldier's two minor children until they shall attain the age of 16 years.

The name of Joseph Houser, late of Company K, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of John S. Combs, late of Troop I, Third Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Clyde Wardlow, late of the Ninth Company, United States Coast Artillery Corps, Regular Establishment, and pay him a pension at the rate of \$14 per month.

The name of Margaret Davy, dependent mother of Harry N. Davy, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Annie E. B. Davidson, former widow of Albert Burford, late of Troop F, Sixth Regiment United States Cavalry, and pay her a pension at the rate of \$12 per month.

The name of Jasper O. Craig, late of Company L, Sixth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Reuben R. Romey, late of United States Marine Corps, Regular Establishment, and pay him a pension at the rate of \$20 per month.

The name of Sarah A. Byam, widow of William C. Byam, late of the United States Navy, war with Spain, and pay her a pension at the rate of \$12 per month.

The name of Grant Brown, late of Company G, Sixth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Charles Wilson, late of Troop G, Tenth Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of James R. Daniel, late of Company G, Fifteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of John A. C. Hazel, late of Company E, Second Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Bradford R. Sarton, late of Company A, Fourteenth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of James E. Davis, late of United States Navy, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Frank E. Jacobs, late of United States Marine Corps, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Alfred J. Yarber, former member of Company M, Twentieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Elijah Forman, late of Company F, Nineteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Louis Toupin, alias Louis Beaudette, late of Battery F, Third Regiment United States Artillery, and pay him a pension at the rate of \$12 per month.

The name of Orville H. Mills, late of Company B, Thirty-third Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Henry Langley, late of Troop C, Seventh Regiment United States Cavalry, Indian wars, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Catherine Yelle, widow of Charles Yelle, alias Charles Tell, late of Company H, Nineteenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Henry E. Kiste, late of Company A, Eleventh Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$14 per month in lieu of that he is now receiving.

The name of Michael V. Murray, late of Company H, Twelfth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of David Turner, late of Company D, Twenty-third Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Willis W. Webb, late of Company A, Tenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Philip L. Schwager, late of United States Navy, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Edith Hampel, former widow of Edward J. Hampel, late of United States Navy, Regular Establishment, and pay her a pension at the rate of \$12 per month.

The name of Flora B. Warren, widow of Louis W. Warren, late of Company H, Twenty-third Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving and the continuance of the additional \$2 per month for each of the soldier's minor children until they reach the age of 16 years.

The name of Clara J. Gillespie, dependent mother of Edward D. Gillespie, late of Battery D, Fifth Regiment United States Field Artillery, Regular Establishment, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Michael Halloran, late of Troop K, Seventh Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Robert S. Kelley, late of Company I, Third Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of \$15 per month.

The name of Cornelia de C. Williams, widow of Constant Williams, late brigadier general, United States Army, and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of James Mullen, late of Company F, Sixth Regiment Pennsylvania Infantry, war with Spain, and pay him a pension at the rate of \$35 per month in lieu of that he is now receiving.

The name of Freeman H. Johnson, late of United States Navy, Regular Establishment, and pay him a pension at the rate of \$24 per month.

The name of Christopher S. Alvord, late of Company D, Fourth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of Orville Harvey, late of Company K, Twenty-sixth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month in lieu of that he is now receiving.

The name of Walter S. Swanger, late of Company I, Thirty-fourth Regiment Michigan Infantry, war with Spain, and pay him a pension at the rate of \$50 per month in lieu of that he is now receiving.

The name of Dudley H. Wright, late of Company C, Twenty-eighth Regiment United States Infantry, war with Spain, and pay him a pension at the rate of \$12 per month.

The name of Dennis B. Conley, late of Company M, Third Regiment Kentucky Infantry, war with Spain, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of David Vasey, late of Company F, Fifth Regiment Illinois Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of David Akridge, late of Company A, Twenty-eighth Regiment United States Infantry, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Clara D. Fielding, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Mary Ann Cross, widow of William H. Cross, late of General Service, United States Army (Greely Arctic Expedition), and pay her a pension at the rate of \$50 per month in lieu of that she is now receiving.

The name of William G. Jones, late of the Eighteenth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of \$14 per month in lieu of that he is now receiving.

The name of Grant Combs, late of Company E, Eighteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$30 per month.

The name of Anna O'Neill, widow of James O'Neill, late of Company A, Eleventh Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$12 per month.

The name of Nancy D. Nixon, dependent mother of Marion Nixon, alias Mace Nixon, late of United States ship *Newport*, United States Navy, Regular Establishment, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of George W. Powell, late adjutant One hundred and fifty-eighth Regiment Indiana Volunteer Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Edmond L. Klamroth, late of band, Fourth Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Oscar Sheffield, late of Seventy-eighth Company, United States Coast Artillery, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Joseph A. Lillard, late of Company L, Thirty-eighth Regiment United States Volunteer Infantry, Philippine insurrection, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Francis M. Collins, late of prison guard, United States Marine Corps, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Martin V. Stanton, late of Company I, Twenty-first Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Antoinette Eppens, widow of George Eppens, late of Company A, Eighteenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$12 per month.

The name of Harry W. Feldman, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of \$20 per month in lieu of that he is now receiving.

The name of Grover Colter, late of Company G, Fourteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month in lieu of that he is now receiving.

The name of William G. Glasgow, late of Company C, Second Regiment Nebraska Infantry, war with Spain, and pay him a pension at the rate of \$40 per month in lieu of that he is now receiving.

The name of Thomas Hall, late of Company M, Thirty-sixth Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of Mary A. Hird, widow of Charles R. Hird, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of \$20 per month.

The name of William Smallwood, late of United States Navy, Regular Establishment, and pay him a pension at the rate of \$12 per month.

The name of Patrick A. Galvin, late of Company C, First Regiment Maine Infantry, war with Spain, and pay him a pension at the rate of \$24 per month in lieu of that he is now receiving.

The name of David C. McDonald, late of Company F, Twentieth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month in lieu of that he is now receiving.

The name of John T. Brannon, late of Company E, Twenty-second Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month.

The name of Watt F. Fultz, late of Company C, Forty-seventh Regiment United States Volunteer Infantry, war with Spain, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of John R. Ligon, late of Company G, First Infantry, North Carolina National Guard, border defense, and pay him a pension at the rate of \$12 per month.

The name of Clarissa Nehiser, widow of William Nehiser, late of Company I, Eighteenth Regiment United States Infantry, Regular Establishment, and pay her a pension at the rate of \$20 per month in lieu of that she is now receiving.

The name of Charles C. Chadick, late of Troop A, First Regiment United States Cavalry, Regular Establishment, and pay him a pension at the rate of \$30 per month in lieu of that he is now receiving.

The name of Xavier Becherer, late of Company I, Fifteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$12 per month.

This bill is a substitute for the following House bills referred to the Committee on Pensions:

H. R. 507. Marianne H. D'Arcy. H. R. 1957. Marguerite B. Fitzgerald
H. R. 658. Benjamin Dockery. H. R. 4299. Mary A. Blair.
H. R. 1755. Carl Olson. H. R. 4563. Raymond A. Zehnder.

H. R. 8003. Angus J. MacDonald.
H. R. 7809. Robert H. Claggett.
H. R. 8011. William B. Yeater.
H. R. 8610. John D. Gardenhire.
H. R. 8616. William T. Marshall.
H. R. 8653. Mary T. Schmidt.
H. R. 8864. David McMillan.
H. R. 8960. Martha E. McDonald.
H. R. 9062. Claude Wallace.
H. R. 9208. Lewis H. Tubbs, Jr.
H. R. 9254. Mary E. Brubaker.
H. R. 9554. Green W. Blakely.
H. R. 9740. Walter L. Hartman.
H. R. 9900. Green A. Settle.
H. R. 9985. Albert B. Campbell.
H. R. 9993. Daniel J. Graves.
H. R. 10132. Charles N. Cannon.
H. R. 10135. Edward Shaw.
H. R. 10218. James Wise.
H. R. 10416. John Shannon.
H. R. 10422. Lee Byrd.
H. R. 10455. William Anderson.
H. R. 10467. John E. Williams.
H. R. 10511. Alice C. Downey.
H. R. 10539. John Long.
H. R. 10552. Charles E. Taylor.
H. R. 10573. Harry L. Hoff.
H. R. 10610. Lillie E. Trego.
H. R. 10642. John W. Thompson.
H. R. 10693. David Miller.
H. R. 10746. Charles E. Kidder.
H. R. 10762. Chester A. Herd.
H. R. 10764. Floyd A. McPherrin.
H. R. 10789. Robert J. Jones.
H. R. 10896. William W. Kinne.
H. R. 10914. Mary R. Philbrick.
H. R. 10921. Frank McCoy.
H. R. 10934. Kate Garrity.
H. R. 11045. Dennis F. Higgins.
H. R. 11063. Silas G. Burkett.
H. R. 11124. Edward Jackson.
H. R. 11341. Mike Grubb.
H. R. 11342. William H. Stanbery.
H. R. 11612. Clifford Baldwin.
H. R. 11615. Thomas Devine.
H. R. 11618. Dudley J. Howell.
H. R. 11619. Lucy C. Range.
H. R. 11681. Joseph Houser.
H. R. 11702. John S. Combs.
H. R. 11748. Clyde Wardlow.
H. R. 11751. Margaret Davy.
H. R. 11768. Annie E. B. Davidson.
H. R. 11817. Jasper O. Craig.
H. R. 11840. Reuben K. Romey.
H. R. 11864. Sarah A. Byam.
H. R. 11881. Grant Brown.
H. R. 11890. Charles Wilson.
H. R. 11920. James R. Daniel.
H. R. 11944. John A. C. Hazel.

H. R. 12006. Bradford R. Sarton.
H. R. 12014. James F. Davis.
H. R. 12040. Frank E. Jacobs.
H. R. 12054. Alfred J. Yarber.
H. R. 12087. Elijah Forman.
H. R. 12100. Louis Toupin, alias Louis Beaudette.
H. R. 12103. Orville H. Mills.
H. R. 12137. Henry Langley.
H. R. 12205. Catherine Yelle.
H. R. 12225. Henry E. Kiste.
H. R. 12227. Michael V. Murray.
H. R. 12230. David Turner.
H. R. 12232. Gillis W. Webb.
H. R. 12267. Phillip L. Schwager.
H. R. 12288. Edith Hampel.
H. R. 12306. Flora B. Warren.
H. R. 12313. Clara J. Gillespie.
H. R. 12316. Michael Halloran.
H. R. 12334. Robert S. Kelley.
H. R. 12350. Cornelia de C. Williams.
H. R. 12367. James Mullen.
H. R. 12385. Freeman H. Johnson.
H. R. 12427. Christopher S. Alvord.
H. R. 12443. Orville Harvey.
H. R. 12455. Walter S. Swanger.
H. R. 12498. Dudley H. Wright.
H. R. 12505. Dennis B. Conley.
H. R. 12525. David Vasey.
H. R. 12540. David Akridge.
H. R. 12582. Clara D. Fielding.
H. R. 12587. Mary Ann Cross.
H. R. 12594. William G. Jones.
H. R. 12615. Grant Combs.
H. R. 12618. Anna O'Neill.
H. R. 12641. Nancy D. Nixon.
H. R. 12657. George W. Powell.
H. R. 12674. Edmond L. Klamroth.
H. R. 12696. Oscar Sheffield.
H. R. 12697. Joseph A. Lillard.
H. R. 12712. Francis M. Collins.
H. R. 12725. Martin V. Stanton.
H. R. 12808. Antoinette Eppens.
H. R. 12847. Harry W. Feldman.
H. R. 12850. Grover Colter.
H. R. 12919. William G. Glasgow.
H. R. 12925. Thomas Hall.
H. R. 12939. Mary A. Hird.
H. R. 12946. William Smallwood.
H. R. 12951. Patrick A. Galvin.
H. R. 13043. David C. McDonald.
H. R. 13044. John T. Brannon.
H. R. 13148. Watt F. Fultz.
H. R. 13167. John R. Ligon.
H. R. 13242. Clarissa Nehiser.
H. R. 13266. Charles C. Chadick.
H. R. 13386. Xavier Becherer.

During the reading of the bill,

Mr. KNUTSON. Mr. Speaker, I desire to offer the following amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 9, strike out all of lines 24 and 25; and on page 10, lines 1 and 2.

Mr. KNUTSON. I ask the adoption of the amendment.

Mr. RANKIN. Well—

Mr. CHINDBLOM. Reserving the right to object—

Mr. KNUTSON. Mr. Wardlow has died since the bill was reported.

The question was taken, and the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. KNUTSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

CARL OLSEN.

Mr. KNUTSON. Mr. Speaker, I desire to call up the bill H. R. 13397, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to call up the bill H. R. 13397, and asks that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 13397) repealing so much of an act approved September 22, 1922, granting pension to certain soldiers and sailors and their widows, as grants a pension of \$24 per month to Carl Olsen, late of the United States Navy.

Be it enacted, etc., That so much of the act entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and widows of such soldiers and sailors," approved September 22, 1922, as authorized and directed the Secretary of the Interior to place on the pension roll the name of Carl Olsen, late of the United States Navy, Regular Establishment, and pay him a pension at the rate of \$24 per month, this being in addition to the Navy pension he is now receiving under section 4756, Revised Statutes, be, and the same is hereby, repealed.

Mr. KNUTSON. Mr. Speaker, I will say for the information of the House that through an error on the part of the Pension Bureau in sending the wrong papers to the committee, this man, Carl Olsen, was placed on the pension rolls where it should have been Carl "Olson." They are two different individuals, and the committee intended to place Carl "Olson" on the pension roll. This is to correct that mistake.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. STAFFORD. What provision was made to provide for the Swede "Olson" rather than the Norwegian "Olsen"?

Mr. KNUTSON. That will have to be taken up later, I will say to the gentleman. There is no provision made.

Mr. STAFFORD. I am surprised that the gentleman would display so much ignorance. The one is a Swede and the other is a Norwegian.

Mr. KNUTSON. It may be Danish. [Laughter.]

Mr. STAFFORD. I accept the word of the gentleman, who is an authority on Scandinavian matters. [Laughter.]

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. KNUTSON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

VOICE-AMPLIFYING SYSTEM.

Mr. CAMPBELL of Kansas. Mr. Speaker, I rise to present a privileged resolution.

Mr. GARRETT of Tennessee. Is the gentleman going to offer that now?

Mr. CAMPBELL of Kansas. I will do it now if it is thought best. I call up House Resolution 470, which I send to the Clerk's desk.

The SPEAKER. The gentleman from Kansas calls up House Resolution 470, which the Clerk will report.

The Clerk read as follows:

House Resolution 470.

Resolved, That the Committee on Rules is hereby authorized and directed to make full inquiry into the matter of the permanent installation in the House wing of the Capitol Building and in the Hall of the House of Representatives of the apparatus or device, now experimentally in operation therein, designated as a "Public address or voice amplifying system." The committee may sit during the sessions of the House and shall report to the House at the earliest practicable date its recommendations as to the desirability and advisability of such system for use in the House of Representatives, together with detailed information covering the cost of installation, operation, and maintenance. The Architect of the Capitol Building and the Clerk of the House of Representatives shall assist said committee in the discharge of its duties hereunder.

With the following committee amendment:

On line 1, after the word "Rules," insert "or a subcommittee thereof."

On line 7, after the word "committee," strike out the words "may sit during the sessions of the House."

On line 12, after the word "maintenance," strike out "The Architect of the Capitol Building and the Clerk of the House of Representatives shall assist said committee in the discharge of its duties hereunder."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

PRIVATE CALENDAR.

Mr. EDMONDS. Mr. Speaker, I believe the next thing in order is to take up unobjected bills on the Private Calendar. I ask unanimous consent that they be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the bills be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the first bill.

O. H. TITTMANN.

The first business on the Private Calendar was the bill (H. R. 6245) for the relief of Dr. O. H. Tittmann, former Superintendent of the United States Coast and Geodetic Survey.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

Mr. CAMPBELL of Kansas. Mr. Speaker, will the gentleman from Wisconsin withhold his objection for a moment?

Mr. STAFFORD. Yes.

Mr. CAMPBELL of Kansas. Mr. Speaker, I was hoping that no gentleman would object to the consideration of this bill.

The bill is for the relief of a man who has given probably the longest continuous and at all times distinguished service to the United States of almost any man who has served in that position. He never had anything but a very meager compensation for his services. The nature of his work kept him from engaging in any kind of business that would enable him to accumulate any of this world's goods. He is now a very old man, practically an invalid, and at longest has but a few months or years to live; and this bill is for the purpose of enabling him to finish up his days with just some of the comforts and the necessities of life.

We have passed a large number of pension bills here this afternoon that in principle are on all fours with what is being sought to be done for this man.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. ROGERS. Is there any difference in principle between this sort of legislation and such legislation as we have enacted for the benefit of retired Army officers and naval officers, and Mr. Justice Moody, and Mr. Justice Pitney, and the civil-service employees of the Government generally?

Mr. CAMPBELL of Kansas. It is in principle exactly the same.

Mr. ROGERS. Of course it may be said that the remuneration contemplated here, which I think is \$150 a month, is very much less than prevailed in most lines of endeavor at all comparable with the service that Doctor Tittmann rendered to his country.

Mr. CAMPBELL of Kansas. That is true. Doctor Tittmann has been a specialist in his line of work. I have not the report, and I will be glad if the gentleman from Massachusetts would go in some detail into the facts, or if the gentleman from Missouri [Mr. Hawes] will give in more detail the service that Doctor Tittmann has rendered.

Mr. HAWES. Mr. Speaker, I have been requested by the Committee on Interstate and Foreign Commerce to report this bill. They gave it very careful consideration. Their report is unanimous. We discovered that this bill had passed the Senate; that it was favorably reported upon by Mr. Alexander, of the former administration, and by Mr. Hoover, of this administration. It refers to a man of great age who possibly can not survive another year. For 48 years he was a faithful servant of the Government. He was at one time head of the Coast and Geodetic Survey, and acted as commissioner in the boundary dispute between the United States and Canada, for which he received no compensation. He is a man whose advice has been sought by scientific men watching the development of this country for years. We found no objection to this claim from any source. All of Doctor Tittmann's contemporaries are either dead or drawing pensions. This is a simple act of justice to a faithful servant of the American people who represented them for nearly half a century.

Mr. MONTAGUE. Will the gentleman permit me to ask him a question?

Mr. HAWES. I yield to the gentleman from Virginia.

Mr. MONTAGUE. Is it not a fact that in addition to his extreme age this gentleman is now afflicted with some physical infirmity?

Mr. HAWES. He is bedridden at the present time.

Mr. MONTAGUE. And utterly unable to do anything to make a living?

Mr. HAWES. Yes.

Mr. RANKIN. Will the gentleman yield?

Mr. HAWES. I yield to the gentleman from Mississippi.

Mr. RANKIN. If this man had retained his health and had continued in the service, how long would it have been under the present law until he would have gone on the pension roll?

Mr. HAWES. Approximately four years only.

Mr. RANKIN. What would that pension have amounted to, or how would it have compared with the amount provided in this bill?

Mr. HAWES. I am advised that it would have been a considerably larger amount than is provided by this bill.

Mr. RANKIN. And would have lasted for the remainder of his life, would it?

Mr. HAWES. It would.

Mr. HICKS. Mr. Speaker, I feel that this case is a very meritorious one. This man gave practically half a century of his time to the great work of the Government. To-day he is without funds, ill, decrepit, and yet, proud of the fact that he is an American citizen, he will not accept charity. In view of the service that he has rendered, attested to by everyone who has come in contact with him and who knows the facts, I feel that he is worthy of the consideration of this House, and I sincerely hope our friend from Wisconsin [Mr.

STAFFORD] will not press his objection to such an extremely worthy measure as this which we are now considering.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, under reservation of objection, this is not the first time that Doctor Tittmann has been calling upon Congress for some special extraordinary relief.

Mr. EDMONDS. And it will not be the last time, either.

Mr. STAFFORD. The chairman of the committee, Mr. EDMONDS, says, "nor will it be the last time." I hope it will not be. I wish that all these faithful civilian servants of the Government who have retired on account of age may live long, but we have never established the precedent of pensioning a civil employee of the Government other than in the instances cited by the gentleman from Massachusetts, the case of Justice Moody, and the recent case of Justice Pitney. When that of Justice Moody was brought before Congress for consideration, there was considerable opposition to its award for fear it would establish a precedent. We all knew then that he was afflicted with a disease that rendered him unfit for further service on the Supreme Court, and it was an emergent case, in order to provide a vacancy so that the work of the court could be performed, and for that reason Congress made an exception. The cases of retired Army officers are not akin at all to this case. If we should allow this pension or gratuity of \$150 a month in this case we would have to open the doors to many other similar cases. For that reason, Mr. Speaker, I object.

The SPEAKER. The gentleman from Wisconsin objects.

Mr. NEWTON of Missouri. Will the gentleman yield for a question?

Mr. STAFFORD. Yes.

Mr. NEWTON of Missouri. Does the gentleman know that the former head of the Lighthouse Service was taken care of just in this way?

Mr. STAFFORD. Does the gentleman refer to Doctor Kimball?

Mr. NEWTON of Missouri. I am not sure about his name, but he was the former chairman of the Lighthouse Board, and they tell me at the department that that is true.

Mr. STAFFORD. There may have been exceptions. I recall the case of Doctor Kimball. It may have been necessary to create a vacancy in order to provide a younger man to fill that position rather than a person who had grown old in the service. It may have crept through on a general bill, but not in a private bill like this.

Mr. NEWTON of Missouri. In the case of Arthur Rump, of St. Louis, who had been but 15 years in the service, Congress passed a specific bill.

Mr. STAFFORD. Yes; I think that bill passed by unanimous consent, not by reason of submission of the question to the decision of the House. He had suffered tremendous injuries in the service of the Government. The case appealed to me. There are other cases of that kind where persons have been injured in the service of the Government. He had received injuries while in the performance of service for the Government. Doctor Tittmann suffered no injuries by reason of his service. There are many superannuated employees of the Government who have retired who would be entitled to the same consideration on the part of Congress if we should award this man an honorarium of \$1,800 a year.

The SPEAKER. The Clerk will report the next bill.

FAMILY OF TATSUJI SAITO.

The next business on the Calendar for Unanimous Consent was the bill (S. 1078) to authorize the payment of \$2,000 to the Government of Japan for the benefit of the family of Tatsuji Saito, a Japanese subject, killed at Camp Geronimo, Mexico, May 25, 1916.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

The SPEAKER. The gentleman from Wisconsin objects. The Clerk will report the next bill.

LIEUT. COL. HENRY C. DAVIS.

The next business on the Private Calendar was the bill (H. R. 5210) for the relief of Lieut. Col. Henry C. Davis.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

ANNA M. TOBIN.

The next business on the Private Calendar was the bill (S. 2323) for the relief of Anna M. Tobin.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. I object.

Mr. HUDSPETH. Will the gentleman reserve his objection?

Mr. STAFFORD. I will reserve my objection. I did not know this was the bill in which the gentleman was interested.

Mr. MONDELL. Mr. Speaker, may I suggest to my friend that if objection is to be made it seems to me we do not gain anything by discussing the bill, and we do prevent the consideration of bills that might not be objected to. My hope is that after we dispose of the bills that are not objected to we may come back and take up the calendar and thrash out these matters that are objected to.

Mr. HUDSPETH. My hope is that I may convince the gentleman from Wisconsin so that he will withdraw his objection. Mr. Speaker, I want to state that this is a bill for the relief of a lady, Mrs. Tobin, of El Paso. The bill passed the House about two years ago, but for lack of time failed to pass the Senate. It passed the Senate over a year ago, but it failed to pass the House.

The history of this case is that Mrs. Tobin owns some property at a town called Tobin, about 8 miles from the city of El Paso, and close to Fort Bliss, a military post. The soldiers of the Pennsylvania National Guard that were camped there destroyed the property in the town. She asked General Clements to place a guard around the property and he refused to do it. At the time she made the request they had destroyed about \$30 worth. He wanted to arrest them and put them in prison, but she said: "No; all I ask you to do is to place a guard around the property so that they will do no further damage." General Clements made an investigation and found that he was responsible for damages to the property. They had destroyed the house, taken doors off the hinges, taken bricks from the house, and all this was ascertained by General Clements, who found them doing it. The private guard that she placed around the building found them doing it.

Now, upon investigation by General Clements and Major Taggart they ascertained that the damage was \$1,000, and they recommended that \$1,000 be paid to this widow lady. There is an itemized statement, sworn to, and everything is set forth, and all the damages she sustained. Not only is this recommended by Major Taggart, but here is a letter from the Secretary of War.

Mr. STAFFORD. I wish to inform the gentleman that I was not advised that any information in reference to this case had been inserted in the Record, and so I have not had the benefit of it. I wish to call attention to the difficulty I have had in allowing this bill to become a law. General Clements, who was the commanding officer, states that if his position had been carried out and not objected to by this woman further damage would not have been done. Permit me to read from page 2 of the report:

At the time of the original damage and complaint General Clements did offer to have the parties found upon the premises make restitution, but in the presence of the offenders the representation was made on behalf of Mrs. Tobin that she did not care that the boys should do this, but was anxious that a guard should be established about the premises for the protection thereof from further injury. General Clements is of the opinion that had he been permitted to handle this matter as he thought best, all future trouble would have been avoided and Mrs. Tobin saved the damage to her property and the expense of maintaining a civilian guard.

Here we have the owner of the property dissenting from the will of the commanding officer as to what is necessary for the control of the troops and who is of the opinion that if his will had been carried out there would have been no further transgression or depredation. She is now asking for relief from the very act which can be charged up to the generosity of her heart perhaps in not wanting to have the boys punished.

Mr. HUDSPETH. At this time there had only been about \$38 damage. General Clements wanted to imprison these splendid young men, and this widow said "No; I do not want them in prison, for they have not done much damage; all I ask is that you place a guard around the property so that they will not commit any further damage."

Mr. STAFFORD. General Clements was in charge of the men who did the damage and had the right to say how the men should comport themselves and what should be the discipline, but his rule was interfered with and he yielded to the importunings of the owner of the property.

Mr. HUDSPETH. Let me read a part of General Clements's report. He says:

I am unable to report the exact damage done, but I do not believe that the estimate of \$1,000 is excessive.

Now, that occurred after the lady had requested that a private guard be put around the property so that no further damage could take place.

Mr. STAFFORD. I am not attacking the bill on the quantum of the damages but on the ground that the owner of the

property dissented from the rule of the commanding officer, which he wanted to enforce.

Mr. HUDSPETH. She did not want the boys imprisoned for doing this small amount of damage, which amounted to \$38. All she asked then was that a guard be placed there. She placed a private guard there and he caught them taking away bricks and pump engine and doors from the building, and so forth.

Mr. RANKIN. If the gentleman will yield, I wish to say that the wishes of this woman did not have a thing to do with the officer's carrying out his military instructions or his military duties. Now, for him to come up and say that he permitted the depredations later because she did not want the men imprisoned is what is known in Army circles as "passing the buck." It is no answer to the charge that he permitted the destruction.

Mr. STAFFORD. Of course, he could have exercised his full authority and punished the boys for the original depredation, but on an appeal to him by the owner of the property, who did not want to have it done, the commanding officer desisted. He offered to pay for the damage, but she declined to receive it.

Mr. RANKIN. All she asked then was that no further damage be done and that guards be placed around the property and the men restrained from committing further damages.

Mr. STAFFORD. I object.

WILLIAM HOWARD MAY ET AL.

The next business on the Private Calendar was the bill S. 2746, an act for the relief of William Howard May, ex-marshal of the Canal Zone; William K. Jackson, ex-district attorney of the Canal Zone; and John H. McLean, ex-paymaster of the Panama Canal, now deceased.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. I object.

ELIZABETH MARSH WATKINS.

The next business on the Private Calendar was the bill S. 841, an act for the relief of Elizabeth Marsh Watkins.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. WILLIAMSON. Mr. Speaker, will the gentleman reserve his objection?

Mr. STAFFORD. Mr. Speaker, I reserve the objection.

Mr. WILLIAMSON. Mr. Speaker, I think this is a case that particularly ought to appeal to the Congress. Elizabeth Marsh Watkins was a pupil in the Indian school at Flandreau, S. Dak., and while engaged in laundering at the request of the superintendent in charge was injured by the mangle that she was using. The palm of her hand was largely torn off, and the skin from the wrist was rolled down over her palm and fingers so that her hand has become seriously and permanently crippled. This bill passed the Senate in the Sixty-fourth Congress and I think in every Congress since that time, and has been favorably acted upon by the Committee on Claims of the House on at least two different occasions. I feel that in this case the objection ought to be withdrawn.

Mr. BURTON. How much does the bill provide?

Mr. WILLIAMSON. Twenty-five hundred dollars.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, in this case, as I remember it, the report shows that she is not permanently incapacitated from performing work. Her left hand has been disfigured, and she is able to do manual labor as before. Twenty-five hundred dollars is a pretty large sum to pay merely for disfigurement of the hand by doing work which she was not directed to do by the Government authorities.

Mr. WILLIAMSON. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. WILLIAMSON. I notice that Dr. W. O. Wetmore, of Washington, D. C., examined this girl at the time she was in Washington. He states in his report that the fingers of the left hand are atrophied and useless, and that contractures have occurred in the palmar fascia; also that as a result of the injury her nervous system in general fails to respond to normal stimuli and insomnia is present. That conforms with her own affidavit, which also appears in the record. She is in a condition to-day where she is able to do very little, if any, work.

Mr. STAFFORD. Where is the testimony that she is to-day incapacitated from performing work? If that is the fact I do not wish to interpose any objection.

Mr. SNELL. Was that brought out at the hearings before the committee, that she was incapacitated? That is the important part of it.

Mr. WILLIAMSON. That certainly was brought out before the committee.

Mr. STAFFORD. There is nothing in the report that shows it.

Mr. EDMONDS. The report shows that she has very little use, if any, of this hand, if one could call that permanent incapacity. Here is the picture of the hand which was injured. She can not use the hand.

Mr. STAFFORD. Under the statement of the chairman of the committee, amplifying the report, which does not show that she is incapacitated, and the statement of the gentleman from South Dakota [Mr. WILLIAMSON], I withdraw the objection.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, the sum of \$2,500, to compensate Elizabeth Marsh Watkins, of Wapala, S. Dak., for permanent bodily injuries sustained by her on the 8th day of November, 1908, at the Government Indian school at Flandreau, S. Dak.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

J. W. HARRELD.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that the next bill on the calendar, H. R. 8025, for the relief of J. W. Harreld, be withdrawn from the calendar.

The SPEAKER. Is there objection?

There was no objection.

Mr. STAFFORD. Does the gentleman mean to lay the bill on the table?

The SPEAKER. Taking it from the calendar would lay it on the table. The Clerk will report the next bill.

MES. M. P. RODGERS.

The next business on the Private Calendar was the bill H. R. 4314, for the relief of Mrs. M. P. Rodgers.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. EDMONDS. Mr. Speaker, I object, and I ask that the bill be laid on the table.

The SPEAKER. Is there objection?

There was no objection.

RICHARD MURPHY.

The next business on the Private Calendar was the bill H. R. 9916, to provide for the issuing of a patent to Richard Murphy for a certain tract of land in what is known as the Big Pasture of Oklahoma, and upon which he has made full payment of purchase price.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That by reason of the fact that on April 22, 1907, under the act of June 6, 1906, Richard Murphy made homestead entry 06742 upon the southwest quarter of section 13, in township 3 south of range 15 west, Indian meridian, in Oklahoma, and in June, 1916, made his full and final payment of all installments and interest thereon as required by said act and extension of payment acts and his bidding agreement therefor upon said tract, the said Richard Murphy has earned a valid title to said tract, and it is now provided that the land department shall issue a patent for said land to the said Richard Murphy.

With the following committee amendment:

Strike out all after the enacting clause and insert:

That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to Richard Murphy patent to the southwest quarter of section 13, in township 3 south of range 15 west, Indian meridian, in Oklahoma, being homestead entry, Guthrie 06742.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended to read as follows:

A bill authorizing issuance of patent to Richard Murphy.

MEDICAL SOCIETY, DISTRICT OF COLUMBIA.

The next business on the Private Calendar was the bill H. R. 10973, to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved June 7, 1898, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. I object.

IRON GATES ON WEST EXECUTIVE AVENUE, WASHINGTON, D. C.

The next business on the Private Calendar was the Senate bill 3046, an act to donate the gates at the head of West Executive Avenue, in the city of Washington, D. C., to the Hayes Memorial Museum, Fremont, Ohio.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MOORES of Indiana. Mr. Speaker, I object.

DONATING CERTAIN INDIAN LANDS, STATE OF WASHINGTON.

The next business on the Private Calendar was the bill H. R. 10841, authorizing the transfer of 500 feet of Indian land, in the State of Washington, for a public school to which Indian children shall be admitted without payment of tuition.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, is this to carry with it the construction of a new school building, which is not provided for in the Indian bill?

Mr. EDMONDS. Some gentleman from the Indian Committee will have to answer that.

Mr. STAFFORD. This is to provide additional land for the use of a public school.

Mr. BLANTON. Already in existence?

Mr. STAFFORD. Yes.

Mr. BLANTON. It is not going to require the building of a new one out there not authorized by the present bill?

Mr. STAFFORD. Not that I know of.

Mr. BLANTON. Is the gentleman on the Indian Committee?

Mr. STAFFORD. I am not on all the committees of the House; the Appropriations Committee is sufficient to keep me occupied.

Mr. BLANTON. That is the reason I made the inquiry; I did not think the gentleman could speak for the Indian Committee.

Mr. STAFFORD. I am speaking on this bill, so far as the bill itself shows, and the report; it is for the transfer of Government lands for public-school purposes to which Indian children shall be admitted without payment of tuition. It safeguards the interests of the Government in every way, donating land owned by the Government for public-school purposes.

Mr. BLANTON. I am going to take half a minute. The point I am making is this, that, unless it is a school already built that is provided for in the Indian bill, if we pass this measure it will make in order an appropriation that is to come afterwards to build public schools that has not had legislative consideration.

Mr. STAFFORD. The facts are these. The Government owned some lands—

Mr. BLANTON. Is there a school building already established?

Mr. STAFFORD. Yes.

Mr. BLANTON. I withdraw it.

Mr. STAFFORD. Just to have the facts correct, the Government owns some land adjoining a public-school building. This public school is attended 60 per cent by Indian pupils. By reason of their accepting the Indian children, it is proposed to give them additional land without expense—a very commendable course.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to transfer and convey to school district No. 30, in Ferry County, State of Washington, being the Meteor-Inchelium school district, the north 500 feet of lot 5 in section 5, township 32 north, range 37 east, Willamette meridian, for public-school use, upon condition that Indian children shall be admitted to the schools of said district without discrimination, and that any Indian children who are not Federal wards shall be admitted without payment of tuition.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

HORACE G. KNOWLES.

The next business in order on the Private Calendar was the bill (H. R. 8656) for the relief of Horace G. Knowles.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. I object.

SOUTHERN TRANSPORTATION CO.

The next business in order on the Private Calendar was the bill (H. R. 7010) for the relief of the Southern Transportation Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill. [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the claim of Southern Transportation Co., a corporation organized under the laws of the State of Pennsylvania, and doing business in the State of Virginia, owners of the barge *Moccasin*, against the United States for damages alleged to have been caused by collision between the said barge *Moccasin* and the United States Navy lighter No 467, in tow of Navy tug *Kewadin* in Hampton Roads, Va., on the 5th day of October, 1920, may be sued for by the said Southern Transportation Co. in the District Court of the United States for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the said Southern Transportation Co. or against the said Southern Transportation Co. in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That suit shall be brought and commenced within four months from the date of the passage of this act.

The committee amendment was read, as follows:

Page 1, line 9, strike out the figures "457" and insert in lieu thereof the figures "462."

The amendment was agreed to.

Mr. EDMONDS. Mr. Speaker, I would like to offer another amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

In line 4, page 1, strike out the word "Pennsylvania" and insert in lieu thereof "New Jersey."

The question was taken, and the amendment was agreed to.

Mr. WATSON. Mr. Speaker, I would ask the chairman whether the damage had arisen from the barge or from the merchandise on the barge?

Mr. EDMONDS. No; they were incurred in regard to a collision.

Mr. WATSON. Did they arise out of damages sustained by the barge or the merchandise also?

Mr. EDMONDS. No; I believe not.

Mr. WATSON. Is the gentleman sure? Because it would make a great difference whether it was damages to the barge or merchandise in the barge. It does not say in the report.

Mr. EDMONDS. No; it does not say in the report, but it does say in the bill for damages alleged to have been caused by collision between the barge and a United States Navy lighter.

Mr. WATSON. Arising out of damages sustained by the barge. Now, whether it includes merchandise in the barge makes some difference, whether it was insured or not, and whether the Government was responsible.

Mr. EDMONDS. If the Government is responsible, why would that make any difference?

Mr. WATSON. We ought to know the facts.

Mr. EDMONDS. My understanding is that it was a collision between the barge and a lighter. I never heard any report made of its being in regard to merchandise on the barge.

Mr. WATSON. It ought to be clearly set forth. There might be half a dozen people hurt and damages brought.

Mr. EDMONDS. No; there is nothing of that kind; and all of our cases have been about the same in regard to admiralty cases.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

GULF, FLORIDA & ALABAMA RAILWAY CO.

The next business in order on the Private Calendar was the bill (S. 2599) for the relief of the receiver of the Gulf, Florida & Alabama Railway Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. I object.

NAVAJO TIMBER CO. OF DELAWARE.

The next business in order on the Private Calendar was the bill (S. 1945) to reimburse the Navajo Timber Co. of Delaware for a deposit made to cover the purchase of timber.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Reserving the right to object, I rise to obtain information from the committee as to whether the \$5,000 forfeit money that was deposited by the Navajo Lumber & Tim-

ber Co., which the late Secretary Lane reported against, has ever been returned to the company.

Mr. EDMONDS. Not that I know of.

Mr. BURTON. This is not a bill of mine, but it is one in which my colleague [Mr. KNIGHT] is interested. He is absent to-day. They have abandoned, as I understand, the other claim; at least there is no bill pending.

Mr. STAFFORD. That is what I wanted to ascertain. The Secretary of the Interior in 1915 offered no objection to the reimbursement and return of this \$5,000, but he strenuously objected to the return of a like sum by another company composed of the same persons as this company.

Mr. BURTON. Practically the same persons.

Mr. STAFFORD. Mr. Speaker, I withdraw the objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Navajo Timber Co., of Delaware, out of any moneys in the Treasury of the United States standing to the credit of the fund "Indian moneys, proceeds of labor, Fort Apache Indians," the sum of \$4,904.10, the same to be a reimbursement for a deposit made by said Navajo Timber Co. with the Commissioner of Indian Affairs of the United States on October 15, 1913, to accompany a bid for the purchase of certain timber on the Apache and Sitgreaves National Forests, Ariz., and on the Fort Apache Indian Reservation, Ariz.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. STAFFORD. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. EDMONDS. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. Will the gentleman withhold that motion for a moment?

Mr. EDMONDS. I do.

LEAVE OF ABSENCE.

Mr. FITZGERALD, by unanimous consent, was granted leave of absence for five days, on account of public business in his district.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that January 25 they had presented to the President of the United States for his approval the following bills:

H. R. 11626. An act to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La.; and

H. J. Res. 261. Joint resolution for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

ADJOURNMENT.

The SPEAKER. The gentleman from Pennsylvania [Mr. EDMONDS] moves that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Saturday, January 27, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

922. Under clause 2 of Rule XXIV, a letter from the Secretary of the Treasury, transmitting a report showing the number of documents received and distributed by the Treasury Department during the calendar year ended December 31, 1922, together with the number remaining on hand January 1, 1923, was taken from the Speaker's table and referred to the Committee on Printing.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GRAHAM of Illinois: Committee on Interstate and Foreign Commerce. H. R. 13807. A bill granting the consent of Congress to the Delaware State highway department to construct a bridge across the Nanticoke River; without amendment (Rept. No. 1456). Referred to the House Calendar.

Mr. GRAHAM of Illinois: Committee on Interstate and Foreign Commerce. H. R. 13410. A bill granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River; with amendments (Rept. No. 1457). Referred to the House Calendar.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. Res. 393. A resolution directing the Attorney General to make an immediate investigation of the school fund of the Cherokee Nation of Oklahoma; without amendment (Rept. No. 1458). Referred to the House Calendar.

Mr. TILLMAN: Committee on the Judiciary. H. R. 13571. A bill to amend section 71 of the Judicial Code as amended; without amendment (Rept. No. 1459). Referred to the House Calendar.

Mr. SWING: Committee on Naval Affairs. S. 2390. An act to redistribute the number of officers in the several grades of the Supply Corps of the Navy; with an amendment (Rept. No. 1461). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDREWS of Nebraska: Committee on Election of President, Vice President, and Representatives in Congress. S. J. Res. 248. A joint resolution to provide for the payment of salaries of Senators appointed to fill vacancies, and for other purposes; with an amendment (Rept. No. 1464). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 9309. A bill for the relief of the Neah Bay Dock Co., a corporation; without amendment (Rept. No. 1460). Referred to the Committee of the Whole House.

Mr. REED of New York: Committee on War Claims. H. R. 8733. A bill for the relief of Harold L. McKinley; without amendment (Rept. No. 1465). Referred to the Committee of the Whole House.

Mr. REED of New York: Committee on War Claims. H. R. 5369. A bill to compensate the owners of the steamship *Brynild* for damages and expenses in repairing the said steamship, and to make an appropriation therefor; without amendment (Rept. No. 1466). Referred to the Committee of the Whole House.

Mr. REED of New York: Committee on War Claims. H. R. 8051. A bill for the relief of the Commonwealth & Dominion Line (Ltd.), owner of the British steamship *Port Phillip*; without amendment (Rept. No. 1467). Referred to the Committee of the Whole House.

Mr. REED of New York: Committee on War Claims. S. 3118. An act for the relief of Herbert E. Meistrup; without amendment (Rept. No. 1468). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of South Dakota: A bill (H. R. 14033) in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action; to the Committee on Foreign Affairs.

By Mr. LINEBERGER: A bill (H. R. 14034) to amend the war risk insurance act and the vocational rehabilitation act with amendments prior to the passage of this act, and to extend all of the provisions of said act to all disabled veterans of all wars of the United States, and to their dependents; to the Committee on Interstate and Foreign Commerce.

By Mr. TINCHER: A bill (H. R. 14035) to amend the copyright law in order to permit the United States to enter the International Copyright Union; to the Committee on Patents.

By Mr. HAYDEN (by request): A bill (H. R. 14036) for the relief of water users under United States reclamation projects; to the Committee on Irrigation of Arid Lands.

By Mr. McSWAIN: A bill (H. R. 14037) to punish official misconduct of any officer of the United States; to the Committee on the Judiciary.

By Mr. STEENERSON: A bill (H. R. 14038) to amend the laws relating to the postal-savings system, authorizing rural routes from 36 to 75 miles in length, to encourage commercial aviation, extending the insurance and collect-on-delivery privilege to third-class matter, and prescribing the computation of overtime to employees in post offices; to the Committee on the Post Office and Post Roads.

By Mr. RUCKER: A bill (H. R. 14039) authorizing the acquisition of a site and the erection of a public building at Keytesville, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Idaho: A bill (H. R. 14040) to extend payments on reclamation projects; to the Committee on Irrigation of Arid Lands.

By Mr. STRONG of Kansas: A bill (H. R. 14041) to amend sections 3, 4, 9, 12, 15, 21, 22, and 25 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. KISSEL: A joint resolution (H. J. Res. 427) authorizing the President of the United States, under the provisions

of the first sentence of section 202 of the transportation act, 1920, to pay just and meritorious claims for loss of and/or damage to freight in transportation arising out of or incident to Federal control, and declaring the intent of section 206 (a) of said act in relation to the provision authorizing actions at law against an agent appointed by the President; to the Committee on Interstate and Foreign Commerce.

By Mr. CHALMERS: A concurrent resolution (H. Con. Res. 80) providing for the appointment of a congressional committee to call upon the President of the United States to request him to call a world peace conference; to the Committee on Foreign Affairs.

By Mr. SINCLAIR: Memorial of the Legislature of the State of North Dakota urging that immediate action be taken toward the passage of such law as will make possible the early completion of the Great Lakes-St. Lawrence waterways project; to the Committee on Interstate and Foreign Commerce.

By Mr. WILLIAMSON: Memorial of the Legislature of the State of South Dakota urging Congress to give immediate and careful consideration to Senate bill 4130; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of South Dakota requesting and demanding modification and reduction of the present freight rates for grain and live stock; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of South Dakota requesting and demanding modification and revision of the present Federal standards for grading grain; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Dakota requesting Congress to amend section 2 of House Resolution 8744, approved December 21, 1921, and enact in lieu thereof an act to require the completion of a steel bridge at Chamberlain, S. Dak., as required by act of Congress approved April 28, 1916, said bridge to be completed during the year 1923; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 14042) granting a pension to Clara A. Bicknell; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 14043) granting an increase of pension to Ella M. Morrow; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 14044) granting a pension to Hannah K. Hallowell; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 14045) granting a pension to James T. Cowan; to the Committee on Pensions.

By Mr. HUTCHINSON: A bill (H. R. 14046) for the relief of Frederick MacMonnies; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 14047) granting an increase of pension to Daisy W. Lyman; to the Committee on Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 14048) granting a pension to William M. Keen; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 14049) granting an increase of pension to Elizabeth A. Morrow; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7050. By the SPEAKER (by request): Petition of Board of Aldermen of the city of Chelsea, Mass., opposing any organizations which can not give a complete support to the United States Government and fealty to our flag; to the Committee on the Judiciary.

7051. Also, petition of Richard W. Mulcahy Post, No. 47, of the American Legion, Portage, Wis., urging the United States Government to enact a soldiers and sailors' adjusted compensation bill containing a provision requiring the raising of the necessary revenues by means of the sales tax; to the Committee on Ways and Means.

7052. Also, petition of the Private Soldiers and Sailors' Legion, protesting against the enactment of Senate bill 1565; to the Committee on Military Affairs.

7053. By Mr. CULLEN: Petition of the City Parliament of the Community Councils of the City of New York, urging the President to recommend to Congress the passage of such legislation as will either regulate the proper mining of coal and its distribution or that the Government of the United States

take over such mines and operate the same for the public welfare; to the Committee on Interstate and Foreign Commerce.

7054. Also, petition of Civil Employees' Association of World War Veterans, New York City, N. Y., urging the House Military Affairs Committee to report the Bursum bill (S. 1565); to the Committee on Military Affairs.

7055. By Mr. KAHN: Petition of sundry citizens of San Francisco, Calif., urging that aid be extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7056. Also, petition of 2,486 citizens, favoring the modification of the Volstead law on prohibition so as to allow the manufacture and sale of light wines and beer; to the Committee on the Judiciary.

7057. By Mr. KETCHAM: Petition of 42 citizens of Galien, Mich., protesting against discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7058. By Mr. KISSEL: Petition of Walter W. Law, jr., president Tax Commission of the State of New York, favoring passage of a Senate bill regarding taxation of national banks; to the Committee on Banking and Currency.

7059. Also, petition of Hon. Alfred E. Smith, Governor of the State of New York, approving a Senate bill amending the national banking act and permitting States to validate prior taxes on national-bank shares; to the Committee on Banking and Currency.

7060. Also, petition of George P. Nicholson, corporation counsel of the city of New York, requesting the passage of legislation providing for the taxing of national-bank shares; to the Committee on Banking and Currency.

7061. By Mr. LEA of California: Petition of 42 residents of Santa Rosa, Calif., to abolish the discriminatory tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

7062. By Mr. J. M. NELSON: Petition of 562 citizens of Wisconsin, favoring immediate aid being extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7063. By Mr. SINCLAIR: Petition of Hanks National Farm Loan Association, Hanks, N. Dak., objecting to the Strong bill, H. R. 13125; to the Committee on Banking and Currency.

7064. Also, petition of Henry Stute and 61 others, of Mercer, N. Dak., praying that aid be given the suffering peoples of the German and Austrian Republics; to the Committee on Foreign Affairs.

7065. Also, petition of Carl A. Vogle and 61 others, of Lefor, N. Dak., urging the passage of a resolution providing for the extension of aid to the famine-stricken peoples of Germany and Austria; to the Committee on Foreign Affairs.

7066. Also, petition of Wildrose National Farm Loan Association, Wildrose, N. Dak., protesting against the Strong bill or any similar legislation intended to change the Federal farm loan act; to the Committee on Banking and Currency.

7067. Also, petition of Y. M. C. A. of Fargo, N. Dak., supporting the Sheppard and Sterling bills, to strengthen the prohibition law; to the Committee on the Judiciary.

7068. By Mr. SNYDER: Petition of Rev. C. Springer and others, of Rome, N. Y., favoring the enactment of House Joint Resolution 412, for the relief of the people of Germany and Austria; to the Committee on Foreign Affairs.

SENATE.

SATURDAY, January 27, 1923.

(Legislative day of Tuesday, January 23, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of Labor, in response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to automobiles and garages owned and controlled by the Department of Labor in Washington, D. C., which was ordered to lie on the table.

He also laid before the Senate a communication from the commissioner (American section), International Boundary Commission, United States and Mexico, in response to Senate Resolution 399, agreed to January 6, 1923, relative to the use and upkeep of automobiles by the commission, which was ordered to lie on the table.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Borah	Frelinghuysen	Keyes	Oddie
Brookhart	George	Lenroot	Pepper
Bursum	Gerry	Lodge	Pomerene
Calder	Glass	McCormick	Reed, Pa.
Cameron	Hale	McCumber	Sheppard
Capper	Harrell	McKellar	Smith
Caraway	Harris	McLean	Smoot
Colt	Harrison	McNary	Spencer
Couzens	Heflin	Moses	Sterling
Culberson	Hitchcock	Nelson	Trammell
Curtis	Johnson	New	Underwood
Dial	Jones, Wash.	Nicholson	Wadsworth
Ernst	Kellogg	Norbeck	Walsh, Mont.
Fletcher	Kendrick	Norris	Warren

Mr. McNARY. I wish to announce the absence of the senior Senator from Wisconsin [Mr. LA FOLLETTE] on official business.

The VICE PRESIDENT. Fifty-six Senators have answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a resolution adopted by the Washington (D. C.) Central Labor Union, praying for the passage of legislation suspending immigration for a period of five years, etc., which was referred to the Committee on Immigration.

He also laid before the Senate resolutions unanimously adopted by the District of Columbia Chapter, Military Order of the World War, protesting against depriving General Harbord and other officers who rendered distinguished service during the World War of retired pay while engaged in civil employment, which were referred to the Committee on Appropriations.

Mr. WARREN presented a resolution of the Central Labor Union of Rock Springs, Wyo., favoring the passage of legislation suspending immigration for a period of five years, etc., which was referred to the Committee on Immigration.

Mr. LADD presented petitions signed by 63 citizens of Lefor, N. Dak., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Foreign Relations.

He also presented a resolution of the Hanks (N. Dak.) National Farm Loan Association, protesting against the passage of the so-called Strong bill, amending certain sections of the Federal farm loan act, which was referred to the Committee on Banking and Currency.

Mr. CALDER presented resolutions adopted at the ninety-first annual meeting of the New York State Agricultural Society, indorsing the work carried on by the Port of New York Authority and its predecessors in the creation of a compact insuring cooperation between New York and New Jersey, and in the adoption of a plan by both States and by the Federal Government, which were referred to the Committee on the Judiciary.

He also presented resolutions of the Wildcat Division Club, of New York, being veterans of the Eighty-first Division, American Expeditionary Forces, favoring the making of appropriations for the maintenance of the Regular Army, the Organized Reserves, the Reserve Officers' Corps, and the citizens' military training camps at adequate strength, so as to carry out the intent and purpose of the national defense act, which were referred to the Committee on Appropriations.

REPORTS OF COMMITTEES.

Mr. CALDER, from the Committee on Finance, to which was referred the bill (S. 4245) to provide the necessary organization of the Customs Service for an adequate administration and enforcement of the tariff act of 1922, and all other customs revenue laws, reported it with amendments and submitted a report (No. 1065) thereon.

Mr. NEW, from the Committee on Claims, to which was referred the bill (S. 3805) to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, reported it without amendment and submitted a report (No. 1066) thereon.

Mr. McCUMBER, from the Committee on Finance, to which was referred the bill (H. R. 10003) to further amend and modify the war risk insurance act, reported it with an amendment and submitted a report (No. 1067) thereon.

REPORT OF THE AMERICAN ACADEMY OF ARTS AND LETTERS.

On motion of Mr. MOSES, and by unanimous consent, the Committee on Printing was discharged from the further consideration of the report of the American Academy of Arts and Letters, and the report was referred to the Committee on the Library.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSES:

A bill (S. 4426) granting a pension to Jason Holt (with accompanying papers); to the Committee on Pensions.

By Mr. McCORMICK:

A bill (S. 4428) for the improvement of commerce and navigation, and for other purposes; to the Select Committee on Nine-foot Channel from the Great Lakes to the Gulf.

By Mr. MOSES:

A bill (S. 4429) granting an increase of pension to Rosa A. Newhall (with accompanying papers); to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 4430) for the relief of the owner of the scow *W. T. C. No. 35*; and

A bill (S. 4431) for the relief of the Union Ferry Co. of New York and Brooklyn, owners of the ferryboat *Montauk*; to the Committee on Claims.

A joint resolution (S. J. Res. 274) to provide for the participation of the United States in the observance of the one hundredth anniversary of the enunciation of the Monroe doctrine and of the ninety-second anniversary of the death of James Monroe; to the Committee on the Library.

SALE OF SHIPS BY SHIPPING BOARD.

Mr. POMERENE. Mr. President, I send to the Secretary's desk a resolution and ask that it may be read.

The VICE PRESIDENT. The Secretary will read the resolution for the information of the Senate.

The reading clerk read the resolution (S. Res. 421), as follows:

Resolved, That the United States Shipping Board be, and it is hereby, directed and instructed to furnish to the United States Senate the following detailed information:

First. State number of ships sold by the United States Shipping Board since March 4, 1921.

Second. Give the names of the persons, partnerships, or corporations to whom said sales have been made.

Third. Give the terms of the sale, whether for cash or on deferred payments, and the amount of each with dates of maturity of deferred payments.

Fourth. Give in detail what settlements, if any, have been made for each of said ships so sold with said persons, partnerships, or corporations.

Fifth. If there has been any difference in the said terms of settlement, give the reasons therefor.

Sixth. If settlements have not been made in accordance with terms of sale by any of said persons, partnerships, or corporations, give the reasons therefor.

Mr. POMERENE. I ask unanimous consent for the present consideration of the resolution.

Mr. LENROOT. Mr. President, will the resolution lead to any debate?

Mr. POMERENE. I think not. It merely asks for information.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent, and agreed to.

NIAGARA RIVER BRIDGE.

Mr. CALDER. I ask unanimous consent to report from the Committee on Commerce two bridge bills, which are in the usual form.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the reports will be received.

Mr. CALDER. From the Committee on Commerce I report favorably, with an amendment, the bill (S. 4358) to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada, and I submit a report (No. 1063) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the American Niagara Railroad Corporation, a corporation organized under the laws of the State of New York, its successors and assigns, be, and it hereby is, authorized to construct, maintain, and operate a bridge and approaches thereto for general railway purposes and with a way for the passage of pedestrians and of

motor-driven and horse-drawn vehicles, across the Niagara River, at a point suitable to the interests of navigation, near the city of Tonawanda, N. Y., and across Grand Island, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment of the Committee on Commerce was, on page 2, line 3, after the numerals "1906" and before the period, to insert the following proviso:

Provided, That before the construction of the said bridge shall be begun all proper and requisite authority therefor shall be obtained from the Government of the Dominion of Canada.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TUGALOO RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report favorably, with an amendment, the bill (S. 4387) to authorize the building of a bridge across the Tugaloo River, between South Carolina and Georgia, and I submit a report (No. 1064) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment of the Committee on Commerce was, in section 1, on page 1, line 9, after the word "River," to insert "at a point suitable to the interests of navigation and," so as to make the section read:

That the State Highway Department of South Carolina and the State Highway Department of Georgia, in cooperation with the properly constituted authorities of Oconee County, S. C., and Stephens County, Ga., be, and they are hereby, authorized to construct, operate, and maintain a highway bridge and approaches thereto across the Tugaloo River, at a point suitable to the interests of navigation and at or near a point known as the Old Southern Railroad bridge, between the counties of Oconee, S. C., and Stephens, Ga., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RURAL CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

The VICE PRESIDENT. The Secretary will proceed with the reading of the bill.

The Assistant Secretary read the bill to the end of line 7, page 2.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. HARRISON obtained the floor.

Mr. HEFLIN. Mr. President, will the Senator from Mississippi allow me to introduce a bill?

Mr. HARRISON. I yield.

Mr. HEFLIN. I introduce a bill proposing to amend the Federal reserve act, which I ask may be referred to the Committee on Agriculture.

The VICE PRESIDENT. Without objection, the bill will be received and so referred.

Mr. McLEAN. I ask that the bill may be read.

The VICE PRESIDENT. The Secretary will read the bill.

The bill (S. 4427) repealing the act approved April 13, 1920, entitled "An act to amend the act approved December 23, 1913, known as the Federal reserve act," was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the act approved April 13, 1920, being Public No. 170, Sixty-sixth Congress, entitled "An act to amend the act approved December 23, 1913, known as the Federal reserve act," be, and the same is hereby, repealed.

Mr. HARRISON. I ask the Senator, will he explain briefly the proposed amendment to the law?

Mr. HEFLIN. Mr. President, the proposed amendment to the Federal reserve act repeals the amendment to that act under which a progressive interest rate was charged to a bank in my State of 87½ per cent. While we have forced a reduction of the rediscount rate by the fight which I and others have made here, the power under which the interest rate to which I have referred was charged is still retained in the act. I want to repeal that portion of that act. That is my purpose in offering the proposed amendment to the Federal reserve act.

Mr. McLEAN. Mr. President, the Committee on Banking and Currency have no desire to assume any responsibility that the Senate does not wish to impose upon it, but, if the practice is to become chronic of referring bills to committees with an eye single to the friendliness of the committee, I think we may all feel that it will demoralize our whole legislative procedure. I think the Senate ought to express its opinion with regard to the reference asked for by the Senator from Alabama. I object to the bill being referred to the Committee on Agriculture and Forestry.

Mr. HEFLIN. Mr. President, I merely wish to say that the progressive interest rate was applied nowhere in the country except in the agricultural sections of the South and West. It was not applied in New England, from which section my friend the Senator from Connecticut comes; it was not applied in the East; indeed, it was applied nowhere except in the cotton-growing States of the South and in the grain-growing and cattle-raising States in the western section of the country. I want a committee to consider the bill that represents the agricultural interests of the country, a committee that is acquainted with the distress and suffering endured by these people under the murderous—for that is what it was—progressive interest rate imposed by the Federal Reserve Board. No man in the Senate or out of it can defend a progressive interest rate that imposed upon a little bank in south Alabama 87½ per cent. The fact that such an interest rate was charged is not disputed and can not be disputed. The Federal Reserve Board has admitted that such a rate was charged. The governor of the Federal Reserve Bank of Atlanta has admitted that the rate was charged.

Mr. President, the provision of the law which I seek to repeal has worked a great hardship upon the people of my State, upon the people of the South generally, and upon the people of the West. It ought not to remain in the law. I do not believe that some of the Members of the Senate and House of Representatives who voted for it knew what they were voting for when they incorporated it in the law. I have stated on this floor a number of times that Governor Harding told the Senator from South Carolina [Mr. SMITH] that the board did not intend to apply the provisions of that section of the law in the agricultural section; that they intended to protect the agricultural sections by it, but did intend to apply it in New York and some other large cities that were obtaining more money than they were entitled to obtain. When, however, the board were granted this authority they did not apply it to New York at all, or to any other large city in the East or North; they applied it nowhere except in those sections where they promised not to apply it. The whole thing is stamped all over with fraud and deception. It ought not to have been in the law at all; but it was placed in the law by a Republican Congress and is in the law now.

I have waited about introducing my amendment because I saw a statement some time ago from the Comptroller of the Currency, Mr. Crissinger, who is a good man, that he favored reducing the rediscount rate. That position was in line with the resolution which I had already introduced in the Senate. He said that the rediscount rate ought to be reduced. Pressure has been brought to bear and the rediscount rate has been reduced. While it was being reduced there was being accomplished exactly what I was trying to accomplish. The time has now come before this Congress adjourns to pluck that awful provision out of the law, root and branch, and destroy it.

I would not, Mr. President, if I could help it, permit that provision to remain in the law under any Federal Reserve Board, I do not care what its political complexion might be. I saw the power wielded; I saw how it was applied when the South was in the throes of financial distress. When the Federal Reserve Board should have gone to our people's rescue, I saw the provision of the law which I seek to have repealed used as a club to strike the South and West to their knees, and literally strip those sections of the accumulations of a lifetime. I saw it impose upon my section debts under which my people will labor for 5 or 10 years to come before they get rid of them. I saw swept away from farmers under this provision of the law homes and farms that they will never recover. It ought not to be permitted to remain in the law.

I object to referring the bill to a committee a majority of whose members defended the Federal Reserve Board's deflation policy. I do not want the bill to go into the hands of a committee that is hostile to it. We might just as well talk plainly. If the Senator from Connecticut wants to make the issue, let us see who is on the side of the distressed farmers of the United States. I want action on the bill; I want it reported back. I think, to be frank, that the Agricultural

Committee will report it back promptly and favorably. If I had not thought so, I would not have asked that the bill be referred to that committee.

Mr. President, why should the bill go to the Banking and Currency Committee? The Agricultural Committee is supposed to look out for the agricultural interests. The agricultural interests have been imposed upon by the provision of the law which I seek to repeal. Now, to which committee can we look for quick and favorable action? To the Agricultural Committee, which knows the condition of and sympathizes with the farmers, or a committee some members of which defended the Federal Reserve Board all during the grinding process of deflation which destroyed billions of dollars' worth of property in the United States?

Mr. President, I do not care to discuss this proposition at length. I have stated the situation. This provision ought to be taken out of the law. Bills have been referred to committees without objection, and I hope the Senator from Connecticut will not object to the Agricultural Committee having consideration of this matter, because the millions of people in the agricultural sections are the people injuriously affected by the operation of this provision. They are the only people affected by it, and the Agricultural Committee is supposed to represent their interests. Why should not this bill be referred to that committee? I simply want to do what is right and just in this matter. I think it ought to be referred to that committee, because it is a serious matter to the farmers of the country. I am a member of that committee.

While we are here trying to legislate or pretending to legislate for the benefit of the farmer, why not do something of real value for him? There will be genuine rejoicing all over the agricultural sections when this octopus is plucked out of this measure—the progressive interest rate—sneaked in, covered all over with false pretenses and fraud, while they were telling out in the open that they never intended to apply it to the agricultural sections, and I know that in the outset they never intended to apply it anywhere else. Deception was employed as the vehicle on which to carry this provision into the law, and after they got it they struck down the people of the whole South and the West and now we are seeking to get out from under it; and the Senator from Connecticut, who is posing now as the friend of the farmer, would have us believe that he would really enact some legislation for the relief of the farmer. It is really touching to me, Mr. President, when I behold that situation. When I see the Senator from Connecticut, the arch champion of deflation, coming bearing gifts to the farmer, it touches me deeply. If it were not for taking up the time of the Senate, I would shed tears [laughter]; but, Mr. President, whenever you touch on a vital proposition to certain big interests, see how quickly the Senator from Connecticut springs to his feet. I put my finger on the sore spot in this whole business when I undertake to uproot this progressive interest-rate provision. Yes, the Senator from Connecticut springs to his feet. He knows that the forces are gathering now to do something of value in this matter. He objects to having the bill sent to the Agricultural Committee. Why? Why? Why does the Senator object? He is the chairman of the Banking and Currency Committee, and he is protesting against the reference of this bill to any other committee but his own committee.

Mr. President, a lot of strange things happen in this Chamber; but as these matters unfold and these developments come we do get enough into the RECORD for the people who read it to know where their friends are and who their friends are.

I think the bill that I have introduced ought to be referred to the Agricultural Committee. I have stated before that the agricultural interests were the interests that were preyed upon by the provision that I want to strike out and that the Agricultural Committee is supposed to represent those interests, and I asked that my bill be referred to that committee. The Vice President referred it to the committee, but the Senator from Connecticut objected, and I now ask that it be referred to the Agricultural Committee.

The VICE PRESIDENT. On the request of the Senator from Alabama, the Chair stated that without objection the bill would be received and so referred. Is there objection?

Mr. McLEAN. I object.

The VICE PRESIDENT. Does the Senator object to the introduction of the bill or to the reference?

Mr. McLEAN. I have no objection to its going to the Committee on Banking and Currency or to the Committee on Finance, either one of them. Manifestly, it should go to one or the other of these committees.

The Senator says that this frequently has been done. That is just the trouble. The bill should go to the Committee on

Banking and Currency, but that committee has no desire to resume responsibility that the Senate does not wish to impose upon the committee. As the Senator says, it has been done frequently. Bills are being sent to the Committee on Agriculture and Forestry that should go to the Committee on Finance or the Committee on Banking and Currency. They are reported out the next day. There is just as much justification for referring a tariff bill to the Agricultural Committee, or a Post Office bill to the Agricultural Committee, or any other bill and all the bills to the Agricultural Committee, as there is for referring this particular bill to it. If the Senator is right in his position, the only thing for us to do is to abolish all the standing committees and appoint each Member of this body a committee to report out his own bill. That is what it will lead to if the habit becomes confirmed; and I shall insist upon the Senate expressing its opinion with regard to this matter before the bill is referred.

The VICE PRESIDENT. Does the Senator from Connecticut make any motion?

Mr. McLEAN. If I made a motion, it would be to refer the bill to the Committee on Banking and Currency. I have no objection to its lying on the table.

Mr. HEFLIN. Mr. President, I move to amend the motion by requiring the committee to report it back to the Senate within five days.

Mr. LENROOT. Mr. President, I call for the regular order.

Mr. HEFLIN. If the Senator from Wisconsin thinks he can dispose of this matter in that way, let him take the responsibility. He will find that the regular order will result in a two-hour speech from me.

ADDRESS BY SENATOR BROOKHART.

Mr. BORAH. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. HEFLIN. I yield to the Senator from Idaho.

Mr. BORAH. If the Senator from Alabama will yield, I ask unanimous consent to have printed in the RECORD, in 8-point type, the speech of the Senator from Iowa [Mr. BROOKHART] before the Foreign Relations Council of New York, delivered last night.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

SPEECH OF SENATOR SMITH W. BROOKHART, OF IOWA, DELIVERED TO THE COUNCIL OF FOREIGN RELATIONS OF NEW YORK CITY ON THE EVENING OF JANUARY 26, 1923.

Gentlemen of the Council of Foreign Relations: You have invited me to speak to you of the sentiment and the attitude of the farmers, the laborers, and the soldiers toward our foreign affairs. Your invitation seemed to imply the existence of a sectional or mid-western sentiment, and ask for its special interpretation. This is error. While there is a distinct farmer thought and sentiment, a distinct labor thought and sentiment, and likewise a distinct soldier thought and sentiment, still all are national and not sectional. They are also quite well organized and reasonably consistent, and they are also very largely harmonious one with another. At this time there is no substantial difference in the national economic thought of the fruit grower of the Pacific coast, the cattle raiser of the mountain ranges, the cotton grower of the South, the grain grower of the West, and the dairyman of the East. I have been in the conventions of all of them and their thought runs the same upon the great questions of production, processing, credit, transportation, and marketing. Their differences are almost entirely of knowledge and information and not of intention or purpose, and they are being rapidly eliminated. Among labor the machinists of Boston, San Antonio, and of Seattle are the same, and they are also one with the locomotive engineer, the telegrapher, the plumber, the plasterer, and even common and unorganized labor. The most recent development is harmony of thought between the farmer and labor as to both economic questions and political action. While the soldiers have a distinct economic question of their own, still the vast majority of them are farmers and laborers, and they join in the same general conclusion of thought. It is my intention to give you a plain and truthful account of this great national movement as it relates to foreign affairs, and I shall do my best to give it to you without restraint or coloring and exactly as I see it.

This new thought is still more domestic than foreign, but it is resolving every question upon the same principles. It can neither be understood nor appreciated without a knowledge of the basic facts that have brought the farmer and the laborer together to fight for their economic and political rights, and

also a knowledge of the cooperative remedies they have decided to use. I will therefore preface this discussion with a brief picture of this situation, the mental picture of the farmer and the laborer themselves.

Perhaps not exceeding 40 per cent of our people can be rated as farmers. They have a capital investment of about \$80,000,000,000, which is perhaps less than one-third of the national wealth, and therefore less than a per capita proportion without regard to indebtedness. Farming is also a business and a workshop. The farmer is a laborer and he ought to be a business man. Economic conditions have intensified his labor and largely destroyed his functions as a business man. He has no voice in the price he will receive for his products. He has no voice in the price he will pay for his equipment. He has no power to add in his cost of production, he can charge no profit, and he toils without the assurance of any wage. In the past he has solved these conditions by moving to new fields, but those days are now over. Necessity has forced him to survey the whole situation and look for a new way out. He finds about 35 per cent of our people are laborers with far less proportion of capital than himself, and about 15 per cent of brain workers also with a less proportion. The other 10 per cent, or thereabouts, he rates as middlemen, capitalists, and profiteers. He finds this small class in possession of more than half of the national wealth. He finds it in control of most of the machinery of production, of processing, of credit, of transportation, and of marketing. He finds its influence powerful in every department of our Government and its rewards vastly more than a majority of our net national income. He wonders, he figures, he thinks, he decides, he acts. Of all these I speak to you tonight, and since I am facing an assemblage of the most distinguished representatives of capital in America it would be worse than futile if I did not bring the real voice of the American farmer and the American laborer.

The farmer is a producer, but he is also the greatest of the consumers of the products of labor. Labor is a producer, but it is also the greatest consumer of the products of the farm. Out of the dollar which the laboring man pays for the products of the farm the farmer gets 37 cents. That is the first half of the story. When reversed the laboring man claims that out of the dollar which the farmer pays for the products of labor the laboring man gets less than 35 cents. The cost of processing and distribution is 63 per cent one way and 65 per cent the other. This is not a new condition developed by the war; it existed prior thereto. In 1912 the farmers got \$6,000,000,000 for their crops which they sold, but the consumers paid \$13,000,000,000 for them. Is this a just charge for the service between the producer and the consumer? Both the farmer and the laboring man have reached the definite conclusion that it is excessive. Labor therefore refuses to fight the farmer all forenoon in an effort to further reduce the little 37 per cent the farmer is now getting, and the farmer refuses to fight labor in the afternoon to reduce the 35 per cent which labor is getting.

Both have designated the middleman as their common economic enemy, and this includes the agencies of processing, of credit, of transportation, and of marketing. They point to the unconscionable profits of oil, steel, and coal, and to their stupendous stock dividends. They check their income taxes and find all added in and paid by the consumer. They view a valuation of \$19,000,000,000 for the railroads and then observe that all the stocks and all the bonds representing all the value are selling on the market for \$12,000,000,000, according to their own admission. They see a credit system, built largely upon their own deposits, mobilizing these deposits for every other industry and inflating and deflating without their knowledge or consent. They see their market made by margins on the board of trade or the cotton exchange, and they call it the system of the gambler. The farmer ships his grain or live stock and after paying his freight does not have enough left to pay his taxes. The wages of labor are gone long before its families are properly fed, clothed, housed, and educated. They have lost faith in the financial leaders. They denounce the whole scheme of princely salaries and profits taken by economic power as taxation without representation. They look for a remedy; yes, and they have found it.

This remedy was invented by labor. It was 28 poor flannel weavers in 1843 who saved their pennies for a year and a half, until, with a pound each, or \$140, they started the little cooperative store at Rochdale, England. No enterprise ever had a smaller beginning. None ever had such large promises for the economic welfare of humanity. These simple-minded toilers laid down the biggest, soundest, broadest, most enterprising, and most successful business principles that have ever been promulgated in this world. They have survived in spite of

competition, of persecution, and of war. The essential parts in these principles are:

1. In the cooperative enterprise each member has one vote. All producers and consumers are entitled to be members, and capital does not vote.

2. The wages or earnings of capital are fixed like the wages of men, and they shall not exceed the usual legal interest rate.

3. One-fourth of the net profits are held in the business and the other three-fourths are distributed to the members in proportion to their volume of trade with the enterprise.

The minor rules of operation are:

1. Goods shall be sold at the prevalent current market prices.

2. All transactions shall be for cash.

3. Societies federate with the neighboring societies or be established as branches.

4. Every society shall teach cooperation.

Upon this vision and this method this little society has grown into a membership of over 4,000,000 families, which means over one-third of the total population of Great Britain.

Now what do we find? The cooperative societies of Great Britain distribute over a billion dollars' worth of commodities to their members annually. The "profit," or, more properly speaking, the "saving," to their members amounts to \$100,000,000 a year. Of this amount \$65,000,000 annually are returned in cash to the members in the form of "dividends," or savings returns. The British Wholesale Society supplies 1,500 societies. It owns its own steamships. It has 13 great warehouses. It is the largest purchaser of Canadian wheat. Steam trawlers owned by the cooperatives catch tons and tons of fish, which are dried at fishing stations in the north of England. Its 11 flour mills are the largest in Great Britain. These mills turn out 35 tons of flour every hour for the people who own the mills.

One of the largest bakeries in the world is owned by the cooperators of Glasgow. The British Cooperative Wholesale has 68 factories, which turn out products for their societies' use valued at £30,000,000 annually. Their soap works make 500 tons of soap a week. They produce 4,000,000 pairs of boots annually in the largest shoe factories of England. They conduct three great printing plants. They even operate automobile factories making motors for their own service. They own their own coal mines. (These are figures for two years ago. There are now 108 factories, an increase of 40.)

They bring their own currants from Greece to be made into plum puddings in their own great factories. Besides foodstuffs, the British cooperators produce almost every other commodity—watches, furniture, tinware, machinery, clothing, tobacco, chemicals, leather goods, and brushes. Their total products are five times greater than those of the private manufacturers' association. They provide concerts and entertainments. Their social work embraces most every branch of human service; it serves not cooperators alone but is of wide public benefit. They conduct life-saving stations on the coast and administer large funds for the relief of sufferers from famine and unemployment. Their banking department, with an annual turnover in 1919 of £500,000,000, is next to the Bank of England in importance. Its growth is steady. In the first half of 1920 its turnover increased 20 per cent. One-half of the industrial life and accident insurance in Great Britain is written by the cooperative society. Their life insurance business is carried on at a cost of one-fourth of that which the profit-making companies pay.

The outstanding feature, however, about this voluntary association of consumers in the British cooperative movement is its great and continued success extending over nearly a century. This success is alike in retail distribution, in wholesaling, and in manufacturing. It remains even in its present prosperity, as it began, an enterprise essentially of the wage earners. The members themselves, by combining their individual savings, have at all times supplied the capital that their enterprises have required, without borrowing from bankers or the public. They have proved that the Rochdale method removes the need of capitalistic credit or philanthropic assistance; that in the whole range of their great and varied enterprises, they need pay no toll to anyone outside of their association.

It is interesting to note in Great Britain that while cooperative labor gets slightly higher wages than are paid in the same trade in private business, yet its managers and leaders have salaries that would be scorned by captains of industry in competitive organizations of similar character. The movement is training thousands of highly efficient executives. Some go into capitalistic employment; most of them remain loyal to the movement. One, upon being offered a position with

higher pay in private business, said: "My fellow cooperators pay me sufficient to satisfy my needs. I am happy serving the people. I should not be happy serving you at the expense of the people." He is no exception. Among many others such as he is William Maxwell, president of the Scottish Wholesale Society (now retired, Robert Stewart succeeding), a federation of 266 consumers' societies. At a yearly salary of £350, he organized 37 factories in 27 years. In 1919 the Scottish Wholesale manufactured over £6,000,000 worth of goods, it did a business of over £27,000,000, and carried a reserve and insurance fund of £1,200,000. The sales of the first half of 1920 showed an increase of 27 per cent. President Thorpe of the British Cooperative Wholesale at present receives £850 yearly. He has 30,000 workers under his direction, in 68 factories, mills, and warehouses. (Now 108.) The directors of the wholesale receive a yearly salary of only £500. This wholesale society in 1920 did a business of £100,000,000, an increase of 23 per cent over 1919.

In 1919 the British and Scottish Wholesales together did a business of £115,000,000. In Great Britain they are steadily acquiring farms, now totaling 34,000 acres (two years ago, now 40,000 acres), valued at over £2,000,000, on which are produced quantities of fruits, vegetables, and dairy products. They own 10,000 acres of Canadian wheatlands. The British and Scottish Wholesales together own 60,000 acres of tea plantations in Ceylon and southern India. The British Wholesale owns vineyards in Spain, and controls vast tracts of land in West Africa for the growing of palm trees, from which oil for their soap factories is procured.

Now, I must say to you, those 28 poor weavers had a vision as great as Henry Ford, and they have accomplished as Democrats what he is doing as an autocrat. It took longer, but they have builded better for the future and have now attained a higher speed and wider field.

This is one achievement of labor, and you ask, What proof is there that it will succeed with farmers? Those principles were transplanted to Denmark by farmers. They gave them Government aid by electing a farmer parliament, and under this stimulus their progress has been much more rapid and the proportion of success much greater than in Great Britain. Practically all of the farmers have joined the associations. They have 46 cooperative packing plants which produce the best products in the world. They have cooperative creameries and cheese factories. They have 521 cooperative banks with a cooperative reserve. They have the best Government cooperative land-credit system in the world and highly efficient Government transportation. They have cooperative buying of most of their needs, and their cooperative marketing is complete.

The result of all this has been to change the ownership of land from a few families, until 89.9 per cent of the farmers own and operate their own farms. This is the largest percentage in the world. Their cost of distribution has been reduced to 25 or 28 per cent, as compared with 63 or 65 per cent under our system. In per capita wealth they stood twenty-seventh among the nations of the world 40 years ago, and to-day they are second. They have established a government "of the people, by the people, and for the people."

I have cited these conspicuous examples, but similar cases are found in nearly all countries—over 30 countries, 6 surpassing Great Britain in proportion. The growth of cooperation in recent years is almost beyond belief and especially in the United States. The fruit growers of California do an annual business of over \$250,000,000. The Farmers' Union of Kansas is doing more than \$200,000,000 per year of cooperative business, and Nebraska is not far behind. The Equity Cooperative Exchange, of St. Paul, does an enormous grain business. The largest commission houses in Chicago, St. Louis, Indianapolis, Buffalo, Omaha, Sioux City, and St. Joseph are cooperative. There are over 4,000 cooperative elevators, over 2,000 cooperative stores, many thousand cooperative shipping associations, and a good start on cooperative banks. The Farm Bureau was assisted in its organization by the Board of Trade and the Chamber of Commerce to put a stop to this cooperative progress, but it has already become a most ardent champion. At this moment practically every farmer is a believer in economic cooperation of producer and consumer as the final and complete solution of our staggering difficulties. In this he is joined by practically every laboring man and by a vast majority of the soldiers.

The soldiers have a special demand for adjusted compensation upon the war profiteers and the peace profiteers, and in this they are joined by all the farmers and by all the laborers. This union of thought manifested itself in the last election,

where these three great blocs turned out many of their enemies and filled their places with friends of this great cooperative program.

And now, perhaps, you are wondering how all of this, if true, can affect our foreign relations. I do not come before you as a technical student of foreign affairs. Neither do the farmers nor the laborers nor the soldiers have such detailed and technical knowledge. But I can say this to you, that all of them have reached one conclusion as to international statesmanship. This can be described by one word, and that word is "failure." They see this statesmanship guided by economic power and economic greed. They see it building navies and armies to control the land and rule the sea. They see its instruments of destruction in the air and under the ocean. They see it in the grip of world war organized for the murder of the human race. They see its wake of revolution and pestilence and death. They cry out with one voice, "Failure."

This whole failure they attribute to economic causes. If a cure can be found for economic evils and inefficiency, they believe political unrest will cease. They are distrustful of all the old remedies. A League of Nations is proposed. They see most of its 14 points discarded. They attribute this to financial considerations, and they oppose it. It is proposed to cancel the war debt. They see in this a plan of the international bankers to make more easy the collection of their private debts, and this they also oppose. Then they hark back to first principles for a remedy—to the weavers of Rochdale. They ask, why not an international cooperative exchange agency, with cooperative associations from all countries doing business with us as members. It is just as easy to organize as a corporation. It is just as easy to develop as the great English Cooperative Wholesale, which already reaches around the world. It is not a dream or theory. It is the oldest, best developed, and most successful business system in the world. It is the Sermon on the Mount in business.

But, you say, cooperation is of slow growth, and there would be no immediate relief in adopting it as an international system. Well, there is no immediate relief in sight under any system that has been proposed. Besides, cooperation has been slow because it always had to fight its way against the organized competitive system and even unfavorable government action. In Denmark, as soon as it controlled the Government, its growth became much more rapid than any other business. If it could have the support instead of the opposition of the leaders of business in our country, its growth and soundness would be immeasurable.

I want to make to this council a specific proposition. I say to you it is within your power to lead this movement to a speedy and world-wide success. Under the Constitution Congress regulates commerce with foreign nations and among the States. If this council would ask Congress to require that all business in interstate and foreign commerce shall be transacted under a Federal charter; that the terms of the charter shall be the Rochdale cooperative system of producers and consumers; that all antitrust laws be repealed as soon as this is effected; every farmer, every laboring man, and every soldier should join in that request. Its enactment into law under such leadership and with such support would mean its certain success. Such a step would mean more for the welfare of the human race, more for the advancement of civilization, than any step taken by any generation since the money changers were cast out of the temple of Jerusalem.

However, I am not optimistic enough to expect you to adopt this suggestion at once, but I am willing to point out what really is to be expected. I am coming back to New York, but next time I expect to meet the farmers, the laborers, and the soldiers themselves. And finally I expect the farm bloc, the labor bloc, the soldier bloc, and the mothers' bloc to turn more Members out of Congress until they have a majority in both Houses, and then they will proceed to a settlement of these great economic questions, both domestic and foreign, upon the simple principles of cooperation.

CONDITIONS IN EUROPE.

Mr. HARRISON. Mr. President, will the Senator yield to me?

Mr. HEFLIN. I yield to the Senator from Mississippi.

Mr. HARRISON. I desire to have read, Mr. President, an editorial that appeared in the Dayton Daily News of January 24. It is an editorial which strikes me as so important and interesting that it should be read to the Senate. It is not long.

The VICE PRESIDENT. Without objection, the Secretary will read the editorial.

The reading clerk read as follows:

[From the Dayton Daily News of Wednesday, January 24, 1923.]

AMERICA GIVES UP THE SHIP!
(Editorial.)

The most tragic evidence of governmental infirmity in our time is presented in to-day's news dispatches from Washington. The administration has given out a statement that in its view it is entirely useless to attempt any participation by America in the threatening situation in Europe. In view of this official pronouncement, it will be interesting to recall very recent events.

When the forces of public opinion began moving even the Senate of the United States to action a fortnight ago Mr. Hughes, the Secretary of State, in an address at New Haven, said that the European question had become a world question, and that obviously, since we were a part of the world economically and otherwise, we were concerned about it.

This assurance was accepted in good faith in the Senate, where two things happened—Senator BORAH's proposal to appoint international experts was dropped and the Robinson resolution, which would have authorized our active participation in the deliberations of the Reparation Commission, was abandoned. Thus was indicated a disposition on the part of the Senate to let Mr. Hughes proceed in his own way. In time of stress particularly it is the substance of things rather than the details that claim interest. The action of the Senate bore but one interpretation, which was that the administration in its announced purpose of exercising its right to deal with foreign powers was entitled to every unrestricted facility in the working out of a definite policy. There was, however, some impatience shown in the expressed belief that Mr. Hughes was both slow and noncommunicative. As the days came and went and nothing was done, rumor persisted that the President, Ambassador George Harvey, and Secretary Hughes were not in agreement and that the last-named public officer would resign his position. This was denied, and within 24 hours comes the startling announcement that nothing is to be done, and that it is useless now to try. In order to get the full meaning of the pathetic surrender, these words from the official statement should be reproduced:

"In answer to suggestions that the United States protest against the French course it was pointed out that there was no foreknowledge of the nature of the occupation. And, it was added for the administration viewpoint, to protest now could not fail to be viewed by France as calculated to stiffen German resistance, which must arouse French resentment and impede any future American effort toward helpfulness."

Is it possible that we must employ Gladstone's denunciation of Disraeli when he said, "Statesmanship in your view is the art of governing people by deceiving them"?

No foreknowledge of the nature of the occupation!

Every man, woman, and child who reads the newspapers of this country knew not only of the announced intention to invade the Ruhr but almost the exact hour when the advance was to be made. The administration would lead the public to believe that it knew less as to what was going on than the man in the street. And now that the thing has actually happened, the Government of the United States can not in any "seemly" fashion express protest because it might "stiffen German resistance."

There is but one conclusion which the present deplorable state of things in Washington justifies, and it is that the administration gives up the ship. It admits failure, and practically announces that there is no use in making any attempt to render the aid which only America can give.

Suppose that General Pershing had announced when the American doughboys first hit the front line that the Hindenberg intrenchments were impregnable and it was useless to try to go forward. The blush of shame would have come to the cheek of every real American, and the citizen who strips himself of his political prejudices and calmly analyzes the meaning of the administration announcement can not but feel ashamed now that America has been subjected to this dreadful spectacle. Anywhere else on earth where government is both responsible and responsive to public opinion there would be a complete change, not only in the policy of government but the personnel as well. In England there would be an immediate recall, and the same would be true in Canada. Very recently a vote of confidence was denied the German Government, and Chancellor Wirth promptly tendered his resignation. Under our constitutional system we are simply hog tied, unless the President brings to the head of the State Department a man of imaginative and constructive humanitarianism. This is suggested under the assumption that the present surrender comes from the State Department. If the President himself is in actual touch with the situation and indorses what is going on, then there is no hope for two years, unless the potential forces of an aroused public opinion are asserted against the present Executive attitude.

AMENDMENT OF FEDERAL RESERVE ACT.

The VICE PRESIDENT. The Chair will state that Senate bill 4427 was introduced; that there was no objection to its being introduced, but that there is objection to its proposed reference, not to its lying on the table.

Mr. HEFLIN. I understood the Senator from Connecticut to move to refer it to the Committee on Banking and Currency, and I moved to amend his motion so as to require the committee to report the bill back in five days.

The VICE PRESIDENT. The Chair did not understand the Senator from Connecticut to make that motion.

Mr. McLEAN. Mr. President, I said that if I were to make a motion I would move the reference of the bill to the Committee on Banking and Currency, but that I was perfectly willing that it should lie on the table. I am rather desirous that the bill shall lie on the table, and that it be taken up Monday, and that we get a vote on the Senator's proposition as to where it shall be referred. I am perfectly willing to have that understanding with the Senator—that it shall lie on the table and come up Monday and that we have a vote on it then.

Mr. HEFLIN. What was the Senator's last statement? I did not hear it.

Mr. McLEAN. That the bill shall lie on the table until Monday, that the Senator shall have the privilege of bringing it up on Monday, and that there shall be a vote of the Senate at that time as to the committee to which it shall be referred.

Mr. HEFLIN. Mr. President, I am anxious to get action on it right away, and get it referred to the Committee on Agriculture. We might be able to get a meeting of that committee this afternoon and report it back.

Mr. LENROOT. Mr. President, if it could be understood that we would have a vote without further debate I would have no objection to having a vote now on the motion to refer.

Mr. HEFLIN. Mr. President, under the statement of the Senator from Connecticut that the bill may lie on the table until Monday, and that we may at that time vote as to the committee to which it shall be referred, I am willing that that course be taken.

Mr. LENROOT. Mr. President, I would not want my silence to be construed as giving consent, but if the vote may be taken before 2 o'clock on Monday, if we adjourn to-morrow, that will be entirely agreeable to me.

Mr. HEFLIN. I would like to have the vote taken early after we convene on Monday.

Mr. LENROOT. I said that if we could get a vote before the unfinished business is laid before the Senate on Monday it would be entirely agreeable to me.

Mr. HEFLIN. With the understanding that we do get a vote on Monday before 2 o'clock, Mr. President, I am willing that it go over, and for the present I yield the floor.

The VICE PRESIDENT. Objection having been made to the reference proposed, the bill goes over under the rule.

Mr. SMOOT. Mr. President, the Senator from Alabama [Mr. HEFLIN] has spoken so many, many times in this Chamber claiming that there was a bank in his district that was compelled to pay 87½ per cent interest. I think the whole history of that matter ought to go into the RECORD, so that if those who read the RECORD have taken any notice of the statements made they may know the whole history of the case. I shall not take the time to go into the details of it at this time—

Mr. HEFLIN. I may say to the Senator from Utah that I had printed the correspondence between the governor of the bank at Atlanta and the governor of the Federal Reserve Board and John Skelton Williams, who was then Comptroller of the Currency, in which the whole history of it was gone into. That was printed in the RECORD in July of last year.

Mr. SMOOT. I do not know what RECORD it was, but I want to have the record printed as it really exists. In the report of the acting governor of the Federal Reserve Board, made in response to a Senate resolution of December 6, 1922, relative to the Federal Reserve Banks of Atlanta, St. Louis, Dallas, and Kansas City, he said:

Even in the much quoted case of the bank of the Atlanta district, which paid a maximum rate of 87½ per cent on a small portion of its excess borrowings during the period ending September 30, 1920, we find that that bank was charged only 13.37 per cent on total borrowings during the period from June to November, when it was assessed progressive rates, and only 8.8 per cent of their charges in excess of 12 per cent were rebated.

I have a letter from Mr. Platt, the acting governor of the Federal Reserve Board, in answer to what appeared in the CONGRESSIONAL RECORD on January 19, on page 2030, which reads as follows:

I noticed in the CONGRESSIONAL RECORD of January 19, page 2030, when you offered for printing the Federal Reserve Board's answer to Senate Resolution 335, that Senator HEFLIN said, "I am frank to say to the Senator from Utah that I intend to seek to have the money wrongfully collected from various individuals and banks paid back to them." The next paragraph seems to indicate that he means all interest above 12 per cent, although the resolution itself might infer that he meant all interest above 10 per cent.

It may be interesting for you to know just how much the amounts involved would be if all interest on total borrowings for any period above 10 per cent were to be refunded. In the Atlanta district, as we figure it, the amount to be refunded would be \$14.07, which is probably high, as we have figured the interest on basic line borrowings at 6 per cent, though in many cases it was lower than that because of borrowings secured by Liberty bonds or Treasury certificates. In the St. Louis district it would amount to \$5,647.99, but of this amount \$5,494 was paid by one bank which was criminally mismanaged, some of the officers of which were afterwards convicted and sentenced. In the Kansas City district it would amount to \$139.27, while in the Dallas district, as stated in the letter of transmittal, no bank at any time paid more than 8½ per cent and only one bank paid above 8 per cent on total borrowings for any one period. Eliminating the one bank in the St. Louis district, which, as I have said, was criminally mismanaged, the total refund would be \$307.33 for all three districts, and this, as I have above indicated, is probably high because we have used 6 per cent as applying to all the basic borrowings.

As these cases are so few in number it would be comparatively a simple matter to obtain from the three reserve banks involved the exact amounts which might be refunded above 10 per cent. In only one case, as we have the figures now, would they amount to more than \$75 to any one bank.

That is signed by the acting governor of the Federal Reserve Board. So that the whole story may be read in the RECORD, I ask that the letter from the acting governor of the Federal Reserve Board, transmitting the answer to the resolution offered by the Senator from Alabama, be printed in the RECORD in order that those who want to see what the truth of this matter is can learn it from that.

Mr. HARRISON. Is it very long?

Mr. SMOOT. Not nearly as long as the one the Senator had printed in the RECORD the other day.

Mr. HARRISON. I am glad to hear that. Then why not have it read?

Mr. SMOOT. It is too long to read; it contains a lot of figures.

Mr. HARRISON. The one I presented was not too long to read. The Senator from Utah was about the only one who did not listen to it. Does the Senator object to having the Secretary read this letter which he now proposes to have put in the RECORD?

Mr. SMOOT. No; but I do not think it is necessary to have all the figures read.

Mr. HARRISON. While we are discussing the matter, it is a very good time to know what is in the letter. I ask that it be read.

Mr. SMOOT. Mr. President, I do not think the Senator wants all of the figures read page by page.

Mr. HARRISON. No; just the letter.

Mr. SMOOT. I would be glad to have that read. I have no objection to that part of it being read.

Mr. HEFLIN. Mr. President, before it is read, I want to say to the Senator that I dispute the statement, as I understood it, of the acting governor that they did charge only 8½ per cent. I have the figures here out of their own report to prove that is not so, and I am going to discuss it for the RECORD before the day is over.

Mr. SMOOT. They do not say 8.8 per cent for the one little bank about which the Senator has occupied so much time, trying to discredit the Federal Reserve Board, a bank with \$25,000 capital, lending six times the amount of its capital and—

Mr. HEFLIN. I am going to show there were scores of them. I have the report here.

Mr. SMOOT. Mr. President, if the Senator from Mississippi wants this letter read, I would be very glad to have it read.

The VICE PRESIDENT. Without objection, the communication will be printed in the RECORD at the request of the Senator from Utah.

Mr. SMOOT. I want the whole report printed in the RECORD, so people may know what the true situation is.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARRISON. I think it ought to be read.

The VICE PRESIDENT. The Secretary will read the letter of transmittal.

The reading clerk read the letter of transmittal, and the entire statement was ordered to be printed in the RECORD, as follows:

FEDERAL RESERVE BOARD,
Washington, January 17, 1923.

SIR: On December 7, 1922, the Federal Reserve Board received from the Secretary of the Senate a resolution (S. Res. 335) adopted December 6, 1922, reading as follows:

"Resolved, That the Federal Reserve Board be requested to obtain from the Federal Reserve Banks of Atlanta, St. Louis, Dallas, and Kansas City statements showing all cases where interest ranging between 10 per cent and 87½ per cent per annum, both inclusive, was exacted from member banks, giving names of the banks, their capital and surplus, and location where 10 per cent per annum or more was charged on loans and rediscounts, the rate and amount of interest charged in each instance as expressed in dollars and cents; also a statement showing whether the Federal reserve banks have refunded to each member bank from which such exactions were made the amount of such interest collected in excess of 10 per cent per annum upon each loan upon which such interest was charged."

In view of the fact that progressive rates were assessed against average borrowings in excess of the basic line determined in the manner outlined in Appendix A, attached to this reply, by the Federal Reserve Banks of Atlanta, St. Louis, and Dallas, and not against each individual loan, and that the same result was obtained by the Kansas City Federal Reserve Bank by adjustments and rebates currently made, it would have been possible to have interpreted the resolution as applying only to those banks which were charged interest at the rate of 10 per cent or more on total borrowings during any period in which progressive rates were assessed. If this had been done, the report of the board would have covered only 5 banks in the Atlanta district, 5 in the St. Louis district, none in the Dallas district, and 16 in the Kansas City district. The board felt that such interpretation would not give the Senate the information desired, nor would it give a fair picture of the real effect which the progressive rates had on borrowings of member banks. Accordingly the resolution was interpreted to call for the additional discount charged member banks at progressive rates in each instance where the maximum point to which the rate progressed was 10 per cent or over. The report

therefore covers 44 banks in the Atlanta district, 49 in the St. Louis district, 114 in the Kansas City district, and 20 in the Dallas district.

It should be understood, however, that the range of rates charged is merely a record of the mathematical steps used in the calculation of the amount of discount chargeable under the progressive-rate plan. It was somewhat similar to an interest table in that tables could have been used showing the average rate to be charged under each range of progressive rates. As stated in Appendix A to this letter, graduated rates were progressed at the rate of one-half of 1 per cent for each 25 per cent by which the amount of borrowings exceeded the basic line. In the calculation of the amount of discount chargeable, therefore, it was necessary to divide the excess borrowings into portions equivalent to 25 per cent of the basic discount line of the member bank and then to assess the superrates by successive steps, beginning with one-half of 1 per cent.

For example, if a certain member bank had a basic discount line of \$100,000 and its total borrowings during a given month averaged \$400,000, of which \$100,000 was secured by Government obligations and exempt from the application of progressive rates, its excess borrowings subject to progressive rates would amount to \$200,000, as indicated below:

Total borrowings, average during the month	\$400,000
Deduct:	
Basic discount line	\$100,000
Paper secured by Government obligations and exempt from the application of progressive rates	100,000
	200,000
Excess borrowings subject to progressive rates	200,000

Progressive rates increasing at the rate of one-half of 1 per cent for each \$25,000—25 per cent of basic line—by which the borrowings subject to progressive rates exceeded the basic line would have been assessed against the \$200,000 as follows:

\$25,000 for one month at one-half per cent	\$10.42
\$25,000 for one month at 1 per cent	20.83
\$25,000 for one month at 1½ per cent	31.25
\$25,000 for one month at 2 per cent	41.67
\$25,000 for one month at 2½ per cent	52.08
\$25,000 for one month at 3 per cent	62.50
\$25,000 for one month at 3½ per cent	72.92
\$25,000 for one month at 4 per cent	83.33
Total (\$200,000)	375.00

In this particular case the member bank would have been charged \$375 on its excess borrowings of \$200,000 for one month—in addition to the discount charged at the basic rate—and this would represent an interest charge of 2½ per cent on the excess borrowings of \$200,000, or of 1½ per cent on total borrowings. As explained below, this would have represented an interest charge on total borrowings of 6½ per cent.

It will readily be seen from the above example that the rate which is most significant, inasmuch as it measures the extent of the penalty imposed on the member bank under the progressive-rate plan, is the one which, when applied to the total amount of excess borrowings, yields the amount of interest charged to the member bank. In the case just described this rate is 2½ per cent and not 4 per cent. The total rate chargeable on excess borrowings in the above example would be 8 per cent, or the basic rate, which may be assumed to be 5½ per cent, plus the average superrate of 2½ per cent on excess borrowings. This calculation should be carried one step further in order to determine the average rate such a bank would be paying on its total borrowings at the reserve bank, which we find to be 5½ per cent plus 1½ per cent, or 7 per cent, at a time when the bank was borrowing altogether an amount equal to four times its basic line.

It may be well at this point to call attention to the fact that while there has been considerable criticism of the progressive rates as applied by the four Federal reserve banks, most of the criticism has come from sources other than the banks which paid these progressive rates. In fact, as shown on pages 47-48 of part 22 of hearings before the Joint Commission of Agricultural Inquiry, the Kansas City Federal Reserve Bank received resolutions from banks in a number of cities in its district requesting that the progressive rates be continued.

A careful examination of the statements inclosed herewith will show that very few of the banks paid an average rate—normal rate plus superrate—on total borrowing as high as 10 per cent in any period during which progressive rates were assessed, even before rebates were made of interest charged in excess of 12 per cent by the Atlanta and Kansas City Federal Reserve Banks. In the case of the Dallas Reserve Bank the maximum average rate charged on total borrowings did not reach 8 per cent except in the case of one bank, and in that instance it only reached 8½ per cent. When it is taken into consideration that the average rate charged by member banks to customers in this district, especially in the smaller towns, was from 8 to 10 per cent, it will be readily seen that the adoption of the progressive rates, though it may have reduced materially the profits of the borrowing member banks, did not penalize them in the sense of making them pay more for accommodation at the Federal reserve bank than they were charging their customers. Even in the much-quoted case of the bank in the Atlanta district which paid a maximum rate of 87½ per cent on a small portion of its excess borrowings during the two-week period ending September 30, 1920, we find that that bank was charged only 13.37 per cent on total borrowings during the period from June to November when it was assessed progressive rates and only 8.8 per cent after charges in excess of 12 per cent were rebated.

One reason for the high progressive rates in the Kansas City district was that as they were applied to current borrowings at the time paper was offered for discount, and the rate of progression began at a point determined by the amount of the bank's borrowings in excess of the basic line, including the current offerings, the minimum rate applicable was frequently materially above the basic rate. These rates were charged, however, with the distinct understanding that the excess in the amount of interest charged over what would have been charged had progressive rates been applied to daily excess borrowings instead of to current offerings would be subsequently rebated.

The resolution requests the Federal Reserve Board to give the Senate the name, capital and surplus, and location of each bank which paid

interest at progressive rates ranging from 10 to 87½ per cent per annum, together with the rates paid and amount of interest charged in each case. While the board desires to comply with the resolution in its entirety, it does not feel at liberty to divulge the names of member banks which were charged interest at progressive rates. Many of the member banks in these four districts, which were borrowing excessive amounts from the Federal reserve banks and consequently paying progressive rates, were in a very overextended condition, and if the name of any particular bank were made public in this connection it might create doubt in the minds of some of the bank's customers as to its soundness and as to the judgment and ability of those responsible for its management. Some of the bank's depositors might withdraw their accounts in the belief that it is not safe to leave their funds on deposit with an institution which had been permitted to get into an extremely overextended and perhaps unsafe condition. In the statements submitted herewith the names and locations of individual member banks have, therefore, been omitted.

In adopting the policy of charging progressive rates, the Federal reserve banks were guided by the fundamental principle that each member bank is entitled to accommodation in proportion to its contribution to the lending power of the Federal reserve banks, consisting of its lawful reserve on deposit with the Federal reserve bank and its quota of the paid-in capital stock. It was this contribution to the Federal reserve bank's lending power which was used in determining the normal or basic discount line, except in the case of the Federal Reserve Bank of Dallas, where the capital and surplus of the borrowing member banks was used as the basic line. This was done for the reason that the directors of the Dallas bank, after careful analysis, felt that this method of determining the basic line was more satisfactory, especially in the case of the smaller banks. The principle of the basic line is recognized in section 4 of the Federal reserve act, which provides that the board of directors of each Federal reserve bank shall, "subject to the provisions of law and the orders of the Federal Reserve Board, extend to each member bank such discounts, advances, and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks." The authority for charging progressive rates is contained in section 14 of the act, which provides that discount rates, "subject to the approval, review, and determination of the Federal Reserve Board, may be graduated or progressed on the basis of the amount of the advances and discount accommodations extended by the Federal reserve bank to the borrowing bank." The method of arriving at the basic discount line in each of the four districts was determined by the boards of directors and is fully explained in Appendix A.

While the details of operation of the progressive rate scheme were somewhat different in each of the four Federal reserve districts in which it was put into effect, the board has endeavored to present the figures for all four districts in as uniform a manner as practicable, in order that the data may be as nearly on a comparable basis as the different methods of application will permit. But it has been necessary to use three slightly different forms of presentation, one for the Federal reserve districts of St. Louis and Dallas, another for the Kansas City district, and a third for the Atlanta district. In examining these statements it should be borne in mind that the object has been to show the additional discount charged at rates above normal, i. e., the penalty which was assessed against each member bank on account of its obtaining accommodation in an amount greatly in excess of its equitable proportion of the lending power of the Federal reserve bank.

Amounts shown in the columns "Additional discount charged at superrates" therefore do not include—and this is explained in the note at the bottom of each statement—the discount charged at normal or basic rates which the bank would have been required to pay had no progressive rates been in effect. Likewise, the rates shown in the tables are stated exclusive of the normal discount rate in order to enable one to get a clear picture of the penalty rate assessed. If it is desired to obtain the average rate applied to borrowings in excess of the basic line, or to total borrowings, it will be necessary to add the normal rate in effect to the superrates shown. For instance, member bank No. 1 in the Kansas City statement was charged in May, 1920, a superrate on excess borrowings, before adjustments and rebates, of 2.46 per cent, and on total borrowings of 1.12 per cent. These rates when added to the normal rate of 6 per cent—applicable to all paper not secured by United States Government obligations—bring the total rates charged up to 8.46 and 7.12 per cent, respectively. The rates shown in the column headed "Range of superrates" are also the penalty rates charged and must therefore be combined with the normal rate to get the total rate charged. Therefore, in cases where the penalty or superrates ranged from one-half to 4 per cent, the total rate charged on borrowings in excess of the basic line ranged from 6½ to 10 per cent.

The normal rate in the four districts which applied progressive rates was 6 per cent on all paper except that secured by United States Government obligations. Such paper was accorded preferential rates, with a minimum of 5 per cent, during the period in which progressive rates were in effect. In the Atlanta and Dallas Federal reserve districts rates on paper secured by Liberty bonds and Victory notes remained at 5½ per cent during the entire period in which progressive rates were in effect. In the St. Louis and Kansas City districts the rates were increased from 5½ per cent to 6 per cent on May 21, 1921, and September 28, 1920, respectively. When progressive rates were established, rates on paper secured by Treasury certificates of indebtedness were 5 to 5½ per cent in each of the districts except Kansas City, where a uniform rate of 5 per cent was in force. While the minimum rate remained unchanged in the Atlanta and Dallas districts, the maximum rate was increased to 6 per cent on July 2, 1920, by Atlanta, and on July 13, 1920, by Dallas. The discount rate actually chargeable on such paper corresponded with the rate borne by the securities pledged as collateral within the minimum and maximum limits stated above. In the case of the St. Louis district on January 22, 1921, a flat rate of 6 per cent was substituted. The Kansas City Federal Reserve Bank increased its maximum to 6 per cent on July 3, 1920, and on July 1, 1921, adopted a uniform 6 per cent rate on all classes of paper.

In view of these preferential rates on paper secured by Government obligations the average normal or basic rate charged in these districts was somewhat below the 6 per cent rate on commercial and agricultural paper in effect and averaged around 5½ per cent.

The Kansas City Federal Reserve Bank applied the progressive rates to paper at the time it was offered for discount, and in accord-

ance with its previously announced policy made current daily adjustments in the amount of discount charged on excess borrowings as paper matured and was paid. The borrowing member bank knew, therefore, that the progressive rates originally applied were only tentative, and that after adjustments and rebates they would be charged progressive rates only on their actual borrowings in excess of their basic line. This plan of operation, however, made it necessary, in order to present a complete picture, to show in the exhibit for the Kansas City bank the amounts charged member banks at superrates, both before and after adjustments and rebates. In both the Kansas City and Atlanta district rates of interest charged certain member banks progressed to exceptionally high levels, largely because of the fact that these member banks allowed their reserve balances—which entered into the determination of the basic line—to fall far below legal requirements. In view of the high rates these two Federal reserve banks requested and obtained permission from the Federal Reserve Board to rebate all discount charged in excess of 12 per cent. In the case of the Atlanta Federal Reserve Bank the amount of discount charged at superrates both before and after these rebates is shown, while in the case of the Kansas City bank these rebates have been included with the rebates arising from current adjustments explained above.

As brought out in Governor Harding's testimony before the Joint Commission of Agricultural Inquiry, and in the report of that commission, the situation in some of the Federal reserve districts early in 1920 was such that a relatively small number of banks were borrowing excessively from the Federal reserve banks, while other member banks were borrowing little or nothing. At that time the reserve percentage of the Federal reserve banks was approaching the legal minimum provided in the Federal reserve act, and it was therefore felt that, if member banks which were not borrowing should apply for such advancements and accommodations from the Federal reserve banks as they were entitled to receive, the Federal reserve banks would soon find themselves in a position where the reserve requirements provided in the Federal reserve act would have to be suspended. The Federal Reserve Board and the Federal reserve banks concerned felt that there should be a more even distribution of accommodation extended to member banks, and four Federal reserve banks—Atlanta, St. Louis, Kansas City, and Dallas—requested and obtained approval of the Federal Reserve Board to establish progressive rates which would have the effect of restraining borrowings on the part of banks in an overextended condition. It was thought that this would discourage such member banks from making further loans and that consequently any demands for additional credit would come largely from banks which were not in an overextended condition.

As a matter of fact, this is about what happened, as may be seen from the following quotation taken from pages 56-58 of part 2 of the Report of the Joint Commission of Agricultural Inquiry, which relates to loans in the Kansas City district:

"In January, 1920, 14 banks in Kansas City had absorbed 34 per cent of the normal lending power of the Federal reserve bank and 9 Omaha banks had absorbed 23.5 per cent. Therefore these two cities alone had absorbed 57 per cent of the normal lending power of the Kansas City Federal Reserve Bank. There was a slight recession in the borrowings of these banks due to temporary seasonal deflation in the early part of 1920, but by April, 1920, the 14 Kansas City banks were absorbing 50 per cent of the normal lending power of the Kansas City Federal Reserve Bank and 9 Omaha banks were absorbing 23 per cent, representing a total of 73 per cent of the normal lending power of the Kansas City Federal Reserve Bank, and leaving only 27 per cent of the normal lending power available for the 1,063 other member banks in the Kansas City district.

"In the period from April 19, 1920, to December 31, 1920, banks which had not been previously borrowing increased their borrowings to 12 per cent of the normal lending power of the Kansas City Federal Reserve Bank. During the same period the number of banks borrowing in the Kansas City Federal reserve district increased from 178, or 16.8 per cent of all the banks, to 416, or 38.3 per cent of all the banks. In the same period the amount borrowed by all borrowing banks increased from \$106,851,047 to \$117,328,475. While banks not borrowing previously to April 19, 1920, when the progressive rate became effective, were increasing their borrowings, the borrowings of the 14 Kansas City member banks paying the progressive rate decreased to 36 per cent of the normal lending power of the Kansas City Federal Reserve Bank, and the borrowings of the 9 Omaha member banks paying the progressive rate decreased to 13 per cent of the normal lending power of the Kansas City Federal Reserve Bank.

"One effect of the adoption of the progressive rate in the Kansas City Federal reserve district, therefore, apparently was to compel a reduction in the proportion of the lending power of the Kansas City Federal Reserve Bank, which was being absorbed by the large city banks in Kansas City and Omaha, and to permit the use of that lending power in meeting the requirements of banks which were previously not borrowing or borrowing only moderately."

In examining borrowings of member banks in the larger cities, such as New York, Chicago, and Boston, we find that no member bank in any one of these cities at any time borrowed from the Federal reserve banks an amount in excess of two and one-half times its basic line. Consequently, had the progressive rates been in effect in these districts without exemption of paper secured by United States Government obligations, no member bank, with one exception, in any of these cities would have at any time paid an average rate on total borrowings as high as 7 per cent, and in the case of this one exception the average rate would have been less than 7.05 per cent. In this case, however, the bank's entire borrowings were secured by obligations of the United States Government.

It is clear, therefore, that every member bank in these big cities, borrowing at the 7 per cent commercial paper rate, whether or not borrowing in excess of its basic line, paid a higher rate of discount than it would have been required to pay had the Federal reserve banks in those cities adopted a 6 per cent rate on commercial loans with progressive rates such as were in effect in the Atlanta, Kansas City, St. Louis, and Dallas districts. This statement is based upon the assumption that no loans to these banks in excess of their basic lines would have been excepted from the application of progressive rates; as a matter of fact, as is shown in Appendix A, most of the paper secured by obligations of the United States Government was exempted from the application of progressive rates in all districts. In the case of the Atlanta district, paper drawn for strictly agricultural production up to 100 per cent of the bank's capital and surplus was also excepted from the application of progressive rates.

From an examination of the statements inclosed herewith it will be noted that the average superrate—excess over normal rate—if applied to total borrowings, very rarely exceeded a reasonable penalty charge, even in the case of those banks which were in a highly overextended condition. In the case of the bank in the Atlanta district which was charged superrates reaching in one instance as high as 8 1/2 per cent, it appears that during that particular two-week period the average superrate applied to total borrowings was 27.44 per cent before the Federal reserve bank rebated all discount charged in excess of 12 per cent, and 3.88 per cent after such rebate was made.

With regard to this bank, the following is quoted from a letter received from the chairman of the board of directors of the Federal Reserve Bank of Atlanta, printed on page 318 of part 13 of the hearings before the Joint Commission of Agricultural Inquiry:

"Taking the matter as a whole, however, from the statement submitted below, it can be seen that while the progressive rates seem exorbitant the average rates paid to us for money borrowed during this period, when applied against the average borrowings, will not show anything in comparison to the seemingly high progressive rates shown. For instance, the average borrowings of the National Bank for the period from June 15, 1920, to October 15, 1920, was \$149,830. The normal discount rate at 6 per cent on this amount would be \$2,996.60. Add to this amount progressive discount rates charged, \$3,680.15, and this less progressive discount rates rebated, \$2,281.56, would leave net amount of interest paid \$4,395.19, which would result in a rate charged for the average borrowing of 8.80032 per cent per annum."

At the time the high progressive rate was charged this bank it was borrowing from the Federal reserve bank an amount equal to almost seven times its own capital stock, and at the same time had allowed its reserve balance to fall so much below legal requirements—from \$9,433 to \$80—that its basic discount line, which is based upon the amount of its contribution in the form of capital stock subscription and reserve balance, was less than one-sixth of what it would have been had its reserves been maintained in accordance with the Federal reserve act. This failure to maintain reserves as required by law resulted in the bank's having a very low basic line and consequently the ratio of its borrowings to its basic line rose very rapidly. Had the bank maintained the reserve required by law the maximum rate charged would have been 17 per cent, and the average rate on total borrowings, even before rebates were made, would have been 9.19 per cent during this semi-monthly period.

At the time the Federal Reserve Board authorized the Federal reserve banks to establish progressive rates it was not expected that any member bank would permit its lawful reserve balance to decline almost to the vanishing point, especially at a time when it was in a so badly overextended condition as to necessitate borrowings from the Federal reserve bank in an amount equal to several times its own capital and surplus. The Federal Reserve Board did not approve of excessive rates, and as soon as it became apparent that the progressive-rate plan in effect was in some instances resulting in unreasonable rates immediate consideration was given, both by the board and the Federal reserve bank, to devising some plan whereby such results could be obviated. As a matter of fact, the high rate of 8 1/2 per cent was charged in the two-week period ending September 30, 1920, and reports of these transactions were received by the board some time during October, and on November 1 the progressive rates in the Atlanta district were abolished and that bank substituted in lieu thereof a flat commercial rate of 7 per cent, which was in effect also at the Federal Reserve Banks of Boston, New York, Chicago, and Minneapolis.

It is a noteworthy fact that the excessively high rates charged in the Atlanta and Kansas City districts in certain instances were, as in the case discussed above, due primarily to the effect upon the member bank's basic discount line of its failure to maintain its legally required reserve balances with the Federal reserve bank. In the case of St. Louis and Dallas the member bank's basic-discount line, in consequence of the method by which it was determined, was in nowise affected by failure to maintain its reserves, and accordingly in these two districts the rates charged did not reach excessive levels and no rebates were made, as was done in the Atlanta and Kansas City districts, where all interest charged in excess of 12 per cent per annum was subsequently rebated. These rebates amounted to \$9,108.66 in the Atlanta district and to less than \$300 in the Kansas City district.

As an illustration of the relationship between discount rates charged by the four Federal reserve banks which adopted the progressive rate plan and the rates charged by the other banks, there are shown below the average rates—including discount at progressive rates—charged by each Federal reserve bank during 1920 and 1921:

Federal reserve bank.	1920	1921
Boston.....	6.03	5.88
New York.....	5.97	6.06
Philadelphia.....	5.44	5.44
Cleveland.....	5.66	5.72
Richmond.....	5.78	5.91
Atlanta.....	5.97	6.05
Chicago.....	6.32	6.29
St. Louis.....	5.98	5.90
Minneapolis.....	6.40	6.35
Kansas City.....	6.65	6.14
Dallas.....	5.78	6.01
San Francisco.....	5.82	5.79
Total.....	6.02	6.01

It will be seen from the above that during 1920 the average rate charged by New York was higher than that charged by Dallas, the same as that charged by Atlanta, one one-hundredth of 1 per cent less than that charged by St. Louis, and sixty-eight one-hundredths of 1 per cent lower than that charged by Kansas City. In 1921 the average rate charged by New York was higher than that charged in Atlanta, St. Louis, and Dallas, and only eight one-hundredths of 1 per cent lower than that charged by Kansas City.

Respectfully submitted,

EDMUND PLATT, Acting Governor.

The President of the Senate.

APPENDIX A.

DESCRIPTION OF PROGRESSIVE RATE PLANS IN EFFECT IN THE ATLANTA, ST. LOUIS, KANSAS CITY, AND DALLAS FEDERAL RESERVE DISTRICTS. [Copied from pamphlet on Discount Rates of the Federal Reserve Banks, 1914-1921.]

ATLANTA.

Date effective: May 31, 1920.

Basic line: Sixty-five per cent of reserve balance plus paid-in subscription to capital stock of Federal reserve bank—average for previous reserve computation period, weekly for reserve city banks and semi-monthly for country banks—multiplied by two and one-half.

When applied: Normal rate at time of discount. Superrate applied at end of reserve computation period to average borrowings in excess of basic line.

Scale of rates: Superrate of one-half of 1 per cent for the first 25 per cent or fraction thereof by which borrowings exceed basic line, 1 per cent for second 25 per cent excess, etc.

Exceptions: Member bank collateral notes secured by Liberty bonds or Victory notes actually owned by the borrowing bank on April 1, 1920, or by Treasury certificates actually owned were subject only to normal discount rates, but were considered a part of the total borrowings or "credit structure" in determining the progressive rate applicable to other eligible paper.

Rebates on paper paid before maturity: At normal rate.

Modifications: On June 14, 1920, after approval by the Federal Reserve Board, paper drawn for strictly agricultural production up to 100 per cent of the member bank's capital and surplus was excepted from application of progressive rates.

On June 23, 1921, Federal Reserve Board approved recommendation that all charges previously made in excess of 12 per cent, including the normal rate, be rebated.

Date discontinued: November 1, 1920.

ST. LOUIS.

Date effective: May 26, 1920.

Basic line: Same as Atlanta, except that reserve balances required during reserve computation periods covered by borrowings were used in determining the basic line.

When applied: Same as Atlanta.

Scale of rates: Same as Atlanta.

Exceptions: Member bank collateral notes secured by Liberty bonds or Victory notes actually owned by the borrowing bank on April 1, 1920, or by Treasury certificates actually owned were not considered part of the total borrowings or "credit structure" nor did progressive rates apply thereto.

Rebates on paper paid before maturity: At normal rate.

Modifications: On May 21, 1921, progressive rate plan was modified to provide a rate of 1 per cent in excess of the normal rate of 6 per cent on all borrowings in excess of the basic discount line, subject to exemption previously in effect.

Date discontinued: June 23, 1921.

KANSAS CITY.

Date effective: April 19, 1920.

Basic line: Same as Atlanta, except that the reserve balance used in determining the basic line was the average maintained during the reserve computation periods ending with the preceding month.

When applied: At time of discount, subject to adjustments to compensate reductions in borrowings and increased or decreased basic line determined from month to month by the formula outlined above.

Scale of rates: Same as Atlanta.

Exceptions: Member banks' collateral notes, secured by Treasury certificates of indebtedness, Liberty bonds, or Victory notes owned by the borrowing member bank on April 1, 1920, were exempted from the application of superrates but were considered part of the "credit structure" or total borrowings in fixing the rates applicable to other paper; while all rediscounts secured by Government war obligations, as well as member banks' collateral notes not described above, were subject to the application of the superrates as well as being considered part of the "credit structure."

Rebates on paper paid before maturity: At rate charged.

Modifications: On April 27, 1920, modified the progressive rate plan by excluding member banks' collateral notes secured by Liberty bonds or Victory notes actually owned on April 1, 1920, or by Treasury certificates of indebtedness actually owned altogether from the application of progressive rates; i. e., they were not only not subject to progressive discount rates but were not to be taken into consideration in determining the progressive rates applicable to other eligible paper; while rediscounts secured by Government war obligations, though no longer subject to the application of superrates, were still considered part of the "credit structure" or aggregate indebtedness in determining superrates applicable to other eligible paper.

On January 29, 1921, established a maximum rate, including the normal rate, of 12 per cent.

On July 1, 1921, established a maximum rate of 8 per cent, including the normal rate of 6 per cent, and at the same time changed the scale of progression to 1 per cent for the first 100 per cent of borrowings in excess of the basic line and to 2 per cent on any further borrowings. Beginning July 1 member bank collateral notes secured by Government war obligations, while subject only to normal discount rates, were again considered a part of the "credit structure" for the purpose of determining the progressive rate applicable to other eligible paper.

On August 3, 1921, Federal Reserve Board approved recommendation that all charges previously made in excess of 12 per cent, including the normal rate, be rebated.

Date discontinued: August 1, 1921.

DALLAS.

Date effective: May 21, 1920.

Basic line: Paid-up and unimpaired capital and surplus of borrowing bank.

When applied: At time of discount. (See modifications.)

Scale of rates: Same as Atlanta.

Exceptions: Same as St. Louis.

Rebates on paper paid before maturity: At current discount rates.

Modifications: On July 7, 1920, discontinued application of progressive rates to current offerings and thereafter based them upon average excess borrowings within a reserve computation period. At this time all charges previously made were rebated and in lieu thereof new charges were imposed in accordance with the modified scheme.

Date discontinued: February 15, 1921.

INTEREST CHARGES OF FEDERAL RESERVE BANKS.

Atlanta—Federal reserve district No. 6.

MEMBER BANK NO. 1.

[Capital and surplus, \$45,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates. ¹		Average superrates charged (excess over normal rate). ²				Range of superrates. ²	
			Before rebates.	After rebates.	Before rebates.		After rebates.		Before rebates.	After rebates.
					If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.					P. ct.	P. ct.	P. ct.	P. ct.	P. ct.	P. ct.
June 16-30.....	\$119,950	\$52,362	\$58.37	\$58.37	2.71	1.18	2.71	1.18	1-5	1-5
July 1-15.....	126,833	72,657	193.35	139.61	6.47	3.70	4.67	2.67	1-12½	1-6
July 16-31.....	141,885	88,419	494.85	206.85	12.77	7.95	5.34	3.32	1-25	1-6
Aug. 1-15.....	154,089	81,676	146.64	134.11	4.37	2.31	4.00	2.11	1-8½	1-6
Aug. 16-31.....	170,623	102,430	304.40	212.68	6.78	4.07	4.74	2.84	1-13½	1-6
Sept. 1-15.....	167,392	102,086	298.37	200.35	6.99	4.26	4.77	2.91	1-13½	1-6
Sept. 16-30.....	167,711	112,446	1,891.44	267.30	40.93	27.44	5.78	3.88	1-81½	1-6
Oct. 1-15.....	151,299	87,818	297.73	179.32	8.25	4.79	4.97	2.88	1-16	1-6

MEMBER BANK NO. 2.

[Capital and surplus, \$125,000.]

1920.										
Oct. 16-31.....	\$155,609	\$105,764	\$110.26	\$110.26	2.38	1.62	2.38	1.62	1-4½	1-4½

MEMBER BANK NO. 3.

[Capital and surplus, \$300,000.]

1920.										
Oct. 16-30.....	\$368,785	\$165,084	\$181.34	\$181.34	2.67	1.19	2.67	1.19	1-5	1-5

MEMBER BANK NO. 4.

[Capital and surplus, \$37,000.]

1920.										
Oct. 1-15.....	\$35,997	\$17,339	\$18.04	\$18.04	2.53	1.22	2.53	1.22	1-5	1-5

MEMBER BANK NO. 5.

[Capital and surplus, \$65,000.]

1920.										
Sept. 1-15.....	\$131,508	\$42,947	\$36.70	\$36.70	2.08	0.68	2.08	0.68	1-4	1-4
Sept. 16-30.....	159,090	77,618	158.32	136.10	4.96	2.42	4.26	2.08	1-9½	1-6
Oct. 1-15.....	168,934	68,405	61.36	61.36	2.18	.88	2.18	.88	1-4	1-4

MEMBER BANK NO. 6.

[Capital and surplus, \$900,000.]

1920.										
Oct. 16-30.....	\$972,531	\$414,494	\$352.08	\$352.08	2.06	0.88	2.06	0.88	1-4	1-4

MEMBER BANK NO. 7.

[Capital and surplus, \$1,125,000.]

1920.										
Sept. 10-16.....	\$928,238	\$559,692	\$218.84	\$218.84	2.04	1.23	2.04	1.23	1-4	1-4
Sept. 17-23.....	980,771	607,610	249.19	249.19	2.14	1.32	2.14	1.32	1-4	1-4
Sept. 24-30.....	1,091,618	715,070	335.30	335.30	2.44	1.60	2.44	1.60	1-4½	1-4½
Oct. 1-7.....	1,159,426	801,455	443.26	443.26	2.88	2.00	2.88	2.00	1-5½	1-5½
Oct. 8-14.....	1,184,377	813,041	433.91	433.91	2.78	1.91	2.78	1.91	1-5½	1-5½
Oct. 15-21.....	1,212,593	840,711	486.36	486.36	3.02	2.09	3.02	2.09	1-6	1-6
Oct. 22-28.....	1,249,442	878,109	541.56	541.56	3.21	2.26	3.21	2.26	1-6	1-6

MEMBER BANK NO. 8.

[Capital and surplus, \$3,000,000.]

1920.										
Oct. 22-28.....	\$5,248,394	\$3,570,303	\$1,635.48	\$1,635.48	2.39	1.62	2.39	1.62	1-4½	1-4½

MEMBER BANK NO. 9.

[Capital and surplus, \$61,000.]

1920.										
June 16-30.....	\$58,044	\$6,250	\$11.91	\$11.91	4.64	0.49	4.64	0.49	4-5½	4-5½
Sept. 1-15.....	63,714	17,801	18.12	18.12	2.48	.69	2.48	.69	1-4½	1-4½
Oct. 1-15.....	67,680	19,606	17.55	17.55	2.17	.63	2.17	.63	1-4	1-4
Oct. 16-30.....	71,750	27,543	36.42	36.42	3.22	1.23	3.22	1.23	1-6	1-6

¹ Does not include discount charged at basic rates.² Rates shown are in addition to the basic rate, which was 6 per cent, except that paper secured by United States Government obligations was accorded preferential rates with a minimum of 5 per cent.

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Atlanta—Federal reserve district No. 6—Continued.

MEMBER BANK NO. 10.

[Capital and surplus, \$60,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.		Average superrates charged (excess over normal rate).				Range of superrates.	
			Before rebates.	After rebates.	Before rebates.		After rebates.		Before rebates.	After rebates.
					If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						<i>P. ct.</i>	<i>P. ct.</i>	<i>P. ct.</i>	<i>P. ct.</i>	<i>P. ct.</i>
Oct. 1-15.....	\$164,480	\$31,393	\$30.14	\$30.14	2.33	0.44	2.33	0.44	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
Oct. 16-30.....	182,851	67,765	147.15	121.43	5.28	1.95	4.36	1.61	$\frac{1}{2}$ -10 $\frac{1}{2}$	$\frac{1}{2}$ -6

MEMBER BANK NO. 11.

[Capital and surplus, \$90,000.]

1920.										
Oct. 16-30.....	\$189,902	\$56,807	\$60.28	\$60.28	2.58	0.77	2.58	0.77	1-5	1-5

MEMBER BANK NO. 12.

[Capital and surplus, \$275,000.]

1920.										
June 1-15.....	\$543,339	\$14,933	\$42.96	\$36.82	7.00	0.19	6.00	0.16	7	6
June 16-30.....	517,070	64,313	165.60	158.33	6.26	.78	5.99	.75	5 1/2-7	5 1/2-6
July 1-15.....	501,450	99,300	365.07	244.83	8.95	1.77	6.00	1.19	8-10	6
July 16-31.....	527,005	153,843	313.92	313.92	4.68	1.36	4.68	1.36	3 1/2-6	3 1/2-6
Aug. 1-15.....	608,836	274,359	386.31	383.24	3.43	1.54	3.40	1.53	1-6 1/2	1-6
Aug. 16-31.....	707,842	380,980	1,593.00	998.13	9.53	5.13	5.97	3.21	5 1/2-13 1/2	5 1/2-6
Sept. 1-15.....	763,685	341,085	2,701.46	841.02	19.27	8.61	6.00	2.68	12-26 1/2	6
Sept. 16-30.....	763,379	446,463	1,628.17	1,060.41	8.87	5.19	5.78	3.38	4-12 1/2	4-6
Oct. 1-15.....	754,164	467,487	1,446.22	1,072.66	7.52	4.66	5.58	3.46	3 1/2-11 1/2	3 1/2-6
Oct. 16-31.....	760,898	522,829	1,916.11	1,281.97	8.36	5.74	5.59	3.84	3-13 1/2	3-6

MEMBER BANK NO. 13.

[Capital and surplus, \$55,000.]

1920.										
Aug. 1-15.....	\$112,281	\$37,979	\$34.63	\$34.63	2.22	0.75	2.22	0.75	1-4	1-4
Oct. 16-30.....	105,711	32,518	27.28	27.28	2.04	.62	2.04	.62	1-4	1-4

MEMBER BANK NO. 14.

[Capital and surplus, \$480,000.]

1920.										
Sept. 16-30.....	\$252,386	\$143,354	\$122.46	\$122.46	2.07	1.18	2.07	1.18	1-4	1-4
Oct. 1-15.....	284,837	172,521	152.90	152.90	2.16	1.30	2.16	1.30	1-4	1-4
Oct. 16-30.....	277,251	162,580	143.45	143.45	2.15	1.26	2.15	1.26	1-4	1-4

MEMBER BANK NO. 15.

[Capital and surplus, \$270,000.]

1920.										
Sept. 1-15.....	\$405,454	\$140,186	\$270.83	\$238.86	4.70	1.63	4.15	1.44	1-9	1-6
Oct. 1-15.....	409,978	171,281	308.77	281.83	4.39	1.83	4.01	1.67	1-8 1/2	1-6
Oct. 16-30.....	407,072	202,940	358.43	330.30	4.30	2.14	3.96	1.97	1-8 1/2	1-6

MEMBER BANK NO. 16.

[Capital and surplus, \$255,000.]

1920.										
Oct. 1-15.....	\$369,465	\$144,337	\$188.81	\$188.81	3.18	1.24	3.18	1.24	1-6	1-6
Oct. 16-30.....	428,126	222,078	454.59	388.39	4.98	2.58	4.25	2.20	1-9 1/2	1-6

MEMBER BANK NO. 17.

[Capital and surplus, \$125,000.]

1920.										
Oct. 1-15.....	\$194,828	\$42,466	\$36.50	\$36.50	2.09	0.45	2.09	0.45	1-4	1-4

MEMBER BANK NO. 18.

[Capital and surplus, \$80,000.]

1920.										
Oct. 16-30.....	\$90,627	\$27,761	\$25.54	\$25.54	2.23	0.68	2.23	0.68	1-4	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Atlanta—Federal reserve district No. 6—Continued.

MEMBER BANK NO. 19.

[Capital and surplus, \$50,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.		Average superrates charged (excess over normal rate).				Range of superrates.	
			Before rebates.	After rebates.	Before rebates.		After rebates.		Before rebates.	After rebates.
					If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.					P. ct.	P. ct.	P. ct.	P. ct.	P. ct.	P. ct.
Sept. 16-30.....	\$93,013	\$20,460	\$18.17	\$18.17	2.16	0.48	2.16	0.48	1-4	1-4
Oct. 1-15.....	95,997	23,127	20.94	20.94	2.20	.53	2.20	.53	1-4	1-4
Oct. 16-30.....	98,885	28,739	45.02	43.49	3.81	1.10	3.68	1.06	1-7½	1-6

MEMBER BANK NO. 20.

[Capital and surplus, \$140,000.]

1920.										
Sept. 16-30.....	\$249,017	\$151,033	\$197.37	\$197.37	3.17	1.93	3.17	1.93	1-6	1-6

MEMBER BANK NO. 21.

[Capital and surplus, \$50,000.]

1920.										
Oct. 16-30.....	\$80,772	\$28,653	\$23.62	\$23.62	2.00	0.71	2.00	0.71	1-4	1-4

MEMBER BANK NO. 22.

[Capital and surplus, \$151,500.]

1920.										
Oct. 16-30.....	\$117,095	\$55,475	\$52.01	\$52.01	2.28	1.08	2.28	1.08	1-4½	1-4½

MEMBER BANK NO. 23.

[Capital and surplus, \$35,000.]

1920.										
Aug. 1-15.....	\$75,451	\$53,968	\$61.27	\$61.27	2.76	1.98	2.76	1.98	1-5½	1-5½
Sept. 1-15.....	85,209	61,291	71.03	71.03	2.82	2.03	2.82	2.03	1-5½	1-5½
Sept. 16-30.....	87,247	61,262	65.80	65.80	2.61	1.84	2.61	1.84	1-5	1-5
Oct. 1-15.....	86,506	66,951	101.06	98.69	3.67	2.84	3.58	2.77	1-7	1-6
Oct. 16-31.....	89,117	79,022	278.32	170.36	8.03	7.12	4.92	4.36	1-16	1-6

MEMBER BANK NO. 24.

[Capital and surplus, \$35,000.]

1920.										
Sept. 1-15.....	\$67,963	\$21,454	\$23.33	\$23.33	2.64	0.83	2.64	0.83	1-5	1-5

MEMBER BANK NO. 25.

[Capital and surplus, \$87,500.]

1920.										
June 16-30.....	\$343,674	\$162,809	\$2,036.72	\$401.43	30.42	14.42	6.00	2.84	12-49	6
July 1-15.....	314,994	142,346	458.80	305.85	7.84	3.56	5.23	2.37	1½-14	1½-6
Oct. 1-15.....	257,808	64,487	57.84	57.84	2.18	.54	2.18	.54	1-4	1-4

MEMBER BANK NO. 26.

[Capital and surplus, \$39,000.]

1920.										
July 16-31.....	\$76,667	\$19,080	\$17.91	\$17.91	2.14	0.53	2.14	0.53	1-4	1-4
Aug. 1-15.....	78,344	21,557	21.43	21.43	2.41	.66	2.41	.66	1-4½	1-4½
Aug. 16-31.....	81,722	27,049	47.89	45.37	4.03	1.33	3.82	1.26	1-8	1-6
Sept. 1-15.....	79,055	27,448	48.53	44.71	4.30	1.49	3.96	1.37	1-8½	1-6
Sept. 16-30.....	81,055	27,760	51.86	46.50	4.54	1.55	4.07	1.39	1-9	1-6
Oct. 16-30.....	81,265	30,626	52.40	48.95	4.16	1.57	3.89	1.47	1-8	1-6

MEMBER BANK NO. 27.

[Capital and surplus, \$52,000.]

1920.										
Oct. 16-30.....	\$101,357	\$22,050	\$19.47	\$19.47	2.14	0.46	2.14	0.46	1-4	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Atlanta—Federal reserve district No. 6—Continued.

MEMBER BANK NO. 28.

[Capital and surplus, \$1,100,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.		Average superrates charged (excess over normal rate).				Range of superrates.	
			Before rebates.	After rebates.	Before rebates.		After rebates.		Before rebates.	After rebates.
					If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.					P. ct.	P. ct.	P. ct.	P. ct.	P. ct.	P. ct.
Aug. 1-15.....	\$2,579,400	\$1,456,279	\$1,245.92	\$1,245.92	2.08	1.17	2.08	1.17	1-4	1-4
Oct. 1-15.....	3,043,871	1,960,644	2,345.81	2,345.81	2.91	1.87	2.91	1.87	1-5	1-5
Oct. 16-30.....	3,059,624	2,174,368	3,413.38	3,294.30	3.81	2.71	3.68	2.62	1-7	1-6

MEMBER BANK NO. 29.

[Capital and surplus, \$50,000.]

1920.										
Oct. 16-30.....	\$81,654	\$40,188	\$36.07	\$36.07	2.18	1.07	2.18	1.07	1-4	1-4

MEMBER BANK NO. 30.

[Capital and surplus, \$125,000.]

1920.										
Oct. 1-15.....	\$278,605	\$109,658	\$101.16	\$101.16	2.24	0.88	2.24	0.88	1-4	1-4
Oct. 16-30.....	268,716	120,580	135.68	135.68	2.73	1.22	2.73	1.22	1-5	1-5

MEMBER BANK NO. 31.

[Capital and surplus, \$2,200,000.]

1920.										
Oct. 8-14.....	\$15,741,230	\$3,450,440	\$1,328.74	\$1,328.74	2.01	0.44	2.01	0.44	1-4	1-4

MEMBER BANK NO. 32.

[Capital and surplus, \$1,250,000.]

1920.										
May 28-June 3.....	\$3,886,230	\$536,100	\$317.95	\$317.95	3.09	0.42	3.09	0.42	5-6	5-6
June 4-10.....	3,395,877	531,814	412.77	412.77	4.05	.63	4.05	.63	3-4	3-4
July 23-29.....	2,540,200	1,712,815	764.14	764.14	2.32	1.57	2.32	1.57	1-4	1-4
July 30-Aug. 5.....	3,487,471	2,664,951	1,784.27	1,774.80	3.49	2.67	3.47	2.66	1-6	1-6
Aug. 6-12.....	4,014,770	3,117,720	2,228.52	2,168.21	3.73	2.89	3.63	2.81	1-7	1-7
Aug. 13-19.....	4,325,702	3,410,019	2,599.90	2,471.76	3.07	3.13	2.92	2.98	1-7	1-7
Aug. 20-26.....	4,059,559	3,137,186	2,199.29	2,150.45	3.65	2.82	3.57	2.76	1-7	1-7
Aug. 27-Sept. 2.....	3,579,987	2,688,494	1,684.40	1,683.05	3.26	2.45	3.26	2.45	1-6	1-6
Sept. 3-9.....	3,135,759	2,134,921	978.70	978.70	2.39	1.63	2.39	1.63	1-4	1-4
Oct. 22-28.....	3,117,645	2,063,397	875.15	875.15	2.20	1.50	2.20	1.50	1-4	1-4

MEMBER BANK NO. 33.

[Capital and surplus, \$4,500,000.]

1920.										
Sept. 24-30.....	\$10,531,456	\$7,030,423	\$3,045.90	\$3,045.90	2.26	1.51	2.26	1.51	1-4	1-4
Oct. 13-21.....	11,687,529	7,774,296	3,337.13	3,337.13	2.24	1.49	2.24	1.49	1-4	1-4
Oct. 22-28.....	11,691,914	7,741,364	3,286.70	3,286.70	2.21	1.47	2.21	1.47	1-4	1-4

MEMBER BANK NO. 34.

[Capital and surplus, \$615,000.]

1920.										
Oct. 8-14.....	\$644,795	\$414,422	\$163.29	\$163.29	2.05	1.32	2.05	1.32	1-4	1-4

MEMBER BANK NO. 35.

[Capital and surplus, \$2,300,000.]

1920.										
June 25-July 1.....	\$4,418,423	\$2,220,009	\$1,146.64	\$1,146.64	2.69	1.35	2.69	1.35	1-4	1-4
July 2-8.....	4,182,976	2,599,815	1,137.65	1,137.65	2.47	1.42	2.47	1.42	1-4	1-4
July 9-15.....	4,212,522	2,696,217	1,036.16	1,036.16	2.01	1.28	2.01	1.28	1-4	1-4
Sept. 24-30.....	4,615,799	3,111,809	1,387.57	1,387.57	2.32	1.57	2.32	1.57	1-4	1-4
Oct. 1-7.....	4,182,918	3,101,228	1,857.03	1,857.03	3.12	2.31	3.12	2.31	1-6	1-6
Oct. 8-14.....	4,640,333	3,172,439	1,471.09	1,471.09	2.42	1.65	2.42	1.65	1-5	1-5
Oct. 15-21.....	4,828,187	3,349,439	1,616.59	1,616.59	2.52	1.75	2.52	1.75	1-5	1-5
Oct. 22-28.....	4,825,700	3,741,252	2,667.04	2,599.46	3.72	2.88	3.63	2.81	1-7	1-6
Oct. 29-31.....	4,532,202	3,585,109	1,178.68	1,125.83	1.71	1.36	1.63	1.30	1-8	1-6

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Atlanta—Federal reserve district No. 6—Continued.

MEMBER BANK NO. 36.

[Capital and surplus, \$27,500.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.		Average superrates charged (excess over normal rate).				Range of superrates.	
			Before rebates.	After rebates.	Before rebates.		After rebates.		Before rebates.	After rebates.
					If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.					P. ct.	P. ct.	P. ct.	P. ct.	P. ct.	P. ct.
Oct. 16-30.....	\$30,198	\$23,859	\$44.39	\$39.91	4.52	3.57	4.06	3.21	$\frac{1}{2}$ -9	$\frac{1}{2}$ -6

MEMBER BANK NO. 37.

[Capital and surplus, \$400,000.]

1920.										
June 16-30.....	\$430,388	\$205,751	\$355.51	\$355.51	4.20	2.01	4.20	2.01	2 $\frac{1}{2}$ -6	2 $\frac{1}{2}$ -6
July 1-15.....	511,522	332,002	444.82	444.82	3.26	2.12	3.26	2.12	1-5 $\frac{1}{2}$	1-5 $\frac{1}{2}$
July 16-31.....	566,937	408,752	508.70	508.70	2.83	2.04	2.83	2.04	$\frac{1}{2}$ -5 $\frac{1}{2}$	$\frac{1}{2}$ -5 $\frac{1}{2}$
Aug. 1-15.....	571,564	433,129	602.26	598.60	3.38	2.56	3.36	2.54	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
Aug. 16-31.....	485,920	360,939	493.71	493.71	3.12	2.31	3.12	2.31	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
Sept. 1-15.....	448,479	270,886	239.17	239.17	2.14	1.29	2.14	1.29	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
Sept. 16-30.....	442,987	268,517	254.95	254.95	2.31	1.40	2.31	1.40	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$

MEMBER BANK NO. 38.

[Capital and surplus, \$31,000.]

1920.										
Sept. 16-30.....	\$73,570	\$11,057	\$9.67	\$9.67	2.13	0.32	2.13	0.32	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
Oct. 1-15.....	73,678	23,703	54.99	54.99	43.61	5.64	4.47	1.44	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
Oct. 16-30.....	82,653	38,508	119.65	77.12	7.56	3.52	4.87	2.27	$\frac{1}{2}$ -15	$\frac{1}{2}$ -6

MEMBER BANK NO. 39.

[Capital and surplus, \$212,500.]

1920.										
June 4-10.....	\$395,909	\$37,231	\$43.92	\$42.53	6.15	0.58	5.96	0.56	5 $\frac{1}{2}$ -6 $\frac{1}{2}$	5 $\frac{1}{2}$ -6
June 11-17.....	398,718	57,063	53.02	53.02	4.84	.69	4.84	.69	4-5 $\frac{1}{2}$	4-5 $\frac{1}{2}$
June 18-24.....	401,421	77,854	83.52	82.32	5.59	1.09	5.51	1.07	4 $\frac{1}{2}$ -6 $\frac{1}{2}$	4 $\frac{1}{2}$ -6
July 2-8.....	380,345	91,961	97.62	95.66	5.69	1.34	5.58	1.31	4 $\frac{1}{2}$ -7	4 $\frac{1}{2}$ -6
July 9-15.....	398,034	127,981	185.40	145.15	7.55	2.43	5.91	1.90	5-9 $\frac{1}{2}$	5-6
July 16-22.....	390,933	91,985	89.22	89.22	5.06	1.19	5.06	1.19	4-6	4-6
Aug. 13-19.....	378,090	110,308	48.53	48.53	2.29	.66	2.29	.66	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
Aug. 20-26.....	403,131	138,438	79.59	79.59	3.00	1.03	3.00	1.03	$\frac{1}{2}$ -5 $\frac{1}{2}$	$\frac{1}{2}$ -5 $\frac{1}{2}$
Sept. 24-30.....	398,510	102,257	42.19	42.19	2.15	.55	2.15	.55	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
Oct. 8-14.....	424,273	144,385	92.58	92.18	3.34	1.14	3.33	1.14	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
Oct. 15-21.....	429,083	163,889	118.71	115.02	3.78	1.44	3.66	1.40	$\frac{1}{2}$ -7 $\frac{1}{2}$	$\frac{1}{2}$ -6
Oct. 22-28.....	465,714	171,311	82.59	82.59	2.51	.93	2.51	.93	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5

MEMBER BANK NO. 40.

[Capital and surplus, \$335,000.]

1920.										
June 4-10.....	\$587,203	\$32,720	\$30.83	\$30.83	4.91	0.27	4.91	0.27	4 $\frac{1}{2}$ -5 $\frac{1}{2}$	4 $\frac{1}{2}$ -5 $\frac{1}{2}$
June 18-24.....	618,394	99,714	83.52	83.52	4.37	.70	4.37	.70	3 $\frac{1}{2}$ -5 $\frac{1}{2}$	3 $\frac{1}{2}$ -5 $\frac{1}{2}$
June 25-July 1.....	595,503	99,715	69.31	69.31	3.62	.60	3.62	.60	2 $\frac{1}{2}$ -4 $\frac{1}{2}$	2 $\frac{1}{2}$ -4 $\frac{1}{2}$
July 2-8.....	543,443	99,714	63.19	63.19	3.30	.61	3.30	.61	2 $\frac{1}{2}$ -4 $\frac{1}{2}$	2 $\frac{1}{2}$ -4 $\frac{1}{2}$
July 9-15.....	510,370	57,297	59.10	59.10	5.38	.60	5.38	.60	4 $\frac{1}{2}$ -6	4 $\frac{1}{2}$ -6
July 16-22.....	544,692	76,297	47.32	47.32	3.23	.45	3.23	.45	2 $\frac{1}{2}$ -4	2 $\frac{1}{2}$ -4
July 23-29.....	557,162	207,594	86.30	86.30	2.17	.81	2.17	.81	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
July 30-Aug. 5.....	600,784	248,153	117.82	117.82	2.47	1.02	2.47	1.02	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
Aug. 20-26.....	586,555	258,491	159.72	159.72	3.22	1.42	3.22	1.42	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
Aug. 27-Sept. 2.....	624,136	292,293	194.51	192.62	3.47	1.62	3.44	1.60	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -6
Sept. 3-9.....	643,360	266,284	113.47	113.47	2.22	.92	2.22	.92	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
Sept. 17-23.....	595,541	241,070	102.21	102.21	2.22	.89	2.22	.89	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
Sept. 24-30.....	613,914	241,062	95.63	95.63	2.07	.81	2.07	.81	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
Oct. 1-7.....	647,569	285,450	14.33	14.33	2.62	1.15	2.62	1.15	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
Oct. 22-28.....	602,207	256,332	114.88	114.88	2.34	.99	2.34	.99	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5

MEMBER BANK NO. 41.

[Capital and surplus, \$70,000.]

1920.										
Sept. 1-15.....	\$215,940	\$58,362	\$56.91	\$56.91	2.37	0.64	2.37	0.64	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
Sept. 16-30.....	219,752	67,310	89.87	89.87	3.25	.99	3.25	.99	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
Oct. 1-15.....	214,016	63,983	90.65	89.85	3.44	1.03	3.41	1.02	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -6
Oct. 16-30.....	249,867	143,629	828.39	318.69	14.03	8.07	5.40	3.10	$\frac{1}{2}$ -28	$\frac{1}{2}$ -6

MEMBER BANK NO. 42.

[Capital and surplus, \$450,000.]

1920.										
Aug. 16-31.....	\$543,026	\$355,704	\$336.18	\$336.18	2.16	1.41	2.16	1.41	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Atlanta—Federal reserve district No. 6—Continued.

MEMBER BANK NO. 43.

[Capital and surplus, \$150,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.		Average superrates charged (excess over normal rate).				Range of superrates.	
			Before rebates.	After rebates.	Before rebates.		After rebates.		Before rebates.	After rebates.
					If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.					P. ct.	P. ct.	P. ct.	P. ct.	P. ct.	P. ct.
Oct. 1-15.....	\$454,582	\$72,049	\$60.77	\$60.77	2.03	0.32	2.03	0.32	1-4	1-4

MEMBER BANK NO. 44.

[Capital and surplus, \$224,000.]

1920.										
Oct. 16-30.....	\$403,735	\$122,540	\$108.44	\$108.44	2.15	0.65	2.15	0.65	1-4	1-4

St. Louis—Federal reserve district No. 8.

MEMBER BANK NO. 1.

[Capital and surplus, \$250,000.]

Period	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates. ¹	Average super-rates ² charged (excess over normal rate) if applied to—		Range of super-rates. ²
				Excess borrowings.	Total borrowings.	
1920.						
Sept. 1-15.....	\$337,630.00	\$195,590.00	\$192.33	Per cent. 2.39	Per cent. 1.38	1-4
Sept. 16-30.....	346,123.00	216,415.00	238.47	2.68	1.67	1-5
Oct. 1-15.....	345,737.00	216,587.00	238.97	2.68	1.68	1-5
Oct. 16-31.....	336,290.00	206,022.00	229.04	2.53	1.55	1-5
Nov. 1-15.....	339,273.00	209,185.00	221.53	2.57	1.58	1-5
Nov. 16-30.....	360,712.00	231,044.00	268.88	2.83	1.81	1-5
Dec. 1-15.....	360,981.00	230,676.00	266.25	2.80	1.79	1-5
Dec. 16-31.....	398,679.00	233,609.00	415.89	3.46	2.37	1-6
1921.						
Jan. 1-15.....	430,778.00	305,678.00	483.06	3.84	2.72	1-7
Jan. 16-31.....	443,929.00	321,011.00	580.51	4.12	2.95	1-8
Feb. 1-15.....	473,666.00	354,111.00	684.40	4.70	3.51	1-9
Feb. 16-28.....	471,149.00	349,947.00	568.68	4.56	3.38	1-9
Mar. 1-15.....	485,881.00	371,303.00	797.97	5.22	3.99	1-10
Mar. 16-31.....	492,125.00	378,823.00	900.13	5.42	4.17	1-10
Apr. 1-15.....	515,237.00	394,659.00	835.40	5.15	3.94	1-10
Apr. 16-30.....	469,424.00	335,439.00	526.95	3.82	2.73	1-7
May 1-15.....	472,635.00	335,742.00	512.65	3.71	2.63	1-7
May 16-20.....	448,974.00	316,029.00	158.08	3.65	2.57	1-7

MEMBER BANK NO. 2.

[Capital and surplus, \$110,000.]

1920.						
Aug. 1-15.....	\$106,814.00	\$70,541.00	\$63.69	2.19	1.45	1-4
Aug. 16-31.....	117,313.00	79,038.00	80.39	2.32	1.56	1-5
Sept. 1-15.....	127,567.00	89,292.00	95.00	2.53	1.81	1-5
Sept. 16-30.....	132,580.00	97,212.00	119.79	2.99	2.19	1-6
Oct. 1-15.....	138,069.00	98,356.00	110.30	2.73	1.94	1-5
Oct. 16-31.....	133,418.00	88,448.00	96.04	2.21	1.47	1-4
1921.						
Feb. 15-28.....	101,122.00	66,294.00	51.01	2.16	1.41	1-4
Mar. 1-15.....	101,210.00	66,105.00	53.18	2.14	1.39	1-4
Mar. 16-31.....	99,659.00	63,664.00	56.32	2.01	1.28	1-4

MEMBER BANK NO. 3.

[Capital and surplus, \$100,000; \$110,000, Sept. 16, 1920.]

1920.						
June 1-15.....	\$159,395.00	\$4,590.00	\$7.10	3.76	0.10	3-4
Sept. 16-30.....	234,909.00	122,880.00	113.22	2.34	1.22	1-4
Oct. 1-15.....	235,044.00	124,631.00	122.54	2.38	1.26	1-4
Oct. 16-31.....	222,732.00	116,891.00	113.36	2.21	1.16	1-4

¹ Does not include discount charged at basic rates.² Rates shown are in addition to the basic rate, which was 6 per cent, except that paper secured by United States Government obligations was accorded preferential rates with a minimum of 5 per cent.

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 4.

[Capital and surplus, \$100,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
Mar. 1-15.....	\$294,870.00	\$142,949.00	\$121.34	2.03	1.00	1-4
Mar. 16-31.....	300,574.00	151,375.00	146.51	2.20	1.11	1-4
Apr. 1-15.....	304,118.00	154,880.00	142.76	2.24	1.14	1-4
Apr. 16-30.....	299,968.00	148,910.00	130.41	2.13	1.05	1-4
May 1-15.....	291,612.00	143,931.00	123.59	2.08	1.03	1-4

MEMBER BANK NO. 5.

[Capital and surplus, \$60,000.]

1921.						
Jan. 16-31.....	\$117,790.00	\$55,480.00	\$53.80	2.21	1.04	1-4
Feb. 1-15.....	115,238.00	52,583.00	45.18	2.09	.95	1-4
Feb. 16-28.....	118,319.00	56,709.00	46.63	2.30	1.10	1-4
Mar. 1-15.....	119,849.00	59,164.00	60.03	2.46	1.21	1-4
Mar. 16-31.....	117,297.00	55,825.00	55.95	2.28	1.08	1-4
Apr. 1-15.....	117,999.00	56,221.00	52.57	2.27	1.08	1-4
Apr. 16-30.....	121,297.00	60,272.00	61.42	2.47	1.23	1-4

MEMBER BANK NO. 6.

[Capital and surplus, \$125,000.]

1920.						
Aug. 16-31.....	\$372,311.00	\$150,425.00	\$152.77	2.31	0.93	1-4
Sept. 1-15.....	418,465.00	198,617.00	249.35	3.05	1.44	1-4
Sept. 16-30.....	439,132.00	219,285.00	301.67	3.34	1.67	1-4
Oct. 1-15.....	464,482.00	244,634.00	373.21	3.71	1.95	1-4
Oct. 16-31.....	487,065.00	271,299.00	476.67	4.00	2.23	1-4
Nov. 1-15.....	541,691.00	325,295.00	684.35	5.11	3.07	1-4
Nov. 16-30.....	547,399.00	332,738.00	721.46	5.27	3.20	1-4
Dec. 1-15.....	558,495.00	346,927.00	825.71	5.79	3.59	1-4
Dec. 16-31.....	580,299.00	367,923.00	976.15	6.05	3.83	1-4
1921.						
Jan. 1-15.....	598,093.00	386,157.00	1,012.95	6.19	4.12	1-4
Jan. 16-31.....	586,481.00	373,720.00	1,000.81	6.10	3.89	1-4
Feb. 1-15.....	560,485.00	348,029.00	821.14	5.74	3.56	1-4
Feb. 16-28.....	553,620.00	340,402.00	672.61	5.54	3.41	1-4
Mar. 1-15.....	509,190.00	293,852.00	564.89	4.67	2.69	1-4
Mar. 16-31.....	459,101.00	245,733.00	438.19	4.05	2.17	1-4
Apr. 1-15.....	435,644.00	219,858.00	320.01	3.54	1.78	1-4
Apr. 16-30.....	387,802.00	174,096.00	210.56	2.94	1.32	1-4
May 1-15.....	398,513.00	179,555.00	208.05	2.81	1.27	1-4
May 16-20.....	363,685.00	141,969.00	42.91	2.20	.86	1-4

MEMBER BANK NO. 7.

[Capital and surplus, \$67,000; \$70,000, Mar. 1, 1921.]

1920.						
Sept. 16-30.....	\$116,397.00	\$47,682.00	\$39.32	2.00	0.82	1-4
1921.						
Mar. 1-15.....	115,315.00	50,625.00	45.96	2.20	.96	1-4
Mar. 16-31.....	74,989.00	49,302.00	46.99	2.17	1.42	1-4

MEMBER BANK NO. 8.

[Capital and surplus, \$750,000.]

1920.						
Sept. 15-30.....	\$599,273.00	\$284,023.00	\$255.79	2.19	1.03	1-4
Oct. 1-15.....	654,812.00	335,807.00	343.00	2.48	1.27	1-4
Oct. 16-31.....	684,398.00	390,733.00	578.37	3.37	1.92	1-4
Nov. 1-15.....	659,906.00	330,983.00	315.37	2.31	1.16	1-4

MEMBER BANK NO. 9.

[Capital and surplus, \$300,000.]

1920.						
Aug. 1-15.....	\$593,290.00	\$281,820.00	\$232.94	2.01	0.95	1-4
Aug. 16-31.....	632,484.00	322,029.00	321.28	2.27	1.15	1-4
Sept. 1-15.....	598,059.00	288,114.00	245.42	2.07	.99	1-4
Sept. 16-30.....	637,114.00	337,391.00	350.16	2.52	1.33	1-4
Oct. 1-15.....	681,531.00	393,892.00	453.84	2.80	1.62	1-4
Oct. 16-31.....	619,076.00	361,918.00	403.83	2.54	1.48	1-4
Nov. 1-15.....	614,675.00	318,287.00	293.16	2.24	1.16	1-4
Nov. 16-30.....	656,705.00	340,212.00	356.00	2.54	1.32	1-4
Dec. 1-15.....	600,992.00	298,993.00	276.62	2.25	1.12	1-4
Dec. 16-31.....	632,707.00	366,038.00	469.18	2.92	1.69	1-4
1921.						
Jan. 1-15.....	730,987.00	451,204.00	676.22	3.64	2.25	1-4
Jan. 16-31.....	717,166.00	422,303.00	640.51	3.46	2.03	1-4
Feb. 1-15.....	689,384.00	433,551.00	636.36	3.57	2.24	1-4
Feb. 16-28.....	702,895.00	455,738.00	636.98	3.92	2.54	1-4
Mar. 1-15.....	727,770.00	476,585.00	777.51	3.98	2.60	1-4
Mar. 16-31.....	712,819.00	465,934.00	819.35	4.01	2.62	1-4
Apr. 1-15.....	722,063.00	455,777.00	718.95	3.83	2.42	1-4
Apr. 16-30.....	749,797.00	454,872.00	670.07	3.58	2.17	1-4
May 1-15.....	779,389.00	479,418.00	789.92	3.75	2.31	1-4
May 16-20.....	770,312.00	473,289.00	245.49	3.72	2.32	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 10.

[Capital and surplus, \$175,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
Mar. 16-31.....	\$250,800.00	\$116,353.00	\$105.09	2.06	0.95	4
Apr. 16-30.....	271,156.00	138,586.00	140.57	2.46	1.26	4
May 1-15.....	305,983.00	174,635.00	221.57	3.08	1.76	6
May 16-20.....	310,328.00	181,365.00	81.98	3.29	1.92	6

MEMBER BANK NO. 11.

[Capital and surplus, \$187,500.]

1921.						
Jan. 1-15.....	\$219,669.00	\$116,576.00	\$106.36	2.22	1.17	4
Jan. 16-31.....	224,540.00	127,130.00	137.41	2.46	1.39	4
Feb. 1-15.....	226,984.00	145,112.00	162.90	2.73	1.74	5
Feb. 16-28.....	234,223.00	154,150.00	163.12	2.97	1.95	5
Mar. 1-15.....	268,897.00	191,767.00	300.95	3.81	2.72	7
Mar. 16-31.....	264,601.00	189,844.00	328.51	3.94	2.83	7
Apr. 1-15.....	217,911.00	140,553.00	165.51	2.86	1.84	5
Apr. 16-30.....	189,739.00	129,616.00	138.14	2.59	1.77	5
May 1-15.....	162,997.00	106,187.00	92.89	2.12	1.38	4
May 16-20.....	158,777.00	102,729.00	29.42	2.09	1.35	4

MEMBER BANK NO. 12.

[Capital and surplus, \$60,000.]

1921.						
Feb. 16-28.....	\$63,227.00	\$51,790.00	\$44.49	2.40	1.33	4
Mar. 1-15.....	92,048.00	50,730.00	49.67	2.38	1.31	4
Mar. 16-31.....	86,366.00	45,734.00	44.59	2.22	1.17	4

MEMBER BANK NO. 13.

[Capital and surplus, \$38,500; \$42,000, May 1, 1921.]

1920.						
July 1-15.....	\$66,091.00	\$25,096.00	\$28.27	2.74	1.04	1-4
July 16-31.....	73,449.00	39,602.00	53.93	3.10	1.67	1-5
Aug. 1-15.....	81,995.00	49,859.00	40.95	1.99	1.21	4
Aug. 16-31.....	81,130.00	50,645.00	68.62	3.09	1.93	5
Sept. 1-15.....	82,654.00	51,794.00	66.64	3.13	1.96	5
Sept. 16-30.....	83,044.00	53,384.00	77.09	3.51	2.25	1-6
Oct. 1-15.....	83,438.00	57,435.00	73.43	3.11	2.14	6
Oct. 16-31.....	70,869.00	46,191.00	55.16	2.72	1.77	5
Nov. 1-15.....	68,240.00	43,490.00	45.95	2.57	1.63	5
Nov. 16-30.....	64,720.00	39,970.00	39.18	2.38	1.47	4
Dec. 1-15.....	61,002.00	35,327.00	29.74	2.04	1.18	4
Dec. 16-31.....	61,918.00	37,930.00	37.84	2.27	1.39	4
1921.						
Jan. 1-15.....	86,712.00	64,269.00	109.92	4.16	3.08	8
Jan. 16-31.....	98,075.00	75,580.00	160.16	4.83	3.72	9
Feb. 1-15.....	95,571.00	72,793.00	137.30	4.57	3.49	9
Feb. 16-28.....	89,792.00	69,586.00	113.71	4.58	3.55	9
Mar. 1-15.....	86,974.00	64,690.00	112.39	4.22	3.14	8
Mar. 16-31.....	78,537.00	57,012.00	98.05	3.92	2.84	7
Apr. 1-15.....	80,805.00	59,665.00	102.83	4.19	3.09	8
Apr. 16-30.....	79,840.00	59,105.00	103.48	4.26	3.15	8
May 1-15.....	78,441.00	57,706.00	98.87	4.16	3.06	8
May 16-20.....	75,355.00	54,775.00	30.11	4.01	2.91	8

MEMBER BANK NO. 14.

[Capital and surplus, \$900,000.]

1920.						
Oct. 13-19.....	\$2,842,781.00	\$1,557,513.00	\$646.68	2.13	1.18	4
Oct. 20-26.....	2,918,842.00	1,615,456.00	702.66	2.26	1.25	4
Oct. 27-Nov. 2.....	2,834,089.00	1,489,964.00	602.86	2.10	1.10	4
Nov. 3-9.....	2,897,494.00	1,560,504.00	684.41	2.28	1.24	4
Nov. 10-16.....	2,822,424.00	1,497,887.00	622.14	2.16	1.14	4
Nov. 17-23.....	2,786,250.00	1,465,760.00	600.18	2.13	1.12	4
Nov. 24-30.....	2,687,595.00	1,377,585.00	539.60	2.04	1.04	4
Dec. 1-7.....	2,690,775.00	1,381,693.00	543.37	2.04	1.05	4
Dec. 15-21.....	2,680,714.00	1,388,032.00	559.19	2.10	1.08	4

MEMBER BANK NO. 15.

[Capital and surplus, \$360,000.]

1920.						
May 26-June 1.....	\$1,028,432.00	\$58,313.00	\$44.66	3.99	0.22	4
June 2-8.....	966,175.00	101,249.00	66.93	3.44	.36	3-4
June 9-15.....	1,070,340.00	290,651.00	202.82	3.63	.98	3-4
June 16-22.....	1,145,819.00	580,418.00	358.02	3.21	1.62	1-5
June 23-29.....	952,635.00	507,518.00	239.51	2.46	1.29	1-4
Sept. 22-28.....	1,093,324.00	763,346.00	375.98	2.56	1.79	5
Sept. 29-Oct. 5.....	1,111,529.00	779,071.00	388.41	2.59	1.82	5
Oct. 6-12.....	1,202,393.00	877,212.00	496.24	2.94	2.15	5
Oct. 13-19.....	1,231,263.00	901,675.00	516.46	2.98	2.18	5
Oct. 20-26.....	1,141,376.00	815,128.00	429.64	2.74	1.96	5
Oct. 27-Nov. 2.....	1,103,863.00	784,863.00	408.49	2.71	1.92	5
Nov. 17-23.....	954,769.00	629,304.00	264.26	2.18	1.44	4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 16.

[Capital and surplus, \$300,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1920.				Per cent.	Per cent.	Per cent.
Oct. 27-Nov. 2.....	\$1,539,575.00	\$730,165.00	\$297.74	2.12	1.00	1-4

MEMBER BANK NO. 17.

[Capital and surplus, \$600,000.]

1920.						
Oct. 6-12.....	\$1,382,039.00	\$788,134.00	\$302.63	2.00	1.14	1-4

MEMBER BANK NO. 18.

[Capital and surplus, \$120,000.]

1920.						
July 16-31.....	\$274,115.00	\$161,477.00	\$179.73	2.53	1.49	1-5
Aug. 1-15.....	326,681.00	215,383.00	297.67	3.36	2.21	1-6
Aug. 16-31.....	332,626.00	220,973.00	331.94	3.42	2.27	1-6
Sept. 1-15.....	344,241.00	233,428.00	349.81	3.64	2.47	1-7
Sept. 16-30.....	354,308.00	245,335.00	394.90	3.91	2.71	1-7
Oct. 1-15.....	381,395.00	276,097.00	518.34	4.56	3.30	1-9
Oct. 16-31.....	376,707.00	277,579.00	558.73	4.59	3.38	1-9
Nov. 1-15.....	350,371.00	246,413.00	387.00	3.82	2.68	1-7
Nov. 16-30.....	316,574.00	212,329.00	289.33	3.31	2.22	1-6
Dec. 1-15.....	286,668.00	185,756.00	229.71	3.01	1.95	1-6
Dec. 16-31.....	284,592.00	218,651.00	346.80	3.61	2.78	1-7
1921.						
Jan. 1-15.....	244,583.00	181,040.00	230.96	3.10	2.29	1-6
Jan. 16-31.....	222,679.00	162,376.00	209.57	2.94	2.14	1-5
Feb. 1-15.....	224,334.00	164,786.00	204.42	3.01	2.21	1-6
Feb. 16-28.....	205,701.00	148,986.00	132.95	2.88	2.08	1-5
Mar. 1-15.....	203,719.00	148,571.00	179.91	2.94	2.14	1-5
Mar. 16-31.....	171,939.00	112,924.00	107.45	2.17	1.42	1-4

MEMBER BANK NO. 19.

[Capital and surplus, \$350,000.]

1921.						
Jan. 1-15.....	\$428,659.00	\$279,374.00	\$260.90	2.27	1.48	1-4
Feb. 2-15.....	424,680.00	267,170.00	239.12	2.16	1.37	1-4

MEMBER BANK NO. 20.

[Capital and surplus, \$62,500; \$65,000, May 16, 1921.]

1920.						
Dec. 1-15.....	\$135,677.00	\$48,799.00	\$40.83	2.03	0.73	1-4
1921.						
Apr. 1-15.....	142,970.00	53,790.00	45.70	2.06	.77	1-4
Apr. 16-30.....	141,304.00	53,471.00	47.17	2.14	.81	1-4
May 16-30.....	145,502.00	57,687.00	18.04	2.28	.90	1-4

MEMBER BANK NO. 21.

[Capital and surplus, \$55,000.]

1921.						
Feb. 16-28.....	\$191,523.00	\$60,488.00	\$44.96	2.08	0.65	1-4
Mar. 1-15.....	192,381.00	62,286.00	56.15	2.19	.71	1-4
Mar. 16-31.....	199,571.00	69,716.00	74.68	2.44	.85	1-4
Apr. 1-15.....	199,522.00	74,049.00	80.30	2.63	.97	1-5
Apr. 16-30.....	201,760.00	76,415.00	88.74	2.82	1.07	1-5
May 1-15.....	239,300.00	85,695.00	118.46	3.36	1.37	1-6
May 16-20.....	214,295.00	82,017.00	36.60	3.25	1.24	1-6

MEMBER BANK NO. 22.

Capital and surplus, \$26,200.]

1920.						
July 16-31.....	\$31,431.00	\$17,808.00	\$31.29	4.00	2.27	1-6
Aug. 1-15.....	29,899.00	16,276.00	24.72	3.69	2.01	1-5
Aug. 16-31.....	29,826.00	16,203.00	25.06	3.52	1.91	1-5
Sept. 1-15.....	28,291.00	14,668.00	18.37	3.04	1.58	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 23.

[Capital and surplus, \$62,500.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1920.				Per cent.	Per cent.	Per cent.
Aug. 1-15.....	\$71,966.00	\$48,016.00	\$44.49	2.25	1.50	4 1/2
Aug. 16-31.....	78,354.00	56,381.00	69.73	2.82	2.03	5 1/2
Sept. 1-15.....	84,177.00	63,299.00	85.43	3.28	2.46	6 1/2
Sept. 16-30.....	84,151.00	64,326.00	92.35	3.49	2.67	6 1/2
Oct. 1-15.....	86,212.00	66,699.00	100.66	3.67	2.84	7
Oct. 16-31.....	84,137.00	64,889.00	103.13	3.62	2.79	7
Nov. 1-15.....	82,878.00	63,120.00	89.44	3.44	2.62	6 1/2
Nov. 16-30.....	88,439.00	68,844.00	106.36	3.75	2.92	7 1/2
Dec. 1-15.....	93,323.00	74,580.00	129.64	4.08	3.26	8
Dec. 16-31.....	93,334.00	74,504.00	137.43	4.20	3.35	8
1921.						
Jan. 1-15.....	95,320.00	77,712.00	152.73	4.78	3.89	9
Jan. 16-31.....	100,033.00	82,425.00	178.25	4.93	4.06	9 1/2
Feb. 1-15.....	92,754.00	75,689.00	145.78	4.68	3.9	9
Feb. 16-28.....	94,095.00	77,605.00	137.42	4.95	4.08	9 1/2
Mar. 1-15.....	96,805.00	80,870.00	177.03	5.32	4.44	10 1/2
Mar. 16-31.....	93,363.00	76,966.00	165.52	4.91	4.04	9 1/2
Apr. 1-15.....	86,941.00	70,381.00	130.05	4.49	3.63	8 1/2
Apr. 16-30.....	93,005.00	77,535.00	167.60	5.25	4.38	10 1/2
May 1-15.....	93,262.00	78,072.00	172.91	5.38	4.51	10 1/2
May 16-20.....	93,873.00	78,683.00	58.51	5.42	4.54	10 1/2

MEMBER BANK NO. 24.

[Capital and surplus, \$95,000.]

1921.						
Apr. 16-30.....	\$179,666.00	\$121,736.00	\$118.03	2.35	1.59	4 1/2
May 1-15.....	179,666.00	126,051.00	135.07	2.60	1.82	5
May 16-20.....	179,666.00	126,051.00	45.08	2.61	1.83	5

MEMBER BANK NO. 25.

[Capital and surplus, \$62,000; \$75,000, January 1, 1921.]

1920.						
June 1-15.....	\$108,595.00	\$21,592.00	\$34.71	3.91	0.77	3 1/2
June 16-30.....	103,860.00	41,623.00	63.49	3.71	1.48	2 1/2
July 1-15.....	111,754.00	61,902.00	83.47	3.28	1.81	1 1/2
July 16-31.....	123,377.00	92,108.00	143.94	3.56	2.66	7
Aug. 1-15.....	121,091.00	93,218.00	137.87	3.59	2.77	7
Aug. 16-31.....	135,681.00	109,961.00	218.20	4.52	3.66	9
Sept. 1-15.....	131,776.00	106,056.00	190.61	4.37	3.51	8 1/2
Sept. 16-30.....	130,415.00	95,665.00	141.57	3.60	2.64	7
Oct. 1-15.....	126,447.00	87,867.00	117.34	3.24	2.25	6
Oct. 16-31.....	117,865.00	81,964.00	110.83	3.08	2.14	6
Nov. 1-15.....	96,171.00	55,863.00	47.17	2.05	1.19	4
1921.						
Jan. 1-15.....	79,128.00	50,498.00	46.29	2.23	1.42	4
Jan. 16-31.....	80,102.00	51,153.00	51.07	2.27	1.45	4
Feb. 1-15.....	76,480.00	48,041.00	43.76	2.21	1.39	4
Feb. 16-28.....	78,851.00	49,918.00	40.47	2.27	1.44	4 1/2
Mar. 1-15.....	77,127.00	48,859.00	44.87	2.23	1.41	4
Mar. 16-31.....	76,100.00	47,433.00	45.66	2.19	1.36	4
Apr. 1-15.....	75,033.00	45,535.00	38.51	2.05	1.24	4
May 1-15.....	75,516.00	46,836.00	41.88	2.17	1.34	4
May 16-20.....	82,837.00	54,774.00	19.13	2.18	1.44	5

MEMBER BANK NO. 26.

[Capital and surplus, \$58,000.]

1921.						
Jan. 16-31.....	\$75,502.00	\$48,722.00	\$44.33	2.07	1.33	4
Feb. 1-15.....	76,371.00	51,883.00	50.61	2.37	1.61	4 1/2
Feb. 16-28.....	75,671.00	51,319.00	43.18	2.36	1.60	4 1/2
Mar. 1-15.....	74,738.00	50,070.00	46.95	2.28	1.52	4 1/2
Mar. 16-31.....	74,738.00	50,709.00	52.63	2.36	1.60	4 1/2
Apr. 1-15.....	74,738.00	50,940.00	50.10	2.39	1.63	4 1/2
Apr. 16-30.....	74,738.00	48,978.00	43.37	2.15	1.41	4
May 1-15.....	74,566.00	48,808.00	43.08	2.14	1.40	4

MEMBER BANK NO. 27.

[Capital and surplus, \$140,000.]

1921.						
Feb. 16-28.....	\$482,005.00	\$195,773.00	\$142.59	2.04	0.83	4
Mar. 1-15.....	474,401.00	189,833.00	157.16	2.01	.80	4
Mar. 16-31.....	466,320.00	188,908.00	175.62	2.12	.85	4
Apr. 1-15.....	460,449.00	181,691.00	152.12	2.03	.80	4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 28.

[Capital and surplus, \$75,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
Jan. 16-31.....	\$129,328.00	\$85,575.00	\$82.89	2.20	1.45	1-4
Feb. 1-15.....	128,530.00	89,205.00	92.39	2.52	1.74	1-5
Feb. 16-28.....	126,667.00	88,195.00	80.17	2.55	1.77	1-5
Mar. 1-15.....	115,090.00	74,427.00	63.78	2.08	1.34	1-4

MEMBER BANK NO. 29.

[Capital and surplus, \$500,000.]

1920.						
Sept. 16-30.....	\$921,960.00	\$512,082.00	\$429.53	2.04	1.13	1-4

MEMBER BANK NO. 30.

[Capital and surplus, \$222,500.]

1921.						
June 16-30.....	\$465,149.00	\$131,370.00	\$182.03	3.37	0.95	2-5
July 1-15.....	432,885.00	113,049.00	134.08	2.88	.75	1-4
July 16-31.....	417,662.00	128,123.00	154.57	2.75	.84	1-4

MEMBER BANK NO. 31.

[Capital and surplus, \$80,000.]

1920.						
June 16-30.....	\$125,109.00	\$96,209.00	\$141.65	3.58	2.75	1-7
July 1-15.....	135,011.00	107,005.00	179.18	4.07	3.22	1-3
July 16-31.....	133,259.00	92,352.00	146.40	3.61	2.50	1-7
Aug. 1-15.....	127,665.00	48,397.00	40.31	2.02	.76	1-1
Aug. 16-31.....	130,027.00	88,869.00	132.55	3.48	2.32	1-5

MEMBER BANK NO. 32.

[Capital and surplus, \$850,000.]

1920.						
Oct. 16-31.....	\$4,347,518.00	\$2,391,454.00	\$3,082.34	2.94	1.61	1-5
Nov. 1-15.....	4,140,704.00	2,221,879.00	2,613.38	2.86	1.53	1-5

MEMBER BANK NO. 33.

[Capital and surplus, \$120,000.]

1921.						
Jan. 1-15.....	\$122,898.00	\$79,560.00	\$68.48	2.09	1.35	1-4
Jan. 16-31.....	121,638.00	78,483.00	71.36	2.07	1.33	1-4
Feb. 1-15.....	130,092.00	85,992.00	77.93	2.20	1.45	1-4
Feb. 16-28.....	130,762.00	85,160.00	64.47	2.12	1.38	1-4

MEMBER BANK NO. 34.

[Capital and surplus, \$55,000; \$55,500, May 1, 1921.]

1920.						
May 16-31.....	\$160,482.00	\$4,667.00	\$3.71	4.83	0.14	4-5
June 1-15.....	151,750.00	7,000.00	12.09	4.20	.19	4-4
July 16-31.....	141,140.00	42,945.00	42.03	2.23	.67	1-4
Aug. 1-15.....	139,207.00	45,724.00	41.48	2.20	.72	1-4
Aug. 16-31.....	147,106.00	53,931.00	61.06	2.58	.94	1-5
Sept. 1-15.....	146,529.00	53,637.00	56.29	2.55	.93	1-5
Sept. 16-30.....	146,519.00	54,196.00	58.60	2.63	.97	1-5
Oct. 1-15.....	148,563.00	56,253.00	62.77	2.71	1.02	1-5
Oct. 16-31.....	148,727.00	57,104.00	70.94	2.83	1.08	1-5
1921.						
Jan. 16-31.....	135,763.00	46,932.00	49.81	2.42	0.83	1-4
Feb. 1-15.....	140,174.00	52,672.00	59.78	2.76	1.03	1-5
Feb. 16-28.....	137,118.00	50,346.00	49.33	2.75	1.01	1-5
Mar. 1-15.....	135,482.00	49,813.00	56.10	2.79	1.00	1-5
Mar. 16-31.....	136,284.00	51,111.00	62.94	2.81	1.05	1-5
Apr. 1-15.....	136,762.00	51,414.00	58.99	2.79	1.04	1-5
Apr. 16-30.....	136,630.00	51,716.00	60.55	2.84	1.07	1-5
May 1-15.....	138,590.00	53,707.00	64.88	2.93	1.13	1-5
May 16-20.....	141,948.00	57,967.00	28.32	3.31	1.37	1-6

MEMBER BANK NO. 35.

[Capital and surplus, \$450,000.]

1920.						
Aug. 16-31.....	\$702,632.00	\$350,057.00	\$341.35	2.22	1.10	1-4
Sept. 1-15.....	828,069.00	447,616.00	502.63	2.73	1.47	1-5
Sept. 16-30.....	843,044.00	408,826.00	572.52	2.96	1.65	1-5
Oct. 16-31.....	786,313.00	449,725.00	656.05	3.32	1.90	1-6
Nov. 1-15.....	699,766.00	340,791.00	309.66	2.21	1.09	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK No. 35—Continued.

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
Feb. 1-15.....	\$1,003,032.00	\$609,794.00	\$705.18	2.81	1.71	1-5
Feb. 16-28.....	1,046,634.00	651,619.00	688.83	2.96	1.84	1-5
Mar. 1-15.....	922,493.00	560,362.00	520.39	2.30	1.37	1-4
Mar. 16-31.....	944,308.00	662,113.00	908.62	2.99	2.19	1-5
Apr. 1-15.....	1,009,711.00	773,893.00	1,128.88	3.53	2.70	1-7
Apr. 16-30.....	1,022,388.00	791,273.00	1,195.87	3.67	2.84	1-7
May 1-15.....	1,064,983.00	840,985.00	1,384.09	4.00	3.16	1-8
May 16-20.....	1,056,853.00	839,413.00	473.08	4.11	3.26	1-8

MEMBER BANK NO. 36.

[Capital and surplus, \$70,000; \$200,000, August 16, 1920; \$220,000, May 1, 1921.]

1920.						
July 1-15.....	\$200,035.00	\$118,892.00	\$116.03	2.37	1.41	1-4
July 16-31.....	273,142.00	195,574.00	340.50	3.97	2.84	1-7
Aug. 1-15.....	273,142.00	202,007.00	384.54	4.63	3.42	1-9
Aug. 16-31.....	271,908.00	195,173.00	344.15	4.02	2.88	1-8
Sept. 1-15.....	279,020.00	198,809.00	309.21	3.78	2.69	1-7
Sept. 16-30.....	281,889.00	189,966.00	241.51	3.09	2.08	1-6
Oct. 1-15.....	273,298.00	171,218.00	174.08	2.47	1.55	1-4
Oct. 16-31.....	254,933.00	153,913.00	158.69	2.27	1.37	1-4
Nov. 1-15.....	249,226.00	155,588.00	153.14	2.39	1.50	1-4
Nov. 16-30.....	260,803.00	163,115.00	167.15	2.49	1.55	1-4
Dec. 1-15.....	225,691.00	135,219.00	125.91	2.26	1.35	1-4
Dec. 16-31.....	233,632.00	143,432.00	154.24	2.45	1.50	1-4
1921.						
Jan. 1-15.....	274,215.00	185,080.00	238.63	3.13	2.11	1-6
Jan. 16-31.....	277,982.00	190,359.00	268.56	3.21	2.20	1-6
Mar. 1-15.....	227,637.00	133,015.00	115.80	2.12	1.23	1-4
Mar. 16-31.....	251,953.00	160,456.00	180.31	2.56	1.63	1-5
Apr. 1-15.....	247,150.00	158,977.00	173.73	2.65	1.71	1-5
Apr. 16-30.....	263,862.00	179,697.00	232.33	3.14	2.14	1-6
May 1-15.....	241,423.00	161,975.00	201.52	3.04	2.03	1-6
May 16-20.....	250,535.00	171,067.00	75.57	3.22	2.20	1-6

MEMBER BANK NO. 37.

[Capital and surplus, \$65,000; \$150,000, December 1, 1920.]

1920.						
July 16-31.....	\$142,604.00	\$26,291.00	\$40.53	3.51	0.64	21-44
Aug. 1-15.....	183,100.00	68,867.00	115.53	4.08	1.53	11-64
Aug. 16-31.....	196,659.00	98,009.00	208.10	4.84	2.41	11-84
Sept. 1-15.....	217,646.00	118,996.00	255.80	5.23	2.85	1-94
Sept. 16-30.....	251,928.00	153,278.00	374.17	5.94	3.61	1-111
Oct. 1-15.....	259,107.00	160,597.00	397.11	6.01	3.72	1-111
Oct. 16-31.....	300,856.00	208,388.00	530.36	5.80	4.02	1-114
Nov. 1-15.....	375,751.00	278,360.00	943.55	8.24	6.11	1-16
Nov. 16-30.....	370,495.00	275,097.00	922.14	8.15	6.05	1-16
Dec. 1-15.....	340,688.00	244,140.00	614.90	6.12	4.39	1-12
Dec. 16-31.....	349,415.00	257,125.00	804.57	7.13	5.25	1-14
1921.						
Jan. 1-15.....	368,857.00	278,564.00	931.09	8.13	6.14	1-16
Jan. 16-31.....	388,682.00	298,395.00	1,137.42	8.69	6.67	1-17
Feb. 1-15.....	389,790.00	299,565.00	1,076.18	8.74	6.71	1-17
Feb. 16-28.....	385,693.00	296,173.00	930.16	8.81	6.77	1-17
Mar. 1-15.....	397,761.00	308,241.00	1,161.37	9.16	7.10	1-18
Mar. 16-31.....	401,990.00	312,470.00	1,272.48	9.29	7.22	1-18
Apr. 1-15.....	407,433.00	317,913.00	1,234.18	9.44	7.37	1-18
Apr. 16-30.....	408,538.00	319,018.00	1,241.82	9.47	7.39	1-19
May 1-15.....	404,818.00	316,528.00	1,267.45	9.74	7.61	1-19
May 16-20.....	396,339.00	316,114.00	419.18	9.68	7.72	1-19

MEMBER BANK NO. 38.

[Capital and surplus, \$100,000.]

1920.						
Dec. 16-31.....	\$153,163.00	\$73,275.00	\$64.79	2.01	0.96	1-4
1921.						
Jan. 1-15.....	153,872.00	75,469.00	66.55	2.14	1.05	1-4
Jan. 16-31.....	152,444.00	75,356.00	72.47	2.19	1.08	1-4
Feb. 1-15.....	150,295.00	74,125.00	67.50	2.21	1.09	1-4

MEMBER BANK NO. 39.

[Capital and surplus, \$200,000.]

1921.						
May 16-20.....	\$267,124.00	\$130,091.00	\$36.24	2.03	0.99	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 40.

Capital and surplus, \$50,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
Apr. 1-15.....	\$83,360.00	\$48,335.00	\$41.12	2.07	1.20	1-4
Apr. 16-30.....	88,891.00	54,993.00	54.54	2.41	1.49	1-4
May 1-15.....	94,401.00	61,528.00	69.93	2.76	1.80	1-5
May 16-20.....	96,110.00	63,395.00	24.90	2.86	1.89	1-5

MEMBER BANK NO. 41.

[Capital and surplus, \$31,500; \$35,000, November 16, 1920.]

1920.						
July 16-31.....	\$44,928.00	\$25,564.00	\$32.44	2.89	1.64	1-5
Aug. 1-15.....	48,734.00	34,306.00	40.74	2.88	2.03	1-5
Aug. 16-31.....	60,519.00	47,391.00	80.27	3.86	3.02	1-5
Sept. 1-15.....	68,079.00	54,796.00	98.59	4.37	3.52	1-5
Sept. 16-30.....	64,524.00	50,614.00	80.95	3.89	3.05	1-5
Oct. 1-15.....	68,983.00	54,978.00	94.42	4.17	3.53	1-5
Oct. 16-31.....	59,550.00	42,896.00	61.77	3.28	2.36	1-5
Nov. 1-15.....	60,942.00	40,952.00	52.52	3.12	2.09	1-5
Nov. 16-30.....	53,246.00	33,438.00	35.96	2.61	1.64	1-5
Dec. 1-15.....	50,341.00	30,881.00	31.65	2.49	1.52	1-5
Dec. 16-31.....	47,825.00	28,145.00	27.97	2.26	1.33	1-5
1921.						
Jan. 1-15.....	49,431.00	30,893.00	33.78	2.66	1.66	1-5
Jan. 16-31.....	51,067.00	32,912.00	41.68	2.88	1.86	1-5
Feb. 1-15.....	46,583.00	27,789.00	27.07	2.37	1.41	1-5
Feb. 16-28.....	44,496.00	25,556.00	19.91	2.18	1.25	1-5
Mar. 1-15.....	45,223.00	26,455.00	24.87	2.28	1.33	1-5
Mar. 16-31.....	45,484.00	27,304.00	29.21	2.44	1.46	1-5
Apr. 1-15.....	39,907.00	21,967.00	18.43	2.04	1.12	1-5
Apr. 16-30.....	39,284.00	21,481.00	17.85	2.02	1.10	1-5
May 1-15.....	41,525.00	24,445.00	24.11	2.39	1.41	1-5
May 16-20.....	43,051.00	26,808.00	10.23	2.78	1.73	1-5

MEMBER BANK NO. 42.

[Capital and surplus, \$35,000.]

1920.						
Oct. 1-15.....	\$46,119.00	\$29,861.00	\$25.76	2.09	1.35	1-4
Oct. 16-31.....	51,549.00	36,961.00	45.15	2.78	1.99	1-5
Nov. 1-15.....	52,652.00	36,934.00	39.57	2.60	1.82	1-5
Nov. 16-30.....	52,652.00	37,122.00	40.35	2.64	1.86	1-5
Dec. 1-15.....	52,652.00	37,269.00	41.01	2.67	1.89	1-5
Dec. 16-31.....	52,652.00	38,482.00	49.96	2.96	2.16	1-5
1921.						
Jan. 1-15.....	50,384.00	36,821.00	44.89	2.96	2.16	1-5
Jan. 16-31.....	52,401.00	38,983.00	54.00	3.16	2.35	1-5
Feb. 1-15.....	50,785.00	37,294.00	46.12	3.00	2.20	1-5
Feb. 16-28.....	49,644.00	35,657.00	35.46	2.79	2.00	1-5

MEMBER BANK NO. 43.

[Capital and surplus, \$75,000.]

1921.						
Jan. 1-15.....	\$100,253.00	\$72,898.00	\$68.61	2.29	1.52	1-4

MEMBER BANK NO. 44.

[Capital and surplus, \$55,000.]

1920.						
July 1-15.....	\$149,514.00	\$90,359.00	\$85.16	2.29	1.38	1-4
July 16-31.....	160,032.00	110,900.00	123.02	2.53	1.75	1-5
Aug. 1-15.....	164,188.00	108,203.00	113.88	2.56	1.68	1-5
Aug. 16-31.....	178,055.00	107,202.00	117.90	2.50	1.51	1-5
Sept. 1-15.....	185,267.00	136,787.00	172.89	3.07	2.27	1-5
Sept. 16-30.....	189,906.00	140,746.00	180.38	3.11	2.31	1-5
Oct. 1-15.....	178,994.00	131,394.00	161.60	2.99	2.19	1-5
Oct. 16-31.....	186,935.00	140,587.00	202.53	3.28	2.47	1-5
Nov. 1-15.....	205,019.00	155,004.00	217.65	3.40	2.58	1-5
Nov. 16-30.....	218,172.00	170,787.00	270.81	3.85	3.02	1-5
Dec. 1-15.....	219,424.00	172,039.00	274.67	3.88	3.04	1-5
Dec. 16-31.....	224,436.00	178,078.00	319.63	4.09	3.24	1-5
1921.						
Jan. 1-15.....	212,425.00	164,895.00	252.17	3.72	2.88	1-7
Jan. 16-31.....	229,744.00	187,539.00	386.07	4.69	3.83	1-9
Feb. 1-15.....	234,760.00	194,706.00	409.05	5.11	4.23	1-10
Feb. 16-28.....	231,416.00	187,784.00	304.51	4.55	3.69	1-9
Mar. 1-15.....	218,858.00	168,495.00	249.26	3.59	2.77	1-7
Mar. 16-31.....	215,068.00	166,653.00	269.95	3.69	2.86	1-7
Apr. 1-15.....	208,339.00	158,549.00	224.01	3.43	2.61	1-6

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK NO. 45.

Capital and surplus, \$220,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1920.				Per cent.	Per cent.	Per cent.
Sept. 1-15.....	\$333,192.00	\$177,732.00	\$162.07	2.21	1.16	1-4
Sept. 16-30.....	352,258.00	199,295.00	211.72	2.58	1.46	1-5
Oct. 1-15.....	353,990.00	203,697.00	220.83	2.63	1.51	1-5
Oct. 16-31.....	349,435.00	196,462.00	214.00	2.48	1.39	1-4

MEMBER BANK NO. 46.

[Capital and surplus, \$3,000,000.]

1920.						
June 2-8.....	\$6,931,466.00	\$231,617.00	\$231.82	5.21	0.17	5-54
June 9-15.....	6,986,856.00	1,064,426.00	1,005.16	4.92	.75	4-54
June 16-22.....	7,218,564.00	1,942,985.00	1,802.31	4.83	1.30	4-6
June 23-29.....	6,736,090.00	2,093,000.00	1,547.49	3.85	1.19	3-5
June 30 to July 6.....	6,137,118.00	2,444,830.00	1,473.26	3.14	1.25	2-4
July 7-13.....	6,195,540.00	3,059,896.00	1,789.93	3.05	1.50	1-4
July 14-20.....	6,674,482.00	4,237,096.00	2,513.49	3.07	1.96	1-5
July 21-27.....	6,714,517.00	4,761,939.00	2,572.87	2.81	1.99	1-5
July 28 to Aug. 3.....	6,854,589.00	4,944,638.00	2,845.86	3.00	2.16	1-6
Aug. 4-10.....	6,793,984.00	4,836,896.00	2,707.41	2.91	2.07	1-5
Aug. 11-17.....	6,966,039.00	5,040,721.00	2,959.56	3.06	2.21	1-6
Aug. 18-24.....	6,946,089.00	5,097,576.00	3,115.56	3.18	2.33	1-6
Aug. 25-31.....	7,056,617.00	5,232,451.00	3,354.93	3.34	2.47	1-6
Sept. 1-7.....	6,838,322.00	4,867,954.00	2,736.24	2.92	2.08	1-5
Sept. 8-14.....	5,675,756.00	3,716,306.00	1,618.11	2.27	1.48	1-4
Sept. 15-21.....	6,670,117.00	4,794,702.00	2,755.83	2.99	2.15	1-5
Sept. 22-28.....	6,627,508.00	4,754,340.00	2,692.82	2.95	2.11	1-5
Sept. 29 to Oct. 5.....	6,358,706.00	4,544,120.00	2,473.65	2.83	2.02	1-5
Oct. 6-12.....	5,931,775.00	3,935,831.00	1,845.94	2.44	1.62	1-4
Oct. 13-19.....	6,185,209.00	4,185,475.00	2,032.93	2.53	1.71	1-5
Oct. 20-26.....	6,417,552.00	4,334,035.00	2,480.30	2.85	2.01	1-5
Oct. 27 to Nov. 2.....	6,109,849.00	4,275,691.00	2,279.32	2.77	1.94	1-5
Nov. 3-9.....	5,597,140.00	3,610,576.00	1,535.49	2.21	1.43	1-4
Nov. 10-16.....	5,720,311.00	3,996,111.00	1,790.82	2.33	1.63	1-4

MEMBER BANK NO. 47.

[Capital and surplus, \$700,000.]

1920.						
Sept. 1-7.....	\$2,567,573.00	\$1,284,943.00	\$510.72	2.07	1.03	1-4
Sept. 8-14.....	2,597,275.00	1,316,437.00	536.06	2.12	1.07	1-4
Sept. 15-21.....	2,674,398.00	1,387,885.00	587.08	2.20	1.14	1-4
Sept. 22-28.....	2,626,331.00	1,350,300.00	563.45	2.17	1.11	1-4
Sept. 29 to Oct. 5.....	2,566,325.00	1,283,091.00	498.31	2.02	1.01	1-4
Oct. 6-12.....	2,498,078.00	1,282,428.00	525.56	2.13	1.09	1-4
Oct. 13-19.....	2,543,200.00	1,357,290.00	509.19	2.30	1.22	1-4
Oct. 20-26.....	2,477,599.00	1,259,096.00	508.80	2.10	1.07	1-4

MEMBER BANK NO. 48.

[Capital and surplus, \$400,000.]

1921.						
Feb. 9-15.....	\$1,598,989.00	\$764,099.00	\$294.27	2.00	0.95	1-4
Feb. 16-22.....	1,655,645.00	851,638.00	386.35	2.36	1.21	1-4
Feb. 23 to Mar. 1.....	1,672,743.00	875,155.00	412.10	2.45	1.28	1-4
Mar. 2-8.....	1,669,547.00	857,432.00	384.27	2.33	1.20	1-4
Mar. 9-15.....	1,621,246.00	810,796.00	346.48	2.22	1.11	1-4
Mar. 16-22.....	1,559,124.00	762,627.00	318.92	2.18	1.06	1-4
Mar. 23-29.....	1,570,227.00	794,315.00	361.02	2.36	1.19	1-4
Mar. 30 to Apr. 5.....	1,582,475.00	802,805.00	365.10	2.37	1.20	1-4
Apr. 6-12.....	1,463,403.00	768,034.00	333.87	2.26	1.18	1-4
Apr. 13-19.....	1,474,171.00	802,268.00	371.45	2.41	1.31	1-4
Apr. 20-26.....	1,496,671.00	840,073.00	420.79	2.61	1.46	1-5
Apr. 27 to May 3.....	1,476,412.00	820,189.00	402.22	2.55	1.42	1-5
May 4-10.....	1,402,081.00	728,846.00	308.56	2.20	1.14	1-4

MEMBER BANK NO. 49.

[Capital and surplus, \$2,300,000.]

1920.						
Aug. 4-10.....	\$5,754,480.00	\$3,657,041.00	\$1,476.94	2.11	1.33	1-4
Aug. 11-17.....	5,727,107.00	3,653,051.00	1,489.54	2.12	1.35	1-4
Aug. 18-24.....	5,952,773.00	3,876,327.00	1,659.18	2.23	1.45	1-4
Aug. 25-31.....	6,041,060.00	3,902,740.00	1,675.37	2.23	1.44	1-4
Sept. 1-7.....	6,316,773.00	4,193,505.00	1,936.80	2.40	1.59	1-4
Sept. 8-14.....	5,667,091.00	3,508,996.00	1,379.54	2.04	1.25	1-4
Sept. 15-21.....	5,859,480.00	3,835,773.00	1,635.78	2.29	1.49	1-4
Sept. 22 to Oct. 5.....	6,005,489.00	3,994,647.00	1,858.50	2.42	1.61	1-4
Oct. 6-12.....	6,069,930.00	3,977,008.00	1,827.59	2.39	1.56	1-4
Oct. 13-19.....	6,427,201.00	4,129,620.00	1,953.23	2.46	1.58	1-4
Oct. 20-26.....	6,460,490.00	4,101,576.00	1,955.58	2.48	1.57	1-4
Oct. 27 to Nov. 2.....	6,313,752.00	3,989,972.00	1,846.98	2.41	1.52	1-4
Nov. 3-9.....	6,024,952.00	3,799,384.00	1,715.50	2.35	1.48	1-4
Nov. 10-16.....	5,903,364.00	3,469,745.00	1,432.53	2.15	1.26	1-4
Nov. 17-23.....	5,934,828.00	3,463,788.00	1,438.19	2.16	1.25	1-4
Nov. 24-30.....	6,009,551.00	3,561,676.00	1,557.42	2.28	1.35	1-4
Dec. 1-7.....	5,803,422.00	3,382,638.00	1,430.13	2.20	1.28	1-4
Dec. 8-14.....	5,493,220.00	3,180,380.00	1,318.25	2.17	1.25	1-4
Dec. 15-21.....	5,326,687.00	2,961,195.00	1,185.63	2.08	1.16	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

St. Louis—Federal reserve district No. 8—Continued.

MEMBER BANK No. 49—Continued.

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
Jan. 12-18.....	\$4,606,982.00	\$2,984,007.00	\$1,199.68	2.09	1.35	1-4
Jan. 19-25.....	4,744,212.00	3,130,524.00	1,318.30	2.19	1.45	1-4
Jan. 26 to Feb. 1.....	4,795,420.00	3,195,422.00	1,377.31	2.24	1.49	1-4

Kansas City—Federal reserve district No. 10.

MEMBER BANK NO. 1.

[Capital and surplus, \$850,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at super-rates. ¹		Average super-rates charged (excess over normal rates). ²				Range of super-rates. ²	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
May.....	\$3,532,899.00	\$1,609,164.00	\$1,609,164.00	\$3,365.86	\$3,349.59	2.46	1.12	2.45	1.12	1-4	1-4
June.....	3,897,144.00	2,531,718.00	2,289,792.00	6,038.74	3,582.78	2.90	1.89	1.90	1.12	1-4	1-4
July.....	4,499,431.00	3,687,399.00	3,125,746.00	10,769.70	7,337.62	3.53	2.82	2.76	1.92	1-5	1-5
August.....	4,192,761.00	3,629,347.00	2,983,478.00	12,117.95	7,250.28	3.93	3.40	2.86	2.04	1-6	1-6
September.....	3,720,533.00	3,157,961.00	1,988,205.00	8,762.26	2,521.69	3.38	2.87	1.54	.82	1-6	1-6
October.....	4,359,394.00	3,566,086.00	3,371,193.00	10,837.79	10,939.88	3.58	2.93	3.82	2.95	1-8	1-8
November.....	3,994,304.00	3,053,718.00	2,317,894.00	10,646.50	3,334.39	4.24	3.24	1.75	1.02	1-8	1-8
December.....	4,031,188.00	3,205,360.00	2,466,314.00	10,846.80	3,980.97	3.98	3.17	1.90	1.16	1-8	1-8
1921.											
January.....	3,141,508.00	2,775,394.00	1,574,544.00	9,369.35	1,751.58	3.97	3.51	1.31	.66	1-8	1-3
Feb. 1-July 31.....	2,965,522.00	2,657,508.00	1,288,372.00	32,414.84	6,632.43	2.46	2.20	1.04	.45	1-8	1-2

MEMBER BANK NO. 2.

[Capital and surplus, \$3,000,000.]

1920.											
May.....	\$7,459,832.00	\$985,372.00	\$985,372.00	\$2,472.02	\$2,155.07	2.95	0.39	2.58	0.34	2-3	1-4
October.....	5,240,804.00	4,735,321.00	3,037,867.00	9,378.63	4,944.00	2.33	2.11	1.92	1.11	1-4	1-4
November.....	4,550,625.00	4,229,549.00	2,201,231.00	9,784.31	2,342.16	2.81	2.62	1.29	.63	1-4	1-3
December.....	4,765,778.00	4,284,082.00	1,250,908.00	8,314.74	703.43	2.29	2.05	.69	.17	1-4	1-1
1921.											
January.....	3,728,800.00	3,389,410.00	599,392.00	5,076.09	316.46	1.76	1.60	.62	.10	1-4	1-1
February.....	1,740,250.00	1,631,321.00	None.	2,310.42	None.	1.85	1.73	None.	None.	1-4	None.

MEMBER BANK NO. 3.

[Capital and surplus, \$1,000,000.]

1920.											
May.....	\$2,995,457.00	\$1,198,164.00	\$1,198,164.00	\$2,318.88	\$2,302.89	2.28	0.91	2.26	0.91	1-4	1-4
June.....	3,534,443.00	2,076,581.00	2,055,351.00	5,029.23	3,986.07	2.95	1.73	2.36	1.37	1-4	1-4
July.....	3,959,549.00	2,354,126.00	2,354,126.00	6,252.03	6,530.65	3.13	1.89	3.27	1.94	1-4	1-5
August.....	3,548,810.00	1,975,526.00	1,975,526.00	5,307.24	4,712.20	3.16	1.76	2.81	1.56	1-4	1-5
September.....	3,325,068.00	1,923,544.00	1,923,544.00	5,337.49	3,486.31	3.38	1.95	2.21	1.28	1-4	1-4
October.....	3,257,058.00	2,145,121.00	2,036,762.00	6,504.86	3,515.82	3.57	2.35	2.03	1.27	2-4	1-4
November.....	3,682,754.00	2,498,939.00	4,498,939.00	8,856.20	6,483.38	4.31	2.93	3.16	2.14	1-6	1-6
December.....	3,753,704.00	2,752,400.00	2,647,067.00	12,053.54	7,136.39	5.16	3.78	3.17	2.24	3-6	1-6
1921.											
January.....	3,161,963.00	2,714,251.00	2,202,781.00	11,724.62	4,837.45	5.09	4.37	2.59	1.80	1-6	1-6
Feb. 1-July 31.....	1,773,834.00	1,296,617.00	832,988.00	22,983.78	6,321.99	3.57	2.61	1.53	.72	1-6	1-4

MEMBER BANK NO. 4.

[Capital and surplus, \$1,200,000.]

1920.											
May.....	\$1,993,791.00	\$97,678.00	\$97,678.00	\$202.51	\$241.85	2.44	0.12	2.92	0.14	1-4	2-3
July.....	2,743,168.00	196,656.00	280,186.00	227.93	522.41	1.36	.10	2.20	.22	1-2	1-4

MEMBER BANK NO. 5.

[Capital and surplus, \$2,200,000; \$2,210,200, Apr. 1, 1921; \$2,215,000, June 1, 1921.]

1920.											
November.....	\$4,511,092.00	\$2,521,117.00	\$2,521,117.00	\$5,906.14	\$8,754.10	2.85	1.59	4.22	2.36	1-7	1-6
December.....	4,356,762.00	2,668,028.00	2,668,028.00	11,079.57	10,973.08	4.89	2.99	4.84	2.97	1-9	1-6
1921.											
January.....	3,881,173.00	2,382,018.00	2,382,018.00	12,816.85	6,835.65	6.34	3.89	3.38	2.07	1-9	1-6
Feb. 1-June 12.....	2,627,788.00	1,967,609.00	1,097,993.00	20,825.47	4,483.18	2.93	2.19	1.13	.47	1-9	1-2

¹ Does not include discount charged at the basic rates.² Rates shown are in addition to the basic rate, which was 6 per cent, except that paper secured by United States Government obligations was accorded preferential rates with a minimum of 5 per cent.

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 6.

[Capital and surplus, \$5,000,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
April.....	\$15,811,782.00	\$1,090,393.00	\$1,090,393.00	\$1,557.28	\$1,207.46	4.34	0.30	3.37	0.23	2-4	2-5
May.....	14,351,230.00	3,421,524.00	3,421,524.00	9,944.37	8,001.08	3.42	.82	2.75	.66	2-4	1-4
June.....	12,322,312.00	4,272,701.00	4,200,449.00	11,029.67	6,365.63	3.14	1.09	1.84	.63	2-4	1-4
July.....	13,453,814.00	6,424,138.00	5,631,895.00	16,462.80	7,564.54	3.02	1.44	1.58	.66	2-4	1-4
August.....	13,275,724.00	7,355,529.00	5,650,026.00	18,068.42	7,037.99	2.89	1.60	1.47	.62	2-4	1-4
September.....	14,433,911.00	7,355,906.00	6,750,206.00	19,786.23	9,092.58	2.85	1.67	1.64	.77	2-4	1-4
October.....	14,218,702.00	8,443,906.00	7,140,352.00	22,322.46	11,152.65	2.96	1.85	1.84	.92	2-4	1-4
November.....	13,627,313.00	9,121,871.00	7,720,915.00	24,550.49	14,690.63	3.27	2.19	2.31	1.31	2-5	1-5
December.....	14,603,730.00	9,638,212.00	6,980,456.00	27,157.48	9,219.20	3.32	2.19	1.56	.74	2-5	1-3
1921.											
January.....	13,617,934.00	9,223,327.00	6,386,391.00	24,736.39	8,555.21	3.16	2.14	1.58	.74	2-5	1-3
Feb. 1-Apr. 10.....	10,879,768.00	9,514,748.00	3,789,579.00	46,713.76	7,641.83	2.60	2.27	1.07	.37	1-5	1-2

MEMBER BANK NO. 7.

[Capital and surplus, \$1,500,000; \$2,000,000, Oct. 1, 1920.]

1920.											
May.....	\$4,170,380.00	\$1,328,445.00	\$1,328,445.00	\$3,060.74	\$2,879.54	2.71	0.86	2.55	0.81	2-5	1-5
October.....	4,941,186.00	4,649,475.00	3,168,787.00	10,821.58	5,759.00	2.74	2.58	2.14	1.37	1-5	1-5
November.....	3,866,629.00	3,654,076.00	2,017,099.00	9,521.69	2,398.58	3.17	3.00	1.45	.75	1-5	1-3
December.....	3,449,762.00	3,241,386.00	1,414,587.00	7,352.22	1,208.28	2.67	2.51	1.01	.41	1-5	1-2
1921.											
January.....	2,667,174.00	2,528,794.00	762,036.00	3,915.92	594.61	1.82	1.73	.92	.26	1-5	1-2

MEMBER BANK NO. 8.

[Capital and surplus, \$250,000.]

1920.											
April.....	\$265,099.00	\$24,516.00	\$24,516.00	\$32.23	\$26.59	4.00	0.37	3.30	0.31	4	1-4
May.....	247,287.00	88,635.00	88,635.00	238.40	146.79	3.17	1.14	1.95	.70	2-4	1-4
June.....	269,848.00	153,982.00	108,108.00	370.89	107.96	2.93	1.67	1.22	.49	1-4	1-2
July.....	239,220.00	107,349.00	None.	242.95	None.	2.66	1.20	None.	None.	2-4	None.
August.....	265,699.00	49,715.00	280.00	93.48	.12	2.21	.43	5.00	.0005	1-4	1

MEMBER BANK NO. 9.

[Capital and surplus, \$250,000; \$400,000, January, 1921.]

1920.											
November.....	\$1,135,084.00	\$694,674.00	\$547,043.00	\$890.32	\$993.90	1.56	0.95	2.21	1.07	1-5	1-5
December.....	964,112.00	604,988.00	229,007.00	890.60	165.19	1.73	1.09	.85	.20	1-5	1-1
1921.											
January.....	699,359.00	354,633.00	98.00	645.89	.04	2.14	1.09	5.00	.0006	1-5	1
February.....	473,408.00	111,438.00	None.	237.58	None.	2.78	.65	None.	None.	1-5	None.

MEMBER BANK NO. 10.

[Capital and surplus, \$30,000.]

1920.											
August.....	\$63,621.00	\$37,609.00	\$42,161.00	\$41.64	\$79.44	1.30	0.77	2.22	1.47	1-2	1-4
September.....	63,621.00	37,609.00	41,881.00	40.29	75.15	1.30	.77	2.18	1.44	1-2	1-4
1921.											
Feb. 1-July 31.....	42,695.00	40,934.00	24,964.00	454.98	203.06	2.24	2.15	1.64	.96	1-3	1-4

MEMBER BANK NO. 11.

[Capital and surplus, \$300,000.]

1920.											
November.....	\$371,947.00	\$88,978.00	\$252,590.00	\$170.01	\$496.76	2.32	0.56	2.39	1.62	1-5	1-5
December.....	294,799.00	88,053.00	113,727.00	174.51	90.54	2.47	.70	.94	.36	1-5	1-2
1921.											
January.....	141,060.00	78,122.00	None.	127.36	None.	1.92	1.06	None.	None.	1-5	None.
Feb. 1-11.....	100,601.00	100,601.00	None.	69.93	None.	2.31	2.31	None.	None.	1-4	None.

MEMBER BANK NO. 12.

[Capital and surplus, \$30,000.]

1921.											
January.....	\$44,037.00	\$16,885.00	\$27,645.00	\$24.81	\$45.90	1.73	0.66	1.95	1.23	1-4	1-4
Feb. 1-July 31.....	39,866.00	31,025.00	16,935.00	274.11	124.52	1.78	1.39	1.48	.63	1-3	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 13.

[Capital and surplus, \$39,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
November.....	\$38,117.00	\$38,117.00	\$25,777.00	\$66.44	\$49.78	2.12	2.12	2.35	1.59	1-4½	1-5
December.....	40,569.00	40,569.00	34,969.00	194.93	138.26	5.66	5.66	4.68	4.03	1-10	1-6
1921.											
January.....	58,481.00	58,481.00	48,934.00	409.11	182.47	8.24	8.24	4.39	3.67	2-12	1-6
Feb. 1 to July 31.....	60,986.00	59,907.00	42,974.00	1,745.84	521.85	5.88	5.77	2.45	1.73	1-12	1-6

MEMBER BANK NO. 14.

[Capital and surplus, \$37,500.]

1920.											
October.....	\$37,104.00	\$22,227.00	\$31,607.00	\$25.12	\$54.79	1.33	0.52	2.04	1.13	1-2	1-4

MEMBER BANK NO. 15.

[Capital and surplus, \$35,000.]

1921.											
Feb. 1 to July 31.....	\$59,224.00	\$27,093.00	\$21,801.00	\$251.32	\$213.36	1.87	0.86	1.97	0.73	1-6	1-6

MEMBER BANK NO. 16.

[Capital and surplus, \$30,000.]

1920.											
November.....	\$45,967.00	\$42,843.00	\$31,302.00	\$85.11	\$62.37	2.42	2.25	2.42	1.65	1-5½	1-5
December.....	50,096.00	47,289.00	25,611.00	114.52	29.00	2.85	2.69	1.33	.68	1-6½	1-3
1921.											
January.....	56,351.00	56,351.00	36,189.00	135.62	63.36	2.83	2.83	2.06	1.32	1-5½	1-4
Feb. 1 to July 31.....	44,693.00	40,196.00	31,783.00	812.63	531.53	4.08	3.67	3.37	2.40	1-6	1-6

MEMBER BANK NO. 17.

[Capital and surplus, \$35,000.]

1920.											
October.....	\$49,266.00	\$22,068.00	\$28,255.00	\$21.51	\$50.09	1.15	0.51	2.09	1.20	1-2	1-4½

MEMBER BANK NO. 18.

[Capital and surplus, \$30,000.]

1921.											
Feb. 1 to July 31.....	\$25,211.00	\$24,800.00	\$11,035.00	\$218.76	\$86.49	1.78	1.75	1.58	0.69	1-6	1-6

MEMBER BANK NO. 19.

[Capital and surplus, \$65,000.]

1920.											
November.....	\$76,188.00	\$30,886.00	\$36,839.00	\$50.59	\$82.61	1.99	0.81	2.73	1.32	1-5½	1-5½
December.....	69,876.00	28,822.00	21,446.00	56.29	21.28	2.30	.95	1.17	.36	1-5½	1-2½
1921.											
January.....	60,451.00	24,058.00	22,709.00	45.94	31.81	2.25	.80	1.65	.62	1-4½	1-3½
February and March.....	45,335.00	18,130.00	7,866.00	71.92	14.07	2.45	.98	1.11	.19	1-4½	1-2

MEMBER BANK NO. 20.

[Capital and surplus, \$60,000.]

1920.											
September.....	\$93,333.00	\$39,113.00	\$36,798.00	\$55.71	\$47.60	1.73	0.73	1.57	0.62	1-4	1-4
October.....	95,534.00	53,918.00	54,247.00	96.90	130.68	2.12	1.19	2.84	1.61	1-6	1-6

MEMBER BANK NO. 21.

[Capital and surplus, \$27,500.]

1920.											
November.....	\$19,621.00	\$13,880.00	\$17,236.00	\$56.85	\$68.83	4.98	3.53	4.86	4.27	1-16½	1-6
December.....	13,880.00	9,123.00	6,845.00	22.22	10.71	2.87	1.89	1.84	.91	1-15½	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 22.

[Capital and surplus, \$30,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.*	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
November.....	\$17,584.00	\$5,123.00	\$15,334.00	\$2.80	\$60.17	0.66	0.19	4.77	4.16	$\frac{1}{2}$ -1	$\frac{1}{2}$ -6
December.....	6,925.00	1,157.00	3,648.00	.63	9.93	.64	.11	3.20	1.69	$\frac{1}{2}$ -1	$\frac{1}{2}$ -6

MEMBER BANK NO. 23.

[Capital and surplus, \$29,000.]

1921.											
Feb. 1 to July 31.....	\$19,489.00	\$13,453.00	\$9,304.00	\$142.63	\$59.19	1.56	1.43	1.28	0.61	$\frac{1}{2}$ -1	$\frac{1}{2}$ -3 $\frac{1}{2}$

MEMBER BANK NO. 24.

[Capital and surplus, \$300,000.]

1920.											
November.....	\$355,085.00	\$339,128.00	\$278,950.00	\$1,143.88	\$859.38	4.10	3.92	3.75	2.94	$\frac{1}{2}$ -8 $\frac{1}{2}$	$\frac{1}{2}$ -6
December.....	347,464.00	342,218.00	290,938.00	1,869.04	1,086.49	6.43	6.33	4.40	3.63	$\frac{1}{2}$ -10 $\frac{1}{2}$	$\frac{1}{2}$ -6
1921.											
January.....	347,678.00	347,214.00	286,958.00	2,367.83	1,035.85	8.03	8.02	4.25	3.51	$\frac{1}{2}$ -10 $\frac{1}{2}$	$\frac{1}{2}$ -6
Feb. 1 to July 31.....	281,631.00	279,713.00	108,349.00	3,753.16	543.45	2.71	2.1	1.01	.39	$\frac{1}{2}$ -10 $\frac{1}{2}$	$\frac{1}{2}$ -2 $\frac{1}{2}$

MEMBER BANK NO. 25.

[Capital and surplus, \$30,000.]

1920.											
October.....	\$40,630.00	\$23,658.00	\$25,485.00	\$25.74	\$43.93	1.28	0.75	2.03	1.27	$\frac{1}{2}$ -2	$\frac{1}{2}$ -4 $\frac{1}{2}$

MEMBER BANK NO. 26.

[Capital and surplus, \$30,000.]

1920.											
October.....	\$50,772.00	\$18,899.00	\$20,589.00	\$30.87	\$30.12	1.92	0.72	1.72	0.70	$\frac{1}{2}$ -3 $\frac{1}{2}$	$\frac{1}{2}$ -4

MEMBER BANK NO. 27.

[Capital and surplus, \$30,000.]

1920.											
September.....	\$68,766.00	\$27,761.00	\$41,318.00	\$26.80	\$79.06	1.17	0.47	2.33	1.40	$\frac{1}{2}$ -2	$\frac{1}{2}$ -4 $\frac{1}{2}$
October.....	42,252.00	16,097.00	16,570.00	13.42	20.92	.98	.37	1.49	.53	$\frac{1}{2}$ -2	$\frac{1}{2}$ -4 $\frac{1}{2}$

MEMBER BANK NO. 28.

[Capital and surplus, \$60,000.]

1920.											
December.....	\$91,634.00	\$52,921.00	\$63,875.00	\$116.60	\$139.32	2.59	1.50	2.57	1.79	$\frac{1}{2}$ -5 $\frac{1}{2}$	$\frac{1}{2}$ -5 $\frac{1}{2}$
1921.											
January.....	77,697.00	55,544.00	63,162.00	221.11	220.04	4.69	3.35	4.10	3.33	$\frac{1}{2}$ -9 $\frac{1}{2}$	$\frac{1}{2}$ -6
Feb. 1 to 15.....	69,084.00	50,454.00	12,821.00	129.05	2.77	6.22	4.55	.53	.10	$\frac{1}{2}$ -9 $\frac{1}{2}$	$\frac{1}{2}$ -1

MEMBER BANK NO. 29.

[Capital and surplus, \$100,000.]

1920.											
April.....	\$397,106.00	\$21,086.00	\$10,543.00	\$23.62	\$12.82	3.41	0.18	3.70	0.10	3-3 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$

MEMBER BANK NO. 30.

[Capital and surplus, \$30,000.]

1920.											
October.....	\$72,668.00	\$32,762.00	\$53,293.00	\$35.07	\$135.99	1.26	0.57	3.00	2.20	$\frac{1}{2}$ -2	$\frac{1}{2}$ -6
November.....	26,841.00	9,878.00	22,960.00	10.54	94.96	1.30	.48	5.03	4.30	$\frac{1}{2}$ -2	$\frac{1}{2}$ -6

MEMBER BANK NO. 31.

[Capital and surplus, \$30,500.]

1921.											
January.....	\$42,837.00	\$35,954.00	\$27,965.00	\$53.37	\$51.17	1.75	1.47	2.15	1.41	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
Feb. 1 to July 31.....	29,827.00	28,611.00	15,304.00	390.65	123.83	2.74	2.64	1.63	.84	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 32.

[Capital and surplus, \$32,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
October.....	\$26,584.00	\$6,586.00	\$13,959.00	\$4.43	\$16.61	0.79	0.20	1.40	0.74	1-4	1-4
November.....	36,593.00	21,064.00	23,681.00	43.96	70.72	2.54	1.46	2.09	1.35	1-4	1-4
December.....	30,510.00	27,358.00	29,433.00	72.03	142.45	3.10	2.78	5.70	5.50	1-4	1-6
1921.											
January.....	30,962.00	30,952.00	29,655.00	103.57	142.03	3.94	3.94	5.64	5.40	3-4	1-6
Feb. 1-July 31.....	30,113.00	28,303.00	16,643.00	509.06	175.33	3.63	3.41	2.12	1.17	1-5	1-9

MEMBER BANK NO. 33.

[Capital and surplus, \$30,000.]

1920.											
August.....	\$72,047.00	\$42,592.00	\$52,807.00	\$72.19	\$135.30	2.00	1.18	3.02	2.21	1-6	1-6
September.....	73,674.00	44,219.00	60,924.00	80.22	214.00	2.21	1.32	4.27	3.53	1-10	1-6
October.....	72,550.00	43,833.00	54,525.00	85.67	151.58	2.30	1.39	3.27	2.46	1-10	1-6
November.....	31,881.00	17,894.00	6,867.00	30.80	5.75	2.09	1.18	1.02	.22	1-10	1-23
December.....	22,452.00	7,743.00	7,187.00	7.62	5.00	1.16	.40	.82	.26	1-53	1-23
1921.											
January.....	54,955.00	51,286.00	40,943.00	145.45	116.32	3.34	3.12	3.35	2.49	1-83	1-6
Feb. 1-July 31.....	57,033.00	57,033.00	32,537.00	1,276.60	250.01	4.51	4.51	1.55	.88	1-83	1-33

MEMBER BANK NO. 34.

[Capital and surplus, \$32,500.]

1921.											
Feb. 1-July 31.....	\$57,165.00	\$56,525.00	\$33,282.00	\$622.38	\$303.88	2.26	2.20	1.84	1.07	1-6	1-6

MEMBER BANK NO. 35.

[Capital and surplus, \$200,000.]

1920.											
July.....	\$426,316.00	\$328,126.00	\$316,847.00	\$687.24	\$938.65	2.47	1.90	3.48	2.59	1-73	1-6
August.....	359,741.00	290,057.00	212,686.00	672.38	333.94	2.73	2.20	1.85	1.09	1-73	1-33
September.....	327,992.00	276,470.00	180,215.00	657.77	154.22	2.89	2.44	1.25	.67	1-73	1-23
October.....	285,878.00	266,748.00	100,518.00	636.77	74.42	2.81	2.62	.87	.31	1-73	1-13
November.....	283,776.00	264,788.00	104,511.00	477.52	78.97	2.19	2.05	.92	.34	1-7	1-2
December.....	\$20,010.00	299,825.00	81,198.00	413.75	46.06	1.62	1.52	.67	.17	1-7	1-1

MEMBER BANK NO. 36.

[Capital and surplus, \$32,500; \$35,000 August, 1920.]

1920.											
June.....	\$27,157.00	\$20,702.00	\$20,402.00	\$33.65	\$59.02	1.98	1.51	3.52	2.64	1-7	1-6
July.....	26,952.00	21,642.00	18,758.00	39.68	40.50	2.16	1.73	2.54	1.77	1-7	1-5
August.....	27,895.00	22,934.00	15,557.00	43.74	20.27	2.25	1.85	1.53	.86	1-7	1-3
September.....	24,810.00	22,313.00	16,393.00	44.87	29.76	2.45	2.20	2.21	1.46	1-7	1-5
October.....	22,354.00	20,054.00	17,380.00	43.32	53.73	2.54	2.28	3.64	2.83	1-7	1-6
November.....	17,555.00	15,455.00	10,238.00	53.22	15.38	4.19	3.69	1.83	1.07	1-7	1-4
December.....	18,044.00	16,266.00	14,667.00	61.16	51.09	4.43	3.99	4.10	3.33	1-9	1-6
1921.											
January.....	18,140.00	15,190.00	4,129.00	60.34	2.12	4.68	3.92	.60	.14	1-9	1-1
Feb. 1-25.....	18,236.00	11,762.00	4,016.00	25.47	.90	3.16	2.04	.33	.07	1-9	1-1

MEMBER BANK NO. 37.

[Capital and surplus, \$45,000.]

1920.											
October.....	\$78,201.00	\$48,534.00	\$49,073.00	\$63.47	\$81.48	1.54	0.96	1.95	1.23	1-33	1-4

MEMBER BANK NO. 38.

[Capital and surplus, \$60,000.]

1920.											
September.....	\$49,513.00	\$42,235.00	\$35,313.00	\$66.21	\$80.59	1.91	1.63	2.78	1.98	1-3	1-6
October.....	32,278.00	31,720.00	24,218.00	53.63	67.29	1.99	1.96	3.27	2.45	1-3	1-6
November.....	17,928.00	17,928.00	16,394.00	30.47	70.46	2.07	2.07	5.23	4.79	1-3	1-6
December.....	8,602.00	8,602.00	7,068.00	14.36	25.29	1.97	1.97	4.21	3.46	1-3	1-6
1921.											
January.....	4,072.00	4,072.00	2,538.00	6.97	4.96	2.02	2.02	2.30	1.43	1-3	1-6

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 39.

[Capital and surplus, \$250,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
November.....	\$345,351.00	\$96,213.00	\$97,346.00	\$131.66	\$156.89	1.66	0.46	1.96	0.55	$\frac{1}{2}$ -3	$\frac{1}{2}$ -4 $\frac{1}{2}$

MEMBER BANK NO. 40.

[Capital and surplus, \$45,000.]

1920.											
July.....	\$67,096.00	\$51,590.00	\$45,362.00	\$118.13	\$58.48	2.70	2.05	2.30	1.54	1-5	$\frac{1}{2}$ -5
August.....	58,098.00	51,256.00	47,008.00	125.26	161.84	2.88	2.54	4.05	3.28	1-5	$\frac{1}{2}$ -6
September.....	47,918.00	44,813.00	39,108.00	106.16	153.21	2.88	2.70	4.77	3.89	1-5	$\frac{1}{2}$ -6
October.....	33,720.00	33,720.00	22,830.00	85.83	46.90	3.00	3.00	2.42	1.64	1-4 $\frac{1}{2}$	$\frac{1}{2}$ -5 $\frac{1}{2}$
November.....	24,367.00	24,367.00	8,719.00	54.81	6.16	2.74	2.74	.86	.31	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
December.....	26,376.00	26,376.00	18,039.00	44.94	37.09	2.01	2.01	2.42	1.66	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
1921.											
January.....	29,870.00	29,870.00	12,258.00	51.20	10.07	2.02	2.02	.97	.40	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
Feb. 1-25.....	30,124.00	30,124.00	7,657.00	41.00	3.32	1.99	1.99	.63	.16	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$

MEMBER BANK NO. 41.

[Capital and surplus, \$32,000.]

1921.											
Mar. 1-July 31.....	\$14,562.00	\$10,335.00	\$6,540.00	\$80.37	\$40.27	1.86	1.32	1.47	0.66	$\frac{1}{2}$ -3 $\frac{1}{2}$	$\frac{1}{2}$ -2

MEMBER BANK NO. 42.

[Capital and surplus, \$50,000.]

1920.											
December.....	\$65,511.00	\$55,094.00	\$35,911.00	\$113.58	\$59.36	2.43	2.04	1.95	1.07	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
1921.											
January.....	72,221.00	64,409.00	40,211.00	155.05	64.82	2.83	2.53	1.90	1.06	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -3 $\frac{1}{2}$
Feb. 1-25.....	71,552.00	64,082.00	33,620.00	127.22	31.49	2.90	2.60	1.37	.64	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -2 $\frac{1}{2}$

MEMBER BANK NO. 43.

[Capital and surplus, \$60,000.]

1920.											
July.....	\$126,036.00	\$57,272.00	\$53,431.00	\$115.83	\$96.49	2.38	1.08	2.13	0.90	$\frac{1}{2}$ -4	$\frac{1}{2}$ -4
August.....	119,701.00	64,394.00	56,661.00	204.05	155.39	3.73	2.01	3.23	1.53	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -6
September.....	107,130.00	53,104.00	35,232.00	197.35	18.87	4.52	2.24	.65	.21	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -3
October.....	113,410.00	67,318.00	52,580.90	243.69	112.13	4.25	2.53	2.51	1.16	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -5 $\frac{1}{2}$
November.....	98,962.00	47,809.00	33,806.00	162.07	55.28	4.12	2.10	1.00	.36	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
December.....	73,224.00	21,476.00	1,576.00	59.63	.67	3.27	.96	.50	.01	$\frac{1}{2}$ -5	$\frac{1}{2}$
1921.											
January.....	94,911.00	32,912.00	13,333.00	30.98	9.45	1.11	.38	.83	.12	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -1 $\frac{1}{2}$

MEMBER BANK NO. 44.

[Capital and surplus, \$55,000.]

1920.											
July.....	\$101,253.00	\$70,434.00	\$56,873.00	\$133.46	\$113.46	2.23	1.55	2.35	1.32	$\frac{1}{2}$ -4 $\frac{1}{2}$	$\frac{1}{2}$ -4 $\frac{1}{2}$
August.....	100,904.00	77,810.00	64,508.00	164.22	180.70	2.48	1.92	3.30	2.11	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -6
September.....	94,660.00	75,660.00	53,515.00	154.99	109.85	2.49	1.99	2.50	1.41	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -5
October.....	66,566.00	51,711.00	24,786.00	115.03	34.69	2.62	2.03	1.65	.58	$\frac{1}{2}$ -6 $\frac{1}{2}$	$\frac{1}{2}$ -3 $\frac{1}{2}$
November.....	43,981.00	29,616.00	20,506.00	87.37	42.86	3.59	2.42	2.34	1.19	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
December.....	39,734.00	28,659.00	20,533.00	118.39	46.36	4.56	3.51	2.66	1.37	$\frac{1}{2}$ -6	$\frac{1}{2}$ -6
1921.											
January.....	25,481.00	23,021.00	5,415.00	98.00	2.75	5.01	4.53	.60	.13	$\frac{1}{2}$ -6	$\frac{1}{2}$ -1
February.....	21,700.00	21,700.00	3,843.00	76.09	1.47	4.57	4.57	.50	.09	$\frac{1}{2}$ -6	$\frac{1}{2}$ -1
March.....	19,679.00	19,679.00	1,325.00	74.97	.57	4.49	4.49	.50	.03	$\frac{1}{2}$ -6	$\frac{1}{2}$ -1
April.....	16,870.00	16,870.00	None.	53.06	None.	3.83	3.83	None.	None.	$\frac{1}{2}$ -6	None.
May.....	16,559.00	9,368.00	2,807.00	14.82	1.33	1.86	1.05	.55	.09	$\frac{1}{2}$ -6	$\frac{1}{2}$ -1

MEMBER BANK NO. 45.

[Capital and surplus, \$40,000.]

1921.											
January.....	\$49,759.00	\$30,636.00	\$21,779.00	\$54.33	\$41.89	2.09	1.29	2.26	0.99	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
February.....	45,817.00	27,095.00	20,210.00	44.73	40.89	2.15	1.27	2.64	1.16	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
March.....	40,667.00	22,930.00	16,027.00	42.63	32.54	2.19	1.23	2.39	.94	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
April.....	39,741.00	21,116.00	3,391.00	37.46	1.39	2.16	1.15	.49	.04	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
May.....	41,875.00	24,062.00	7,162.00	34.49	4.61	1.09	.97	.76	.13	$\frac{1}{2}$ -5	$\frac{1}{2}$ -1 $\frac{1}{2}$
June.....	36,519.00	19,461.00	62.00	17.00	.02	1.06	.56	.38	.01	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 46.

[Capital and surplus, \$27,500.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1921.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
April.....	\$19,798.00	\$19,798.00	\$12,713.00	\$43.40	\$21.55	2.67	2.67	2.06	1.32	1-4	1-4
May.....	14,566.00	14,566.00	9,541.00	39.68	17.83	3.21	3.21	2.20	1.44	1-4	1-3
June.....	18,627.00	18,627.00	10,630.00	43.91	13.94	2.87	2.87	1.60	.91	1-4	1-3
July.....	22,826.00	22,826.00	12,024.00	53.11	14.16	2.74	2.74	1.39	.73	1-4	1-2

MEMBER BANK NO. 47.

[Capital and surplus, \$37,500.]

1920.											
August.....	\$50,255.00	\$39,685.00	\$29,087.00	\$85.01	\$52.29	2.52	1.99	2.12	1.23	1-4	1-4
October.....	64,197.00	57,755.00	26,490.00	116.04	25.08	2.37	2.13	1.11	.46	1-4	1-2
November.....	56,260.00	51,161.00	25,578.00	102.40	26.61	2.44	2.21	1.27	.58	1-4	1-2
December.....	46,264.00	39,827.00	20,800.00	64.37	24.30	2.31	1.64	1.38	.62	1-4	1-2
1921.											
May.....	32,137.00	32,137.00	20,447.00	84.02	34.86	3.08	3.08	2.01	1.28	1-4	1-4
June.....	32,238.00	32,238.00	19,658.00	81.10	29.52	3.06	3.06	1.83	1.11	1-4	1-3
July.....	33,363.00	33,363.00	19,163.00	85.93	26.21	3.03	3.03	1.61	.92	1-4	1-3

MEMBER BANK NO. 48.

[Capital and surplus, \$80,000.]

1920.											
September.....	\$253,189.00	\$125,240.00	\$139,375.00	\$186.80	\$293.16	1.81	0.90	2.56	1.41	1-5	1-4
October.....	223,061.00	119,883.00	115,441.00	193.36	218.05	1.90	1.02	2.22	1.15	1-5	1-3
December.....	87,732.00	33,773.00	1,678.00	84.26	.81	2.94	1.13	.57	.01	1-5	1-3

MEMBER BANK NO. 49.

[Capital and surplus, \$106,000.]

1920.											
November.....	\$70,028.00	\$61,333.00	\$43,485.00	\$141.43	\$67.89	2.81	2.46	1.90	1.18	1-4	1-3
December.....	75,319.00	73,928.00	41,824.00	178.90	53.68	2.85	2.80	1.51	.84	1-4	1-3

MEMBER BANK NO. 50.

[Capital and surplus, \$30,000.]

1920.											
June.....	\$66,064.00	\$29,315.00	\$38,064.00	\$75.72	\$71.62	3.14	1.39	2.29	1.32	1-5	1-4
July.....	57,011.00	27,203.00	30,684.00	72.59	54.79	3.14	1.50	2.10	1.13	1-5	1-4
August.....	52,515.00	25,315.00	28,480.00	78.22	54.18	3.64	1.75	2.24	1.21	1-5	1-4
1921.											
January.....	47,025.00	38,058.00	24,746.00	99.83	43.51	3.09	2.50	2.07	1.09	1-5	1-3
February.....	44,538.00	35,662.00	24,209.00	94.48	41.92	3.45	2.77	2.26	1.23	1-5	1-4
March.....	37,555.00	30,573.00	20,541.00	94.50	40.51	3.64	2.96	2.32	1.27	1-5	1-4
April.....	26,954.00	26,954.00	12,112.00	71.82	10.76	3.24	3.24	1.08	.49	1-5	1-2
May.....	28,500.00	28,500.00	14,428.00	72.58	15.82	3.00	3.00	1.29	.65	1-5	1-2
June.....	29,054.00	29,054.00	17,282.00	69.97	24.47	2.93	2.93	1.72	1.02	1-5	1-3
July.....	31,207.00	31,207.00	17,800.00	68.85	24.00	2.60	2.60	1.59	.91	1-5	1-3

MEMBER BANK NO. 51.

[Capital and surplus, \$37,000.]

1921.											
April.....	\$45,137.00	\$29,302.00	\$26,962.00	\$59.53	\$102.73	2.47	1.60	4.64	2.77	1-6	1-6
May.....	43,227.00	30,638.00	23,256.00	71.77	60.21	2.76	1.95	3.05	1.64	1-6	1-5
June.....	41,174.00	29,147.00	13,964.00	67.50	13.91	2.83	1.99	1.21	.41	1-6	1-2

MEMBER BANK NO. 52.

[Capital and surplus, \$135,000.]

1920.											
June.....	\$296,969.00	\$149,974.00	\$239,939.00	\$1,016.38	\$942.88	8.25	4.16	4.78	3.86	1-16	1-6
July.....	342,011.00	242,999.00	280,383.00	2,287.89	1,150.43	1.11	.79	4.83	3.96	1-16	1-6
August.....	344,723.00	277,675.00	231,933.00	1,943.20	703.50	8.24	6.64	3.57	2.40	1-15	1-5
September.....	331,021.00	291,126.00	222,701.00	1,709.59	507.50	7.14	6.28	2.77	1.87	1-15	1-6
October.....	317,402.00	295,451.00	248,550.00	1,923.25	946.38	7.66	7.13	4.48	3.51	1-15	1-6
November.....	263,264.00	243,959.00	196,274.00	1,811.45	644.60	9.03	8.37	4.00	2.98	3-15	1-6
December.....	124,204.00	119,845.00	56,483.00	921.40	57.35	9.05	8.73	1.20	.54	5-14	1-3

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 53.

[Capital and surplus, \$200,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
December 1920.....	\$224,068.00	\$224,068.00	\$139,178.00	\$603.48	\$224.85	Per cent. 3.17	Per cent. 3.17	Per cent. 1.90	Per cent. 1.18	Per cent. 1-4	Per cent. 1-31
January 1921.....	214,594.00	214,594.00	127,599.00	582.06	186.87	3.19	3.19	1.72	1.03	1-4	1-3
February.....	185,990.00	185,990.00	104,513.00	454.70	124.37	3.19	3.19	1.55	.87	1-4	1-21
March.....	157,929.00	157,929.00	66,082.00	413.67	55.06	3.08	3.08	.98	.41	1-4	1-2
April.....	155,215.00	155,215.00	71,345.00	367.39	65.58	2.88	2.88	1.12	.51	1-4	1-8
May.....	162,805.00	162,805.00	84,983.00	367.78	99.00	2.66	2.66	1.37	.72	1-4	1-21

MEMBER BANK NO. 54.

[Capital and surplus, \$31,000.]

June 1920.....	\$46,697.00	\$25,700.00	\$23,765.00	\$94.97	\$36.79	3.08	1.09	1.67	0.96	1-4	1-21
July.....	43,720.00	28,903.00	22,357.00	73.85	19.36	3.01	1.99	1.02	.52	1-4	1-21
August.....	41,725.00	31,972.00	24,024.00	82.24	34.55	3.03	2.32	1.69	.97	1-4	1-3
September.....	35,510.00	31,282.0	19,360.00	79.56	24.99	3.09	2.73	1.57	.86	1-4	1-3
November.....	28,370.00	28,370.00	17,850.00	75.89	29.33	3.25	3.25	2.19	1.38	1-4	1-21
December.....	24,082.00	24,082.00	17,842.00	82.26	43.93	4.02	4.02	2.95	2.15	1-6	1-6
January 1921.....	16,174.00	16,174.00	11,142.00	64.23	23.97	4.68	4.68	2.53	1.74	1-6	1-4
February.....	14,574.00	14,574.00	4,562.00	42.55	2.63	3.81	3.81	.75	.24	1-6	1-1
March.....	14,162.00	14,162.00	3,082.00	22.74	1.78	1.89	1.89	.68	.15	1-51	1-1
April.....	16,091.00	14,768.00	654.00	15.56	.28	1.28	1.18	.52	.02	1-51	1-1

MEMBER BANK NO. 55.

[Capital and surplus, \$120,000.]

December 1920.....	\$59,432.00	\$22,051.00	\$40,826.00	\$48.81	\$85.13	2.61	0.97	2.46	1.69	1-5	1-5
January 1921.....	51,541.00	24,518.00	25,849.00	64.82	28.79	3.11	1.48	1.31	.66	1-5	1-21
Feb. 1-July 31.....	30,253.00	25,922.00	16,844.00	330.62	160.07	2.57	2.20	1.92	1.07	1-51	1-5

MEMBER BANK NO. 56.

Capital and surplus, \$100,000.]

July 1920.....	\$151,333.00	\$95,899.00	\$95,899.00	\$147.22	\$188.63	1.81	1.15	2.32	1.47	1-31	1-4
December.....	72,945.00	72,945.00	50,809.00	87.89	112.07	1.42	1.42	2.60	1.81	1-6	1-6
January 1921.....	46,600.00	46,600.00	15,433.00	63.51	10.54	1.60	1.60	.80	.27	1-6	1-2
Feb. 1-July 31.....	84,263.00	30,116.00	25,369.00	253.56	186.58	1.70	.61	1.48	.45	1-6	1-41

MEMBER BANK NO. 57.

[Capital and surplus, \$50,000.]

April 1920.....	\$96,422.00	\$634.00	\$694.00	\$1.35	\$1.37	5.92	0.04	6.00	0.04	51-6	6
May.....	92,204.00	13,692.00	13,692.00	78.80	69.66	6.79	1.01	6.00	.89	51-8	6
June.....	85,612.00	23,172.00	23,172.00	171.68	114.20	9.01	2.44	6.00	1.62	51-15	5-6
July.....	87,045.00	26,110.00	26,110.00	208.83	49.02	9.46	2.84	2.21	.66	3-15	1-3
August.....	72,390.00	24,832.00	24,650.00	146.89	28.33	7.11	2.44	1.35	.46	14-15	1-21
September.....	58,046.00	25,572.00	19,323.00	62.80	12.92	2.99	1.32	.81	.27	1-141	1-2
October.....	60,109.00	35,922.00	25,419.00	51.35	22.42	1.68	1.01	1.04	.44	1-71	1-2
December.....	57,423.00	35,161.00	35,161.00	118.15	132.44	3.96	2.42	4.43	2.72	1-8	1-6
January 1921.....	54,843.00	40,259.00	27,233.00	168.59	48.63	4.93	3.62	2.10	1.04	1-8	1-51
Feb. 1-July 31.....	60,766.00	46,297.00	25,901.00	556.58	173.51	2.42	1.85	1.35	.58	1-8	1-3

MEMBER BANK NO. 58.

[Capital and surplus, \$75,000.]

January 1921.....	\$65,025.00	\$53,313.00	\$37,820.00	\$82.26	\$60.96	1.82	1.49	1.90	1.10	1-4	1-4
Feb. 1-July 31.....	37,459.00	31,203.00	10,392.00	277.99	63.42	1.80	1.50	1.23	.34	1-4	1-3

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 59.

[Capital and surplus, \$30,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
June.....	\$37,357.00	\$28,932.00	\$25,284.00	\$72.28	\$75.59	3.04	2.35	3.64	2.46	1-8	1-6
July.....	30,723.00	24,730.00	21,103.00	88.77	75.17	4.23	3.40	4.19	2.88	1-10½	1-6
August.....	23,722.00	18,703.00	10,987.00	66.88	16.00	4.21	3.32	1.71	.79	1-10½	1-4
September.....	17,608.00	12,775.00	7,572.00	37.09	10.98	3.53	2.56	1.76	.76	1-10½	1-4
October.....	17,148.00	12,390.00	4,699.00	39.15	3.70	3.72	2.69	.93	.25	1-8	1-2
November.....	16,902.00	11,202.00	6,845.00	35.38	10.32	3.84	2.55	1.83	.74	2-8	1-3½
December.....	19,472.00	14,140.00	10,038.00	41.80	26.82	3.48	2.53	3.15	1.62	2½-4	1-6
1921.											
January.....	21,991.00	19,601.00	13,693.00	62.77	32.19	3.77	3.36	2.77	1.72	3-7	1-6
Feb. 1-July 31.....	16,597.00	14,374.00	5,995.00	260.97	52.92	3.66	3.17	1.78	.64	1-7	1-4

MEMBER BANK NO. 60.

[Capital and surplus, \$60,000.]

1920.											
April.....	\$89,662.00	\$14,429.00	\$14,429.00	\$43.48	\$26.96	9.17	1.48	5.68	0.91	8½-9½	4-6
May.....	85,022.00	26,893.00	26,695.00	175.34	41.54	7.68	2.43	1.83	.58	2½-9½	1-3
June.....	84,700.00	42,267.00	39,542.00	199.37	59.90	5.74	2.86	1.84	.86	2½-9½	1-3½
July.....	75,166.00	37,129.00	25,248.00	160.63	23.83	5.09	2.52	1.11	.37	2½-9½	1-2
August.....	72,640.00	36,663.00	25,810.00	159.25	26.81	5.11	2.58	1.22	.43	2½-9½	1-2½
September.....	60,076.00	32,676.00	13,722.00	129.47	8.83	4.82	2.62	.78	.18	1-9½	1-1½
October.....	55,833.00	38,547.00	14,490.00	95.86	11.08	2.93	2.02	.90	.23	1-9½	1-2½

MEMBER BANK NO. 61.

[Capital and surplus, \$35,000.]

1920.											
November.....	\$31,692.00	\$31,692.00	\$21,572.00	\$58.99	\$42.36	2.26	2.26	2.39	1.63	1-4½	1-4½
December.....	32,910.00	32,910.00	25,389.00	95.75	76.67	3.43	3.43	3.56	2.74	1½-7½	1-6
1921.											
January.....	27,643.00	27,643.00	15,970.00	101.99	22.22	4.34	4.34	1.64	.95	1½-7½	1-4
Feb. 1-July 31.....	26,876.00	26,876.00	15,408.00	483.59	122.85	3.63	3.63	1.61	.92	1½-7½	1-4

MEMBER BANK NO. 62.

[Capital and surplus, \$100,000.]

1921.											
Feb. 1-July 31.....	\$67,697.00	\$61,101.00	\$34,090.00	\$760.99	\$340.89	2.51	2.26	2.02	1.02	1-6	1-6

MEMBER BANK NO. 63.

[Capital and surplus, \$30,500.]

1921.											
January.....	\$28,038.00	\$19,241.00	\$12,688.00	\$41.53	\$24.43	2.54	1.74	2.27	1.03	1-5½	1-5
Feb. 1-July 31.....	26,124.00	12,607.00	3,899.00	72.86	14.93	1.17	.56	.77	.12	1-5½	1-1½

MEMBER BANK NO. 64.

[Capital and surplus, \$175,000.]

1920.											
April.....	\$305,067.00	\$16,125.00	\$16,125.00	\$3.78	\$9.05	0.71	0.04	1.71	0.09	1-1	1-5

MEMBER BANK NO. 65.

[Capital and surplus, \$54,000.]

1920.											
April.....	\$83,943.00	\$3,708.00	\$3,708.00	\$7.92	\$2.89	6.50	0.29	2.37	0.10	6½	1-6
May.....	84,714.00	10,368.00	10,368.00	48.70	8.66	5.53	.68	.98	.12	1-6½	1-14
June.....	91,428.00	24,021.00	21,962.00	73.17	3.71	3.71	1.97	1.50	.36	1-6½	1-3
July.....	92,776.00	38,898.00	22,016.00	100.05	25.69	3.03	1.37	1.37	.33	1-6½	1-6
October.....	75,764.00	44,116.00	27,529.00	109.02	50.46	2.91	1.69	2.16	.78	2-7	1-6
November.....	57,870.00	57,870.00	48,660.00	204.22	177.52	4.29	4.29	4.44	3.73	2½-11	1-6
December.....	52,571.00	52,571.00	39,651.00	275.02	111.74	6.16	6.16	3.32	2.50	2½-11	1-6
1921.											
January.....	34,515.00	34,515.00	17,088.00	199.89	20.88	6.82	6.82	1.44	.71	3-11	1-3½
February.....	23,064.00	23,064.00	4,334.00	150.30	1.92	8.49	8.49	.58	.11	1-11	1-1

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 66.

Capital and surplus, \$60,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
November.....	\$44,549.00	\$44,549.00	\$28,082.00	\$98.24	\$45.43	2.68	2.68	1.97	1.24	2-4	1-4
December.....	42,245.00	42,245.00	34,139.00	145.70	116.64	4.06	4.06	4.02	3.25	2-9	1-6
1921.											
January.....	41,948.00	41,948.00	26,688.00	177.52	45.47	4.98	4.98	2.01	1.28	2-9	1-4
Feb. 1-July 31.....	37,696.00	37,432.00	18,155.00	519.20	106.26	2.80	2.78	1.18	.57	1-9	1-2

MEMBER BANK NO. 67.

[Capital and surplus, \$45,400.]

1920.											
December.....	\$76,041.00	\$59,105.00	\$49,279.00	\$86.59	\$88.30	1.72	1.34	2.11	1.37	1-4	1-4
1921.											
January.....	61,982.00	48,668.00	35,715.00	81.79	49.67	1.98	1.55	1.64	.94	1-4	1-3
Feb. 1-July 31.....	37,694.00	36,087.00	10,259.00	244.68	59.68	1.37	1.31	1.17	.32	1-4	1-2

MEMBER BANK NO. 68.

[Capital and surplus, \$75,000.]

1920.											
June.....	\$88,873.00	\$47,570.00	\$47,570.00	\$70.80	\$119.97	1.81	0.97	3.07	1.64	1-5	1-5
July.....	86,821.00	58,844.00	49,538.00	128.50	67.00	2.57	1.74	1.59	.91	1-5	1-3
August.....	74,166.00	53,322.00	30,998.00	119.85	26.92	2.65	1.90	1.02	.43	1-5	1-2
September.....	53,315.00	41,116.00	7,622.00	72.02	3.49	2.13	1.64	.56	.08	1-5	1-1
October.....	50,800.00	46,478.00	11,930.00	44.35	6.26	1.12	1.03	.62	.15	1-5	1-1
November.....	43,505.00	41,479.00	2,667.00	35.69	1.09	1.05	1.00	.50	.03	1-5	1-1
December.....	38,154.00	20,890.00	209.00	12.62	.09	.71	.39	.50	.003	1-5	1-1

MEMBER BANK NO. 69.

[Capital and surplus, \$27,500.]

1920.											
May.....	\$32,428.00	\$2,350.00	\$2,350.00	\$15.96	\$11.97	8.00	0.58	6.00	0.43	8	6
June.....	13,436.00	2,350.00	808.00	15.45	2.47	8.00	1.40	3.72	.22	8	1-6
July.....	8,308.00	2,350.00	None.	15.96	None.	8.03	2.26	None.	None.	8	None.
August.....	12,330.00	2,350.00	1,568.00	15.96	1.12	8.00	1.52	.84	.11	8	1-1
September.....	14,018.00	4,313.00	3,545.00	14.03	2.23	3.96	1.22	.77	.19	1-8	1-2
1921.											
Feb. 1-July 31.....	17,764.00	9,860.00	8,159.00	122.48	45.51	2.50	1.39	1.12	.52	1-4	1-2

MEMBER BANK NO. 70.

[Capital and surplus, \$34,000.]

1921.											
January.....	\$15,359.00	\$7,482.00	\$5,525.00	\$18.57	\$13.11	2.92	1.42	2.79	1.01	1-6	1-6

MEMBER BANK NO. 71.

[Capital and surplus, \$125,000.]

1920.											
June.....	\$208,487.00	\$98,603.00	\$98,603.00	\$159.33	\$166.32	1.97	0.95	2.05	0.99	1-4	1-4
July.....	228,112.00	151,114.00	122,945.00	328.86	189.37	2.56	1.70	1.81	.98	1-4	1-4
August.....	220,887.00	155,934.00	140,144.00	374.72	363.39	2.83	2.00	3.05	1.94	1-6	1-6
September.....	152,192.00	107,558.00	43,442.00	282.66	34.15	3.20	2.26	.96	.27	1-6	1-2
October.....	143,198.00	106,578.00	32,654.00	210.11	27.02	2.32	1.73	.97	.22	1-6	1-2
November.....	173,959.00	133,883.00	75,939.00	199.56	80.31	1.81	1.40	1.29	.56	1-6	1-2
December.....	217,168.00	172,875.00	123,110.00	324.99	218.77	2.21	1.76	2.09	1.19	1-6	1-4
1921.											
January.....	215,452.00	177,640.00	135,320.00	449.90	319.21	2.98	2.46	2.78	1.74	1-6	1-6
Feb. 1-July 31.....	180,655.00	152,192.00	95,602.00	2,168.01	771.48	2.87	2.42	1.63	.86	1-4	1-4

MEMBER BANK NO. 72.

[Capital and surplus, \$60,000.]

1920.											
December.....	\$70,304.00	\$70,304.00	\$44,400.00	\$153.95	\$78.07	2.58	2.58	2.07	1.31	1-4	1-4
1921.											
January.....	80,546.00	80,546.00	49,136.00	200.84	76.07	2.94	2.94	1.82	1.11	1-4	1-3
Feb. 1-25.....	73,204.00	73,204.00	54,357.00	153.76	116.59	3.06	3.06	3.13	2.32	1-6	1-6
Feb. 26-July 31.....	75,434.00	75,217.00	52,585.00	1,303.32	545.85	4.05	3.04	2.43	1.63	1-6	1-6

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 73.

[Capital and surplus, \$37,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
May.....	\$39,018.00	\$3,910.00	\$3,910.00	\$34.77	\$19.93	10.47	1.05	6.00	0.60	10-10½	6
June.....	32,433.00	6,173.00	6,173.00	49.02	30.23	9.66	1.84	5.96	1.13	7½-10½	5-6
July.....	27,377.00	9,496.00	9,496.00	72.65	41.88	9.01	3.12	5.19	1.80	7½-10½	3½-6
August.....	22,814.00	8,605.00	10,106.00	65.65	51.04	8.98	3.89	5.95	2.63	6½-10½	4-6
September.....	16,668.00	12,404.00	2,745.00	57.40	1.92	5.63	4.19	.85	.14	10-10½	1-1½
October.....	15,152.00	15,152.00	7,337.00	47.52	7.48	3.69	3.69	1.20	.58	10-10½	2-2
November.....	15,270.00	15,269.00	12,077.00	41.91	37.91	3.34	3.34	3.82	3.02	10-10½	1-6
December.....	13,804.00	13,508.00	13,085.00	36.53	61.64	3.18	3.12	5.55	5.26	10-8½	1-6

MEMBER BANK NO. 74.

[Capital and surplus, \$48,000.]

1921.											
Feb. 26-July 31.....	\$43,229.00	\$18,967.00	\$15,621.00	\$255.68	\$110.43	3.15	1.38	1.65	0.60	1-4½	1-4½

MEMBER BANK NO. 75.

[Capital and surplus, \$38,000.]

1921.											
Feb. 1-25.....	\$31,030.00	\$49,196.00	\$38,431.00	\$71.13	\$51.80	2.11	1.28	1.97	0.93	4-5½	1-4

MEMBER BANK NO. 76.

[Capital and surplus, \$30,000.]

1921.											
Feb. 26-May 31.....	\$20,367.00	\$18,197.00	\$12,379.00	\$83.83	\$57.98	1.77	1.58	1.80	1.09	1-3½	1-5½

MEMBER BANK NO. 77.

[Capital and surplus, \$50,000.]

1920.											
October.....	\$65,114.00	\$23,168.00	\$33,465.00	\$41.23	\$75.89	2.10	0.75	2.67	1.37	1-5	1-5½
November.....	59,746.00	21,221.00	27,616.00	44.29	54.83	2.54	.90	2.42	1.12	1-5	1-4
December.....	61,200.00	25,267.00	26,505.00	68.98	54.77	3.21	1.33	2.43	1.05	1-5	1-4
1921.											
January.....	60,815.00	23,385.00	23,385.00	67.31	42.38	3.39	1.30	2.13	.82	1-5	1-3½
Feb. 1-25.....	57,961.00	20,531.00	17,896.00	42.80	10.28	3.04	1.08	.84	.26	1-5	1-1½

MEMBER BANK NO. 78.

[Capital and surplus, \$90,000.]

1920.											
December.....	\$158,619.00	\$58,772.00	\$60,362.00	\$62.90	\$114.43	1.26	0.47	2.22	0.85	1-5	1-4½
1921.											
January.....	165,027.00	74,676.00	54,862.00	105.98	72.14	1.67	.76	1.55	.51	1-4½	1-3
Feb. 1-25.....	176,403.00	66,848.00	38,436.00	82.25	26.58	1.80	.68	1.00	.22	1-4½	1-2½

MEMBER BANK NO. 79.

[Capital and surplus, \$50,000.]

1920.											
May.....	\$126,669.00	\$16,595.00	\$16,595.00	\$31.60	\$31.60	2.24	0.29	2.24	0.29	1-5½	1-5½
June.....	128,220.00	29,634.00	29,634.00	107.84	107.84	4.43	1.02	4.43	1.02	1-7	1-7
July.....	95,591.00	36,089.00	36,089.00	168.92	168.92	5.51	2.08	5.51	2.08	1-7	1-7
August.....	101,547.00	34,087.00	34,087.00	158.83	158.83	5.49	1.84	5.49	1.84	1-7	1-7
September.....	81,249.00	29,859.00	29,859.00	123.43	123.43	5.03	1.85	5.03	1.85	1-7	1-7
October.....	87,493.00	50,295.00	50,295.00	87.42	87.42	2.05	1.18	2.05	1.18	1-7	1-7
November.....	99,875.00	65,223.00	65,223.00	72.53	72.53	1.35	.88	1.35	.88	1-7	1-7
December.....	99,050.00	67,865.00	67,865.00	81.94	81.94	1.42	.97	1.42	.97	1-7	1-7
1921.											
Feb. 26-July 31.....	89,550.00	77,105.00	77,105.00	941.90	941.90	2.86	2.46	2.86	2.46	1½-5	1½-5

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 80.

[Capital and surplus, \$100,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
April.....	\$75,008.00	\$11,155.00	\$9,198.00	\$1.90	\$1.58	0.52	0.08	0.52	0.06	1-1	1-1
May.....	96,209.00	48,313.00	37,157.00	36.73	28.86	.90	.45	.91	.35	1-1	1-2
June.....	100,079.00	66,370.00	46,502.00	64.51	48.40	1.13	.78	1.14	.53	2-2	2-2
July.....	98,468.00	77,021.00	72,229.00	97.73	184.25	1.49	1.17	3.00	2.20	6-6	6-6
August.....	88,752.00	72,510.00	71,814.00	118.81	277.26	1.93	1.58	5.39	4.36	6-6	10-10
September.....	62,582.00	58,780.00	31,220.00	95.89	33.17	1.98	1.86	1.29	.64	6-6	2-2
October.....	63,955.00	62,564.00	42,392.00	131.13	80.04	2.47	2.41	2.22	1.47	6-6	4-4
November.....	71,981.00	71,981.00	58,014.00	307.61	223.02	5.20	5.20	4.68	3.77	12-12	12-12
December.....	88,523.00	88,523.00	63,213.00	517.40	148.71	6.88	6.88	2.77	1.98	12-12	6-6

MEMBER BANK NO. 81.

[Capital and surplus, \$65,000.]

1921.											
January.....	\$73,461.00	\$50,895.00	\$46,413.00	\$66.74	\$77.70	1.54	1.07	1.97	1.25	1-3	1-4
Feb. 1-25.....	73,252.00	51,606.00	53,537.00	64.78	108.89	1.83	1.29	2.97	2.17	1-5	1-6
Feb. 26-July 31.....	49,391.00	44,439.00	23,515.00	547.97	155.09	2.89	2.60	1.54	.73	1-3	1-5

MEMBER BANK NO. 82.

[Capital and surplus, \$60,000.]

1920.											
December.....	\$48,734.00	\$48,734.00	\$39,227.00	\$110.92	\$133.28	2.68	2.68	4.00	3.22	1-8	1-6
1921.											
January.....	31,595.00	31,595.00	24,583.00	105.81	76.70	3.94	3.94	3.67	2.86	1-8	1-6
Feb. 1-25.....	19,178.00	19,178.00	11,301.00	57.35	15.21	4.36	4.36	1.71	1.00	1-8	1-3

MEMBER BANK NO. 83.

[Capital and surplus, \$75,000.]

1921.											
Feb. 26-July 31.....	\$67,906.00	\$51,246.00	\$23,285.00	\$386.08	\$138.81	1.76	1.33	1.39	0.48	1-5	1-5

MEMBER BANK NO. 84.

[Capital and surplus, \$70,000.]

1920.											
November.....	\$102,702.00	\$42,331.00	\$67,377.00	\$59.55	\$59.55	1.71	0.71	1.08	0.71	1-3	1-3
December.....	118,620.00	41,641.00	82,890.00	62.34	62.34	1.76	.62	.89	.62	1-3	1-3
1921.											
January.....	120,799.00	34,014.00	54,295.00	54.01	54.01	1.93	.53	1.17	.53	1-3	1-3
Feb. 1-25.....	106,351.00	27,980.00	36,163.00	39.32	39.32	2.05	.54	1.59	.54	1-3	1-3
Feb. 26-July 31.....	67,459.00	12,144.00	12,055.00	178.87	178.87	3.45	.62	3.47	.62	1-6	1-6

MEMBER BANK NO. 85.

[Capital and surplus, \$120,000.]

1920.											
December.....	\$118,781.00	\$102,499.00	\$78,721.00	\$197.48	\$148.41	2.27	1.95	2.22	1.47	1-4	1-4
1921.											
January.....	119,160.00	104,486.00	75,937.00	231.68	108.09	2.61	2.29	1.68	1.07	1-4	1-3
Feb. 1-25.....	119,737.00	106,231.00	72,217.00	208.85	87.68	2.87	2.55	1.77	1.07	1-4	1-3

MEMBER BANK NO. 85.

[Capital and surplus, \$65,000; \$69,800 Feb. 1, 1921.]

1920.											
December.....	\$50,341.00	\$45,439.00	\$36,599.00	\$100.51	\$90.74	2.60	2.35	2.91	2.12	1-6	1-5
1921.											
January.....	47,739.00	43,939.00	31,889.00	137.22	61.47	3.68	3.38	2.27	1.52	1-6	1-4
Feb. 1-25.....	44,342.00	40,542.00	32,012.00	119.20	62.54	4.29	3.92	2.85	2.06	1-6	1-5
Feb. 26-July 31.....	31,276.00	27,652.00	10,195.00	264.48	47.24	2.24	1.98	1.08	.35	1-5	1-5

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 87.

[Capital and surplus, \$200,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
November.....	\$327,151.00	\$121,231.00	\$146,919.00	\$261.19	\$264.97	2.62	0.97	2.19	0.99	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$
December.....	272,056.00	237,187.00	113,316.00	340.75	137.30	3.15	1.47	1.43	.59	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$
1921.											
January.....	215,135.00	108,630.00	60,724.00	278.81	50.70	3.02	1.53	.93	.28	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$
Feb. 1-25.....	173,774.00	78,023.00	13,654.00	117.22	4.68	2.19	.99	.50	.04	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$

MEMBER BANK NO. 88.

[Capital and surplus, \$160,000.]

1921.											
January.....	\$136,313.00	\$98,219.00	\$45,856.00	\$128.96	\$91.63	1.55	1.11	2.35	0.79	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$

MEMBER BANK NO. 89.

[Capital and surplus, \$175,000.]

1920.											
Apr. 19-30.....	\$289,232.00	\$13,305.00	\$13,305.00	\$16.61	\$11.77	3.80	0.17	2.69	0.12	1-4	1-4
May.....	269,070.00	18,424.00	18,424.00	52.27	93.89	3.34	.23	6.00	.41	1-4	6
June.....	175,107.00	14,115.00	13,986.00	40.41	49.28	3.48	.28	4.29	.34	1-4	$\frac{1}{2}$ -6
July.....	194,283.00	4,991.00	None.	14.03	None.	3.31	.09	None.	None.	1-4	None.

MEMBER BANK NO. 90.

[Capital and surplus, \$26,250.]

1920.											
December.....	\$40,853.00	\$26,653.00	\$13,238.00	\$48.45	\$13.96	2.14	1.40	1.24	0.40	1-4	$\frac{1}{2}$ - $\frac{1}{2}$

MEMBER BANK NO. 91.

[Capital and surplus, \$36,000.]

1921.											
Feb. 26-June 30.....	\$18,074.00	\$7,622.00	\$7,980.00	\$67.03	\$31.14	2.57	1.08	2.97	1.31	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ -6

MEMBER BANK NO. 92.

[Capital and surplus, \$60,000.]

1920.											
December.....	\$88,740.00	\$62,410.00	\$49,575.00	\$138.91	\$110.09	2.62	1.84	2.61	1.46	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
1921.											
January.....	87,459.00	61,129.00	42,051.00	160.37	64.54	3.09	2.16	1.81	.87	$\frac{1}{2}$ -5	$\frac{1}{2}$ - $\frac{1}{2}$
Feb. 1-25.....	85,162.00	59,223.00	36,592.00	124.80	36.61	3.08	2.14	1.46	.63	$\frac{1}{2}$ -5	$\frac{1}{2}$ - $\frac{1}{2}$

MEMBER BANK NO. 93.

[Capital and surplus, \$1,050,000.]

1920.											
October.....	\$1,695,177.00	\$1,470,308.00	\$1,062,063.00	\$2,535.20	\$1,745.80	2.03	1.76	1.94	1.21	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$
November.....	1,481,996.00	1,243,729.00	1,168,198.00	3,388.30	3,633.17	3.31	2.78	3.78	2.98	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ -6
December.....	1,153,958.00	965,293.00	848,061.00	3,888.43	2,250.49	4.90	3.97	3.12	2.30	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ -6
1921.											
January.....	782,945.00	623,004.00	250,028.00	2,370.68	175.35	4.48	3.57	.83	.26	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$
Feb. 1-25.....	674,816.00	394,062.00	2,640.00	545.91	.91	2.02	1.18	.50	.002	$\frac{1}{2}$ - $\frac{1}{2}$	$\frac{1}{2}$ - $\frac{1}{2}$

MEMBER BANK NO. 94.

[Capital and surplus, \$350,000.]

1920.											
October.....	\$982,767.00	\$739,394.00	\$542,280.00	\$1,130.11	\$825.71	1.80	1.35	1.79	0.99	$\frac{1}{2}$ -4	$\frac{1}{2}$ - $\frac{1}{2}$
November.....	1,066,754.00	848,931.00	685,867.00	1,892.58	1,454.97	2.71	2.16	2.58	1.66	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
December.....	899,510.00	702,050.00	427,900.00	1,797.05	503.99	3.01	2.35	1.89	.66	$\frac{1}{2}$ -5	$\frac{1}{2}$ -5
1921.											
January.....	803,831.00	649,327.00	361,741.00	1,506.98	420.55	2.73	2.21	1.87	.62	$\frac{1}{2}$ -5	$\frac{1}{2}$ - $\frac{1}{2}$

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 93.

[Capital and surplus, \$50,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
December.....	\$81,448.00	\$54,330.00	\$43,462.00	\$89.45	\$70.19	1.94	1.29	1.90	1.01	1-4	1-3 1/2
1921.											
January.....	81,507.00	62,186.00	37,818.00	132.63	49.94	2.51	1.92	1.55	.72	1-4	1-3
Feb. 1-25.....	81,720.00	67,439.00	39,263.00	134.11	44.49	2.90	2.40	1.65	.79	1-4	1-3

MEMBER BANK NO. 95.

[Capital and surplus, \$75,000.]

1920.											
November.....	\$105,262.00	\$74,209.00	\$64,529.00	\$82.67	\$122.53	1.36	0.96	2.31	1.42	1-4	1-4 1/2
December.....	103,239.00	78,155.00	62,239.00	114.32	119.83	1.72	1.30	2.27	1.37	1-4 1/2	1-4 1/2
1921.											
January.....	96,597.00	73,229.00	59,121.00	127.61	121.09	2.05	1.56	2.41	1.48	1-4 1/2	1-5
Feb. 1-25.....	87,233.00	75,513.00	47,556.00	130.78	61.94	2.53	2.19	1.90	1.04	1-4 1/2	1-3 1/2

MEMBER BANK NO. 97.

[Capital and surplus, \$1,500,000.]

1920.											
May.....	\$3,325,545.00	\$1,007,270.00	\$1,007,270.00	\$2,229.77	\$1,760.67	2.61	0.79	2.06	0.62	2-3 1/2	1-4
November.....	3,440,110.00	2,934,515.00	1,928,803.00	6,874.44	3,120.93	2.85	2.43	1.97	1.10	1 1/2-5	1-4 1/2

MEMBER BANK NO. 98.

[Capital and surplus, \$2,000,000.]

1920.											
October.....	\$6,613,292.00	\$5,447,099.00	\$4,002,703.00	\$13,110.82	\$7,415.00	2.83	2.33	2.18	1.32	1-4 1/2	1-4 1/2
November.....	6,596,416.00	5,454,311.00	3,716,541.00	15,059.78	5,582.99	3.36	2.78	1.83	1.03	1 1/2-4 1/2	1-3 1/2
December.....	6,421,344.00	4,294,307.00	2,841,029.00	12,626.08	3,958.88	3.43	2.72	1.64	.86	2-4 1/2	1-4
1921.											
January.....	4,656,577.00	3,660,382.00	1,510,270.00	7,650.07	1,253.83	2.46	1.93	.98	.32	1-4 1/2	1-2
Feb. 1-25.....	4,147,763.00	3,190,896.00	990,455.00	3,463.47	470.50	1.58	1.22	.69	.17	1-4 1/2	1-1 1/2

MEMBER BANK NO. 99.

[Capital and surplus, \$1,500,000.]

1920.											
October.....	\$2,783,806.00	\$2,143,296.00	\$1,617,768.00	\$3,725.32	\$2,443.32	2.05	1.58	1.78	1.03	1-4	1-4
November.....	2,304,206.00	1,729,026.00	1,236,834.00	3,199.22	1,572.53	2.25	1.69	1.55	.83	1-4	1-4

MEMBER BANK NO. 100.

[Capital and surplus, \$150,000.]

1920.											
October.....	\$221,849.00	\$164,539.00	\$132,341.00	\$251.07	\$219.08	1.80	1.33	1.95	1.16	1-4	1-4
November.....	227,725.00	191,656.00	162,322.00	448.71	437.89	2.85	2.40	3.28	2.34	1-6 1/2	1-6
December.....	240,566.00	217,041.00	195,121.00	1,074.06	759.38	5.83	5.26	4.58	3.72	1-12 1/2	1-6
1921.											
January.....	239,054.00	216,423.00	180,830.00	1,679.13	709.03	9.14	8.27	4.62	3.49	1-12 1/2	1-6
Feb. 1-25.....	218,115.00	192,207.00	147,357.00	1,246.48	278.91	9.46	8.34	2.76	1.87	1-12 1/2	1-6
Feb. 26-July 31.....	160,118.00	133,872.00	83,674.00	2,491.16	580.72	4.35	3.64	1.62	.85	1-12 1/2	1-5 1/2

MEMBER BANK NO. 101.

[Capital and surplus, \$75,000.]

1920.											
Apr. 19-30.....	\$127,912.00	\$4,177.00	\$1,849.00	\$5.44	\$1.25	3.96	0.19	2.56	0.04	2-4	1-4
May.....	127,401.00	9,381.00	2,755.00	30.67	1.17	3.85	.28	.50	.01	1-4	1-4
June.....	115,552.00	10,709.00	108.00	25.05	.04	2.85	.26	.45	None.	1-4	1-4
July.....	103,971.00	8,538.00	None.	20.07	None.	2.77	.23	None.	None.	1-4	None.
August.....	114,728.00	10,082.00	2,392.00	19.08	1.02	2.93	.20	.50	.01	1-4	1-4
September.....	135,665.00	32,158.00	17,130.00	33.27	11.79	1.26	.30	.84	.11	1-4	1-2
October.....	160,754.00	56,649.00	42,241.00	71.59	57.43	1.49	.56	1.60	.45	1-4	1-3
November.....	151,419.00	62,860.00	49,385.00	95.37	80.30	1.85	.77	1.98	.65	1-4	1-3 1/2
December.....	150,604.00	66,020.00	55,404.00	134.21	132.13	2.39	1.05	2.81	1.03	1-5 1/2	1-5 1/2
1921.											
January.....	149,792.00	65,488.00	52,485.00	194.18	109.49	3.49	1.53	2.46	.86	1-5 1/2	1-5
Feb. 1-25.....	133,627.00	50,555.00	33,244.00	138.14	35.65	3.99	1.50	1.57	.39	1-5 1/2	1-3 1/2

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 102.

[Capital and surplus, \$80,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of superrates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustment and rebates.	After adjustment and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
June.....	\$148,089.00	\$53,484.00	\$53,484.00	\$146.65	\$135.60	3.34	1.20	3.08	1.11	2-4	1-4
July.....	144,483.00	61,246.00	66,237.00	185.34	98.63	3.58	1.52	1.75	.80	2-4	1-3
August.....	129,967.00	60,318.00	44,012.00	173.05	41.73	3.38	1.57	1.12	.38	1-4	1-2
September.....	116,958.00	68,397.00	41,166.00	150.46	41.32	2.68	1.57	1.22	.43	1-4	1-2
October.....	116,189.00	82,754.00	52,776.00	184.74	85.36	2.63	1.87	1.90	.87	1-4	1-3
November.....	116,840.00	84,340.00	50,990.00	202.34	74.74	2.92	2.11	1.78	.78	2-4	1-3
December.....	117,094.00	84,594.00	53,372.00	228.34	89.05	3.18	2.30	1.96	.90	2-4	1-3
1921.											
Feb. 26-July 31.....	99,138.00	76,643.00	52,545.00	1,107.27	488.45	3.38	2.61	2.17	1.15	1-2	1-6

MEMBER BANK NO. 103.

[Capital and surplus, \$60,000.]

1920.											
November.....	\$50,389.00	\$43,244.00	\$35,862.00	\$107.86	\$90.67	3.03	2.60	2.74	1.95	1-5	1-5
December.....	54,092.00	48,286.00	5,553.00	100.87	2.43	2.46	2.20	.52	.05	1-5	1-1
1921.											
January.....	49,097.00	44,791.00	26,892.00	27.84	34.46	.73	.67	1.51	.83	1-5	1-3

MEMBER BANK NO. 104.

[Capital and surplus, \$31,000.]

1921.											
January.....	\$38,711.00	\$38,698.00	\$24,714.00	\$72.31	\$42.38	2.20	2.20	2.02	1.29	1-4	1-4
Feb. 1-25.....	38,641.00	38,641.00	26,876.00	74.47	46.72	2.81	2.81	2.54	1.77	1-4	1-5
Feb. 26-July 31.....	34,156.00	33,849.00	16,594.00	384.24	92.07	2.66	2.63	1.30	.63	1-4	1-5

MEMBER BANK NO. 105.

[Capital and surplus, \$60,000.]

1920.											
September.....	\$54,551.00	\$45,003.00	\$39,041.00	\$61.78	\$89.60	1.67	1.38	2.79	2.00	1-3	1-6
October.....	40,268.00	36,512.00	25,167.00	54.22	41.69	1.75	1.59	1.95	1.22	1-3	1-4

MEMBER BANK NO. 106.

[Capital and surplus, \$80,000.]

1920.											
December.....	\$110,741.00	\$83,622.00	\$60,804.00	\$132.72	\$106.81	1.87	1.41	2.07	1.14	1-5	1-4
1921.											
January.....	101,873.00	84,571.00	67,811.00	246.47	221.59	3.43	2.85	3.85	2.56	1-8	1-6
Feb. 1-25.....	98,138.00	81,619.00	49,798.00	248.21	61.91	4.44	3.69	1.82	.92	1-9	1-3

MEMBER BANK NO. 107.

[Capital and surplus, \$60,000; \$125,000, Feb. 26, 1921.]

1920.											
June.....	\$86,397.00	\$28,706.00	\$28,706.00	\$73.97	\$137.56	3.14	1.04	5.83	1.94	3-3	4-6
July.....	69,282.00	23,673.00	23,295.00	63.61	107.61	3.16	1.08	5.44	1.83	3-3	4-6
August.....	53,659.00	22,706.00	22,923.00	61.15	78.52	3.17	1.34	4.03	1.72	3-3	1-6
1921.											
Feb. 26-May 31.....	39,996.00	30,111.00	21,651.00	148.52	156.98	1.90	1.43	2.79	1.51	1-5	1-6

MEMBER BANK NO. 108.

[Capital and surplus, \$121,000.]

1921.											
January.....	\$232,963.00	\$190,463.00	\$120,711.00	\$460.41	\$203.49	2.85	2.33	1.98	1.03	1-4	1-4
Feb. 1-25.....	231,150.00	188,649.00	118,418.00	395.36	157.63	3.06	2.50	1.94	1.00	2-4	1-4
Feb. 26-July 31.....	197,518.00	187,572.00	104,137.00	2,645.00	914.78	3.30	3.13	2.06	1.08	2-5	1-3

MEMBER BANK NO. 109.

[Capital and surplus, \$100,000.]

1920.											
November.....	\$88,412.00	\$56,809.00	\$60,488.00	\$82.42	\$73.13	1.77	1.13	1.47	1.01	1-4	1-4
December.....	87,114.00	62,086.00	40,914.00	123.54	55.04	2.34	1.67	1.58	.74	1-4	1-3

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Kansas City—Federal reserve district No. 10—Continued.

MEMBER BANK NO. 110.

Capital and surplus, \$65,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.		Additional discount charged at superrates.		Average superrates charged (excess over normal rate).				Range of super-rates.	
		Before adjustment.	After adjustment.	Before adjustment and rebates.	After adjustment and rebates.	Before adjustments and rebates.		After adjustments and rebates.		Before adjustments and rebates.	After adjustments and rebates.
						If applied to excess borrowings.	If applied to total borrowings.	If applied to excess borrowings.	If applied to total borrowings.		
1920.						Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
July.....	\$144,349.00	\$77,622.00	\$40,123.00	\$160.85	\$43.65	2.44	1.31	1.28	0.36	1-4½	1-2½
August.....	132,882.00	67,881.00	24,179.00	136.35	17.35	2.37	1.21	.84	.15	1-4½	1-2
September.....	116,113.00	51,112.00	11,209.00	95.49	6.58	2.27	1.00	.71	.07	1-4½	1-1½

MEMBER BANK NO. 111.

[Capital and surplus, \$105,000.]

1920.											
December.....	\$242,387.00	\$45,359.00	\$65,388.00	\$54.43	\$127.19	1.41	0.26	2.29	0.62	1-3½	1-4
1921.											
January.....	220,440.00	40,291.00	56,382.00	47.67	108.24	1.39	.24	2.26	.56	1-4	1-4½
Feb. 1-25.....	228,615.00	43,195.00	56,014.00	47.04	77.18	1.59	.30	2.01	.49	1-4	1-3½

MEMBER BANK NO. 112.

[Capital and surplus, \$70,000.]

1921.											
January.....	\$84,911.00	\$84,911.00	\$58,651.00	\$202.13	\$124.01	2.80	2.80	2.49	1.72	1-4½	1-5
Feb. 1-25.....	81,223.00	81,223.00	48,333.00	185.93	57.12	3.34	3.34	1.73	1.03	1-4½	1-3½

MEMBER BANK NO. 113.

[Capital and surplus, \$40,000.]

1920.											
October.....	\$47,545.00	\$37,518.00	\$24,828.00	\$80.12	\$44.85	2.51	1.98	2.13	1.11	1-5	1-5
November.....	51,230.00	42,350.00	33,840.00	139.58	109.19	4.01	3.31	3.93	2.59	1-8½	1-6
December.....	43,940.00	35,060.00	29,435.00	203.79	110.59	6.84	5.46	4.42	2.96	1-13	1-6
1921.											
January.....	39,551.00	30,673.00	22,906.00	213.42	62.33	8.19	6.35	3.20	1.86	1½-13	1-6
Feb. 1-25.....	34,520.00	25,640.00	20,190.00	138.72	52.19	7.90	5.87	3.77	2.21	5-13	1-6
Feb. 26-July 31.....	19,904.00	4,591.00	2,825.00	83.08	34.51	4.23	.98	2.86	.41	1-4	1-6

MEMBER BANK NO. 114.

[Capital and surplus, \$200,000.]

1921.											
January.....	\$124,596.00	\$124,596.00	\$82,534.00	\$265.23	\$157.16	2.51	2.51	2.24	1.49	1-4½	1-4½
Feb. 1-25.....	127,723.00	127,723.00	81,983.00	246.76	115.48	2.82	2.82	2.06	1.32	1-4½	1-4

Dallas—Federal reserve district No. 11.

MEMBER BANK NO. 1.

[Capital and surplus, \$200,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at superrates. ¹	Average superrates ² charged (excess over normal rate) if applied to—		Range of super-rates. ³
				Excess borrowings.	Total borrowings.	
1920.				Per cent.	Per cent.	Per cent.
October.....	\$556,868.00	\$356,868.00	\$620.14	2.05	1.31	1-4
November.....	580,213.00	380,213.00	674.80	2.16	1.41	1-4½
December.....	561,525.00	361,525.00	634.07	2.06	1.33	1-4
1921.						
January.....	600,797.00	400,797.00	769.25	2.26	1.51	1-4½
Feb. 1-14.....	613,213.00	413,213.00	368.01	2.32	1.56	1-4½

¹ Does not include discount charged at basic rates.² Rates shown are in addition to the basic rate, which was 6 per cent, except that paper secured by United States Government obligations was accorded preferential rates with a minimum of 5 per cent.

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Dallas—Federal reserve district No. 11—Continued.

MEMBER BANK NO. 2.

[Capital and surplus, \$100,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1921.				Per cent.	Per cent.	Per cent.
January.....	\$270,332.00	\$170,332.00	\$283.90	1.96	1.24	$\frac{1}{2}$ -4
Feb. 1-14.....	279,053.00	179,053.00	140.46	2.04	1.31	$\frac{1}{2}$ -4

MEMBER BANK NO. 3.

[Capital and surplus, \$125,000.]

1920.						
December.....	\$369,741.00	\$244,741.00	\$474.72	2.28	1.51	$\frac{1}{2}$ -5
1921.						
January.....	348,621.00	202,524.00	324.01	1.88	1.09	$\frac{1}{2}$ -4

MEMBER BANK NO. 4.

[Capital and surplus, \$35,000.]

1920.						
September.....	\$141,763.00	\$69,919.00	\$131.61	2.29	1.13	$\frac{1}{2}$ -5
October.....	165,157.00	75,643.00	155.97	2.43	1.11	$\frac{1}{2}$ -5
November.....	157,498.00	62,825.00	107.01	2.07	.83	$\frac{1}{2}$ -4
December.....	141,377.00	60,118.00	103.19	2.02	.86	$\frac{1}{2}$ -4
1921.						
January.....	125,075.00	66,607.00	122.23	2.16	1.15	$\frac{1}{2}$ -4
Feb. 1-14.....	130,449.00	61,192.00	47.02	2.00	.94	$\frac{1}{2}$ -4

MEMBER BANK NO. 5.

[Capital and surplus, \$30,000.]

1920.						
September.....	\$75,283.00	\$45,283.00	\$70.42	1.89	1.14	$\frac{1}{2}$ -4

MEMBER BANK NO. 6.

[Capital and surplus, \$200,000; \$165,000, December 1, 1920.]

1920.						
October.....	\$599,883.00	\$299,486.00	\$447.84	1.76	0.88	$\frac{1}{2}$ -4
December.....	615,169.00	369,319.00	783.40	2.50	1.49	$\frac{1}{2}$ -5
1921.						
January.....	537,493.00	306,723.00	545.20	2.09	1.19	$\frac{1}{2}$ -5
Feb. 1-14.....	507,740.00	318,860.00	268.31	2.19	1.38	$\frac{1}{2}$ -4

MEMBER BANK NO. 7.

[Capital and surplus, \$36,000.]

1920.						
October.....	\$93,514.00	\$29,514.00	\$38.59	1.54	0.49	$\frac{1}{2}$ -4

MEMBER BANK NO. 8.

[Capital and surplus, \$230,000.]

1921.						
January.....	\$633,122.00	\$403,122.00	\$689.42	2.01	1.28	$\frac{1}{2}$ -4

MEMBER BANK NO. 9.

[Capital and surplus, \$31,000.]

1920.						
December.....	\$83,243.00	\$49,663.00	\$78.90	1.87	1.12	$\frac{1}{2}$ -4

MEMBER BANK NO. 10.

[Capital and surplus, \$225,000.]

1920.						
August.....	\$590,550.00	\$340,550.00	\$529.63	1.83	1.06	$\frac{1}{2}$ -4
September.....	700,340.00	450,340.00	874.96	2.36	1.52	$\frac{1}{2}$ -5
October.....	647,923.00	397,923.00	683.70	2.02	1.24	$\frac{1}{2}$ -4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Dallas—Federal reserve district No. 11—Continued.

MEMBER BANK NO. 11.

[Capital and surplus, \$50,000.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
1920.				Per cent.	Per cent.	Per cent.
September.....	\$178,912.00	\$98,912.00	\$181.37	2.23	1.23	1-4
October.....	157,131.00	77,131.00	121.89	1.86	.91	1-4
November.....	152,682.00	72,682.00	108.06	1.81	.86	1-4

MEMBER BANK NO. 12.

[Capital and surplus, \$30,000.]

1920.						
September.....	\$134,448.00	\$46,989.00	\$70.99	1.84	0.64	1-4

MEMBER BANK NO. 13.

[Capital and surplus, \$150,000; \$100,000, July 1, 1920.]

1920.						
June.....	\$280,838.00	\$38,407.00	\$109.73	3.48	0.48	1-4
July.....	309,477.00	115,463.00	320.69	3.27	1.22	1-4
August.....	402,643.00	278,975.00	809.17	3.42	2.37	1-7
September.....	405,992.00	305,992.00	835.70	3.32	2.50	1-7
October.....	340,782.00	240,782.00	547.34	2.68	1.89	1-6

MEMBER BANK NO. 14.

[Capital and surplus, \$55,000.]

1920.						
October.....	\$160,188.00	\$85,318.00	\$133.50	1.84	0.98	1-4
November.....	196,754.00	120,487.00	243.99	2.46	1.50	1-5
December.....	213,685.00	136,685.00	317.89	2.74	1.75	1-5
1921.						
January.....	208,571.00	132,304.00	299.33	2.66	1.69	1-5
Feb. 1-14.....	213,699.00	136,699.00	142.75	2.72	1.74	1-5

MEMBER BANK NO. 15.

[Capital and surplus, \$35,000.]

1920.						
November.....	\$88,935.00	\$53,935.00	\$81.74	1.84	1.12	1-4

MEMBER BANK NO. 16.

[Capital and surplus, \$65,000.]

1920.						
September.....	\$160,057.00	\$95,057.00	\$135.75	1.74	1.03	1-4

MEMBER BANK NO. 17.

[Capital and surplus, \$75,000.]

1920.						
September.....	\$344,710.00	\$89,710.00	\$112.77	1.52	0.40	1-4

MEMBER BANK NO. 18.

[Capital and surplus, \$50,000; \$75,000, January 7, 1921.]

1920.						
November.....	\$164,537.00	\$73,892.00	\$121.54	2.00	0.90	1-5
December.....	199,659.00	107,659.00	221.26	2.42	1.30	1-5
1921.						
January.....	178,436.00	66,612.00	75.59	1.34	.50	1-4

MEMBER BANK NO. 19.

[Capital and surplus, \$50,000.]

1920.						
August.....	\$154,163.00	\$80,663.00	\$123.99	1.88	0.99	1-4
September.....	158,630.00	85,130.00	137.83	1.97	1.06	1-4
October.....	157,939.00	84,439.00	140.08	1.95	1.04	1-4

INTEREST CHARGES OF FEDERAL RESERVE BANKS—Continued.

Dallas—Federal reserve district No. 11—Continued.

MEMBER BANK NO. 20.

[Capital and surplus, \$26,500; \$32,750, November 1, 1920.]

Period.	Daily average borrowings.	Excess borrowings subject to progressive rates.	Additional discount charged at super-rates.	Average super-rates charged (excess over normal rate) if applied to—		Range of super-rates.
				Excess borrowings.	Total borrowings.	
				Per cent.	Per cent.	Per cent.
1920.						
July.....	\$34,673.00	\$25,588.00	\$80.30	3.69	1.12	1-5
August.....	66,116.00	39,616.00	60.73	1.80	1.08	1-4
November.....	82,426.00	49,676.00	79.17	1.94	1.17	1-4
December.....	100,839.00	68,089.00	136.12	2.35	1.59	1-6
1921.						
January.....	83,344.00	50,594.00	79.01	1.84	1.12	1-5

Mr. HEFLIN. Mr. President, I ask unanimous consent that the remarks I am about to make shall be printed in the Record immediately following the report of the acting governor of the Federal Reserve Board, Mr. Platt, which was read this morning to the Senate. I wish my statement, together with some figures I am going to submit, to follow in the Record the matter to which I have referred, and I ask permission that that may be done.

The PRESIDING OFFICER (Mr. RANDELL in the chair). Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, I gather from the reading of the report that the contention is made that the banks which were charged high interest rates did not complain. I have pointed out here time and time again that those banks were intimidated; they were frightened by the Federal Reserve Board's policy; and, of course, they did not complain to the Federal Reserve Board. They had their heads in the lion's mouth; they wanted to get them out in the easiest way possible. I have mentioned the fact a number of times, as have other Senators, that bankers have written to me, as they have written to other Senators, complaining of the conduct of the Federal Reserve Board, but asking us not to use their names. Mr. President, it was a coercive, intimidating, tyrannical process that was employed against these banks in the agricultural sections. That is why they did not protest to the Federal Reserve Board. The Federal Reserve Board had the power to destroy their business, and they were trying to get along as best they could and not incur any more than possible the displeasure of the Federal Reserve Board.

I have not had time to examine the report of the Federal Reserve Board sent in response to my resolution which was passed by the Senate. I fear that it does not give all the information asked for. I notified the acting governor of the Federal Reserve Board that I wanted the specific interest rate charged in each instance, but it seems that they have gone and juggled the figures, and tried to cover up the high interest rates by citing the average rate which they charged. I specifically pointed out in my letter to the board that that was not what I wanted. But, even at that, Mr. President, the report discloses the facts along this line to substantiate every charge I have made.

I gather from the report which was read here this morning that they did not wish to give the names of the banks which they had thus mistreated—they were mistreated, that is the literal truth—the board did not want to give the names of the banks that they had thus mistreated because it might cause the depositors to withdraw their deposits. Mr. President, I submit to the Senate and the country that is a confession upon the part of the Federal Reserve Board that it so humiliated and oppressed these banks, that they reduced them to such a state of weakness during this time by high interest rates that it would be a disturbing element in the community if that fact were disclosed. I put against that statement the fact that these banks, every one of them, in spite of the high interest rates which were charged, survived, and not one of them failed. If that is true, it shows that there was no necessity in the outset to apply the high interest rates to these struggling little banks. If they could survive and come through that terrible time even with the heavy burden upon them of a progressive interest rate, reaching up to 20, 30, 40, 50, 60, and as high as 87½ per cent, it

shows that there is no excuse under heaven for applying any such rate.

A suggestion is made that it was necessary to apply this progressive interest rate because of the basic credit line being overstepped and the gold reserve being threatened. That is not so. John Skelton Williams was Comptroller of the Currency at that time, and he stated that, instead of the Federal Reserve Board deflating credits and contracting currency, they could put into circulation \$2,000,000,000 more. Nobody has denied that; they can not deny it; it is the truth. If it is the truth, then through every dollar that they took out of circulation, through every loan they denied, and through every credit which was deflated they committed a crime against the legitimate business of the people of the United States.

I desire to call attention to what William P. G. Harding said in his report of 1920. He said in substance:

The Federal reserve system has taken care of the business of the United States in the greatest war that ever existed. It has not only done that but it has financed the World War, and done it without ever having recourse to the gold reserve of the system.

Now, I want Senators to get this point:

It is capable of expanding still more without having recourse to the gold reserve, and very much more by having recourse to the gold reserve.

Mr. President, if that is true—and it is true; I know that it is true; every Senator who has studied the question knows that it is true—what excuse was there for deflation? None under the sun. What did we create the system for? To prevent just such a situation as was produced by the maladministration of the system. We boasted—I have, amongst others—that it was panic proof; that we would never see another panic under the operation of the Federal reserve banking system; that it was so constructed, with 12 regional banks, that they could mobilize the credits of the Nation in such a fashion as to meet every emergency; that we never would hear of another panic.

In proof of that contention I submit what it did during the World War. It provided the funds to conduct the war, the greatest war that ever cursed the world, and during that time it financed every business in the United States, including agriculture. There was not a ripple or a sign upon the surface of a panic anywhere until Wall Street bondholders, speculators, and big financiers, with Republican leaders, willed that we have a panic; and when they willed it they took charge of this governor of the Federal Reserve Board, a very willing subject, and he carried out their policy for them, was in collusion with them, and they operated upon the South and upon the West and bond values went down and down; fell from \$100 on the 100 to \$85, to \$82.50, and \$80, and these bond sharks of New York bought them up by the thousands and hundreds of thousands, and made \$200,000,000 out of the bonds they bought in the South alone.

That is what happened. They did the same thing in the West. Agricultural values tumbled down by the billions, and agricultural products were sold far below the cost of production. Loans were called, mortgages were foreclosed, and business distress and financial ruin followed in the wake of the deflation policy thus brutally conducted. Now this board, still undertaking to defend their gruesome, murderous policy, say that they had to employ the progressive interest rate. I ask,

if they had to employ it, why did they not employ it in the East? Why did they not employ it in the North? Why employ it in the agricultural sections of the South and West? That is unfair, manifestly unfair. Any fair-minded man or woman in the country will say that it is unfair, but the board undertakes to defend it. Now they say that the eastern banks, the New York banks, never stepped over "the basic line of their credit."

Why, Mr. President, they got all the money they wanted. They were speculating on the bear side of cotton and grain.

They were buying bonds as deflation beat down the price. They were turning their money over rapidly. New York made more money during that period than it has ever made in a similar period in its history. Why did they need credits? Why should the man worry who went out and bought Liberty bonds at \$85 on the hundred, making \$15 on the hundred, clipping the coupons here at the Treasury as the interest came due? Why should the man worry who sold cotton on the future exchange at 40 cents a pound and saw it go down to 30, making \$50 on the bale? It was going his way. It made money for him while he slept. Then, when it went on down to 20 cents, he had made a hundred dollars a bale, and when it went to 10 cents he had made \$150 a bale; and the man who had sold 10,000 bales on the exchange at 40 cents when it went down to 10 cents took down more than a million dollars. Why did he need any loan? The deflation policy was putting money in his pocket every second, every minute, every hour, every day, every night, every week, every month during that awful time, until he had made \$150 a bale. Then, when he got that million dollars, he sold some more and bought more bonds.

Why, New York had a perfect feast during that time; and yet the acting governor of the board undertakes to tell the Senate and the country that New York "did not overstep her basic line of credit." Certainly not. Governor Harding did not apply the progressive interest rate up there, but he applied it in the South and the West. When W. P. G. Harding told the Senator from South Carolina [Mr. SMITH] that he never intended to apply this progressive interest rate to the agricultural sections, but that he only wanted it so that he could apply it to New York, what did he tell when he told Senator SMITH that? He never did apply it to New York. That is not the first time we have contradicted him and proven him guilty of deception—not the first time, by any means. He never did apply it to New York. He never applied it to the East anywhere. He never applied it to the North anywhere. He never applied it to New England. It has developed that he is the pet of the big interests of New England.

Observe what happened recently with him. When he was driven off the Federal Reserve Board, when it was impossible to confirm him in the Senate if his name had been sent here, New England took him in her loving arms. The cotton manufacturers of New England had already indorsed his deflation policy when the spinners of New England were buying cotton at 10 cents a pound that cost the people of Alabama and other Southern States 30 cents a pound to produce. They were laughing in their sleeves up there, and patting him on the back, and saying: "Hurrah for Governor Harding!" And when the final die was cast, and the Rubicon was crossed and its crimson waters were rippling sportively behind him, and he was absolutely out, they said: "Come to us; we will take care of you," and they made him governor of the Federal Reserve Bank of Boston.

Oh, Mr. President, these things, these big developments along the way just simply prove every charge that I have made on the floor of the Senate. I said there was a ring of these people and a deflation conspiracy at the bottom of it, and that they had already agreed to take care of him. I said: "When he goes out of the Federal Reserve Board, as he will, they will put him in another position and keep him in connection with the system if they can." Now they have got him at the head of the Boston Federal Reserve Bank, the regional bank up there, at a salary of \$25,000 a year. They do not want to lose him.

He is as cold-blooded as a fish, and as cunning and cruel as a fox. He is just the sort of man they want in the service.

There are men in Wall Street to-day who have made their millions and hundreds of millions because of him and his operations. They wanted to see him taken care of and kept in the system, and now they have got him as governor of one of these 12 banks—the first man in the history of the Federal reserve system who perverted it from the ends of its institution, maladministered it, caused men to go insane, drove others into their graves, having killed themselves by their own hands under his administration as governor of the Federal Reserve Board during the last two years of his reign. Of course, New York did not

"overstep her basic line of credit." While they were applying to my State 10, 15, 20, 30, 40, 50, 60, 70, 80, 87½ per cent, New York was getting money at 5 per cent, and never paid over 6 per cent.

As to the evasive report which was sent in by the Federal Reserve Board, I wish to say that I sent a copy to John Skelton Williams, of Richmond, Va., and requested him to make any comment that he felt like making. As has been said of him by other Senators on this floor, he was the best Comptroller of the Currency that we had had in 40 years—a man of rigid integrity, a man of wonderfully brilliant intellect; and as I have said before, a man as courageous as Julius Caesar, and as honest as Paul; a man who has the right conception of his duty as a public servant; a man who believes that public office is a public trust; a man who believes with Jefferson that the whole art of government consists in the art of being honest; a man who believes in fair play and justice all the time. He was Comptroller of the Currency when they applied this progressive interest rate. He protested against it. He offered a resolution in the Federal Reserve Board to hold them down to 6 per cent, and not exceeding 10 per cent in any instance. They voted him down, under the direction of Governor Harding of the board. Then what happened? They got to having secret meetings without notifying John Skelton Williams, a member of the board, that they were going to meet.

That proves that this conspiracy of which I have spoken existed. They did not want him present. They did not want him to know what was happening; but he got onto it, and after he found that they were having these secret meetings and were not notifying him, he wrote a letter to the governor of the board and got an answer from him, enough to show the bent of Governor Harding's mind and enough for John Skelton Williams to lay the foundation and open the way for the fight that has been going on here for 18 months and more. The fight that I have made on the floor of the Senate has been based to a large extent upon the indisputable facts given me from time to time by John Skelton Williams, who, because of his position as Comptroller of the Currency and member at that time of the Federal Reserve Board, knew the truth and, thank God, he dared to tell it. He has been criticized and slandered, just as I have.

I want to call to the attention of the Senate now what he says about these rates. Let us see whether they are 8 per cent or not. In his letter to me this morning he says: "I call your attention to the following:

"Member bank No. 1 is evidently the little bank at Abbeville, a bank in south Alabama. There they admit the following: From July 1 to July 15 that little bank was charged 6½ to 18½ per cent on \$72,657. Between January 16 and 31 it was charged 6½ to 31 per cent on \$88,419. Between August 16 and September 15, 1920, the bank was charged 6½ to 19½ per cent on over \$102,000. Between September 16 and 30 they were charged 6½ to 87½ per cent on \$112,446; and during the succeeding two weeks—October 1 to 15—6½ to 21 per cent per annum was exacted on \$87,818."

That tears to tatters the report to which attention was called this morning by the Senator from Utah.

"In the Atlanta district, bank No. 10 was charged 6½ to 16½ per cent on \$67,765 from October 16 to 30, 1920. From bank No. 12 in the Atlanta district they confess to exacting, from July 1 to 15, interest from 14 to 16 per cent. From August 16 to 31 interest from 11½ to 19½ per cent was charged on \$350,000."

September 1 to 15, interest from 18 per cent to 32½ per cent on \$341,000. The same bank, from September 16 to 30, paid from 10 to 18½ per cent on \$446,000. From October 1 to 15 the bank was required to pay from 9½ to 17½ per cent on \$467,000. October 16 to 31 it was made to pay from 9 per cent to 19½ per cent on \$522,000.

Bank No. 15 was made to pay from 6½ to 16 per cent from September 1 to 15 on \$140,000; from October 1 to 15 it was made to pay from 6½ to 14½ per cent on \$171,000; from October 16 to 30 they were made to pay from 6½ to 14½ per cent on \$202,000.

From October 16 to 30 bank No. 16 was required to pay from 6½ to 15½ per cent on \$222,000.

Bank No. 19 was required to pay from 6½ to 13½ per cent from October 16 to 30 on \$28,000.

Mr. President, I am calling attention to these figures for the purpose of showing that right in the very heart of the crop-moving season these farmers were forced to dump their cotton upon the market; but if they had obtained the loans they had formerly gotten they would have kept it off the market and, instead of going down, the price would have remained up, and they could have paid their debts and closed their accounts for the year.

Bank No. 23 was required to pay from $6\frac{1}{2}$ to 13 per cent on \$66,000. From October 16 to 31 it was made to pay on \$79,000 from $6\frac{1}{2}$ to 22 per cent.

What becomes of the 8 per cent and $8\frac{1}{2}$ per cent talked about by the Senator from Utah this morning?

Bank No. 25 was forced to pay from 18 to 55 per cent from June 16 to 30, 1920, on \$162,000, and from July 1 to 15 it was made to pay on \$142,000 from $7\frac{1}{2}$ to 20 per cent.

Bank No. 26 was made to pay from September 16 to 30, 1920, in the cotton-moving season, from $6\frac{1}{2}$ to 15 per cent on \$27,000.

Bank No. 28 was required to pay from October 1 to 15, 1920, from $6\frac{1}{2}$ to $11\frac{1}{2}$ per cent on \$1,960,000. From October 16 to 30 the same bank was forced to pay on \$2,174,000 interest at the rate of $6\frac{1}{2}$ to $13\frac{1}{2}$ per cent per annum.

Bank No. 32 needed \$536,000 from May 28 to June 3, 1920, and the reserve bank forced them to pay for the accommodation from 11 to 15 per cent per annum.

All this time, Mr. President, the speculators of New York, the bond sharks of New York, the big financiers of New York, were getting all the money they needed at 5 per cent.

The same bank needed further funds from June 4 to 10, and was accommodated at the rate of from $9\frac{1}{2}$ to $10\frac{1}{2}$ per cent on \$531,000.

In other words, when one of these banks in the agricultural region, struggling to carry its customers and to tide them over the awful time that was upon them, needed a little more money the progressive interest rate was applied, and the more money they got the higher the rate of interest. Not so in New York. The interest rate remained the same whether the amount they got was little or large—5 per cent.

That bank had occasion to borrow again between August 13 and 19, and they were charged from $6\frac{1}{2}$ to $13\frac{1}{2}$ per cent for the use of money for those six days, and for the succeeding week from $6\frac{1}{2}$ to 13 per cent per annum was exacted.

Bank No. 35, also in the Atlanta district, which has a capital and surplus of \$2,300,000, needed funds for the protection of its customers from October 22 to 31, 1920, and the reserve bank accommodated them at the rate of from $6\frac{1}{2}$ to 14 per cent, the amount borrowed being about \$3,500,000.

Bank No. 37, in the St. Louis district, tried to accommodate its customers and prevent failures by borrowing funds on good security from its reserve bank in the month of November, 1920, and was charged interest at the rate of from $6\frac{1}{2}$ to 22 per cent on over \$275,000. For the month of December, 1920, the same bank was charged from $6\frac{1}{2}$ to 20 per cent for the use of something over \$240,000. In January, 1921, the same bank was charged from $6\frac{1}{2}$ to 23 per cent for the use of something over \$278,000. For February of the same year, when borrowings were about \$290,000, they were charged from $6\frac{1}{2}$ to $23\frac{1}{2}$ per cent. For March, 1921, this reserve bank wrung from that same bank from $6\frac{1}{2}$ to $23\frac{1}{2}$ per cent, and from the 16th of April, 1921, to the 20th of May, 1921, the same bank was forced to pay $6\frac{1}{2}$ to 25 per cent for the use of about \$316,000.

Bank No. 41, St. Louis district, was forced to pay, from October 16 to 30, $6\frac{1}{2}$ to 84 per cent on \$143,000.

Bank No. 38 was made to pay, from October 1 to 15, $6\frac{1}{2}$ to 17 per cent on \$23,000. From October 16 to 30, on \$38,000 it was forced to pay from $6\frac{1}{2}$ to 21 per cent.

Bank No. 39 was made to pay from 6 to $15\frac{1}{2}$ per cent on \$127,000 from July 9 to 15, and from October 15 to 21 was made to pay from $6\frac{1}{2}$ to $13\frac{1}{2}$ per cent on \$163,000.

In the Kansas City district, bank No. 21, with a capital and surplus of \$27,500, was forced to pay for the month of November, 1920, interest at $6\frac{1}{2}$ to $22\frac{1}{2}$ per cent on \$13,880, and for the month of December, 1920, was required to pay from $6\frac{1}{2}$ to $21\frac{1}{2}$ per cent on \$9,123.

Bank No. 24, in the same district, was required to pay for the month of December, 1920, from $6\frac{1}{2}$ to $16\frac{1}{2}$ per cent on \$342,000, and for the month of January it was made to pay from $6\frac{1}{2}$ to $16\frac{1}{2}$ per cent on \$347,000. For the period from February 1 to July 1, 1921, for \$279,000, it was made to pay from $6\frac{1}{2}$ to $16\frac{1}{2}$ per cent per annum.

Bank No. 33, in the same district, was made to pay for the month of September, 1920, from $6\frac{1}{2}$ to 16 per cent on \$44,000. In October, 1920, it was made to pay, on \$43,000, $6\frac{1}{2}$ to 16 per cent.

Bank No. 52 was forced to pay to its reserve bank for the month of June, 1920, for the use of \$149,000, from $7\frac{1}{2}$ to $23\frac{1}{2}$ per cent, and for the month of July it was required to pay for the use of \$242,000 from $7\frac{1}{2}$ to $23\frac{1}{2}$ per cent.

For the months of August, September, and October the same little bank was required to pay for the use of something like \$277,000 interest at the rate of $7\frac{1}{2}$ to 21 per cent. For the month of November the same bank was charged interest at the rate

of from 9 to 21 per cent on \$243,000, and for the month of December, 1920, on loans of \$119,000 the interest extorted ranged from 11 to $21\frac{1}{2}$ per cent.

Bank No. 57, for the month of June, 1920, was forced to pay from $11\frac{1}{2}$ to 21 per cent for the use of \$23,000. For July, on borrowings of \$26,000, it was made to pay from 9 to 21 per cent; and for August, for the accommodation of \$24,000, it was made to pay from $7\frac{1}{2}$ to 21 per cent.

Bank No. 80, with a capital and surplus of \$100,000, needed additional funds to help its customers in December, 1920, and the reserve bank accommodated it at rates ranging from $7\frac{1}{2}$ to 18 per cent.

Bank No. 100, with a capital and surplus of \$150,000, needed accommodation in the month of January, 1921, and was loaned \$180,000 at $6\frac{1}{2}$ to $18\frac{1}{2}$ per cent. From February 1 to 25, on \$147,000, it was charged $6\frac{1}{2}$ to $18\frac{1}{2}$ per cent.

Bank No. 113, also in the Kansas City district, with \$40,000 capital and surplus, was charged for the use of \$20,000 from the 1st of February to the 25th of February, 1921, interest at from 11 to 19 per cent.

In the Dallas district I note that bank No. 4 was accommodated in September, 1920, with \$69,000 at from $6\frac{1}{2}$ to 11 per cent, and from October, 1920, it was charged from $6\frac{1}{2}$ to 11 per cent on \$75,000.

Bank No. 3, Dallas district, was charged on \$240,000 in December, 1920, $6\frac{1}{2}$ to 11 per cent.

Bank No. 1, in the same district, was charged from $6\frac{1}{2}$ to $10\frac{1}{2}$ per cent from November, 1920, on \$380,000. For the month of January, 1921, the same bank was charged $6\frac{1}{2}$ to $10\frac{1}{2}$ per cent on \$400,000, and February 1 to 14, 1921, on \$413,000 the reserve bank exacted $6\frac{1}{2}$ to $10\frac{1}{2}$ per cent interest.

Bank No. 13, in the Dallas district, was accommodated for August, 1920, with \$278,000 at $6\frac{1}{2}$ to 13 per cent, and with \$305,000 in September at $6\frac{1}{2}$ to 13 per cent.

"These illustrations are sufficient to show you in a preliminary way the shameless exactions which have been made by reserve banks to member banks who were looking to them for protection and aid.

"I notice that Senator McLEAN has offered a resolution to appoint a committee to find out why more banks are not joining the Federal reserve system. No doubt one reason is the banks that have not joined have been told of the conscienceless rates which have been charged many member banks by their friends in the reserve system, and it may be they are not inclined to put themselves at the mercy of such friends.

"The Reserve Board knew well enough about February 2, 1921, that such wicked rates were being charged to member banks, but when I offered a resolution to limit interest rates to 6 per cent they quickly voted it down, and, as you know, they also voted down my subsequent resolution the same day, which sought to limit these rates to 10 per cent.

"Despite the claim so often made by the reserve officials that the cases where those excessive rates were charged were isolated and few and far between, I find from this list that they have sent you 44 of these victimized banks in the Atlanta district, 49 in the St. Louis district, 114 in the Kansas City district, and 20 in the Dallas district, or, say, 227 banks, for interest ranging all the way from 10 to $87\frac{1}{2}$ per cent per annum."

What becomes of the suggestion of the Senator from Utah and the juggled figures read about 8 and $8\frac{1}{2}$ per cent?

"I notice that the amount of additional discount and super-rates extorted from one bank in Kansas City district—"

Listen, Senators—

"Amounted before adjustment and rebate to the respectable sum of \$117,164, and after adjustment and rebate to the respectable sum of \$50,675."

What becomes of the little \$14 and some cents suggested by the Senator from Utah as being one of the amounts returned on high interest charged?

"Please note also that none of these illicit charges were disgorged or refunded until after you began to expose the whole wretched business and demanded that it be stopped."

That is the statement of the former Comptroller of the Currency, John Skelton Williams.

Mr. President, I wanted this statement to appear immediately following the report which the Senator from Utah had read into the RECORD this morning. I secured permission to have it appear following that report. I now ask that the figures and excerpts which I have read from the letter of Hon. John Skelton Williams may be printed in 8-point type.

The PRESIDING OFFICER (Mr. McCUMBER in the chair). In the absence of objection, it is so ordered.

Mr. HEFLIN. Mr. President, this is the first glance I have had through the report. I have not yet had time to go through

it carefully. But the first casual investigation of the report discloses that all through the Federal reserve districts of the South and West, as the banks were hard pressed to take care of their customers and to carry them through that awful period in 1920, the progressive interest rate was applied like a lash more and more as their wants increased. Not only were the interest rates applied to them to prevent them from getting loans, but the time came when the word went all over the South and West that the Federal Reserve Board did not want any more loans made on agricultural products. They tried to deny that. Governor Harding asked that somebody produce a written order. That is just like the burglar who has gone into somebody's house and then asks proof that he had told some one he was going into the house for burglarious purposes.

Of course, Governor Harding did not publish to the world those orders. They suggested in one of the Federal reserve bulletins that the word could best be suggested to the bankers through conversations, but one of the bulletins issued by the Federal Reserve Bank of Richmond, which was called to his attention during the hearings in the Committee on Agriculture and Forestry in the Senate Office Building in December, 1920, said the thing to do was to bring about deflation as rapidly as possible. The board permitted that bulletin to be circulated.

I asked Governor Harding if he did not know that the cotton people of my State complained to him in October, 1920, that they were not getting loans on cotton, and he excitedly said that he remembered that certain bankers of Birmingham wanted him to let them hold cotton until it went back to 40 cents, "but," he said, "I would not do it." I had charged that he had the power to let us have loans to prevent the ruin of our business and that he would not do it.

Why did he not do it? It cost 30 cents a pound to produce that cotton crop. The farmer was entitled to 40 cents. He had planted his crop on the 40-cent basis. He had bought fertilizer on that basis. He had bought tractor plows and vehicles of various kinds on that basis. He had gone into the year's business in every way on that basis, and they should have let him go through on that basis and pay out on that basis and start anew with the next year free of debt. But they did not do it, and Governor Harding refused to let them have money for that purpose.

Governor Harding said, "They wanted to hold the cotton until it went back to 40 cents and I would not let them do it." Of course, he would not let them do it. He simply admitted the charge I have made that he had it in his power to do it but would not let them do it. That is the truth of the situation.

The spinners of the country said they were willing to pay 30 to 35 cents a pound for cotton. Cotton goods were selling at a price that would warrant more than 40 cents a pound for the raw material. I called attention to the fact that the cotton socks made out of 1 bale of cotton at that time would bring \$500, that cotton handkerchiefs made out of 1 bale of cotton at that time would bring \$600, and that cotton collars made out of 1 bale of cotton at that time would bring \$1,100, and yet Governor Harding was refusing to permit the farmer to get \$200 a bale for his cotton when the spinners were making products out of it which were selling for \$500, \$600, and \$1,100.

The farmer himself was compelled to pay these high prices for cotton goods while he was forced to throw his cotton on the market at prices far below the cost of production. I have quoted Mr. Lincoln many times, and shall quote him many more times, on this subject. He said that any change in the circulating medium under which a debt is contracted until the debt is paid is a crime. There it is in a nutshell. They held off deflation until our people in the South and West had obligated themselves in many ways at cotton and wheat prices then obtaining. Why did not Governor Harding and the leaders of the Republican Party and their Wall Street cohorts start this thing in January? The reason why was that the merchant and farmer would say, "If you are going to deflate, that means hard times, a panic, and I am not going to buy any fertilizer." "Oh," the Fertilizer Trust said, "don't start that thing yet. Hold it back until I unload my supply of fertilizer on the farmer. I will have his paper and I will get my money in the next three to five years." Then implement men said, "Don't start that deflation yet. I have millions of dollars' worth of stuff to sell to the farmer, and if you start your deflation he will say, 'Times are hard; the bottom has fallen out of business, and I will not buy.' You would leave millions of dollars' worth of stuff on my hands. Wait until I unload on the merchant and farmer." The tractor plow man said, "Don't start yet. Wait until I get unloaded on the merchant and farmer and get them to sign up and bind themselves to

pay my price, based on 40-cent cotton and prosperity conditions."

So Governor Harding and those connected with him waited until the merchants in the South and West had bought heavily and the farmer was tied up in debt to his teeth, and after they got him committed and he had planted his crop and could not get out or undo what he had done they started the drive of deflation on him in June, when it was too late for him to take care of himself. They changed the circulating medium and committed the diabolical crime to which Lincoln referred, getting him in debt under one circulating medium and changing it and forcing him to pay out under quite another and harder circulating medium.

I have called attention heretofore, Mr. President, that when the farmer went into the year's business of 1920 cotton was bringing 40 cents a pound, or \$200 a bale. The farmer with 10 bales of cotton who owed \$2,000 could pay out with his 10 bales of cotton, but when they reduced the price of it to 10 cents a pound or \$50 a bale it would take 4 crops or 40 bales to pay the debt under which he had incurred it when 10 bales would have paid it. That is the crime I am condemning. That is the crime I shall continue to condemn.

Now, I know some people have been greatly surprised about this thing. They never thought that anyone in this body or the other branch of Congress would vigorously take up the fight and dare to fight it to a finish. They had figured on their ability to frighten Members and Senators politically. They said, "We will have so much of the press to hammer on anyone who dares to open his mouth. We will have certain big moneyed interests that made millions out of bonds, that made millions out of cotton by driving it down, that made millions out of grain and cattle. We can marshal all these forces and scare any public man into silence who presumes to question our conduct." That is what they wanted to happen. That is what they expected would happen.

I have no doubt that back in the secret chambers of Wall Street, where the conspiracy was born, they said "Somebody in the Senate or in the House may attack this thing. Somebody may start a fight on us all down the line." Then I imagine they said, "No; we will quickly respond by saying that it is a natural consequence, that the World War produced it, that there was bound to be a collapse, and besides the people will know the truth. We will keep it from them and they will accept our statement. Then we will hammer anyone with that part of the press which we control, and fire editorial broadsides at any Senator who dares to ask for an investigation. We will hammer him into a pulp. Leave it to us. In the meantime Wall Street will have accumulated her millions and hundreds of millions. Then the South will be prone and in the throes of financial disaster and business ruin.

The West will be stretched upon the plains, with her cattle industry destroyed and her grain industry destroyed. But what do they know about it and who will dare to enlighten them? We will tell them that this thing just came, that it had to come, that it is natural for panics to come, and so on. They do not know. We will marshal our financial experts. We will bring our big senatorial guns, that we always have in readiness, to fire a rifle that we will furnish, at any private in the ranks who dares to assail this monstrosity which we are about to put over; that is what we will do. We have certain moneyed interests, we have a certain portion of the press, we have the head of the Federal Reserve Board with the board back of him, and some defenders in the Senate on the Banking and Currency Committee, and some in the House. In the face of all this just let anybody undertake to lift his voice against us and see what happens to him.

From what I have seen since I commenced this fight over two years ago I am persuaded to believe that such a conversation took place between those who deliberately planned to pillage and plunder the country in 1920.

Mr. President, I hail from Alabama. The former governor of the Federal Reserve Board came here from my State. I made a very careful examination of his conduct in connection with deflation, and I became convinced there was something wrong with him. I became convinced that he deliberately carried out a policy that he knew was robbing our people to enrich certain other people. Having that conviction regarding him and those with him in the crime of 1920, I said, "So help me God I will undertake the task of making the truth of this whole thing known," and I did undertake it. What happened? Every place where there was a Federal reserve regional bank editorial broadsides were fired at me. Suggestions came that I ought not to be reelected to the Senate.

Here, as I stood in my place fighting to deliver my people from the curse that was upon them, oppressed with interest

rates higher than any Government on the globe ever applied. No king in all the annals of the past ever permitted such a rate to be charged as was charged to people in Alabama. I saw the cotton industry in my State fall down. I saw business crucified under that remorseless policy, and I said I will undertake to go to the bottom of this thing.

The more I exposed the conspiracy and the conspirators, the more broadsides in the form of bought editorials came, saying, "HEFLIN ought not to be reelected." I said, "Why do not they answer my facts and arguments?" While I have stood here in my place week after week and month after month convicting them not only of being conspirators but of being criminals in high places, they were flaunting newspaper attacks in my face, and this governor of the board and his friends in crime were announcing that they were going to see to it that I had opposition. I do not fear—aye, I welcome opposition from them. I have had to do with driving Governor Harding off of the Federal Reserve Board. I can drive any candidate that he selects against me into the thickets of political defeat in a senatorial contest in Alabama. Thank God, my State is not for sale. In all of the battles that she has fought, in all of her glorious past, she has never yet lowered her arm to those who would slander and traduce her.

Do they think they can control my State? "Let the heathen rage and imagine a vain thing," "Alabama, Alabama, I will aye be true to thee!"

They thought with those editorials they could frighten and intimidate me. I received anonymous letters from New York saying, "You are a one termer. How did you get into the Senate? You will never get back," and all that, while I was standing here making the fight for fair treatment to the people that I represent.

Mr. ASHURST. The writers of those letters did sign their names, did they?

Mr. HEFLIN. No; of course they did not sign their names. They merely wished to make me feel good; to let me know that there was something going on up there. But somehow it did not frighten me.

Mr. President, I knew when I took up this fight that it was a big fight. I had a number of my friends here in Washington tell me, "This is a great job you have undertaken; you are going up against tremendous interests, do you know that?"

"These interests are tremendous, and if they combine against you they are powerful." I said, "Yes; I realize that; but I am here in the interest of my people; and, as Esther said to the king 'If I perish, I perish.'" I asked, "What of the soldier on the firing line? We sent him there to do battle, to fire upon the enemy, to be true to the colors, to maintain the best interests of his Government, and to live up to the best traditions of his country." He did it, and he did it on the firing line, mid shot and shell, where his comrades were dying by his side every day. He simply did his duty. If he had not stood, if he had gone to the rear and crossed over the line and had rested in the hands of Germany, betraying his own country in order to protect himself, we would have branded him with the "scarlet letter" of cowardice and treason to the Stars and Stripes; and that is what ought to have been done.

What of me if I am not faithful to the trust? The people of Alabama chose me to be one of their watchmen on the walls; they chose me to be one of the soldiers to come here and do battle in this forum of the Republic. Suppose I should look at a task and say, "It is tremendous; there are great odds against me; they will marshal their cohorts against me and strive to drive me from the scene and defeat the purposes of the fight that I make for honest banking in my country and for the relief of my people." What of me if I shrink from the fight? What of me if I say, "I will move along the lines of least resistance." What of me if I fold my arms and drift and antagonize none of the interests that I know are deadly poison to the welfare of my Nation? What of me if I fail to measure up to the requirements of the hour? What of me if I truckle to them? What of me if I prove unfaithful to the trust that loving hands in my State have laid upon me in the Commonwealth in which I was born and in whose soil my ancestors sleep? What of me if I had shrunk from the task?

Mr. President, I would deserve the condemnation and the scorn of every honest man and woman in my State and of everyone in the Republic. I have dared to make this fight, and I have no apologies for having done so. I am going to keep on preaching this doctrine until every man who had to do with the conspiracy of murderous deflation is driven from public life.

Those who perpetrated the crime of deflation in 1873 were never permitted to forget it; they were punished for it. One

by one they were held up to public scorn until one by one they fell by the way. The crime of 1873, in comparison with the deflation crime of 1920, was a May day performance, as compared to the storm of war on the battle fields in France. It was a mild-mannered thing, Mr. President, compared to what we witnessed in 1920 here when there was no cause for it, when the governor of the Federal Reserve Board said:

We have expanded and carried on the World War; we have met every condition of increased business here at home without recourse to the gold reserve; we can expand more without recourse to the gold reserve and we can expand very much more by resorting to the gold reserve.

Why did they not do it? We created the Federal reserve system for that purpose. We created the gold reserve for that purpose and for no other purpose. What is the use of a reserve if it may not be appealed to in the hour of financial peril to save the business of the people? For what was the Federal reserve system created—for the sharks of Wall Street? No; it was created for the masses of the people of America; it was created to preserve intact the business interests of the people of this Republic; it was created for carrying on every legitimate business—small, great, medium, whatever the size of the business—that system was created to take care of it and to see that not even the sign of a panic approached it. That is what it was created for. And it performed that function until the conspirators came upon the scene. Then what happened? They let loose the dogs of deflation and all of this trouble came about.

I have stated before, Mr. President, that in my section of the country I saw people moving through the town in which I live. I asked, "Where are you going?" The reply came, "Down to Lanett, to Langdale, to River View, to the cotton-factory towns." I inquired, "Why are you leaving your farms?" and the reply was, "I have no farm." "What has become of your place?" "Gone under a mortgage." "Where are your mules and your cattle and your cotton and your grain?" "All gone, and I am still in debt," and a lump came in their throats as they talked about it. There were thousands and tens of thousands of such cases in the South.

The same condition prevailed in the West. The other day witnesses testified before the Committee on Agriculture about how hard pressed they were out there. Deflation had done it. The question was asked, "What is the situation in your county?" "Nearly every farm in it is mortgaged." "Anything else?" "Yes; all their live stock is mortgaged." "Anything else?" "Yes; they had to mortgage the growing crops." That is the situation in the West produced under deflation, and that is the situation in my section produced under deflation.

What other evil effect did it have? we asked them, Senators. They said there were in my county in 1920, as I have been informed, 18 suicides. Sixteen men and 2 women killed themselves, driven to it under deflation. In another county there were 17, in another county 15, and so on down in various counties adjoining one another. What else happened? People were driven into the madhouse; the insane asylums were filled up; and others staggered into their graves under the load and burden of deflation.

I ask you, then, are we to permit these criminals to escape? It will never be the judgment of my conscience to permit it. I intend to punish them, and already have punished some; and I am going to continue to hold them up to public scorn and to appeal to the powerful thing called public opinion. Thank God, that has not yet been debauched by the corrupt money power of the United States under the reign of the Republican Party. Somebody has got to cry out against it. Let us continue the fight.

Ah, Mr. President, it ought to be the purpose of every man, Democrat and Republican, to do his part—

Mr. CURTIS. Mr. President—

Mr. HEFLIN. I yield to the Senator.

Mr. CURTIS. The Senator knows that the Republican Party was not in control in 1920; but the Democrats were in control; and, if the Senator will be perfectly fair, he will tell the people that deflation began in 1919.

Mr. HEFLIN. Oh, no; the Senator is entirely mistaken. Deflation commenced in the late spring of 1920.

Mr. CURTIS. In 1919 a delegation of cattlemen came to Washington from Kansas to protest against what had been done, and, at my request, they were given a hearing.

Mr. HEFLIN. That may have been so in one case, but in 1920—

Mr. CURTIS. The Democrats were in power in 1920.

Mr. HEFLIN. The Democrats were in power in the Executive department; but I have frequently shown to the Senate and the country, and I am going now to undertake to enlighten the Senator from Kansas, that in 1920 President Wilson was

stricken down; he was lying on his back, unconscious a part of the time. The Republican Party had carried the House and Senate in 1918. Newberry was in the seat which he had bought in Michigan.

The Republican Party was in control of both bodies. That was the situation. And in the spring of 1920 the Senator from Connecticut [Mr. McLEAN], a Republican, introduced the progressive interest rate amendment into this Republican Senate and secured its passage. It was introduced in the House of Representatives by a member of the Republican Banking and Currency Committee of that body, and there it passed. The Federal reserve act, which had been enacted under the administration of the Democratic Party, was amended by a Republican Congress. Governor Harding himself supported the Republican ticket in the fall of 1920, and I read from the Washington Times here of April 12, 1921, an article which stated that that had placated the Republican leaders and that he would continue in his job as governor of the Federal Reserve Board. He did continue in his job and served until the 9th day of August, 1922. If the Republicans had not favored deflation and indorsed deflation, they would have put him out as soon as they came into power; but they were so well pleased with deflation and with the conduct of W. P. G. Harding that they kept him in as long as the law would allow him to stay, and then he was not reappointed, we are told, because he could not be confirmed in the Senate.

Not only that, Mr. President, but the Republican national convention in Chicago in 1920 pledged itself to deflation and the Republican candidate for President in his acceptance speech promised deflation. I quoted here once before what my good friend from Arizona [Mr. ASHCROFT] said of a friend of his who told him, "I am going to convert my stuff into money; I am going to make a heap of money this year; the Republicans are going to deflate."

The Senator from Oregon [Mr. STANFIELD], himself a millionaire, told me that word was sent to him that they were going to deflate and to get in out of the weather, and he said, "I can not get in; I am all tied up; my business is in such shape it will cost me thousands of dollars if deflation should occur," and he said it did cost him thousands of dollars.

I likened that gruesome picture to a situation where people were sitting in a theater, and while the indiscriminate mass of men, women, and children were looking on the stage, forgetting the hard times and enjoying themselves, in slips some stealthy fellow down the aisle, whispers in the boxes to the elect and wealthy favored few, and says: "Get out of this building! A bomb is going to go off under this building in 15 minutes, and a lot of people are going to be killed. You get out while the getting is good!" You see them gather up their cloaks and hats and retire, and the others sit still. Without a moment's notice or warning the bomb goes off, the building collapses, and death comes to hundreds and to thousands, and the wails of the dying are heard for blocks away.

That is what happened with deflation. You never gave any notice to the poor little merchant of my section. You did not give any notice to the farmer in my section. You did not give any notice to the country banker. You gave notice to nobody but a few financial pets. Those who were in the millionaire class you told to get out, that you were going to deflate, and you caught the others unaware and murdered their business and made millions out of their distress and suffering. That is what happened.

Oh, Mr. President, I know that my Republican friends squirm. I have put this responsibility where it belongs, on Governor Harding, a Republican. I have long since repudiated him as a Democrat. He is no Democrat. He does not know any more about the fundamental principles of Democracy than a mouse-colored mule knows about operating an airplane. [Laughter.] I charge again that he supported the Republican ticket in 1920 and, by the grind of deflation just before election, cost us the States of Arizona, Oklahoma, New Mexico, and Tennessee, driven into the Republican Party under the lash of deflation, because the people out there said, "Wilson is still President"; so the Democrats got the responsibility, but it was not properly placed. Wilson was out of commission, and the chief that he had put at the head of the Federal Reserve Board had not only betrayed his chief, but he had betrayed his party, his section, and his country.

He has been rewarded for it. He drew \$12,000 a year as governor of the board. They have given him as governor of the bank in Boston \$12,000 more, and another thousand on top of that, making \$25,000. They gather him and a few of the conspirators that were in it and those that defend them, lay their hands on their heads, and hug them all up in a bunch, and say: "These are our jewels," and they are.

Mr. President, this is not any butterfly parade. This is the most gruesome national crime that has ever been committed against a free people. It is not a sectional crime. It is a national crime. Why? Because they expected to strike down the South and the West; but what happened? The South was unable to pay for the goods in the East. The West was unable to pay for the goods in the East and the North, and then what? The purchasing power of the dollar had been destroyed. Our people could not buy. The market for these people had been destroyed. Then what? The cancellation of orders commenced to pour in. Factories in the East and North closed their doors. They said, "We know how to take care of ourselves. We have already sold a good deal of our stuff to the merchants and farmers. We have their paper for that. We will collect that in the next three or four years, but now we are going to quit operating"; and the poor fellow who stood at the bench or at the forge or worked at the loom was given his orders to get out. He gathered up his little belongings and walked out, with no place to go and nothing to do; and the panic had not only gripped the South and West, but it was feeding upon the vitals of the East and the North. Because the industries closed orders were canceled, 7,000,000 laboring men were turned into the streets, pandemonium reigned in the Republic, Wall Street reaped where she had not sown, and the people of the South and West paid the penalty in millions wrung from their hands, and the distressed wage earners driven out, stripped of their employment, going from place to place seeking work, and there was nothing to do. These are the fruits of the Republican deflation conspiracy, and "by their fruits ye shall know them."

Why, Mr. President, it is plain that some of the Republican leaders encouraged this deflation to be pressed hard just before the election in order to get votes for the Republican Party. It bore down more vigorously in October than it had in any other month previously—October, just before the people went to the polls—so that they would be disgusted with the Democrats. They unloaded it, or tried to, upon us; but truth will out, as murder will out, and what happened?

Why, after Warren G. Harding was nominated for President W. P. G. Harding, this man hand and glove with the Republicans, wired congratulations out to Chicago, congratulating Mr. Harding on his nomination at the hands of the Republican convention. Sitting right here in the Treasury Building, within a hundred yards of his stricken chief, lying on his back, battling for his life, unconscious half the time, this man that he had appointed to office betrayed him, betrayed his party, betrayed his country, was wiring congratulations to the Republican nominee for President; and later on, when that same candidate made his acceptance speech, this same Governor Harding wired him congratulations upon his acceptance speech, and his acceptance speech was a promise to tear down all that had been done by Woodrow Wilson, the very man who had appointed W. P. G. Harding!

Then what? He visited the Republican nominee at Marion, Ohio, in the fall. Then what? When the inauguration was over, in April, 1921, the Times came out and said that Governor Harding would retain his place, because it was known that he had supported the Republican ticket, and that had placated Republican leaders, and he would remain at his post. He did remain at his post, and I stood here day after day asking the Republicans to join with us to drive him out; and in the face of that they held him on and on and on until the 9th day of August, until his term expired by law, and then their Secretary of the Treasury, Mr. Mellon, went to the President and demanded that he be reappointed.

Talk about the Republicans being free from responsibility! The trail of the serpent is over it all. Mellon demanded that he be reappointed. A Senator from a Northern State, a Republican, polled the Republican side to see how many Senators would vote for his confirmation. It was whispered here that President Harding had said: "If you can get enough votes pledged to confirm him, I will reappoint him"; and I know that the appeal was being made, because a clever Republican came over here and told me, and I looked over and I saw a Senator moving around among his brethren, and I was told that that was what occurred; and they told me that one of them asked the Senator from Idaho [Mr. BORAH] if he would not vote to confirm him, and he said, "I have heard too much of what TOM HEFLIN has had to say about him." Mr. President, the fact that we had so molded opinion in this body that nobody but two Democrats would have voted for him, and scarcely any of the Republicans from the West, kept his name from coming up here, we are told. Let us put the responsibility where it belongs.

What did the Democrats do in convention? They declared against deflation. Go and read the platform. We said that by

mismanagement and maladministration of this system hard times might be produced, and they were produced. We cautioned the people to be careful about who was put in charge of that system, but our warning was not heeded. The Republicans got back in power. They had the House and the Senate and the President then, and they permitted that board to stay and everybody who was on it then, except William Poison Gas, and he is off, because under the law the term for which he was appointed expired on the 9th day of August, 1922, and he hung around here, like Grant around Richmond, trying to get himself reappointed.

Why, they sent out their little experts from the reserve system to the State bankers' conventions and tried to get resolutions passed, and got some few passed, indorsing him.

I see a Senator in this Chamber now, a clever western Republican, who told me of an amusing and ridiculous performance in his State. The bankers of his State were in convention, and one of these Federal reserve expert friends got up in the convention in the closing hours and asked to have a resolution passed indorsing Governor Harding for reappointment as governor of the board, and in a perfunctory way a few of them voted for it, though most of them were against it; and when the resolution was passed and the bankers went home, they wrote the Senator telling him of what had occurred and stating that they did not want him reappointed. Why, there was never anything like the intimidation that was practiced. Here were bankers sitting in a sovereign State with the agent of this man present, calling on them to indorse the very man who had smitten them hip and thigh. They were still sore from the bruises, and here he was asking them to indorse him. They thought, of course, he was probably going to be reappointed, or maybe he would be, but when back at home they sat down and wrote their Senators to "please fight this man's appointment. We do not want him appointed."

That is not all. One of the good old citizens, a banker in that State, came down and called on my good friend, this Republican Senator, and presented his credentials.

Mr. HARRISON. Mr. President, did the Senator say this man was from Massachusetts?

Mr. HEFLIN. Oh, no; he was not from Massachusetts. No, sir. If I had heard that that happened in Massachusetts I would have fainted myself [laughter], but it did not happen in Massachusetts. It happened out in a western State. When this old fellow came from that convention out there here to Washington, he shook hands with this Senator and said: "I want you to go with me up to see the President. I have been sent across the country with these resolutions to present to the President to get Governor Harding reappointed." This Republican Senator said, "Why, I am not for him"; and this old fellow said, "I am not, either." [Laughter.] Now, what do you think of that?

The convention out home was not for him; the old fellow who brought the resolution to the President was not for him; the Senator was not for him; and yet they were going through the farcical performance of presenting a resolution asking for his appointment. Was there ever anything like it under the sun?

Why, Mr. President, no wonder these bankers did not complain to the Federal Reserve Board. They lived in fear and dread of it with Governor Harding at its head. Talk about their complaining to this board. I had many, many complaints from bankers. Other Senators here had complaints. They wrote us letters giving us important facts and saying: "Do not use my name; they can punish me in so many ways." Think of that!

Here is a system that was set up for the purpose of blessing and benefiting all business, big and little. Everyone ought to have been able to cry out to it in their distress and say: "Come to my rescue. You were created to prevent business distress and panic. Here are my little earnings of a lifetime. Here is a home that I have built and paid for, and I own this little piece of land. There are my wife and four or five children. If I am forced to pay these loans now, and this system will not aid me through this time, everything I have made in my life will be gone, and I will still be in debt, with nothing on which to support my wife and children, and I will have nowhere to go. Will you not come to my rescue? They created you for that purpose." Instead of doing that, the Federal reserve bank was forced to say, "No; throw your stuff on the market. We are going to clean up."

Then people talk about a fellow like that coming up a second time and complaining openly to a concern that struck him over the head with a club when he asked for help. He would at least like to escape with his life. That is all they left—just his life. They took everything he had but his life, and they drove many men insane, so that they took their lives.

Buck Mitchell, in my old district, in my native county, in fact, a poor boy, had struggled up the way along from his youth time. He accumulated some property, and at the time of his death he was worth probably a quarter of a million dollars and owed about fifteen or twenty thousand dollars. They pressed him to pay. They called the loans. He was a merchant and a little banker and a farmer and owned several plantations. He was carrying those poor people along. He knew what it was to struggle through hard times, and he was helping young men who struggled as he had struggled, and instead of encouraging and helping that noble, big-hearted man they pressed him to the wall. They were about to sacrifice all of his property, and he said, "It is more than I can stand," and he put a pistol to his temple and blew his brains out. He is dead. He sleeps in the soil of old Randolph County to-day, and I can see his ghost, with its accusing finger pointing at W. P. G. Harding and his conspirators, and saying: "You sent me down to death."

Thousands of men killed themselves under that dreadful deflation drive. Then people talk about that thing just being the natural consequence of war. It is not so. That it had to come. It is not true. That the gold reserve was about to be reached. There is not a word of truth in it. They could have put out two billions more under the facts as given in their own reports, which I have had printed in the RECORD time and time again, instead of calling in a billion of money and a billion in credit. Of course, it was criminal, murderous deflation.

Mr. President, I wanted to make these remarks to-day following the very remarkable report which the Senator from Utah had read, and I want those who read the RECORD to know that that report is challenged and its argument refuted and its fallacies laid bare. I want the public to know, because they are going to keep an eye on this great banking system. This Federal reserve system, by the help of those who are still free, shall not be run any more in the interest of the money changers of Wall Street. Their days are numbered. A new order has come. Crissinger will, in my judgment, be fair and honest in his administration of the system. It has been said by certain people that he agrees with the policy of Governor Harding. It is not so. He challenged his policies.

Not long after I made a speech in the Senate on my resolution to reduce the rediscount rate. Crissinger made a speech in the West and said it ought to be reduced, and he was criticized in the East for saying that. He never has been in favor of the policies of W. P. G. Harding. He has been a very helpful influence on the board, and I am glad to see him at the head of it. He is an honest man and I think a fair man, and I rejoice that we have a new deal. It was a long, hard fight, Mr. President.

I know what my duty is in connection with this matter. I helped to create the Federal reserve banking law. I made some suggestions about the provisions in it regarding the loans on cotton warehouse receipts and helped to get them in the law. I want the law so administered that it will be helpful to every business interest in the country. I do not care whether a man's business is worth \$100 or \$100,000 or \$100,000,000, I want this system to reach out and answer the business needs of every man and woman beneath the flag. That is the purpose of it, and as long as I am a Member of this body I shall fight for an honest administration of it; and if I live I want to say to the deflationists and their conspiring friends who have designs on my seat that I am hoping and expecting to stay here some time. I know that that statement will not be very pleasing to certain people and certain interests.

The suggestion of opposition to me does not come from the great body of the people in my State. It comes from without the State. The activities of certain special interests cause me to feel like telling some very near friends that if I get sick I want then to see to it that I do not fall into their hands. I would dislike for some of them, as trained nurses, to have me in charge if I should get sick. I would dislike for one of them to have the opportunity of prescribing for me. They seem anxious to get rid of me. They want my seat for some one to their liking, but they will not get it.

Mr. President, I was about to remark that as long as I am a Senator in this body I shall reserve the right to complain if the Federal Reserve Board is charging the people of my State and my section a higher discount rate than they charge in New York or anywhere else. Is there anything wrong in that?

That statement is made from a fair sense of justice. Why should they make it harder for the people in my section engaged in legitimate business to get money than for the speculators in Wall Street to get it? Why should they charge the people of the South and West a higher rate of interest than

they charge the people in the East? I reserve the right to criticize them whenever they discriminate against the people that I in part represent.

I have seen the good results which have come from this long fight that I and some others here and elsewhere have made. We have forced a reduction in the discount rate by it.

As John Skelton Williams said in this letter, not until I and others began this fight did they disgorge a cent of this usurious interest. They are not through yet. We used to get money at 4½ per cent before deflation came. Think of raising the discount rate to even 7½ on top of what we used to pay. That is a heavy burden. I want them to pay back that interest down to 6 per cent. They ought to be made to pay back to 6, and if they would these little banks which they gouged so hard would get a goodly sum back. They do not want to give the names of the banks and do not want to pay the money back. Those who got the money do not want to disgorge. They know that if we can get the names and the specific amounts we will make them disgorge. That is the reason they do not want to give them. No matter what reason they give, that is the truth. I can take any half dozen Senators in this body, who will fight in earnest, as some few have fought with me on this question, and if the Federal Reserve Board should undertake to do a thing like this again, arraign them before this body and before the bar of public opinion and make them slow to pull off a deal like that.

We are the representatives of the people. We ought to stand for justice in these matters. Why not use our power? I ought not to be criticized for demanding a square deal for all interests. I ought to be commended for it. This is our country, this is our Senate, and if a Senator from a sovereign State can point out that the board is doing wrong the country ought to know it, and if they say they are not wrong let them answer it on this floor and in the press and tell the truth, not juggle figures and evade the issue; let us all give the whole truth to the bankers and the people of the country.

Mr. President, there is hope of a better day in the banking business of the country. The power that we have, if properly used, will help to bring such a day, and I pledge my humble services to the bringing about of such a blessed day. The honest, average business man, farmer, and banker would all rejoice to see such a day. God speed it.

MEMORIAL IN FRANCE TO SEVENTY-NINTH DIVISION.

Mr. OWEN obtained the floor.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Oklahoma yield to me?

The PRESIDING OFFICER (Mr. OGDRE in the chair). Does the Senator from Oklahoma yield to the Senator from Pennsylvania?

Mr. OWEN. I yield.

Mr. REED of Pennsylvania. I ask unanimous consent, out of order, to report a bill from the Committee on Military Affairs, for the consideration of which I desire to ask unanimous consent.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. REED of Pennsylvania. From the Committee on Military Affairs I report favorably with amendments the bill (S. 4398) in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action. I ask unanimous consent for the present consideration of the bill.

Mr. LENROOT. The Senator from Pennsylvania has showed me the bill which he has just reported. It is a very meritorious bill and should have early action. I am willing that it be now considered, provided that there shall be no debate upon it.

Mr. REED of Pennsylvania. I do not expect there will be any debate on the bill. There are certain amendments to the bill which have been recommended by the committee.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The first amendment reported by the Committee on Military Affairs was, on page 2, line 23, to strike out the words "World War Memorial Commission" and to insert the words "Commission of Fine Arts," so as to make the bill read:

Be it enacted, etc., That to commemorate the heroic achievement of the Seventy-ninth Division in the taking of Montfaucon and to perpetuate the memories of the officers and men of the division who were killed in action or died of wounds received in action, the Seventy-ninth Division Association is hereby authorized to cause to be erected in France, on the heights of Montfaucon or on such other suitable site as may be selected by them, a monument to the battle dead of the Seventy-ninth Division, American Expeditionary Forces in the World War, and

to place on the monument, as part of the design and memorial thereon an enlarged replica of the Distinguished Service Cross of the United States with a suitable inscription reciting that the replica of the Distinguished Service Cross of the United States has been authorized by this act of Congress in recognition of the valor and heroic achievement of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action, and such other data as the association may deem proper: Provided, That the site chosen and the design of the monument shall be approved by the Commission of Fine Arts.

Mr. HARRISON. Mr. President, will not the Senator from Pennsylvania make a brief explanation of the bill?

Mr. REED of Pennsylvania. I shall be glad to do that, without taking much time.

The Seventy-ninth Division, in the attack in the Argonne on September 26 and 27, 1918, captured by frontal assault a fortified German position which was known as Montfaucon, a hill which had been fortified throughout four years and which had been considered entirely impregnable to assault. In the capture of that hill the division lost very severely in both officers and men by shell fire and machine-gun fire.

The Association of the Seventy-ninth Division is about to erect a monument on the hill near the site of the place where the Crown Prince of Germany had established a great concrete fortress for his own protection in observation of the attack on Verdun. It is proposed by this bill to give the authority of the United States to the division association to place on that monument a replica of the Distinguished Service Cross in recognition of the valor and heroism of those men who were killed in action or who died as the result of wounds received in action. The bill does not propose to confer any honor on any living man; it authorizes no living person to carry any decoration. Neither does the bill carry any appropriation on the part of the Government, as the whole cost of land and monument will be borne by the survivors of the Seventy-ninth Division.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. REED of Pennsylvania. I move to amend the bill further, on page 2, line 8, by inserting after the word "authorized" the words "if consent shall be given by the proper authorities of the Republic of France."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. REED of Pennsylvania. Mr. President, the committee recommends an amendment to the second paragraph of the preamble, which I desire may be stated.

The PRESIDING OFFICER. The amendment proposed by the committee to the preamble will be stated.

The ASSISTANT SECRETARY. The committee reports an amendment to the preamble, in the second clause, before the word "fire," to strike out the word "shell" and to insert the article "the," so as to make the preamble read:

Whereas in the battle of Argonne in September, 1918, the German fortified position of Montfaucon, dominating the plateau west of the Meuse River, which had been considered almost impregnable to assault, was taken by the Seventy-ninth Division of the American Expeditionary Forces by a frontal attack against the stubborn resistance by the enemy; and

Whereas in that attack the division distinguished itself by extraordinary heroism and intrepidity under the fire of the enemy; and

Whereas it is suitable that the valor and achievement of that division be suitably recognized by the Congress, and that an appropriate memorial be made to the heroism of the officers and men of the division who were killed or died of wounds received in action.

The amendment to the preamble was agreed to.

The preamble as amended was agreed to.

CALL OF THE ROLL.

Mr. OWEN obtained the floor.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Curtis	Hitchcock	McKellar
Ball	Dial	Jones, Wash.	McKinley
Brookhart	Ernst	Kellogg	McLean
Bursum	Fletcher	Kendrick	McNary
Calder	George	Keyes	Moses
Cameron	Gerry	King	Nelson
Capper	Glass	Ladd	New
Caraway	Hale	Lenroot	Nicholson
Colt	Harris	Lodge	Norbeck
Couzens	Harrison	McCormick	Norris
Culberson	Hefflin	McCumber	Oddie

Owen
Pepper
Phipps
Reed, Pa.

Sheppard
Smith
Smoot
Spencer

Sutherland
Trammell
Underwood
Wadsworth

Walsh, Mont.
Warren

Mr. CURTIS. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Senate on official business.

The PRESIDING OFFICER. Fifty-eight Senators having answered to their names, a quorum of the Senate is present.

RATES OF DISCOUNT OF FEDERAL RESERVE BANKS.

Mr. SMITH. Mr. President—

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. SMITH. I hope the Senator will yield to me for a moment.

Mr. OWEN. I yield to the Senator.

Mr. SMITH. Mr. President, I have not entered into the discussion as to the rates of interest charged under the amendment to the Federal reserve act providing for a progressive and graduated interest rate after a bank had passed a certain basic line established by the Federal Reserve Board. I have an official communication here which was transmitted to me on January 18, 1922, and signed T. P. Kane, Deputy Comptroller of the Currency, addressed to me, and reading as follows:

DEAR SENATOR: In compliance with your request of the 17th instant there is inclosed a memorandum giving the information desired by you regarding the minimum and maximum rate of discount charged by the various Federal reserve banks under the progressive or graduated amendment to the Federal reserve act. This information was furnished by the Federal Reserve Board.

Yours truly,

T. P. KANE, Deputy Comptroller.

The following table shows the maximum rate of discount charged by the various Federal reserve banks under the progressive or graduated amendment to the Federal reserve act on a portion of the member bank's borrowings:

Bank.	Rate.	Date of rediscout.
	Per cent.	
Atlanta.....	87½	Sept., 1920
St. Louis.....	26	Jan., 1921
Kansas City.....	22½	June, 1920
Dallas.....	13	Aug., 1920

The records of the Federal Reserve Board show that the Federal reserve banks of Atlanta and Kansas City rebated all discount charged member banks in excess of 12 per cent.

I thought, as this discussion had assumed an indefinite form, this was a very concrete and boiled-down statement, and verified the statement that 87½ per cent had been charged upon a portion, at least, of the borrowings of a member bank.

When this measure comes up for discussion, I shall have something to say about the necessity for retaining any such measure on our statute books.

THE SEIZURE OF THE RUHR VALLEY BY FRANCE.

Mr. OWEN. Mr. President, the Versailles treaty, part 7, annex 11, paragraph 18, contains the following words:

The measures which the allied and associated powers shall have the right to take in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals and in general such other measures as the respective Governments may determine to be necessary in the circumstances.

It will be remembered that Rumania invaded Hungary to collect reparations immediately after the armistice and that the Allies, led by France, rebuked Rumania for a violation of the treaty of Versailles, and at a time when M. Loucheur, of France, was then chairman of the Reparation Commission and Mr. Clemenceau was president of the Peace Conference, and that Clemenceau signed the note to Rumania on August 23, 1919, as follows:

The Peace Conference is in receipt of information, the accuracy of which, unfortunately, it seems impossible to question, that Rumanian forces in Hungary are continuing the systematic seizure and removal of Hungarian property.

In view of the recent correspondence between the Peace Conference and the Rumanian Government it is difficult for the allied and associated powers to comprehend such action of the Rumanian Government, except on the hypothesis that the Rumanian Government ignores the accepted principles of reparation.

The Rumanian Government, as a participant in the labors of the Peace Conference and as a signatory of the treaty of peace with Germany, should not, however, be unaware of the care which has been exercised by the allied and associated powers to provide for an orderly scheme of reparation.

If indemnification for damage suffered had been left dependent upon such factors as geographical proximity to enemy assets or upon the result of competition between allied States in possessing themselves of such assets, it would have been inevitable that flagrant injustices and serious discord would result. Accordingly, the treaty with Germany, to which Rumania is a party, consecrates certain fundamental principles of reparation, notably: * * *

(3) A central Reparation Commission is established as an exclusive agency of the allied and associated powers for the collection and distribution of enemy assets by way of reparation. * * *

The acts referred to likewise depart from the agreed principle that the Reparation Commission should act as the exclusive agency of all of the allied and associated powers in the collection of enemy assets by way of reparation.

The further possible consequence of the course of action which Rumania appears to have adopted are so serious and fraught with such danger to the orderly restoration of Europe that the allied and associated powers would, if necessity arose, feel constrained to adopt a most vigorous course of action to avoid these consequences.

For it is obvious that if the collection of reparation were to be allowed to degenerate into individual and competitive action by the several allied and associated powers, injustice will be done and cupid-ity will be aroused and, in the confusion of uncoordinated action, the enemy will either evade or be incapacitated from making the maximum of reparation.

The allied and associated powers can not, however, believe that the Government of Rumania would create and force the allied and associated powers to deal with such a danger.

The Peace Conference accordingly awaits from the Government of Rumania an immediate and unequivocal declaration:

(1) That the Government of Rumania recognizes the principle that the assets of enemy States are a common security for all of the allied and associated powers:

(2) That it recognizes the Reparation Commission as the exclusive agency for the collection of enemy assets by way of reparation.

Rumania withdrew from Hungary. Therefore the treaty of Versailles was interpreted by France itself, through its most distinguished representatives, to forbid one of the Allies to take the initiative and attempt to collect reparations on its own initiative and with its own force.

The interpretation by France of the treaty of Versailles in regard to Rumania was a proper and righteous interpretation, but now the French statesmen are contending that paragraph 18, above quoted, of Part VII, of the treaty of Versailles, justifies her invasion of Germany and gives France the right to independent action, although, I understand, that England's chief law officers claim that this is not a righteous interpretation and does not give France a right to invade Germany for the collection of reparations.

Mr. President, the American papers are full of the seizure of the Ruhr Valley, its coal mines, its industries, by France, and the leaders of mankind are full of perplexity at the grave consequences which may ensue by the military invasion of German territory by France.

When the German people were being led by the military dynasty of the Hohenzollern leadership against France the great body of American opinion was keenly sympathetic with France. Then France was being invaded without moral right by military force and brute power. Then there was a contest between monarchy and democracy, between military autocracy and representative government.

Now France is invading Germany with military force, with her former Allies standing aghast at the procedure. Now it is no longer a contest between German monarchy and French democracy. It becomes a contest between French leadership and German leadership, severally representing the French and German people, who are assumed to have a truly representative government, and a question arises as to the legal rights of the French leaders to invade Germany and of their moral right to do so. It is obvious that the Allies of France and Belgium do not approve this step; that the world does not approve it. The question of legal right under the treaty of Versailles is challenged by men of the highest ability. That may be left as a controverted question. I merely wish to make an observation on the moral right of France to do this and the political wisdom of this procedure.

The French leaders undoubtedly believe that the German leaders are trying to evade the payment of the reparations provided by the treaty of Versailles and have determined that they will not permit it. It seems highly probable the people of Germany, especially those of great wealth, are at heart opposed to paying the reparations to the extent fixed by the Versailles treaty. The French leaders seem determined to use whatever military force is necessary to compel the German people to pay the amount fixed by France in the treaty of Versailles.

The treaty of Versailles was written by the victors and was a dictated treaty and was not written in the light of the 14 points laid down by the President of the United States and accepted by the Allies and by the German leaders as a basis upon which the German authorities agreed to the armistice in behalf of the German people. The 14 points and the speeches of President Woodrow Wilson upon which the Germans agreed to the armistice required the treaty to be based upon strict justice and upon high moral grounds. Therefore, the world has a right to inquire into this matter upon that basis.

The treaty of Versailles is not conclusive under the circumstances. The German people who are to pay the penalties have a moral right to expect that the reparations honorably

and justly due to France and Belgium should be fixed at a figure which would be just and fair, and that these figures should be determined by disinterested powers and not dictated by the sword. The brutal conduct of Bismarck in dealing with the French in 1871 was a bad example and does not constitute a moral precedent upon which to determine this matter.

When we come to consider the matter of reparations, I believe all the world will agree that as between the people involved the actual cost of repairing the devastated region of France and Belgium ought to be borne by the German people. The actual cost the Germans can assuredly meet, but the actual cost should be ascertained in a judicial manner, where so earnestly controverted, not by a victor's dictum.

It is impossible for any reparation to be made for the death of the millions of men involved in the struggle.

When we come to consider this matter from a moral and ethical standpoint it may be now seen, after five years from the termination of the conflict, that this devastation of life can not justly or fairly be visited upon the unhappy peoples who were afflicted by it.

The amount of the physical reparations and the payment of these reparations by the German people should be considered in the light of the extent to which the German people were themselves the victims of a structure of government which had been built up through generations of men. The Hohenzollerns claimed to rule by Divine right, and they had control of the military and naval power; they had control of the legislative powers of the people of Germany. It was not a government based upon the consent of the people. It was a government ruling the people without their consent. It was a government controlling the purse of the German people. It was a government controlling the press absolutely, controlling the pulpit, the schools, the forum, every avenue of intelligence and communication, and, in very large measure, the expression of public opinion.

When the Kaiser and his military and naval leaders determined upon war there was no organized public opinion in Germany which had the least power to oppose it. No young German summoned to the colors by the order of mobilization had any option. Every German youth was absolutely compelled to answer the order under penalty of a drumhead court-martial and a firing squad consigning him immediately to an ignominious grave as a traitor to his country, as a traitor to his brothers and kinsmen, as a coward or a rebel, if he failed to come. He had only the option of coming, weeping or singing. He came singing.

Public opinion in Germany was completely enslaved by the Hohenzollern machine. The people did not know the facts. They had presented to them as facts flagrant falsehood. They had overwhelming argument submitted by their leaders which they had no means of answering.

Half of the German people were women, who had no voice whatever in public affairs, or pretended voice. A large part of the German population were minors, with no voice or pretense of voice. Millions of them were in complete infancy, and before the reparations shall have been paid a majority of the German people who pay the reparations will have been brought into being in this world subsequent to and without any responsibility whatever for the World War and the devastations which were inflicted upon the unhappy people of France and Belgium and upon their Allies.

Morally it can not be assumed that the unborn babe is responsible for the World War.

Morally it can not be assumed that the women of Germany and the minors of Germany were responsible for the World War.

The moral responsibility rested upon William II, now living in luxury in Holland, upon Ludendorff, Hindenburg, and the military and naval leaders of Germany.

And the leaders of the world have measurably condoned the moral responsibility of this culpable leadership of Germany and have imposed no penalties upon them for their crimes in leading the German people into this devastating war. Instead they have contented themselves with imposing economic penalties upon the German people, who were already afflicted to death by monarchy, and who are being afflicted by the results of this war almost as much as the people of the Allies. In the great thing, the destruction of life, the maiming of men, the German people have suffered just about the same as the French and Belgians and English and Italians and Americans. The leaders of the Allies have condoned the conduct of the leadership of Germany and they are contenting themselves with economic reparations imposed on the common people of Germany, upon whom always falls most heavily the folly of human leadership.

Mr. President, the people of America have had a great sympathy with France and Belgium in the gigantic wrongs done them, but the people of America desire absolute justice from a moral and ethical standpoint to be done. They desire the peace of the world. They desire that the productive powers of mankind shall be brought to a speedy maximum in order to make possible the economic reparation for the damages of war.

The invasion of Germany by the French military forces will not meet the moral approval of America, first, because they see in this invasion the sowing of dragons' teeth, the building up of a more intense hatred between the German and French people, and the building up of greater hostilities between those who will sympathize with Germany on the one hand and the French and the Belgians on the other, dividing the world again into two vast contending camps, where the ultimate attitude may be another appeal to organized military force.

Second, because the French leadership seems to be indisposed to allow controverted questions as to the amount of the reparations and the means of collecting reparations to be settled by economic methods. They have dictated the amount, the terms, and are collecting or trying to collect by military force, and they will probably break down the productive power of the German people.

If France and Belgium should show a disposition to permit the intermediation of friendly nations on these questions and to invite such mediation before it is too late, there would be an outburst of approval in America of such an attitude.

It will be very deplorable if French leadership should persist in a policy which will alienate the confidence and respect of the world. The rattling of sabers does not appeal to American opinion, and the best friends of the French people in America are deploring a policy which they fear will ultimately do France irreparable injury.

I believe we should, before it is too late, join the other great nations in some plan for guaranteeing France from invasion, under the principles of the League of Nations, but only on the condition that France itself does not invade other countries. I think the German people should have the same guaranty from the world of freedom from invasion and that the world should use economic pressure on the German people to enforce reparations to the extent a world tribunal shall ascertain such reparations are due and payable.

Mr. REED of Pennsylvania. Mr. President, for many days in this Chamber we have heard expressions of sympathy with one side or the other in the present European crisis. We have heard more expressions of sympathy with the Germans than with the French. I think these questions ought to be looked at from the standpoint of the American; not the pro-French, not the pro-German, but the pro-American, and I believe there is a distinct pro-American policy which should be followed, not only in the debates here, but in the actions of our administration.

There is a tendency these days, Mr. President, among a certain group of people, to take pains to show pity for the criminal who has met with justice. We find people in America who are inclined to send flowers to murderers, and to forget the crimes which brought the murderers to their present pass. They complain of the rudeness of the warden to the imprisoned convict, and they never think of the victim of that convict's original crime. That is what we are in danger of doing now in our discussion of this crisis on the Ruhr. We are forgetting what it was that brought Germany to her present difficulties. We are forgetting why the French have found it necessary to invade that district. We are forgetting what those Germans did to bring themselves into the predicament in which they find themselves to-day.

Mr. President, why the sudden outbreak of sympathy for one of those two nations? Why was it that in 1914 we did not break out with a similar outburst of sympathy with the Belgians? Heaven knows their country was invaded with fire and with sword, and not merely the threat of it. Their country was invaded in direct violation of a treaty to which this country was a party, and yet we did not raise our voices in this fashion to sympathize with the Belgians who were invaded.

Northern France was devastated, its churches, its homes, its fields, and its orchards laid waste, but somehow our sympathy did not break into voice the way it has been doing here in recent days.

All the laws of nations were defied when the Germans let loose their poison gas at Ypres, and we sat quiet. We did not protest then, as we are doing now, at a peaceable occupation that is not attended by murder and disregard of international law.

The women and children at Lille were deported by the invader, and sent off in practical slavery to work in German factories; but somehow the Senate of the United States re-

membered then that it was American, and it managed then to control its expressions of sympathy.

When, in the spring of 1915, our German friends, with whom we were at peace, saw fit to torpedo the *Lusitania*, and hundreds of Americans had their shrieks of agony stifled with the gurgle of death as they sank into the Atlantic Ocean, somehow we managed to stay neutral. Then why in God's name can we not stay neutral to-day, when retribution is coming to those murderers of Belgians, and French, and Americans?

What is it that drags us to the front now to protest because Germany has to pay what she has promised to pay? Why should we suddenly grow maudlin in sympathy because the murderer is having to expiate his crime? Why should America throw herself into this present controversy in the Ruhr and take steps to show her pity for these people who are asked to pay only what they have promised to pay, who have been excused from the payment of penalties, who have been excused by us from the payment of our war costs, who have been excused for all the burdens of taxation they have thrown on the civilized nations of the world?

There is talk about the unborn children of Germany having to pay these reparations. Mr. President, there is not a man or a woman or a child who hears my voice at this minute who will not be dead long before the American people have ceased to pay excessive taxes as the result of German violation of international law. We will all be dead before American taxpayers have ceased to pay tribute to Germany's desire to control the world. Do not we forget that when we begin to wallow in sympathy with German taxpayers?

Mr. President, what Germany is asked to pay now is the mere cost of restoration of the damage she did in Belgium and France and the mere cost of the police force which has had to stand guard along the Rhine.

I am not speaking alone my own sentiments, my own private views. I think I am speaking as the Americans who fought in France would speak if they were here in the Chamber; I think I am speaking as our men who died in France would speak if they could utter their thought to-day. I tell you, Mr. President, we are forgetting our own dead when we begin to waste sympathy because France has levied execution for this reparations debt.

Mr. President, there was a default—clearly there was a default—in the reparations payable by Germany; clearly there is no inclination on the part of the Germans to pay those reparations. The bully who swaggered in 1914, 1915, 1916, and 1917 now whines because he is beaten. Every bully whines when he is beaten. Are we going to allow ourselves to be deceived by that?

What talk did we hear of unborn generations of French when in 1916 and 1917 the Germans thought they were going to win, and their experts were busy calculating what was the utmost franc they could make France pay, and what was the utmost pound that they could make Great Britain pay, and what was the last dollar that they could squeeze out of this great Nation of ours, which they so mightily envied? Did any of the Germans stop to think about the unborn generations of American children whom they then proposed to tax? If they did their voices did not reach our ears. There was no sympathy shown then in what they were doing and what they proposed to do to us.

Mr. President, of all the lost arts of which we are deprived to-day, including the art of tempering copper and the various arts of glass working that have disappeared from civilization, there is no art that is so much missed as the art of minding one's own business.

It has fallen into disuse. We have forgotten how to mind our own business. But in that, if we can revive that art, lies the true American policy. This affair is not our concern. We said we did not want reparations; therefore we are not a creditor. We need not show a pro-French sympathy if for any reason we prefer not to, but for God's sake, Mr. President, let us not sympathize with the murderer. Let us stand off and let France collect her debt if she can.

We are told they are starving Germans in the Ruhr district, but by whom are we told it? By a German communique. If German official announcements of current events are truthful to-day, it is the first time since 1914 that they have been truthful, and we need not get excited about the French starving the Germans until we have some better evidence of it than a statement from Berlin. Our policy should be—and again I say it—our policy should be to mind our own business, particularly now, when our ally and our comrade on the battle field is trying to get no more than has been promised to her.

Mr. ODDIE. Mr. President, I would like to remind the Senate of what took place in San Francisco after the great fire in 1906, and to couple with it the fact that the men in Germany

who directed the great insurance companies which welched in paying the just claims they owed to the people of San Francisco, when the insurance companies of our country, England, and France paid them what they owed, are among the men to-day in Germany who are trying to discount the amount of reparations which are due France.

Mr. President, how soon we forget! Let us look back to those days of 1906 in San Francisco and remember that there were thousands of people who suffered because of that German repudiation of just debts, and suffered severely to the extent of many millions of dollars. One result of the loss of this money was much suffering to countless women and children in California. That repudiation was an unfriendly and dishonest economic invasion of the United States by Germany which should not be forgotten by the people of our country. I feel that to-day we should not turn a deaf ear to those who are trying to collect their just debts from Germany.

Mr. HARRISON. Mr. President, last evening, in the city of New York, a very distinguished citizen of the United States made a speech. He was speaking at Sherry's on the foreign situation. He was a very prominent candidate for the Presidency at the last Republican national convention. He received a great number of votes in that convention. He stands high in the country. He has recently toured Europe, and his views should be read by people generally. I desire to have read at this time, because it is not long, excerpts from the speech that was made by Governor Lowden, of Illinois, on last evening.

The PRESIDING OFFICER (Mr. McCUMBER in the chair). Without objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

[From the New York Times, Saturday, Jan. 27, 1923.]

Criticism of the foreign policy of the national administration with specific condemnation of the withdrawal of American troops from the Rhine was expressed last night by Frank O. Lowden, former Governor of Illinois and a leading candidate for the Republican nomination for President in 1920, in a speech at the dinner of the Council on Foreign Relations at Sherry's, East Forty-ninth Street and Park Avenue.

Ex-Governor Lowden condemned the policy of isolation, declared the United States had not had isolation during the last generation, and asserted that the price this country would have to pay to get it back would be the sacrifice of 30 per cent of its wheat fields, 20 per cent of its corn fields, 30 per cent of its cotton fields, the closing of part of its mines, and a general revolution of commerce and industry.

He declared he did not see why it should be the American policy to hold aloof from European affairs and asserted that the United States had not done its full duty since the armistice.

"The statesmen of the world are pursuing shadows," he said. "Since the armistice was signed they have indulged in all kinds of illusions."

REPARATIONS TOO MUCH FOR GERMANY.

He said the trouble in France was that that country had been balancing its budget by including the German reparations, which it was humanly impossible for Germany to pay. He said that the high taxes here had impeded business, and that it was obvious that Germany could never set up the taxation to produce the enormous revenue. He added that there was a false impression that Germany was at work and feeling prosperity, but that what had happened in that country was but the result which always follows an inflated currency.

Governor Lowden, who returned recently from Europe, said he found the people there had generally gone to work and had regained their sanity more quickly than the statesmen. The people of Europe, he said, had implicit confidence in the integrity of the United States and its people and deep respect for the moral influence of this Nation.

"The question is how long will that moral influence remain in view of our present attitude toward Europe," he said. He condemned the withdrawal of the American troops from the Rhineland and told how the order threw the allied high commissioners into almost a panic.

"The Belgian commissioner appealed to me," he said. "He said that anything might happen if the American troops were recalled. He urged that 1,500 men be left, or, if that were impossible, 50 men—enough for a guard for our flag. That flag withdrawn, the Belgian commissioner said, the people will believe that America has lost faith in us and given us up."

"NO RIGHT TO HAUL DOWN FLAG."

He added that Berlin was equally insistent, and said:

"We didn't have any right to haul down the flag there."

Referring to the isolation of America, Governor Lowden said that the world might be sweet to many Americans but the fact was that America had not had isolation for a generation. "As soon as we recognize that fact," he continued, "we will effect an effective foreign policy."

"Since we are involved in the world's affairs, are we going to do something to avoid a war, or are we going to wait until we are engaged in another great war?"

"If we are willing to pay the price, maybe we can get back our isolation. But let me tell you the price. It would be the reversion of 30 per cent of our wheat fields and 20 per cent of our corn fields back to the native prairie land; 50 per cent of the cotton fields of the South would go back to the original forest; we would close up a lot of copper mines; and we would have to completely revolutionize our industry and commerce if we would regain that isolation which we long ago lost. Are we willing to pay the price?"

Governor Lowden said he sympathized with France in her attempt to force the payment of the German reparations by the invasion of the Ruhr but did not believe it would do any good. He recalled that at the Versailles Peace Conference France demanded the land to the Rhine on the ground that upon it depended her safety from future aggression from the Central Powers. "The United States denied this and, I believe, rightly denied it," Governor Lowden added. "It offered instead the guarantee of the League of Nations. France said, 'all right.' We refused to ratify the treaty and every consideration to France in the peace treaty failed."

SEES NOTHING FOR FRANCE.

"While I can understand it, I can not see what France is going to get out of the invasion of the Ruhr. I think it is a mistake because it isn't profitable to occupy by military force somebody else's country. It isn't good business. You can make more out of voluntary than out of enforced labor. The Great War has proven also that war is unprofitable even for the conquering nations."

Governor Lowden said he thought if the statesmen of the world, including the American statesmen, had interested themselves more in the question of reparations, much difficulty would have been avoided. He asserted that the United States was interested in the question. "Weren't we interested in whether the German Republic should endure or the military party come back?" he said.

"I don't think that we really have done quite our full part since the armistice was signed to heal up the wounds of the greatest of all wars. I don't know why we should say that it is the American policy to hold absolutely aloof."

He then cited specific instances during the last 20 years where the United States had participated in world affairs. He cited the policy of the open door in China, the Algeiras conference, where war between Germany and France was averted in great part through the suggestions of an American President, and in which the United States had representatives.

"If that principle of the open door, equal opportunity to all nations, even those in out-of-the-way and backward places, should be adopted, it would do more for peace than almost anything else. The chancelleries of the world are more concerned in getting oil concessions than in the peace of the world. Some new formula must be worked out of the possession of the raw materials of the world."

Mr. OWEN. Mr. President, without taking the time of the Senate to read, I will ask to have inserted in the Record in 8-point type articles 232, 233, and 234 of Part VIII of the Versailles treaty, which sets forth the plan by which the reparation was to be made.

There being no objection, the matter referred to was ordered to be printed in the Record in 8-point type, as follows:

ARTICLE 232.

The allied and associated Governments recognize that the resources of Germany are not adequate, after taking into account permanent diminutions of such resources which will result from other provisions of the present treaty, to make complete reparation for all such loss and damage.

The allied and associated Governments, however, require, and Germany undertakes, that she will make compensation for all damage done to the civilian population of the allied and associated powers and to their property during the period of the belligerency of each as an allied or associated power against Germany by such aggression by land, by sea, and from the air, and in general all damage as defined in Annex I hereto.

In accordance with Germany's pledges, already given, as to complete restoration for Belgium, Germany undertakes, in addition to the compensation for damage elsewhere in this part provided for, as a consequence of the violation of the treaty of 1839, to make reimbursement of all sums which Belgium has borrowed from the allied and associated Governments up to November 11, 1918, together with interest at the rate of 5 per cent per annum on such sums. This amount shall be determined by the Reparation Commission, and the German Government undertakes thereupon forthwith to make a special issue of bearer bonds to an equivalent amount payable in marks gold, on May 1, 1926, or, at the option of the German Government, on the 1st of May in any year up to 1926. Subject to the foregoing, the form of such bonds shall be determined by the Reparation Commission. Such bonds shall be handed over to the Reparation Commission, which has authority to take and acknowledge receipt thereof on behalf of Belgium.

ARTICLE 233.

The amount of the above damage for which compensation is to be made by Germany shall be determined by an interallied commission, to be called the Reparation Commission, and constituted in the form and with the powers set forth hereunder and in Annexes II to VII, inclusive, hereto.

This commission shall consider the claims and give to the German Government a just opportunity to be heard.

The findings of the commission as to the amount of damage defined as above shall be concluded and notified to the German Government on or before May 1, 1921, as representing the extent of that Government's obligations.

The commission shall concurrently draw up a schedule of payments prescribing the time and manner for securing and discharging the entire obligation within a period of 30 years from May 1, 1921. If, however, within the period mentioned Germany fails to discharge her obligations any balance remaining unpaid may, within the discretion of the commission, be postponed for settlement in subsequent years or may be handled otherwise in such manner as the allied and associated Governments, acting in accordance with the procedure laid down in this part of the present treaty, shall determine.

ARTICLE 234.

The Reparation Commission shall, after May 1, 1921, from time to time consider the resources and capacity of Germany, and after giving her representatives a just opportunity to be heard

shall have discretion to extend the date and to modify the form of payments, such as are to be provided for in accordance with article 233, but not to cancel any part, except with the specific authority of the several Governments represented upon the commission.

Mr. OWEN. Mr. President, I wish to take only a moment or two to reply to the suggestions which have been made by the Senator from Pennsylvania [Mr. REED]. That Senator emphasizes the criminal conduct of Germany. I differentiate between the criminal conduct of the military leaders of the Hohenzollern dynasty and the mass of the German people who were the subjects and victims of that organized military and political power. I made that distinction very clearly in what I had to say, but I do not know whether or not the Senator from Pennsylvania was then present.

The Senator from Pennsylvania also emphasizes the great importance of minding our own business. We did not think when the great World War broke out in 1914 that we were concerned in the wrongs then done to Belgium. We made a great mistake. We ought to have protested, instantly Belgium was invaded, the violation of her sovereignty and of her territorial integrity.

When one nation is allowed to be broken down by such conduct all the nations in the world are jeopardized and a policy is pursued which is destined to break down the peace of the world in which we are greatly concerned. It is emphatically "our business." I do not believe in the doctrine of Cain, who, in response to the inquiry, "Where is thy brother?" asked, "Am I my brother's keeper?" Cain assumed no responsibility for his brother Abel's safety. He asserted before God it was "none of his business." I want to tell the Senator from Pennsylvania and tell the Senate that it is "our business" to speak the voice of morality and of justice among men and to say to France in a voice that shall be heard, "Keep out of Germany," and to say to Germany, "Keep out of France." That is the only way we are going to have peace on earth. We can not consent that nations without objection—and with a silence "that gives consent" on our part—may invade other nations and then expect that it will not react upon us and upon all the world.

I do not feel so much concern about the commercial aspect to which Governor Lowden referred. If Europe is kept in an eternal broil, if the productive powers of Europe are broken down, it is true that Europe can not create commodity values, send them to our country, and establish the credit with which to buy cotton and corn and wheat and copper, and that is an important matter. It is a more important matter that there should be peace on earth. I am concerned in that; the United States is concerned in it; the whole world is concerned in it.

A plan has been arranged by which 51 nations have already pledged themselves to protect France from invasion. It is difficult for me to believe that French leadership is afraid of the invasion of France by Germany, whose powers to make and hold arms have been taken away, when 51 nations stand behind France to protect France against invasion, when Great Britain was willing to make a special guaranty to France, and when our great Nation has, by its declaration of principle, expressed its sympathy against the invasion of France, and when Germany proposes a solemn pledge to the world not to invade France.

The principle of territorial integrity and political independence is vital. It must be maintained if world peace is to be maintained. The French leaders, having such guaranty against invasion, are now breaking down the principle agreed to in the League of Nations, Article X, by which French safety from future invasion was safeguarded and will justify the world in abandoning the guaranty as far as France is concerned.

We went into the last war not for sordid purposes, but to establish liberty throughout the world. That is what our sons fought for and that is what they died for—not the liberty of France alone but the liberty of mankind. The liberty of the French people, yes; but the liberty also of the German people. I am just as much in favor of giving liberty to the German people as I am to the French people. We can not give liberty to one and take it away from another and establish the divine doctrine of peace and good will on earth. The thing that men are willing to live for and to fight and die for is "liberty." It ought not to be put upon a sordid plane.

Nothing which I said showed any lack of sympathy for the French people. I have the greatest sympathy for the French people. I wish I could believe that the French people had a greater measure of democratic self-government. In my judgment they are being largely governed now by an organized commercial, military, and political force which is leading them and the world into injury and harm.

From their recent gestures I can not help thinking that the military leadership of France is dictating the economic policy of France. However, whether that be true or not, it is my judgment that it is an injury to the people of the United States that this controversy between the French leadership and the German leadership should remain unsettled and that war should grow out of it.

It is not a question of sympathizing with the unborn babe of France or the unborn babe of Germany or the unborn babe of the United States; but it is a question of establishing by orderly processes a means by which men shall live at peace, and the first fundamental of that principle requires the recognition of the doctrine of the territorial integrity and political independence of each self-governing nation. When we depart from that principle we set the world on fire.

I feel entirely justified in what I said with regard to the invasion of the Ruhr. I hope, indeed, that time may prove that our grave apprehensions are not well founded.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhues, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, had receded from its disagreement to the amendments of the Senate numbered 11, 31, 33, and 35 to the said bill and concurred therein severally with amendments, in which it requested the concurrence of the Senate; and that the House insisted upon its disagreement to the amendment of the Senate numbered 34.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CRAMTON, Mr. EVANS, and Mr. JOHNSON of Kentucky were appointed managers on the part of the House at the conference.

DISTRICT OF COLUMBIA APPROPRIATIONS.

The PRESIDING OFFICER (Mr. McCUMBER in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1924, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PHIPPS. I move that the Senate insist on its amendments, grant the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. PHIPPS, Mr. BALL, Mr. JONES of Washington, Mr. GLASS, and Mr. SHEPPARD conferees on the part of the Senate.

STREET CAR FARES IN THE DISTRICT OF COLUMBIA.

Mr. McKELLAR. Mr. President, I am not going to address myself to the pending bill, and if there is any other Senator on the floor who would like to speak upon the bill I will yield.

Mr. NORBECK. Mr. President, I really wanted to speak this afternoon on the pending bill, but on account of the lateness of the hour I prefer not to do so at this time.

Mr. McKELLAR. Mr. President, I want to call the attention of the Senate to an article published in this morning's Washington Post, which I will read:

WOULD WELCOME COURT FARE TEST—UTILITIES COMMISSION DECLARES THAT CHALLENGE OF ITS POWERS WOULD BE ACCEPTABLE. CRITICS ILL ADVISED, IT SAYS—KELLER CONTENDS ACT CREATING COMMISSION SUPERSEDED OLD CONGRESSIONAL CHARTERS TO COMPANIES.

Challenge in the courts of the power of the District Public Utilities Commission to fix street-car fares at the point which yields a fair return on the value of the property, even though such fare is above the 5-cent fare specified in the old congressional charters of the street-car companies, will be welcomed by the commission, Engineer Commissioner Keller, chairman of the commission, said yesterday.

Criticism of the commission for its action in permitting the street-car companies to charge the present fare of 8 cents or six tokens for 40 cents, voiced recently in the Senate by Senator McKELLAR and others, commission officials declare is not based on a full knowledge of the facts or a fair estimation of the duties of the commission.

KELLER REELECTED CHAIRMAN.

Commissioner Keller yesterday was reelected chairman of the utilities commission by the commissioners at a board meeting. Commissioner Rudolph praised the work of Commissioner Keller as chair-

man of the commission since his appointment as engineer commissioner of the District. Commissioner Rudolph took occasion to rebuke critics of the commission. Most of the criticism came from lack of public information as to the commission's functions, its limitations, and its actions, he said.

The utilities commission has been advised by its legal adviser, Commissioner Keller said, that the act creating it superseded the old congressional charters of local street-car companies and that the commission is directed to fix rates to be charged by the utilities companies. Present rates are designed to yield only a fair rate of return on the value of the street-car properties, he said.

NO PROSPECT OF FARE CUT.

In the face of decreased revenue accruing to the companies because of a drop in the number of passengers carried, there is at the present time no prospect of a decrease in car fares unless there is a material decrease in operating expenses, Commissioner Keller said.

Any action which will result in decreased fares will be welcomed, he said, but under existing conditions it would be foolish for the commission to fix a rate of fare too low, the result of which would be contest in the courts by the companies, with the preponderance of evidence in favor of a decision against the commission.

Mr. President, during the day I have had occasion to look into the facts and circumstances under which the Public Utilities Commission of this District was created in the year 1912.

I have a copy of the act before me. I want to call attention first to the fact that the very power which Commissioner Keller said the commission had was offered to be put into the original act, but was not put in that act. I read from the RECORD of March 8, 1912, from a speech made by former Senator Works, of California:

Section 91, as it appeared in the bill prepared by the corporation council, is omitted from the pending bill. That section provided:

"Sec. 91. That the commission shall have power, when deemed by it necessary to prevent injury to the business or interests of the public or the business or interests of any public utility of the District of Columbia, in case of any emergency, to be judged of by the commission, to temporarily alter, amend, or with the consent of the public utility concerned, suspend any existing rates, schedules, and order relating to or affecting any public utility or part of any public utility within said District. Such rates so made by the commission shall apply to one or more of the public utilities in said District, or to any portion thereof, as may be directed by the commission, and shall take effect at such time and remain in force for such length of time as may be prescribed by the commission."

That was stricken out and is not a part of the law.

Again, another section that was left out of the measure then before the Senate was section 106, which read as follows:

That it shall be the duty of the commission in fixing and determining rates, in directing extensions and improvements, and in general when making requirements under the provisions of this act that involve expenditures by or lessen the receipts of public utilities, and notwithstanding any other of the provisions of this act, having in mind the public interest, to require the utmost of the public utility that will not trench upon its constitutional right to earn a fair net return upon the fair value of the property used for the convenience of the public.

That provision was left out of the present law and is not there. I have read the act. There is nothing in the act that provides for a reasonable or fair return upon the property of the company, as stated by the commissioners. It is possible that under the construction which has been offered there are some paragraphs of the law under which such a strained construction might be had. But the specific power to fix rates in order to bring a fair and reasonable return on the money invested is nowhere to be found in the act; at all events I have not been able to find it.

Now, why is it not there? It is because when the act was passed a very different condition existed. The law was enacted in 1912. Prior to that time there had been a great demand in the country, in all the cities of the country, for reduced street-car fares. It will be remembered it was about that time that Tom Johnson had put a 3-cent fare in operation in Cleveland, Ohio.

I think similar provision had been made in Detroit, Mich. In many cities a 3-cent fare had been put in operation. Washington wanted a lower fare. At the time there was a 5-cent fare under the charter, or six tickets for a quarter. Washington was not pleased with that condition. In addition to that there was a demand for free transfers. We had two companies, possibly several at that time which have since been consolidated practically into two companies. There was a demand for free transfers between the two companies. Citizens of the District believed that the Public Utilities Commission would bring about that condition. In looking over the arguments which were then presented, I find that it was said in behalf of the bill that if it were enacted into law it would result in a universal system of free transfers and would result in lower or cheaper fares in the end. That was the argument made. But let me show why it has not been done under the commission.

I read from page 3028 of the RECORD of March 8, 1912. I am still reading from the speech by former Senator Works, of California, who offered a substitute for the then pending bill. By the way, the measure was introduced and put through

by former Senator Gallinger of New Hampshire. He was in charge of the bill. I now read:

MR. WORKS. The Senator from New Hampshire has spoken now a number of times about a conference that was held with respect to this bill. I would like to ask who was present and took part in that conference at the time he says the commissioners consented to these changes being made?

MR. GALLINGER. The commissioners were present, or the engineer commissioner, who represented them, was present.

MR. WORKS. Was anybody present representing the utility corporations?

MR. GALLINGER. Yes.

MR. WORKS. What corporations?

MR. GALLINGER. Well, Mr. President, I am not going to be interrogated by the Senator from California. I did consult the utility corporations. I think they are entitled to consideration. The Senator from California may hold a different view. The railroad corporations were consulted. Mr. Hamilton, on the part of the Capital Traction Co., was present; Mr. King was present a few moments on the part of the Washington Railway & Electric Co.; and Mr. Goldsborough was present on the part of the Washington Gas Light Co. They were invited there by me; they were consulted; and, to their credit be it said, Mr. President, they did not object to a public utilities bill, saying that they wanted it to be an adequate bill, one that was workable and one that would accomplish the results that they knew the chairman of the committee, at least, had in view. They were consulted. The Maryland statute as to ascertaining values seemed to the committee to be adequate; but, in addition to that, there is a provision in this bill that if the commission has any doubt as to the elements of value they can go to the court and ascertain the opinion of the court on that subject.

It was after that conference between the committee and the presidents of the various public-utility corporations that the utility companies withdrew their opposition to the Public Utility Commission bill and became its advocates, after it had been arranged to suit them, and in that way the bill was enacted into law. I call attention especially to this language:

MR. President, they did not object to a public utilities bill, saying they wanted it to be an adequate bill, one that was workable.

Well, they got one that was adequate for them and that was workable. There is no doubt in the world about that. The gentlemen knew what they were doing. Others thought, I think the great body of Congress then thought, judging from what I have read of the debates, that they had a law under which the Public Utilities Commission would represent the people of the District and would reduce fares and bring about a system of free transfers. But when those gentlemen examined the measure and offered certain amendments which were agreed to by the committee, they made a "workable bill and one that brought about adequate results," to use the language of Senator Gallinger. The adequate result has been that under the law, which was introduced and enacted with the distinct purpose of lowering car-fare rates in the District, that there has been a very opposite effect, and under a usurpation of authority, as I believe, the Public Utilities Commission have raised the fares to the present exorbitant rate on the theory that they are instructed somewhere in the law to fix such rates as would bring to the companies a reasonable and fair return on the money invested. That provision, as I said, was left out of the law. It was specifically and intentionally omitted from the law and nowhere occurs in it.

Here are some of the provisions of the act to which I wish to call attention. Paragraph 2 of the law provides as follows:

PAR. 2. That every public utility doing business within the District of Columbia is required to furnish service and facilities reasonably safe and adequate and in all respects just and reasonable. The charge made by any such public utility for any facility or services furnished or rendered, or to be furnished or rendered, shall be reasonable, just, and nondiscriminatory. Every unjust or unreasonable or discriminatory charge for such facility or service is prohibited and is hereby declared unlawful. Every public utility is hereby required to obey the lawful orders of the commission created by this section.

I next quote from paragraph 38, as follows:

PAR. 38. That upon its own initiative or upon reasonable complaint made against any public utility that any of the rates, tolls, charges, or schedules, or services, or time and conditions of payment, or any joint rate or rates, schedules, or services, are in any respect unreasonable or unjustly discriminatory, or that any time schedule, regulation, or act whatsoever affecting or relating to the conduct of any street railway or common carrier, or the production, transmission, delivery, or furnishing of heat, light, water, or power, or any service in connection therewith, or the conveyance of any telegraph or telephone message, or any service in connection therewith, is in any respect unreasonable, insufficient, or unjustly discriminatory, or that any service is inadequate or can not be obtained, the commission may, in its discretion, proceed, with or without notice, to make such investigation as it may deem necessary or convenient. But no order affecting said rates, tolls, charges, schedules, regulations, or act complained of shall be entered by the commission without a formal hearing.

PAR. 42. That if upon investigation it shall be found that any rate, toll, charge, schedule, or joint rate, or rates, is unjust, unreasonable, insufficient, or unjustly discriminatory or preferential, or otherwise in violation of any of the provisions of this section, or that any time schedule, regulation, act, or service complained of is unjust, unreasonable, insufficient, preferential, or otherwise in violation of any of the provisions of this section, or if it be found that reasonable service is not supplied, the public utility found to be at fault shall pay the expenses incurred by the commission upon such investigation.

That does not apply to the power to increase rates, which is now assumed, to give the companies a reasonable return on the money invested. If there is any such power there, it is purely by implication. My judgment is the commission have gone beyond the powers conferred in the act.

I come now to the next paragraph which touches on the subject:

PAR. 63. That all rates, tolls, charges, time, and condition of payment thereof, schedules, and joint rates fixed by the commission shall be in force and shall be prima facie reasonable until finally found otherwise in an action brought for that purpose.

And again:

PAR. 90. That the commission shall inquire into any neglect or violation of the laws or regulations in force in the District of Columbia by any public utility doing business therein, or by the officers, agents, or employees thereof, or by any person operating the plant of any public utility, and shall have the power, and it shall be its duty, to enforce the provisions of this section as well as all other laws relating to public utilities.

There is no question about the law being in existence as between the street-car companies and the Government in reference to the fare to be charged. It must be remembered that the act of Congress gave these companies the right to operate in the city of Washington; that it granted easements in real estate—granted them valuable rights—rights that they would not think for a moment of giving up in return for the 6-cent fare or six tickets for a quarter.

Now, I find probably the provision under which the commission is acting. It is paragraph 101 of the act which provides:

That, except as modified or changed by this section—

What the word "section" means I do not know. I hardly understand to what it applies; it is ambiguous, in the first place. If it means this paragraph, then it is meaningless, but it says "section" while there are no sections in the act. The paragraph reads:

PAR. 101. That, except as modified or changed by this section and until modified or changed under its provisions, all charters, statutes, laws, ordinances, and regulations now in force shall remain and continue to be in full force and effect until altered, amended, or repealed according to law: *Provided*, That all charters, statutes, acts, and parts of acts, laws, ordinances, and regulations inconsistent and repugnant to the provisions of this section, and only so far as inconsistent and repugnant thereto, are hereby repealed.

MR. NORRIS. Mr. President—

MR. McKELLAR. I yield to the Senator from Nebraska.

MR. NORRIS. Merely for the purpose of ascertaining whether or not the RECORD may be clarified, I desire to say that I noticed all the way through the act, before the Senator from Tennessee called attention to the fact, that reference is made to "this section." I wish to ask the Senator, Was not the entire so-called utilities act passed as an amendment to an appropriation bill?

MR. McKELLAR. That is the only way it may be explained. It is true it was passed as an amendment to an appropriation bill.

MR. NORRIS. The whole act is a section, and in order to prevent conflict and the duplication of sections, the framers of the act referred to the different divisions as "paragraphs." I am not sure that that is right, but I think it is; and that the Senator from Tennessee will find that the entire provision is one section divided up into separate paragraphs.

MR. McKELLAR. I find upon examination that this entire bill was added to one of the appropriation bills in 1912. Points of order were at first made against it. I suppose some Senator did not know of the arrangement which had been made by those who were in charge of the bill, and therefore it was objected to. I remember the then Senator from Pennsylvania, Mr. Oliver, raised a point of order, and the amendment was about to go out upon the point of order, but upon the situation being explained to him, he withdrew the point of order and the amendment was adopted. I have no doubt that the word "section" refers possibly to the whole bill.

Now, having referred to the former Senator from Pennsylvania, I wish to quote from him as showing what was the purpose of the bill. I quote from page 3026 of the CONGRESSIONAL RECORD of March 8, 1912, as follows:

MR. OLIVER. Mr. President, I should like to take a few minutes of the time of the Senate.

In addressing my inquiry to the Senator from California, I did not intend to allude to either his substitute or the bill proposed by the committee as drastic in its nature, but I want to elicit some information as to the real necessity in the District of Columbia for legislation of this sort. I was a member of the subcommittee which passed upon the bill, and I am cordially in favor of it, but I am not strongly impressed with the absolute necessity for any legislation of this kind.

In other words, the Senator from Pennsylvania thought that a 5-cent fare, with six tickets for 25 cents, was not unreasonable, and that it ought not to be reduced. He looked at it from the corporation standpoint. He honestly believed that a corpora-

tion ought to be treated with liberality; that the fares then in existence were not too high; and, therefore, he was not impressed with the necessity for the legislation. I continue to quote from him, as follows:

It was with a view of ascertaining the necessity for it or the demand for it that I interrogated the Senator from California.

I know, Mr. President, that when the universal-transfer bill, which we passed here a short time ago and which is now pending in the House, becomes a law, any man can ride from any one part of the District to another for a nickel. I have in my house here in Washington a telephone service consisting of a line of four branches, for which I pay less than half the amount that I pay in Pittsburgh for a line with only three branches in my residence there. I also know of another instance. In the little town in which I live in the summer in Canada, where I have still smaller service, I pay 50 per cent more for it than I pay for the service here in Washington.

The former Senator from Pennsylvania was arguing the company's side of the case; in other words, that the fares ought not to be reduced, as it was believed that the Public Utilities Commission would reduce them if the bill were passed and, as was claimed to be its purpose, to give to the people of Washington the same low rates of fare on street cars which other cities enjoyed at that time. I continue the reading, as follows:

I do not believe that there is any strong, necessitous demand for legislation of this kind in the District such as there undoubtedly is in the different States. The inhabitants of many of our States have for years been oppressed by exorbitant railroad rates and by the discrimination in rates from one district or one town as against another. The necessity for such legislation in the States has existed and is being satisfied by legislation passed year after year. There is no such strong necessity for it in the District, but whatever evils may exist I think will be cured by the bill as proposed by the committee. If it is found from experience that the provisions need to be strengthened they can be added to from time to time.

There has been no addition to it and it was not necessary for Congress to make additions, for the Public Utilities Commission, acting always, or substantially always, in the interest of the utility companies, have constantly boosted the rate at every opportunity afforded; and they have usurped power that Congress did not intend they should have in order to effectuate that purpose. Now they come back and answer the criticism directed against them for having continued to raise rates by saying "Congress permitted it; Congress passed such a law, and action was taken accordingly."

Mr. President, while I am on that subject I wish to say that the original public utilities bill was submitted by the late Senator Gallinger to the late Hon. Franklin K. Lane for his suggestions. Mr. Lane suggested that the very thing that has happened would happen. He said that the measure was so long and complicated that no one could tell what it meant and that that kind of legislation was always dangerous.

It was also submitted to the Senator from Iowa [Mr. CUMMINS], who, I think, was on the committee, and in criticism of it he said, instead of it being a bill in the interest of lower rates, it gave such power to the commission that it would depend entirely upon the commission, and that he was afraid it would have exactly the opposite effect from what was intended by the Congress. As a matter of fact, Senator CUMMINS was entirely right, for it has had exactly the opposite effect from that which was intended. I continue to quote:

But there is danger in passing legislation of this kind of overdoing it, of discouraging men from investing their money in these public-utilities concerns. I do not believe that we ought rashly to rush into legislation which is calculated to retard progress in such affairs or to keep men of capital from putting their money and their time into these enterprises and prevent giving to them the benefit of their experience.

Ah, Mr. President, the then Senator from Pennsylvania evidently did not know that amendments had been offered having the approval of the heads of the utility corporations, and that, under them, the corporations could be given the right, or that the commission would assume power from the act, by which and through which the people of the District of Columbia would be exploited in the way they have been exploited in the interest of the public-utility corporations; but they have been so exploited.

So, Mr. President, I submit that the Public Utilities Commission have not, as they now claim, specific authority to raise rates in order to produce a fair return on the money invested. Instead of being in the bill such a provision was offered as an amendment, but was rejected. Of course, the intent of the Congress was plain that it was never intended to give them that power, and yet so long as I have been in the District the principal power exercised by the Public Utilities Commission has been so to control rates, not only street-car rates, but gas rates, electric rates, telephone rates, telegraph rates, and all other public-utility rates, as to produce the greatest return to the utilities companies.

I notice that some member of the commission spoke too quickly when he offered to resign, for, after saying that if the activities of the Public Utilities Commission were not satisfactory, he would resign, he was reelected as president of the Public Utilities Commission, and he, or some other member of

the commission, immediately gave out a statement not only defending the commission but defending the street-car companies in whose interest they have been legislating all this time.

I call attention, Mr. President, to the fact that the vote which was taken here yesterday in connection with this question was a vote of lack of confidence in the Public Utilities Commission, for a majority of those who are to serve here after the 4th of March voted against the commission. It seems to me that if the commission had the self-respect that they ought to have they would resign and turn matters over to others. We know the history of this commission. All the time it has operated it has done so for the benefit of the public-utility companies and against the interests of the city. A man who undertakes to represent the citizens of Washington, the users of public utilities, and does it in the manner in which it has been done in this instance, calls down upon his head condemnation.

Mr. President, I wanted to call the attention of the Senate at this time to these facts, to the law and to the history of the Public Utilities Commission. I hope that the Senator from Delaware [Mr. BALL], the chairman of the District Committee, will have occasion to offer a measure of some kind in behalf of the city of Washington before the 4th of March, and I hope he will offer a measure restoring the 5-cent fare and six tickets for 25 cents. However, if he will just offer any kind of legislation and ask that it be passed, I will again propose an amendment fixing the charter rates; and thereby, if we will but cooperate, we can secure for the citizens of Washington this reduced rate of fare to which they are justly entitled.

In saying what I have said, it can not be said that I wish to be harsh in any way to the utility companies, because, according to their own reports, published in our papers, one of them is making something like 13 per cent on its capital stock by reason of this large increase of fares, and the other is paying more than reasonable dividends upon watered stock and making more than a reasonable income on the amount actually invested by it.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 26, 1923, the President approved and signed the joint resolution (S. J. Res. 247) authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the convention of the Imperial Council of the Mystic Shrine in the District of Columbia June 5, 6, and 7, 1923, and for other purposes.

USE OF AUTOMOBILES BY DISTRICT GOVERNMENT.

Mr. McKELLAR. Mr. President, I desire to call the attention of Senators to the first page of the RECORD of to-day. I am glad that the chairman of the District Committee, the Senator from Delaware [Mr. BALL], is here. I want him to hear what I have to say about it, and I hope he will introduce some measure that will change the situation.

I call attention to the large number of policemen who are being given automobiles by the city government. I find here 17 privates of the police department who are each furnished \$40 a month for the upkeep of an automobile—I suppose their own automobile. Some one wanted to know how the policemen were going to get around. I will read how they get around. Congress in 1916 passed this law for the benefit of the police. I quote:

The several street-railway companies in the District of Columbia are authorized and required to transport free of charge all members of the Metropolitan police force, crossing police, park police, and fire department of the District of Columbia, when in uniform and in the performance of their duties.

Is not that an answer to the question that was asked me as to how they were to get around when I opposed the appropriation for these very policemen and tried to get it stricken out of the bill? Is it possible that our private policemen can not get around over the city in free street cars furnished by law? Why should we furnish them automobiles?

I stop here long enough to ask the distinguished chairman of the committee, whom I see sitting before me, upon what theory can it be claimed that we should furnish money to operate automobiles for private policemen to get around over the city when they have the right under the law to use the street cars without charge? I am waiting. If the Senator will give me a reason I shall be glad to hear it, because I really think this is a matter of importance.

Mr. BALL. Mr. President, I can easily see why they should need to go to certain parts of the city in automobiles. I was not paying attention to the first part of the Senator's question, so I can not answer it definitely. I will state that as a general principle the committee is opposed to allowing people to furnish their own automobiles and allowing them so much

per month to take care of them. I do not know whether that is the feature the Senator is speaking of or not, but that was permitted to go into the bill because we did not feel that at this time we could furnish new automobiles to supply the number required without a very great addition to the appropriation bill.

Mr. McKELLAR. Mr. President, I find here that 36 policemen in the city of Washington are furnished automobiles by the Government. Those are the passenger automobiles that are furnished by the city to these officers and clerks and others who are connected with the department. In addition to that, here are 17 private policemen, commonly called patrolmen—men who walk, men who have free car fares furnished by the Congress—who are furnished with \$40 a month for the upkeep of their automobiles.

Mr. BALL. Mr. President, if the Senator will permit me—

Mr. McKELLAR. I yield to the Senator.

Mr. BALL. One statement will answer all of his inquiries. A certain number of automobiles and a certain number of motor cycles certainly are necessary for the police if they ever expect to arrest the breakers of the law. If the policemen attempted to follow them through their various courses by riding on the trolley cars, they certainly would not accomplish the intent of having policemen.

Mr. McKELLAR. Oh! Then, as I understand, these 17 privates are furnished automobiles so that they can catch up with the criminals? Is that the idea?

Mr. BALL. The intent of the police is to preserve law and order, and unless they arrest criminals they certainly are not preserving order.

Mr. McKELLAR. That is true; but I can not understand why patrolmen should be furnished with money to run automobiles. If all of the machines that are enumerated here are used by the police and are used to run down criminals, no wonder we have had so many accidents in the city. It seems to me that they would add very materially to the accidents. I do not see why it is necessary that a patrolman—a man who is on a beat—should be furnished with an automobile in which to patrol his beat.

Mr. FLETCHER. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. FLETCHER. As I recall, at one time we had what were called mounted police. It may be that instead of being mounted now they are given automobiles. Perhaps that is the explanation.

Mr. McKELLAR. Perhaps so. If that is the rule, however, if that is what we are going to do, if we are going to furnish our police force with automobiles, I want to protest in behalf of the other patrolmen who do not have automobiles. I do not think it is fair to give 17 patrolmen automobiles and deprive the rest of them of automobiles. Why should we not give them to all of them? What reason is there for denying one patrolman an automobile if we give them to 17? Why should we not give them all automobiles? Why should we not promote the use of automobiles simply by furnishing money for their upkeep and maintenance to all the patrolmen? Why is there discrimination?

It seems to me that we ought to be fair to all these policemen, and that all those who have not automobiles ought to be equipped with automobiles. If it is necessary for each patrolman to have an automobile in which to run down criminals, by every rule of fairness we ought to equip them all with automobiles.

It just shows what a ridiculous position we have reached when we are furnishing these passenger automobiles to the police force and to clerks and other employees in the city of Washington. We appropriate \$216,000 merely for the upkeep for one year of passenger automobiles furnished to the clerks and employees of the Washington city government. Why, Mr. President, if we were to furnish Senators and Representatives automobiles in the same way that we furnish them to the employees of the city government of Washington, the people would turn three-fourths of us out of office—practically all of us who voted for any such proposition; and yet, while we do not do it for ourselves because we know that it is improper and know that it is not right and know that it is not necessary, we let these provisions come in here in the form of lump-sum appropriations by which this willful and wasteful extravagance is carried on here in the city. I again protest against it.

RURAL CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. LENROOT. Mr. President, several Senators are of the opinion that under the present status it will be necessary to offer amendments as we go along with the reading of the bill. To remove any misunderstanding, I ask unanimous consent that the bill may be read for amendment, the committee amendment to be disposed of first.

The VICE PRESIDENT. Is there objection?

Mr. HARRISON. Mr. President, may I ask the Senator a question? We met this morning at 11 o'clock. We have been meeting quite early and running pretty late. This is Saturday. I understand that there is but one committee amendment.

Mr. LENROOT. Yes; I think that is all.

Mr. HARRISON. Does the Senator intend to adjourn after we have disposed of that?

Mr. LENROOT. If we could complete the formal reading of the bill and the disposal of that committee amendment, I should not ask for anything further to-night.

Mr. FLETCHER. Of course, it will then be in order to offer amendments, after it is disposed of?

Mr. LENROOT. To any part of the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Secretary will read the bill.

The Assistant Secretary proceeded to read the bill.

The amendments of the Committee on Banking and Currency were, on page 14, after line 22, to strike out:

SEC. 9. That section 13 of the Federal reserve act, as amended, is hereby further amended by striking out the proviso at the end of the second paragraph of said section and inserting in lieu thereof the following:

And to insert:

SEC. 9. That section 13 of the Federal reserve act, as amended, is hereby further amended by striking out the proviso at the end of the second paragraph of said section and inserting in lieu thereof the following:

"Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and subject to regulations and limitations to be prescribed by the Federal Reserve Board, any Federal reserve bank may discount or purchase bills of exchange payable at sight or on demand which are drawn to finance the domestic shipment of nonperishable, readily marketable, staple agricultural products, and are secured by bills of lading or other shipping documents conveying or securing title to such staples: *Provided, however,* That all such bills of exchange shall be forwarded promptly for collection, and demand for payment shall be made with reasonable promptness after the arrival of such staples at their destination: *Provided further,* That no such bill shall in any event be held by or for the account of a Federal reserve bank for a period in excess of 90 days. In discounting such bills Federal reserve banks may compute the interest to be deducted on the basis of the estimated life of each bill and adjust the discount after payment of such bills to conform to the actual life thereof."

SEC. 10. That section 13 of the Federal reserve act, as amended, is hereby further amended by striking out the fourth paragraph thereof and inserting in lieu thereof the following:

And on page 16 to change the number of the section from 10 to 11, so as to make the bill read:

Be it enacted, etc., That when used in this act the term "Federal farm loan act" means the Federal farm loan act approved July 17, 1916, as amended, and the "Federal reserve act" means the Federal reserve act approved December 23, 1913, as amended.

SEC. 2. That section 1 of the Federal farm loan act is amended to read as follows:

"TITLE I.

"SECTION 1. That this act may be cited as the 'Federal farm loan act.' Its administration shall be under the direction and control of the Federal Farm Loan Board hereinafter created."

SEC. 3. That the Federal farm loan act is amended by adding at the end thereof a new title, to read as follows:

"TITLE II.

"SEC. 201. That, in addition to the powers granted by Title I, each Federal land bank shall have power—

"(a) Subject solely to such restrictions, limitations, and conditions as may be imposed by the Federal Farm Loan Board not inconsistent with the provisions of this act (1) to discount for, or purchase from, any national bank, State bank, trust company, rural credit corporation, incorporated live-stock loan or farm credit company, savings institution, cooperative bank, or cooperative credit or marketing association of agricultural producers organized under the laws of any State, or for any other Federal land bank, with its indorsement, any note, draft, bill of exchange, debenture, or other such obligation the proceeds of which have been advanced or used in the first instance for an agricultural purpose or for the raising, breeding, fattening, or marketing of live stock; (2) to buy or sell, with or without recourse, debentures issued by any other Federal land banks; and (3) to make loans or advances direct to any cooperative association organized under the laws of any State or the United States and composed of persons engaged in producing, or producing and marketing, staple agricultural products or live stock, if the notes or other such obligations representing such loans are secured by warehouse receipts, and/or shipping documents covering such products, and/or by mortgages on live stock: *Provided,* That no Federal land bank shall discount paper for any national bank, State bank, or trust company which already has bills rediscounted equal to or exceeding the amount permitted by such bank or trust company under the laws of the jurisdiction creating the same: *And provided further,* That no paper shall be discounted for any agricultural credit corporation, incorporated live-stock loan company, or farm credit company which has rediscounted paper equal to or exceeding ten times the paid-up capital stock and surplus of such company: *And provided further,* That if the laws of any jurisdiction under which any bank or trust company receiving demand deposits is created do not impose a limit upon the rediscount privilege of such bank or trust company, then no paper shall be rediscounted for such bank or trust

company which has already rediscounted paper equal to or exceeding five times its paid-up capital stock and surplus. Such loans or discounts must have a maturity at the time they are made or discounted by the Federal land bank of not less than six months nor more than three years. Any Federal land bank may in its discretion sell loans or discounts made under this subdivision, with or without its indorsement. Rates of interest or discount charged by the Federal land banks upon such loans and discounts shall be subject to the approval of the Federal Farm Loan Board.

"(b) Subject to the approval of the Federal Farm Loan Board to issue and to sell collateral trust debentures or other such obligations with a maturity at the time of issue of not more than five years, which shall be secured by at least a like face amount of cash or notes or other such obligations discounted or purchased or representing loans made under subdivision (a): *Provided*, That no Federal land bank shall have power to issue or obligate itself for debentures or other obligations under the provisions of this section in excess of ten times the amount of the paid-up capital and surplus of the farm credits department of such bank established under this act. The provisions of Title I relating to the preparation and issue of farm-loan bonds shall, so far as applicable, govern the preparation and issue of debentures or other such obligations issued under this subdivision; but the Federal Farm Loan Board shall prescribe rules and regulations governing the receipt, custody, substitution, and release of collateral instruments securing such debentures or other obligations, the right of substitution being hereby granted. Such collateral shall be held separate and distinct from the collateral securing farm-loan bonds and may be classified in such manner as the Federal Farm Loan Board shall approve and debentures issued upon the basis of such classes of paper. Rates of interest upon debentures and other such obligations issued under this subdivision shall, subject to the approval of the Federal Farm Loan Board, be fixed by the Federal land bank making the issue.

"Sec. 202. That before making any discounts under the provisions of this act, each Federal land bank shall establish and promulgate a rate of discount to be approved by the Federal Farm Loan Board. Any Federal land bank which has made an issue of debentures under the provisions of this act may thereafter establish, with the approval of the Farm Loan Board, a rate of discount not exceeding by more than 1 per cent per annum the rate borne by its last preceding issue of debentures.

"No bank, trust company, live-stock company, or other agencies entitled to the privileges of this act shall, without the approval of the Federal Farm Loan Board, be allowed to discount any note or other obligation upon which the original borrower has been charged a rate of interest exceeding by more than $1\frac{1}{2}$ per cent per annum the discount rate of the Federal land bank at the time such loan was made.

"A Federal land bank may, subject to the approval of the Federal Farm Loan Board, buy in the open market for its own account and retire at or before maturity any such debentures or obligations issued by it.

"Sec. 203. That for the purpose of exercising the powers conferred by this title each Federal land bank shall establish and operate under the supervision of its temporary directors and, after the establishment of the permanent organization, under the supervision of its district directors, a separate department to be designated as the farm credits department, for which \$5,000,000 in capital shall be subscribed before any of the powers so conferred may be exercised. Capital stock of such amount shall be divided into shares of \$5 each and shall be subscribed, held, and paid by the Government of the United States. It shall be the duty of the Secretary of the Treasury to subscribe to such capital stock on behalf of the United States, such subscription to be subject to call in whole or in part by the temporary or district directors of the Federal land bank upon 30 days' notice to the Secretary of the Treasury and with the approval of the Federal Farm Loan Board. The Secretary of the Treasury is authorized and directed to take out shares as called and to pay for the same out of any money in the Treasury not otherwise appropriated. Capital so allocated to a farm credits department and the surplus earnings of such department shall be applied solely to meet obligations and losses, if any, incurred in the operation of that department; and the capital subscribed, together with the reserve and accumulations from earnings under Title I, shall not be applied to meeting obligations or losses, if any, incurred in the operation of any farm credits department.

"If at any time the capital stock provided for in the first paragraph of this section shall be found by the Federal Farm Loan Board to be insufficient to enable any farm credits department in a Federal land bank to meet the credit needs of the agricultural and live-stock industries in its district, intended to be served by the facilities provided under Title II of this act, such capital shall, upon application of the Federal Farm Loan Board, if approved by the President of the United States, be increased by an amount not to exceed \$5,000,000 and thereupon it shall be the duty of the Secretary of the Treasury to subscribe such additional capital on behalf of the United States, in the same manner as he subscribed the original capital of such farm credits department, and such increase in capital shall be subject to the same uses and conditions as apply to the original capital. Shares of such increased capital stock held by the United States in the farm credits department of any Federal land bank may, at any time, when the capital is found to be needlessly large, be redeemed and retired at par upon the application for such retirement by the district directors of such Federal land bank with the approval of the Federal Farm Loan Board.

"Sec. 204. That the Federal Farm Loan Board shall equitably apportion the joint expenses incurred by the farm mortgage department operating under Title I of this act and the farm credits department operating under Title II of this act in each Federal land bank, and shall assess against the farm credits department of each Federal land bank in proportion to the capital and reserve of such department its proportionate share of the expenses of any additional personnel in the Farm Loan Bureau made necessary in connection with the operation of this provision. After all expenses of the farm credits department have been met out of earnings of that department the capital stock held by the Government of the United States shall be entitled to a dividend of 4 per cent per annum, which dividend shall be cumulative. After the aforesaid claims have been fully met the remaining earnings shall be paid into a surplus fund until such fund shall equal \$2,000,000, and thereafter 25 per cent of the annual net earnings shall be paid to the Government of the United States in retirement of the stock owned by it until the stock of any farm credits department shall be reduced to \$1,000,000.

"Sec. 205. That the farm-credits department of any Federal land bank issuing debentures or other such obligations under section 201 shall be primarily liable therefor, and shall also be liable upon pre-

sentation of the coupons for interest payments due upon any such debentures or obligations issued by the farm-credits department of any other Federal land bank and remaining unpaid in consequence of the default of the farm-credits department of such other Federal land bank. The farm-credits department of any Federal land bank shall likewise be liable for such portion of the principal of debentures or obligations so issued as are not paid after the assets of the farm-credits department of such other Federal land bank have been liquidated and distributed. Such losses, if any, either of interest or of principal, shall be assessed by the Federal Farm Loan Board against solvent farm-credits departments of Federal land banks liable therefor in proportion to the amount of debentures or other such obligations which each may have outstanding at the time of such assessment. Every Federal land bank shall, by appropriate action of its board of directors duly recorded in its minutes, obligate its farm-credits department to become liable on debentures and other such obligations as provided in this section.

"Sec. 206. That in order to enable each Federal land bank to carry out the purpose of this act, the Comptroller of the Currency is hereby authorized and directed, upon the request of any Federal land bank, (a) to furnish for the confidential use of such bank such reports, records, and other information as he may have available relating to the financial condition of national banks and rural-credit corporations through or for which the Federal land bank has made or contemplates making discounts, and (b) to make, through his examiners, for the confidential use of the Federal land bank, examinations of State banks, trust companies, or savings institutions, rural-credit corporations through or for which the Federal land bank has made or contemplates making discounts or loans: *Provided*, That no such examination shall be made without the consent of such State bank, trust company, savings institution, or agricultural-credit corporation except where such examination is required by law. Land-bank appraisers are authorized, upon the request of any Federal land bank and with the approval of the Federal Farm Loan Board, to investigate and make a written report upon the products covered by warehouse receipts, shipping documents, and the live stock covered by mortgages which are security for notes or other such obligations representing any loan to any cooperative association, live-stock loan company, or farm-credit company, under subdivision (a) of section 201. Land-bank examiners are authorized, upon the request of any Federal land bank and with the approval of the Federal Farm Loan Board, to examine and make a written report upon the condition of any cooperative association, live-stock loan company, or farm-credit company to which the Federal land bank contemplates making any such loan.

"Sec. 207. That the Federal Farm Loan Board is authorized to make such rules and regulations, not inconsistent with law, as it deems necessary for the efficient execution of the provisions of this title.

"Sec. 208. The penalties provided for in section 31 of Title I of this act shall apply to all false statements, counterfeiting of debentures or credit papers, and other fraudulent acts and misdemeanors against the farm-credits department, as well as against the farm-mortgage department of Federal land banks, and the penalty provided for overvaluation of land as security shall apply to overvaluation of live stock or other farm products for the purpose of securing a loan, advance, or discount from the farm-credits department of any Federal land bank.

"Sec. 209. The privileges of tax exemption accorded under Title I, section 26, of this act shall apply also to the farm-credits department of each Federal land bank, including its capital, reserve or surplus, and the income derived therefrom, and the debentures issued under Title II of this act shall enjoy the same tax exemptions as are accorded farm-loan bonds in said section."

"Sec. 4. That the first two lines of section 12 of the Federal farm loan act is amended to read as follows:

"Sec. 12. That no Federal land bank organized under this act shall make loans other than those authorized by Title II, except upon the following terms and conditions:"

"Sec. 5. That section 23 of the Federal farm loan act is amended by adding at the end thereof a new paragraph to read as follows:

"The provisions of this section shall not apply to the earnings, surplus, and capital stock of the farm-credits department of any Federal land bank."

"Sec. 6. That section 5202 of the Revised Statutes, as amended, is amended by adding at the end thereof a new paragraph to read as follows:

"Eighth. Liabilities incurred under the provisions of subdivision (a) of section 201 of the Federal farm loan act, approved July 17, 1916, as amended."

"Sec. 7. That paragraph 1 of section 7 of the Federal reserve act be amended by striking out all of said paragraph and substituting the following:

"After all necessary expenses of a Federal reserve bank have been paid or provided for the stockholders shall be entitled to receive an annual dividend of 6 per cent on the paid-in capital stock, which dividend shall be cumulative and may be paid out of any surplus in excess of 100 per cent of subscribed capital. Out of any net earnings remaining after the aforesaid dividend and surplus claims have been fully met there shall be paid each year to the United States as a franchise tax such an amount as will make the aggregate amount so paid for the year 1922 and subsequent years equal to the aggregate amount of the cumulative dividends paid to the stockholding member banks for such years. After the full amount of the franchise tax shall have been paid to the United States the balance of the net earnings of any year shall be paid into a surplus fund until it shall amount to 100 per cent of subscribed capital, and thereafter when net earnings exceed 12 per cent an extra dividend of not to exceed 3 per cent may be distributed to the stockholders, and the remaining net earnings, if any, shall be paid to the United States as an additional franchise tax."

"Sec. 8. That the ninth paragraph of section 9 of the Federal reserve act be amended to read as follows:

"No applying bank shall be admitted to membership in a Federal reserve bank unless it possesses paid-up, unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated under the provisions of the national bank act: *Provided, however*, That an applying bank organized in a place the population of which does not exceed 6,000 inhabitants may, in the discretion of the Federal Reserve Board, be admitted to membership if it possesses a paid-up, unimpaired capital of at least \$30,000 and if the application is accompanied by adequate undertakings of such bank and of its principal stockholders that the capital of such bank will within three years be increased to \$50,000: *And provided further*, That an applying bank organized in a place the population of which does not exceed 3,000 inhabitants may, in the discretion of the Federal Reserve Board, be admitted to membership if it possesses a paid-up, unimpaired capital of at least \$15,000 and if it is accompanied by adequate undertakings

of such bank and of its principal stockholders that such capital will within three years be increased to \$25,000. If any such undertakings have not been fulfilled within three years, the Federal Reserve Board may forbid such bank to enjoy any of the privileges of this act, and may require it to withdraw forthwith from membership in the Federal reserve system."

Sec. 9. That section 13 of the Federal reserve act, as amended, is hereby further amended by striking out the proviso at the end of the second paragraph of said section and inserting in lieu thereof the following:

"Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and subject to regulations and limitations to be prescribed by the Federal Reserve Board, any Federal reserve bank may discount or purchase bills of exchange payable at sight or on demand which are drawn to finance the domestic shipment of non-perishable, readily marketable staple agricultural products and are secured by bills of lading or other shipping documents conveying or securing title to such staples: *Provided, however*, That all such bills of exchange shall be forwarded promptly for collection, and demand for payment shall be made with reasonable promptness after the arrival of such staples at their destination: *Provided further*, That no such bill shall in any event be held by or for the account of a Federal reserve bank for a period in excess of 90 days. In discounting such bills Federal reserve banks may compute the interest to be deducted on the basis of the estimated life of each bill and adjust the discount after payment of such bills to conform to the actual life thereof."

Sec. 10. That section 13 of the Federal reserve act, as amended, is hereby further amended by striking out the fourth paragraph thereof and inserting in lieu thereof the following:

"Any Federal reserve bank may discount acceptances of the kinds hereinafter described, which have a maturity at the time of discount of not more than 90 days' sight, exclusive of days of grace, and which are indorsed by at least one member bank: *Provided*, That such acceptances if drawn for an agricultural purpose and secured at the time of acceptance by warehouse receipts or other such document conveying or securing title covering readily marketable staples may be discounted with a maturity at the time of discount of not more than six months' sight, exclusive of days of grace."

Sec. 11. That the Federal reserve act, as amended, be further amended by adding at the end of section 13 a new section, to be numbered section 13a, and to read as follows:

"Sec. 13a. Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, any Federal reserve bank may discount notes, drafts, and bills of exchange issued or drawn for an agricultural purpose, or based upon live stock, and have a maturity, at the time of discount, exclusive of days of grace, not exceeding nine months: *Provided, however*, That notes, drafts, and bills of exchange with maturities in excess of six months shall not be eligible as a basis for the issuance of Federal reserve notes unless secured by warehouse receipts or other such negotiable documents conveying or securing title to readily marketable staple agricultural products or by chattel mortgage upon live stock which is being fattened for market."

"That any Federal reserve bank may rediscount such notes, drafts, and bills for any Federal land bank, except that no Federal reserve bank shall rediscount for a Federal land bank any such note or obligation which bears the indorsement of a nonmember State bank or trust company which is eligible for membership in the Federal reserve system, in accordance with section 9 of the Federal reserve act."

"Notes, drafts, or bills of exchange issued or drawn by cooperating marketing associations composed of producers of agricultural products shall be deemed to have been issued or drawn for an agricultural purpose, within the meaning of this section, if the proceeds thereof have been or are to be advanced by such association to any members thereof for an agricultural purpose, or have been or are to be used by such association in making payments to any members thereof on account of agricultural products delivered by such members to the association, or if such proceeds have been or are to be used by such association to meet expenditures incurred or to be incurred by the association in connection with the grading, processing, packing, preparation for market, or marketing of any agricultural product handled by such association for any of its members: *Provided, however*, That the express enumeration in this paragraph of certain classes of paper of cooperative marketing associations as eligible for rediscount shall not be construed as rendering ineligible any other class of paper of such associations which is now eligible for rediscount."

"The Federal Reserve Board may, by regulation, limit to a percentage of the assets of a Federal reserve bank the amount of notes, drafts, acceptances, or bills having a maturity in excess of three months, but not exceeding six months, exclusive of days of grace, which may be discounted by such bank, and the amount of notes, drafts, bills, or acceptances having a maturity in excess of six months, but not exceeding nine months, which may be discounted by such bank."

The amendments were agreed to.

The VICE PRESIDENT. Action on the committee amendments has been completed.

Mr. LENROOT. That leaves the bill open for amendment at any point.

Mr. McKELLAR. I offer an amendment which I ask the Secretary to read, and then I ask that it may be pending for action on Monday.

The VICE PRESIDENT. The Secretary will read the amendment.

The ASSISTANT SECRETARY. On page 18, after line 22, insert a new section, as follows:

Sec. 12. That section 13 of the Federal reserve act as amended be further amended by adding, after the words "being eligible for discount" and before the words "but such definition shall not include," the following words: "and the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

Mr. CURTIS. I understand the Senator from Tennessee wishes to discuss the amendment. So I move that the Senate

adjourn, the adjournment being under the agreement until to-morrow at 11 o'clock.

Mr. HARRISON. Will the Senator withhold that motion for a moment?

Mr. CURTIS. Certainly.

Mr. HARRISON. Is it the intention that to-morrow we shall take an adjournment until 12 o'clock on Monday?

Mr. CURTIS. The Senator from Washington [Mr. JONES] agreed the other day that on Sunday an adjournment should be taken until Monday, so that we would have a morning hour on Monday, and that agreement will be carried out.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Kansas that the Senate adjourn.

The motion was agreed to; and the Senate (at 3 o'clock and 50 minutes p. m.) adjourned, the adjournment being under the previous order until to-morrow, Sunday, January 28, 1923, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

SATURDAY, January 27, 1923.

The House met at 12 o'clock noon.

Monsignor Thomas, St. Patrick's Church, Washington, D. C., offered the following prayer:

Cease not, O Lord, to protect us. Every day brings new problems; every day begets new difficulties. Without Thy light and strength we are weak and we grope in darkness.

The results of our deliberations and the enactments we frame are laden with intense importance for the people we represent. And we beg Thee so earnestly to aid us powerfully in our labors and direct them into ways which are right and just.

We pray Thee especially for this day's needs and requirements that all proceed smoothly; that harmony reign and good will prevail.

Grant us counsel, fortitude, perseverance; in the end to rejoice in the accomplishment of good, the formulating of just measures, and fulfillment of Thy will and attainment of peace, progress, uprightness, and honesty of life, for Thy glory and the welfare of this Republic.

The Journal of the proceedings of yesterday was read and approved.

LEAVE TO EXTEND REMARKS.

Mr. FREAR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of judicial decisions.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD on the subject of judicial decisions. Is there objection?

Mr. STAFFORD. The gentleman's own remarks?

Mr. FREAR. Yes.

The SPEAKER. The Chair hears no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. FREAR. Mr. Speaker, in his extension of remarks of December 28 the able Member from Missouri [Mr. HAWES] briefly discussed the right to judicial reviews of legislative enactments. His suggestion that discussion of the subject is helpful reflects a general opinion of any important proposal, and the subject of a limitation to "judge-made laws" has also been urged by eminent authority.

A famous individual termed "John Doe" once figured conspicuously in legal lore and pleadings. The present case of Doe, as I understand it, is a protest against alleged reactionary men, parties, and policies and alleged reactionary judges, courts, or decisions. Any brief in support of Doe's contention might properly reach into volumes and should cover thoroughly different phases of the court's alleged usurpation and problems involved through judge-made laws. I leave that task to others who make such allegations and have the time and desire to prepare a case of that character.

The views I desire to express are without suggestion from anyone and I do not assume to speak for or represent others. Demands in past days for impeachment, or sensational or extreme statements are not quoted. The cause relates entirely to judicial regulation of the legislative branch of the Government and is impersonal.

In the brief time available I shall offer a few words for those who find fault more especially with a court decision that by five judges to four first set aside the income tax law passed by Congress. Thereafter when Congress and the country after long delay and arduous effort secured the sixteenth amendment

wherewith to overrule the court's previous decision rendered by one overbalancing judge, the court again by another five to four decision set at naught the constitutional amendment by emasculating its purpose, so far as stock dividends were concerned. To use the language in that case of a dissenting opinion by Judge Holmes, one of the ablest judges in the country, in which Justice Day concurred:

The known purpose of this amendment was to get rid of nice questions as to what might be direct taxes and I can not doubt that most people not lawyers would suppose when they voted for it that they put the question like the present at rest. I am of the opinion that the amendment justifies the tax.

Again I submit further judicial criticism of this decision thus in effect setting aside a constitutional amendment when, in the language of Justice Brandeis and Justice Clark, in the same case we have their judicial opinions as follows:

If stock dividends representing profits are held exempt from taxation under the sixteenth amendment, the owners of the most successful businesses in America will be able to escape taxation on a large part of what is actually their income. So far as their profits are represented by stock received as dividends they will pay these taxes not upon their income but only upon the income of their income. That such a result was intended by the people of the United States when adopting the sixteenth amendment is inconceivable. Our sole duty is to ascertain their intent as therein expressed.

A suggestion of some respect due Congress is voiced when the dissenting opinion further says:

It is but a decent respect due the wisdom, the integrity, and the patriotism of the legislative body by which any law is passed to presume in favor of its validity until the violation of the Constitution is proved beyond all reasonable doubt.

From that dissenting decision of recent date—*Eisner v. Macomber*, 252 U. S.—it is proper to infer, based on high judicial authority, five members of the court refused to accept the will of the people as expressed in the sixteenth amendment and had no decent respect for the wisdom, the integrity, nor the patriotism of the American Congress. These are not my words, but four eminent members of the highest court in the land give voice to that effect, yet are outvoted by one judge.

OTHER JUDGES NOW DENY THE INFALLIBILITY OF THE COURT.

Courts and judges at the outset seek for authority, precedents, and other data before coming to any important decision. To that end I am submitting a few notes bearing on this question and on judge-made laws in general.

A very able and distinguished justice of the Wisconsin Supreme Court, Judge Eschweiler, without drawing any conclusions, contributed a thoughtful article in the December, 1922, number of the *Marquette Law Review* on the "veto power of the judiciary." Because of his eminently high standing and the careful analysis made, I quote the United States Supreme Court's position a century and a quarter ago when the Constitution was adopted. He says:

John Jay, who rendered distinguished services in securing the adoption of the Federal Constitution and as a diplomat in the perilous and delicate task of negotiating with England the treaty bearing his name, refused to accept a renewed appointment as Chief Justice of the United States Supreme Court, because he felt that court could not obtain the essential energy, weight, and dignity nor acquire the public confidence and respect which it should possess. Alexander Hamilton, the master intellect of the formative period of this Government, in speaking of the judiciary as one of the branches of governmental power, said that it "is beyond comparison the weakest of the three departments of power; that it can never attack with success either of the other two; and that all possible care is requisite to enable it to defend itself against their attacks." Montesquieu, the French publicist, whose then recent work had a profound influence upon those who framed our Constitution, in dwelling on the English constitution of his day and the three sorts of power—legislative, executive, and judiciary—in such a democratic form of government, said that of such three "the judiciary is in some measure next to nothing."

HOW FAST THE SAME COURT HAS GROWN.

The growth of power of the same court in overturning acts of Congress is evidenced from conclusions and comparisons set forth by Judge Eschweiler in the same article briefly, as follows:

The (former) puny congressional football (the Supreme Court) now says to Congress that she (the court) may lawfully . . . set aside and hold for naught as unreasonable intrastate railroad rates duly declared reasonable by similar administrative bodies in the several States; yet says that the same body, Congress, in an attempted exercise of the identical constitutional provision may not regulate the subject matter of child labor by legislation as to the interstate shipments of the products of such labor. Again, it tells Congress that it can not constitutionally prescribe penalties for excessive expenditures in primary elections for United States Senators, although it had just held that a witness before a grand jury could not question the legality of this identical and void law. It speaks, and the statute of Arizona regulating judicial procedure in Arizona and denying to its own courts the right to issue preliminary injunctions, under certain conditions, in labor disputes involving a secondary boycott, is wiped off the statute book. It says in the State of Ohio, a sovereign in its own sphere and containing more inhabitants within its boundaries than were within the entire United States when the Supreme Court began to function, that it may not embody in its own constitution a provision permitting the submission by referendum to its own people for approval or disapproval the action of its own legislature in adopting the eighteenth amendment

to the United States Constitution, but that under the identical Ohio constitutional referendum provision the people may vote and reject, if they so will, an act of the legislature redistricting the State for the purpose of electing Representatives to Congress. The people of the State of Washington are told by the same court, after the exercise by them of the right granted by their own constitution to pass laws by the initiative, that their law so passed forbidding employment agencies charging workmen for obtaining positions was a violation of the fourteenth amendment to the United States Constitution and therefore void.

The growth of the court's jurisdiction and power, whether called usurpation or unexpressed rights under the Constitution, affords ample grounds for controversy, but my inquiry goes rather to present problems that are developing and to restrictions, if any, proper for Congress to urge through constitutional amendment to more clearly indicate limitations of the court's jurisdiction as originally intended by the framers over a century ago.

FROM ANOTHER JUDGE OF ANOTHER COURT.

From an address by Justice John Ford, of the New York Supreme Court, on January 18 of this year, I quote on this same point when he said:

Take the so-called legal-tender cases decided in 1870 and involving the constitutionality of the act of Congress making paper currency legal tender in payment of debts. First the law was declared unconstitutional by the Supreme Court, five judges so voting against three favoring the constitutionality of the legal tender act. That decision would have been calamitous to the Nation, then struggling to keep its feet under the staggering financial burdens imposed by the Civil War. Consciousness of this probably influenced some of the justices, for shortly afterwards the same act was declared constitutional by a vote of five to four. (*Legal Tender Cases*, 79 U. S. 457; *Repuburn v. Griswold*, 8 Wall. 606.)

Other cases are cited by Judge Ford and Judge Eschweiler in their remarkable discussions occurring within the past 60 days, but these are quoted to indicate the scope of any study or decision on the subject of judge-made laws.

ANOTHER JUDGE ON JUDICIAL INFALLIBILITY.

Chief Justice Walter Clark, of North Carolina, in "Infallible government by the odd man"—*American Law Review*—is another high judicial authority that fearlessly discusses the abject helplessness of the American Congress when its carefully framed legislative act is arbitrarily set aside by one controlling justice. He says:

The power to set aside or nullify an act of Congress or a State legislature is a purely political power and is so recognized by the constitutions which give the veto to the Executive. It comes under no definition or conception of the judicial power which is to judge between the parties in controversy. Neither the Government nor the State is a party to these proceedings, in which its supremest power—that of enacting laws—is nullified. As claimed and exercised by the courts it is the absolute autocratic power, because it is irrevocable. Those whose interest it is to have such power over the legislature and Executive assert it for their own ends. The wonder is that it has ever been acquiesced in at all under a free form of government.

In addition to the estimates of these judges of high courts that the existing policy of enunciating judge-made law is unwarranted and indefensible under our free form of government, I offer additional authority and arguments that have the merit of high official sanction, whatever their influence on the case may be. Other writers and authorities may also be referred to by those who desire to study the right of the judiciary to set aside legislative enactment and also proposed methods of curtailing such power. Among these are Gilbert E. Roe, author of a strong and thorough analysis on "Our judicial oligarchy," Jackson H. Ralston in "Judicial control over legislatures as to constitutional questions"; William L. Ransom in "Majority rule and the judiciary"; J. Allen Smith in *The Spirit of American Government*—page 92; Brooks Adams in "Theory of social revolutions"; W. F. Dodd in *Political Science Quarterly*, volume 28, No. 1; Dean William Trickett in *American Law Review*, volume 41, page 650, and many others, including Judge Wannamaker, of Ohio—*Illinois State Bar Year Book*, 1912—whose crisp statement is quoted without comment wherein he says, referring to the court:

The exercise of this unwarranted and usurped governmental power against the public interest, against the public health, safety, and life, has done more than any other single thing to arouse the popular hostile feeling toward of courts of last resort.

My purpose is to describe briefly a situation unknown to any other government and that, in the words of Jefferson, eventually may threaten the existence of the present coordinate branches of our Government. To this end a few familiar arguments are offered with a tentative judicial limitation proposal for your consideration.

In a work on the Judicial Veto, a writer, after much research, says that among those who signed or took active part in making the Constitution, 16 members were against judicial control, while 11 were in favor.

With this comparison the same writer in analyzing reasons given by Gouverneur Morris, who it is stated wrote the Constitution at the direction of the makers, concludes:

Is it not the legitimate inference that the power of judicial control was neither overlooked nor attempted to be slipped in by indirect or ambiguous phrases but that it was intentionally omitted?

THE FIRST STEP AND ITS RECEPTION.

The Constitution drafted September 17, 1787, was not tested by the judiciary until Judge Marshall, in *Marbury v. Madison*, in 1803, threw down the gauntlet to President Jefferson by holding that the court was authorized under the Constitution to determine if a law passed by Congress was in conflict with that instrument.

It is said by some writers that Marshall "got the jump" on Jefferson by that first opinion rendered 16 years after the Constitution was signed. However that may be, Jefferson expressed his opinion of the court, over a century ago, in these unmistakable words:

The judiciary of the United States is the subtle corps of sappers and miners constantly working underground to undermine the foundation of our confederated fabric. They are construing our Constitution from a coordination of a general and special Government to a general and supreme one alone. Having found that impeachment is an impracticable thing, a mere scarecrow, they consider themselves secure for life; an opinion is huddled up in conclave, perhaps by a majority of one, delivered as unanimous and with the silent acquiescence of lazy and timid associates, by a crafty Chief Justice who sophisticates the law to his own mind by the turn of his own reasoning.

Again he said of the same court:

It has long been my opinion, and I have never shrunk from its expression, that the germ of dissolution of our Federal Government is in the judiciary—the irresponsible body working like gravity by day and by night, gaining a little to-day and gaining a little to-morrow, and advancing its noiseless step like a thief over the field of jurisdiction until all shall be usurped.

THE WHITE HOUSE THEN; THE JAIL NOW.

That fearless estimate, written by Jefferson, the lawyer and writer of the immortal Declaration of Independence and an honored President, would have landed him in jail instead of the White House if penned in the year 1923.

Even John Randolph, one of the ablest of the old Romans, drew an amendment to the Constitution in those early days which read:

The judges of the Supreme Court and all other courts of the United States shall be removed by the President on the joint address of both Houses of Congress.

Under existing nomenclature, Jefferson would be styled a radical and a red, while Randolph would be a type of soviet and bolshevist that needed close watching by the Department of Justice.

Old Hickory Jackson was a soldier President.

In his message of July 10, 1832, returning to the Senate without his approval the act incorporating the Bank of the United States, he says:

The Congress, the Executive, and the court must each for itself be guided by its own opinion of the Constitution. Each public officer who takes an oath to support the Constitution swears that he will support it as he understands it, and not as it is understood by others. It is as much the duty of the House of Representatives, of the Senate, and the President to decide upon the constitutionality of any bill or resolution which may be presented to them for passage or approval as it is of the supreme judges when it may be brought before them for judicial decision. The opinion of the judges has no more authority over Congress than the opinion of Congress has over the judges, and on that point the President is independent of both. The authority of the Supreme Court must not, therefore, be permitted to control the Congress or the Executive when acting in their legislative capacities, but to have only such influence as the force of their reasoning may deserve.

WARNING ADVICE FROM HIGH JUDICIAL AUTHORITY.

Mr. Justice Chase announced the early doctrine of the court when he said in *Hylton* against United States:

If the court have such power, I am free to declare I will never exercise it but in a very clear case.

Mr. Justice Miller, before the "seeming law" estimate was announced, said of the court's duty in *One hundredth United States Legal Tender* cases:

When this court is called on in the course of the administration of the law to consider whether an act of Congress or any other department of the Government is within the constitutional authority of that department a due respect for the coordinate branch of the Government requires that we shall decide it has transcended its powers only when it is so plain we can not avoid the duty.

I have italicized words that indicate when due respect or disrespect may be determined according to opinions found in Supreme Court decisions.

Justice Waite, afterwards Chief Justice, said in *Ninety-ninth United States*, page 718:

Every possible presumption is in favor of a statute, and this continues until the contrary is shown beyond a rational doubt. One branch of the Government can not encroach on the domain of another without danger. The safety of our institutions depends in no small degree on a strict observance of this salutary rule.

Justice Harlan, in the *New York Bakeries* case (198 U. S. 68), announced a safe doctrine, and said:

If there be doubt as to the validity of the statute that doubt must therefore be resolved in favor of its validity and the courts must keep their hands off, leaving the legislature to meet the responsibilities of unwise legislation.

A comparison of two expressions from two Chief Justices a century apart will disclose the progress of the court in its alleged usurpation of constitutional rights of Congress.

THE MODERATION OF MARSHALL—THE THUNDERING TONES OF TAFT.

We have our conception of Marshall, the militant, defiant so-called "judicial usurper," shattered by his own voice. Those who listen for hurled defiance in response to fierce thrusts of Jefferson will find nothing in words or inference to warrant by the following from Chief Justice Marshall in *Fletcher v. Peck* (6 Cranch, 87-128):

The question whether a law be void for its repugnancy to the Constitution is at all times a question of much delicacy, which ought seldom if ever to be decided in the affirmative in a doubtful case. It is not in slight implication and vague conjecture that the legislature is to be pronounced to have transcended its powers and its acts to be considered void.

The italicized words are mine. "Seldom if ever," said Marshall.

A century thereafter, in 1922; we find the once all-powerful legislative branch of this Government now dwarfed to the position of a suppliant for legislative license constantly waiting, hat in hand, in the anteroom of the court for its seal of approval. The loss of prestige and power of the American Congress and growth of imperial authority by the once mild-mannered court is best expressed by a lusty challenge of Justice Taft, chief for life. In the late case of *Bailey v. Drexel Furniture Co.* (May 15, 1922), he declares:

It is the high duty and function of this court in cases regularly brought to its bar to decline to recognize or enforce seeming laws of Congress dealing with subjects not intrusted to Congress, but left or committed by the supreme law of the land to the control of the States. We can not avoid the duty, even though it requires us to refuse to give effect to legislation designed to promote the highest good.

Again the italicized words are mine.

THE COURT "DECLINES TO RECOGNIZE SEEMING LAWS OF CONGRESS."

Chief Justice Taft delivering the above opinion that "seeming laws" of Congress are "not to be recognized" by the court, in the same opinion sought to distinguish the case of *Veazie Bank v. Fenno* (8 Wallace, 533) relating to increased taxation of circulatory notes of persons and State banks reaching 900 per cent increase, affirming the law, in which that court says:

The first answer to this is that the judicial can not prescribe to the legislative departments of the Government limitations upon the exercise of its acknowledged powers. The power to tax may be exercised oppressively upon persons, but the responsibility of the legislature is not to the courts but to the people by whom its Members are elected.

This decision Chief Justice Taft distinguishes because the child labor law enacted by Congress taxing the same rate on interstate traffic of child-labor goods he says is only a "seeming law of Congress." From that decision Justice Clark dissented. Without a child-labor amendment like the fifteenth amendment, which affects the color of skin, or a sixteenth amendment relating to the income tax, Congress can not pass any legislation relating to child labor by taxation or otherwise, because that would be "seeming law" which the Supreme Court in the words of Judge Taft will "not recognize."

From 1803, when the *Marbury* case was decided, down to 1851, or for 48 years, or 64 years after the signing of the Constitution, the court did not declare any act of Congress unconstitutional, and on that second occasion only to determine a matter of jurisdiction of district courts (13 How. 40).

THE THIRD COURT REVERSAL WAS ITSELF REVERSED BY WAR.

The third and "undermining" case occurred in 1857, or 70 years thereafter, when the court rendered a decision (*Dred Scott*, 19 How. 393) that was reversed by the people of the United States through a war lasting three and one-half years and the loss of many hundreds of thousands of lives.

A concise estimate of the *Dred Scott* decision is found in these words:

The candid citizen must confess that if the policy of government upon vital questions affecting the whole people is to be irrevocably fixed by decisions of the Supreme Court, the instant they are made in ordinary litigation between parties in personal actions the people will have ceased to be their own rulers, having to that extent practically resigned their government into the hands of that eminent tribunal.

The words above quoted are found in the inaugural address delivered by President Abraham Lincoln, whose independence first placed him in Congress and later in the White House instead of jail, although he fought the Mexican War openly on

this floor and afterwards led the hosts that reversed the Dred Scott decision in the field of final decision.

The modern twentieth century standards of muffled criticism in both peace and war had not yet grown popular. Men then frankly spoke their minds without thought of the press or patronage, grown powerful to-day.

WHEN THE COURT ASSUMES ABSOLUTISM, WHAT FOLLOWS?

I call attention to the recent Macomber stock-dividend decision (252 U. S.) under the income tax constitutional amendment. The court did not venture again to declare the law unconstitutional, but another 5-to-4 decision emasculated the income tax law by exempting stock dividends, so that, in a vigorous dissenting opinion by four justices, Brandeis, Clark, Day, and Holmes, the latter said, as heretofore quoted:

The known purpose of this amendment (income tax) was to get rid of nice questions as to what might be direct taxes, and I can not doubt that most people not lawyers would suppose when they voted for it that they put the question like the present (stock dividend) at rest. I am of the opinion that the amendment justifies the (stock dividend) tax.

The stock dividend emasculating decision furnishes a good text for further discussion.

What a spectacle is presented to the country when the Supreme Court practically twice decided the income tax law by Congress unconstitutional, first by a vote of 5 to 4, and when after infinite labor the country had reversed the court by the income tax amendment, the same Supreme Court, again by a vote of 5 to 4, emasculated the law, according to the above judicial opinion held by four able members of the court.

Pursuant to the income tax amendment, the American Congress had accepted the people's mandate and passed an income tax law fixing the rate of taxes on incomes. Passed by the House and Senate and signed by the President, this law was fought tenaciously by big business interests and then finally emasculated by the Supreme Court, as stated in one of its teeter-totter 5-to-4 decisions.

The decision of less than three years ago was a cause for jubilation to owners of great wealth generally, and because of that decision upward of \$2,000,000,000 in stock dividends, recently declared, have escaped individual taxation. Under existing law on that amount there would have been paid in surtaxes, possibly, a half billion dollars into the National Treasury, unless the tax was otherwise evaded. How did the Supreme Court come to subvert the purpose of a constitutional amendment? How could one man, who cast the deciding vote, thus without constitutional authority set aside the people's will?

FAMILIAR CONSTITUTIONAL PROVISIONS WITH A NEW READING.

The powers of the Supreme Court are defined in three short sections of Article III, and I submit in passing that in no place in the Constitution is it suggested that any court is empowered to set aside any act of Congress.

Article I of the Constitution contains nine sections describing the powers and functions of the House and Senate. The legislative branch of Government in 1787 was considered to be of primary importance, judging from its first place and powers granted by that document.

Article II, relating to the Executive, consists of four sections and precedes the judiciary provision. Nowhere in either Articles I, II, or III does it appear that the Supreme Court is empowered, directly or indirectly, to set aside or even interfere with the authority conferred in Articles I and II when these governmental agencies combine to enact law, nor, in fact, is power anywhere given to trespass upon that authority.

Article VI expressly declares—

The Constitution and the laws of the United States * * * shall be the supreme law of the land; and the judges in every State shall be bound thereby. * * *

Modern interpretation seeks to read into our Constitution that the Supreme Court at Washington is granted jurisdiction whenever the instrument is silent or fails to anticipate the new order.

Article III, providing for the Supreme Court, does not give any license for the appointment of judges, but does provide they shall hold office "during good behavior." Their nomination is conferred on the President under section 2 of Article II, and significantly these old forefathers of ours provided further that the power to "nominate" such judges could only be exercised by and with the "consent of the Senate."

If any restriction is to be found it occurs in Article III, section 2, as follows:

The Supreme Court shall have appellate jurisdiction both as to law and fact with such exceptions and under such regulations as the Congress shall make.

Congress was given express power to regulate the court's jurisdiction which the court with fine irony has transposed to read:

Congress may make seeming laws under regulations and limitations to be determined by any five members of the Supreme Court.

A FAMILIAR RULE OF BOTH FACT AND LAW.

To any questioning of its jurisdiction the court points to a familiar rule of law voiced by the culprit improperly lodged in jail, "Well, I'm here, ain't I." This well-surrounded precedent under existing practice is the only jurisdictional plea Congress is privileged to make according to such high and exalted authority as the court itself.

The story of claimed usurpation of power, heretofore briefly referred to, is familiar, and when we read a pronouncement by the Supreme Court setting aside some law passed by Congress after months of study and debate by the two Houses or when amendments to the Constitution after ratification by three-fourths of the States are emasculated we are prone to ask by what power is a man taken from the Halls of Congress or from private life, given superhuman intelligence or infallible judgment when placed in the courtroom? Possibly a hundred fairly able lawyers in Congress may differ in their judgment, but the novitiate justice becomes ipso facto omniscient when he takes his seat. Thereafter he assumes to pass upon and hold nugatory the "seeming laws" enacted by Congress, and the country must wait in suspense to learn when a law is not a law, to be determined by this novitiate.

JUDGES ARE CHOSEN, HOW?

Who now are chosen to be members of the court and how and why? The Constitution subordinates such nominations and confirmations to action by the Executive and the Senate. At what stage of the proceedings thereafter does transformation of the individual and his right to unwritten constitutional usurpation begin, and in this inquiry I yield to no man in my high respect for the court or its judges.

The Executive nominates a lawyer from the House or Senate, for illustration, to sit in the court for his natural life. He may be what is popularly known as a State or Federal "lame duck," repudiated by his constituents, or a live, active duck; but by one sweep of the pen the Executive nominates a man for the bench, whatever his qualification or fitness, whose voice in a five to four court decision may exceed the collective power of 435 Representatives of the people added to 96 Senators, of which body he may have been a single Member. Again, this one new justice without constitutional authority, therefore, becomes by the pen's sweep greater than the Executive who created him or, by way of familiar illustration, greater than the 100,000,000 people who by constitutional amendment sought to tax incomes irrespective of tax-free securities or of nontaxable stock dividends. One justice thus turned the decision in the Macomber case that exempted \$2,000,000,000 in stock dividends during the last six months from taxation against the expressed will of the people, according to four judges. By what right did he do so?

Do we need to carry the illustration further, reaching men appointed to the court whose whole career ordinarily has been in an atmosphere of corporate power unknown and impossible to have been anticipated by framers of the Constitution?

No one questions the untrammelled right to make such appointments, but it serves to illustrate how one Executive may in four years name a majority of the court whose training, environment, and decisions for a generation to come will affect and control changing conditions of government.

Press announcements and magazines say we are about to adopt the English system of high court appointments. That the Chief Justice, through the Executive, will recommend such appointments. No English court can set aside a law of Parliament. Here the court assumes that right and 300 State and Federal labor laws have been so set aside by the various courts. In an English monarchy from which we declared our independence the people rule through a parliament that may be summarily recalled. Here the court justices selected for life finally determine the law and the Chief Justice is now to select his associates and thus rule supreme.

A SEEMING CANDIDACY.

Let us suppose, for illustration and in an impersonal way, that the people, from whom all power comes, in their supreme judgment decide that an Executive is not fitted to direct the affairs of the country. Without offense, then assume he is overwhelmingly defeated, repudiated for reelection at the polls, receiving only 8 electoral votes out of 531 for its highest office. Whether the rejection occurred through lack of confidence in his past record, his policies, temperament, surrounding influences, or for other reasons unnecessary to discuss, the repudiation by the country stands. The verdict is overwhelming.

Thereafter assume that this same ex-official is placed by a successor in the position of Chief Justice for life.

What answer can be offered to the proposition that, after the highest officer in the land, the maker of justices and chief justices, has been overwhelmingly recalled by the people, a succeeding President may appoint this same recalled Executive to the highest court for life, without recall or any review of decisions? I speak of this possibility impersonally. If protests against such an anomaly are heard, then what may be offered against corporation, railway, or other attorneys, however able, who receive similar life appointments and are thus empowered to set aside State and Federal laws without any recall or review?

THE ONLY GOVERNMENT WITH JUDICIAL GUARDIANS.

It is unnecessary to add this is the only great Government in the world where such unlimited power is reposed in any man or group of men not subject to recall or review. The transcendent importance to powerful interests of such appointments to the highest court may well be understood when matters of taxation, trusts, or other litigation are subject to final decision without review. Where recommendations for appointment or protests are secretly made, no public knowledge exists of methods employed in making nominations, but such interests would naturally strenuously urge or oppose particular candidates for judge before the nomination, and the Executive may easily be misled in such nominations under present practices. Once named, confirmation ordinarily results, and a life tenure follows without possibility of recall or review.

It is not clear to the average layman who makes up over 95 per cent of our people just why a railway lawyer or specializing attorney should be preferred for the highest judicial post in the land when 48 chief justices of the 48 States and hundreds of other able judges are available material from which to choose. In fact, thousands of judges of inferior courts throughout the land may furnish available material over a man of close corporate affiliations who has never sat on any bench. Nor does this question the ability of any Executive's choice, but no greater surprise would follow the appointment to the court of a governor recently defeated for reelection by several hundred thousand votes, although such nomination was rumored in the press for a recent Supreme Court vacancy.

CANDIDATES CONSIDERED FOR COURT APPOINTMENTS.

In this connection, the possible present and past of court membership is not without interest. On January 2, 1923, the press announced that next March a conspicuous Cabinet officer will resign. The Tea Pot Dome lease to a Standard Oil subsidiary and extreme readiness to part with other Government resources have brought forth utterances in legislative halls for many months urging such resignation, so it was a distinct surprise to learn from the same authority that the resigning official had been offered a judgeship on the United States Supreme Court bench, and also that the overwhelmingly defeated governor of New York had declined that same honor. Even the past is not devoid of interest. Standard Oil's 5-to-4 stock-dividends decision heretofore referred to was won by a present Cabinet officer during an interim, whose previous position as a justice on that same bench gave him unsurpassed prestige when later addressing the same court of which he had once been a part. Hair-splitting distinctions were rejected by Marshall, who said, "Seldom if ever" should the court so act.

The "seeming laws" on income taxes passed by Congress and approved by the people were set aside or emasculated by two different 5-to-4 "seeming opinions" of the court.

Is it such knowledge on the part of big business interests that brings constant threats from them of repeal or emasculation by the court of regularly enacted laws affecting such interests? Some testimony of such belief is available. No one need question the integrity of the court individually or collectively or that its decisions are based on the untrammelled judgment of its members. In like manner it may fairly be assumed that however high minded its members are human, and due to a lifelong training may be subject to conscious or unconscious influences not conducive to the development of a judicial temperament. If they are not human with strong political opinions and prejudices then why should the court be kept politically balanced?

OTHER JUDGES WHO ARE RESPONSIBLE TO THE PEOPLE.

The American people are not governed by any fetish in their appraisal of the fallibility of judges of the State courts of last resort. Many of these judges would grace any court in the land, yet the States did not follow the Federal Constitution of life tenure, but provided that all judges from the lowest to the highest courts should submit their candidacies to the

people. Instead of adopting the same fundamentally democratic practice by having Federal judges stand for elections on their records or making such judges subject to recall or their decisions subject to a referendum, I submit we have gone far afield from the original purpose of government when we abandon our legislative duties and prerogatives to a court that declares State and Federal laws unconstitutional and neither originally nor thereafter submits itself or its record to the people as all State courts are compelled to do at stated times at the polls.

I have no criticism to bring against any judge or Executive, past, present, or prospective, and speak impersonally of practices rather than of men. We are confronted with the proposition that the Supreme Court judge who is to decide questions involving hundreds of millions of dollars or of human rights of untold value and who assumes to override constitutionally provided methods of enacting law, by his decisions receives his certificate of life tenure from the Executive. It may be based on friendship or other influences. One man now makes a grant to the other of unlimited power which he does not possess for himself. What of the source of power that appoints?

AN ESTIMATE OF THE SOURCE OF ALL POWER TO-DAY.

A few days ago—December 9—a press report of a public address contained an estimate of the source of executive power expressed by the mayor of New York. Mayor Hylan was elected and reelected overwhelmingly by the metropolis and is supposed to speak with some authority and some knowledge of the financial interests of New York with which he has been brought into contact, presumably through his position. In his public address of about a month ago Mr. Hylan said:

A small group of excessively wealthy individuals control both the major political parties and through the exercise of powerful, sinister, and too often unlawful influence have become dictators of the destinies of more than 110,000,000 people. They have dictated nominations for the Presidency, written the platforms and party pledges, and because of their campaign fund contributions have arrogated the right to dictate governmental policies.

No stronger indictment has ever been offered of both parties and of their policies, nor do I unreservedly subscribe to that belief. But from the days of Bryce's disclosures of American hidden political agencies over 20 years ago down to the present time evidence of the growth and activities of invisible government centered in New York City has been cumulative.

Major La Guardia, Congressman-elect, Republican, New York, who resigned from the House five years ago to assume command of aviation during the war in the Italian sector, was afterwards elected president of the board of aldermen of New York City—a position of importance far beyond the lieutenant governorship of many States. La Guardia says:

Judge Ford's strictures on the judiciary express the sentiment of people generally in every walk of life. The invisible government controls public affairs more effectively now than ever before because it works secretly and owns a great many avenues of publicity. The lesson of last election gave notice that government must be returned to the people, but this lesson has made the same invisible government more determined to keep control of the courts. What good is progressive legislation if such legislation may be destroyed by the courts?

Bearing on this proposition, is it proper to say regarding political parties and candidates for the Presidency that both of the old corrupt party machines are under the dominion of the plunder league of the professed politicians who are controlled and sustained by the beneficiaries of privilege and reaction, or is it proper to say the papers conveniently grouped as representing Wall Street interests supported Judge Parker for the Presidency in 1904 and almost unanimously supported Mr. Taft for the Republican nomination on his candidacy for renomination? I quote this exact language from pages 116 to 120 of *Progressive Principles*, by Roosevelt, contained in his speech before the national committee of the Progressive Party August 6, 1912.

Honorary punishment for Roosevelt's temerity was promised in his certain renomination and election for the Presidency in 1920 but for his untimely death. Quotation marks are omitted because these, to many minds, determine the difference in estimate between the rational and the radical. Even that fine orator, and now conservative radical, ex-Senator Beveridge, who was temporary chairman, on the same occasion said:

These special interests which suck the people's substance are bipartisan. They are the invisible government behind our visible government. ROOSEVELT AND BEVERIDGE WERE ONCE TERMED RADICALS.

Presidents, judges, lawyers, and laymen have voiced their protest against the tendency of the courts to arrogate to themselves the right both to legislate by judge-made laws and to adjudicate. Those who urge blind unquestioning faith in this tendency of the courts as a test of "Americanism versus Rad-

calism" are confronted with the record and prophesies of the fearless American among Americans, Roosevelt, who in unmeasured terms denounced the trend of court decisions, and with his disciple and able chairman of the progressive convention—Beveridge—proposed and indorsed a vigorous platform demanding so-called radical legislation to prevent an alleged threatened control of the judiciary and of judicial decisions by the invisible government, so strongly denounced by Beveridge at the convention.

The bitter condemnation of those who knew him best brought about the unparalleled defeat for reelection of President Taft while the turn of the wheel had made certain the reelection of Roosevelt.

The people are discovering that Roosevelt and Beveridge were not radicals but were prophets crying in the wilderness whose prophesies, then doubted, now command wide attention.

Nor is it necessary to follow the extreme leadership that once declared present high judicial officers were then supported by the Wall Street press. Men generally will believe that tendencies and training instead of any invisible government have occasioned questionable decisions from the different courts.

Apart from the opinions of Jefferson, Jackson, Randolph, Lincoln, and others of early days, when within a brief time Mayor Hylan, ex-President Roosevelt, ex-Senator Beveridge, and countless other men enjoying public confidence have concluded that money influences the selection of executives in both major parties; that the invisible government is bipartisan; that big men pervert the courts to their own uses, followed by repeated appointments of justices from great corporate environments to the highest judicial posts, where one man may reverse Congress and emasculate a constitutional amendment ratified by 36 States, what answer can be made to the proposition that one Executive may and does by such appointment, though unintentional, nullify the will of the people for a generation to come? Again I repeat the average man may not subscribe to all these conclusions, however high the authority, but opinions are submitted in support of a tentative proposal that will be offered to meet the situation, whatever the facts may be.

THE QUALITY OF MERCY AND TREND OF JUSTICE.

A direct and serious charge affecting every phase of government has come from the mayor of a city second to none in the world in influence and wealth, from a man who rules over more people in New York City than are found in any one of 44 States of the Union. That he is not alone in his estimate of wealth's influence in public affairs appears from a press statement of January 19, 1923, wherein Supreme Court Justice John Ford, of New York, a Republican in politics, is quoted as saying of "judicial usurpation":

That courts are partial to accumulated wealth no impartial student of the subject can doubt. * * * They are on the side of the powerful employer and against his employees, and they are daily, through judge-made laws, oppressing the poor and lowly in the interests of amassed capital.

Again he said:

Federal judges are the worst, because they are appointed for life and not responsible to the voters. Their selection is left to lawyers, and lawyers are the employees of wealthy men and large corporations.

President Taft in a Chicago speech long ago is quoted as saying:

Of all the questions that are before the American people, I regard no one as more important than this, to wit: The improvement of the administration of justice. We must make it so that the poor man will have as nearly as possible an equal opportunity in litigating as the rich man; and under present conditions, ashamed as we may be of it, this is not a fact.

That the poor man does not have an equal opportunity in litigating as the rich man is a fact of which we are ashamed, according to an eminent man, once President, now Chief Justice of the United States.

"CORPORATIONS HAVE TAKEN POSSESSION OF THE COURTS."

Again I quote—

At the present time the supreme power is not in the hands of the people but in the power of the judges, who can set aside at will any expression of the peoples will made through an act of Congress or a State legislature. These judges are not chosen by the people nor subject to review by them. This is arbitrary power and the corporations have taken possession of it simply by naming a majority of the judges.

No; this is not an extract from the writings of any alien or destroyer of the Republic. It is the opinion of Chief Justice Walter Clark, of the North Carolina Supreme Court, expressed deliberately in *The Arena* and is in harmony with the opinion of Jefferson, expressed over a century ago.

Possibly no woman has the confidence of the people of this country above Jane Addams, whose ability, conservatism of ex-

pression and interest in humanity is known to all. She is quoted as saying:

From my experience I would say, perhaps, that the one symptom among workmen which most distinctly indicates a class feeling is a growing distrust of the integrity of the courts, the belief that the present judge has been a corporation attorney, that his sympathies and experience and his whole view of life is on the corporation side.

Commenting on an article by President Hadley, of Yale, wherein he discussed the position of property rights in America to the exclusion of human rights, a writer, Delos F. Wilcox, Ph.D. in the Independent said:

As a matter of fact, it is not Bryan or Roosevelt or Lincoln Steffens or Charles Edward Russell that is the revolutionist; these men talk; the Supreme Court of the United States acts. * * * The truth is that all kinds of men occupy the bench, among them men who secured their positions through all the different degrees of political chicanery practiced in American politics. Judges appointed for life, having no fear of the power of the people or of the Executive to rebuke them, are likely to interpret the law according to their own interests and sympathies.

REPRESENTATIVE GOVERNMENT IN NAME ONLY.

Governor Aldrich, of Nebraska, criticizing a Federal judge's decision in the Minnesota Rate case, is quoted as saying:

When any court, whether it be the United States Supreme Court or a court of inferior jurisdiction, continually makes effort by a judicial decision to do that which the people and the people alone have a right to do, then I say that such a court is seeking to establish judicial tyranny, and if allowed to proceed unchallenged along the line of this unwarranted assumption of power representative government will simply be that in name only.

Governor Aldrich was discussing the powers of the State before a conference of governors in 1911. This was long before the Supreme Court of the United States had held, in effect, that Federal powers of rate control would be held to supersede any State control over rates entirely within the State.

I have been quoting latterly from the remarkably able presentation of "Our judicial oligarchy," by Gilbert E. Roe, a strong lawyer formerly from my own State. Chosen to assume the responsible position of counsel and examiner for a Senate committee on the present oil investigation, Mr. Roe is now demonstrating his fitness and fearlessness for the duties of that position.

One of the ablest articles I have read on the general subject is "Back to the Constitution," by Chief Justice Clark, of North Carolina. Quoting briefly, he says:

Let us go "back to the Constitution" as it is written. Let Congress and the legislatures legislate, subject to the only restriction conferred by the Constitution, the suspensive veto of the Executive, and with further supervision in the people alone, who can be trusted with their own government, else republican form of government is a failure.

It must be remembered that there is no line in the Constitution which gives the courts, instead of the people, supervision over Congress or the legislature. There is no constitutional presumption that five judges will be infallible and that four will be fallible. If the legislative and executive departments of the Government err, the people can correct it. But when the courts err, as they frequently do, for instance, as in *Chisholm v. Georgia*, in the Dartmouth College case, or in the income-tax case, not to mention others, there is no remedy except by the long, slow process of a constitutional amendment or by a change in the personnel of the court, which is necessarily very slow when the judges hold for life, as they do in the Federal courts.

There is no room in a republican form of government for "judicial hegemony."

When men of high political positions and high on the bench, sworn to uphold and administer the laws, frankly confess a fundamental weakness is found in their broad experience and express judgments quoted, what must be the belief of the man on the street whose voice and whose part in our scheme of government weighs even with that of the highest official? Such indictments can not be lightly thrust aside by those who believe differently, for reminders occur of the weakness and warping of poor human nature from he who wears judicial ermine to the humblest clad.

From Roosevelt's 1913 Lincoln Day speech I quote:

In this State of New York there have been many well-meaning judges who in certain cases, usually affecting labor, have rendered decisions which were wholly improper, wholly reactionary, and fraught with the gravest injustice to those classes of the community standing most in need of justice.

Of Roosevelt's statement quoted, Judge Ford says:

This arrogation of sovereign power by the courts—the power to make laws which fit their individual political and economic views and predilections, without responsibility to the people bound by those laws—is a growing danger to our democracy. * * * Little by little this process of usurpation has gone, until now we find the courts boldly proclaiming the right to say what shall and shall not be law, regardless of the legislature or the will of the people. * * * As the king and his judges were immune from popular criticism in the old days, so we have clothed our judges with like prerogatives of royalty.

"SAFE" FEDERAL JUDGES FROM A JUDICIAL VIEWPOINT.

Possibly one of the most significant statements in a long, thoughtful address by this judge comes in his analysis of reasons for appointment of judges, which he handles as fearlessly

as others have done when discussing the matter of selecting Presidents who make judges. He says:

But there is a more ominous feature in the tendency of the judiciary to legislate for the people. The simple fact is that of all departments of government the judiciary has been looked after by the interests. Their influential lawyers have faithfully sought to get "safe" judges on the bench. That is, "safe" as Wall Street understands the term. Particularly have they been successful in procuring the appointment of "safe" Federal judges. Consider the line of Presidents we have had during the past century. Think of the baleful forces through which some of them were nominated and elected. Ponder on the malign influences which surrounded them in office and operated upon their minds in respect of all judicial appointments. Is it any wonder that we have a "safe" Federal judiciary? And the judges they appointed are in office for life and wholly irresponsible to the people over whom they presume to exercise sovereign power. And this in a government of, by, and for the people. Verily, is eternal vigilance the price of liberty.

The fifty-fourth volume of American Law Review contains a thoughtful review of five judges to four decisions of the Supreme Court by Fred A. Maynard, who quotes from the executive council of the American Federation of Labor a proposal somewhat similar to that of Roosevelt regarding a referendum of decisions. Without expressing approval, he quotes:

We mean that the power of government shall be taken out of the hands of our judiciary, which now exercises a power exercised by no other judiciary in the world. We mean that when the people of the United States have educated themselves up to certain reforms in government, when these reforms have been run into legislation and passed by Congress and approved by the President, they shall not be nullified by the edict of the judiciary, which sometimes, owing to a decision of the court, is the edict of a single man.

Analyzing the growing protest against this anomalous growth of judicial power, Maynard says:

They can not understand how such a law can be so doubtful, in a constitutional sense, when they know that before it was enacted it was critically examined by the Judiciary Committee of both House and Senate, composed of the ablest lawyers of the Congress; when they know that it was also examined by the Attorney General of the United States, then when four justices of the court, after full consideration, are also of the opinion that the law is constitutional, they think, and I submit they have reason to think, that no such doubt exists as to warrant the annulment of the law by a 5 to 4 vote. No man can be convicted without a unanimous vote of 12 men. In all cases of impeachment a two-thirds vote is required. I submit that this rule should obtain when a law of Congress is impeached. I have known the power of one vote. I have shown that mighty events have resulted from the casting of one vote. Knowing full well its power, I would, if I could, prevent its exercise when thereby a law of Congress would be declared void.

CONSTRUCTIVE CRITICISM OCCURS THROUGH DISCUSSION.

Any questioning of a court decision, whether united or divided, or any suggestion of court review or recall of judges invites a charge that it is an attack upon the court. It is unnecessary to refute such time-worn methods and when coming from those who deem themselves beneficiaries of the average decision which may be influenced by habitual attacks on Congress, the inquiry comes: What better evidence of some needed change may be afforded than criticisms from such quarters?

I have avoided quoting what seemed to be extravagant or sensational criticisms of the court or its decisions. It is a question relating entirely to the system and is as proper to discuss rationally and moderately as differing methods of nominating or electing Presidents and United States Senators.

Speaking specifically of the courts and those who pervert the courts, I quote from another:

Certain big men who also have sometimes perverted the courts to their own uses now tell us it is impious to speak of the people's insisting upon justice being done by the courts. We say, in the words of Lincoln, that we must prevent wrong "being done by Congress or courts." The people of the United States are rightful masters of both Congress and courts, not to overthrow the Constitution but to overthrow the men who pervert the Constitution.

Again, no "radical" here expresses his opinion of the court unless Roosevelt was radical; but by the same measure Jefferson, Jackson, and Lincoln were radical in their criticisms of the courts. Against four eminent ex-Presidents, four of the greatest, what voice do we hear? "His master's voice" may frequently be heard through those who criticize these fearless critics. Yet the ex-Presidents were all popular idols because they remained true to ideals of government.

WHEN DOES THE MAN BECOME SUPERMAN?

Let me quote in this connection the comprehensive expression of an eminent lawyer, Senator, and able statesman, who said, on December 29, according to the Record:

A man who is elected President from this Senate floor does not know a bit more the moment after he is elected than he did before he was elected. He is the same man in a different job. His wisdom has not increased a particle. A man who is taken from the bar or bench of the country and put in the office of Secretary of State does not know a bit more the moment after than he did the moment before he was confirmed by the Senate. . . . There is not one of them whose opinion upon a great matter would have been accepted as a finality the day before he got into office. Why should he be regarded as infallible the moment he is elected or appointed?

Continuing the unanswerable conclusions drawn by Senator REED, we may well ask, "Why should a man be transformed into a King Solomon the moment he is appointed on the bench, or why should a railway lawyer, however able, be placed where his one vote may overturn the will of the House, the Senate, and the Executive in a 5-to-4 teeter-totter decision? Again, why was he appointed, when hundreds of able State supreme court judges were equally available?"

Several years ago, July 31, 1911, a Senator from Oklahoma [Mr. OWEN] presented a bill for the recall of Federal judges. One strong argument advanced was that the chief value of the recall will be found in making its use unnecessary. Knowledge of the power would hold in check the natural tendency of unrestrained judicial decisions.

The Senator advanced a further argument that if judges should be appointed for life, why not have Senators and Congressmen appointed by the President for life. He says what we all know to be true:

A judge on the bench is only a human being after all, and he might become intemperate, not sufficiently to justify impeachment perhaps, but to justify recall. He might become mentally incapable or physically incapable, not sufficiently perhaps to justify impeachment. Such a judge might become corrupt and be so skillful in his corrupt judgments that it would be impossible to impeach and yet the wisdom of his removal might be beyond doubt.

Illustrating his point, Senator OWEN called attention to the electoral commission that seated President Hayes, when in four cases the commission divided regularly 8 to 7, according to previous political affiliation, including Justices Bradley, Clifford, Miller, Field, and Strong, of the Supreme Court.

I do not offer any opinion when recalling that in the last presidential campaign some one had to be chosen as Executive who would select judges for life. A fund of more than a million dollars was disclosed to have been contributed and expended for one particular candidate in the nomination campaign. It was not the judiciary but the Senate that revealed a brazen attempt to purchase the Presidency. Kenyon did the job, but the fearless man who sought to purge our body politic of a supreme offense has now been translated from the Senate, not to the Supreme Court, where his abilities and fearlessness would have helped to humanize decisions, but Kenyon is now placed where large national questions will rarely disturb him or those who fear him. Again, a decision by the Supreme Court was recently handed down that unlimited expenditures may be made in primaries, notwithstanding State or Federal corrupt practices acts are to the contrary. More recently the people reviewed that decision with a list of many political casualties found among those who had registered the same views as the court on the political expenditures of a former Michigan Senator.

INFLUENCES THAT MAKE THE COURT INFALLIBLE(?).

The leading Cabinet officer to-day and close presidential advisor, whose ability and personal high standing is beyond criticism, according to a complimentary intimation in the opinion, turned the Supreme Court decision in favor of his client—Standard Oil—in the stock dividend 5 to 4 decision (252 U. S.) by 1 majority of the court. The Newberry \$200,000 campaign fund decision in like manner was a teeter-totter 5 to 4 court decision, with Mr. Hughes again chief counsel for the victor. (256 U. S. 233.) He there contended in legal phraseology that "regulations affecting times, places, and manner of holding elections" did not relate to nominations, because the only way to determine the egg was by the chicken—if it hatched—at least that was the substance of the majority opinion, although the case had other angles.

Chief Justice White, Justices Pitney, Brandeis, and Clark rejected ex-Justice Hughes's reasoning, but again he had the fifth gun, and that always turns the judicial tide of battle. However, both decisions were rejected by the country when an expression at the polls could be had from the people who do not appreciate the "niceties of law" that weighed most with the fifth judge in both hairsplitting decisions.

Rejected in the tax case I submit as evidenced from the vote on the income-tax amendment ratified by 36 States and interpreted by four able justices and rejected in the primary expenditure case by the long list of political fatalities recorded at the last election. Finely drawn distinctions were offered to justify both decisions, but the people, who have the last voice, are not and were not in sympathy with either judgment of the court if sentiment can be gathered from the ballot-box returns of the several States.

THE CHILD'S HAT OF 1787 FOR 100,000,000 PEOPLE.

Sincere and insincere questioners who object to any "monkey-ing" with the Constitution seem to forget that if the framers of that instrument had intended that the court or any other body was to be a sort of governess for Congress, they would

have so provided in the bond between the States. Many of our modern woes, real or imaginary, have arisen from trying to satisfy a majority of the court's views, that are subject to modification or radical change with a changing court—a problem found nowhere else in the world.

Unless we say, with unctuous sophistry, we can not trust the people who are the government to decide how their Government shall be run, then State and Federal Constitutions will never be proper subjects of change. In upholding the workmen's compensation laws of Wisconsin, Chief Justice Winslow, a dearly loved official, announced a doctrine that might well be followed more regularly when he said:

When an eighteenth-century constitution forms the charter of liberty of a twentieth-century government, must its general provisions be construed and interpreted by an eighteenth-century mind in the light of eighteenth-century conditions and ideals? Certainly not. * * *

ROOSEVELT ON THE RECALL OF JUDGES.

After paying full tribute to the able judiciary of the country, in which every fair-minded man agrees, Roosevelt, in his address to the Ohio constitutional convention, expressed himself so clearly and unmistakably that I quote:

Either the recall of judges will have to be adopted or else it will have to be made much easier than it is now to get rid, not merely of a bad judge but of a judge, however virtuous, who has grown so out of touch with social needs and facts that he is unfit longer to render good service on the bench.

It is nonsense to say that impeachment meets the difficulty. (That was Jefferson's same criticism.) In actual practice we have found that impeachment does not work, that unfit judges stay on the bench in spite of it, and, indeed, because of the fact that impeachment is the only remedy that can be used against them. Impeachment as a remedy for the ills of which the people justly complain is a complete failure. A quicker, a more summary remedy is needed.

Roosevelt was speaking of State courts, but the same argument affects United States Supreme Court decisions that invalidate both State and Federal laws. A resemblance and a distinction between the highest State and highest Federal court is noted, for State laws permit the people of the State in time to remove at the polls the offending judge, whereas a Supreme Justice whose vote may set aside both Federal or State laws concerning the most vital public questions, is responsible to no one during his natural life.

No court veto of legislative wisdom is found in the Constitution, but as usurpation of jurisdiction rests on justified or unjustified custom and now has the force of constitutional prerogative, what just reason can be advanced against the right to set aside such decision by the same two-thirds vote with which we set aside the veto of an Executive who appoints Supreme Court judges? If the people by constitutional amendment place the responsibility with Congress, who can be heard to complain?

RECALLS OF CONGRESS AND EXECUTIVES.

The Constitution provides in its wisdom the Executives of the Government may be removed in four years, as evidenced by the 531 to 8 electoral-vote decision during the recent past, although no power can reach the same man when he is once placed on the bench. By the seventeenth amendment it is provided the Senate every six years shall go back to the people, not to State legislatures as formerly, and that Representatives shall go back biannually to receive their grant of authority. Why should not some control be had over the personnel of the court by those who represent the people?

A political party that cast 4,119,507 votes in 1912—11 times the Republican electoral vote 10 short years ago, carried in its platform, so supported, the following plank:

When an act passed under the police power of the State is held unconstitutional under the State constitution by the courts, the people shall have an opportunity to vote on the question whether they desire the act to become a law notwithstanding such decision.

Last month a conference met in Cleveland to advance progressive political action. Five hundred delegates from practically every State in the Union, claiming to represent millions of voters in farm and labor organizations, there issued a call to Congress based on overwhelming political changes they contributed to bring about at the recent election. One of the six planks adopted by that conference reads:

(3) That Congress end the power of the courts to declare legislation unconstitutional.

The unlimited power of the courts and the stand of the Progressive Party a decade ago finds recent expression in the platform drafted last month at Cleveland. What is the answer?

A bill heretofore introduced by an able lawyer and Senator (OWEN) with long service reads:

That from and after the passage of this act Federal judges are forbidden to declare any act of Congress unconstitutional. No appeal shall be permitted in any case in which the constitutionality of an act of Congress is challenged, the passage by Congress of any act being deemed conclusive presumption of the constitutionality of such act.

Protesting against a recent Supreme Court appointment, Senator LA FOLLETTE several days ago said in his magazine:

No student of existing conditions, however conservative he may be, can ignore the alarming fact that there is a widespread and growing suspicion in the public mind that our courts and kindred tribunals established to administer justice under the laws are more considerate of property interests than of personal rights. * * * It is no longer to be ignored by the profession nor by those having the appointing power to places on the bench. Out of it has come the demand for the recall of judges.

In speeches, arguments, and writings Senator LA FOLLETTE has constantly urged the necessity for a recall of judges and a review of decisions. His advice has been followed by criticisms, but he is in the company of ex-Presidents, judges, and is well able to stand alone.

Senator BORAH recently introduced a bill requiring seven judges of the Supreme Court to agree before a Federal law is set aside. Jury decisions ordinarily by law must be unanimous. Why not the courts when laws are set aside?

SACREDNESS OF JUDGES NO LONGER A SHIBBOLETH.

Unless there is some sacredness attached that may suggest a strong suspicion of ulterior motives for preventing removals under any circumstances, a resolution making decisions and judges subject to a two-thirds referendum or recall is worthy of consideration by the Congress.

If it would not be deemed too "radical" to quote a commonly misused term of reproach, I venture to offer for your consideration something to the following effect:

No law shall be held unconstitutional and void by the Supreme Court without the concurrence of at least all but one of the judges.

A provision affecting the tenure of office of judges I submit might properly read:

Judges may be removed from office by concurrent resolutions of both Houses (of the Congress) if two-thirds of the Members elected to each House concur therein, but no such removal shall be made except upon complaint, the substance of which shall be entered on the journal, nor until the party charged shall have had notice thereof and an opportunity to be heard.

Both provisions, excepting the words in parentheses, are taken verbatim from the constitution of the State of Ohio, from a State that claims for its chief citizen the only man who can appoint judges and chief justices for life, and from the home State of the Chief Justice himself.

THE RACE TO THE COURT, FAST AND FURIOUS.

The growth of the court's "don't decisions" on "seeming laws" enacted by Congress has been fast and furious. Three cases were heard and three Federal laws declared unconstitutional during the first 70 years, or one in about every 23 years on the average. Of those so tried, two were of slight importance. Since that time, or during a period of practically 50 years, such decisions have reached on an average possibly one per year, and hundreds of State laws have been wiped out by the same tribunal. I have not the exact number, but believe this figure is not far wrong and that decisions declaring Federal laws unconstitutional are rendered twenty-three times as often now as in the days of the terrible but great Marshall.

Familiarity breeds or invites contempt, 'tis said, and we are becoming used to the court's chastening stick, but no record shows how many cases have been tested in court—some upheld, some dismissed, and others reversed. From the lower court to the highest the race now is constant. No law is certain in character to-day until litigants get the stamp of approval from the court, so these litigants and thousands who have acted or would act on the law are kept in a state of suspended animation until the court voices its approval or disapproval. In other words, to determine what is law or just "seems to be law." How long will Congress and the country subscribe to this un-American doctrine of judicial usurpation?

To what extent, we may well ask, will the policy lead in view of the arithmetical progression practiced during recent years, and can any more striking anomaly be conceived under our form of government than this anxious waiting, hat in hand, for months or years to get a 5 to 4 last guess on constitutional enactments?

A FEW CASES CITED FROM AMONG MANY CLOSE DECISIONS.

Widespread extension of the United States Supreme Court's constitutionally provided jurisdiction may be inferred from a few examples of divided decisions that overturn different laws of States and Nation. Only those are mentioned where the opinion of the court is fairly well divided:

United States v. Trans-Missouri Freight Association (166 U. S. 290, 1897), Sherman Antitrust Act; four dissenting.
United States v. Joint Traffic Association (171 U. S. 505, 1898), Sherman Antitrust Act; three dissenting.
Northern Securities Co. v. United States (193 U. S. 197, 1904), Sherman Antitrust Act; three dissenting.
Continental Wall Paper Co. v. Volgt Co. (212 U. S. 227, 1908), Sherman Antitrust Act; four dissenting.

Paine Lumber Co. v. Neal (214 U. S. 459, 1908), Sherman Antitrust Act; three dissenting.

Duplex Printing Co. v. Deering (254 U. S. 443, 1920), Clayton Act; three dissenting.

Employers' Liability Cases (207 U. S. 463, 1907), Federal law held unconstitutional; four dissenting.

Lochner v. New York (198 U. S. 45, 1904), New York law held unconstitutional; four dissenting.

Adams & Tanner (244 U. S. 590, 1917), Washington law held unconstitutional; four dissenting.

Hammer v. Dagenhart (247 U. S. 253, 1918), Federal child labor law held unconstitutional; four dissenting.

Bailey v. Alabama (219 U. S. 218, 1911), Alabama law held unconstitutional; two dissenting.

Coppage v. Kansas (236 U. S. 1, 1915), Kansas law held unconstitutional; three dissenting.

Southern Pacific v. Jensen (244 U. S. 205, 1916), State compensation acts held unconstitutional; four dissenting.

Stettin v. O'Hare (243 U. S. 629, 1917), Oregon law upheld; four to four.

Knickerbocker Ice Co. v. Stewart (253 U. S. 149, 1920), Federal law held unconstitutional; four dissenting.

Truax v. Corrigan (42 Sup. Ct., 1922), Arizona law held unconstitutional; four dissenting.

Pollock v. Farmers' Loan & Trust Co. (158 U. S. 601, 1895), Federal income tax held unconstitutional; four dissenting.

Keller v. United States (213 U. S. 138, 1909), Federal law held unconstitutional; three dissenting.

Southern Railroad Co. v. Greene (213 U. S. 400, 1910), Alabama law held unconstitutional; four dissenting.

Western Union Telegraph Co. v. Kansas (216 U. S. 11, 1910), Kansas law held unconstitutional; three dissenting.

West v. Kansas N. G. Co. (221 U. S. 229, 1911), pipe-lines law held unconstitutional; three dissenting.

Savings Bank v. Des Moines (205 U. S. 303, 1907), Iowa law held unconstitutional; three dissenting.

Louisville & Nashville Railway v. Stockyards (212 U. S. 131, 1909), Kentucky law held unconstitutional; three dissenting.

Ludurg v. Western Union Co. (216 U. S. 146, 1910), Arkansas law held unconstitutional; three dissenting.

Union Tank Line v. Wright (249 U. S. 275, 1919), Georgia law held unconstitutional; three dissenting.

Newberry v. United States (256 U. S. 232, 1921), overruling conviction of Newberry; four dissenting.

I have not quoted the Macomber stock-dividend case (252 U. S.) holding by 5 to 4 such dividends not taxable and thereby losing possibly a half billion dollars in tax revenues to the Treasury nor are many other cases cited because hard to classify. Many laws, State and National, have been held constitutional by only one vote of the court, and other proportionately narrow escapes in determining constitutionality are not cited nor are ordinances of cities mentioned that were set aside or affirmed by a divided court decision, many of which I have before me.

A most remarkable publication, printed under Government sanction, laid on our desks during the past week, is entitled "Labor laws that have been declared unconstitutional," issued by the United States Department of Labor. A review of decisions by State and Federal courts discloses that 300 separate statutes, bills, and ordinances have been set aside by the courts (p. 10). When it is remembered that hundreds of laws not affecting labor have been set aside by the courts, the wide range of assumed jurisdiction and judge-made laws resulting may well be understood.

The fostering care of one court over another (?) is announced by the United States Supreme Court when, in passing upon a decision of the New York Court of Appeals, it announced:

We will only say that, notwithstanding the decision comes from the highest court of the first State of the Union and is supported by most persuasive argument, we have not been able to yield our consent to the view there taken.

Enough has been offered of recent date to show that with increasing frequency the Supreme Court on great public questions previously decided by constitutionally elected bodies often evenly divides while one member of the court is now vested with power under present conditions to set aside laws left in force by an otherwise equally divided court. Both branches of Congress and the Executive who appointed the court are helpless to act, notwithstanding a strongly contended usurpation of constitutional prerogative exists in the court to-day. State legislatures and governors are equally impotent if one Federal Associate Justice throws his weight on one side or the other of the question.

CONCLUSIONS, IF REASONABLE, CALL FOR SOME REMEDY.

I have not assumed to present any original or technical argument nor urge that particular changes be adopted.

When no authority exists under the Constitution to reach this situation, either by Congress or the people, it remains for Congress to provide some relief for submission to the people. As a tentative suggestion it is proposed that decisions of the court declaring laws unconstitutional shall be practically unanimous or for recall of judges, or both, and it may be a salutary move to place a recall in the hands of two-thirds of Congress, thereby serving to keep the court fairly close to the will of the people. To this end I am suggesting a tentative amendment

that would require two-thirds vote of both Houses to join in any proceeding affecting members of the court or of their decision, somewhat similar to the Ohio constitutional provision. If this proposed amendment invites consideration, I submit that ample grounds for its support may be found in the cases cited. More pertinent, it makes certain Article IV of the Constitution, which provides:

The Constitution and the laws of the United States * * * shall be the supreme law of the land; and the Judges of every State shall be bound thereby.

It reads "judges shall be bound thereby" without hairsplitting decisions over "supposed laws."

Pursuant to the same ark of the covenant we can not well misread section 2, Article III, that is couched in plain English:

The Supreme Court shall have appellate jurisdiction both as to law and fact, with such exceptions and under such regulations as the Congress shall make.

No higher authority need be cited, and no greater responsibility rests on Congress to-day, in my humble judgment, than to perform a plain duty under the Constitution.

Proposed joint resolution for an amendment to the Constitution of the United States:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

SECTION 1. Congress shall have power to determine how many members of the Supreme Court shall join in any decision that declares unconstitutional, sets aside, or limits the effect of any Federal or State law, and may further provide by law for the recall without impeachment proceedings of any judge of the court, or for a review and setting aside of any such court decision, providing that not less than two-thirds of the vote of both Houses shall agree to such recall or review.

THE PRIVATE CALENDAR.

Mr. SNELL. Mr. Speaker, by previous arrangement, I understand that it is in order to call up unobjected-to bills on the Private Calendar. I ask unanimous consent that they may be considered in the House as in Committee of the Whole.

The SPEAKER. By special order bills unobjected to on the Private Calendar are in order to-day. The gentleman from New York asks unanimous consent that they may be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

CERTAIN OFFICERS OF THE ARMY.

The SPEAKER. The Clerk will report the next bill on the Private Calendar.

The next business on the Private Calendar was the bill (H. R. 11397) to authorize appropriations for the relief of certain officers of the Army of the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, this is an omnibus war claims bill involving some 46 different claims. I think some explanation should be made by the chairman of the committee reporting it before the objection stage is passed.

Mr. SNELL. Mr. Speaker, this bill was originally sent to the Speaker of the House to be presented to the War Claims Committee for consideration. It contained various private claims, and was intended to clear up all of the claims that were in the War Department that had been approved by the department but refused payment by the Comptroller General up to the time that we passed, last year, the special enabling act which gave the power to the War Department to consider and settle practically all such claims as are carried in this present omnibus bill.

In considering this bill the committee went over each claim very carefully. We tried not only to be fair to the individual claimants but also to protect the Government in every respect, and if we have erred at all I think we have erred in favor of the Government.

Mr. MADDEN. Does the gentleman mean to say that if the committee have erred, they have erred by giving more generous treatment to these cases than they should have received?

Mr. SNELL. I mean just exactly the opposite, and most of the claimants at least will support my statement.

Mr. MADDEN. I thought the gentleman would like to have that statement made.

Mr. SNELL. Many of these claims are printing claims. According to law no one has the right to cause any printing on behalf of the Government or any advertisement or insertion in any paper without written authority from the War Department. During the war there were a good many times when

it was absolutely necessary for the officer in charge for the benefit of the Government to insert small advertisements on behalf of the Government. Each one of these claims except one is very small. It was done for the benefit of the Government, and there is absolutely no reason why the Government should not pay these bills except the technicality that was in the law.

The heading that covers the greater part of these claims is the loss of money by Army officers. During the war various officers were in control of sums of money used for pay rolls and other expenses. They had no special accommodation for taking care of this money, and it was necessary to leave it with a subordinate officer or with some civilian clerk, and generally the officer had no control in choosing such officer or clerk. In practically every case covered in this bill the officer himself really had nothing to do with the money. In almost all cases the person who stole the money or in some other way got away with it has been apprehended and is now in jail or has returned a part of the money; but notwithstanding that fact the officer himself is held responsible and has been asked to pay back the balance that has not been returned; that is, the officer in charge is technically responsible, regardless of any other conditions over which he has no control.

Sometimes in the foreign service they moved quickly and did not always have an opportunity to take all their belongings with them.

Mr. STAFFORD. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman.

Mr. STAFFORD. In these various claims, what action was taken by the department to secure the amount from surety companies?

Mr. SNELL. I think there is only one claim, if I remember correctly, where there was a bond, and a surety bond does not cover the Heilich case, which is, I believe, the one the gentleman has reference to. The Government bonds a man's honesty, and if a man is not dishonest, if he has been tried by court-martial and it has been shown that he is not guilty of any misdemeanor, and he is still in the service, that bond does not cover the case. It is simply when a man has been found guilty of wrongdoing and has been separated from the service that the bond covers the case. This man was proven innocent and without fault and is still in Government employ, and for that reason the bond has nothing to do with the case at all, and the bonding company receives no benefit under this bill.

Mr. STEVENSON. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from South Carolina.

Mr. STEVENSON. I had a case which I think reached the committee too late to be inserted in this bill. Major Hardin had a clerk assigned to him by the Civil Service whom he had no right to refuse to take. Major Hardin required him to have a bond, and he gave a surety bond for \$5,000. The clerk stole \$11,000. The surety bond was collected, but the Government wishes Major Hardin to pay the remaining \$6,000. The dishonest clerk pleaded guilty to the charge and was sent to the penitentiary and within a few months was pardoned. I wanted to know if the gentleman would be willing to let that go into this bill. I would be glad to get it in if we could. It was approved by the department, but it was too late to get it into the bill.

Mr. SNELL. I will say that several people have come to me with the same kind of cases. I would not want to put into the bill any cases that have not been definitely passed upon by the committee and all the evidence presented to the committee in the usual way. We expect to have another day later on, and I would be glad then to consider the matter.

Mr. McSWAIN. Will the gentleman yield?

Mr. SNELL. I will.

Mr. McSWAIN. Is it the information of the gentleman that the War Claims Committee will have another day during this session?

Mr. SNELL. Yes; we are going to clean up the calendar.

Mr. McSWAIN. I want to say while I am on my feet, being a member of that committee, that as the chairman has explained, we thoroughly thrashed over all of these cases, and having had some slight experience with them I want to say that we reported nothing but that we felt the Government legally and honestly ought to pay.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. SNELL. I will.

Mr. GREENE of Vermont. Does the gentleman recollect the case of Colonel Newbold that was to come in in some omnibus bill?

Mr. SNELL. I do not know; this bill carries 68 claims and I have forgotten the names of all of them. If that one the

gentleman speaks of was sent up by the War Department and is meritorious, it is in the bill.

Mr. GREENE of Vermont. Is it expected that you will have another batch of these small claims so that this might be included in those?

Mr. SNELL. I do not know that we will have another omnibus bill, yet there are a few other claims that we will have to bring in as private bills. It is the desire of the committee to cover all of the claims arising from the late war as fast as possible so that the legitimate claimants will get their money during their lifetime instead of the second and third generation, and so that the people who know about them can give their evidence.

Mr. GREENE of Vermont. I want to say that I commend that policy, but I am taken by surprise this morning, and have not the access to my files just now. Colonel Newbold is on duty in my State at Fort Ethan Allen, which is the reason for my being interested in his behalf. It is expected that he will go on foreign service within a month.

Mr. SNELL. I am just informed the case the gentleman from Vermont is interested in is in the bill.

Mr. LITTLE. Will the gentleman yield?

Mr. GREENE of Vermont. I have not the floor.

Mr. LITTLE. Was Colonel Newbold in Switzerland at one time?

Mr. GREENE of Vermont. I can not tell the gentleman. I do not remember just what his service was.

Mr. SNELL. Mr. Speaker, the other claims are for rental of quarters where the individual officer did it under the direct command of his superior officer, and at no time was a larger amount paid than he would be allowed according to his rank and according to present law. But, owing to some technical question as to whether he was on duty with troops or not, the Comptroller General refused to pay the account. These, together with some other expenses connected with the observations made by some Army officers in foreign countries previous to our entry into the World War, comprised a majority of the claims taken up in the general bill. I will say for the committee that we have gone into these claims carefully. I myself have personally read all the evidence, and we have not put in a single bill in this general bill where there is a weak link in evidence. Everything is in favor of the Government.

Mr. SEARS. Will the gentleman yield?

Mr. SNELL. Certainly.

Mr. SEARS. The gentleman says he expects to have another day to consider these bills. We all know the congestion of the calendars in both Houses, and I sincerely hope that the gentleman will not have one day but many days in order that we may clear the calendars of these bills, and especially those that have passed the Senate which are meritorious and have been considered year after year.

Mr. SNELL. It is expected to clean up the entire Private Calendar at this session.

Mr. STAFFORD. Mr. Speaker, in view of the exhaustive explanation made by the chairman of the committee and the detailed and earnest study that seems to have been given to these omnibus claims, and having gone over them somewhat myself, I feel that the objection should be withdrawn, and I hereby withdraw it.

Mr. SNELL. The following is a condensed statement of the bill and amounts carried:

Summary of amounts included in bill H. R. 11597.

FOR RELIEF OF OFFICERS AND FORMER OFFICERS.

[Total, 48 officers.]

Name.	Credits to be allowed.	Amount to be reimbursed.
2. Earl J. Atkinson, major, Chemical Warfare Service.....		\$500.00
3. Maj. Delbert Ansmus (now captain), Coast Artillery....	\$856.93	650.00
4. William A. Bailey (formerly first lieutenant, Signal Corps, agent officer, United States Army) and Charles G. Dobbins, Finance Department.....	2,950.00	930.16
6. Herman H. Birney, Jr. (formerly second lieutenant, Air Service).....	1,403.50	
7. Capt. Ralph E. Bower (now first lieutenant, Infantry)....		15.10
8. Capt. William Bowman (now warrant officer).....	3,000.00	450.00
10. Frank S. Cady (formerly acting dental surgeon, United States Army).....		127.61
11. Henry C. Chappell (formerly captain, National Guard, retired).....		58.50
12. H. D. Cory (formerly captain, Quartermaster Corps)....		600.00
13. Capt. Richard D. Daugherty (now first lieutenant, Infantry).....		256.91
14. Maj. Charles B. Elliott.....		5.60
15. Capt. Lewis J. Emery, quartermaster, Officers' Reserve Corps.....		139.00
16. Joe F. Esslinger (formerly captain, One hundred and sixty-seventh Infantry).....		620.00
17. Maj. Powell C. Fauntleroy (now colonel).....		601.40
18. Capt. Thomas Feeney (now sergeant).....		7.50

Summary of amounts included in bill H. R. 11397—Continued.
FOR RELIEF OF OFFICERS AND FORMER OFFICERS—continued.

Name.	Credits to be allowed.	Amount to be reimbursed.
19. Capt. Frank Geers (now major).....		\$29.00
20. Lieut. John H. Hall, Thirty-third Infantry.....		200.00
21. Matthew E. Hanna (formerly captain, Tenth Cavalry).....		532.13
22. Capt. John Heilich (now technical sergeant).....	\$34,000.00	1,960.00
23. Fred S. Johnston (formerly captain).....		68.00
24. Warrant Officer James Kelly (formerly major).....		3,029.48
25. Capt. Harold Kernan, Field Artillery.....	3,426.00	1,200.00
26. Lieut. Col. Henry Jervy (now brigadier general).....		24.00
27. Nelson Keys (formerly second lieutenant, Infantry).....		238.75
28. Capt. James T. MacDonald.....		39.33
29. Capt. Sherman Miles (now major).....		57.95
30. William D. Nicholas (formerly first lieutenant, Quartermaster Corps).....		226.84
31. Lieut. Col. Mason M. Patrick (now colonel).....		6.80
32. Alexander Perry (formerly captain, Coast Artillery).....		1,521.84
33. Capt. Charles F. Risler, Ordnance.....		57.00
34. First Lieut. Matthew E. Saville, Tenth Infantry (now colonel, retired).....		1,369.55
35. First Lieut. Turner R. Sharp (now captain).....		187.40
36. Lieut. Col. George O. Squier, Signal Corps (now major general).....		41.45
37. Acting Dental Surg. William A. Squires (now major, Dental Corps).....		290.79
38. Delmaie A. Teller (formerly captain, Quartermaster Corps).....	770.00	582.00
39. Capt. Francis J. Baker, Finance Department.....		141.00
40. Capt. Stephen R. Beard, Finance Department.....		168.80
41. Capt. Horace G. Foster, Finance Department.....		350.48
42. Capt. Hastie A. Stuart, Finance Department.....		182.40
43. Maj. George N. Watson, Finance Department.....		398.54
44. Lieut. George D. Graham, Medical Corps (now lieutenant colonel, Dental Corps).....		301.20
45. Capt. Edward D. Kremers, Medical Corps (now major, Dental Corps).....		340.00
46. Capt. Larry B. McAfee (now major, Medical Corps).....		293.00
47. Capt. Leetus J. Owne (now lieutenant colonel, Medical Corps).....		171.67
48. Lieut. Col. Frederick P. Reynolds (now colonel, Medical Corps).....		323.90
49. Capt. Adam E. Seglanser (now major, Medical Corps).....		278.00
50. Jay D. Whittham (formerly major, Medical Corps).....		88.80
	46,406.43	19,796.68

FOR RELIEF OF CIVILIANS.
(Total, 19.)

1. Byron S. Adams.....	\$2,036.80
2. Berwind-White Coal Mining Co.....	118.40
3. Bransford Realty Co.....	132.20
4. John Schmidt.....	216.75
5. Nellie Swords.....	140.00
6. St. Francis Hospital, Newport News, Va.....	47.90
7. Dr. S. W. Hobson.....	56.00
8. Charleston American.....	34.80
9. Dispatch Printing Co.....	60.48
10. Evening Post Publishing Co.....	40.32
11. Montgomery Advertiser.....	16.75
12. Montgomery Journal Publishing Co.....	10.20
13. Newburgh News Printing & Publishing Co.....	27.00
14. New York Evening Journal.....	420.00
15. Spokesman-Review.....	23.40
16. Stivers Printing Co.....	22.50
17. Times Publishing Co.....	4.69
18. Trenton Times.....	13.44
19. Waterbury Republican.....	22.50
Total.....	3,447.73

FOR RELIEF OF ENLISTED MEN.

23. Clarence W. Hengen (formerly private M. G. Co.).....	\$55.00
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The total number of claimants whose cases are reported herein is 68, and of these 48 are officers or former officers, 1 is an enlisted man, and 19 are civilians or civilian agencies. The amounts which it is proposed to authorize to be appropriated, considering the collections and refundments of record up to date in the cases of commissioned officers, are as follows:

RECAPITULATION.

Number of claimants.	Classification of cases.	Credits to be allowed.	Cash refund on payments made by individuals.	Cash settlements to claimants.
	MILITARY.			
48	Relief of officers and former officers.....	\$46,406.43	\$19,796.68	
1	Relief of enlisted man.....		55.00	
	CIVILIANS.			
19	Payment for supplies, services and damages.....			\$3,447.73
	Total.....	46,406.43	19,851.68	3,447.73
	Total cash to be appropriated.....			23,299.41
	Aggregate involved.....			69,705.84

The SPEAKER. Is there objection?
There was no objection.

The SPEAKER. The Clerk will report the bill.
The Clerk read as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to allow credits and effect reimbursements in the accounts of the persons herein stated, out of any money in the Treasury not otherwise appropriated, which amounts, except as otherwise provided herein, are hereby authorized to be appropriated, namely:

First. Payment for printing: That the Comptroller General of the United States is hereby authorized and directed to pay to Byron S. Adams, printer, Washington, D. C., the sum of \$2,036.80, being equitably due for printing furnished the Ordnance Department, United States Army, under contract dated June 21, 1919, and supplemental contracts dated October 15, 1919, and December 23, 1919, and which account now stands disallowed on the books of the General Accounting Office.

Second. Payment for an automobile: That the Comptroller General of the United States is hereby authorized and directed to pay to Maj. Earl J. Atkisson, Chemical Warfare Service, United States Army, the sum of \$500, being equitably due to reimburse the said Major Atkisson for the loss of his automobile shipped on Government bill of lading on August 30, 1917, and not subsequently delivered to him, but later salvaged as Government property and sold for \$291, which sum was deposited to the credit of the Treasurer of the United States as miscellaneous receipts.

Third. Relief of Maj. Delbert Ausmus (now captain), Coast Artillery, United States Army: That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Maj. Delbert Ausmus (now captain), Coast Artillery, the sum of \$856.93, representing public funds for which he was accountable and which were stolen from him in February, 1920, and to reimburse him in such amount as he has refunded to the United States to make good the loss of these public funds.

Fourth. Relief of William A. Bailey (formerly first lieutenant, Signal Corps, agent officer, United States Army) and Capt. Charles G. Dobbins, Finance Department, accountable officer, United States Army: That the Comptroller General of the United States is hereby authorized and directed to relieve William A. Bailey (formerly first lieutenant, Signal Corps, agent officer) and Capt. Charles G. Dobbins, Finance Department, accountable officer, from the responsibility imposed upon them by law in the sum of \$2,950, representing public funds for which the said Captain Dobbins was accountable, and for which the said William Bailey was responsible as agent officer, and which were embezzled some time between October 30, 1919, and December 20, 1919, by one Charles D. Farman, who has since been convicted in the United States District Court, Southern District of Florida, of said embezzlement; and to reimburse the said William A. Bailey in such amount as he has refunded to the United States to make good the embezzlement of these public funds.

Fifth. Payment for damages to a chartered barge: That the Comptroller General of the United States is hereby authorized and directed to pay to the Berwind-White Coal Mining Co. the sum of \$118.40, as damages on account of a collision between the United States Army chartered barge *Eureka No. 12*, owned by said company, and the United States Army chartered tug *Reliable*, in New York Harbor, on August 23, 1918, due to defective steering gear on the tug *Reliable*.

Sixth. Relief of Herman H. Birney, Jr. (formerly second lieutenant, Air Service, United States Army): That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Herman H. Birney, Jr. (formerly second lieutenant, Air Service), the sum of \$1,403.50, representing public funds which were lost or stolen from him on or about December 1, 1919; and to reimburse him in such amount as he has refunded to the United States to make good the loss of these public funds.

Seventh. Relief of Capt. Ralph E. Bower, United States Army (now first lieutenant, Infantry): That the Comptroller General of the United States is hereby authorized and directed to reimburse Capt. Ralph E. Bower (now first lieutenant, Infantry), in the sum of \$135.10, representing public funds for which he was accountable which were lost by fire on or about March 6, 1920, and refunded by him to the United States to make good the loss of these public funds.

Eighth. Relief of Capt. William Bowman, Quartermaster Corps, United States Army (now warrant officer): That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Capt. William Bowman, Quartermaster Corps (now warrant officer), the sum of \$3,000, representing public funds for which he was accountable and which were lost in February, 1919, through no fault of his own; and to reimburse him in such amount as he has refunded to the United States to make good the loss of these public funds.

Ninth. Payment for damages to crops: That the Comptroller General of the United States is hereby authorized and directed to pay to the Bransford Realty Co., of Nashville, Tenn., the sum of \$132.20, as damages to growing crops caused in or about August, 1917, by stock belonging to the Government under the control of the First Tennessee Infantry, payment to be made from the appropriation for claims for damages to and loss of private property.

Mr. SNELL. On page 5, line 11, I move to strike out the word "in" and insert the word "on."

The amendment was agreed to.

The Clerk continued the reading of the bill as follows:

Tenth. Reimbursement of Frank C. Cady (formerly acting dental surgeon, United States Army): That the Comptroller General of the United States is hereby authorized and directed to pay to Frank C. Cady (formerly acting dental surgeon) the sum of \$127.61, being the amount paid by him from private funds for rent of quarters for the period October 14, 1913, to January 31, 1914, for his use while in the service of the United States.

Eleventh. Relief of Henry C. Chappell (formerly captain, National Guard, retired): That the Comptroller General of the United States is hereby authorized and directed to pay to Henry C. Chappell (formerly captain, National Guard, retired), of New London, Conn., the sum of \$58.50, paid by him in amounts as follows for advertisements published May 21 to 24, 1917, in newspapers soliciting enlistments in the Quartermaster Reserve Corps of the Army for service in a motor-truck company of the Quartermaster Corps: The Telegraph Publishing Co., New London, Conn., \$6; the Evening Day, New London, Conn., \$19.50; the New London Daily Globe, New London, Conn., \$15; the Bulletin Co., Norwich, Conn., \$18.

Twelfth. Relief of H. D. Cory (formerly captain, Quartermaster Corps, United States Army): That the Comptroller General of the United

States is hereby authorized and directed to reimburse H. D. Cory (formerly captain, Quartermaster Corps) in the sum of \$600, representing public funds for which he was accountable which were stolen between March 27, 1918, and May 4, 1918, and refunded by him to make good the loss of these public funds.

Thirteenth. Relief of Capt. Richard D. Daugherty, Forty-eighth Infantry, United States Army (now first lieutenant, Infantry): That the Comptroller General of the United States is hereby authorized and directed to reimburse Capt. Richard D. Daugherty, Forty-eighth Infantry (now first lieutenant, Infantry), in the sum of \$256.91, representing public funds for which he was responsible as agent officer which were stolen by Capt. John A. Willers, Forty-eighth Infantry, upon his desertion from the service on December 7, 1918, and refunded by the said Captain Daugherty to the United States to make good the loss of these public funds.

Fourteenth. Relief of Major Charles B. Elliott: That the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of Maj. Charles B. Elliott, Infantry, United States Army, in the sum of \$15.60, being overpayments made by him in good faith during the period from September 1 to November 30, 1916, to members of the National Guard of the State of New Jersey, as a result of his failure, through misinterpretation of regulations, to deduct certain court-martial fines, and which sum of \$15.60 has been refunded by him to the United States from private funds.

Mr. SNELL. Mr. Speaker, I wish to offer an amendment to page 7, line 7, to strike out the word "Marjor."

The Clerk read as follows:

Page 7, line 7, strike out the word "Marjor" and insert the word "Major."

Mr. BLANTON. Mr. Speaker, I move to strike out the last word, in order to ask a question. There has been quite a loss to the Government both during the war and since on these defaults and others. The gentleman speaks about the bonds not being sufficient to meet the Government's claim. Ought not the committee to take some action toward requiring a different kind of bond that shall be given in the future, so that it will meet the losses that occur? There have been quite a number of other losses of different natures not covered by this bill. This bill alone covers about \$69,000. It does seem to me that the Government ought not to be losing these big amounts of money every year through the dishonesty of some of its officers.

Mr. SNELL. I do not think there are a great many of them.

Mr. BLANTON. Oh, there are a great many that are not covered by the gentleman's bill.

Mr. SNELL. Not very many, so far as I know, that come to our committee.

Mr. BLANTON. They have not yet come to the gentleman's committee, and that is the reason.

Mr. SNELL. This bill covers everything of that nature in the War Department up to the time they sent it up here, and that was last fall.

Mr. BLANTON. I think the committee ought to take some action toward getting a different kind of bond which shall be given in the future, so that the Government would be made whole.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Fifteenth. Relief of Capt. Lewis J. Emery, Quartermaster Officers' Reserve Corps, United States Army: That the Comptroller General of the United States is hereby authorized and directed to pay to Capt. Lewis J. Emery, Quartermaster Officers' Reserve Corps, the sum of \$139, being the value of silver coins lost through unavoidable accident during the transfer of funds at Cristobal, Canal Zone, on August 6, 1917, for which the said Captain Emery was accountable.

Sixteenth. Relief of Joe P. Esslinger (formerly captain, One hundred and sixty-seventh Infantry, United States Army): That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Joe P. Esslinger (formerly captain, One hundred and sixty-seventh Infantry) the sum of \$620, representing public funds which were stolen from him on or about August 9, 1918, and to reimburse him in such amount as he has refunded to the United States to make good the loss of these public funds.

Seventeenth. Relief of Maj. Powell C. Fauntleroy (now colonel), Medical Corps, United States Army: That the Comptroller General of the United States is hereby authorized and directed to pay to Maj. Powell C. Fauntleroy (now colonel), Medical Corps, the sum of \$601.40, being the amount of money expended by him from an allotment of funds of the Quartermaster Corps, 1913, furnished him for the purpose of paying expenditures incurred as an official observer of the War Department of the Turko-Balkan War, and which amount was deposited by him in the Treasury of the United States from private funds.

Eighteenth. Relief of Capt. Thomas Feeney, Cavalry, United States Army (now sergeant, detached enlisted men's list): That the Comptroller General of the United States is hereby authorized and directed to pay to Capt. Thomas Feeney, Cavalry (now sergeant, detached enlisted men's list), the sum of \$7.50, being the amount that he paid on or about November 29, 1919, from private funds toward settling a claim for civilian clothing furnished general prisoners upon their discharge at war prison barracks No. 2, Fort Oglethorpe, Ga., in excess of the amount authorized for such clothing at that time.

Nineteenth. Relief of Capt. Frank Geere, Quartermaster Corps, United States Army (now major, Coast Artillery Corps): That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Capt. Frank Geere, Quartermaster Corps (now major, Coast Artillery Corps), the sum of

\$29, being the amount found by him to be deficient in a shipment of \$116,000 received on or about August 26, 1916, from the subtreasury at New Orleans, La., for which the said Captain Geere was accountable, and which amount of \$29 he has refunded to the United States to make good the shortage in these public funds.

Twentieth. Relief of Lieut. John H. Hall, Thirty-third Infantry, United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse First Lieut. John H. Hall, Twenty-third Infantry, in the sum of \$200, representing public funds which were lost by him on or about July 6, 1918, while crossing the Aguadulce River, Panama, and refunded by him to the United States to make good the loss of these public funds.

Twenty-first. Relief of Matthew E. Hanna (formerly captain, Tenth Cavalry, United States Army): That the Comptroller General of the United States is hereby authorized and directed to pay to Matthew E. Hanna (formerly captain, Tenth Cavalry) the sum of \$532.18, being the amount of money expended by him as special disbursing agent from an allotment from the appropriation for contingencies of the Army, 1912, to pay the unusual and extraordinary official expenses of the special mission of Army officers detailed by the President and the Secretary of War to witness the autumn maneuvers of the German Army in 1911, and which amount was deposited by him in the Treasury of the United States from private funds.

Twenty-second. Relief of Capt. John Hellich (now technical sergeant), Quartermaster Corps, United States Army: That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Capt. John Hellich (now technical sergeant), Quartermaster Corps, the sum of \$34,000, representing public funds for which he was accountable, which were stolen on or about December 10, 1919, and to reimburse him in such amount as he has refunded to the United States to make good the theft of these public funds.

Twenty-third. Relief of Clarence W. Hagen (formerly a private, Machine Gun Company, One hundred and sixty-first Infantry, United States Army): That the Comptroller General of the United States is hereby authorized and directed to pay to Clarence W. Hagen (formerly a private, Machine Gun Company, One hundred and sixty-first Infantry), the sum of \$55, being the amount due him for pay as private, Machine Gun Company, One hundred and sixty-first Infantry, for the months of November and December, 1917, and January, 1918, which amount was mailed to him in the form of a check on or about February 21, 1918, but was never received.

Mr. SNELL. Mr. Speaker, on page 11, line 4, I move to strike out the word "Hagen" and insert the word "Hengen."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SNELL: Page 11, line 4, strike out the word "Hagen" and insert the word "Hengen."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Twenty-fourth. Relief of Fred S. Johnston (formerly captain and supply officer, One hundred and eightieth Regiment of Infantry, United States Army): That the Comptroller General of the United States is hereby authorized and directed to pay to Fred S. Johnston (formerly captain and supply officer, One hundred and eightieth Regiment of Infantry), the sum of \$68, in full payment of all claims against the Government for reimbursement on account of newspaper advertisements of proposals for bids for forage supplies for the use of the Third Regiment New York Volunteer Infantry, National Guard, United States Army, at Rochester, N. Y., from April 26 to May 8, 1917, said advertisements having been published on the order of said Capt. Fred S. Johnston without specific authority of law or departmental orders.

Twenty-fifth. Relief of Warrant Officer James Kelly (formerly major, Signal Corps), United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse Warrant Officer James Kelly (formerly major, Signal Corps), in the sum of \$3,029.46, being public funds for which he was responsible when a major, Signal Corps, acting as a financial agent at Port Newark, N. J., which were stolen between October 22, 1919, and January 31, 1920, and which he has refunded to the United States to make good the theft of these public funds.

Twenty-sixth. Relief of Capt. Harold Kernan, Field Artillery, United States Army: That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Capt. Harold Kernan, Field Artillery, the sum of \$3,426, representing public funds for which he was accountable and which were stolen in October, 1919, from an enlisted man serving under him; and to reimburse the said Captain Kernan in such amount as he has refunded to the United States to make good the theft of these public funds.

Twenty-seventh. Relief of Lieut. Col. Henry Jervey, Corps of Engineers, United States Army (now brigadier general): That the Comptroller General of the United States is hereby authorized and directed to remove in the accounts of Lieut. Col. Henry Jervey, Corps of Engineers (now brigadier general), a disallowance of \$24, representing public funds for which he was accountable, which were disbursed by him under an implied contract to certain Engineer Department employees, who, in the interest of navigation and under emergent conditions, were urged to work on double pay, and did so work on April 15, 1915, a day designated by Executive order of April 13, 1915, as a public holiday; and to refund to him the sum of \$24, which he has deposited in the Treasury of the United States on account of said disallowance.

Twenty-eighth. Relief of Nelson Keys (formerly second lieutenant, Infantry, United States Army): That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Nelson Keys (formerly second lieutenant, Infantry), the sum of \$238.75, representing public funds for which he was accountable and which were lost through embezzlement by an officer on or about December 10, 1918, and through no fault of the said Nelson Keys; and to reimburse him in such amount as he has refunded to the United States to make good the loss of these public funds.

Twenty-ninth. Relief of Capt. James T. MacDonald, Quartermaster Corps, United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse Capt. James T. MacDonald, Quartermaster Corps, in the sum of \$39.33, representing public funds for which he was responsible as agent officer, which were stolen on or about April 8, 1920, and refunded by him to the United States to make good the theft of these public funds.

Thirtieth. Relief of Capt. Sherman Miles (now major), Field Artillery, United States Army: That the Comptroller General of the United States is hereby authorized and directed to pay to Capt. Sherman Miles (now major), Field Artillery, the sum of \$57.95, being the amount of money expended by him as military attaché to the American Legation at Bucharest, Rumania, from an allotment of the appropriation "Contingencies, Military Information Section, General Staff Corps," 1913, and which amount was deposited by him in the Treasury of the United States from private funds.

Thirty-first. Relief of William D. Nicholas (formerly first lieutenant, Quartermaster Corps, United States Army): That the Comptroller General of the United States is hereby authorized and directed to reimburse William D. Nicholas (formerly first lieutenant, Quartermaster Corps), in the sum of \$226.84, representing public funds for which he was accountable, which were lost by the cashing of a check between May 2, 1919, and August 4, 1919, for that amount on a forged indorsement, and since refunded by him to make good the loss of these public funds.

Thirty-second. Relief of Lieut. Col. Mason M. Patrick (now colonel), Corps of Engineers, United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse Lieut. Col. Mason M. Patrick (now colonel), Corps of Engineers, in the sum of \$6.80, being the amount paid by him from private funds for the insertion in certain newspapers of an advertisement in October, 1912, inviting public bids for the privilege of importing into the United States power generated in Canada from the waters of the Niagara River.

Thirty-third. Relief of Alexander Perry (formerly captain, Coast Artillery Corps, United States Army): That the Comptroller General of the United States is hereby authorized and directed to reimburse Alexander Perry (formerly captain, Coast Artillery Corps), in the sum of \$1,521.84, representing public funds for which he was accountable, which were lost on the United States Army transport *Princess Matoika*, between December 9, 1919, and January 31, 1920, and which he has refunded to the United States to make good the loss of these public funds.

Thirty-fourth. Relief of Capt. Charles F. Risler, Ordnance Department, United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse Capt. Charles F. Risler, Ordnance Department, in the sum of \$37, being the amount paid by him from private funds for advertising on July 7, 1919, the sale of surplus ordnance supplies.

Thirty-fifth. Relief of First Lieut. Matthew E. Saville, Tenth Infantry, United States Army (now colonel, retired): That the Comptroller General of the United States is hereby authorized and directed to pay to First Lieut. Matthew E. Saville, Tenth Infantry (now colonel, retired), the sum of \$1,369.55, representing public funds for which he was accountable, which were embezzled by John G. Hewitt between August 7, 1897, and August 14, 1897, and refunded by the said Lieutenant Saville to the United States to make good the loss of these public funds.

Thirty-sixth. Relief of John Schmidt, Fort Leavenworth, Kans.: That the Comptroller General of the United States is hereby authorized and directed to refund to John Schmidt the sum of \$216.75, being equitably due him on account of the cancellation by the United States on November 1, 1917, of a contract granting him the privilege of grazing stock on a certain portion of the Fort Leavenworth Military Reservation for one year from July 1, 1917.

Thirty-seventh. Relief of First Lieut. Turner R. Sharp (now captain), Quartermaster Corps, United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse First Lieut. Turner R. Sharp (now captain), Quartermaster Corps, in the sum of \$187.40, being public funds for which he was responsible as agent officer, \$115.90 of which was stolen on or about November 3, 1920, and \$71.50 of which was stolen on or about December 3, 1920, the entire amount (\$187.40) of which has been refunded by him to make good the loss of these public funds.

Thirty-eighth. Relief of Lieut. Col. George O. Squier, Signal Corps (now major general), United States Army: That the Comptroller General of the United States is hereby authorized and directed to pay to Lieut. Col. George O. Squier, Signal Corps (now major general), the sum of \$41.46, being the amount of money expended by him as military attaché to the American Embassy at London from an allotment of the appropriation, "Contingencies, Military Information Section, General Staff Corps," 1913 and 1914, and which amount was deposited by him in the Treasury of the United States from private funds.

Thirty-ninth. Relief of Acting Dental Surgeon William A. Squires (now major, Dental Corps), United States Army: That the Comptroller General of the United States is hereby authorized and directed to reimburse Acting Dental Surgeon William A. Squires (now major, Dental Corps), in the sum of \$290.73, being the amount paid by him for rental of quarters, heat, and light during the fiscal years 1914 and 1915, while an acting dental surgeon in the service of the United States.

Fortieth. Relief of Nellie Swords, of Nashville, Tenn.: That the Comptroller General of the United States is hereby authorized and directed to pay to Nellie Swords, of Nashville, Tenn., the sum of \$140, as damages to growing crops caused in or about August, 1917, by stock belonging to the Government under control of the First Tennessee Infantry, payment to be made from the appropriation for claims for damages to and loss of private property.

The SPEAKER. Without objection, in line 14, page 18, the word "in" will be changed to the word "on."

There was no objection.

The Clerk read as follows:

Forty-first. Relief of Delmaie A. Teller (formerly captain, Quartermaster Corps, United States Army): That the Comptroller General of the United States is hereby authorized and directed to allow and credit in the accounts of Delmaie A. Teller (formerly captain, Quartermaster Corps), the sum of \$770, representing public funds for which he was accountable and which were stolen on or about January 31, 1919; and to reimburse him in such amount as he has refunded to the United States to make good the theft of these public funds.

Forty-second. Reimbursement for rental of quarters: That the Comptroller General of the United States is hereby authorized and directed to pay to the following-named officers, United States Army, the amounts set opposite their respective names, being, in each instance, for rental of quarters for his use in the service of the United States for the periods, and while stationed at the places named: To Capt. Francis J. Baker, Finance Department (formerly pay clerk, Quartermaster Corps), for rental from November 15, 1912, to June 30, 1913, while stationed at Vancouver, Wash., the sum of \$141; to Capt.

Stephen R. Beard, Finance Department (formerly pay clerk, Quartermaster Corps), for rental from November 30, 1912, to June 30, 1913, while stationed at Fort Worden, Wash., the sum of \$168.80; to Capt. Horace G. Foster, Finance Department (formerly pay clerk, Quartermaster Corps), for rental from November 13, 1912, to January 13, 1914, while stationed at the Presidio of San Francisco, Calif., the sum of \$350.48; and to Capt. Hastie A. Stuart, Finance Department (formerly pay clerk, Quartermaster Corps), for rental from November 30, 1912 to June 30, 1913, while stationed at the Presidio of San Francisco, Calif., the sum of \$182.40, which amounts were paid by the officers named from private funds; in all, the sum of \$842.68.

Forty-third. For the relief of Maj. George M. Watson, Finance Department: That the Comptroller General of the United States be, and he is hereby, authorized and directed to pay to Maj. George M. Watson the sum of \$398.54, covering loss sustained by him through the cashing of three forged final statements, which transaction was not caused through the negligence of Major Watson, but was only made possible because of the conditions existing at the time, owing to the sudden discharge of large numbers of enlisted men.

Mr. KLINE of Pennsylvania. Mr. Speaker, I move to amend in line 3, page 20, by striking out the capital letter "M" and inserting in lieu thereof the capital letter "N," and in line 6, page 20, to strike out the capital letter "M" and insert in lieu thereof the capital letter "N."

The SPEAKER pro tempore (Mr. TILSON). The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The Clerk read as follows:

Forty-fourth. Medical services and hospital care rendered George Vay, injured seaman: That the Comptroller General of the United States is hereby authorized and directed to pay to St. Francis Hospital, Newport News, Va., the sum of \$47.90, and to Dr. S. W. Hobson, Newport News, Va., the sum of \$56, being for hospital care and medical services rendered George Vay, seaman, injured on February 12, 1913, while in line of duty; in all, the sum of \$103.90.

Forty-fifth. Reimbursement for quarters rented by officers: That the Comptroller General of the United States is hereby authorized and directed to pay to the following-named officers, United States Army, the amounts set opposite their respective names: To Lieut. George D. Graham, Medical Corps (now lieutenant colonel, Dental Corps), the sum of \$301.20; to Capt. Edward D. Kremers, Medical Corps (now major, Dental Corps), the sum of \$340; to Capt. Larry B. McAfee (now major), Medical Corps, the sum of \$293; to Capt. Laertus J. Owen (now lieutenant colonel), Medical Corps, the sum of \$171.67; to Lieut. Col. Frederick P. Reynolds (now colonel), Medical Corps, the sum of \$323.90; to Capt. Adam E. Schlanser (now major), Medical Corps, the sum of \$278; and to Jay D. Whitham (formerly major, Medical Corps), the sum of \$86.80, being the amounts paid by them for commutation of quarters and afterwards refunded by them from their private funds; in all, the sum of \$1,814.57.

Mr. KLINE of Pennsylvania. Mr. Speaker, I have a committee amendment which I desire to offer. In line 3 page 21, the word "dental" should be changed to the word "medical."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, line 3, strike out the word "dental" and insert in lieu thereof the word "medical."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KLINE of Pennsylvania. Mr. Speaker, on page 21, line 13, I move to strike out "\$1,814.57" and insert in lieu thereof "\$1,794.57."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, line 13, strike out "\$1,814.57" and insert in lieu thereof "\$1,794.57."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Forty-sixth. Payments for advertising: That the Comptroller General of the United States is hereby authorized and directed to pay to the following-named newspapers and publishing companies the amounts hereinafter stated, being, in each instance, equitably due them for official advertisements ordered without prior written authority from the Secretary of War: To the Charleston American, Charleston, S. C., the sum of \$38.40, for advertising in October, 1919; to the Dispatch Printing Co., St. Paul, Minn., the sum of \$60.48, for advertising in October, 1919; to the Evening Post Publishing Co., Charleston, S. C., the sum of \$40.32, for advertising in October, 1919; to the Montgomery Advertiser, Montgomery, Ala., the sum of \$16.75, for advertising in April, May, and June, 1918; to the Montgomery Journal Publishing Co., Montgomery, Ala., the sum of \$10.20, for advertising in April and May, 1918; to the Newburgh News Printing & Publishing Co., Newburgh, N. Y., the sum of \$27, for advertising in July, 1919; to the New York Evening Journal, New York City, the sum of \$420, for advertising in September, 1919; to the Spokesman-Review, Spokane, Wash., the sum of \$23.40, for advertising in October, 1919; to the Stivers Printing Co., Middletown, N. Y., the sum of \$22.50, for advertising in July and August, 1919; to the Times Publishing Co., Montgomery, Ala., the sum of \$4.60, for advertising in May and June, 1918; to the Trenton Times, Trenton, N. J., the sum of \$13.44, for advertising in November, 1919; and to the Waterbury Republican, Waterbury, Conn., the sum of \$22.50, for advertising in October, 1919; in all, the sum of \$686.24.

Mr. KLINE of Pennsylvania. Mr. Speaker, on line 19, page 22, after the word "of," I move to strike out "\$686.24" and insert in lieu thereof "\$699.68."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 22, line 19, strike out "\$686.24" and insert in lieu thereof "\$699.68."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

Mr. BLANTON. Mr. Speaker, I rise in opposition to the amendment. Under what authority were these advertisements made in these various newspapers all over the United States?

Mr. SNELL. If the gentleman had been here when I made my statement, he would have understood that the reason they had to come here is because they were inserted without authority by the commanding general. They were not in strict accordance with the laws of the War Department, and for that reason the Comptroller General would not pay them.

Mr. BLANTON. They were not, in fact, authorized Government business?

Mr. SNELL. Oh, absolutely; they were for Government business, and the Government had the full benefit of everything connected with it, and they had the approval of everybody in connection with the United States Government, but there was a technicality, as I explained, and the Comptroller General would not pay them. That is the reason they are here for authorization.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SNELL, a motion to reconsider the vote by which the bill was passed was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to take from the table the bill H. R. 13660, the District of Columbia appropriation bill, with Senate amendments, disagree to the Senate amendments, ask for a conference, and that the Speaker appoint the conferees.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to take from the table the District of Columbia appropriation bill, disagree to the Senate amendments, and ask for a conference, and that the Speaker appoint the conferees.

Mr. PARKS of Arkansas. Mr. Speaker, reserving the right to object, as I understand, yesterday the statement was made that no business would be transacted except these private pension claims and these other claims. I am not just sure, but if that is true it occurs to me that this matter ought not to be called up to-day.

Mr. CRAMTON. I will say to the gentleman that I was not present when such an agreement was made, and if such an agreement was made—

Mr. PARKS of Arkansas. The statement was made—

Mr. BLANTON. But a conference report is in order to be called up at any time.

The SPEAKER pro tempore. It has been the custom of the House to give the right of way to conference reports.

Mr. BLANTON. Reserving the right to object, I want to ask this question, Mr. Speaker. Knowing the gentleman as well as I do, it is hardly necessary, but is the gentleman going to permit all of these various increases to stay in this bill?

Mr. CRAMTON. Not unless the House forces me to do so.

Mr. BLANTON. The attitude of the gentleman is to cut out every one of these amendments?

Mr. CRAMTON. I would not want to say I could accomplish all of that.

Mr. BLANTON. But that will be the endeavor of the gentleman?

Mr. CRAMTON. I think the bill would be improved if that were accomplished.

Mr. BLANTON. I just want to say that unless the gentleman can keep them out, why the Members of this branch might just as well resign and go home and let the business be transacted at the other end of the Capitol.

Mr. CRAMTON. I appreciate there is some force in what the gentleman says.

The SPEAKER pro tempore. Is there objection. [After a pause.] The Chair hears none. Without objection, the Clerk will announce the conferees.

The Clerk read as follows:

Mr. CRAMTON, Mr. EVANS, and Mr. JOHNSON of Kentucky.

The SPEAKER pro tempore. The Clerk will report the next bill.

CHARLES S. FRIES.

The next bill in order on the Private Calendar was the bill (S. 2445) for the relief of Charles S. Fries.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, I object.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4390. An act to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922.

S. 4346. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the Nanticoke River.

S. 4113. An act for the relief of Helene M. Layton.

The message also announced that the Senate had insisted upon its amendments disagreed to by the House of Representatives to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, had agreed to the conference asked for by the House, and had appointed Mr. WARREN, Mr. SMOOT, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment the bill (H. R. 6294) promoting civilization and self-support among the Indians of the Mescalero Reservation in New Mexico.

ALLOWING CREDITS IN THE ACCOUNTS OF CERTAIN DISBURSING OFFICERS, ETC.

The next business in order on the Private Calendar was the bill (H. R. 11528) to allow credits in the accounts of certain disbursing officers of the Army of the United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, before the objection stage is passed I think we ought to have some explanation of this omnibus claims bill from the chairman of the committee.

Mr. SNELL. Mr. Speaker, the general statement I made in connection with the first bill (H. R. 11397) will apply to this bill. These all came to the committee from the department at one time and in one bill, and I separated them into two bills for this reason: There was no money appropriated under House bill 11528. It is merely a bookkeeping proposition in the War Department and General Accounting Department. It is simply for the purpose of straightening out these individual accounts, and the department itself knows that these credits to these officers should be allowed, but on account of the technicalities of the law they can not do it, but these charges are so obviously wrong that the department has never tried to make the individual officers pay them back. But they need this authorization to balance the accounts of the officers and give them a clean record.

Mr. STAFFORD. I wish to direct the special attention of the chairman of the committee to the item No. 7, to Maj. Albert J. Bowley, credit in the sum of \$301.27, now disallowed against him, which he expended during the period of July 1, 1912, to June 30, 1914, while serving as military attaché at Peking, China. The report shows as to this claim:

The remainder, \$196.04, of the aforementioned \$301.27 was paid as cost of exchange, and was disallowed for the reason that it did not represent the actual loss to the exchange, but was based on the rate stated on the Treasury Department circular prepared by the Director of the Mint.

Am I to understand from the statement in the report that you are going to allow this Major Bowley \$196 in excess of what was the actual cost of the exchange?

Mr. SNELL. No. As I understand that is the rate they were paying at that time. That was the order from the department, and they complied with it.

Mr. STAFFORD. Oh, yes; but there is a certain rate of exchange which was in excess of the actual cost. He was only allowed in his credits the amount of the actual loss of the exchange expenses. Now—

Mr. SNELL. I do not understand it the same as the gentleman. I do not understand that he was allowed anything. The whole matter was the adjusting of necessary expenses that were incurred, and where more than the 7 cents per mile allowance under the law, which would have been manifestly unfair under the conditions.

Mr. STAFFORD. Well, I do not read the report that way. Of course, the gentleman reported the bill and he is better acquainted with the facts.

Mr. SNELL. This is an item that caused some trouble, but we thought, after full and careful consideration, that the officer was entitled to this allowance, and this position was concurred in by everyone acquainted with the facts. It is simply a matter of bookkeeping.

Mr. STAFFORD. Mr. Speaker, I have not analyzed all of these claims with a microscopic glass, but this item rather makes me skeptical as to whether all the claims are meritorious. I have great confidence in the chairman of the committee. He has stated on the floor that he has gone over these claims individually and passed upon them. If he believes they should be paid, I shall not set up my opinion against his superior knowledge.

Mr. SNELL. I am prepared to reiterate again that I have gone over these claims and, in the best of my judgment, these claims should be paid, and in making this statement I believe I am acting in the best interests of the Federal Government.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed, in the settlement of the accounts of the following-named disbursing officers of the Army of the United States, to allow credit in the sums herein stated now standing as disallowances in said accounts on the books of the General Accounting Office:

First. Brig. Gen. Frederick V. Abbot, Corps of Engineers (now colonel, retired), credit in the sum of \$509, now disallowed against him, covering expenses for board and lodging paid by him in excess of \$1 per day to civilian employees of the Engineer Department, at Tobyhanna, Pa., engaged on work done under urgent military necessity, which required immediate action to secure and place in the field the necessary forces to survey a certain territory and prepare maps and plans of same in order to provide sites for encamping and training troops.

Second. Maj. (now Colonel) George G. Bailey, Quartermaster Corps, credit in the sum of \$137.09, now disallowed against him, which he expended in 1909 and 1910.

Third. First Lieut. Joseph H. Barnard, Fifth Cavalry (now major, Quartermaster Corps), credit in the sum of \$4,555.06, now disallowed against him, which he expended for supplies furnished a students' military camp at Ludington, Mich., July, 1914.

Fourth. Maj. John E. Baxter, Quartermaster Corps (now colonel, retired), credit in the sum of \$18.96, now disallowed against him, which he expended during the period from May, 1908, to February, 1909.

Fifth. Brig. Gen. Theodore A. Bingham, Corps of Engineers (now brigadier general, retired), credit in the sum of \$274, now disallowed against him, covering expenses for board and lodging paid by him in excess of \$1 per day to civilian employees of the Engineer Department at Tobyhanna, Pa., engaged on work done under urgent military necessity which required immediate action to secure and place in the field the necessary forces to survey a certain territory and prepare maps and plans of same in order to provide sites for encamping and training troops.

Sixth. Maj. (now Lieut. Col.) Paul S. Bond, Corps of Engineers, credit in the sum of \$287.04, now disallowed against him, which he expended in 1915.

Seventh. Maj. Albert J. Bowley, Field Artillery (now brigadier general), credit in the sum of \$301.27, now disallowed against him, which he expended during the period from July 1, 1912, to June 30, 1914, while serving as military attaché at Peking, China.

Eighth. Capt. Laurence C. Brown, Artillery Corps (now colonel, Coast Artillery Corps), credit in the sum of \$72, now disallowed against him, which he expended in 1910.

Ninth. Capt. Preston Brown, Eighth Infantry (now brigadier general), credit in the sum of \$95.80, now disallowed against him, which he expended for supplies furnished a students' military camp at Asheville, N. C., July, 1914.

Tenth. Capt. Frederick W. Coleman, Quartermaster Corps (now colonel, Finance Department), credit in the sum of \$12.90, now disallowed against him, which he expended in 1916.

Eleventh. Lieut. Col. (now Colonel) Herbert Deakyn, Corps of Engineers, credit in the sum of \$45.85, now disallowed against him, which he expended in 1912 and 1914.

Twelfth. Lieut. Col. Thomas G. Hanson, Quartermaster Corps (now colonel, retired), credit in the sum of \$181.26, now disallowed against him, which he expended in 1915.

Thirteenth. Maj. (now Colonel) Charles Keller, Corps of Engineers, credit in the sum of \$6.75, now disallowed against him, which he expended in 1912.

Fourteenth. Lieut. Col. Isaac W. Littell, Quartermaster Corps (now brigadier general, retired), credit in the sum of \$98.65, now disallowed against him, which he expended in 1909.

Fifteenth. Lieut. Col. T. Bentley Mott, Field Artillery (now colonel, retired), credit in the sum of \$55.33, now disallowed against him, which he expended in 1911 while serving as military attaché, American Embassy, Paris.

Sixteenth. Capt. Terence E. Murphy, Coast Artillery Corps (now lieutenant colonel, retired), credit in the sum of \$15.98, now disallowed against him, which he expended in 1915.

Seventeenth. Maj. Willard D. Newbill, Quartermaster Corps (now colonel, Field Artillery), credit in the sum of \$40.19, now disallowed against him, which he expended in 1915.

Eighteenth. Maj. (now Colonel) Henry L. Newbold, Field Artillery, credit in the sum of \$2,476.98, now disallowed against him, \$319.37 of which he expended in 1911 and the remaining \$2,157.61 in 1917, while serving as military attaché at Constantinople, Turkey.

Nineteenth. Maj. James E. Normoyle, Quartermaster Corps (now deceased), credit in the sum of \$5, now disallowed against him, which he expended in 1913.

Twentieth. Maj. Harry L. Pettus, Quartermaster Corps (now deceased), credit in the sum of \$1,545, now disallowed against him, which he expended for services and materials in cutting and setting

one granite memorial tablet in the Army War College, Washington, D. C., which work was authorized by the Secretary of War under date of June 20, 1911.

Twenty-first. First Lieut. Walter C. Short, Sixteenth Infantry (now major of Infantry), credit in the sum of \$531, now disallowed against him, which he expended in 1916 for the purchase of two motor cycles required for the efficient and economical management of a school of musketry at Fort Sill, Okla.

Twenty-second. Capt. (now Colonel) David L. Stone, Infantry, credit in the sum of \$1,191, now disallowed against him, which he expended in good faith, but in excess of the amount authorized by law, in the construction of four buildings at Fort Sill, Okla., in 1911.

Twenty-third. Capt. Arthur P. Watts, Quartermaster Corps (now lieutenant colonel of Infantry), credit in the sum of \$660.11, which he expended in 1913 and 1914 for electric current furnished houses leased for officers at Fort Bliss, Tex.

Twenty-fourth. Capt. (now Colonel) Briant H. Wells, Infantry, credit in the sum of \$171, now disallowed against him, which he expended in September and October, 1912, for the hire of transportation for the use of certain officers while engaged in military map work.

Twenty-fifth. Capt. Orrin R. Wolfe, Quartermaster Corps (now colonel of Infantry), credit in the sum of \$40, now disallowed against him, which he expended in 1911.

With a committee amendment as follows:

Page 2, line 19, in the fourth item, strike out the word "February" and insert in lieu thereof the word "March."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SNELL, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

JOHN F. HOMEN.

The next business on the Private Calendar was the bill (H. R. 7322) for the relief of John F. Homen.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John F. Homen, of San Antonio, Tex., out of any money in the Treasury not otherwise appropriated, the sum of \$5,000, in full settlement of his claim against the Government of the United States for the serious injury caused by being struck by a Government truck operated by a soldier of the United States Army on July 4, 1919, in San Antonio, Tex.

With a committee amendment as follows:

Line 6, strike out the figures "\$5,000" and insert in lieu thereof the figures "\$2,000."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

FRANCES MARTIN.

The next business on the Private Calendar was the bill (H. R. 10047) for the relief of Frances Martin.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. STAFFORD. I object.

The SPEAKER pro tempore. The gentleman from Wisconsin objects.

Mr. RICKETTS. Mr. Speaker, I hope the gentleman from Wisconsin will not object to this bill. During my service in the House, I have introduced but one bill referred to this committee.

The SPEAKER pro tempore. Does the gentleman from Wisconsin withhold his objection?

Mr. STAFFORD. Yes; I will withhold.

Mr. RICKETTS. Mr. Speaker, in 1918, an epidemic of the flu broke out in this country, and at that time there were thousands of soldiers in training at Camp Sherman, down in Ross County, Ohio, in the district I have the honor to represent. Many of those soldiers were afflicted with this disease. They died at the rate of about 160 per day, and the undertakers and embalmers down there were so overtaxed that they could not take care of the bodies of the deceased soldiers to save their lives. I saw with my own eyes the bodies of 500 dead soldiers piled up in a livery stable in Chillicothe because the embalmers

and undertakers could not take care of these bodies and prepare them for burial. The War Department was unable to cope with the situation. An Army officer was sent to Columbus, Ohio, to solicit embalmers and undertakers, and Peter Leslie Martin, an undertaker, 32 years of age, residing there, volunteered to go down there and render service. He did render effective service, but after several days he became infected with blood poisoning. Several months afterwards he died of the disease he had contracted, and left a wife and a little boy 11 years old without a dollar in the world to live upon, whereas, when he went down to Chillicothe, he was receiving a salary of \$4,000 a year. If it had not been for the service he rendered to the country and to the War Department in that epidemic, he would to-day, no doubt, be living and be drawing \$4,000 a year and be able to take care of his wife and child. But he is gone, never to return, and his good wife and little son are bereft of his care and support. Now, the committee has considered this bill twice. They reported it out once before, but it was not reached on the calendar, and, consequently, was not considered. It is here before the House to-day by the unanimous report of the committee, and I sincerely hope that the gentleman from Wisconsin will withdraw his objection. It is a meritorious case if there ever was one.

I think the committee in awarding the sum of \$5,000 has given this widow a very small amount in comparison with the great loss she sustained in the death of her husband who, prompted by his patriotism, went down to that camp and rendered this very valuable service to the country in its distress.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. RICKETTS. Yes.

Mr. BLANTON. How much is given by the bill?

Mr. RICKETTS. Five thousand dollars. I think she ought to have had \$10,000. That poor woman has been working here and there and yonder and everywhere, trying to support herself and her child. Her husband was only 32 years of age. In the prime of life, but she has lost his services because of his loyalty to his country in time of stress.

Mr. BLANTON. We have just reimbursed a man in San Antonio for injuries received by being hit by a Government truck. Shall we not reimburse this widow?

Mr. RICKETTS. There is no reason why we should not. There is no question about the proof in this case. It is absolutely established here beyond question that this man rendered the service, and was rather pressed into the service by an Army officer, and died from the effect of the disease incurred while performing this service.

The gentleman from Wisconsin [Mr. STAFFORD] has objected to the consideration of this claim, but in order to give me time to make a statement with reference thereto he has reserved his right to object. I sincerely hope that he will not make an objection to the consideration of this bill at this time. This poor woman and little son need this money badly, and while there is no legal obligation on the part of the Government to pay the amount allowed by this committee to this mother and son, yet equity demands that justice be done in the premises.

The Government of the United States received the service. The service was necessary. It was rendered at the time of its greatest crisis. The Congress has been passing bills of similar nature, and there is ample precedent for the consideration and passage of this bill, and I urge upon you, gentlemen of the House, and especially upon the gentleman from Wisconsin [Mr. STAFFORD], that the bill be given due and proper consideration and that same may be passed at this time.

Mr. SNELL. Mr. Speaker, I should like to say just a word about this claim in particular and claims of this character. Originally, when this claim was reported in the Sixty-sixth Congress, I opposed it. I was a member of the committee at that time. But during the Sixty-sixth Congress and also so far during this Congress I have found that the Congress itself has adopted a very generous policy in dealing with claims of this character. In the early part of the session when claims of this character were taken up on the Private Calendar I raised the point on the floor of the House each time that there were several claims of similar nature before the War Claims Committee and I was holding them until the House itself made up its mind what its policy would be in regard to similar claims. Each time I called the attention of the House to it. This is one of the best claims of that character that has come before this House, either this year or in the Sixty-sixth Congress.

The statement of facts is exactly as the gentleman from Ohio [Mr. RICKETTS] has put them before you. And considering the fact that we have been very generous in passing claims of this character where perhaps there is no legal liability on the part of the Government, and as long as we have adopted this policy

and have done it in several other cases and probably will do it in several more, it is my judgment that this claim should be considered and passed at this time. The committee has reduced it from \$25,000, as offered in the original bill, to \$5,000, and I shall urge that amendment if the bill is considered.

Mr. WATSON. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Pennsylvania.

Mr. WATSON. Did the Government promise this man compensation when he offered his services?

Mr. SNELL. The Government did not promise him a single penny. The Army officers testified that they went to get undertakers, and several of them stated that if they could not get them to volunteer they were going to bring them any way.

Mr. WATSON. He voluntarily offered his services?

Mr. SNELL. These Army officers went up there and told him the condition, and he and two or three others from this same town of Columbus, Ohio, offered their services and went down and did the work.

Mr. SANDERS of Indiana. For that reason he was entitled to more credit, as far as that is concerned.

Mr. SNELL. And afterwards the Army officer said, "I was going to take you anyway if you had not offered your services."

Mr. STAFFORD. Mr. Speaker, under the reservation of objection, I wish to say that there are facts in this case which differentiate it from others. That is, this man might not be considered an independent contractor. He was in the undertaking business and he received pay as a result of his service. If I were certain that this man contracted with the Government to do this work and suffered loss as a result of his individual work, I should feel constrained to insist upon the objection. But I wish to take as liberal a view of these cases as possible consistent with the practice that has been indulged in, and also desiring not to establish a precedent when it is likely to haunt us.

If this case goes by, it will go by with the understanding, so far as I am concerned, that this man was not an independent contractor of the Government and did not suffer injury while doing some work connected with that independent contract, but that he was virtually commandeered to perform a humanitarian duty to the Government to aid them in providing for the burial of these thousands of soldier boys who were stricken with the "flu" at Camp Sherman, at Chillicothe, Ohio.

Mr. SNELL. I can assure the gentleman that if these people had not volunteered the Army officers were authorized by the commandant of the camp to take them down there.

Mr. STAFFORD. That differentiates this case from the kind of case that I was speaking of. If it was an individual contractor I should not be willing to allow the precedent to be established, that when a person undertakes employment with the Government and suffers an injury he or his next of kin have a claim against the Government for compensation. Under the circumstances stated by the author of the bill, and with the understanding that the committee amendment will be agreed to and the original amount of \$25,000 reduced to \$5,000, I will withdraw the reservation of objection.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to Frances Martin, widow of Peter Leslie Martin, of Logan, Hocking County, Ohio, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of \$25,000 as compensation and relief for the loss by death on March 31, 1919, in Grant Hospital, Columbus, State of Ohio, of her husband, Peter Leslie Martin, who, on October 5, 1918, volunteered his services as an undertaker to the Government during the epidemic of influenza, at which time he went to Camp Sherman, in the State of Ohio, to assist in taking care of the bodies of the soldiers, who died in great numbers by reason of said epidemic; and that during the discharge of his duties he became infected with blood poisoning, from which he died.

With the following committee amendment:

On page 1, line 7, strike out "\$25,000" and insert "\$5,000."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. SNELL, a motion to reconsider the vote by which the bill was passed was laid on the table.

EDWIN GANTNER.

The SPEAKER. The Clerk will report the next bill.

The next business on the Private Calendar was the bill (S. 2556) for the relief of Edwin Gantner.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CLARKE of New York. I should like to have some explanation of this bill.

Mr. HAYDEN. I reported this measure from the Committee on the Public Lands, and I shall be very glad to explain the purpose of the bill. Its introduction was recommended by the Interior Department, and it was favorably reported upon by the department after being introduced by Senator KENDRICK. The returned soldier who entered this land became totally disabled, and is now in a hospital. It is therefore impossible for him to comply with the requirement of residence. He must comply with all the other provisions of the homestead law, and the record shows that he has already expended over \$800 on the development of this claim.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to issue a patent to Edwin Gantner upon homestead entry, Newcastle 025304, embracing the west one-half section 26, and the north one-half section 27, township 52 north, range 74 west, sixth principal meridian, made by said Edwin Gantner, without requiring further residence.

The SPEAKER pro tempore (Mr. MADDEN). The question is on the third reading of the bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

FANNY M. HIGGINS.

The SPEAKER pro tempore. The Clerk will report the next bill on the calendar.

The next business on the Private Calendar was the bill (H. R. 1750) for the relief of Fannie M. Higgins.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

Mr. BLAND of Virginia. Will the gentleman withhold his objection?

Mr. STAFFORD. I will withhold the objection to allow the gentleman to make a statement.

Mr. BLAND of Virginia. My purpose in making a statement is to try to induce the gentleman to withdraw his objection to the bill, so that it may be passed to-day. I did not know anything about the bill before reading the report; but upon reading the report and upon an examination of the affidavits it appears to me that there was clearly negligence on the part of the driver of the automobile which struck Mr. Higgins, who was killed, and for whose widow relief is sought here. Now, I want to call the gentleman's attention to this: I understand that a bill was passed a moment ago that was based on substantially the same facts.

Mr. STAFFORD. We do not want to extend this discussion too long. The report shows that the injured person failed to exercise reasonable care. If he had been exercising reasonable care I would interpose no objection.

Mr. BOX. If the gentleman will yield, the facts are that this man, the deceased, walked into the street in the dark; it was foggy and rainy in the early morning. To his left, some distance away, he saw the headlights of an automobile which was being carelessly driven without the driver keeping a lookout. It was not moving toward the point where the collision occurred. The only negligence was by the man being in the street when there was an automobile coming up the street. When he got near the street-car track the automobile, which had been driving halfway between the track and the curb because of another vehicle appearing in the street, turned to the left of the course it had been going, and turned to the left quickly and struck him.

I know that one of the Army authorities, probably General Crowell, in reviewing the report, said that he was guilty of negligence. I went over the facts very carefully, and I find absolutely no fact that warrants the conclusion that he was negligent. I would like to have the gentleman indicate one act of the deceased showing that he was guilty of any negligence.

Mr. STAFFORD. In the case of the deceased, who was a Government employee—

Mr. BLAND of Virginia. Oh, no; he was working at the Potomac yards.

Mr. STAFFORD. Then I am in error as to that, but prior to the accident he was found to have incipient tuberculosis. He was not killed outright, he lived for some time after the accident. The report shows that the accident may have accentuated his tubercular trouble. I rely, as the gentleman has stated, upon the statement of the Acting Secretary of War, General Crowell, in his letter of April 1, 1920, in which he says this:

The attached papers indicate very clearly that Mr. Higgins was partially responsible for the accident, and as his death was due partly to tuberculosis contracted prior to the accident, I am of the opinion that, although congressional action affording relief is just, the amount specified in the bill is an excessive compensation.

Mr. BLAND of Virginia. That was \$10,000, and it has been reduced by the committee to \$5,000.

Mr. BOX. Will the gentleman yield? The deceased had incipient tuberculosis some years before, which had been arrested. It was in the initial stage. It did not disable him.

Mr. BLAND of Virginia. Permit me to call attention to the report of Doctor Noland, who says:

Having treated J. H. Higgins at intervals for several years I am in a position to know his physical condition. Three or four years ago I had occasion to examine above named and found him suffering with a very slight chronic fibroid phthisis, determined only after microscopic examination of sputum. This condition, apparently, in the years following was causing no ill effects, as he was able to work every day. He was injured and died from acute tuberculosis. The injury to his chest could very easily have broken the fibrous capsule, allowing the bacilli free access to lung tissue, and owing to the resulting poor resisting powers of body had full sway to do its damage; that is, the involvement of new sound lung tissue with an acute tuberculosis arising causing death.

Had it not been for the injury he would to-day have been in comparatively good health, performing his duties, and lived indefinitely.

Mr. BOX. There are many other facts in the record pointing in the same direction. The deceased had worked 308 days the preceding year, 304 days the preceding year to that, and he had worked regularly for some years. He was strong, and there was no disability, no loss of time. After the injury, which broke a leg, split the bone near the ankle, injured him in the breast, he was confined in the hospital for some months. While wounded and disabled acute tuberculosis developed. All of these facts have been gone into thoroughly, and I would be glad if the gentleman from Wisconsin would permit the case to be considered. I think it is meritorious.

Mr. STAFFORD. As to the facts which the gentleman asked me to state to warrant the conclusion that he was in no wise responsible for the accident, I wish to read this from the report:

Higgins saw the automobile approaching from some distance away when he was actually on the street in the act of crossing, but it was not then moving in the direction of the point at which it struck him and he paid no further attention to it.

He was on the south side of the crossing at Fourteenth and C Streets SW., attempting to get a car going south that would stop on the north side of the street. He saw the truck approaching. It was hazy and misty, but he made no attempt whatever to get out of the way.

Mr. BLAND of Virginia. It is an undisputed fact that Mr. Higgins was struck between the street-car tracks on the eastern side of Fourteenth Street. There is a double track on that street. The undisputed evidence is that when he saw the automobile coming it was halfway between the curb and the eastern rail of the nearest street-car track. If the automobile had continued in the direction in which he then saw it, it could not by any possibility have struck him. If the gentleman will permit, I will read what the driver of the automobile says in the statement that he made to Mr. Tyson, who investigated the accident for the War Department. He says:

Q. State the particulars of the accident that happened to J. H. Higgins, Washington, D. C.—A. I left Alexandria, Va., where I was stationed, about 5:50 or 6 a. m. to meet Captain White at Union Station, Washington, D. C., on January 2, 1919. It was between 6 and 6:30 a. m. when the accident occurred. It was dark and raining hard that morning, and water was running down the wind shield of my car. As I arrived at locality of accident, as shown on Exhibit A, a street car was coming south on Fourteenth Street SW., Washington, D. C., and was near B Street, or a half a block or more away. It had a very bright light and blinded me. I could only see a little directly in front of me. I glimpsed a bread wagon only about 10 yards ahead of me and turned quickly to the left to miss it. The bread wagon was going north and about ready to turn to right on C Street, as shown on Exhibit A. I was going north on Fourteenth Street and about halfway between the curb of street and first street-car track on right side of street. When I turned to miss the bread wagon I felt a jar and knew that I had struck something. I stopped as quick as possible, about the north corner of C and Fourteenth Streets, as marked on Exhibit A. After I stopped I backed a little to get off what was under my car, and he hallooed for me to stop, and I did. I got out and helped another man get him out and carry him in the house.

According to his testimony, immediately upon turning out from the direction in which he was going in order to pass that bread wagon he struck this man. His lights were burning; he did not blow his horn; he gave no signal; he was not looking out for a man crossing the street at a place where persons were reasonably and ordinarily expected to cross the street in order to take the street car on the other side.

Just one thing more. The evidence of an eyewitness is to the same effect, except that from his evidence and from other evidence it is clear that the bread wagon had turned into C Street, and was not in front of the automobile as it approached. The result is that there was nothing between the automobile and the injured man; there was no reason why the driver of this automobile, exercising the care that he should have been exercising, should not have seen that man.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BLAND of Virginia. Yes.

Mr. BLANTON. Is it not a fact in law that when it becomes apparent to a man driving a motor vehicle that he can not see in front of him if he continues he is guilty of gross negligence?

Mr. BLAND of Virginia. He must exercise that care and diligence which the conditions impose upon him and that this driver did not do.

Mr. STAFFORD. Mr. Speaker, supporting what I said a moment ago is the report of Judge Advocate General Crowder. In his report on this case, in a letter dated March 9, he states that the board of inquiry found that the driver was not at fault and that Higgins was at fault. I am accepting the report of the board of inquiry; and I object.

CLYDE STEAMSHIP CO., OF NEW YORK.

The next business on the Private Calendar was the bill (H. R. 11571) for the relief of the Clyde Steamship Co., of New York, N. Y.

The SPEAKER pro tempore (Mr. MADDEN). Is there objection to the present consideration of this bill?

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that this bill may be laid on the table.

The SPEAKER pro tempore. Is there objection?
There was no objection.

J. W. GLIDDEN AND E. F. HOBBS.

The next business on the Private Calendar was the bill (H. R. 2702) for the relief of J. W. Glidden and E. F. Hobbs.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of \$267.32 to J. W. Glidden and E. F. Hobbs, of Lawrence, Kans., to reimburse them for money necessarily expended in connection with their contract with the Government for the improvement of Huron Cemetery, an Indian reservation in Kansas City, Kans., in defending their interests in suits brought by the Connelley sisters, Indian wards of the Government, to prevent them from carrying out their contract with the United States Government in improving the Huron Cemetery, in Kansas City, Kans.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed.

On motion of Mr. LITTLE, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOSÉ A. DE LA TORRIENTE.

The next business on the Private Calendar was House joint resolution (H. J. Res. 47) authorizing the Secretary of the Navy to receive for instruction at the United States Naval Academy at Annapolis Mr. José A. de la Torreiente, a citizen of Cuba.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Navy be, and he hereby is, authorized to permit Mr. José A. de la Torreiente, a citizen of Cuba, to receive instruction at the United States Naval Academy at Annapolis: *Provided*, That no expense shall be caused to the United States thereby, and that the said José A. de la Torreiente shall agree to comply with all regulations for the police and discipline of the academy, to be studious, and to give his utmost efforts to accomplish the course in the various departments of instruction, and the said José A. de la Torreiente shall not be admitted to the academy until he shall have passed the mental and physical examinations prescribed for candidates from the United States, and that he shall be immediately withdrawn if deficient in studies or conduct and so recommended by the academic board.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

Mr. BLANTON. Mr. Speaker, I desire recognition. I move to strike out the last word.

The SPEAKER pro tempore. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Speaker, I do not know whether it will be wise or not, but under recent developments here in Washington it might be well to place some restriction upon this young man to make sure that he will not bring with him a supply of beverages the possession and use and sale of which is prohibited by law in this country. At least he ought to be made to understand that there is a law here that will prevent him from doing that, and that he is expected when he comes into this country to obey the law. If those from his country who are in higher authority permit gross disobedience of our law

here in the Capital, it is not very far out of the range of possibility for underlings to do it.

Mr. STEPHENS. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. STEPHENS. We have information that this young man is a prohibitionist.

Mr. BLANTON. Then I withdraw the objection.

The SPEAKER pro tempore (Mr. CRAIG). The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. STEPHENS, the motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

WILLEM VAN DOORN.

The next business on the Private Calendar was the resolution (H. J. Res. 281) authorizing the Secretary of the Navy to receive for instruction at the United States Naval Academy at Annapolis, Md., Willem van Doorn, a subject of the Netherlands.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent that the joint resolution be laid upon the table, as it has already been agreed to.

The SPEAKER pro tempore. Is there objection?
There was no objection.

GREY SKIPWITH.

The next business on the Private Calendar was the bill (H. R. 6538) for the relief of Grey Skipwith.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, under reservation of objection, I think we should have some explanation of the reason why it is intended to give these gentleman an additional grade.

Mr. KRAUS. Mr. Speaker, I shall ask the gentleman from Virginia [Mr. MONTAGUE] to make the statement in regard to this bill, but before doing so I call the attention of the House to the fact that if there is one thing which the membership of the House Committee on Naval Affairs has opposed in almost every instance to my knowledge it is the advancement of men on the retired list. However, a study of the facts in this case I am confident will disclose that an error was made by the department authorities, and, as a matter of fact, when that man became eligible for retirement under the seniority rule in 1917 he was physically incapacitated and should at that time have been retired with the rank of commander.

Mr. STAFFORD. Why was he not retired at that time when he had the opportunity?

Mr. MONTAGUE. Because he was engaged in the service on the Pacific, and there was no physical way by which he could attend the retiring board.

There was no way he could be examined. The circumstances were beyond his control. We were in war. He could not get to the board. It is not his fault, and he was anxious to be examined.

Mr. McKENZIE. I desire to ask a question, and ask it for information, and perhaps the gentleman from Indiana can enlighten the committee. Was this officer retired for physical disability?

Mr. MONTAGUE. Yes.

Mr. McKENZIE. If he had had an opportunity to appear before the naval retiring board to take an examination—

Mr. MONTAGUE. I want the gentleman from Wisconsin to listen to this.

Mr. McKENZIE. Under the practice in the Navy, if he had failed on the examination he could have been promoted to the higher grade and retire.

Mr. MONTAGUE. Under the existing law, if he had gone before this board he would have retired in the grade we now ask, whether he failed or not. In other words, if he passed he would have been so retired, and if he failed, then, on account of physical infirmity, he would have been so retired. Simply because he could not appear before the board there results this injustice.

Mr. McKENZIE. I ask this question to bring out one point. I think the gentleman from Indiana is correct in this matter, and that is, the officer has been done an injustice under the existing law; but I do not contend, and I want to say now, not to affect this bill, because I do not think this man's right would be affected by it, but there is no question but the laws of retirement in the Navy should be revised.

Mr. BUTLER. Before we yield to my young colleague [Mr. Vinson], who has this bill in charge, I would like to say to the gentleman from Illinois, as well as the gentleman from Wisconsin, that all of these bills have been examined with great care. So far as I know it is the policy of the Committee on Naval Affairs not to promote men upon retirement unless there is some extraordinary reason why, and I think this is one of them. I yield to the gentleman from Virginia [Mr. Montague] to give the facts. I think an injustice has been done this man.

Mr. STAFFORD. Mr. Speaker, there may be in this case some special reason which warrants the granting of the additional grade to this officer, particularly due to the fact that he was engaged in service during the war, so I will not press the objection further, but there are some bills later on reported by the Committee on Naval Affairs that I do not think have the meritorious claim of this bill.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That Lieut. Commander Grey Skipwith, Supply Corps, United States Navy, who was eligible for promotion to the grade of pay inspector with rank of commander prior to the 1st day of July, 1918, and who was subsequently found physically not qualified for promotion and then retired in the rank of lieutenant commander, shall be deemed to have been retired in the rank he would have attained if the act of the 1st of July, 1918, extending promotion by selection to the staff corps of the Navy had not been enacted.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. MONTAGUE, a motion to reconsider the vote by which the bill was passed was laid on the table.

THEMIS CHRIST.

The next business in order on the Private Calendar was the bill (H. R. 8046) for the relief of Themis Christ.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, under the reservation of the objection, I think some explanation should be made of this bill.

Mr. VINSON. Mr. Speaker, it gives me much pleasure to give the gentleman from Wisconsin an explanation which will show this is a very meritorious bill. This bill was introduced by the chairman of the Committee on Naval Affairs [Mr. Butler], and unanimously reported by the subcommittee to the full committee, as you will find if you examine the record in the case. Themis Christ served 10 years as a carpenter on the U. S. S. *Hector* in the naval auxiliary service.

Mr. STAFFORD. May I inquire right there why he did not become a citizen until he was discharged from the naval service in 1917?

Mr. VINSON. Probably due to the reason he could not get an opportunity to make application—

Mr. STAFFORD. On the high seas for 10 years and not reaching port?

Mr. VINSON. Not by any means; but he is a citizen now; he applied for citizenship—

Mr. STAFFORD. After he was discharged?

Mr. VINSON. He filed his declaration in 1904 and did not get his papers until 1917. He enlisted in the service in 1907. He was injured in 1917, when the ship was sunk off the coast of Carolina. Under the pension laws he is not entitled to a pension, because the Naval Auxiliary Service are not enlisted in the service, so he is prevented from getting that benefit.

Mr. STAFFORD. I take it it is the purpose of the committee to have this compensation date from the time of the passage of the act?

Mr. VINSON. Of course, that is what it says.

Mr. STAFFORD. Where does it say so?

Mr. VINSON. The provisions of the act—

Mr. STAFFORD. It does not say so.

Mr. VINSON. The act does not give compensation except from the date of the enactment of the law here.

Mr. STAFFORD. I think we had better safeguard it, as it is the intention of the committee, I take it—

Mr. BUTLER. The gentleman is entirely within his privilege, of course. I introduced this bill because this man did not have anyone else to introduce it.

Mr. STAFFORD. As the gentleman has just stated, the compensation should date from the passage of the act.

Mr. BUTLER. If there is no objection, we can amend the bill right here.

Mr. STAFFORD. Is it not the intention of the committee to have this compensation date from the passage of this act?

Mr. BUTLER. I should say so.

Mr. STAFFORD. I am trying to ascertain the view of the Committee on Naval Affairs as to whether this should date from the passage of the act or be retroactive. Is that the intent of the committee?

Mr. BUTLER. Well, yes; it does that under the language of the bill and under the language of the act.

Mr. STAFFORD. Where does it say so in the language of the bill? I asked the gentleman before to point that out, but he did not.

Mr. KRAUS. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. KRAUS. I believe my colleague is exactly right, because the compensation this man will receive will not be under the war risk insurance act but under the employees' compensation act, where the compensation is due every month.

Mr. STAFFORD. Under the wording here he could receive this money from the time of the injury. The bill says "that he be paid such sums as would properly be due him within the provisions of section 4 of the said act of September 7, 1916." That is a construction this bill would have, to have a retroactive force going back to that time.

Mr. VINSON. Under the general law this man Themis Christ is not eligible to compensation. Therefore if you enact the law now, his eligibility will only date from the date of the passage of the act and not from the injury.

Mr. STAFFORD. Mr. Speaker, in order to avoid ambiguity and in view of the statements of all the members of the committee, I will offer an amendment later and will now withdraw the reservation of an objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the provisions of the act approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties, and for other purposes," are hereby extended to Themis Christ for loss of his left leg while employed in the naval auxiliary service, as a result of the wreck of the U. S. S. *Hector*, in the year 1916, and that he be paid such sums as would properly be due him within the provisions of section 4 of the said act of September 7, 1916. The United States Employees' Compensation Commission is hereby authorized and directed to make payments in compliance with the terms of the said act of September 7, 1916, and in accordance with the rules and regulations of said commission. Any money in the United States Treasury not otherwise appropriated is hereby appropriated for the purpose of this act.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment: Page 1, line 10, after the word "sums," insert "to date from the passage of this act."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 1, line 10, after the word "sums," insert the words "to date from the passage of this act."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. VINSON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

A. E. ACKERMAN.

The next business on the Private Calendar was the bill (H. R. 6358) authorizing the accounting officers of the Treasury to pay to A. E. Ackerman the pay and allowances of his rank for services performed prior to the approval of his bond by the Secretary of the Navy.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the accounting officers of the Treasury are hereby authorized and directed to pay to A. E. Ackerman, late lieutenant (junior grade), Supply Corps, United States Naval Reserve Force, the pay and allowances of his rank for the period he performed active duty in the third naval district prior to the approval of his bond by the Secretary of the Navy.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

ALICE P. DEWEY.

The next business on the Private Calendar was the bill (H. R. 7921) granting six months' pay to Alice P. Dewey.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

Mr. SWING. Mr. Speaker, will the gentleman withhold for a moment while I explain the provisions of this bill?

Mr. BLANTON. Yes; I will withhold.

Mr. SWING. Mr. Speaker, the deceased soldier, Rupert C. Dewey, was a lieutenant colonel in the United States Marine Corps, and died after having given the Government 20 years' service out of the best part of his life. For his efficiency he was commended in official orders. He left a widow and two small children for her to raise and educate, and very little, if any, means with which to take care of them.

You know how officers of the Army and Navy live; they are not able to save money during their active duty, and they look forward to the retired pay to take care of them in their old age. This man, although he had served 20 years already in the active service, never had the benefit of a day's pay on the retired list.

It is the policy of Congress, as declared in its laws, to give a gratuity to the widow of Army and Marine officers on the death of an officer in the Government service. It has been the law for a number of years.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SWING. Yes.

Mr. BLANTON. Is the gentleman in favor of giving six months' pay to the wife and children of every enlisted man who died during this interim?

Mr. SWING. What I want to show is simply—

Mr. BLANTON. Is the gentleman in favor of that?

Mr. SWING. I think I am.

Mr. BLANTON. He does not want to discriminate in favor of this one officer as against other officers and all enlisted men likewise affected during this period?

Mr. KRAUS. There is no discrimination. That is the law to-day.

Mr. BLANTON. What is the law to-day?

Mr. KRAUS. The next of kin of deceased enlisted men and officers gets six months' pay.

Mr. SWING. If dependent.

Mr. KRAUS. Yes; if dependent.

Mr. SWING. This policy had been declared by Congress a good many years ago. Then when the war broke out they passed the war risk insurance act, and it was held that the provisions therein made superseded this provision, because those who died during the World War would, of course, be taken care of under that act.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SWING. Yes.

Mr. BLANTON. Here are the facts: There is an interim of two years during which the dependents of officers and of enlisted men in the marine service do not receive a six months' gratuity. This is one of the officers who died during that two years' interval. There are other men, enlisted men, who died during that interim whose dependent relatives, wife and little children, are just as much entitled to this six months' gratuity as this officer's wife and children. Why does not the gentleman have a general law passed that will cover this two years' interim for all such officers and enlisted men likewise affected? That will place all on an equality. That will do justice to all of them.

Mr. SWING. I would favor that. But in the meantime there is no reason for denying this relief to this widow. This war risk insurance law was passed containing no express repeal of this provision which Congress had declared as its policy, but after it had been enacted for a year or two, some one down here in some of the departments—the comptroller, probably—adjusted his glasses and said, "This is an implied repeal of the law giving the widow a gratuity for six months." As soon as Congress learned of that decision it reenacted the law. A month before this man's death it reenacted it for the benefit of the Army, and as soon as the Naval Committee could get to it they reported and had passed a bill restoring it to the marine officers.

Mr. BLANTON. This man being a lieutenant colonel in the marines, and having died during this two years' interim, his relatives are able to appeal to their very distinguished Representative in Congress, and he gets action for them. But there may be a good many dependent relatives of the ordinary private or the ordinary enlisted man in the marine service who are not able to get a hearing from their Representatives. They may not know about it. Does not the gentleman think that, in order

to reach the proposition, to have a general provision passed, applicable to all, would be the better way; to wait and have a blanket bill passed?

Mr. SWING. I would like to see that, but here is a widow with two small children for whom she has to buy bread and clothing, and whom she has to educate. Do you say that you want to make her and the children suffer until you can bring in the other bill?

Mr. BLANTON. Is there any such bill pending now to cover all such cases—I mean any proposed law?

Mr. SWING. I do not know. If this man, instead of being a lieutenant colonel in the marines—and that is one of the finest corps in the United States service—

Mr. BLANTON. I agree with the gentleman—

Mr. SWING. If he had been in the Army, I would not now be here and his widow would have gotten this money long ago; but, because he was in the marines instead of being in the Army, we have got to come here and beg for this widow and these little children to get what Congress intended they should have by express provision of law, because it reenacted the law as soon as the alleged repeal was brought to its attention.

Mr. BLANTON. I am with you on the proposition to treat them all alike.

Mr. BUTLER. But hereafter they will be provided for under the general law.

Mr. STAFFORD. That is the condition which makes this bill a meritorious one.

Mr. BLANTON. I withdraw the objection.

Mr. SWING. I thank the gentleman.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That Alice P. Dewey, widow of Rupert C. Dewey, late lieutenant colonel, United States Marine Corps, is hereby allowed an amount equal to six months' pay at the rate said Rupert C. Dewey was receiving at the date of his death.

SEC. 2. That said Alice P. Dewey, widow of Rupert C. Dewey, lieutenant colonel, United States Marine Corps, as aforesaid, be paid out of the Treasury of the United States a sum of money or an amount equal to six months' pay at the rate said Rupert C. Dewey, deceased, was receiving at the date of his death.

Mr. STAFFORD. Mr. Speaker, I move to strike out section 2.

The SPEAKER pro tempore. The gentleman from Wisconsin moves to strike out section 2.

Mr. SWING. What is the gentleman's purpose in making that motion?

Mr. STAFFORD. Section 2 is superfluous. Section 3 provides for the payment of this money out of the appropriation for beneficiaries of officers who die while on the active list of the Marine Corps, for which special authorization is made. Section 2 is merely supplementary. It provides that this money shall be paid out of the Treasury of the United States, and section 3 provides that it shall be paid out of the appropriation for the beneficiaries of officers.

Mr. BUTLER. What is the effect of taking out section 2?

Mr. STAFFORD. Section 2 is supplemental to section 3. One or the other should go out.

Mr. BUTLER. Why not take out section 3?

Mr. STAFFORD. Section 3 provides for the payment of the money out of the general appropriation carried in the naval appropriation bill. I think it is better for section 2 to go out, because in the administration of the law it will be under the Navy Department. They have the funds available and they will pay it.

Mr. BUTLER. I wonder if they will?

Mr. FESS. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Ohio.

Mr. FESS. Section 2 indicates where it is to be paid from, while section 3 indicates that the appropriation is already made out of which to pay it. Suppose you cut out that section, will there not have to be an appropriation made to pay it?

Mr. STAFFORD. Oh, no; the appropriation is running under the general appropriation act.

Mr. FESS. That is the only point I have in mind.

Mr. STAFFORD. These matters are paid out of the general appropriation bill. Section 3 reads as follows:

SEC. 3. That the payment of the amount of money hereby allowed and authorized to be paid to said Alice P. Dewey is authorized to be made from the appropriations for beneficiaries of officers who die while on the active list of the Marine Corps.

Mr. FESS. I think that covers it.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Wisconsin to strike out section 2.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next section.

The Clerk read section 3.

The SPEAKER pro tempore. Without objection, the section number will be corrected.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. Hicks, a motion to reconsider the vote by which the bill was passed was laid on the table.

ANTON KUNZ.

The next business on the Private Calendar was the bill (H. R. 6832) granting six months' pay to Anton Kunz, father of Joseph Anthony Kunz, deceased, machinist's mate, first class, United States Navy, in active service.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That Anton Kunz, father of Joseph Anthony Kunz, machinist's mate, first class, submarine A-7, United States Navy, who was killed by an explosion on board the vessel July 25, 1917, is hereby allowed an amount equal to six months' pay at the rate said Joseph Anthony Kunz was receiving at the date of his death, to wit, the sum of \$445.92.

Sec. 2. That said Anton Kunz, father of said Joseph Anthony Kunz, deceased, aforesaid, be paid out of the Treasury of the United States a sum of money or an amount equal to six months' pay at the rate said Joseph Anthony Kunz was receiving at the time of his death.

Mr. STAFFORD. Mr. Speaker, I move to strike out section 2, for the same reason as that given in the case of the former bill.

In this connection I should like to make the suggestion that many formal motions are made to reconsider and lay on the table. If that motion were not made, the right to reconsider would lie for only two days. If the Members wish to exercise that privilege, I suggest that at the conclusion of the consideration of these bills a general motion be made rather than to cumber up the Journal. It makes the Journal twice as long as is necessary, and for the sake of expedition and economy in the preparation of the Journal I make that suggestion, because there is no disposition to reconsider. We can make an omnibus motion at the close of the session to cover all of the bills.

Mr. BUTLER. Within the next two or three days we might discover that we desired to reconsider some bill. The House seems to be relying with a great deal of confidence upon the judgment of the Subcommittee on Naval Affairs, which considered this bill. It might be that within a day or two we might discover some little mistake that had been made.

Mr. STAFFORD. I do not wish to do away with the right to table a motion to reconsider, but my suggestion is that at the conclusion of these bills there be an omnibus request to reconsider and table as to all, rather than cumber up the Journal with separate motions.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD].

The amendment was agreed to.

The Clerk read as follows:

Sec. 3. That the payment of the amount of money hereby allowed and authorized to be paid is authorized to be made from the appropriations for beneficiaries of deceased members of the naval service who die while in active service of the United States Navy.

The SPEAKER pro tempore. Without objection the section number will be corrected.

There was no objection.

The bill as amended was ordered to a third reading, and was accordingly read the third time, and passed.

FRED G. LEITH.

The next business on the Private Calendar was the bill (H. R. 855), for the relief of Fred G. Leith, United States Navy.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, I think we ought to have some explanation of the bill.

Mr. BURDICK. Mr. Speaker, this man was for 15 or 16 years in the Medical Corps of the Navy. He went to France. The Army found itself without sufficient number of pharmacists and called upon the Navy to transfer some of their pharmacists to the Army corps. Under these circumstances he was transferred to the Army. He rendered valiant service there. He took part in six or eight of the battles. He was cited for distinguished service. He received the croix de guerre. He came

back to this country with his corps and was discharged. I believe in Texas or some southern camp from the Army. Thereupon he wrote to the Navy and asked them if he reenlisted in the Navy he would retain his continuous service in the Navy. They telegraphed him in a general way to report to the recruiting officer for examination. He understood that if he reentered the Navy he would enter as a continuous-service man.

The question was not raised until his first pay day when the comptroller ruled that it was a new enlistment and he was not entitled to any increase by reason of previous service; that having left the Navy and gone into the Army at their request he lost all the benefits of continuous service. The matter has been put up to the Navy Department, and the Navy Department has written urging that the bill be passed.

Mr. STAFFORD. Mr. Speaker, under the statement of facts so clearly presented by the gentleman from Rhode Island, I withdraw my reservation of an objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the service rendered by Fred G. Leith, United States Navy, in the Army of the United States during the World War shall be considered as if rendered in the Navy of the United States for all purposes connected with continuous service in the Navy of the United States, and that the Secretary of the Navy be, and he is hereby, authorized and directed to cause the records of the said Fred G. Leith in the Navy Department to be corrected to conform with this authorization, to the end that the said Fred G. Leith shall be entitled to all pay, benefits, and emoluments conferred by law or regulation for continuous service in the Navy of the United States.

Mr. McKENZIE. Mr. Speaker, I would like to ask the gentleman from Rhode Island a question. Did this man voluntarily resign from the Navy and take a commission in the Army?

Mr. BURDICK. It was at the suggestion of the Navy Department and at the request of the Army that he severed his connection with the Navy and enlisted in the Army corps.

Mr. McKENZIE. Did he hold a commission in the Army?

Mr. BURDICK. Yes; he was a lieutenant.

Mr. McKENZIE. How long was he out of the military service until he applied to be reinstated in the Navy?

Mr. BURDICK. Immediately on his separation from the Army he applied for reenlistment in the Navy.

Mr. McKENZIE. The only matter involved here is the question of his longevity pay?

Mr. BURDICK. That is all.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

ELLEN McNAMARA.

The next business on the Private Calendar was the bill (H. R. 8921) for the relief of Ellen McNamara.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized and directed to cause to be paid to Ellen McNamara, mother of Frank X. McNamara, ordinary seaman, U. S. S. *Buffalo* and *Cleveland*, United States Navy, an amount equal to six months' pay at the rate received by him at the date of his death.

Mr. STAFFORD. Mr. Speaker, I move to strike out the last word. I have just noticed in connection with this bill that no provision is made as to the money to pay it. Some amendment should certainly be carried in the bill to that effect. I suppose the intention of the committee was that such an amendment should be made. If the committee has any amendment, I will not attempt to frame one. I will withdraw the pro forma amendment and offer the following amendment: After the word "paid," in line 4, insert "out of any money in the Treasury not otherwise appropriated."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Page 1, line 4, after the word "paid," insert the words "out of any money in the Treasury not otherwise appropriated."

Mr. CHINDBLOM. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CHINDBLOM. The author of this bill, my colleague Mr. SPROUL, of Illinois, is unfortunately at home ill. It occurs to me, however, as I understand the law, this man might have designated, and at one time did designate, a beneficiary. He designated his father, which he might do under the present law. If his father had survived him, the money would have been paid in due course. Through inadvertence his mother was not designated as a beneficiary after the father's death.

It seems to me that this could be paid out of the same fund as the father would have been paid from if he had survived. If this amendment which has been offered perfects the bill, I do not want to interpose an objection, but, on the contrary, would like to have it perfected so that the payment will be made.

Mr. DARROW. Will the gentleman yield?

Mr. CHINDBLOM. Certainly.

Mr. DARROW. It seems to me that the suggestion of the gentleman from Wisconsin is in order, and I would be glad to see his amendment prevail. While it was intended that the money should be paid out of the same fund as if the father had lived, I think this amendment will do no harm.

Mr. STAFFORD. In that case, we would have to carry the authorization carried in the two prior bills that the payment of the amount of money hereby allowed and authorized to be paid is authorized to be made out of the appropriation for beneficiaries of deceased Members who died while in active service.

RALPH S. KEYSER.

The next business on the Private Calendar was the bill H. R. 11340 to advance Maj. Ralph S. Keyser on the lineal list of officers of the United States Marine Corps, so that he will take rank next after Maj. John R. Henley.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GRAHAM of Illinois. Mr. Speaker, reserving the right to object, I would like to have some statement with respect to it.

Mr. BUTLER. Mr. Speaker, I would say that this refers to the most distinguished man of the whole United States Marine Corps. He bears perhaps the most gallant record of them all. He is one of the celebrated six commanders of the battalion at Belleau Wood and the Argonne Forest.

Mr. STAFFORD. Mr. Speaker, may I supplement what the chairman of the committee has said by saying that in the consideration of many of these private bills where we provide advancement numbers the officer in most instances has performed valiant service in the World War. In reading the reports I do not know of any one that appealed to me more strongly than has the present case. This man at some time committed indiscretions away back, when he was in the academy.

Mr. VINSON. When he was a first lieutenant.

Mr. STAFFORD. Well, it was very shortly after he graduated from the academy. Because of those indiscretions he was unduly punished by a reduction of 27 numbers. He proved his real worth in the World War as no other man could prove it. I say let bygones be bygones.

Mr. GRAHAM of Illinois. Mr. Speaker, I withdraw the reservation of objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he hereby is, authorized to advance Maj. Ralph S. Keyser on the lineal list of officers of the United States Marine Corps, so that he will take rank next after Maj. John R. Henley: Provided, That no back pay, bounty, or emoluments shall be allowed by reason of the passage of this act.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

WILLIAM M. PHILLIPSON.

The next business on the Private Calendar was the bill (H. R. 4723) for the relief of William M. Phillipson.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. RAKER. Mr. Speaker, will the gentleman withhold his objection?

Mr. STAFFORD. Oh, I have not seen the gentleman here for some time, and I shall be glad to reserve it on his account.

Mr. RAKER. I have been at work on three different committees trying to get legislation so that we could pass it, and I have been here whenever I have had an opportunity to do so.

Mr. STAFFORD. Oh, I would not think of insinuating that the gentleman did not have a good alibi.

Mr. RAKER. This man went to Tuolumne County, and settled there and then went into the service. The judge of the superior court there knew him when he was a young man. He had lived there for 40 years. I refer to Judge Nicol, who died just a few weeks ago. The other men referred to in the report were old residents, and they identify this man and his record and history, and it clearly shows by his affidavit of two pages and a half in the report that he was "shanghaied" and was kept from the service, and that he ought not to be denied his

right as an American seaman. He gave valiant service during the war.

Mr. STAFFORD. Does the gentleman mean to give the impression that he was shanghaied upon this statement found on page 2 of the report, his own testimony, which is as follows:

A few days later we steamed up to Mare Island, where the worst cases of yellow fever were transferred to the Government hospital. About three weeks afterwards I was told to get ready to go on shore on liberty, although I had never asked permission to go on shore. I was not well—I was suffering from yellow fever, but some of my comrades said to come on, and I think I was given about \$15, which was all the money that I have ever received from the Government.

Is that the basis of the gentleman's charge that he was shanghaied?

Mr. RAKER. No; it runs clear through his statement. There is no doubt about it. The judge wrote me about it, and so did ex-Senator Curtin.

Mr. STAFFORD. But where is the evidence of his being shanghaied?

Mr. RAKER. The only way I can show the gentleman that would be to read the affidavit.

Mr. STAFFORD. But I have read a part of it, which refutes the gentleman's contention.

Mr. RAKER. The only way you can get it is from the man's own statement.

Mr. STAFFORD. I have just cited a part of his affidavit which I think is material.

Mr. KRAUS. Mr. Speaker, if the gentleman will read further on he will find the man was actually shanghaied. He went to a Norwegian boarding house, was sick, having yellow fever, and was taken from there to a ship in the harbor.

Mr. STAFFORD. Oh, I have seen some of those boarding houses in Seattle, and I know the kind the gentleman refers to.

Mr. KRAUS. That was in the year 1864, and he was kept on the ship for more than a year before he returned to San Francisco.

Mr. RAKER. Every effort has been made since a few years ago by the State authorities to prevent shanghaiing. Before that time many men were shanghaied in San Francisco. This man is able to present a very good record. He lived where he was well known. The judge knew him for over 40 years, one of the most honorable men in the State of California. He knew him as a young man, he knew him when he was naturalized. He knew him when he went away and when he came back.

Mr. STAFFORD. Against the very surprising record furnished by the gentleman from California I wish to cite in opposition the statement of the Secretary of the Navy, Mr. Denby, wherein he says in the concluding paragraph of his letter to the chairman of the committee dated March 14, 1921:

Furthermore, it would seem that Phillipson left the naval service at a time during the Civil War when his services were especially in demand and the records do not disclose such merits in his case as would warrant more favorable consideration than has been given a large number of other similar cases. While it is aware that the bill (H. R. 16084) died with the expiration of the Sixty-sixth Congress, the department nevertheless recommends, if a similar bill is introduced during a session of the present Congress, that favorable action be not taken thereon.

Sincerely yours,

EDWIN DENBY,
Secretary of the Navy.

Mr. RAKER. Truly he left the service; he was away sick with yellow fever near unto death. He was taken to the sea-board and kept on a ship a year and he then came back and served his Government. After he got back he enlisted again. He went back into the service again. He did everything that it was in the power of a human being to do. That is the history of the whole thing, verified by these men who can not be questioned.

Mr. BUTLER. I will say to my friend from Wisconsin this gave us some little anxiety in the Committee on Naval Affairs.

Mr. STAFFORD. I am not surprised.

Mr. BUTLER. We had the rule hanging on the wall with reference to these charges of desertion, that we would not permit a man to get through unless he showed white and clear. If he does not show he is worthy it is not given. This is one of the cases that we believe after sitting and hearing the facts, that he had been detained from the service and could not make a report, could not return, and therefore it was charged up against him.

Mr. STAFFORD. What service did he give the Government after his desertion?

Mr. RAKER. I think over two years.

Mr. STAFFORD. Well, Mr. Speaker, I have crossed the distinguished chairman on occasions, not with malice aforethought—

Mr. BUTLER. But not disturbing our good feeling.

Mr. STAFFORD. And on this occasion he makes a pretty strong appeal. I have crossed many times my good friend

from California and he has always come up smiling afterwards, and I like him for it, and in this case I will give the benefit of the doubt to the gentleman from California and withdraw the objection.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws William M. Phillipson shall hereafter be held and considered to have been honorably discharged from the United States Navy: *Provided, however,* That no pension shall accrue prior to the passage of this act.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

FRANK GEORGE BAGSHAW.

The next business on the Private Calendar was the bill (H. R. 397) to remove the charge of desertion against the name of Frank George Bagshaw.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I have had some serious difficulty as to whether this bill should pass or not.

Mr. BURDICK. This bill—I presume the gentleman has read the report?

Mr. STAFFORD. Yes.

Mr. BURDICK. This young man enlisted in the Navy and deserted. He thereupon entered the militia of the State of Rhode Island, and when this country went into war he enlisted in the Air Service. He only served a few months, as I recall, in the Air Service when at the request of his wife he was discharged on account of dependency. He is seeking to remove that charge of desertion that is against his record as a very young man, not for the purpose of any pension or anything of the kind, but simply to clear up his name.

Mr. STAFFORD. If the gentleman will yield, I would not bar the removal of the charge of desertion in the record of a veteran of the Spanish-American War or the Civil War if he really performed sincere service in the World War. The difficulty in this case was whether this man really intended to perform real service during the World War. He entered, as the gentleman says, the Rhode Island Militia on January 20, 1918, and was discharged on his application that he had a dependent wife and child July 27, 1918. It does not seem to me that was any real service which should entitle Congress to remit the charge of desertion that was against him arising out of the Spanish-American War service.

Mr. BURDICK. This young man, as I understand it, both from his own statement to me and that of his wife, entered the World War absolutely in good faith. After he was in the service his wife and family found they could not get along but were dependent upon his earnings to support them, and reluctantly he secured his discharge from the Army in order to go back and support his wife.

Mr. CHINDBLOM. If the gentleman will permit a question, it appears from the report he served over three years in the Navy at the time of the Spanish-American War. Does the gentleman know whether that is a fair deduction?

Mr. BURDICK. That is as I understand the record.

Mr. CHINDBLOM. What was the enlistment period at that time?

Mr. BURDICK. I think four years.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, in view of the fact that he deserted after three years' service during the period of the Spanish-American War and at a time when the war had been concluded, I withdraw the reservation of objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to remove the charge of desertion standing against the name of Frank George Bagshaw, late an apprentice, third class, United States Navy, in view of his honorable service during the World War.

The committee amendment was read, as follows:

On page 1, at the end of line 7, insert a colon and "*Provided, That no back pay, allowances, or emoluments shall become due as a result of the passage of this act.*"

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Crockett, one of its clerks, announced that the Senate had insisted upon its amendments to the bill (H. R. 13660) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such

District for the fiscal year ending June 30, 1924, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. PHIPPS, Mr. BALL, Mr. JONES of Washington, Mr. SHEPPARD, and Mr. GLASS as the conferees on the part of the Senate.

RUSSELL WILMER JOHNSON.

The next business in order on the Private Calendar was the bill (H. R. 10555) for the relief of Russell Wilmer Johnson.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I believe this is another case where a soldier who had a dishonorable discharge against him performed valiant service during the World War that entitles the soldier to have that dishonorable discharge removed, and I shall not interpose an objection.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws Russell Wilmer Johnson, late a landsman-seaman in the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States.

With a committee amendment as follows:

Page 1, line 7, after the word "States," insert: "*Provided, That the said Russell Wilmer Johnson shall not be by the passage of this act be entitled to any back pay or allowances.*"

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

R. E. AMES.

The next business on the Private Calendar was the bill (H. R. 968) to change the retired status of Chief Pay Clerk R. E. Ames, United States Navy, retired.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

The SPEAKER pro tempore. The Clerk will report the next bill.

REIMBURSEMENT OF PATIENTS AT NAVAL HOSPITAL, HAMPTON ROADS, VA.

The next business on the Private Calendar was the bill (H. R. 9081) to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent to substitute Senate bill 2719, which is identical in terms.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the substitute.

The Clerk read as follows:

A bill (S. 2719) to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the persons herein named the following amounts, out of any money in the Treasury not otherwise appropriated: Joseph Julian Jordan, seaman, second class, \$210; William Raney Pickard, apprentice seaman, \$25; James Buchanan, apprentice seaman, \$40; Orvin Jefferson Bullock, apprentice seaman, \$70; William James Thomson, fireman, third class, \$95; Raymond Leonard Martin, fireman, third class, \$75; William Brewster, fireman, third class, \$15; Hiram Bitts Dain, apprentice seaman, \$22; Arlous Pate, apprentice seaman, \$35; Alvin Curtis, fireman, third class, \$30; Irvin Howard Neil, seaman, second class, \$40; James Fred Taylor, hospital apprentice, second class, \$80; Franklin Elmo Brown, pharmacist's mate, third class, \$20; Hamilton Okey Johnston, hospital apprentice, second class, \$20; Leo Sherry, hospital apprentice, first class, \$20; Raymond Clyde Malouin, hospital apprentice, first class, \$70; Canaco Nacional Nallaris, mess attendant, first class, \$185; and Birley Thomas, fireman, third class, \$75; being the respective amounts of their private funds which the said persons had placed in the safe in the office of the executive officer at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va., for safe-keeping, and which were stolen therefrom on or about April 1, 1921, by some unknown person or persons.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection, the similar House bill will be laid on the table.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

JOHN F. O'NEIL.

The next business on the Private Calendar was the bill (H. R. 8683) for the relief of John F. O'Neill.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

The SPEAKER pro tempore. The Clerk will report the next bill.

FIRST INTERNATIONAL BANK OF SWEETGRASS, MONT.

The next business on the Private Calendar was the bill (S. 2004) for the relief of the First International Bank of Sweetgrass, Mont.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, may we have this bill reported?

The SPEAKER pro tempore. The Clerk will report the bill. The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to issue patent to the First International Bank of Sweetgrass, Mont., for the south half of section 25, township 37 north, range 5 west, Montana principal meridian, upon payment by said bank of the value of said land, to be fixed by the Secretary of the Interior, less any amounts loaned by said bank to Stephen Horgasz and remaining unpaid: *Provided*, That in no event shall patent so issue to said bank for said land except upon the payment therefor by said bank at the rate of not less than \$1.25 per acre.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I think the bill should be explained. If the author is not here, I will object.

Mr. VAILE. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. BLANTON. If the gentleman can explain the bill, I will reserve my objection.

Mr. VAILE. I am sorry I can not explain it.

Mr. BLANTON. It is a little unusual to be patenting lands to international banks, when there are numerous ex-service men who fought for their country who are trying to purchase these lands.

Mr. VAILE. Mr. Speaker, the facts in a general way are these: This bank loaned some money to a man on improvements to a piece of public land—

Mr. BLANTON. And violated the national banking laws when it did it.

Mr. VAILE. No; I am quite sure that the original loan was proper.

Mr. BLACK. This is not a national bank.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

The SPEAKER pro tempore. The Clerk will report the next bill.

JOHN SULLIVAN.

The next business on the Private Calendar was the bill (S. 1690) to correct the military record of John Sullivan. The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, John Sullivan, late chief boatswain's mate, United States Navy, shall be held and considered to have been honorably discharged from the naval service of the United States in 1895: *Provided*, That no pension shall accrue prior to the passage of this act.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection, the title will be amended in accordance with the text.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

ATLAS LUMBER CO. AND OTHERS.

The next business on the Private Calendar was the bill (H. R. 8499) for the relief of the Atlas Lumber Co., Babcock & Willcox, Johnson, Jackson & Corning Co., and the C. H. Klein Brick Co., each of which companies furnished to Silas N. Opdahl, a failing Government contractor, certain building

materials which were used in the construction of Burke Hall at the Pierre Indian School, in the State of South Dakota.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent to omit the reading of the preamble.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that the reading of the preamble be omitted. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will read the body of the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury of the United States not otherwise appropriated, as follows, to wit: To the Atlas Lumber Co., a West Virginia corporation, at Minneapolis, Minn., the sum of \$3,530.65; to C. W. Babcock and T. B. Willcox, copartners as Babcock & Willcox, Kasota, Minn., the sum of \$456.95; to Johnson, Jackson & Corning Co., a Minnesota corporation, of Minneapolis, Minn., the sum of \$855.94; and to C. H. Klein and C. T. Klein, copartners as the C. H. Klein Brick Co., of Chaska, Minn., the sum of \$186.68.

With committee amendments, as follows:

Striking out all of the preamble, and on line 14 of page 3, after the figures "\$186.68," inserting "each of which companies furnished to Silas N. Opdahl, a failing Government contractor, certain building materials which were used in the construction of Burke Hall at the Pierre Indian School, South Dakota."

The SPEAKER pro tempore. The question is on the adoption of the amendment striking out the preamble.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on agreeing to the other amendment.

The amendment was agreed to.

Mr. CHINDBLOM. Mr. Speaker, the last "whereas" seems not to have been stricken out by the committee. I ask unanimous consent that that be stricken out.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the last "whereas" in the preamble be stricken out. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I offer an amendment, on page 3, line 7, after the word "corporation," strike out the phrase "at Minneapolis, Minn."

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 3, line 7, after the word "corporation" strike out "at Minneapolis, Minn."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The question is on agreeing to the amendment of the title, so that it will read: "A bill for the relief of the Atlas Lumber Co., Babcock & Willcox, Johnson, Jackson & Corning Co., and the C. H. Klein Brick Co."

The amendment to the title was agreed to.

The SPEAKER pro tempore. The Clerk will report the next bill.

FRED E. JONES DREDGING CO.

The next business on the Private Calendar was the bill (H. R. 9862) for the relief of the Fred E. Jones Dredging Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the reading of the original bill, which has been stricken out, be omitted and that the suggested amendment of the committee be read in lieu thereof.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read as follows:

Strike out all after the enacting clause and insert the following: "That the claim of the Fred E. Jones Dredging Co., a corporation organized and existing under the laws of the State of Delaware, and doing business in the city of Norfolk, Va., against the United States for damages alleged to have been caused by a collision between its coal scow No. 3 and the steamship *Minnesota*, which occurred about 6 o'clock p. m. on February 20, 1919, while said coal scow, loaded with

coal and equipment, was moored near the Norfolk & Western Railroad Co.'s merchandise pier No. 2, at Lamberts Point, Va., may be sued for by the said owners in the District Court of the United States for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree therein for the amount of such damages sustained by reason of said collision as shall be found to be due either for or against the United States upon the same principles and measures of liability and damages as in like cases in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. BLANTON. Will the gentleman in charge of the bill yield for a question?

Mr. EDMONDS. Certainly.

Mr. BLANTON. Is it not the practice in our Federal courts now that when suit is brought against the United States Government the Federal district attorney takes cognizance of it without this roundabout way of bringing notice of the suit to him through the Attorney General of the United States?

Mr. EDMONDS. I have no doubt that is true, but this seems to be the form of bill agreed upon in the House, and all the bills have been written in that way.

Mr. BLANTON. I know that, but it occurs to me that it is rather a reflection on the district attorney's office, which is supposed to look out for the interests of the United States Government. There are not so many suits that can be brought against the United States. Where they are brought under authority of law, my experience has been that the Federal district attorneys take cognizance of them and look after them without any suggestion coming from Washington.

Mr. EDMONDS. I do not think there is anything in this bill to prevent the Federal district attorney doing that very thing.

Mr. CHINDBLOM. In a case like this, where special jurisdiction is given to hear the case, I think it is well to have provision for a special notice to the district attorney.

Mr. BLANTON. The Federal trial judge would do the same thing.

Mr. CHINDBLOM. I think this shows care on the part of the committee.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

WILLIAM H. FLAGG AND OTHERS.

The next business on the Private Calendar was the bill (H. R. 7447) to reimburse William H. Flagg and others for property destroyed by mail airplane No. 73, operated by the Post Office Department.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. WATSON. Mr. Speaker, I object.

Mr. BULWINKLE. Will the gentleman reserve his objection?

Mr. WATSON. I reserve the right to object. The proposition to pay damages caused by airplane accidents where the airplanes are owned by the Government is a new problem in law. There are very few legal decisions or precedents regulating damages caused by Government airplanes. I have known a number of cases where Government airplanes have damaged property, and the claims have not been recognized. I should like to know the special reasons why this claim should be favorably reported.

Mr. BULWINKLE. Mr. Speaker, in answer to the gentleman from Pennsylvania, I will say that this was a Government mail airplane flying across the city of Cleveland. For some reason it came down upon the house of one of the claimants, Torok. There were 120 gallons of gasoline in the tank, and it set fire to three of the houses and destroyed and damaged the furniture in three of the houses. There is no reason in the world why the Government of the United States should not pay these claims. There was no negligence at all on the part of the claimants, and they could not have avoided or prevented the accident in any way. Through the negligence of the driver of the airplane it came down on the houses and the furniture was damaged and the Torok house badly damaged. The Government should pay the claim. It is just.

Mr. EDMONDS. I should like to answer the gentleman from Pennsylvania [Mr. WATSON] in regard to some people being paid and others not. The Government will recognize claims for

damages by airplanes when the Government is at fault. We have done so in the case of a farm outside of New York where a crop was damaged. We have done so where a sloop was hit by an airplane and a man was killed. If the gentleman has a case that he would particularly like to have the committee take care of, I should be very glad to have him bring it before our committee and let us take care of it, because if the Government is to blame for these accidents we certainly ought to pay for them. The other day I called attention to an accident in Moundsville, W. Va., where it is going to cost the Government \$200,000, and after reading the testimony in the case it is my opinion that the Government has a duty to perform to those people. Five people were killed and twenty-two were hurt, and several automobiles were burned up.

If we are going to give these public exhibitions of airplanes, if we are going to fly airplanes, we have got to pay damages when we are at fault, just as much as we pay for accidents occasioned by automobiles. This claimant was in his house. He owned the house. He is a poor man. He bought it on installments and furnished it on installments. Without any negligence on his part, a Government airplane flies into the side of his house, sets fire to it, and damages his furniture. He got some insurance, and we have deducted the amount of the insurance. We have given him the lowest amount of damages we possibly can. I think he is entitled to this. I tried to argue with him that the Government owned the air and that he had no business to have his house in the air, but he would not agree with me. He said if he could not build his house in the air he would have to build it in the cellar, and he did not want to live underground. [Laughter.]

Mr. TILSON. Suppose it had been a private corporation that owned the airplane, and it had come down on the gentleman's house and destroyed it by fire. What would be the law so far as the payment of damages was concerned?

Mr. EDMONDS. The private corporation would undoubtedly have to pay the damages.

Mr. TILSON. The only difference is that it was the United States which owned the airplane instead of a private corporation owning it.

Mr. WATSON. Where airplanes are driven close to the earth accidents are liable, as airplanes frequently frighten horses in the fields. This practice of driving Government airplanes should be considered by the Government. I withdraw my objections.

Mr. EDMONDS. Let me say to the gentleman that if the claim is below \$1,000, under the law which we passed a short time ago the Government can reimburse for those claims without authority of Congress.

Mr. STAFFORD. Mr. Speaker, under the reservation of an objection I want to say that in the examination of quite a number of private bills I have found nothing wherein the committee has been so generous as in this case. We are attempting to reimburse the owners of buildings for damage which they did not suffer. In some cases the amount is awarded for repairs in excess of the loss sustained and paid by the insurance company. In the Torok case the damage amounted to \$1,525.30, and the insurance company settled with the claimant for that sum. The property was insured for \$3,000. Now you are proposing through overgenerosity of the committee—I would not charge that as to the other bills, but in this case it is proposed to give this man Torok \$460. We are going to recognize the principle in this bill that if an owner of property lives at a distance from where the damage occurred and declines to take reasonable care to repair rented buildings after a fire loss is reimbursed we are to compensate him for loss of rent. These claimants seem to want to get as much money as possible out of the insurance companies, and then come to the Government and get something more out of the Government. This claim is about the worst claim that has been reported from the Committee on Claims.

Mr. BULWINKLE. How much was the damage to this house?

Mr. STAFFORD. I read from page 3, first paragraph:

The New Jersey Fire Insurance Co. determined that the damage amounted to \$1,525.30, and settled with the claimant for that sum. The property was insured to \$3,000. The legislation contained the stipulated amount of \$2,175 as the loss suffered.

Mr. BULWINKLE. The insurance offer was for three-quarters. They clearly lost the amount of the difference between the amount they received from the insurance company and the value of the home.

Mr. STAFFORD. Does the gentleman believe that it is just to pay damage to a man for loss by reason of rent when he refused to put his property in a rentable condition?

Mr. BULWINKLE. The loss of rent is not included here.

Mr. STAFFORD. I read from page 4 of the report the statement of the post-office inspector.

I believe that the amount of insurance carried by Mr. Torok will more than cover the damage due to the accidental firing of the building by airplane No. 73. If taken in hand at once after the accident occurred the expenditure in placing the house in the original condition should not have exceeded \$1,000.

He was awarded \$1,525.30.

Mr. NORTON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. NORTON. Mr. Speaker, I have never heard of a case of loss by fire that the buildings insured could be repaired before the amount was agreed upon. Any man who has had any business in settling claims against insurance companies of any kind knows that you can not make your repairs until the amount has been agreed upon. The amount that has been talked about as rent, which would be perfectly proper as a matter of fact, would be the difference between the time of the fire and the time they could come to some kind of an agreement. Here is a man that states that he had no money, nothing to make any kind of repairs with, because he did not have a cent coming in from any source. All he had of any kind was invested in this house, for which he was trying to pay, and, being deprived of its use, was required to pay rent. Any man who has had anything to do in settling claims against insurance companies knows that you can not make repairs until some arrangement has been made with the company. This man never received the amount of his loss that he suffered, a large part of which was not covered by the insurance policy. Here was a Government airplane and, without any fault on this man's part, it was flying over the city carrying the mail, and it descends upon this man's house, which takes fire through the negligence of the operator. This loss occurred in 1919, and these people have been trying to get some action on the matter ever since. It is a plain case. These people are poor people, and if there was ever a man entitled to the payment of a claim it is this. There was no question of contributory negligence in this case; it is not like an accident on a street by an automobile. It is a simple case of damage. The Government is liable. The committee has found the amount of the damage and has deducted the amount of insurance received, and it is a clear case where the Government ought to pay at least the amount recommended by the committee, for if there was ever a just claim this is one.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. STAFFORD. I object.

HARRY E. FISKE.

The next business on the Private Calendar was the bill (H. R. 10529) for the relief of Harry E. Fiske.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,689.35 to Harry E. Fiske, on account of injuries received at the Watertown Arsenal, through no fault of his own, while testing a gun carriage on January 6, 1916.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

W. B. MOSES & SONS AND OTHERS.

The next business on the Private Calendar was the bill H. R. 11287, for the relief of W. B. Moses & Sons, Willis-Smith-Crall Co., American Home Furnishers' Corporation, Western Electric Co., and S. A. Curtis.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. EDMONDS. Mr. Speaker, will the gentleman reserve his objection?

Mr. BLANTON. I do not think that this is the kind of a bill that ought to be passed at this time. There are many other bills on the calendar that are much more meritorious. I reserve the objection.

Mr. STAFFORD. Is this the bill where the officer bought solid mahogany furniture?

Mr. EDMONDS. Yes; and I think it is a hardship for these firms to wait any longer for their pay. Here are three or four firms that supplied furniture to the Navy Department. We realize that the furniture purchased was out of all reason and common sense, and that it should not have been purchased. Nevertheless, here is a number of commercial concerns that are carrying on their books a charge against the Government for furniture which they furnished to the Government.

Mr. BLANTON. Does the gentleman not think it is time to stop a naval officer from buying 5 mahogany davenports at \$200 each, 10 fine mahogany easy-chairs at \$100 each, 10 mahogany dressers at \$200 each, 5 mahogany chiffoniers at \$200 each, 5 mahogany chifforettes at \$200 each, 5 mahogany dressing tables at \$150 each, and a lot of other such extravagant furniture for private use? Is it not about time for the Congress to stop such monkey business?

Mr. EDMONDS. The committee thinks so, certainly. The gentleman saw the resolution that was passed by the committee. We have notified the Navy Department and the Naval Committee of this extraordinary extravagance upon the part of naval officers.

Mr. BLANTON. How many fine leather mahogany davenports has the gentleman in his office in the House Office Building?

Mr. EDMONDS. It is not a question of that kind.

Mr. BLANTON. We ought not to permit a naval officer or any other officer to go down here and buy extravagant furniture of this kind in solid mahogany where there is no necessity for it, and we should stop it now.

Mr. EDMONDS. The committee itself has recognized that, but here are honest merchants who have supplied that stuff.

Mr. BLANTON. And the gentleman wants to pay the bill and authorize somebody else to incur like bills for the Government?

Mr. EDMONDS. Does the gentleman mean to say that the Government of the United States is not going to pay its honest debts?

Mr. BLANTON. The Government of the United States will pay every debt that is honestly owed, but the time has come to stop officials in the Navy Department and in the Army and other departments from such wasteful extravagance.

Mr. EDMONDS. Has not the committee agreed with the gentleman on that?

Mr. BLACK. Mr. Speaker, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. BLACK. Of course, we are all agreed that these purchases were very extravagant. They were not made in conformity with law. I am wondering if the committee could have brought about a substantial reduction in the amount of these bills. For example, there are 10 easy, mahogany chairs, at \$100 each; 5 chiffoniers, mahogany, at \$200 each; 5 chifforettes, whatever they are, at \$200 each.

Mr. EDMONDS. Also there are solid mahogany tables.

Mr. BLACK. It seems to me that these items are so extravagant that some reduction might be brought about in the amount of the bills and the claim settled on a substantially reduced basis.

Mr. TILSON. And the gentleman has forgotten the 10 solid mahogany dressers at \$200 each.

Mr. BLACK. I am not undertaking to read all of the items. I merely read some of them to show the unreasonable extravagance of them.

Mr. BUTLER. Will the gentleman please tell me who is this fearfully generous officer who bought this extravagant stuff? What is his name?

Mr. BLACK. I can give the gentleman the place of the purchase. During the fiscal year 1920 the supply officer of the United States Navy mine depot at Yorktown, Pa., made these purchases. I think it is quite high time that some action be taken that will prevent the purchasing officers of the Navy Department from making purchases of this kind. The best that we can say for it is that it is rank extravagance.

Mr. BUTLER. Of course, we can not go out and buy this sort of furniture, because we can not afford it.

Mr. BLACK. My colleague, Mr. BLANTON, said he is going to object, but if he does not, I shall, until we can look into the matter and see if these claims can not be reduced.

Mr. BLANTON. If the distinguished gentleman from Pennsylvania [Mr. EDMONDS] will put into the Record in connection with this matter a list of the various articles purchased, their cost, together with the name of the man who purchased them, so that the people of the United States may know what is going on, I might feel more like withdrawing the objection.

Mr. STEPHENS. Does the gentleman not think it would be a good idea to return this furniture to these people rather than to pay for it?

Mr. BLANTON. I think that is what the committee ought to have done.

Mr. DEAL. Does the gentleman think that this furniture should be returned to the owner after it has been in use for three years and used by Army officers and those who have had it in their use? These people have been deprived of the use of their property.

Mr. STEPHENS. They ought to inquire to whom they are selling such stuff.

Mr. DEAL. These Government agents come in and give their order, and they sell the goods on that order.

Mr. BLANTON. Will the gentleman yield?

Mr. DEAL. Yes.

Mr. BLANTON. I want to be absolutely fair with these people, but the gentleman from Virginia is a distinguished lawyer—I take that back because he says he is not. He looks so much like one that I always thought he was, but if he were a lawyer, he would know this, that whenever a merchant sells any kind of merchandise to an officer of the Government, he sells it to him under the provisions of a certain law and under certain authority that is definitely fixed and well defined, and when a merchant goes beyond the provisions of law and sells officers something that under that law will not be approved by the auditors of this Government, they do it at their own risk, and they ought to suffer. The only way we have to stop it is to let them know that we are not going to permit such extravagance.

Mr. DEAL. Their goods have been taken away from them and are in use by the Federal Government, and we ought to pay for them.

Mr. CRAGO assumed the chair as Speaker pro tempore.

Mr. MADDEN. Mr. Speaker and gentlemen, it is equivalent to a crime for any officer to be permitted to buy davenport at the rate of \$200 apiece and chiffoniers at the rate of \$200 apiece and dressers at the rate of \$200 apiece. The officer who bought them at that price ought to be cashiered. [Applause.]

Mr. BLANTON. Ought to be in the penitentiary.

Mr. MADDEN. And we do not owe a thing to the people who sold this officer those goods at this price. These people here are dealing with the Government all the time. W. B. Moses and the rest of these people know what the Government regulations are; and if any officer comes and buys goods at a price not authorized by law, and these people who sell the goods know what the regulations are, they ought not to sell them; and if they do sell them, they ought not to be paid for.

Mr. BLANTON. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is made to the consideration of the bill.

Mr. CHINDBLOM. Perhaps these gentlemen acquired these habits during the previous administration. This was also done during the previous administration.

Mr. MADDEN. I do not want to raise that question. The officers know they ought not to be permitted to do that.

Mr. BLANTON. And it ought to be stopped.

Mr. EDMONDS. Mr. Speaker, I would like to ask unanimous consent to make, as a portion of my remarks, the statement of the committee, because I am with the gentleman from Texas and the gentleman from Illinois that it is an outrageous imposition.

The SPEAKER pro tempore. Is there objection to the gentleman extending his remarks? [After a pause.] The Chair hears none.

The statement of the committee is as follows:

The Committee on Claims, to whom was referred the bill (H. R. 11287) for the relief of W. B. Moses, Willis-Smith-Crall Co., American Home Furnishers Corporation, Western Electric Co., and S. A. Curtis, having considered the same, report thereon with a recommendation that it do pass.

STATEMENT OF FACTS.

These claims, as stated in the bill, represent orders which were placed after competition with the lowest bidders of the individual items, but without complying with the provisions of section 3744 of the Revised Statutes requiring contracts made by the Secretary of the Navy and the officers under him to be reduced to writing.

Section 3744 reads as follows:

"It shall be the duty of the Secretary of War, of the Secretary of the Navy, and of the Secretary of the Interior to cause and require every contract made by them severally on behalf of the Government, or by their officers under them appointed to make such contracts, to be reduced to writing, and signed by the contracting parties with their names at the end thereof, a copy of which shall be filed by the officer making and signing the contract in the returns office of the Department of the Interior, as soon after the contract is made as possible, and within 30 days, together with all bids, offers, and proposals to him made by persons to obtain the same, and with a copy of any advertisement he may have published inviting bids, offers, or proposals for the same. All the copies and papers in relation to each contract shall be attached together by a ribbon and seal, and marked by numbers in regular order, according to the number of papers composing the whole return."

These supplies were purchased during the fiscal year of 1920 by the supply officers of the United States Navy mine depot, Yorktown, Va., for the use of that station.

As the supplies called for by the orders of the naval authorities were accepted and used by the Government, your committee recommends the passage of the bill for the payment of the claims.

Attached herewith is the letter of the Acting Secretary of the Navy. To incorporate in this report all of the papers in connection with these claims would serve no particular purpose. However, your committee desires to call the attention of the Members of the House to a few of the items, showing the reckless extravagance of the naval officials.

THE SECRETARY OF THE NAVY,
Washington, December 19, 1921.

Sir: The department incloses herewith the following claims:

(a) Claim of W. B. Moses & Sons, Washington, D. C., amounting to \$1,013, supported by contract and public bills.

(b) Claim of Willis-Smith-Crall Co., Norfolk, Va., amounting to \$12,093.25, supported by contracts and public bills.

(c) Claim of American Home Furnishers Corporation, Richmond, Va., amounting to \$7,007, supported by contract and public bills.

(d) Claim of Western Electric Co., New York, amounting to \$2,319.12, supported by contract and public bills.

(e) Claim of S. R. Curtis, Leehall, Va., amounting to \$1,125, supported by invoice and public bill.

During the fiscal year 1920 the supply officer of the United States Navy mine depot, Yorktown, Va., made various purchases and simply covered them by an order instead of by a contract properly signed by both parties in accordance with the requirements of section 3744 of the Revised Statutes.

The fact that the statute had not been complied with was not discovered until the receipt of invoices by the successor of the officer who placed the order. Therefore, in the belief that the matter was one for settlement by the auditor, all papers on the subject were forwarded to that officer for the necessary action in the premises. However, the auditor declined to make settlement on the ground that competition had not been invited as prescribed by section 3709 of the Revised Statutes. Facts were then produced which showed that section 3709 had been complied with and the matter was accordingly appealed to the comptroller, who held that competition had been obtained, but at the same time sustained the disallowance on the ground that section 3744 of the Revised Statutes had not been complied with. After these decisions were rendered the accompanying contracts were prepared under the assumption that such action would meet the requirements of the law, and the matter was then referred to the Comptroller General of the United States with request that he reconsider the previous decision, but in connection with several of the claims he stated that:

"There had not been a compliance with section 3744, Revised Statutes, and therefore allowance could not be made on the basis of an express contract. The decision then went on to hold that the delivery and acceptance of the furniture, which was the subject matter of the claims, gave rise to an implied contract, on the basis of which allowance could have been made by the accounting officers, if there had been proper evidence of the reasonable value of the furniture."

"The making of the formal contracts submitted July 14 and July 15, 1921, so long after the transactions were made, is not a compliance with the requirements of the law and presents nothing upon which payment would be authorized. It can not be accepted as evidence of the value of the furniture."

"Furthermore, the contracts are not new and material evidence such as is necessary in order that I may reopen a case decided by my predecessor."

The accompanying inclosures represent the claims in question, as follows:

W. B. Moses & Sons.....	\$1,013.00
Willis-Smith-Crall Co.....	12,093.25
American Home Furnishers Corporation.....	7,007.00
Western Electric Co.....	2,319.12
S. R. Curtis.....	1,125.00
Total.....	23,557.37

The above claims represent awards which were placed, after competition, with the lowest bidders on the individual items, which is an evidence of the reasonable value of the material furnished and the services rendered at the time purchases were made. Furthermore, these transactions were handled strictly in accordance with the requirements of the law and the Navy Regulations excepting, as stated above, the requirement of section 3744 relative to entering into contracts having been overlooked by the contracting officer.

As the supplies called for by these orders were accepted and used by the Government, the department requests that legislation be enacted by Congress which will authorize the payment of these claims, and incloses draft of a bill for that purpose.

Very respectfully,

THEODORE ROOSEVELT,
Acting Secretary of the Navy.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

PUBLIC BILL (ON SHORE).

UNITED STATES NAVY MINE DEPOT,
Yorktown, Va., July 25, 1921.

Inspection numbers, 7 and 148; public bill number, 25. The United States Navy Department, Bureau of Ordnance. To Willis-Smith-Crall Co., Dr. (No. 109.) Appropriation No. 0401. Ordnance and ordnance stores, 1920. Address, Norfolk, Va. O. P. requisition No. 101, ordnance. Dated June 4, 1920. Yard, N. M. D., Yorktown, Va. Yard contract No. 2. Dated July 14, 1921. Yard, N. M. D., Yorktown, Va. For yard or ship No. 109. Title 13-X. Account, A. P. A.

Names and descriptions of articles as per requisition, contract, or invoice.	Class number under contracts, and item number.	Date of delivery.	Quantity passed, and unit.	Unit price.	Extension of items.
Davenport, mahogany.....	1A	Nov. 11, 1920	5	\$300.00	\$1,000.00
Easy chairs, mahogany.....	2A	do.	10	100.00	1,000.00
Tables, solid mahogany.....	6	do.	5	65.00	325.00
Porch shades.....	14	do.	10	7.75	77.50
Small mirrors.....	16	do.	5	12.00	60.00
Tables, kitchen.....	22	do.	5	10.75	53.75
Chairs, kitchen.....	23	do.	20	1.25	25.00
Double beds, metal.....	25	do.	8	47.00	376.00
Single beds, complete, with springs.....	26	do.	5	47.00	235.00
Mattresses.....	27	do.	10	25.00	250.00
Do.....	28	do.	5	22.30	111.50
Pillows, kapok.....	29	do.	30	2.00	60.00
Dressers, solid mahogany.....	30	do.	10	200.00	2,000.00
Chiffoniers, mahogany.....	31	do.	5	200.00	1,000.00
Chiffonettes, mahogany.....	32	do.	5	200.00	1,000.00

Names and descriptions of articles as per requisition, contract, or invoice.	Class number under contracts, and item number.	Date of delivery.	Quantity passed, and unit.	Unit price.	Extension of items.
Tables, mahogany.....	33	Nov. 11, 1920	5	\$40.00	\$200.00
Dressing tables.....	34	do.	5	150.00	750.00
Small chairs, mahogany.....	35	do.	5	25.00	125.00
Tables, mahogany.....	38	do.	10	25.00	250.00
Bath stools.....	40	do.	6	2.00	12.00
Tables.....	41	do.	5	4.00	20.00
Wooden clotheshorses.....	42	do.	5	4.00	20.00
Rugs:					
2' 3" by 4' 6".....	44	do.	23	15.25	350.75
3' by 6'.....	45	do.	11	27.25	299.75
4' by 7'.....	46	do.	34	51.00	1,734.00
6' by 9'.....	47	do.	2	92.00	184.00
Slip cover for davenport.....	52	do.	5	35.00	175.00
Slip covers for chairs.....	53	do.	10	15.00	150.00

Class and item number.	Quantity passed.	Quantity rejected or shortage.	Reasons for rejections or cause of damage or deficiency.
10.....	0	5	Varnish peeling; not weatherproof.
11.....	0	5	Do.
12.....	0	5	Do.
13.....	0	5	Do.
25.....	8	2	Bedsteads bent.
54.....	0	5	Not received.

Amount of invoice..... \$12,260.75
Less value of articles rejected..... 416.50

Amount payable..... 11,844.25

During the consideration of the bill by your committee the following resolution was unanimously adopted:

COMMITTEE ON CLAIMS,
Friday, May 26, 1922.

Be it resolved by the Committee on Claims of the House of Representatives, That the attention of the Secretary of the Navy be called to the extravagant expenditure of the supply officer of the United States Navy mine depot, Yorktown, Va., who made various purchases of furniture for the use of said station; and it is the opinion of the committee that it should be the duty of the Secretary at least to reprimand the official who authorized such unusual expenditure; and be it further

Resolved, That we desire to call the attention of the Committee on Naval Affairs of the House of Representatives to the loose manner employed by the Navy Department in allowing such latitude to officers in making purchases for the naval service.

LUCY PARADIS.

The next business on the Private Calendar was the bill (S. 2210) for the relief of Lucy Paradis.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. LEATHERWOOD. Mr. Speaker, I move that this bill be laid on the table.

The SPEAKER pro tempore. The gentleman asks unanimous consent to lay the bill on the table. Is there objection?

Mr. WILLIAMSON. Will the gentleman reserve that motion?

Mr. LEATHERWOOD. I will reserve it.

Mr. WILLIAMSON. I want to say to the gentleman [Mr. LEATHERWOOD] in this connection that this bill is one which passed the Senate some time ago. Lucy Paradis, away back in 1896, had 63 brood mares and a very valuable stallion killed by a veterinarian acting under orders from the Department of Agriculture at Washington, D. C. Now, in the first place, I do not think the Department of Agriculture had any authority to direct veterinarians upon an Indian reservation to kill I. D. horses alleged to be affected with glanders or other contagious diseases. The authority of law did not exist. In the second place, she is simply asking the privilege of presenting her case to the Court of Claims upon its merits and have that court decide the question of whether or not she is entitled to recovery. It seems to me very clear that she should be allowed to prosecute her claim. She can not do it without this legislation.

The SPEAKER pro tempore. Is there objection?

Mr. LEATHERWOOD. Mr. Speaker, at the time I made the motion I understood that this matter had been disposed of in another bill, and therefore, I ask unanimous consent to withdraw my motion to lay the bill upon the table.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That jurisdiction be, and hereby is, conferred upon the Court of Claims to hear, determine, and render final judgment upon the claim of Lucy Paradis for horses belonging to her and killed and destroyed upon the Cheyenne River Indian Reservation, or elsewhere, in the State of South Dakota, by the Indian agent in charge of said Cheyenne River Indian Reservation and other persons under his authority, with right of appeal as in other cases.

That a petition may be filed by the attorneys of the said Lucy Paradis in said court within six months from the approval of this act, and service of said petition shall be had by filing copies thereof with the Attorney General and the Secretary of the Interior, and answer thereto shall be filed in said court within 60 days after the service of the petition.

The court may receive and consider all papers, depositions, records, correspondence, and documents heretofore filed in the executive departments of the Government, together with any other evidence offered, and shall render a judgment or decree thereon for such amount, if any, without interest, if any, as the court shall find legally or equitably due the said Lucy Paradis.

Said cause shall be advanced on the calendar of said court, and the amount for which judgment may be rendered, when paid to the party named in said judgment or her duly authorized and accredited attorney, shall be received in full and final settlement of the claim for said unlawful destruction of said horses.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

RENTAL OF FIRST FLOOR OF CUSTOMHOUSE, MOBILE, ALA.

The next business in order on the Private Calendar was the bill (H. R. 11731) to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to rent, under such terms and conditions and for such period as he may prescribe, to the Chamber of Commerce, Mobile, Ala., the first floor of the customhouse, situated at the corner of Royal and St. Francis Streets, in the city of Mobile, Ala., or such parts of the first floor of the above-mentioned Federal building as may be used by the said chamber of commerce.

The committee amendment was read as follows:

Page 1, line 3, strike out the words "and directed."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

MILITARY TARGET RANGE, ETC., CHANDLER, OKLA.

The next business in order on the Private Calendar was the bill (H. R. 6204) to grant the military target range of Lincoln County, Okla., to the city of Chandler, Okla., and reserving the right to use for military and aviation purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, under the reservation of objection, I am in doubt whether we should launch into the policy of granting public lands to municipalities or States for public parks, even with the reservation they may be subsequently used for public purposes. I do not recall an instance where we have done that in the past.

Mr. MCKENZIE. Will the gentleman yield?

Mr. STAFFORD. I will.

Mr. MCKENZIE. I simply wish to say to the gentleman from Wisconsin I share with him his opinion, but this is a rather peculiar case, and I would be glad if he would permit the gentleman from Oklahoma [Mr. PRINGEY] to make a statement in connection with this matter, which led the Committee on Military Affairs to give it favorable consideration.

Mr. STAFFORD. Certainly.

Mr. PRINGEY. Mr. Speaker, I am much obliged to the distinguished gentleman from Wisconsin. I just wish to say to the membership that 13 years ago our adjutant general came to our city and talked about establishing a rifle range. We were delighted at the thought of having the boys with us two or three times a year in the practice. Many of our boys belonged. We sold them the property. They required us to supply water. We expended \$15,000 in the extension of our waterworks and building a macadam highway the full length of the rifle range, and about the time we had made this expenditure the practice was moved out to Fort Sill. Then coming up here, after I had prepared a bill, I secured the indorsement of the adjutant, our governor, and Mr. Weeks, and it was reported favorably by the Committee on Military Affairs.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. PRINGEY. Yes.

Mr. STAFFORD. The report states, as the gentleman has just said, that the municipality expended money in the building of a macadam road? Where was that macadam road built? Was it on the rifle range or leading to it?

Mr. PRINGEY. Right on the line, extending a street occupying a part, I presume, of the rifle range.

Mr. STAFFORD. Does not the improvement redound to the benefit of the property owners on the other side of the rifle range?

Mr. PRINGEY. Well, on the other side we have a small park; but it is not a highway out into the country, because it runs up into the bluff there where we made the bluff shots, as it is called, where they shoot into the bank. It is for the exclusive benefit of the rifle range.

Mr. STAFFORD. So your contention is that the municipality has really expended money for the former benefit of the Government for which they now wish to have reimbursement by the return of this property?

Mr. PRINGEY. That is true.

Mr. STAFFORD. Mr. Speaker, I do not wish this bill to be taken as a precedent, especially in the next five weeks of my service here. Particularly in cases where the Government owns public land, as in the case of an Army post, and no longer needs it for a National Government activity I believe we should not grant those lands gratuitously to municipalities for public purposes. I can see an exceptional condition in this instance, where the municipality has expended large sums of money, which will go for naught unless the return is made. I also realize that in this case if this land were sold the proceeds would go to the Militia Bureau for expenditure for National Guard purposes. Now, if the governor of the State and the adjutant general wish to take some money from the fund which could properly be applied to the National Guard purposes and have it go to the municipality I will not press the objection. Mr. Speaker, I withdraw the objection.

The SPEAKER pro tempore. The Clerk will report the bill. The Clerk read as follows:

Be it enacted, etc., That the title and fee to the military target range of Lincoln County, Okla., described in words and figures as follows, to wit: The south half of the south half of the northwest quarter of section 9, in township 14 north, of range 4 east, of the Indian meridian; except the land described as follows: Beginning at the southeast corner of said northwest quarter of section 9, running thence west 363 feet; thence north 445 feet; thence east 363 feet; thence south 445 feet to the place of beginning. Also, except the right of way of the Choctaw, Oklahoma & Western Railroad, now the Chicago, Rock Island & Pacific Railroad, being a strip of land 100 feet in width across said land, extending 50 feet on each side of the center of the roadbed or main track of said railroad company. Also, except a strip of land 16 feet wide across the south line of the northwest quarter of said section 9, extending from the west line of the right of way of the Chicago, Rock Island & Pacific Railroad to the west line of the said northwest quarter of the said section 9, said tract so conveyed containing 34.48 acres, according to the survey thereof. And the south half of the south half of the northeast quarter of section 8, in township 14, north of range 4, east of the Indian meridian, containing 40 acres, according to the Government survey thereof. And the south half of the northwest quarter of section 8, in township 14, north of range 4, east of the Indian meridian, be, and the same is hereby, granted and conveyed to the city of Chandler, Okla., to be used as a public park, subject, however, to the right of the United States to at any time reenter and occupy the same for military purposes or as an aviation field; or the same may be used for said purposes by the militia of the State of Oklahoma under such terms and regulations as may be prescribed by the Secretary of War of the United States of America.

With a committee amendment as follows:

On page 3, line 6, insert: "Provided, however, That in the event the said lands are not used for the purposes specified in this act, the same shall revert to the United States: And provided further, That said lands shall be subject to the right of the United States at any and all times and in any manner, to assume control of or use and occupy the same or any part thereof, without license, consent, or leave from said city or State for any and all military purposes, including use for a target range or aviation purposes, free from any conveyance, charges, incumbrances, or liens, made, created, permitted, or sanctioned thereon by said city or State."

The SPEAKER. The question is on agreeing to the amendment.

Mr. STAFFORD. Mr. Speaker, I offer an amendment.

The SPEAKER. Does the gentleman wish to amend the committee amendment?

Mr. STAFFORD. Yes. On page 3, line 7, after the word "used," insert the phrase "by the municipality."

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD to the committee amendment: On page 3, line 7, after the word "used," insert the words "by the municipality."

Mr. STAFFORD. Mr. Speaker, the intention seems to be to have the use discontinued by the municipality.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

ROBERT GUY ROBINSON.

The next business on the Private Calendar was the bill (H. R. 11389) for the relief of Robert Guy Robinson.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. STAFFORD. Under the reservation of an objection, I think we should have some explanation of this bill before the objection stage has passed.

Mr. MICHENER. Mr. Speaker, this bill in effect relieves this man from the statute of limitations. The act of July 12, 1921, reads in part as follows:

That all officers of the Naval Reserve Force and temporary officers of the Navy who have heretofore incurred or hereafter may incur physical disability in the line of duty in time of war shall be eligible for retirement under the same conditions as now provided by law for officers of the Regular Navy who have incurred physical disability in line of duty: *Provided, however,* That application for such retirement shall be filed with the Secretary of the Navy not later than October 1, 1921.

Lieutenant Robinson did not make the application within the time allowed. He was in Michigan nursing his injuries and had no knowledge of this law. This law was approved on July 12, 1921, as I said, and the limitation became effective on October 1, 1921. As the hearings show, Lieutenant Robinson had no knowledge of the enactment of this law until he came to Washington on Armistice day, November 1, 1921. He is a young man who went through the whole service. He has a remarkable war record.

Mr. STAFFORD. Mr. Speaker, I withdraw the reservation.

Mr. BLACK. Is this officer now drawing any compensation under the war-risk insurance?

Mr. MICHENER. He is now drawing \$39.60. He is a man who, I will say to my colleagues, was wounded 21 times. He now carries two bullets in his body. Mr. Robinson is a medal-of-honor man, having been wounded in action over Flanders front on October 13, 1918, being the flying mate of Lieut. Ralph Talbot, now deceased. He was recommended for commission by Maj. D. B. Roben, after an engagement on October 8, 1918, while attached to Pilots Pool Squadron 218, R. A. F., and was again recommended by Major Roben before his (the major's) death, but the commission never materialized.

Lieutenant Robinson enlisted in the Marine Corps May 22, 1917, at the Marine Barracks, Parris Island, S. C., and from there was transferred to Mobile Artillery Force, Ninety-second Company, Marine Barracks, Quantico, Va. From there he was sent to Curtiss Field, Miami, Fla., for flying duty and as aerial gunner. Later he was transferred to Wilbur Wright Field, Dayton, Ohio, for further instruction in gunnery and bombing. From thence transferred to Philadelphia Navy Yard; then to Hoboken, and sailed on the U. S. S. *De Kalb* for overseas service. He received the medal of honor for extraordinary heroism in the first marine aviation force at the front in France. Also received official commendation on October 12, 1918, in appreciation of his good work. Also received official commendation on December 15. Lieutenant Robinson received the following wounds while in service overseas: Left ankle; left knee; between ankle and knee; left hip; right shoulder; through abdomen, entering left side and coming out back; left forearm and elbow, removing elbow, leaving a flail joint. Eyes and lungs bad, especially left eye. Spits blood. While in the service, both the father and mother of this young man died, and in consequence he has no home and no place to go.

Lieutenant Robinson returned to the States in January, 1919, and a transfer was given him to go to the Washington Naval Hospital, where he remained until June 17, 1919, when he was commissioned and placed on the inactive list, class 5, United States Marine Corps.

Had Mr. Robinson known of the above law, under which he could have been retired, he would have applied for retirement and the Secretary of the Navy would have approved his application.

No official notice of the enactment of the law was given. He was sick and injured; he was in that condition, and all this law proposes is to say to him, "Lieutenant Robinson, you came home from the war all shot to pieces; you went back to your home in Michigan, where your mother and father had died during the war. You were in such a condition that you are not charged with the responsibility of knowing that in order to get the benefit which this Congress intended that you should have that you must have made application before October 1, 1921."

I know the sentiment of the Members of this body in matters of this kind and feel assured that a mere technicality will not prevent this deserving, patriotic lad from receiving that which is rightfully his.

Mr. BLACK. I had read the report of the very remarkable record of this officer, and the question I wanted to ask was, if the officer is retired under the provision of this bill and of the previous law, will the compensation that he draws from the Veterans' Bureau be discontinued and will he receive the retired pay of his rank?

Mr. MICHENER. I think my colleague is right in that particular. He can not draw the two compensations.

Mr. BUTLER. I will say to my friend from Texas that I am responsible for this limitation. I voted for the bill and assisted in having it passed, and then a little later I asked Congress to close the door, requiring all applications to be made within a certain time; but this case is very unusual. It is the first time in the history of our country that these officers of the reserve, as I call them, have been put on the retired list; but we considered the extraordinary services of this man.

Mr. BLACK. I do not object to this case at all.

Mr. BUTLER. He had no way of knowing of the limitation, and we thought it was only fair to let him in.

Mr. MICHENER. I will say to my colleague that this matter has been submitted to the Secretary of the Navy and meets with his approval. It has been submitted to the Director of the Budget, so that it does not interfere in any way with the plans of the Budget for the current year.

Mr. BLACK. I notice that the report states that.

Mr. GENSMAN. Did I correctly understand the gentleman to say that the Veterans' Bureau has awarded this man only \$39.00 a month for all these wounds?

Mr. MICHENER. Yes.

Mr. GENSMAN. Why not more?

Mr. MICHENER. Because he was not wounded in a vital part.

Mr. GENSMAN. Is he disabled?

Mr. MICHENER. I have not gone into that part of it. I think that my colleague is very familiar with the rulings of the Veterans' Bureau in compensation cases.

Mr. GENSMAN. I am very familiar with the situation of these soldiers. The case of a man who received 21 wounds and who is getting \$39.00 a month is about on a parity with many other cases which I have had in the Veterans' Bureau. I wanted to know whether other Congressmen were in the same fix that I am in. I have the case of a man wounded almost that badly who is getting \$15 a month, when he ought to be rated as totally disabled.

Mr. MICHENER. If I remember rightly, Lieutenant Robinson's disability is rated at over 50 per cent.

Mr. BUTLER. I think so.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That the President is authorized to appoint Robert Guy Robinson, second lieutenant, Marine Corps Reserve, inactive, a second lieutenant in the Marine Corps and to retire him and place him upon the retired list of the Marine Corps with the retired pay and allowances of that grade.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That so much of section 6 of the naval appropriation act approved July 12, 1921, as provided that the application for retirement of officers of the Naval Reserve Force and temporary officers of the Navy who have heretofore incurred, or who may hereafter incur, physical disability in line of duty in time of war shall be filed with the Secretary of the Navy not later than October 1, 1921, be, and hereby is, waived in the case of Second Lieut. (Provisional) Robert Guy Robinson, Marine Corps Reserve, inactive, and his case is hereby authorized to be considered and acted upon under the remaining provisions of said section if his application for retirement is filed not later than 60 days from the approval of this act."

Mr. RAKER. Mr. Speaker, is it in order to discuss this amendment?

The SPEAKER. Certainly.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that I may insert in the RECORD two typewritten pages.

The SPEAKER. The gentleman is recognized to discuss the amendment.

Mr. RAKER. I am going to ask unanimous consent to insert in the RECORD two typewritten pages.

Mr. SNELL. What are they?

Mr. RAKER. A statement from the soldier settlement board of Canada in relation to a question in which so many of us have been vitally interested, showing the workings of the soldier settlement act in Canada. I ask that it may be inserted in the RECORD.

Mr. SNELL. I wish the gentleman would give us a little more information as to what it is.

Mr. RAKER. It is a statement from the chairman of the soldier settlement board of Canada as to the workings of the soldier settlement act in the Dominion.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to is as follows:

THE SOLDIER SETTLEMENT BOARD,
OFFICE OF THE CHAIRMAN,
Ottawa, Canada, January 24, 1923.

JOHN E. RAKER, Esq., M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: Your letter of January 13 to the Hon. Sir James Lougheed, former minister of the Interior, asking for the last report of the Soldier Settlement Board of Canada, has been forwarded to me with a request that the information be sent you.

No parliamentary annual report has been issued since last year, and that covered the period for the previous fiscal year, which ended March 31, 1921. I assume from your letter that you have before you a copy of that report, but in case my assumption is wrong I am inclosing herewith a copy.

In addition to this, I am inclosing a typewritten statement summarizing the operations up to December 31, 1922. This will be printed shortly. I also inclose a compendium of facts as issued by the board.

If there is any further information that I can give you, I would be glad to supply it. The work of soldier settlement in Canada has produced some remarkable results. We have a mass of information on individual cases that is most interesting reading. Some of the successes achieved by ex-soldiers on the land are most inspiring.

The Canadian public generally are becoming more and more convinced that land settlement has been the most effective permanent reestablishment effort attempted in Canada.

If the American people ever contemplate a similar effort in land settlement reestablishment, I feel quite sure our mistakes and successes would be of great value to them, and in such case I would welcome any opportunity of assisting in any way I could.

Yours faithfully,

JOHN BARNETT, Chairman.

Statement showing operation of soldier settlement board of Canada to December 31, 1922.

Number of veterans applied for privileges of act.....	65,561
Number accepted as qualified to farm.....	46,594
Number of established settlers.....	28,940
Number qualified but not yet located.....	24,046
Number in training under supervision of board.....	3,779

LOANS.

Number granted loans.....	22,548
Amount of loans approved.....	\$93,235,902.18
Initial payments on land purchased.....	\$5,419,806.27
Number who have repaid loans in full.....	562
Total amount returned to finance department:	
For loans.....	\$14,654,301.53
For administration.....	2,119,189.15

Total.....\$16,773,490.68

	Approved.	Amount.
British Columbia.....	3,193	\$14,221,218.33
Alberta.....	6,607	26,974,934.85
Saskatchewan.....	5,628	22,729,281.89
Manitoba.....	3,497	15,184,883.46
Ontario.....	1,752	7,483,650.70
Quebec.....	460	2,252,600.91
New Brunswick.....	630	1,921,505.81
Nova Scotia.....	427	1,490,122.14
Prince Edward Island.....	354	977,704.09
Total.....	22,548	93,235,902.18

DISTRIBUTION OF LOANS.

To purchase land.....	\$51,367,850.74
To remove encumbrances.....	2,213,436.86
For permanent improvements.....	11,145,270.57
For stock and equipment.....	28,509,344.01
Total.....	93,235,902.18

COLLECTIONS.

Of the amount due on loans to soldier settlers on October 1 last \$1,316,983.76 has been paid (January 14, 1923)—a percentage of 43.3 per cent.

AREA OF SOLDIER LANDS.

Area of new land broken.....acres.....	600,000
Area of land taken up by soldier settlers.....do.....	5,437,449
Saving in purchase of land.....	\$4,096,943.84
Number of soldier-grant entries (free lands).....	9,758

STOCK AND EQUIPMENT.

Stock and equipment purchased for soldier settlers.....	\$32,617,808.28
Saving to settlers through special arrangements with dealers.....	1,078,706.15

JOHN BARNETT, Chairman.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

ROBERT J. ASHE.

The SPEAKER. The Clerk will report the next bill.

The next business on the Private Calendar was the bill (H. R. 9316) for the relief of Robert J. Ashe.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Robert J. Ashe, who was a private in Troop G, Fifth Regiment United States Cavalry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of that organization on the 21st day of August, 1914: *Provided,* That no pay or other emoluments shall accrue by virtue of the passage of this act.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

Mr. MAGEE. I move to reconsider the vote by which the bill was passed and move to lay that motion on the table.

Mr. STAFFORD. We are going to make a general motion of that kind with respect to all these bills at the end of the day.

LIEUT. COL. JAMES M. PALMER.

The SPEAKER. The Clerk will report the next bill.

The next business on the Private Calendar was the bill (H. R. 11603) to validate for certain purposes the revocation of discharge orders of Lieut. Col. James M. Palmer and the orders restoring such officer to his former rank and command.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That Lieut. Col. James M. Palmer, of the National Guard of the State of Maine, who was in the Federal service during the World War, and who was discharged from such service during said war, and who subsequent to such discharge was notified by the War Department of the revocation of the orders discharging him from the Federal service and of his restoration to his former rank and command, and to whom orders were thereafter issued by the War Department and by the departments thereof, and by his superior officers of the Army, which orders were thereafter acted upon by said James M. Palmer, shall be deemed to have been lawfully reinstated in the Federal service by such orders of revocation of discharge and of restoration to rank and command, for the purposes of the succeeding clause, and shall be entitled, from date of notification of such revocation orders, to pay, travel, and other allowances to the date of his final discharge in the same manner and to the same extent as if he had not been previously discharged.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

HERBERT E. SHENTON.

The next business on the Private Calendar was the bill (H. R. 7027) for the relief of Herbert E. Shenton.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Herbert E. Shenton, as reimbursement for expenses and inconveniences suffered by him as the direct result of personal injuries received by him on May 12, 1919, at Baltimore, Md., when he was struck by an automobile operated by the United States Army, the sum of \$1,000 as full compensation for loss of earnings and incidental expenses resulting from said injury.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$462.39 to Herbert E. Shenton in full compensation against the Government for injuries sustained by an Army truck at Baltimore, Md., May 12, 1919."

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

WILLIAM B. LANCASTER.

The next business on the Private Calendar was the bill (S. 472) for the relief of William B. Lancaster.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object, Mr. Speaker.

Mr. LEATHERWOOD. Will the gentleman reserve his objection?

Mr. STAFFORD. I will.

Mr. LEATHERWOOD. Mr. Speaker, this claimant in August, 1912, was in the employ of the Government working upon what was known as the Strawberry project in the State of Utah. At the date of his injury he was employed in a crusher. In close proximity to the crusher there was a gravel elevator. From the

gravel elevator the waste accumulated to such an extent on the roof of the crusher, and the overburden was so great, that it crushed the building in which Mr. Lancaster was working and severely injured him. His hip was broken, he was severely injured about his shoulders. His face was crushed by the fall of the building until finally before he was released from the hospital nearly all of the bone of the lower jaw was removed. Since the date of the accident he has not been able to take food except in a liquid form. He is absolutely helpless. It is a case of total disability. There is nothing ahead of him except the almshouse or the charity of the community where he now resides.

I may say that he has subsisted on charity for the last few years. For a short time after he got out of the hospital he was favored with some small jobs by the Government, but his physical condition has gradually grown worse. His mental condition is also growing worse. The photographs in possession of the committee will show how severe and horrible was the injury to his face. His disfigurement is such that he shuns the companionship of men, lives in a mere hovel, subsisting on charity. He seldom goes out from the place where he is staying except at night.

I have personally examined his case. I called upon him last October, and I have verified every statement I have made in regard to his condition.

Mr. STAFFORD. Mr. Speaker, if the facts narrated by the gentleman from Utah had been incorporated in the report, or one fraction of them had been incorporated in the report in this case, I would not have objected in the first place. He gives to the House, especially to me, some facts which are not in any way contained in the report on this case. As now stated by the gentleman from Utah upon his own personal acquaintance it brings the case within the facts of a private bill for the relief of a person in St. Louis, which was passed at the last session.

I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to William B. Lancaster, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000, in full compensation for injuries received while employed by the Reclamation Service at the west portal, Strawberry Tunnel, Strawberry Valley project, Utah.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$40 per month, to date from the passage of this act, as compensation for injuries sustained while employed by the Reclamation Service at the west portal, Strawberry Tunnel, Strawberry Valley project, Utah, said monthly payments to be paid through the United States Employees' Compensation Commission."

The committee amendment was agreed to.

The bill as amended was ordered to be read the third time, was read the third time, and passed.

Mr. STAFFORD. Mr. Speaker, at this hour on Saturday afternoon I make the point of order that there is no quorum present.

Mr. SNELL. Will the gentleman withhold that for a moment?

Mr. STAFFORD. I will.

Mr. SNELL. Only Mr. Speaker I move that the various votes by which the bills have been passed this afternoon be reconsidered and that motion be laid on the table.

The SPEAKER. The gentleman from New York moves that the various votes by which the bills have been passed be reconsidered and that motion lie on the table.

Mr. BANKHEAD. Mr. Speaker, is a motion of that sort en bloc in order?

The SPEAKER. The Chair will say that there is not the slightest chance of any of them being reconsidered as they were passed by unanimous consent.

Mr. BANKHEAD. I have no objection to it.

The SPEAKER. It can be done by unanimous consent, the Chair thinks. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating the reply of the Sugar Equalization Board to the resolution passed by the House, which was sent up with the President's message two or three days ago and has not been printed.

Mr. SNELL. Has not that been printed?

Mr. JONES of Texas. No. The President's letter was printed, but it did not include the reply.

Mr. STAFFORD. How voluminous is it?

Mr. JONES of Texas. About a page.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The reply is as follows:

To the House of Representatives:

In response to the resolution of the House of Representatives of January 5, 1923, No. 475, requesting the President "to transmit to the House of Representatives the facts in his possession concerning the following, if not incompatible with the public interest:

"First. What activities the United States Sugar Equalization Board, a corporation organized under the laws of the State of Delaware, is now engaged in.

"Second. What salaries, if any, are being paid by such board to its officials or employees, and what salaries have been paid during the last two years.

"Third. What other expenses are being incurred and have been incurred since December 31, 1920, by said board.

"Fourth. What money or property is now owned or controlled by such board.

"Fifth. Where such funds, if any, are now deposited and what, if any, interest has been drawn on same since December 31, 1920."

I transmit herewith a memorandum which has been sent to me by Mr. George A. Zabriskie, president of the United States Sugar Equalization Board (Inc.), giving the data requested in the said resolution.

WARREN G. HARDING.

The WHITE HOUSE, January 24, 1923.

JANUARY 11, 1923.

First. The United States Equalization Board (Inc.) is engaged only in the liquidation of its affairs.

Second. (a) A salary of \$170 per month is being paid E. W. Scanlon, who is in charge of records and office.

(b) Salaries paid for the two years ended December 31, 1922:

1921	\$21,882.14
1922	15,866.94

Third. (a) The present expenses of the board, other than salary mentioned above, are as follows:

	Per month.
Office rent	\$204.17
Telephone	6.05
Miscellaneous (estimated)	5.00

(b) the following are the expenses of the board for the two years ended December 31, 1922:

	1921	1922
Telephone, telegraph, and postage	\$217.24	\$86.53
Rent	2,279.45	2,450.04
Printing and stationery	62.30	15.95
Legal retainer and expenses	5,733.61	4,924.12
Auditing	900.00	450.00
Traveling expense	93.37	
Legal charges in connection with Norwegian Government and Federal Sugar Refining Co., suits		52,210.05
Miscellaneous	1,663.17	1,612.72
Total	10,949.14	61,749.44

Fourth. The following money and property are owned and controlled by the board:

Furniture and equipment	\$1,003.76
Accounts receivable	142,905.76

Cash:	
In United States Treasury	15,279,636.52
In Battery Park National Bank	161,845.52
Petty cash	100.00

Fifth. (a) The funds of the board are lodged in the following depositories:

United States Treasury	\$15,279,636.52
Battery Park National Bank, New York	161,845.52

(b) The interest on bank balances and interest on investments (United States Government securities) for the two years ended December 31, 1922, are as follows:

Interest on deposits	\$162,163.75
Interest on United States securities	753,054.58

Mr. WILLIAMSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by incorporating sundry resolutions passed by the Legislature of South Dakota affecting national legislation.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the Record by printing sundry resolutions by the Legislature of South Dakota. Is there objection?

Mr. STAFFORD. Mr. Speaker, we do not follow that practice, printing memorials of the various State legislatures. I object.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks that I made to-day.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee indicated below:

S. 4346. An act granting the consent of Congress to the Delaware State highway department to construct a bridge across the Nanticoke River; to the Committee on Interstate and Foreign Commerce.

LEAVE OF ABSENCE.

By unanimous consent the following leaves of absence were granted:

To Mr. Box, for three days on account of illness.

To Mr. FENN, for to-day on account of illness.

To Mr. REED of West Virginia, for an indefinite period on account of illness.

ADJOURNMENT.

Mr. SNELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 53 minutes p. m.) the House adjourned until Monday, January 29, 1923, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WEBSTER: Committee on Interstate and Foreign Commerce. S. 4341. An act granting the consent of Congress to the Oregon-Washington Bridge Co., and its successors, to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg.; with amendments (Rept. No. 1471). Referred to the House Calendar.

Mr. STEENERSON: Committee on Post Office and Post Roads. H. R. 14038. A bill to amend the laws relating to the Postal Savings System, authorizing rural routes from 36 to 75 miles in length, to encourage commercial aviation, extending the insurance and collect-on-delivery privilege to third-class matter, and prescribing the computation of overtime to employees in post offices; without amendment (Rept. No. 1472). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Illinois: Committee on Interstate and Foreign Commerce. H. R. 13616. A bill granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River; with amendments (Rept. No. 1473). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. S. 528. An act for the relief of the widow of Rudolph H. von Ezdorf, deceased; with an amendment (Rept. No. 1470). Referred to the Committee of the Whole House.

Mr. STRONG of Kansas: Committee on War Claims. H. R. 297. A bill for the relief of Mrs. Vincenza Dimonico; with amendments (Rept. No. 1474). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GREEN of Iowa: A bill (H. R. 14050) to amend the revenue act of 1921 in respect to income tax of nonresident aliens; to the Committee on Ways and Means.

By Mr. NEWTON of Minnesota: Memorial of the Legislature of the State of Minnesota requesting the Congress and the Commissioner of Indian Affairs of the United States to grant relief to the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

By Mr. YOUNG: Memorial of the Legislature of the State of North Dakota urging Congress to pass immediately such laws as will make possible the early completion of the Great Lakes-St. Lawrence waterway project; to the Committee on Interstate and Foreign Commerce.

By Mr. HUDSPETH: Memorial of the Legislature of the State of Texas urging Congress to grant a prayer for relief from pending disaster and destruction to the Kansas City, Mexico & Orient Railroad; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER of Wisconsin: A bill (H. R. 14051) granting an increase of pension to Mary Jane Sowle; to the Committee on Invalid Pensions.

By Mr. GENSMAN: A bill (H. R. 14052) for the relief of James F. Rowell; to the Committee on Indian Affairs.

By Mr. GIFFORD: A bill (H. R. 14053) granting a pension to David Steers, alias William Johnson; to the Committee on Pensions.

By Mr. KOPP: A bill (H. R. 14054) granting a pension to Susan Ritter; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 14055) for the relief of Fred W. Stickney and H. A. Reynolds; to the Committee on Claims.

By Mr. MERRITT: A bill (H. R. 14056) granting an increase of pension to John Lamson; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 14057) granting an increase of pension to Harry D. Frasier; to the Committee on Pensions.

Also, a bill (H. R. 14058) granting a pension to Martha Phillips; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 14059) granting an increase of pension to Mary C. Beavers; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 14060) granting an increase of pension to Martha Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14061) granting a pension to Robert Leonard; to the Committee on Pensions.

Also, a bill (H. R. 14062) granting a pension to Sherman L. Rhea; to the Committee on Invalid Pensions.

By Mr. STEVENSON: A bill (H. R. 14063) for the relief of certain officers of the Army of the United States; to the Committee on Claims.

By Mr. STRONG of Pennsylvania: A bill (H. R. 14064) granting a pension to Elizabeth Drenning; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 14065) granting a pension to Albert B. Wilson; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7069. By Mr. BARBOUR: Resolution adopted by Taft Central Labor Union, of Taft, Calif., favoring the Columbia Basin Irrigation project and the Smith-McNary bill; to the Committee on Irrigation of Arid Lands.

7070. By Mr. DEMPSEY: Petition of 298 citizens of the fortieth New York congressional district, favoring immediate aid being extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7071. By Mr. KELLER: Petitions signed by Phil Martin and 62 citizens, by William A. Gerber and 108 citizens, by Barbara Keller and 22 citizens, all of St. Paul, Minn., urging immediate passage of House Joint Resolution 412, proposing to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7072. By Mr. KISSEL: Petition of Henry M. Goldfogle, president department of taxes and assessments of the city of New York, approving a bill passed by the Senate January 23 providing for taxation of national-bank shares and validating taxes already levied; to the Committee on Banking and Currency.

7073. Also, petition of Henry Hasenflug and 65 residents of Brooklyn, N. Y., asking that aid be extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7074. By Mr. MACGREGOR: Petition of John F. Hylan, mayor of New York City, approving a Senate bill amending the national bank act and providing for the validation of prior taxes; to the Committee on Banking and Currency.

7075. Also, petition of Walter W. Law, jr., president Tax Commission, urging support of a Senate bill amending the national bank act; to the Committee on Banking and Currency.

7076. Also, petition of George P. Nicholson, corporation counsel of New York City, favoring a Senate bill amending the national bank act; to the Committee on Banking and Currency.

7077. Also, petition of William S. Rann, corporation counsel, Buffalo, N. Y., requesting concurrence by the House of Representatives on a Senate bill amending the national bank act; to the Committee on Banking and Currency.

7078. Also, petition of Rev. William J. Schreck and 66 citizens of Buffalo, N. Y., urging that aid be extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7079. Also, petition of Alfred E. Smith, governor of the State of New York, requesting that the House of Representatives pass a Senate bill amending the national bank act; to the Committee on Banking and Currency.

7080. By Mr. MAPES: Petition of Rev. F. R. Schreiber and others, of Grand Rapids, Mich., for the passage of the joint resolution extending aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7081. By Mr. NEWTON of Minnesota: Petition of Mr. W. F. O. Baumann and other residents of the city of Minneapolis, petitioning the Congress to act favorably upon joint

resolution to give aid to people of Germany and Austria; to the Committee on Foreign Affairs.

7082. By Mr. SANDERS of Indiana: Petition of Reinhold Rahm and others, citizens of Terra Haute, Ind., relative to House Joint Resolution 412; to the Committee on Foreign Affairs.

7083. By Mr. THOMPSON: Petition of 66 citizens of Defiance County, Ohio, urging favorable action on House Joint Resolution 412, for the relief of the famine-stricken areas of Austria and Germany; to the Committee on Foreign Affairs.

SENATE.

SUNDAY, January 28, 1923.

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

O God, Thou hast been our refuge and strength and a very present help in time of trouble. Thou art always accessible to those who seek Thee earnestly in the fullness of Thy grace. Thou art full of comfort to all who in their distress and sorrow turn to Thee. Grant unto us this morning the brightness of Thy countenance, and as we call to mind some who have passed from these scenes of responsibility, we pray that such lessons shall be ours that as we fulfill various forms of duty we may be following along the track of those who served their generation by Thy will.

Comfort the sorrowing, filling the vacant places, so as to lighten their darkness; and on the whole range of the outlook of the mourning ones may there be given to them a vision of the life eternal.

Hear us, Father, in the struggle. Hear us in the loneliness. Be with us constantly. And may all who are called to high responsibility realize that their duties are to be recognized as under Thine own guidance and for the best interests of the land in which we dwell. Hear and help us. For Jesus Christ's sake. Amen.

The VICE PRESIDENT. The Senate has convened for the purpose of conducting memorial exercises for PHILANDER C. KNOX, BOIES PENROSE, and WILLIAM E. CROW, former Senators from the Commonwealth of Pennsylvania. The reading of the Journal is first in order.

On request of Mr. CURTIS, and by unanimous consent, the reading of the Journal of the proceedings of the legislative day of Tuesday, January 23, was dispensed with, and the Journal was approved.

MEMORIAL ADDRESSES ON THE LATE SENATORS KNOX, PENROSE, AND CROW.

Mr. PEPPER. Mr. President, I beg to offer the following resolutions and ask for their adoption.

The VICE PRESIDENT. The Secretary will read the resolutions.

The reading clerk (John C. Crockett) read the following resolutions (S. Res. 422), which were considered by unanimous consent and unanimously agreed to:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. PHILANDER C. KNOX, late a Senator from the State of Pennsylvania.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The reading clerk read the following resolutions (S. Res. 423), which were considered by unanimous consent and unanimously agreed to:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. BOIES PENROSE, late a Senator from the State of Pennsylvania.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The reading clerk read the following resolutions (S. Res. 424), which were considered by unanimous consent and unanimously agreed to:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. WILLIAM E. CROW, late a Senator from the State of Pennsylvania.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. PEPPER. Mr. President, within the brief span of nine months Death three times called his roll in the Senate of the United States, and three Senators from Pennsylvania answered to their names.

They had never faltered in the emergencies of life. Therefore it was without hesitation that they walked into the cloud that was waiting to envelop them. They were gentlemen unafraid.

It was fitting that Pennsylvania should be represented in this body by such men. They took among their colleagues the place that Pennsylvania has always held among the sisterhood of States.

For years and years the people of that great Commonwealth had enjoyed the comfortable consciousness that their interests in the Senate were safe in the keeping of two such men as Senator KNOX and Senator PENROSE, and the Republicans of the State had always felt sure that their party organization was ready for any storm as long as Senator CROW was on the bridge.

Looking backward, we now realize that there was no quality essential to political leadership which was not possessed in some measure by one or another of these three. All of them were Americans to the core. All were patriots in the best sense of the word. All were believers in party organization as essential to the functioning of the Government. All of them were men of courage and loyalty.

Intellectual power, combined with a clearness of statement and imagination tempered by common sense, were parts of the rich endowment of PHILANDER CHASE KNOX.

Love for people and a singular capacity to understand them and to influence their action were the distinguishing characteristics of WILLIAM EVANS CROW.

Practical wisdom, hatred of cant and hypocrisy, and a mind capacious enough to comprehend the whole life of Pennsylvania made BOIES PENROSE first among his equals.

I shall leave to my colleague [Mr. REED] the welcome duty of expressing for us both our admiration and regard for Senator KNOX. I can not, however, help referring to the profound satisfaction and pardonable pride with which Pennsylvania reflects that this son of hers was alike a lawyer of distinction, an Attorney General of eminence, a diplomat of sagacity, and a Senator of power.

Senator CROW was a Member of this body for so short a time that comment upon him must be confined to the long course of unconscious preparation for high office, which, had he been spared to us, would have made him a useful and acceptable colleague. As far as his term in the Senate is concerned, he was like a trusty lieutenant who steps forward to the place of command when his captain falls and is himself shot down before he has had an opportunity to show what is in him.

Senator CROW was born March 10, 1870, in Fayette County, Pa. The story of his life may be outlined in a single sentence. He was successively a farmer's boy with a wholesome love of the great out-of-doors; a school-teacher with capacity to inspire devotion on the part of his students; a journalist who knew how to find his way into the minds and hearts of his community; a lawyer whose resourcefulness and energy made him useful to his client and formidable to his adversary; and a political leader who made enthusiasts of his friends and friends of his enemies.

At the age of 25 he was already in politics and seer of his county committee. This was the starting point from which he moved onward and upward, becoming in succession chairman of the same committee and chairman of the State committee.

At 27 he married Adaline Curry, admired by all as one of the most charming girls of a countryside always noted for the beauty of its women. It was a singularly happy marriage and was blessed with three sons of vigor and promise.

He soon became the acknowledged leader of the party in his county. It was a beneficent but imperious leadership. While it lasted nobody got very far with his political ambitions unless he began by talking it over with CROW.

He was an influential member of the State senate. Successive reelections kept him there till Governor Sproul's appointment carried him into the Senate of the United States.

Senator CROW is said to have farmed more land than any other farmer in Fayette County. At his Chalk Hill Farm he assembled one of the finest herds of cattle in the United States. He was the soul of hospitality. All who ever entered his house were eager to enter it again.

Some men have abundant honor away from home and little in their own communities. Not so Senator CROW. I feel quite

sure that the members of the delegation which attended his funeral at Uniontown will never forget the unmistakable evidences which they saw on every hand of the feeling of the entire neighborhood for their departed leader. As we listened with reverent attention to the simple and powerful funeral sermon we all realized that Senator CROW had won the richest and rarest of all rewards—the whole-hearted and affectionate regard of those who were best qualified to estimate his worth.

When I turn from Senator CROW to Senator PENROSE I find myself in the presence of a man of widely different type. CROW's hand was out to grasp yours. PENROSE's mind was waiting for you, but physically he held himself aloof. There was an indefinable reserve about him which he maintained when mixing with the humblest and most exalted.

He was a man among men. When in his prime his great stature and strong face made him a marked man in any group. As you watched him moving about among crowds of followers you realized that they were in the mood which moved primitive men to choose their biggest and strongest to be king.

He came of a good stock and from the outset opportunities of all sorts beckoned him. He was born just as the Civil War was about to break out. He died when the echoes of the World War were rumbling still. Intense activity characterized the years between his birth in 1860 and his death in 1921.

At Harvard he won marked academic distinction. He was recognized as a young man of great promise when he was reading law under WAYNE MACVEIGH and GEORGE TUCKER BISPHAM. Though he made a good beginning in the practice of the law, it was inevitable that he should choose politics as his chiefest interest. He could influence men and make them register his will. His mind was subtle and he liked the process of organization and the interplay of forces necessary to produce political results. He was elected to the Pennsylvania House of Representatives at 24 and two years later to the State senate. In the first of his three terms he was chosen president pro tem of the senate. He was a delegate to four national conventions. He was chairman of the Pennsylvania State committee and represented Pennsylvania on the national committee, the chairmanship of which he once declined. He was elected by the legislature to succeed Senator J. DONALD CAMERON and first took his seat as a United States Senator on March 4, 1897. He was reelected by the legislature in 1903 and 1909 and by the people in 1914 and 1920.

It would be out of place for me to speak in detail of his work in the Senate. Senators LODGE, WARREN, and NELSON were already Senators when he took his seat. All but three or four of the newest Senators served with him—a privilege which I never enjoyed. Mine was the grave responsibility of taking up the work which he laid down.

But during my year of service in this body I have found many evidences of his power. His forceful personality lives on in the memory of his colleagues.

During the days of tariff making I gained a vivid realization of his mastery of that intricate process. He studied Pennsylvania till he entered into the inmost spirit of her people and understood the practical operation of her vast industrial system. They celebrated Penrose Day in Pennsylvania to commemorate his service in framing the tariff of 1909.

During war time his patriotism eclipsed all partisanship. His wide and deep comprehension of problems of finance and taxation made his service invaluable as chairman of the Finance Committee.

I have come to understand as I never understood before how well deserved was the immense influence which he exercised here. It was the result of thoroughness, sanity, sincerity, and strength. There was a world of ideals to which he was a stranger, but at least he was free from the sentimentalism of many who would wallow in political emotion. What he saw he saw clearly. What he saw clearly he judged wisely. His judgments were not abstract conclusions but things to be carried into effect. And nobody knew better than he how to attain his objective.

As a party leader he has had few equals. Matthew Stanley Quay captured his imagination in youth and left upon him an imprint never effaced. He became in time the umpire in Pennsylvania of most political controversies within the party.

I doubt whether any other man could have discharged so well the duties of Senator while giving as minute attention as he gave to the politics of his own State. There is much that I could tell you of his constant contact with the politics of a city ward, while at the same time he was dealing effectively with great national questions. I have heard him criticized for this. But his critics must not overlook the fact that there is something to be said for the sanity and balance of the Senator who

can take thought for the man who gets out the vote in the division while thinking also in terms of continents and hemispheres.

Of his personal characteristics I need hardly speak. To his colleagues they were well known. He was virile and fearless and unaffected. His information was accurate. He never talked unless he knew thoroughly the subject he was talking about. He never took two words to say what could be expressed by one. He had a keen sense of humor. I have heard many amusing anecdotes of his thrusts and parries in the course of debate in the Senate. He was not inaccessible to his humblest constituent, but he had a certain dignity which kept people from taking undue advantage of his accessibility. If he had any affectation it was the affectation of indifference to the finer feelings which actuate human conduct. He would laugh at sentiment, but he was capable of deep affection. He had few real intimate friends, but there were many for whose advantage he would gladly have made the sacrifices of friendship. He was slow to give his word, but when he gave it he kept it.

BOIES PENROSE possessed a unique combination of qualities. His was an intense individuality. When he answered death's roll call he left a place in the Senate which nobody can fill. The chair in which he sat is here. Others may successively occupy it. But we all agree that there will never be another PENROSE.

Three Senators from Pennsylvania dead within the nine months' span. Three sons for whom the State will long wear mourning. Three loyal Americans who deserved well of the Republic.

May they rest in peace and may light perpetual shine upon them.

Mr. LODGE. Mr. President, Senator KNOX died on the 12th of October, 1921, and Senator PENROSE on January 1, 1922; thus, within the short space of three months, Pennsylvania was deprived of her two eminent Senators and the country and the Senate lost the services of these two distinguished public men. I served with them both during their entire service in the Senate and I may venture to say that both were warm friends of mine for whom I had high personal regard.

I first knew Senator KNOX when he came to Washington to take the position of Attorney General in President McKinley's Cabinet on the 5th of April, 1901. He continued to serve as Attorney General in President Roosevelt's Cabinet until the 1st of July, 1904, when he was appointed to fill a vacancy caused by the death of Senator QUAY and was subsequently elected to fill Senator QUAY's unexpired term and then the full term of six years. He resigned from the Senate in order to accept the position of Secretary of State in President Taft's Cabinet on the 4th of March, 1909, and he was again elected to the Senate on the 6th of November, 1916. His public life, therefore, covered a period of a little more than twenty years, but during that time he held two great Cabinet offices and served ten years in the Senate. In all these high and responsible places his service was as distinguished as it was varied. One of the leading lawyers of the United States, he brought to the office of the Attorney General every qualification for that most important place, and it so happened that during his tenure he had some questions of unusual difficulty and gravity to deal with, conspicuous among them being the settlement of the title to the Panama Canal and the arrangements to be made with the French company. He was highly successful in all his service as Attorney General.

His other administrative position was the first place in the Cabinet of President Taft, and there he was called upon to deal with our foreign relations and with international questions, an experience which added to his remarkable ability and proficiency as a lawyer an especial mastery of international law and all allied questions. He took a very high position in the Senate from the beginning. He was one of the most trusted and respected members of the body, and great weight was justly given to his arguments upon any question to which he addressed himself. He was not a frequent speaker, but when he spoke he always commanded the attention not only of the Senate but of the country. He was much more than a lawyer of learning and of the finest training and largest experience, for he was a man who had thought carefully and deeply upon all public questions and especially upon those which concern our relations with the other nations of the earth. In the momentous debate upon the treaty of Versailles he took a leading part, and his discussion of the questions involved and the arguments he made, although not numerous, were powerful, lucid, and largely effective. They awakened an interest abroad almost equal to that which was felt by the American

people. He always held decided opinions and was a man of the most entire courage physically as well as intellectually and morally. No one could ever have a doubt as to his position or as to his power of defense and attack which went with the assumption of any principle which was under debate. His sudden and untimely death brought with it a great loss to the country and to the Senate, as well as to his own State.

Mr. KNOX and his colleague, as I have said already, were both distinguished and could, I think, be described without exaggeration as remarkable men; but the career of Senator PENROSE was entirely different from that of Senator KNOX and his chief activities were in other fields. Although a lawyer by profession and a member of the bar, he went at a very early age into politics, and to politics, after he had once entered upon them, he gave his life work. Having held some important State offices, he entered the Senate on the 4th of March, 1897, and there he continued during the rest of his life, a continuous service of 25 years. He was a man of unusual and very real native ability. He stood at the head of his class at Harvard and had an amount of knowledge upon many subjects with which, as he never made any parade of it, he never was sufficiently credited.

When he devoted himself to the work in the Senate, which he did more and more in the later years of his service in that body, he showed very marked ability in dealing with all public questions and especially those committed to his care, for by his long service he rose to one of the highest positions in the Senate—the chairmanship of the Finance Committee. He had a mastery of financial questions, especially those connected with the work of that committee, and during the War with Germany, when party lines were effaced, he rendered most admirable service in all the difficult work which came to the Committee on Finance in connection with the revenue and bond legislation. But Senator PENROSE had an especial talent and capacity for political organization; and to the great Republican organization of Pennsylvania, of which he was for so long the head, he gave his time and strength to a degree which interfered with the continuity of his work in the Senate.

The leader of the Pennsylvania Republicans, he naturally entered at a comparatively early date the national field and very soon became a national figure—one of the most powerful men, backed as he was by his own great State, in all national conventions where the fate of the party was to be determined. He was a man of unusual force and, when aroused, of equal energy. Very early in his career we became friends, and our friendship continued unbroken during all the 25 years of service in the Senate. We were both graduates of the same university and, although his graduation was 10 years later than mine, this always constituted a bond between us. His power as a political leader and his capacity as a Senator are, of course, known to all who have any familiarity with the political history of the country during the past 25 years, but I have sometimes thought that very few people realized some of the other sides of Senator PENROSE's character, for he was naturally both silent and reticent, although always frank.

It may be said of all men, and they are not very many, who under our system of Government have risen to large political authority as leaders of the party organization in one of the greater States, that one of their conspicuous qualities always is and always must be party fidelity, as well as personal loyalty to friends and supporters. This was very characteristic of Senator PENROSE. A man who had supported him faithfully, no matter how humble his place might be in the politics of the State or the Nation, could always rely on Senator PENROSE's sympathy and kindly help whenever he called upon him. In one word, Senator PENROSE was a loyal friend, and I say that not only out of my own experience but because I knew a good deal of his relations to others. As I have noted, he was a man who had been distinguished in the studies of his youth and of his college days, and therefore had a wider knowledge of many things unconnected with politics than was usually suspected, and to those who were aware of the fact this quality made him a very agreeable companion, for he could talk of many things not included in politics or public questions.

I never could be sure how generally his wit and power of repartee were appreciated. He was by nature and by habit rather taciturn than talkative, but he had the keenest possible sense of humor and he gave utterance to it whenever the spirit moved him. His humor was apt to be sardonic, but it was always genuine, and the things he said were wont to be decorated by odd and unusual words not used by most people, but which were always fitting and expressive and gave both color and point to even the most casual remarks. Two years before his death illness came upon him, so severe and so filled with suffer-

ing that he was not expected to recover. But, thanks largely to his will power, he rallied and returned to the Senate and took up his work in the Finance Committee, which at that time was exceptionally heavy and laborious. Always sustaining much discomfort, frequently much pain, he went steadily on with an uncomplaining and very complete courage to the end, which came at last quickly and unexpectedly. He was a gallant figure as, crippled and broken, he faced his future and did his duty with a spirit unconquered by physical suffering. He was a brave man. His death was to me a very serious loss, which could not fail to be the case after a close personal association stretching over 25 years; but a man of such ability and power as he possessed could not be otherwise than a loss also to the Senate, where he served so long, and to the State, which trusted him and followed him for so many years.

Mr. WARREN. Mr. President, never before, I think, has it occurred that a State has lost within a brief period of less than 10 months three such distinguished and useful sons as those to whose memories we wish to pay honor and tributes of love and respect in this meeting to-day.

The great Keystone State has sent many illustrious men to represent her and the interests of the United States in the National Senate; and in the list, in bold relief, stand out the names of PHILANDER CHASE KNOX, BOIES PENROSE, and WILLIAM E. CROW.

I had the privilege and pleasure to be a Member of the Senate during the entire service of each of those three distinguished men.

I wish to speak briefly about my acquaintance with them.

PHILANDER CHASE KNOX: A man loved and respected by all who knew him; one whose name and career were familiar to old and young throughout the United States from coast to coast as well as abroad; who was repeatedly mentioned as one suitable for nomination and election to the Presidency of the United States.

My first intimate acquaintance with Mr. Knox began when he became Attorney General in President McKinley's Cabinet in 1901, which service was followed by five years in the Senate; then by his acceptance of the portfolio of Secretary of State in President Taft's Cabinet in 1909, and later by his election again to the Senate for the term which began March 4, 1917, and which was ended by his most untimely death on October 12, 1921.

His lovable qualities, recognized by all who came in contact with him either socially or officially, and his brilliant mind and devotion to his duties and the causes he espoused, endeared him to all of his colleagues in Congress, and I venture to say that there was never deeper or more universal regret on account of the death of any Member of Congress than was felt when Senator Knox was called.

BOIES PENROSE: A name that stands out in our contemporary political history as that of an exponent of power, stalwart principles, unswerving and courageous loyalty to his friends and to whatever course of action his conscience indicated as the one rightly to be followed. A man who consistently demonstrated that his life motto was, "Hew to the line, let the chips fall where they may." A man who was surrounded by devoted and admiring followers of his political faith, and against whom, in consequence, the shafts of envy were, no doubt, often directed.

We, his colleagues, who were his sincere friends, were cognizant of his power; but it instilled within us only admiration and the desire to benefit from his shrewd sense and keen judgment in matters before this body. His analytical mind and legal training equipped him exceptionally well for his duties here.

His death on January 1, 1922, at the comparatively early age of 61 years, took from our midst our staunch friend; a unique character; an able man; a useful Senator.

WILLIAM E. CROW, who came to the Senate to complete the unexpired term of Senator Knox, was our fellow-member only a little more than nine months, and unfortunately the mark of physical affliction had already been placed upon him before he joined us here. Therefore we who had not known him in private life were deprived of the privilege of close acquaintance and friendship. He came to us, however, bearing the reputation of a worthy son of Pennsylvania, and we regret that he was taken from us so soon.

Nature decrees that we shall be born, and that we shall die. So perhaps we should rejoice in the fact that our three brother Senators lived and gave such eminent services to their State and country, rather than mourn their death—life's natural sequence.

Mr. REED of Pennsylvania. Mr. President, I wish to announce that the senior Senator from Utah [Mr. Smoot] had intended to be present to-day and to address the Senate, but he has found that it is quite impossible for him to attend because he is absolutely obliged by imperative engagements to remain absent.

Mr. McCUMBER. Mr. President, the great legal learning, the great ability and sturdy character of Senator Knox have been so well portrayed, so eloquently presented by other Senators that I feel I could add nothing to what has been said to-day. My acquaintance with Senator Crow was limited to the few days he was associated with us in this chamber just prior to the time he left us, never to return. I shall, therefore, confine my brief remarks to him with whom I was in daily contact for many years.

Mr. President, the remarkable public career of Senator PENROSE has been and best can be stated by those Senators from his own State, who have been either associated with him or in close touch with all his political activities, and who best understand the genius of his prowess which has been so indelibly impressed upon the political destiny of the State of Pennsylvania ever since he entered the arena, a young and ardent partisan. Mine is the more humble, and yet to me more acceptable, task of paying my heartfelt tribute to his personal character.

For nearly a quarter of a century I knew Senator PENROSE intimately. During the greater part of this time I was associated with him on the Finance Committee of the Senate; and it was in the close and exacting labors imposed upon this committee, and in daily contact and discussion of complex problems, and in an atmosphere of partisan political contention, where words were often sharp and criticism often bitter, that I was able to comprehend in all its fullness the sturdy yet generous and always kind and thoughtful character of this great political leader. Calm and unruffled he met every assault upon his position, and with the grace and ease of a trained swordsman, he smilingly turned and countered each hostile stroke, never once bending in poise or swerving in affability. Whether within the close walls of his committee or in the forum of the Senate Chamber, he was always a strong and imposing figure.

"In council wise and calm in strife,
Like rock that breasts the ocean wave."

To the general public Senator PENROSE was a Napoleon of politics, whose skill and success in shaping political policies and in organizing his political forces for each successive campaign partook of the stern qualities of a military strategist. The American public saw only the cunning hand and unswerving purpose of the commander, pressing with untiring zeal toward the single goal of partisan victory. His friends and coworkers saw only the generous, sympathetic, and companionable general who never commanded a course but who always made his suggestions and gave his modest advice with such wisdom and clarity that they became the crystallized sentiment and convictions of all his comrades in battle.

Probably no great leader has been less understood by the rank and file of the American public. By nature modest and reserved, he never courted applause or raised his voice for gallery approval. The quiet way in which he was laid to rest, without ostentation or public rites, in obedience to his last request, but exemplifies his disdain for notoriety and vain glory. He asked for no encomium other than the good which would result from his labors.

But, Mr. President, no man in any State in this Union could reach or long hold the place occupied by Senator PENROSE by mere force of his political genius, however great. While all must acknowledge his mental acumen and his sound political judgment, his real power came from the heart rather than from the mind. It was through the hearty support of the vast number of his close, warm personal friends throughout his State and the country—friends who cheerfully took upon themselves any task imposed by their leader—that Senator PENROSE was able to dominate the political destiny of his own State and thereby become a great potential factor in the destiny of the whole country. And, Mr. President, that fidelity which was given to Senator PENROSE by all his associates, the depth of affection ever manifested toward him, the unswerving loyalty to his interest, were never born of a mere admiration of his intellectual greatness. Men loved him because of his generous, considerate, and lovable qualities as a man. Men were faithful to him because of his never-ceasing fidelity to them. No man could hold such a host of faithful followers as those who bore his banner aloft to victory on many a desperate political battle.

ground except he paid the debt of service in equally unswerving fidelity. The cause of a friend was always his own cause. And, for friendship sake, no effort was too great, no duty too onerous, for his undertaking.

Though uncompromising in debate, and sometimes caustic in his remarks, back of all was a heart as generous, kind, and sympathetic as ever beat in human breast. He fostered no grudge. He cultivated no spirit of resentment. He saw only the fairer side of his friends and the better impulses of his enemies, if I may use the term "enemies" as applicable to political opponents, for I can hardly imagine how anyone who really knew Senator PENROSE intimately could be an enemy. Those who had the honor of an intimate acquaintance with him ever found him to be the very soul of generosity and good fellowship. Those who had the right to call him by the sacred name of a friend found in that friendship a character as true and sure, as steadfast and reliable, as the mariner's guiding star.

Mr. President, few people knew or ever will know the intense suffering which Senator PENROSE endured during the last two years of his life. Shocked as we were to see upon his return to the Senate after a long period of sickness the giant form so shrunken and emaciated—shocked as we were to note the hollow cheek where pain had written with hand of torture the story of his physical suffering, still only those nearest to him ever learned the real story of those months of intense agony. Few also understood when he returned to his labors the power of will which held him to his task even while the shadow of death hovered over him. He never once lost touch with every question, with every important feature of the revenue bill which during his last days engrossed the attention of his committee. And often as he arose exhausted from his seat after a long session of that committee he found scores of men waiting to discuss with him questions of State and national politics. He heard all with patience and fortitude, and no word of complaint ever came from his lips. If at any time during the long and trying period of committee work, with nerves worn out and shattered from loss of sleep, he for a moment forgot his old composure, if a petulant or impatient word ever escaped his lips, his generous character was quick in self-reproof.

Mr. President, the great political domination of Senator PENROSE in this world of transient and rapidly changing conditions may soon be forgotten. But his personal influence, that fidelity, that generous indulgence which he impressed upon the minds and hearts of thousands of people, will not die with his death, but will be reflected down the ages, an ever-potential power for good.

No words of ours can thrill the heart once stilled by the icy hand of death. No voice of praise may lure a smile from the lips once chilled. The wreaths we lay, the flowers we plant and water with our tears, distill no fragrance for him who sleeps closely folded in the arms of mother earth. They are but the voice of love, which echoes back a sweet consolation to our own stricken souls. Though dead, our friend will live in our memory and give an added radiance to our own being so long as life shall last.

Mr. MOSES. Mr. President, it is a singular circumstance that we should be called upon to commemorate the public service of three Senators from a single State who have passed from among us so closely together as Senators KNOX, PENROSE, and CROW. The last named barely sat with us; and we can well believe, as his remaining colleague [Mr. PEPPER] said in announcing his death, that Senator CROW's inability to go forward with his work in this Chamber constituted no small share of the burden which accompanied his long and painful illness.

Senators PENROSE and KNOX, however, wrote large their names in the annals of the Senate, where one of them sat continuously for nearly 25 years and where the other, with divided service, had nearly half that period to his credit.

They were dissimilar, yet alike—dissimilar in physique and habit of mind, but alike in their strong mentality and purpose; dissimilar in tastes and general interests, yet alike in their power of concentration, their persistence, and their unswerving devotion to the principles which they espoused; dissimilar in the course of their pursuits, yet alike in the unflinching diligence with which they followed them. In them, indeed, Pennsylvania possessed an incomparable pair of legislators and representatives, in whose hands the great interests of the splendid Commonwealth never suffered. Each possessed and exercised wide authority, one in the field of practical politics and legislation and the other in the realms of law and reasoned

argument. Each was a student, each was a scholar; each, though in differing terms, was a statesman.

Others who speak of Senator KNOX to-day speak of him as an associate. It is I alone, Mr. President, of all the body of Senators whose good fortune it was to serve with Mr. KNOX in this Chamber as inter pares, who can add to that the privilege of having served under him as a subordinate. Throughout substantially all of his term as Secretary of State I bore my country's commission as a public minister in a foreign capital. My instructions passed under his wise and sagacious hand and bore his signature. My reports went to him. And in addition there grew up between us that correspondence, frank and open, which generally develops between a Secretary of State and a chief of mission at an interesting and perplexing post.

Naturally, sir, I shall not advert in detail either to the official or to the unofficial intimacies which our relationship engendered. But it is entirely pertinent that I should here record my conviction that there has been no Secretary of State, from Jefferson down through the long line, who caused himself to be more fully informed day by day of the intricacies of our foreign relations, or who held himself in a more sympathetic and inviting attitude toward those whose services he dominated, or who received from his subordinates a more generous and loyal response of cooperation, or who dealt more frankly with his colleagues in the Cabinet or his collaborators in the Senate than did Mr. KNOX.

At the very inception of his term as Secretary of State there were necessitated a series of negotiations, world-wide in extent and necessarily delicate in their nature, growing out of the discriminatory provisions contained in the Payne-Aldrich tariff act. Secretary KNOX, in an incredibly short space of time and almost wholly by reason of the clarity of his instructions to our diplomatic officers on post, brought these negotiations to a speedy and successful conclusion. Thus, almost immediately he demonstrated himself as having taken to his new and high post those qualities of direct and truthful force which had previously marked him as a member of the bar, as an Attorney General, and as a Senator of the United States. Not to multiply instances, perhaps already well known, I venture to point out, in these days when the Senate is discussing the future of American shipping, that there has existed in near eastern waters a no inconsiderable tonnage of merchant marine flying the American flag and profitably employed, which may truthfully be said to have taken the seas under the aegis of an opinion rendered by Secretary KNOX, and which remained protected in its activities by his sterling Americanism voiced in his instructions sent to American ministers and ambassadors in that quarter of the world.

His second retirement from the Cabinet was followed by his second entrance to the Senate; and he has so lately gone from us that we can view his work here only in short perspective. But his associated colleagues, and the country, too, I believe, can never err on the side of too great gratitude in summing up his labors during the prolonged struggle which culminated in the rejection of the treaty of Versailles.

He was one of the few Senators whose attention was concentrated not upon the covenant of the League of Nations, about which beat the fluctuating gusts of the tempestuous debate, but upon the provisions of the body of the treaty itself, which he early held to be as the world now sees them—in capable of enforcement and laden with the germs of constant dissension if not of war. It was in the course of this debate that he formulated and proposed the peace resolutions which bear his name, which were adopted by Congress but to which the then President interposed his veto. These resolutions as originally drawn contained a paragraph to which I gave instant and cordial, though as it proved ineffective, support, but in which I thought and still think to have found a formula which if adopted would have prevented much, yes, all of the confusion and chaos which have marked European affairs during the past four years. That paragraph, Mr. President, contained, as I have said, the formula for peace, and it contained much more, in that it stated, unmistakably and by the authority of Congress, a doctrine which America should be proud to uphold, no matter whose name it might bear. Yet, delayed and mutilated though they were, it still remains an indubitable fact in American history that it was the KNOX resolutions which at length brought peace to the United States.

The satisfaction of this undertaking was still warm upon him when he left us. And he went from us, Mr. President, in the fullness of his powers, from his seat here to that realm where—

Beyond the loom of the last lone star through open darkness hurled,
Further than rebel comet dared or living star-swarm swirled
Sits he with those who praise our God for that they served His world.

Mr. WALSH of Montana. Mr. President, I venture to say a few words concerning the late Senator Knox as a lawyer rather than as a statesman.

Of his career at the bar before he entered public life as Attorney General in the cabinet of President McKinley my knowledge is not sufficiently intimate to permit me to speak in detail. It was understood at the time, by those generally informed, that he had devoted himself assiduously to the practice of his profession with offices at the city of Pittsburgh for a quarter of a century immediately prior thereto, during which period that city and the region about it underwent an industrial development having no parallel in the history of the world; that in the gigantic controversies incident to that expansion and in the organization and direction of the corporate entities through which it was brought about, his talents were in constant and imperative demand and that they had proven quite equal to the severe test to which they had been thus subjected. It was popularly believed, accordingly, that he would bring to the discharge of his official duties not only a thorough knowledge of the law and skill in advocacy, but, as well, that breadth of view, that ease and confidence in the face of problems of great magnitude enjoyed by few unaccustomed to deal with such.

This estimate so generally accepted, his record in the high office to which he was called fully confirmed. It had not yet become a prevalent view that the Attorney General of the United States ought to be, or well might be, a man more distinguished for his administrative abilities than for any lawyer-like attainments; it was expected of him that he should in person present, at least to the Supreme Court, in all the graver cases to which the Government might be a party, the argument on behalf of the people or to lead in such presentation. The traditions which are associated in the public mind with the names of Wirt, Taney, Cushing, Black, Evarts, and Olney still held sway.

His accession to the office was particularly opportune. The public conscience was rising in revolt at the perfectly flagrant disregard of the Sherman Antitrust Act in the world of high finance. It had remained a more or less moribund statute since the decision of the Supreme Court in *Knigh v. United States*, believed by those who wished it so, to have pulled the teeth out of the law. Moreover, an unwholesome sentiment had been engendered, or at least prevailed, that the law might well be allowed to fall into innocuous desuetude; that the great captains of industry, then enjoying their heyday, ought not to be hampered in their projects and that the statute contravened some inexorable law of business growth. At the same time an even more ominous opinion was, from time to time, expressed, and somewhat widely entertained, that it was idle to expect any real restraint through the courts upon the corrupt or illegal transactions of those of great wealth.

To the rising tide of popular resentment at the orgy of industrial combinations, in apparent defiance of the law, which characterized the closing years of the last century, President Roosevelt made such notable contributions that neither calumny nor political detraction can ever obscure the just fame due him by reason thereof. In clarion tones he declaimed against malefactors of great wealth. He did more. He determined to set the law in motion against them. In his Attorney General, the late Senator Knox, he had at hand a man preeminently fitted for the Herculean task. Tried in many a forensic battle, familiar with the intricacies of corporate organization and finance, moved neither by fear nor ambition, he brought to it a highly trained and marvelously well-balanced mind. It was no ordinary achievement when the darling project of James J. Hill, Empire Builder, for the consolidation of three great railroad systems, apparently accomplished, was brought to naught through the process of the courts. To the litigation through which this result was attained in all its stages Attorney General Knox gave his personal attention. He made the argument for the Government before the Supreme Court, and the brief submitted on its behalf bears every evidence of being a product of his superb intellect. The Northern Securities Co. case was epoch-making in more senses than one.

Concurrently, with the well-directed efforts of the department to arrest and undo the work of the frenzied financiers, there proceeded a vigorous and determined campaign against the illegal appropriators of the public domain, with results quite in contrast with anything theretofore attained in that line. He made it unsafe for rich or poor to pillage the national inheritance and earned the gratitude of those most immediately concerned in the preservation of the same for the orderly development of the public land States. Relentlessly he pursued the Greene and Gaynor cases, through their international ramifica-

tions, until justice was satisfied. His constructive talents as a lawyer were brilliantly exhibited in the negotiations through which the French title to the Panama Canal was acquired and in the legislation through which the Interstate Commerce Commission was made an effective agency for the regulation and control of railroad rates, in connection with which his aid was sought and his valuable assistance publicly acknowledged by Senators interested.

The service rendered by our departed brother as Secretary of State and as a Member of this body confirmed the high opinion the country had formed of him as a lawyer and a statesman from the manner in which he discharged the duties of the office of Attorney General. He was in his element when he essayed to canvass the most serious and profound questions of international and constitutional law. It was an intellectual treat to listen to him dissect such and lay bare the determinative principle involved.

Turn him to any cause of policy,
The Gordian knot of it he would unloose
Familiar as his garter.

He had none of the meretricious arts of the orator, but there was a singular impressiveness in his speech which, with the irresistible logic of his argument and the well-earned reputation he enjoyed as a master of any subject on which he spoke, invariably held the attention of the Senate—a rare tribute to his eloquence. Though somewhat diminutive in stature, he had a remarkably commanding presence not rare in physically small men of unusual intellectual power.

As in the case of Chatham, regret was often expressed that he did not more frequently illumine the dark places in the national pathway. It is well known that he declined official honors of the most tempting character, yet he had one ambition, as I can testify. He once confided to me that he came back to the Senate, finding the pursuit of a private business unsatisfying—from a desire to render some service to the public rather than to end his days in amassing or adding to a private fortune. He was one of the great men of his time whose career adds to the luster of the great body which to-day does honor to his memory.

Mr. NELSON. Mr. President, all democratic governments are essentially and in their very essence party governments. In such governments it is inevitable, in fact the party system requires that there should be great political leaders, guides, and managers. Senator PENROSE had the qualifications of a great party manager and a great political leader, and in a parliamentary system of government different from ours he would undoubtedly, as the head of the Republican party, have been the prime minister.

While I served longer with Senator PENROSE than with Senator Knox, I never became so intimate with him as I did with Senator Knox. It was not his fault, but rather mine. I shall therefore leave it to others to pay tribute to the great part he played in the political and legislative life of the nation, and shall speak more particularly of the distinguished public career and eminent services of Senator KNOX.

Senator Knox died on the 12th of October, 1921, in the 69th year of his age. During the comparatively brief span of his life, he rendered great and most efficient service to our country in positions of the highest trust. He was Attorney General of the United States from April 5, 1901, until July 5, 1904, three and one-fourth years in all. He was a United States Senator from Pennsylvania for two separate periods; the first from July 1, 1904, to March 4, 1909, nearly five years. The second period extended from November, 1916, to the date of his death, a period of nearly five years. He was Secretary of State from March 4, 1909, until March 5, 1913, four years in all. In short, he was a cabinet officer for over seven years, and a United States Senator for nearly ten years—seventeen years in all in the public service of the Federal Government.

Before he entered the public service he had, by education, training and practice, based upon mental qualities of the highest order, become a most learned and profound lawyer, one of the foremost in the country, of national reputation. It was my good fortune to be associated with him on the Judiciary Committee of the Senate during his first Senatorial period, and on the Committee on Rules during his second Senatorial period. On account of this association with him, I became quite familiar with his great legal ability and his profound knowledge of public affairs.

I remember very well when his nomination for Attorney General was first sent to the Senate and referred to the Judiciary Committee. Objections were filed against his confirmation on the ground that he had been the attorney for the so-called

"Steel Trust." In respect to those charges, he preserved a dignified silence and made no answer. The upshot of the matter, however, was that he was in due course of time confirmed.

As Attorney General, he conducted the legal business of the Government with energy and ability, and, while it was customary for the Solicitor General to argue most cases in the Supreme Court, I remember very well that in the matter of the noted Northern Securities case he made the argument in the case on behalf of the Government. It was my good fortune to listen to his argument, which was a most powerful and able one, and, as to all important points, he was sustained in his views by the decision of the Supreme Court.

As Secretary of State he demonstrated his wonderful ability, the wide scope of his vision and learning, and his splendid attainments as a diplomat. So comprehensive was his outlook on world affairs and so vigorous his method of handling his country's foreign relations that he proved himself a most worthy successor to Secretary Hay. His state papers were remarkably clear, pertinent, and most effective. Our foreign affairs could not have been in better hands than his.

As a member of this body, he proved himself to be one of the leaders. He was an exceedingly clear, incisive, and powerful speaker and debater. He did not indulge in any flimsy subterfuge or mere surplusage, nor was he given to any pyrotechnics. His statements and arguments were most convincing, and were more in line with an argument such as a good lawyer presents to the Supreme Court, rather than the addresses which are ordinarily delivered in this body. When he spoke, he was always listened to with attention. His statement of a case was always so perfect and illuminating that after it was made, there was little occasion for further argument to be made.

Pennsylvania has had many great and able Senators in this body, but none of them has in any respect outranked Senator Knox. It often happens that men of great mental ability and high attainments are little inclined to be companionable and agreeable in their associations when off duty. This was not the case with Senator Knox. He was one of the most genial, sociable, and companionable of men and contact with him was a delight to his associates in the Senate.

While a member of the Cabinet, he was always ready and willing to listen to Senators and Members of the House with attention, and aimed to be helpful. No one could ever say of him that he had any of the qualities that are sometimes ascribed to public officials; that is, that he met others in the guise of an iceberg. He always aimed to be helpful, and if it sometimes happened that Senators were diffident about approaching him on public questions, instead of meeting them in a cold and formal way, he always endeavored to put them on the right track and to guide them as far as he could. In other words, while he strove to do his full duty as a public official, at the same time he made every effort to meet his colleagues in a friendly spirit, with a disposition to help rather than to obstruct.

Few men have ever entered the public service, either in a legislative or an executive capacity, better equipped intellectually and by training and education than Senator Knox. While his intellectual qualities were of the highest order, his moral sense of right and wrong was equally acute. He was morally incapable of taking a dishonest or unjust course, either in public or private affairs. He possessed that high standard of character which is the lodestar to success in the public service. His life stands out as a memorial not only of what he wrought and accomplished in the service of our Government, but it also stands out most clearly as a guide to our coming generation of statesmen and public servants.

He was in every respect an able, honest, and fearless public servant, having the welfare of his country always uppermost in his heart and affections. His death was a great loss to his State, his country, and the American people; and we, his associates here in the Senate, because of our intimate relations with him, mourn his loss with the utmost feeling and sincerity. The man and his work, what he wrought and accomplished, together with his sterling character, form a guide which will be an inspiration for future generations.

Mr. REED of Pennsylvania. Mr. President, it is with great regret that I announce that by reason of a sudden illness the Senator from Illinois [Mr. McCORMICK] is unable to be present to-day to address the Senate as he had expected to do; but he had reduced his intended remarks to writing, and, therefore, I ask unanimous consent that they may be printed in the Record in the usual 8-point type.

The PRESIDING OFFICER (Mr. PEPPER in the chair). Without objection, it is so ordered.

The address is as follows:

Mr. McCORMICK. Mr. President, it is the sad good fortune of Senators who served with them to be privileged to commemorate in this Chamber the services of the great dead who here rendered their last services to the country. These exercises are no less a consecration of the living than a commemoration of the dead. Here we rededicate the living to the future as we recall the memories not only of those whom to-day we assemble to honor, but of patriots who went before them.

Among the many men who have sat in the Senate of the United States, there are a few whose learning, foresight, courage, and prudence united to distinguish them as statesmen. Such was PHILANDER KNOX. He was a statesman; he was a man; an American whose career typified the quality and the opportunity which we proudly deem characteristic of America and Americans. He fashioned his own career. His talents, his purposes, his character, won for him the true learning which marked him for the jurist he was. A great lawyer, he came into public life as Attorney General for the people of the United States. There are others here and elsewhere who because of their own learning in the law and knowledge of PHILANDER KNOX as a lawyer will dwell upon his legal attainments and his services as Attorney General; but there are some of us who knew better, and therefore the more admired, his wisdom in the field of foreign affairs, both as Secretary of State and as a Senator of the United States.

Is it not remarkable that 15 years ago he comprehended, as we all comprehend to-day, the dangers which threatened peace and equal opportunity for commerce in parts of the world as widely separated as eastern Asia and the Isthmus between the two Americas? His concern for the integrity of China and the security of Manchuria was a development of the policy of his predecessor, John Hay. In Central America he manifested an active and wise solicitude for the peace, liberty, and prosperity of the people of those small States who have suffered so often and so long from civil disorders. In eastern Asia he pursued a policy, in Central America he inaugurated a policy, both of which in principle our Government follows to-day. His vision, his prudence, his incomparable capacity for profound study and fruitful reflection, were manifested again, and no less strikingly, when he presented to the Senate his analysis of the treaties and his forecast of their economic and political consequences. It would be repugnant to the spirit of this occasion to dwell upon a controversial matter, but it is permissible to recall the grave respect and almost somber attention with which the crowded Senate Chamber listened to that analysis.

It is too soon, perhaps, to appraise at its precise value the part PHILANDER KNOX played in determining the development of our national policy during the fierce controversy in which all of us, his colleagues and friends here, had some part ourselves. This we all know: That his judgment was far more determining, his influence far more pervasive, than the country or the world understood. Through those long months of strife he pursued his purpose, unperturbed and imperturbable. No word of bitterness passed his lips. Serene, calm, kindly, affectionate among his fellows here, the true quality of his character was never more manifest than at that time. He held the friendship and the affection of those whom he opposed no less than those who were agreed with him, and gave friendship and affection, measure for measure, in return.

How generous he was; how loyal and unfaltering! He bore success and disappointment with equal calm. He faced the oncoming death, of which he knew and we knew not, as dauntless, smiling, as he had faced the trials of life. God keep his memory living! He was a great American.

Mr. REED of Pennsylvania. Mr. President, the whole Nation felt the passing of the men whose names are to-day upon our lips. Not alone Pennsylvania, but each of her sister States, realized that their death spelt loss for all America. For us now to try, by our single voices, to give adequate expression to that sense of national loss seems wholly impossible. Their lives of conspicuous service, their records in the annals of the Nation, their vivid impression upon the memories of all our people, coupled with the realization of their absence to-day, make a more eloquent appeal than can be made by the tongues of us who mourn them.

Of Senator PENROSE I can tell little that all the world does not already know. His unique position in Pennsylvania and in

the Senate, his influence upon both State and National Governments, and his record of public service are in the memory of all Americans. I knew him very slightly and I can not add to what my colleague has so ably said of him as a man and as a devoted servant of his country.

Of Senator Knox, however, I can speak with far fuller knowledge. He was my father's partner before I was born, and that partnership continued until Mr. Knox entered public service in President McKinley's Cabinet in 1901. I can speak of him from the standpoint of the awe-stricken small boy toward his distinguished neighbor, of the admiring law student toward his preceptor, and of the practicing lawyer toward his illustrious senior.

His mind was a clear window, that neither tinted nor clouded what passed through it. What his mind absorbed came to him without a tinge of illusion, without distortion by prejudice or self-conceit. What thought he expressed was expressed with singular clarity, without affectation, without cant, without reiteration. To the public service he gave the same sanity, the same sincerity, that he gave to his private professional work. He was the very antithesis of the demagogue. The law of his State is the better because he took part in molding it, the Federal law is stronger and more effective because he took part at times in making it and at other times in enforcing it, and the foreign policy of our Nation is wiser because he helped to frame it.

Mr. Knox was born at Brownsville, Fayette County, Pa., on May 6, 1853, the son of David S. and Rebecca Page Knox. His father was a banker, his grandfather a Methodist Episcopal minister, and both of them had held the high respect of the community. He studied at the Brownsville schools and at Mount Union College in Ohio, from which he graduated in 1872. While at Mount Union he formed a friendship with William McKinley, who was then district attorney of Stark County, a friendship which lasted until the assassination of President McKinley in 1901. He was admitted to the bar of Allegheny County, Pa., at Pittsburgh in 1875, and having formed a partnership with James H. Reed, under the name of Knox & Reed, he practiced law continuously until 1901.

His professional skill was remarkable, and long before his appointment as Attorney General he had come to be recognized as one of the ablest forensic lawyers in the United States. His practice was varied and was not confined to any branch of the law. I do not believe that there has ever been at the American bar any lawyer with a more remarkable power of lucid expression of legal principles than PHILANDER CHASE KNOX.

It was natural that President McKinley should have selected Mr. Knox as his Attorney General, both because of the warm personal friendship that had long existed between them and because of Mr. Knox's conspicuous position at the American bar; and upon President McKinley's death in the fall of 1901 it was natural that President Roosevelt should have asked Mr. Knox to remain in the same position.

His accomplishments as Attorney General from 1901 until his resignation in 1904 were remarkable. Through his genius the Government attained a sweeping victory in the National Securities case and thereby galvanized the Sherman antitrust law into real existence. By his ability in analysis was determined the policy on which the United States tried and won the Alaska boundary case, one of the most important international cases in which our country has ever been involved. The acquisition of the Panama Canal from its French owners was wholly carried out under his direction. His influence in the Cabinet of President Roosevelt, both while he was Attorney General and after he had resigned to accept the Senatorship, was most important.

In June, 1904, Mr. Knox was appointed United States Senator from Pennsylvania to fill the vacancy occasioned by the death of Senator Quay and his appointment was followed by his election for the full term. His service in the Senate was interrupted by President Taft summoning him in 1909 to become Secretary of State, which position he filled with conspicuous distinction until the end of the Taft administration in March, 1913. After three years of respite from public service, Mr. Knox was again elected to the United States Senate in 1916, where he became and continued until his death to be one of the strongest figures in the Senate. As chairman of the Committee on Rules and as a member of the Foreign Relations Committee, his influence in the Senate was very great.

His service was characterized by an utter absence of any effort to cater to a whim of the moment. His gaze never wavered from what he considered to be his country's best interest, and I do not believe that he ever wondered, and I am

certain that he never cared, whether at the moment what he did brought popular applause.

Of Senator Knox's home life it would be presumption for me to speak at length. We can not know and we can with difficulty surmise what his loss has meant to his widow, to his daughter, and to his sons. But we may be sure that through their sorrow shines a great pride in the remembrance of the greatness of him whose hands they upheld throughout the long period of his public service.

A member of the Cabinets of three successive Presidents; a Senator of the United States, once appointed and twice elected; a leader of the bar of his native State, Mr. Knox in his lifetime had high honors heaped upon him; but it can truthfully be said that his service ever outran the rewards that he received; that his record is marked deeply upon the history of our country; and that his loss can not be made good.

I wish now, Mr. President, to speak of another distinguished son of Fayette County, Pa., Senator WILLIAM EVANS CROW, late senior United States Senator from Pennsylvania; and in speaking of him I can only wish that I had greater power of expression and that I could make the members of this body, who knew him so slightly, realize his ability, his charm, and his remarkable personality as I myself learned them from long acquaintance. If Senator Crow had not been gravely stricken soon after his appointment to the Senate, his brethren here would have learned to know him and admire him as we in Pennsylvania had already learned.

The senatorship had been his ambition for many years, but a cruel fate struck him down almost at the moment when that ambition was attained. If he had been able to serve here as he had served in the senate of Pennsylvania I have no doubt whatever but that he would have attained the same success in the broader field that he had so conspicuously obtained in his home State.

Senator Crow was born in Fayette County, Pa., March 10, 1870; he was educated in the normal school and at Waynesburg College, and was admitted to the bar of his home county in 1895. He served as assistant district attorney and then as district attorney of that county with great efficiency, and in his private practice rapidly rose to distinction. He was among the leaders at a bar noted for its able members. In 1906 he was elected to the senate of Pennsylvania, and he was re-elected in 1910, 1914, and 1918; for two sessions he was president pro tempore of that body, and it was there that his great ability became apparent and he rose to leadership in the counsels of the senate. Not only did he have a sound knowledge of the law and a correct understanding of governmental problems, but he had a mastery of details and an inexhaustible energy that added greatly to his effectiveness. Although he was one of the finest orators that ever sat in the Pennsylvania senate, he seldom made formal speeches.

The charm of his manner struck every one; he had, to a greater extent than almost any man I have ever known, that faculty of giving kindly attention to the claims of others, when his own mind was overflowing with anxiety, when his brain and nerves were oppressed with pressure of work; in other words, he was never too busy to listen, never too busy to be kindly and patient, never deaf to importunity.

Mr. Crow owned many farms which he managed with conspicuous success; his cattle, his sheep, and his crops were dear to his heart. Whatever his activities, whether in politics at Harrisburg, in the practice of law at Uniontown, or in his farm work at Chalk Hill, he carried into what he was doing the same uncommon ability, the same patience, and the same friendliness. The number of his friends and admirers was legion. His funeral, which took place from his country home on August 7, 1922, was one of the most remarkable outpourings of friends from all parts of Pennsylvania and elsewhere that has ever been seen.

I will not try in my own words to epitomize Senator Crow's character, because I feel that no effort of mine could equal the glowing eloquence of the Senator's friend, Dr. William Harrison Spence, who spoke at his funeral. From Doctor Spence's beautiful tribute I take these sentences:

Personality—that vague, indefinable something that singles out one from the many, establishes distinction, is assertive yet attractive, giving an unmistakable sense of the possessor being all there at every moment and at every point of his contact with people and affairs—one could not but feel that Senator Crow was a personality, a force within himself, compelling and virile, moved more from within than without, daring to think his own thoughts and repose upon his own convictions.

This qualified him for leadership, endowed him with initiative. Leadership came to him as a birthright. Nature intended him to be a leader.

He possessed personal qualities that drew people to him—that, because he was lovable, kindly, and sympathetic.

By these he led quite as much as by special abilities to command, exceptional though these were.

Kindly of disposition by nature, he preferred to be generous and to be attentive to the interests of others, a trait most easily misconstrued, especially in a public man, to be but a means to one's own ambitious ends. But those who knew Senator Crow well and could impartially judge knew that his kindliness was not assumed nor motivated by sinister purpose. It was his own disposition functioning naturally. Never too tired to listen to the wants of others, however humble of station, never too busy to make attempt to relieve them.

What Doctor Spence has thus expressed so gracefully is the thought of thousands of men throughout Pennsylvania to-day. They know, because they knew Senator Crow, how great was the loss of the United States Senate in his inability to remain to take part in its deliberations.

And now I have finished. Pennsylvania has suffered mightily in the loss of these three great men, and she will continue to feel that loss for years to come. It is fitting that they should be held high in the memory of their beloved country, to whose service they gave the best that was in them.

Mr. President, as a further mark of respect to the memory of the deceased Senators, I move that the Senate do now adjourn.

The motion was unanimously agreed to, and the Senate (at 12 o'clock and 55 minutes p. m.) adjourned until to-morrow, Monday, January 29, 1923, at 12 o'clock meridian.

SENATE.

Monday, January 29, 1923.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Gracious God, as we assume the duties belonging to us this day we would ask Thy blessing. Thou dost kindly care for us in the manifold experiences of life, and Thou dost expect from us the best service we can render. We therefore ask that to-day it may be made evident that the duties are performed according to Thy good pleasure and that the welfare of the country is constantly conserved thereby. We humbly ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

CALL OF THE ROLL.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	Lodge	Page
Bayard	Gooding	McCormick	Philpps
Borah	Hale	McCumber	Pomerene
Brookhart	Harrell	McKellar	Reed, Pa.
Bursum	Harris	McKinley	Shields
Cameron	Harrison	McLean	Smoot
Capper	Hefflin	McNary	Stanfield
Caraway	Hitchcock	Moses	Sterling
Colt	Johnson	Myers	Sutherland
Couzens	Jones, Wash.	Nelson	Trammell
Culberson	Kellogg	New	Underwood
Curtis	Kendrick	Nicholson	Wadsworth
Dillingham	King	Norbeck	Walsh, Mass.
Ernst	Ladd	Norris	Walsh, Mont.
Frelinghuysen	La Follette	Oddie	Warren
George	Lenroot	Overman	Weller

Mr. UNDERWOOD. I desire to state that the Senator from Texas [Mr. SHEPPARD] is necessarily absent, confined to his home on account of illness. The Senator from Texas, I suppose, has attended the roll calls of the Senate more diligently than any other Senator in the body. He regrets very much his inability to be present to-day, and I want the RECORD to show during his illness that he is missing the roll call and breaking his excellent record in that regard only because he is confined to his bed at home.

Mr. CURTIS. I desire to announce that the senior Senator from Pennsylvania [Mr. PEPPER] and the senior Senator from Florida [Mr. FLETCHER] are necessarily absent, being engaged in a conference on the national bank tax bill.

Mr. OVERMAN. I wish to announce that my colleague [Mr. SIMMONS] is necessarily absent on account of illness.

Mr. CAPPER. I wish to announce that the Senator from South Carolina [Mr. SMITH] is absent on official business.

The VICE PRESIDENT. Sixty-four Senators having answered to their names, a quorum is present.

ANNUAL REPORT OF THE PUBLIC PRINTER (S. DOC. NO. 294).

The VICE PRESIDENT laid before the Senate a communication from the Public Printer, transmitting, pursuant to law, the annual report of the operations of the Government Printing Office for the fiscal year ended June 30, 1922, which was referred to the Committee on Printing.

RENTS RECEIVED BY FEDERAL GOVERNMENT IN THE DISTRICT.

The VICE PRESIDENT laid before the Senate a report of the Secretary of the Treasury, submitted pursuant to law, as to the rents received from properties located on sites of proposed public buildings purchased by the United States in the city of Washington, which was referred to the Committee on Public Buildings and Grounds.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General in response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the Post Office Department, which was ordered to lie on the table.

He also laid before the Senate a communication from the chairman of the National Advisory Committee for Aeronautics, in response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the committee, which was ordered to lie on the table.

SENATOR FROM NEW YORK.

Mr. WADSWORTH presented the credentials of ROYAL S. COPELAND, chosen a Senator from the State of New York for the term beginning March 4, 1923, which were read and ordered to be placed on the file, as follows:

STATE OF NEW YORK,
Executive Department.

To the President of the Senate of the United States:

This is to certify that on the 7th day of November, 1922, ROYAL S. COPELAND was duly chosen by the qualified electors of the State of New York a Senator from said State in the Senate of the United States for a term of six years, beginning on the 4th day of March, 1923.

Witness his excellency our governor, Alfred E. Smith, and our seal affixed at Albany this 24th day of January, in the year of our Lord 1923.

[SEAL.]

By the governor:

ALFRED E. SMITH, Governor.

JAMES A. HAMILTON,
Secretary of State.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a resolution of the Central Citizens' Association, of Washington, D. C., favoring the passage of legislation granting the citizens of Washington the right to select their own administrative officers and protesting against alleged intolerable conditions in the District of Columbia, especially the operation of public utilities apparently for the purpose of furnishing fixed and excessive incomes to the utility corporations rather than for service to the people, operation on the public streets of "one man" cars, etc., which was referred to the Committee on the District of Columbia.

Mr. NELSON. I present a petition, numerously signed, by sundry citizens of Mankato, Minn., praying that the Congress extend immediate aid to the people of the German and Austrian Republics. It is claimed in the petition that the people of Germany and Austria are suffering and that this Government should be asked to appropriate money for their relief. Several other petitions on the same subject by inadvertence were referred to the Committee on Foreign Relations. I move that this petition be referred to the Committee on Appropriations.

The motion was agreed to.

Mr. McNARY presented the following memorial of the Oregon State Senate, which was referred to the Committee on Finance:

STATE OF OREGON,
THIRTY-SECOND LEGISLATIVE ASSEMBLY, REGULAR SESSION,
Senate Chamber.

Senate Memorial No. 2.

To the Members of the Congress of the United States:

Whereas the demand for and issuance of tax-exempt securities has resulted in greatly extending the burden of debt now outstanding against the several States and political subdivisions thereof; and

Whereas the continued increase of these securities will result in still further withdrawing from productive business funds needed therefor; and

Whereas the holders of said tax-exempt securities do not now bear, through taxation, their full share of the costs of government; and

Whereas there is now pending in the Congress of the United States legislation prohibiting the further issuance of tax-exempt securities: Therefore be it

Resolved by the Senate of the State of Oregon, That we most earnestly petition and memorialize the Senate and House of Representatives of the United States in Washington assembled, in the name of

the State of Oregon, that Congress submit a constitutional amendment which will prohibit the further issuance of the tax-exempt securities; and be it further

Resolved, That the secretary of state of the State of Oregon be instructed to forward a copy of this resolution to each of the Members of the Congress of the United States.

Adopted by the senate January 18, 1923.

JAY UPTON,
President of the Senate.

Indorsed: Senate Memorial No. 2. Introduced by Senators Dennis, Corbett, and Ritzer. Jno. P. Hunt, chief clerk. Filed January 19, 1923. Sam A. Kozer, secretary of state.

UNITED STATES OF AMERICA,
STATE OF OREGON,
Office of the Secretary of State.

I, Sam A. Kozer, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of Senate Memorial No. 2 with the original thereof adopted by the senate of the Thirty-second Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon January 19, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon. Done at the capitol, at Salem, Oreg., this 19th day of January, A. D. 1923.

[SEAL]

SAM A. KOZER,
Secretary of State.

Mr. KENDRICK. I present a petition of citizens of Cody, Wyo., alleging that paragraph 7, section 900, of the internal revenue act, placing a tax on small-arms ammunition and fire-arms, is discriminatory, and praying for its repeal. I move that it be referred to the Committee on Finance.

The motion was agreed to.

Mr. KENDRICK. I present a resolution adopted by the Central Labor Union of Rock Springs, Wyo., favoring the passage of legislation suspending immigration for a period of five years, at the end of that time a general naturalization day to take place for those who are fit to become citizens, and those who are not fit to be deported at once, and provision to be made for those who have wives and children in foreign lands who have become citizens, which I move be referred to the Committee on Immigration.

The motion was agreed to.

Mr. NICHOLSON presented a petition of sundry citizens of Denver, Colo., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Appropriations.

Mr. MCLEAN presented a petition of sundry citizens of Hartford, Conn., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Appropriations.

Mr. CAPPER presented a petition of Camp Alfred C. Alford, No. 15, Department of Kansas, United Spanish-American War Veterans; Ladies Auxillary, United Spanish-American War Veterans; Grand Army of the Republic; Women's Relief Corps; American Legion, and Ladies' Auxillary, all of Iola, Kans., praying for the passage of the bill (S. 4142) to amend the war risk insurance act and the rehabilitation act with amendments prior to the passage of this act, extending all of the provisions of this act to all disabled veterans of all wars of the United States and to their dependents, which was referred to the Committee on Finance.

Mr. LADD presented a petition of sundry citizens of Leigh, Elgin, and Pretty Rock, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Appropriations.

He also presented a resolution of the Tagus Federal Farm Loan Association of Tagus, N. Dak., protesting against the passage of the so-called Strong bill, amending certain sections of the Federal farm loan act, etc., which was referred to the Committee on Banking and Currency.

THE COAL SHORTAGE.

Mr. WALSH of Massachusetts. I present a petition requesting the enactment of legislation providing for an embargo upon the exportation of coal during the present coal crisis. The petition, sent me by the Boston American, is signed by 34 of the 40 members of the Senate and 69 members of the House of Representatives of the Massachusetts Legislature. I ask that the petition be referred to the Committee on Education and Labor and a copy of it be forwarded to the Interstate Commerce Commission, which commission has authority, in my opinion, without further legislation, under section 2 of the emergency coal act approved September 22, 1922, to declare an embargo under certain conditions.

The VICE PRESIDENT. Without objection, it is so ordered.

IMPURITIES IN COAL SUPPLY.

Mr. WALSH of Massachusetts. I also present a communication from the State fuel administrator of the State of Wisconsin, calling attention to the extent to which impurities are found in the shipments of coal to that section of the country. I called the attention of the Senate a few days ago to similar conditions in and complaints from Massachusetts. The writer suggests some remedial legislation be adopted by the National Government. I think it is a very helpful contribution to the discussion upon the subject of coal legislation to prevent future famines of and inferior quality of this very necessary product. I ask that the petition be printed in the Record and referred to the Committee on Education and Labor and a copy of it sent to the Federal Fuel Commission. The Federal Fuel Commission should and undoubtedly will consider in its survey of this industry this important phase of the coal question. Inferior and impure coal selling at excessively high prices is adding to the widespread resentment of the American people, caused by the present coal shortage and inadequate fuel transportation facilities. Some method of standardization must be adopted to protect our people against this form of deceit and fraud.

The VICE PRESIDENT. Without objection, the order requested by the Senator from Massachusetts will be made.

The communication is as follows:

WISCONSIN STATE COAL COMMITTEE,
Madison, January 25, 1923.

Hon. DAVID I. WALSH,
Washington, D. C.

DEAR MR. WALSH: Knowing how deeply you have interested yourself in the question of coal production and distribution and its relation to the consuming public of the entire Nation, I thought possibly some views that I hold would be received in the right spirit. The points I intend to bring out may have already been embodied in legislation you have in mind.

At the present time the consuming public of the United States places an order with his dealer for a ton or more, whatever the case may be, of egg, stove, chestnut, pea, or buckwheat. The order is delivered as specified, but in very few instances does the consumer get what he has purchased. For instance, if the order calls for a ton of chestnut it is a safe bet that that ton of chestnut contains at least 10 per cent, if not more, pea; if pea is ordered it contains a large percentage of buckwheat, and so on.

Then again, there is no restriction of any kind as to grade. Cars of coal from the anthracite fields are carrying a greater percentage of impurities than ever before—slate, bone, clinker, and refuse comprising the major portion of these impurities. When Mr. Consumer pays for his ton of coal he pays for these impurities, which are not only a part of the tonnage but which act as a deterrent on that portion of the ton which is really coal.

The State governments are powerless to act in such cases. The dock companies receiving the coal from the eastern operators must pay for the coal as it is, and they also pay for a certain tonnage of this or that grade. The docks and dealers should not carry the burden.

We have our national pure food laws. There is no one that will not say that fuel (coal) is clothed with as much of a public interest as food. Under the pure food act we are guaranteed that the commodity, whatever it is, is pure, and we pay a price in conformity.

Under our Bureau of Weights and Measures (national) we are guaranteed to receive a certain amount of that commodity which we may have specified.

The eastern operators and shippers at present have "carte blanche" covering both points mentioned. The car or cargo, as the case may be, is loaded up and shipped. It may contain a quality of coal which will meet with entire approval, and then again it may run very high in its proportion of impurities. The fact is, though, that no matter what it contains it is sold as coal; the dealer must take it as such, and in turn he, the dealer, unloads it on the consuming public.

The enactment of Federal legislation is the only cure for the existing conditions.

There are many other evils in the coal industry to-day, both less and greater than those above mentioned, but these two are extant wherever coal is sold.

While on this subject, I want to relate an experience of a Manitowoc coal dealer this week. On January 4 this man received a telegram from the Foreston Coal Co., at Scranton, Pa., offering three cars of chestnut anthracite at \$13.25 f. o. b.—an outrageous figure. The dealer had to have coal, irrespective of price. He placed an order for one car, and was informed payment was necessary by wire before shipment would be made. The money was sent. The car was received at Manitowoc last Saturday, and I inspected it on Monday of this week. It is the best collection of slate, bone, and clinker that was ever collected in one single car. There ought to be a way to strangle these exploiters. I have sent all papers and sample of this coal to Mr. Wadleigh, at Washington, and if you are sufficiently interested I know he will be glad to let you have all details.

It was not my intention to tire you out, but was under the impression you might be interested in these views.

Most respectfully yours,

P. H. PRESENTIN,
State Fuel Administrator.

REPORTS OF COMMITTEES.

Mr. McNARY, from the Committee on Manufactures, to which was referred the bill (S. 4399) to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes, reported it without amendment.

Mr. WADSWORTH, from the Committee on Appropriations, to which was referred the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and

for other purposes, reported it with amendments and submitted a report (No. 1068) thereon.

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4132) to amend an act entitled "An act to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," approved April 5, 1918, and for other purposes, reported it without amendment and submitted a report (No. 1069) thereon.

Mr. SHORTRIDGE, from the Committee on the Judiciary, to which was referred the bill (S. 3892) authorizing the State of California to bring suit against the United States to determine title to certain lands in Siskiyou County, Calif., reported it with amendments and submitted a report (No. 1070) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 4432) granting an increase of pension to John L. Dick (with accompanying papers); to the Committee on Pensions.

By Mr. MYERS:

A bill (S. 4433) to designate the times and places of holding terms of the United States District Court for the District of Montana; to the Committee on the Judiciary.

By Mr. McCORMICK:

A bill (S. 4434) declaring a portion of the west fork of the South Branch of the Chicago River in Cook County, Ill., to be a nonnavigable stream; to the Committee on Commerce.

By Mr. WADSWORTH:

A bill (S. 4435) amending the provision contained in the sundry civil act approved July 19, 1919 (41 Stat. L. 164), for the remodeling and repair of the customhouse and post office at Buffalo, N. Y.; to the Committee on Public Buildings and Grounds.

A bill (S. 4436) conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the steamship *City of Beaumont* against the United States, and for other purposes; to the Committee on Claims.

By Mr. NELSON:

A bill (S. 4437) to amend section 284 of the Judicial Code of the United States; and

A bill (S. 4438) to amend section 1025 of the Revised Statutes of the United States; to the Committee on the Judiciary.

By Mr. CARAWAY:

A bill (S. 4439) to revive and reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta, Ark.," approved October 6, 1917; to the Committee on Commerce.

ADMISSION TO THE UNITED STATES OF CERTAIN PERSIAN NATIVES.

Mr. RANDELL submitted an amendment intended to be proposed by him to the bill (S. 4092) providing for the admission into the United States of certain refugees from near eastern countries, which was referred to the Committee on Immigration and ordered to be printed.

RURAL-CREDIT FACILITIES.

Mr. BROOKHART submitted an amendment intended to be proposed by him to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. HARRISON submitted two amendments intended to be proposed by him to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which were ordered to lie on the table and to be printed.

CHANGE OF REFERENCE—WARREN C. HODGKINS.

On motion of Mr. NELSON, the Committee on the Judiciary was discharged from further consideration of the bill (S. 4416) for the relief of Warren C. Hodgkins, and it was referred to the Committee on Claims.

INVESTIGATION OF GREAT LAKES-GULF OF MEXICO WATERWAY.

The VICE PRESIDENT. Pursuant to Senate Resolution 411, agreed to on the calendar day of January 25, 1923, providing a committee to investigate and report upon the problem for

a 9-foot channel in the waterway from the Great Lakes to the Gulf of Mexico, the Chair appoints the following Senators: Mr. McCORMICK, Mr. REED of Pennsylvania, Mr. BROOKHART, Mr. McKELLAR, and Mr. BROUSSARD.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. HEFLIN. Mr. President, I move that the bill which I introduced on Saturday last to repeal that portion of the Federal reserve act which provides for a progressive interest rate be now referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. The Senator from Alabama moves that the bill which he introduced on Saturday, being the bill (S. 4427) repealing the act approved April 13, 1920, entitled "An act to amend the act approved December 23, 1913, known as the Federal reserve act," be referred to the Committee on Agriculture and Forestry.

Mr. SMOOT. Is morning business closed, Mr. President?

The VICE PRESIDENT. Morning business has not yet been declared closed, but the Chair is ready to declare that morning business is closed.

Mr. McLEAN. Mr. President, I filed an objection on Saturday last to the reference of the bill introduced by the Senator from Alabama [Mr. HEFLIN], and I assumed it was understood there should be a vote of the Senate on the question of reference this morning. If it is necessary that I file another objection to the reference of the bill, as requested by the Senator from Alabama, I now do so.

Mr. HEFLIN. Mr. President, the Senator from Connecticut can not make an objection, because the agreement was had on Saturday that if I would permit the matter to go over until to-day we should have a vote as to what disposition should be made of the measure. In accordance with that agreement I have moved that the bill be referred to the Committee on Agriculture and Forestry.

Mr. President, I wish to repeat what I have previously stated, that the progressive interest rate was charged nowhere except in the agricultural sections of the South and West. It never was applied in the East and the North. The agricultural sections having been so injuriously affected by it, I felt that the Committee on Agriculture and Forestry, which particularly has in charge the interests of the agricultural people of the country, ought to have jurisdiction of the measure.

There is not anything complicated about the subject. It does not require a knowledge of banking technique or anything of that sort. The progressive interest rate was applied only, as I have stated, to the agricultural sections of the country, and the agricultural sections were made greatly to suffer under it. Now, those who favor the bill which I have introduced wish to take out of the act the section under which a progressive interest rate may be charged; that is all. I can not think that many Senators would vote against taking it out. The rediscount rate has been reduced, just as I had suggested in my resolution it should be reduced and as others also have suggested. While that rate has been reduced, the progressive interest rate provision is still in the law, and I wish to have it taken out so that it may not be resorted to in the future. It ought not to remain in the law. What I am seeking to do by the enactment of the bill I have introduced is simply to repeal that section of the Federal reserve act. So I move that my bill be referred to the Committee on Agriculture and Forestry.

Mr. McLEAN. Mr. President, I do not intend to discuss the merits of the bill which has been introduced by the Senator from Alabama. The Senator on Saturday last moved that his bill, which proposes to repeal that portion of section 14 of the Federal reserve act which relates to the progressive discount rate, be referred to the Committee on Agriculture and Forestry, and he has this morning renewed that motion. I happened on Saturday to be in the Chamber at the time the Senator from Alabama made his request, and the request was such a flagrant violation of the long-established procedure of the Senate that I conceived it to be my duty to object.

The Senator from Alabama then stated that I ought not to put any obstacle in the way of his request, because similar references of other measures had frequently been made. That is true. A short time ago a joint resolution proposing an amendment to the Constitution of the United States was, on the request of the chairman of the Committee on Agriculture and Forestry, referred to that committee, if my recollection is correct; and that joint resolution was subsequently favorably reported by the committee and is now upon the calendar.

Mr. President, it seems to me that the time has arrived when the chairmen of the committees of the Senate should know whether acquiescence by the Senate in these irregular refer-

ences is to become a permanent policy, and that in the future bills are to be referred with an eye single to the friendliness of the committee to the measure and without regard to the subject matter involved. It seems to me that the time has arrived when the Senate should go on record with regard to this matter. It is an important matter.

I confess that I was somewhat surprised, when the joint resolution proposing to amend the Constitution was referred to the Committee on Agriculture and Forestry, that some member of the Judiciary Committee or some one of the parliamentary leaders of the Senate did not object and call attention to the fact that if this habit is to become confirmed it will result in the demoralization of the whole legislative procedure of the Senate.

Mr. President, there is nothing I dislike more than this sort of a controversy. The question of reference is of no consequence to me personally. The Senate knows that the reasons assigned for this reference by the Senator from Alabama are without foundation. The particular amendment to the Federal reserve act which the Senator from Alabama now desires to have repealed was proposed by me at the request of the Federal Reserve Board. The Federal Reserve Board at that time was composed entirely of Democrats; the administration of the law was Democratic; and yet, Mr. President, the Committee on Banking and Currency, of which a majority was Republican, felt that it was its duty to give serious consideration to any request from the Federal Reserve Board. It did so, and favorably reported the bill, and it was passed by Congress.

Mr. NELSON. Mr. President, will the Senator from Connecticut yield to me for a moment?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Minnesota?

Mr. McLEAN. I yield.

Mr. NELSON. A moment ago the Senator from Connecticut referred to a joint resolution proposing a certain amendment to the Constitution of the United States, which joint resolution had been referred to the Committee on Agriculture. I desire to make a brief statement in reference to that matter.

The joint resolution proposed an amendment of the Constitution to dispense with presidential electors and to provide for a direct vote of the people for President. At the last session of Congress the Senator from Nebraska introduced a similar joint resolution contemplating such an amendment, and accompanied it with a statement on the floor. At his suggestion that joint resolution was referred to the Judiciary Committee, of which he is a member, and, on his own request, I appointed him chairman of a subcommittee to consider the joint resolution proposing the constitutional amendment. That joint resolution is still pending before the Judiciary Committee and is still in the hands of the subcommittee of which the Senator from Nebraska is chairman.

At this session of Congress the Senator from Nebraska introduced another joint resolution having in view the same object. It was done at a time when I was not present in the Senate; at all events, it escaped my attention. The Senator from Nebraska had that joint resolution proposing the same constitutional amendment referred to the Committee on Agriculture and Forestry, and from that committee he succeeded in securing a report on the joint resolution. I have been patiently waiting for him, as chairman of the subcommittee, to submit a report to the full Judiciary Committee on the joint resolution which he introduced and had referred to that committee and which is still pending there.

Mr. McLEAN. Mr. President, I have said about all I care to say upon this question. Every Senator understands that if I should present an argument in defense of my position that argument would be futile, because any Senator who believes that the bill introduced by the Senator from Alabama should be referred to the Committee on Agriculture is in a state of mind that will not be changed by anything anyone may say.

I realize that the Senator from Alabama is deeply interested in this subject. We listen daily to his diatribes and strictures directed to what he calls the deflation policy; but, Mr. President, I wish to insist that if mistakes were made in the administration of the Federal reserve act, they were not made by the Committee on Banking and Currency; they were not made by Republicans.

I have in my hand the report of the Comptroller of the Currency for 1920. Mr. John Skelton Williams was at that time comptroller. He was ex officio a member of the Federal Reserve Board; and in his report, page 52, he said:

Largely through the aid and excellent functioning of the Federal reserve system, the business and banking interests of the country have passed successfully through the perils of inflation and the strain and losses of deflation without panic and without the demoralization which has been produced in the past at various times from far less serious

and racking causes. Those banking and other interests which at the outset so vigorously opposed the Federal reserve system are now among its warmest advocates.

Mark this language:

The several amendments which, since its passage in 1913, have been made to the law as a result of experience have materially added to its use and efficiency.

Among those amendments is the one now objected to by the Senator from Alabama; and the records show that the Comptroller of the Currency, who was at that time a member of the Federal Reserve Board, approved and praised all of the amendments that were adopted.

Mr. HEFLIN. Mr. President, what is the date of that report?

Mr. McLEAN. December, 1920.

As I said at the outset, I do not propose to discuss the merits of this question; but I do think that the time has come when flagrant violations of the long-established, and I believe wisely established, legislative procedure in this body should be taken cognizance of and either approved or disapproved, in order that the chairmen of committees may know in the future whether or not it is their duty to object to references of the sort now insisted upon by the Senator from Alabama; and I move, Mr. President, that the motion of the Senator from Alabama be amended—

Mr. HEFLIN. The Senator can not make that motion, Mr. President.

Mr. McLEAN. I move, as a substitute, that the bill be referred to the Committee on Banking and Currency.

Mr. HARRISON. Mr. President, I make a point of order against that motion.

The VICE PRESIDENT. The point of order is well taken. No amendment is in order except to refer with instructions.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. CURTIS. I understood the Chair to state upon Saturday, when this question was up, that the motion was to refer the bill to the Committee on Banking and Currency; and, as I recall the RECORD, the Senator moved to amend by adding instructions that they be required to report out within five days.

Mr. HEFLIN. No, Mr. President; the Senator from Connecticut said that he had not made a motion. I thought he had. He said he had not made a motion.

Mr. McLEAN. The Senator from Alabama is right about that.

Mr. HEFLIN. I said I moved to amend his motion by requiring a report on my bill in five days, and he said he had not made it. He did not make it. The RECORD shows he did not make it, and the question that came over was, What disposition would be made of the bill? I obtained the floor before the Senator from Connecticut did and moved to refer it to the Committee on Agriculture and Forestry; and the Senator from Connecticut can not move to amend that motion, except to instruct that committee what to do with it.

The VICE PRESIDENT. In response to the parliamentary inquiry, the Chair did not understand that any motion for reference was made on Saturday last.

Mr. HEFLIN. The Chair is correct about that.

Mr. CURTIS. It was my mistake, because I simply heard what was said by the Senator from Alabama when he said he would offer an amendment directing that the bill be reported back in five days. That misled me.

Mr. HEFLIN. That is true; but the Senator from Connecticut said he had not made the motion.

Mr. McLEAN. Mr. President, the Senator from Alabama is right about that. It makes no difference how the issue is drawn; I am perfectly willing that the vote shall come on the reference of the bill to the Committee on Agriculture and Forestry.

Mr. HARRISON. Mr. President, may I suggest to the Senator from Connecticut and the Senator from Alabama, why can they not agree that the bill shall go to the Committee on Banking and Currency with an understanding that it shall be reported back in five days?

Mr. McLEAN. That is adding insult to injury, and borders on the ridiculous. If the discretion of the committee is to be so limited, I can see no purpose in referring the bill, except to get it before the Senate; and it is now before the Senate.

Mr. HITCHCOCK. Mr. President, I am in sympathy with the bill offered by the Senator from Alabama. I think the act to which he refers ought to be repealed; but I hope he will not press his motion to refer this bill to the Committee on Agriculture and Forestry. Such a practice is going to result in inextricable confusion if Senators are going to ask to have bills referred to committees which they think are most favorable to them, regardless of any reasonable jurisdiction. If there is one

fundamental foundation for our organization into committees, it is that bills shall be referred to the committees that are charged with the study of those questions; and I regret to see the effort made to warp that practice into one of getting them referred to committees without regard to their natural jurisdiction.

Personally I am in favor of the bill, and I think there are other Senators on the committee who are in favor of the bill, and I am in favor of an early report on the bill; but I think it is a great mistake for the Senator from Alabama to make an effort to prejudge the case by referring it to a committee that has absolutely no jurisdiction at all over the subject matter.

Mr. HEFLIN. Mr. President, I know that there are members of the Banking and Currency Committee who will be friendly to this bill. I cast no reflection on any member of the committee. I do not know how the majority of the committee stand on it. I know that the Senator from Connecticut [Mr. McLEAN] offered this progressive interest amendment in the outset in 1920. I know that his committee reported it favorably. I know that the majority of his committee, himself among the number, defended the deflation that was carried on under that amendment, and I know that the Senator has objected this morning to being instructed as to bringing this bill out of the committee. The Senator from Mississippi [Mr. HARRISON] asked the Senator from Connecticut if he would be willing that this bill go to his committee with the understanding that it would be reported in five days, and he objected to that.

Mr. President, there are not over five lines in this amendment. It is a very short amendment, but it will pluck out of the Federal reserve act one of the most obnoxious and oppressive provisions ever grafted upon any law in the history of this Government. This law was applied by a Republican Governor of the Federal Reserve Board, W. P. G. Harding. The Senator said they were all Democrats. There were three Republicans on it. He himself, Governor Harding, was a Republican. He supported the Republican ticket in 1920, and there were two other Republicans there at that time. Platt was a Republican, and Mitchell was a Republican, as I understand it. The Senator said they were all Democrats. They were not all Democrats by any means.

The Senator has quoted John Skelton Williams in his report as saying that amendments to the bill had been helpful. I do not know whether he had reference to this amendment or not; but he did offer in the board meeting a resolution saying that this progressive interest rate should not reach above 6 per cent, and Governor Harding and the board voted it down. He then offered another resolution saying that it should not exceed 10 per cent, and they voted that down.

I know that John Skelton Williams opposed deflation from the outset. He opposed it on the board, and they had secret meetings after they found he did oppose it and did not let him know when they were meeting to carry out the conspiracy that I charge again was born in Wall Street.

Mr. President, I introduced a resolution here in 1921 to reduce this rediscount rate, and I spoke on it a number of times in the Senate, and some of the newspapers of the country advocated a reduction in the rediscount rate. Mr. Crissinger himself, the Comptroller of the Currency, advocated a reduction of the rediscount rate. We finally succeeded in bringing about a reduction in the rate. While that was going on I did not disturb this provision in the law, because I knew what the friends of that provision thought. They thought if they would reduce the rediscount rate under the demands of my resolution and the fight that I was making, we would forget about the provision and let it sleep in the act, and at some future time they would invoke it again and strike down the legitimate business of the country and make millions and hundreds of millions for Wall Street on some occasion. I knew that. I thought that; so when we got the rediscount rate reduced I said, "Before this Congress adjourns I am going to introduce a bill to repeal that provision, and we are going to repeal it, either in this Congress or in the next one. That provision must come out, Senators, or men who fight its coming out will soon get out of here. Anybody who will defend that provision which brought so much distress and suffering to millions of American people ought not to be commissioned by any State to have a seat in this great law-making body."

You see, Mr. President, how closely the line is drawn here to-day. Here is an opportunity to serve the masses of the people. Here is an opportunity to protect legitimate business in this country from those who would prey upon it. Here is an opportunity to uproot a provision out of which has come more misery than any provision ever put into a law since I have been a Member of Congress.

What is the purpose of this rule which has been called to my attention by my friend the Senator from Florida [Mr. TRAMMELL], about the reference of a bill or resolution, suggesting that if any question is raised about where a bill shall go the Senate itself shall determine where it shall go? I remember that in my service in the House years ago it was openly charged by Republican newspapers that a certain Speaker of the House would refer bills to committees where he knew they would never be reported out; that he appointed these committees; that the members of them were dependent upon him for the favor of occupying places upon the committees; and that when he referred a bill to a particular committee and indicated that he did not want it reported out the bill went into its long, last sleep. There was a good deal of truth in it, too. Now, here is a situation arising where we want action on a bill. We suggest that we want it referred to the Committee on Agriculture and Forestry. Were my suspicions well founded? I thought the chairman of the Committee on Banking and Currency [Mr. McLEAN] would be hostile to it. He appears to be hostile to it. The Senator from Mississippi asked him if he would not consent to have instructions placed about it so that that committee would report it back in five days—he did not say "favorably," but report it out, so that it could be on the calendar and we could decide what we would do with it—and the Senator shuts himself up in the secret councils of his own mind and says no; he is not willing to have that done.

Mr. President, you can not explain to the people of the country that you did not want to offend the chairman of the Banking and Currency Committee. You can not explain to the people of the country that you thought that under the rules of the Senate in all probability it was best to refer it to that committee because the chairman asked that it be done. You can not explain to the people who were robbed under deflation growing out of this amendment that you did not want to offend some member of the Banking and Currency Committee, and that that is why you voted to refer it to that committee.

They will ask you, "Did not deflation injure me?"

"Yes."

"Did it not injure millions of others?"

"Yes."

"Did they not, then, charge a little bank 15 or 20 per cent?"

"Yes."

"And some of them more than that?"

"Yes."

"And one bank in Alabama 87½ per cent under that provision?"

"Yes."

"And were not HEFLIN and others trying to get it out of the law?"

"Yes."

"And did not HEFLIN move that it be referred to a committee that he knew was friendly to it?"

"Yes."

"Was not that the best and quickest way to get it out?"

"I think it was."

"Were not the chairman and some other members of the Banking and Currency Committee hostile to it?"

"I think so."

"Yet you voted to refer it to that committee, did you not?"

"Yes."

"And now you ask me to vote to send you back where you can vote to do what the chairman of one of those committees asks you to do rather than do that which will benefit me and other people like situated as I am."

That is the situation Senators will have to answer. I will print in a few days in the Record two letters which John Skelton Williams wrote to the Senator from Connecticut several months ago about that report of 1920, which will throw some light upon the subject.

All I want is action on this thing. Congress will adjourn on the 4th of March, and we are nearly out of the month of January. We have but little more than a month now, and I want to get the bill passed through this body this week, get it over to the House, get it through the House and enacted into the law.

I ask the Senator from Connecticut now if he would be willing to report it out in six days if I should consent to have it go to his committee?

Mr. McLEAN. Mr. President—

The PRESIDING OFFICER (Mr. LENROOT in the chair). Does the Senator from Alabama yield to the Senator from Connecticut?

Mr. HEFLIN. Certainly.

Mr. McLEAN. If the bill is to be accompanied with instructions to the Committee on Banking and Currency to report it out, its only purpose would be to get it before the Senate. It is on the table now, or will be if the motion of the Senator from Alabama fails and it is not referred to any committee. The Senator knows that he can offer it as an amendment to the pending bill, the Lenroot bill. There is no difficulty in the way of the Senator getting a vote upon this proposition, and at no time have I expressed my approval or disapproval of this particular provision of the act.

It was, as I said, introduced by me at the urgent request of the Federal Reserve Board, and I felt that it was my duty to give that request serious consideration. As to the merits of this particular provision, the Senator ought to know that its failures or its benefits will depend entirely upon its administration, as in the case of any other law. If it had been administered, as the Senator said, in response to the views of Comptroller Williams, it would have done no harm; but it was not so administered, and in his opinion it did great harm. It is a question of administration. The provision is merely a gun behind the door. It may be used wisely, it may not; it depends entirely upon the man who administers it. I think the Senator will find the same rule will apply to almost any provision of the act. The Senator can offer his bill as an amendment to the pending bill, the Lenroot bill, and he can get a vote on it then. I have expressed no opinion as to whether or not I would vote for or against it. My only object is to protect the legitimate procedure of this body.

Mr. HEFLIN. Will the Senator help me to have it passed if I offer it as an amendment to the Lenroot bill?

Mr. McLEAN. I think the Senator himself will agree that I ought to have an opportunity to consider it, and I think that the Senate ought to carefully consider this provision. I am not ready this morning to pass on that question. I am willing to say to the Senator that I am not confirmed in my judgment that it is of any great permanent benefit.

Mr. HEFLIN. That provision of the law?

Mr. McLEAN. Yes. I felt so at the time it was presented to me by a member of the Federal Reserve Board, but under the circumstances it seemed to me to be my duty as a Republican to support it. I assumed that it would be wisely administered. That is the view I took of it at the time. My only point now is that I think the Senate ought to go on record with regard to this motion. I want to know whether any Senator is to have the right to refer a bill to any committee he chooses, without regard to the subject matter. That is the question before the Senate now.

Mr. HEFLIN. Suppose I offer it to-day as an amendment to the Lenroot farm credits bill; will the Senator oppose its enactment?

Mr. McLEAN. If the Senator offers it as an amendment, I suppose it will be in order.

Mr. HEFLIN. So far as the Senator is concerned, he would not undertake to make any point of order against it?

Mr. McLEAN. The only thing I could do would be to raise a point of order, and I can not conceive that the amendment is not in order.

Mr. HEFLIN. And the Senator would not make any point of order?

Mr. McLEAN. The Senator from Wisconsin is in charge of the pending bill, and how he would feel about it I do not know. I shall make no point of order.

Mr. HEFLIN. That would expedite matters some. With that understanding with the Senator from Connecticut, I withdraw my motion to refer the bill to the Committee on Agriculture, and give notice that I will offer it as an amendment to the Lenroot bill.

Mr. McLEAN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. McLEAN. Can the Senator withdraw his motion?

Mr. HEFLIN. I said that with that understanding, I would withdraw my motion to refer the bill to the Committee on Agriculture.

Mr. McLEAN. The Senator from Wisconsin is now in the chair. He has charge of his bill, and some other Senator might make a point of order. I want a vote on this proposition.

Mr. HEFLIN. I do not think it is subject to a point of order, anyway.

Mr. McLEAN. I think the Senate ought to go on record, and I object to any withdrawal of the motion of the Senator from Alabama.

Mr. HEFLIN. My purpose was to have it sanctioned by some committee and have a favorable report made on it, and pass it independently of any other bill; or we can put it on the pending

bill as an amendment, as the Senator from Connecticut suggests. What I want is to have it enacted into law.

Mr. McLEAN. If the Senator withdraws his motion, I shall renew it and move that the bill be referred to the Committee on Banking and Currency and ask for a vote. I do not want it referred to the Committee on Agriculture. I prefer that it lie on the table if the Senator from Alabama wants an opportunity to bring it up. I can not make any promise as to what the Committee on Banking and Currency would do with it.

Mr. HEFLIN. If the Senator does not make any motion and I withdraw mine, we can just let it lie on the table for the present, can we not?

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama withdraw his motion?

Mr. POMERENE. I thought the Senator from Alabama had yielded the floor, and I was going to make a few observations on this subject myself.

Mr. HEFLIN. I said that in view of the statement made by the Senator from Connecticut that he would not make any point of order against the bill, I would withdraw my motion to refer it to the Committee on Agriculture, with the understanding that I would offer it as an amendment to the Lenroot bill, and with the further suggestion from him that it lie on the table, that it just remain on the Vice President's table, so that I could offer it as an amendment to the pending bill.

Mr. McLEAN. Mr. President, the Senator need not offer this bill as an amendment. He can draw a new one and offer it as an amendment to the Lenroot bill. It makes no difference whether this is referred to a committee or not.

Mr. LODGE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Massachusetts?

Mr. LODGE. I will wait until the Senator gets through.

The PRESIDING OFFICER. Does the Senator from Alabama withdraw his motion?

Mr. HEFLIN. I do, with that understanding, Mr. President.

The PRESIDING OFFICER. The Chair can not attach any condition. Does the Senator withdraw his motion or not?

Mr. HEFLIN. Well, then, I will leave it pending for the present.

Mr. LODGE. Mr. President, I have no desire to discuss the merits of the amendment, or bill, or whatever it is; but I think the question of the settlement of the proper jurisdiction of committees of the Senate is very important. If we are not to observe the ordinary jurisdiction of the different committees, the whole organization of the Senate will drop to pieces. I think the Senate ought to decide where this bill shall go. That will not prevent it from being offered as an amendment to the pending bill, if any Senator sees fit to do it. I move that the bill be referred to the Committee on Banking and Currency.

Mr. HEFLIN. The Senator from Massachusetts can not make that motion under the rule.

The PRESIDING OFFICER. The Senator from Alabama is correct. While the motion to refer the bill to the Committee on Agriculture is pending a motion to refer it to another committee is not in order.

Mr. LODGE. Not while the other motion is pending. If the other motion is pending, I simply ask for a vote on it. That is perfectly satisfactory to me.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama that the bill be referred to the Committee on Agriculture and Forestry.

Mr. POMERENE. Mr. President, I am a member of the Committee on Banking and Currency and have been since its organization. I think no committee in the Senate has been more diligent in attending to the business committed to it than the Banking and Currency Committee. No other committee has to its credit better legislation than the Banking and Currency Committee. I need only refer to the reserve act, to the farm loan act, to the Copper bill, and to the Lenroot bill which is now pending before the Senate.

I remember very distinctly when the question came up as to whether or not we should adopt a graduated rate of discount. At that time I think I supported it but I was not friendly to it because I felt that under the original act we had lodged plenary power in the Federal Reserve Board to fix the rate of discount and I felt at that time if any member bank got to a point where it was making unusual demands it was within the power of the Federal Reserve Board to deny them.

It seems excessive rates of discount have been charged—just what I anticipated. The Federal Reserve Board was not responsible for them; the local reserve banks were. Aye, more than that, the member banks were directly responsible for any

abuse that the system has suffered or the communities have suffered.

I have heard a number of references to the particular bank in which on one loan 87½ per cent was charged. That was an outrage. I think the Federal reserve bank made a mistake when it allowed that discount. I think the member bank made a mistake when it made the application for it. But there was another mistake made, if I am rightly informed, and that mistake was made by the Comptroller of the Currency when he did not appoint a receiver for that bank and take away its charter. If I am rightly informed, the bank got to making loans to companies in which members of the bank were particularly interested, and many of those loans bore the indorsement of the president of the bank.

Mr. GLASS. I may say to the Senator that 90 per cent of the capital of the bank was loaned upon indorsements of the president.

Mr. POMERENE. I am obliged to the Senator from Virginia for giving us that information. It simply demonstrates that I was right when I made the statement that the Comptroller of the Currency ought to have closed the bank and taken its charter. The difficulty as to most of the loans has been with the member banks. The fact of the matter is that many of the banks which are now making complaints loaned excessively to men who were gambling in one commodity or another, with the result that they were not able to accommodate the smaller borrowers in their respective communities.

Now, Mr. President, I think that if I were called upon to-day to vote upon the merits of the proposition of the Senator from Alabama I should vote for it, but I would feel very much better satisfied if I could have the views of the Federal Reserve Board on the subject; not that they would be controlling, but necessarily they would be more or less persuasive.

If any fault lies with anybody because the statute has been permitted to remain upon the statute books so long a time, I fear that my good friend from Alabama must share that responsibility. We have had a good many speeches made upon the subject, and I am in sympathy with the complaints which were made against some of the abuses, but I note that the bill was only introduced on the 27th of January, 1923, and to-day is the 29th. It has not even been referred to the Committee on Banking and Currency, and the distinguished Senator from Alabama seeks to offend every member of the Banking and Currency Committee by asking that the bill go to the Committee on Agriculture and Forestry, which has no jurisdiction whatever of it. Agriculture may be interested in the subject, but agriculture is no more interested in it than is the laboring man, the manufacturer, or the merchant of the country; in other words, it is essentially a banking and currency bill.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. POMERENE. Certainly.

Mr. SMOOT. I want to ask the Senator a question. I shall read what happened in two of the banking districts. I shall ask the Senator the question then how, if we repeal the provision, such abuses as grew up at that time could be prevented. I know of no other way unless the Federal Reserve Board close down and say "You can not have any money whatever," and thus punish all the banks in the district.

For instance, in January, 1920, 14 banks of Kansas City had absorbed 24 per cent of the normal lending power of the Federal reserve bank and 9 Omaha banks had absorbed 35 per cent. Therefore, those two cities alone had absorbed 57 per cent of the normal lending power of the Kansas City Federal Reserve Bank. There was a slight recession of the borrowings of those banks due to the temporary season of deflation in the early part of 1920, but by April, 1920, the 14 Kansas City banks were absorbing 50 per cent of the normal lending power of the Kansas City Federal Reserve Bank and 9 Omaha banks were absorbing 23 per cent, representing a total of 73 per cent of the normal lending power of the Kansas City Federal Reserve Bank, and leaving only 27 per cent of the normal lending power of that bank available for the 1,063 other member banks of the Kansas City district.

Mr. WALSH of Montana. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. WALSH of Montana. I inquire whether the pending motion is debatable?

The PRESIDING OFFICER. In the opinion of the Chair, it is.

Mr. WALSH of Montana. I refer the Chair to the concluding paragraph of Rule VIII, on page 14:

All motions made before 2 o'clock to proceed to the consideration of any matter shall be determined without debate.

The PRESIDING OFFICER. The Chair would remind the Senator that such a motion as the one pending is not a motion to proceed to the consideration of any matter. It was so ruled by Vice President Marshall.

Mr. WALSH of Montana. Then a motion to refer is debatable without limit at any time?

The PRESIDING OFFICER. Those are the previous rulings, and, of course, the motion is debatable unless some specific provision of the rule cuts off debate.

Mr. WALSH of Montana. Some of us want to get to the calendar in due course.

Mr. ASHURST. Mr. President—

Mr. POMERENE. I yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, the present occupant of the chair is a clear and fair parliamentarian, but I think he must have overlooked Rule VII. It can not be debatable under any hypothesis except by allowing each Senator five minutes. Has the Presiding Officer read that provision of the rule?

The PRESIDING OFFICER. But this is not on a call of the calendar.

Mr. ASHURST. If the Senator from Ohio will yield further to me, this is Calendar Monday. The most scrupulous good faith should exist in reaching the calendar on the day set apart for its consideration.

The PRESIDING OFFICER. But morning business has not yet been closed.

Mr. ASHURST. If Senators may speak at any length during the morning hour, then Calendar Monday is dissipated and exhausted.

Mr. POMERENE. Will the Senator please advise whether I have spoken five minutes?

Mr. ASHURST. I am interested in the Senator's speech. If he were to speak an hour, it would only seem like five minutes to me.

Mr. POMERENE. I thank the Senator. I assure the Senator I shall not offend even so good a friend as he.

Mr. ASHURST. I am so completely disarmed that I shall sit down.

Mr. WALSH of Montana. Mr. President, I precipitated the inquiry for the purpose of ascertaining whether the rules of the Senate are such that a Senator can get in the very first thing after the roll call in the morning and move to refer some matter to a committee and then exhaust the entire morning hour in discussing the subject. I hope our rules are not so defective.

The PRESIDING OFFICER. The Chair will state to the Senator from Montana that we are still proceeding under morning business. We are still under the order of the introduction and reference of bills and joint resolutions. It has been repeatedly held that a motion to refer a bill is debatable. Of course, it is debatable, unless some provision of the rules can be found cutting off debate, and there is no such provision.

Mr. LODGE. I think the Chair is entirely right, but there is great force in what the Senator from Montana said. There is one way in which debate can be cut off, and that is to move that the motion to refer be laid upon the table. In order to end the debate—though I do not wish to take the Senator from Ohio off the floor—

Mr. POMERENE. I am quite ready to take my seat, except that the distinguished Senator from Utah [Mr. Smoot] asked me a question and I was going to answer it. However, I yield for the purpose of the motion.

Mr. LODGE. I want to clear the way for the calendar, and if there is no other motion interposed, I shall move to lay the motion made by the Senator from Alabama on the table.

Mr. GLASS. Mr. President, I hope the Senator from Massachusetts will defer the motion. In fact, I hope he will not make the motion at all.

Mr. LODGE. I have no desire to do so, I assure the Senator.

Mr. GLASS. I think we should decide here and now whether the Banking and Currency Committee of the Senate should be disbanded and whether it is to be discredited every time a Senator suspects that it may not do just exactly what he desires that it should do and just exactly at the time when he desires to have it done. I think we ought to decide that question.

Mr. LODGE. I am very anxious to reach that decision, but under the rules apparently there is no way to reach it except by the motion I have suggested. I am perfectly willing to with-

hold the motion if I can find out what is to become of the motion to refer.

The PRESIDING OFFICER. Further answering the parliamentary inquiry of the Senator from Montana, the Chair would call the attention of the Senator from Montana to paragraph 3 of Rule XIV, which provides that—

Bills and joint resolutions introduced on leave and bills and joint resolutions from the House of Representatives shall be read once and may be read twice on the same day, if not objected to, for reference, but shall not be considered on that day as in Committee of the Whole nor debated, except for reference, unless by unanimous consent.

Mr. WALSH of Montana. That, I understand, refers to the day upon which a bill is introduced. It may be read twice on the day on which it is introduced.

The PRESIDING OFFICER. Nor debated, except for reference.

Mr. WALSH of Montana. Yes; but all having reference to the day on which it is introduced.

Bills and joint resolutions introduced on leave and bills and joint resolutions from the House of Representatives shall be read once and may be read twice on the same day—

That means the day on which it is introduced—

If not objected to, for reference, but shall not be considered on that day as in Committee of the Whole nor debated—

That is, debated on that day—

except for reference.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Massachusetts to lay the motion of the Senator from Alabama on the table.

Mr. LODGE. I withdrew that motion at the suggestion of the Senator from Virginia [Mr. GLASS]. I have no desire to cut off debate, but I wish a direct vote.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Alabama.

Mr. HEFLIN. I withdraw my motion for the present.

Mr. LODGE. A motion can not be withdrawn "for the present." It is either withdrawn or not withdrawn.

Mr. HEFLIN. I withdraw it; and if the Senator from Connecticut [Mr. McLEAN] wants to move that the bill be referred to the Committee on Banking and Currency, I shall ask the Senate to instruct that committee to report it out one way or the other within five days.

The PRESIDING OFFICER. The Senator from Alabama withdraws his motion to refer Senate bill 4427 to the Committee on Agriculture and Forestry. Without objection, the bill will be referred to the Committee on Banking and Currency in accordance with the rule.

Mr. HEFLIN. I move that the Committee on Banking and Currency be instructed to report the bill out within five days.

The PRESIDING OFFICER. The Senator from Alabama moves that the Committee on Banking and Currency be instructed to report the bill referred to it back to the Senate within five days. The question is on the motion of the Senator from Alabama.

Mr. GLASS. Mr. President, I regret very much that the distinguished Senator from Alabama decided to withdraw his motion, because I think the Senate ought to be permitted to decide to-day whether or not it has any further use for the Senate Committee on Banking and Currency, and whether it proposes continually to discredit that committee and to affront its members by totally irregular references of bills to other committees which have no jurisdiction of the subject involved.

The discussion of the merits of the particular amendment to the Federal reserve act which has been proposed by the Senator from Alabama is largely academic, for the reason, Mr. President, that the progressive rate authorized by the act was suspended more than two years ago. As a matter of fact, the progressive rate in the Atlanta district, in which the Senator from Alabama resides, was suspended before the Senator became a Member of this body. As I recall, he was sworn in as a Member of the Senate on the 6th day of December, 1920, and the progressive rate in the Atlanta district was discontinued in November, 1920, about a month before the Senator became a Member of this body.

Not only that, but anybody who takes the trouble to refer to the report of the Joint Commission on Agricultural Inquiry will there see, in the testimony of the governor of the Federal Reserve Board, the statement that the board itself had come to the conclusion that the progressive rate, operating so differently from what was anticipated, was a rather crude and, at times, unjust method of dealing with the problem, and that he was authorized by the board to say that there was not the slightest probability of the progressive rate being again applied in the administration of the Federal reserve banking system.

Mr. CARAWAY. Mr. President, may I interrupt the Senator from Virginia?

Mr. GLASS. Yes.

Mr. CARAWAY. I should like to ask the Senator a question. If it is admitted that it is unwise to exercise that power, why would it not be wise to take away from a legislative agent the power to do a thing that would be unwise if it were done?

Mr. GLASS. It would; and I think it was unwise to invest these banks with that specific power in the first place.

Mr. CARAWAY. And, therefore, it would be wise to repeal the law?

Mr. GLASS. I think so; and I am prepared right now for the immediate consideration of the proposition to repeal it.

Mr. CARAWAY. I thought that was the Senator's attitude.

Mr. GLASS. But my remarks refer to the suggestion that there is some imminent danger from this suspended power of the board. The progressive rate was suspended more than two years ago; it has not been applied since and is not likely ever again to be applied. So far as I am concerned, I should like to see it wiped from the statute books, but I want it done in an orderly way; moreover, I want to be fair. I am a partisan when I go out on the stump and arraign my political adversaries; but here, under my oath, I think there is an obligation to be temperate and scrupulously accurate. I should like to remind the distinguished Senator from Alabama, who is usually so exact about these matters, that it is not precisely just to say, for example, that Mr. Platt was a Republican member of the Federal Reserve Board when this alteration of the law was made. Mr. Platt was then a Republican Member of the House of Representatives. The Senator from Alabama likewise is altogether inaccurate in saying that Mr. Mitchell, another Republican, was a member of the Federal Reserve Board at the time. Mr. Mitchell did not become a member of the Federal Reserve Board for many months after this amendment was suggested to and adopted by the Congress. It was not a Republican proposition; it was not a Democratic proposition. As a matter of fact, the most insistent advocates of the amendment in the other branch of Congress were three Democratic Members of the House. It was advocated by Mr. STEVENSON, of South Carolina, as clear-headed a lawyer as ever came to either branch of the Congress of the United States; it was advocated by Mr. WINGO, of Arkansas, a man with one of the acutest minds of all the men I have even encountered since I have been in Congress; it was advocated by Mr. Phelan, a distinguished Democrat of Massachusetts, who once was the Democratic chairman of the Banking and Currency Committee of the House of Representatives. All of them favored the amendment of the act as distinctly in the interest of the farming community.

As to the suggestion that the progressive rate brought about deflation, anybody who will take pains to examine the report of the joint commission appointed to investigate agricultural problems will see it stated there that the application of the progressive rate in no single regional reserve district put any limitation upon the volume of loans made. It brought about a better distribution of rediscounts. That report points out that in the Kansas City district, where the rate was more regularly and longest applied, loans increased, and that 326 banks, which prior to the application of that rate had made no rediscounts whatsoever with the Federal reserve bank, began to borrow money to accommodate the farmers in that district. It created no deflation; it did not even put any limitation upon, it did not circumscribe to the extent of one dollar the total borrowings of the banks in any one of these districts; on the contrary, it expanded loans, because it enabled the country banks outside and away from Kansas City and Omaha and the larger cities to get their just proportion of the rediscounts of the Federal reserve banks.

It has been suggested that the progressive rates were applied only in the agricultural districts of the country. Mr. President, it ought to be stated in fairness that the progressive rates were applied only where they were asked for; in other words, the Federal Reserve Board at Washington does not initiate interest rates. Every rediscount rate is initiated in the regional reserve bank itself, and reviewed and approved, or rejected, as the case may be, by the Federal Reserve Board at Washington. So the talk about the Federal Reserve Board applying this rate only in the agricultural districts is simply misleading. It was applied in those Federal reserve districts which asked for it, and no others. There were but four applying districts—Atlanta, Dallas, Kansas City, and St. Louis. The Federal reserve bank at Chicago, which, I venture to say, caters to the agricultural industry in the ratio of 3 to 1, compared with the Federal reserve bank in Atlanta or Dallas, did not ask the rate to be put into effect there. The Federal reserve bank at Minneapolis,

ministering to the great grain-growing interests of the Northwest, did not ask to have the rate put into effect there. The Federal reserve bank at San Francisco, serving the great agricultural interest of the Pacific coast, particularly the fruit-growing interests, did not ask the rate put into effect there. Hence it is not exactly fair, Mr. President, to represent to the country that the central Federal Reserve Board at Washington, in conspiracy to destroy the agricultural interests of the country and thereby to destroy the country itself, maliciously and deliberately forced this progressive rate upon the agricultural districts of the country only.

This much I wanted to say briefly. It is my purpose a little later on in the present session of Congress, when we are not occupied with much more important questions than academic discussions of this sort, to have something to say, perhaps at length, about the administration of the Federal reserve banking system; but this much I wanted to say upon the pending proposition.

I repeat my regret that the distinguished Senator from Alabama has withdrawn his motion, because I think it is time for the members of the Banking and Currency Committee of the Senate to understand whether they are under suspicion or whether they are to be perpetually offended here by having measures which properly come under their jurisdiction referred to some committee that has nothing whatsoever to do with the merits of the proposition advanced.

Mr. HEFLIN. Mr. President, the Senator from Ohio [Mr. POMERENE] made reference to a single instance where a high interest rate was charged. I want the RECORD to show that I called attention here on Saturday to 227 instances, to 227 banks. That many were found in the report sent here by the Federal Reserve Board by a casual examination.

Mr. POMERENE. Mr. President, I think the Senator has unintentionally misstated my position. I referred to the very high rate that the Senator spoke of, namely, 87½ per cent.

Mr. HEFLIN. I got the impression that the Senator thought there were only one or two instances, and that he did not hear my remarks Saturday.

Mr. POMERENE. There was only one instance in which that high rate was charged.

Mr. HEFLIN. But there were a number of instances where 15 and 18 and 21 per cent and higher was charged.

Mr. POMERENE. I think the Senator is correct about that, and I think those rates are too high; but I think we would remedy this situation very much more quickly and very much more effectively if we would direct some of our efforts toward the legislatures of the several States, and get them to reduce their rates of interest where the banks in those States have been making these charges to their customers.

Mr. HEFLIN. There is a legal rate of interest in my State of 8 per cent; in some of the States the rate is 6 per cent, in some 7 per cent, and so on; but this progressive interest rate was applied by the regional bank under the direction and sanction of the Federal Reserve Board, with Governor Harding at its head, and these people were robbed under it.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I yield to the Senator from Virginia.

Mr. GLASS. Of course, I think the Senator is mistaken in the assumption that the rates were applied under the direction of the Federal Reserve Board. The testimony of the Governor of the Federal Reserve Board before the Joint Commission of Agricultural Inquiry was that he did not know these rates had been applied until after they had been rescinded—that is, until after November, 1920.

If the Senator will permit a moment, however, responding to the suggestion of the Senator from Ohio about the outrageous nature of these particular rates, I agree that the progressive rate never should have been applied. I think a minimum flat rate and a maximum flat rate should have been applied, instead of a progressive rate; but with respect to this particular bank, where the rates on perhaps an inappreciable part of the volume of loans of that bank reached 87½ per cent, these are the facts: The law required that this bank keep a reserve, as I recall, of \$9,600 with its Federal reserve bank as a basis for the loans that it might want to make. The bank, instead of keeping \$9,600—I may not be precise as to the figures—at the Atlanta bank, kept \$96 reserve; and it was because of this perpetual violation of the law, because for 11 out of 12 months of the year its reserve practically disappeared, that it was penalized to the extent that it was penalized. I desire, however, to call attention to this significant fact: The official report presented in this Chamber on day before yesterday showed that the average rate

of interest on the total borrowings of that bank at the Atlanta Federal Reserve Bank did not exceed 8.05 per cent.

Mr. HEFLIN. Mr. President, this bank in my State was mistreated and beat to its knees, and there was no occasion for it. This bank survived even that 87½ per cent, which shows any fair-minded man that the application of that high, usurious, oppressive, and prohibitive rate was inexcusable and indefensible. There are hundreds of instances where they charged 15, 18, 20, 21 per cent, and even higher percentages, and all during that time they were charging in New York City, the gamblers of Wall Street 5 per cent, and never over 6 per cent.

I am fighting for a fair deal for the people of the United States. I ought not to be afraid to say what I think about the reprehensible and criminal conduct of those who conspired together to produce deflation. They are the enemies of my country. They did more in two years to produce Bolshevism and encourage socialism and anarchy than any other force in the Government has ever done. Those who desire to defend them, of course, are at liberty to do so. Let their constituents take notice; and I want to suggest to any Democrat who might be inclined to do such a thing that he had better let the Republicans defend their murderous deflation policy. I make that suggestion for what it is worth. My friend from Virginia [Mr. GLASS] says that "it is all right to get out on the stump and hurrah at this, that, and the other, but here, under our oaths, we ought to be very careful." Well, Mr. President, I fought these evils on the stump out on the hustings; I fight them here in this Chamber as best I can. There are Senators who only fight them on the hustings, and when we get here—ah—

As bees on flowers alighting cease their hum,
Some Senators elected soon grow dumb.

[Laughter.]

I have saddled the responsibility for this deflation where it belongs, upon Republican leaders and upon one who was on that board at the head of it, and who betrayed his party and became a Republican and supported the Republican ticket, according to the Washington Times. I have read from it time after time, and he has never denied it. He told Hon. Lee Long, of my State, a distinguished Democrat, and now a member of the Legislature of Alabama, that nationally he was a Republican.

The Senator from Virginia [Mr. GLASS] in his defense of this deadly deflation—and I want to say that this is not the first time the Senator has defended it, and it probably will not be the last time—

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I yield to the Senator.

Mr. GLASS. Of course, the Senator knows perfectly well that I have not defended any deflation. I have asserted and proved by authentic official figures that for the period of falling prices, from January 1, 1920, to January 1, 1921, there was no deflation but expansion.

Mr. HEFLIN. That was not the end of the deflation period. The end of deflation was not reached until several months had elapsed in 1921. During that period of deflation the currency was contracted to the extent of more than \$1,000,000,000.

Mr. GLASS. That was the period that I discussed, Mr. President, and therefore the Senator has no right to identify me with any other period in anything that I have said.

Mr. HEFLIN. The Senator is defending the proposition.

Mr. GLASS. Defending what proposition?

Mr. HEFLIN. I said the progressive interest rate was applied only in the agricultural sections.

Mr. GLASS. Yes.

Mr. HEFLIN. And the Senator says it was applied nowhere except where it was asked for, intimating that the board had nothing to do with it.

Mr. GLASS. Well, does the Senator deny that proposition?

Mr. HEFLIN. Of course I do. I assert that Governor Welborn, of the Atlanta bank, came to Washington and went before the board on August 31, 1921, and asked that that bank be excused from this progressive interest rate, and that Governor Harding declined to let it be done. His visit here for that purpose is shown in the correspondence between Governor Welborn and John Skelton Williams. I printed it in the RECORD in July, 1922.

Mr. GLASS. Mr. President, if the Senator will permit an interruption, I do not undertake to say what happened. I only know what the record shows and what the Federal Reserve Board says; and the Federal Reserve Board says and the record of the testimony before the joint commission shows that Governor Welborn did not come to Washington and ask for anything of the sort. Governor Welborn informally inquired,

if the Atlanta bank should make the request, how the board would view it; and later the board proposed to discontinue the rate in the Atlanta district and put the interest rate on a flat 7 per cent basis, and the record shows that there were some members of the board who voted against that proposition, but not the governor of the board.

Mr. HEFLIN. Mr. President, I assert that Governor Welborn wrote a letter to John Skelton Williams in which he himself asserted that he had appeared before that board and asked to be excused from applying that progressive interest rate. It is in that correspondence. I stand on Governor Welborn's letter upon that subject. Governor Harding did not want to excuse that bank, and that provision was applied to banks in my State—a little national bank in north Alabama among the number. The president of that bank told me that they charged him 9 per cent to get money to supply his customers, and, of course, he had to charge something above that in order to take care of his business; and while that was being done Wall Street speculators and bond sharks were getting every dollar they needed at 5 per cent and 6 per cent.

I come back to my proposition. I assert again, and I challenge any Member of this body to disprove the assertion, that the progressive interest rate was not applied anywhere excepting in the district of the Atlanta bank, the Dallas bank, the Kansas City bank, and the St. Louis bank.

Mr. GLASS. Will the Senator say whether any other bank asked to have it applied? Those four banks initiated the rate.

Mr. HEFLIN. Oh, I do not know. I have nothing to do with that. It is immaterial here.

Mr. GLASS. But the Senator wants to be fair—

Mr. HEFLIN. I am going to be fair.

Mr. GLASS. And the Senator knows that under the law and under the policy of the system the Federal Reserve Board does not initiate rates. The regional reserve bank initiates rates. The Federal Reserve Board simply approves or disapproves.

Mr. HEFLIN. The Federal Reserve Board can suggest what ought to be done; and I submit that in the instance at Atlanta it seems that that was done, because Governor Welborn came up early in the game and asked that its cruel operation be taken off of his people, and the board would not let them do it. It does not make any difference who initiated it. If the bank initiated it and tried it out and then saw that it was hard on our people, destructive to their business, and wanted to get rid of it, and the board would not permit that to be done, the responsibility comes back to the board. That is my contention.

I have asserted heretofore, and I assert again, that nowhere in the East was that rate applied; nowhere in the North was it applied. It was applied nowhere except in the agricultural sections that I have mentioned.

Why was that done? I do not care whether any local bank intimidated by Governor Harding asked for it or not; if the Federal Reserve Board had been just and fair, it would not have permitted the rate to be applied to any section of the country. That is my position on that.

The Senator from Virginia comes now with his defense of the Federal Reserve Board. The Federal Reserve Board operated in such a way as to permit the bond sharks of New York to buy up bonds all over the South and West at \$85, \$82.50, and \$80 on the hundred, and they made about \$200,000,000 in the South in buying these bonds, and they bought them in the West along the same lines and made millions and hundreds of millions out of the cotton of the South in 1920. They made it out of grain, they made it out of cattle, and the people of the South and West were robbed. The board had the power to stop the operation of such a process, and the board did not do it. The board had the power to say to them, "You have got to give to legitimate business at least as small a rate as you give to the gamblers of Wall Street," but the board did not do it. The board had the right to say to them, "You have to accept these gilt-edged Liberty bonds, gold bonds, as security at the bank for loans of money to farmers trying to keep their produce from being sold below the cost of production," but the board did not do it.

Mr. GLASS. Mr. President—

Mr. HEFLIN. In a moment. The board had the right to say to those who were robbing the cattlemen of the West, "You shall not sacrifice the cattle industry upon the altar of greed," but the board did not do it. Now, I yield to the Senator.

Mr. GLASS. Surely the Senator knows perfectly well that so far from rejecting Liberty bonds as the basis of loans, the Federal Reserve Board differentiated in favor of Liberty bonds, and that whereas 6 and 7 per cent was charged on commercial discounts, a rate of 4 $\frac{1}{2}$, 4 $\frac{1}{2}$, and 4 $\frac{1}{2}$ was charged on loans with Liberty bonds as a basis.

Mr. HEFLIN. The point I am making is that they did not loan money on bonds.

Mr. GLASS. The advantage was altogether in favor of the bonds, and yet the Senator arraigns the Federal Reserve Board for refusing to make loans on bonds, whereas they made loans on Liberty bonds at a preferential rate.

Mr. HEFLIN. I stand on the position that they did not make such loans in any appreciable amount. They made a handful, of course, to those who were their pets, those who were hugged to their bosom, those who shared the tips that were sent out in connection with this awful drive and collapse in prices. If any were able to borrow money in the agricultural sections on Liberty bonds, there were very few of them. I have not heard of a single farmer who did. I am talking about the hundreds and thousands who went to the banks and said as a last resort, "I will bring the Government bonds that I bought and stunted myself to buy and borrow on them." The local banker said, "We would like to accommodate you, but the Federal Reserve Board will not permit us to do it."

I rode on a train with a banker of Georgia who had been up to New York to the great American bankers' convention, where W. P. G. Harding's friends tried to get them to indorse him for governor of the Federal Reserve Board, and they would not do it. I got acquainted with him, and he said, "I indorse the fight you have been making on deflation. I want to tell you what happened to me. I had \$18,000 worth of bonds, and I went to Atlanta and told them I wanted to get some money on them to take care of my customers, and they told me I could not get it. They said, 'Go sell your bonds.' I was forced to do so, and I lost \$2,200 on the deal." Such as that is what happened among bankers in the South and West.

I know of a man in Eufaula, Ala., who tried to borrow a hundred dollars with a thousand-dollar bond as security and failed. Congressman Dent, who used to represent the capital district of my State, is my authority for that.

There are hundreds and thousands of instances where loans on Liberty bonds were refused. Fixing a rate for loans on bonds is one thing and actually making the loan is quite another. They did not make them in the agricultural sections.

Oh, Mr. President, the truth is they denied accommodations to the man and the woman who had Liberty bonds who were willing to put them up as collateral in order to hold back their produce from the ravenous wolves of Wall Street who were forcing them to sell and devouring their substance. The order from the Federal Reserve Board would not let the banks loan on those bonds. Then what happened? The owners were forced to sell them. Who bought them? The Wall Street bond sharks bought them at \$85 on the hundred, at \$82.50, and some of them at as low as \$80 on the hundred. Just think of that, Senators.

The Senator from Virginia had better consult some other authority. He says, "The Federal Reserve Board said this" and "The Federal Reserve Board said that." Do you expect me to accept the statement of Governor Harding on anything pertaining to deflation? I will not do it. I have contradicted him with his own statements and impeached him a dozen times on this floor. Did he not tell the Senator from South Carolina [Mr. SMITH] that if he could get that progressive interest rate it never would be applied in agricultural sections? He did. Did he not tell him that he wanted it so he could apply it in New York City? He did. After he got it, did he apply it in New York? He did not. Did he apply it in the agricultural sections? He did. Did the governor of one of those banks, Governor Welborn, come and ask to be excused from it? He did. Did Governor Harding grant his request? He did not. That is the record of this man, the head of that board at that time, and this is not the first time the Senator from Virginia has come to the board's defense and to his defense.

The crime of '73 pales into insignificance when compared with the deflation crime of 1920, the crime I am discussing to-day. I am trying to get that provision as to the progressive rediscount rate out of the law.

Mr. President, I have dotted with red pencil the little banks scattered through the South and West, just a few of them, where this progressive interest rate was applied—11 per cent, 12 per cent, 13 per cent, 14 per cent, 15 per cent, 16 per cent, 17 per cent, 18 per cent, and on up to 87 $\frac{1}{2}$ per cent—as these little banks were pressed, as the farmers came in saying, "We are your customers. Here is our cotton. It is going down, down, down. It is now below the cost of production. Won't you help us?" The banker would say, "I will; my credit is good and my bank is sound," and he was borrowing money to help people whose business was being destroyed, but the Federal reserve bank said to him, "If you get more money to supply those people you will have to pay, under the progressive

interest rate, 15, 20, 30, 40, 50, 60, 87½ per cent." They made him do it, and that did not even break the little bank in my State. There never was such an atrocious crime under the sun. If the bank had failed, they might have said, "That shows it was in bad condition"; but the bank did not fail even with that millstone tied around its neck, and after Governor Harding knocking it in the head with a maul. It even survived that.

So, Mr. President, I fight here in the Senate for what I believe is right, and the things that I condemn here I condemn on the stump. I do not arraign the Republican Party on the hustings in any way that I will not arraign it here. This is the place to fight. This is the place to determine the bent of men's minds on great questions. This is the place to locate their leanings when the issue is clearly presented. This is the place to find out where their sympathies are. This is the place to find out whether the center of gravity in their nature is on the side of the people or on the side of the special interests. Men may seek to disguise it, but here we come to know them, for the Bible tells us that "by their fruits ye shall know them."

Mr. President, I want to close with this thought in the minds of Senators. I assert again that the Federal Reserve Board did not direct that the progressive interest rate be applied, did not permit it to be applied, anywhere except in the agricultural sections of the South and West.

I charge again that by the application of it there and by the refusal to make loans on cotton and grain and cattle there they slaughtered property values by the billion; they caused men to lose their homes; they caused their farms to be swept away under mortgage foreclosures; they drove women into the madhouses and their husbands to death with bullets through their brains. That is the crime I lay at the door of deflationists and those who defend them.

I am no respecter of persons when it comes to that, Mr. President. The United States must know, from center to circumference, that this crime was inspired, that a conspiracy was back of it; must know how it operated; must know who brought it about; must know exactly how it was done, so that public opinion, rising out of every nook and corner in this Republic, will come so strong that this national crime will never be committed again.

Oh, my God, if we can fix the law so that the Federal Reserve Board—I do not care whether composed of Democrats or Republicans—will not have the power to murder business and send some men and women to the insane asylums and others into their graves. I want to see to it, and I am going to fight until we put an amendment into the law, I do not care how many Republican defenders may appear to defend or even if one lone Democrat comes to the rescue when Republican deflation is assailed. I want some Republican, like the Senator from Connecticut, who introduced that provision himself and had it put into the law, to defend Republican deflation, born under the leadership of Republicans out of Wall Street connections, carried out by Governor Harding, a Republican, promised in the Republican platform of 1920, promised in the President's acceptance speech, applied ruthlessly and mercilessly while the Republican Congress sat in control at the Capitol, and never a protesting voice raised by a single Republican leader against it. That is the record. Let the record speak for itself.

Oh, Mr. President, those are the facts as I have submitted them. I now ask for a vote on the motion which was made by the Senator from Connecticut to refer this bill to the Banking and Currency Committee, with my amendment instructing them to report the bill back to the Senate in five days.

Mr. LODGE. We are entitled to a separate vote on the instruction in the nature of an amendment. I shall ask for a separate vote.

Mr. GLASS. Mr. President, I do not propose to delay matters 30 seconds. I dislike to break in rudely upon this vehement flood tide of eloquence, but I simply want to call attention in a word to a fact which answers it all.

The State of Alabama is within the jurisdiction of the Federal reserve bank at Atlanta, and in the official data, Appendix A, presented in the Senate on Saturday last, it will be noted that member bank collateral notes secured by Liberty bonds or Victory notes actually owned by the borrowing bank on April 1, 1920, or by Treasury certificates actually owned, were subject to only normal discount rates.

It will be further seen that on June 14, 1920, after approval by the Federal Reserve Board, the Atlanta Federal reserve bank made an order that paper drawn for strictly agricultural production, up to 100 per cent of the member banks' capital and surplus, was excepted entirely from the application of the progressive rate.

Mr. HEFLIN. The point I am making is that they did not make the loans. I do not care what kind of an order their records may now show that they issued then. My contention

is that they would not loan on Liberty bonds and that they quit loaning on cotton and called loans to the great hurt and injury of the cotton farmers.

Mr. McLEAN. Mr. President, I dislike to continue this discussion, but the statement of the Senator from Alabama is utterly unwarranted by the facts.

When I discussed the resolution I called attention to the fact that at the time the act amending section 14 was passed it was passed at the request of the Federal Reserve Board, which was composed of Democrats. The Senator denied it and insisted that Mr. Platt, of New York, was a member of the board and that Mr. Miller, a member of the board, were Republicans. Mr. Platt was a Member of Congress at the time and the other gentleman, Mr. Miller, everybody knows was a Wilson Republican of the deepest dye.

Mr. HEFLIN. A Wilson Republican? A Wilson Republican may show signs of a change of heart, but he is still a Republican.

Mr. McLEAN. My statement was absolutely correct. I dislike to be compelled to rise in my seat and dispute statements of the Senator from Alabama, but I can not let the occasion go by without calling attention to the facts.

Mr. HEFLIN. The board was supposed to be composed of three Democrats and two Republicans, but Governor Harding was a Republican and supported the Republican ticket in 1920.

Mr. McLEAN. Mr. Harding was a Democrat from Alabama. If he had the good sense to change his views later on, I commend him for it.

Mr. HEFLIN. So does Wall Street commend him.

Mr. McLEAN. He was appointed by Wilson as a Democrat. The Senator knows his statement is contrary to the record and contrary to the facts, and if he insists upon reiterating it, then, whenever I am here, I shall have to avail myself of the opportunity to call the attention of the Senate to the truth about the matter.

Mr. HEFLIN. My statements are true, and I challenge the Senator now to disprove my assertion that there were Republicans on the Federal Reserve Board at that time.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 12817) to amend and supplement the merchant act, 1920, and for other purposes.

Mr. HARRISON. Mr. President, in view of the fact that everyone thought we were going to take up the calendar this morning and that nothing has been done with the calendar during the morning hour, will not the Senator from Washington [Mr. JONES] and the Senator from Wisconsin [Mr. LENROTH] allow us to have the next two hours to proceed with the call of the calendar?

Mr. McLEAN. I think there is no objection to our coming to a vote at once on the matter which has been under discussion. I do not think the Senator from Alabama himself will object to that. I only think it is due the Committee on Banking and Currency that the question should be decided. If it is in order that we can have a separate vote on the motion, and if it is necessary to ask unanimous consent, I ask that the vote be taken first on the amendment proposed by the Senator from Alabama.

Mr. HEFLIN. I would have to make a point of order against a separation of the proposition, because it is not in accordance with the rule, as I understand it, to do that. I made the motion to refer the bill to the committee, and I suggested an instruction that the committee should act within five days.

The VICE PRESIDENT. Perhaps the Chair had better read the record:

The PRESIDING OFFICER. The question is upon the motion of the Senator from Massachusetts to lay the motion of the Senator from Alabama on the table.

Mr. LODGE. I withdrew that motion at the suggestion of the Senator from Virginia [Mr. GLASS]. I have no desire to cut off debate; but I wish a direct vote.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Alabama.

Mr. HEFLIN. I withdraw my motion for the present.

Mr. LODGE. A motion can not be withdrawn "for the present." It is either withdrawn or not withdrawn.

Mr. HEFLIN. I withdraw it; and if the Senator from Connecticut [Mr. McLEAN] wants to move that the bill be referred to the Committee on Banking and Currency, I shall ask the Senate to instruct that committee to report it out, one way or the other, within five days.

The PRESIDING OFFICER. The Senator from Alabama withdraws his motion to refer Senate bill 4427 to the Committee on Agriculture and Forestry. Without objection, the bill will be referred to the Committee on Banking and Currency in accordance with the rule.

Mr. HEFLIN. I move that the Committee on Banking and Currency be instructed to report the bill out within five days.

The PRESIDING OFFICER. The Senator from Alabama moves that the Committee on Banking and Currency be instructed to report the bill referred to it back to the Senate within five days. The question is on the motion of the Senator from Alabama.

Mr. HEFLIN. What the Chair has read is correct.

The VICE PRESIDENT. The Chair understands that is the question which was pending when the Chair laid before the Senate the unfinished business.

Mr. GLASS. According to the RECORD, the bill has already been referred to the Committee on Banking and Currency.

Mr. HEFLIN. And the motion is to instruct the committee to report back the bill within five days.

Mr. LODGE. The Chair made the announcement that the bill would be referred to the Committee on Banking and Currency, but of course the instructions were offered at once, and therefore the motion was not decided as to referring it. The motion is to be treated as having been vacated just as it would be by an objection. Of course, it is always done by unanimous consent. In any event the motion to instruct is a separate proposition, whether under the construction of the Chair or under my construction, and on that proposition I ask for the yeas and nays.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. HARRISON. The Senator from Virginia [Mr. GLASS], I understood, was under the impression that, no objection having been made to the reference of the bill to the Committee on Banking and Currency, the Chair did refer it to the Committee on Banking and Currency. I submit that when the question was put by the Chair, that without objection the bill would be referred to the Committee on Banking and Currency, and the Senator from Alabama immediately stated, "I move that the Committee on Banking and Currency be instructed to report back within five days," that was tantamount to an objection, and the question now before the Senate is merely the amendment upon the part of the Senator from Alabama to the motion made by the Senator from Connecticut.

The motion of the Senator from Connecticut being to refer it to the Committee on Banking and Currency, the Senator from Alabama proposes to amend the motion to refer it to the committee by instructing the committee to report the bill back within five days. The first question is on the amendment of the Senator from Alabama to the motion of the Senator from Connecticut to instruct the committee to report the bill back within five days.

Mr. LODGE. Mr. President, I agree with the Senator's view.

Mr. JONES of Washington. Mr. President, I want to make a parliamentary inquiry.

Mr. LODGE. I was engaged in making a parliamentary inquiry. May I be permitted to complete it?

Mr. JONES of Washington. I want to know what has become of the unfinished business.

Mr. LODGE. It was laid before the Senate at 2 o'clock.

The VICE PRESIDENT. The Chair laid the unfinished business before the Senate at 2 o'clock.

Mr. LODGE. I quite agree with the parliamentary position as stated by the Senator from Mississippi, but for practical purposes it makes no difference whether it is considered as an amendment or a separate proposition. In either case the matter of instruction is a separate proposition. If the Senator from Alabama is ready to allow us to vote on the matter—

Mr. HEFLIN. I am ready to take a vote. The question is upon my motion, as the Chair announced it.

Mr. LODGE. It is just the same.

Mr. FLETCHER. Had we better not have the unfinished business laid aside?

Mr. HEFLIN. I ask unanimous consent that the unfinished business be laid aside temporarily for the purpose of voting on this proposition.

Mr. JONES of Washington. With the understanding that we proceed without any further delay to vote, I shall not object to that, but I shall not consent if it is going to take up more time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The question is on the motion of the Senator from Alabama.

Mr. HEFLIN. On that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll for the ascertainment of a quorum.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Capper	Ernst	Glass
Ball	Colt	Fernald	Gooding
Borah	Couzens	Fletcher	Hale
Brookhart	Culberson	Frelinghuysen	Harrell
Bursum	Curtis	George	Harris
Cameron	Dillingham	Gerry	Harrison

Heflin	McCumber	Oddie	Stanfield
Johnson	McKellar	Overman	Sterling
Jones, Wash.	McKinley	Page	Sutherland
Kellogg	McLean	Pepper	Townsend
Kendrick	McNary	Phipps	Trammell
King	Moses	Polindexter	Underwood
Ladd	Nelson	Pomerene	Wadsworth
La Follette	New	Ransdell	Walsh, Mass.
Lenroot	Nicholson	Reed, Pa.	Walsh, Mont.
Lodge	Norbeck	Shortridge	Warren
McCormick	Norris	Smoot	Watson

Mr. UNDERWOOD. I wish to repeat my announcement that the junior Senator from Texas [Mr. SHEPPARD] is absent on account of illness.

The VICE PRESIDENT. Sixty-eight Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Alabama [Mr. HEFLIN] that the Committee on Banking and Currency be instructed to report the bill back to the Senate within five days. On this question the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. HARRIS (when his name was called). I transfer my pair with the junior Senator from New York [Mr. CALDER] to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. HARRISON (when his name was called). I transfer my general pair with the junior Senator from West Virginia [Mr. ELKINS] to the junior Senator from Texas [Mr. SHEPPARD] and vote "yea."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. I transfer that pair to the senior Senator from Maryland [Mr. FRANCE] and vote "nay."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. I transfer that pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. POMERENE (when his name was called). I have a temporary general pair with my colleague, the junior Senator from Ohio [Mr. WILLIS], who is detained because of serious illness in his family. I understand if he were present, my colleague would vote as I intend to vote. Therefore I feel free to vote. I vote "nay."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Iowa [Mr. CUMMINS] and vote "nay."

The roll call was concluded.

Mr. FERNALD (after having voted in the negative). I inquire if the senior Senator from New Mexico [Mr. JONES] has voted?

The VICE PRESIDENT. He has not.

Mr. FERNALD. I have a pair with that Senator, which I transfer to the junior Senator from Missouri [Mr. SPENCER] and allow my vote to stand.

Mr. ERNST (after having voted in the negative). I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Ohio [Mr. WILLIS] and let my vote stand.

Mr. HALE (after having voted in the negative). I inquire if the senior Senator from Tennessee [Mr. SHIELDS] has voted?

The VICE PRESIDENT. He has not.

Mr. HALE. I have a general pair with that Senator, and, being unable to secure a transfer, withdraw my vote.

Mr. KELLOGG (after having voted in the negative). I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the Senator from New Hampshire [Mr. KEYES] and allow my vote to stand.

Mr. JONES of Washington (after having voted in the negative). I understand the senior Senator from Virginia [Mr. SWANSON] has not voted. He is necessarily absent, and I promised to take care of him during his absence. I am not able to secure a transfer, and therefore I withdraw my vote.

Mr. WATSON (after having voted in the negative). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. He is absent, and I am unable to obtain a transfer. I therefore withdraw my vote.

Mr. SUTHERLAND (after having voted in the negative). I find that my pair, the Senator from Arkansas [Mr. ROBINSON], is not present. As I can not obtain a transfer of that pair, I withdraw my vote.

Mr. CURTIS. I was requested to announce that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

Mr. MCKINLEY (after having voted in the negative). I have a pair with the junior Senator from Arkansas [Mr. CARAWAY], who, I understand, has not voted. I transfer that pair

to the junior Senator from Maryland [Mr. WELLER] and allow my vote to stand.

The result was announced—yeas 21, nays 42, as follows:

YEAS—21.			
Ashurst	George	Kendrick	Trammell
Borah	Gerry	Ladd	Underwood
Brookhart	Harris	La Follette	Walsh, Mont.
Capper	Harrison	McKellar	
Culberson	Healin	Overman	
Fletcher	Johnson	Ransdell	
NAYS—42.			
Ball	Gooding	Moses	Reed, Pa.
Bursum	Harrell	Nelson	Shortridge
Cameron	Kellogg	New	Smoot
Colt	King	Nicholson	Stanfield
Couzens	Lenroot	Norbeck	Sterling
Curtis	Lodge	Odell	Townsend
Dillingham	McCormick	Page	Wadsworth
Ernst	McCumber	Pepper	Walsh, Mass.
Fernald	McKinley	Phipps	Warren
Frelinghuysen	McLean	Poinexter	
Glass	McNary	Pomerene	
NOT VOTING—33.			
Bayard	France	Pittman	Sutherland
Brandagee	Hale	Reed, Mo.	Swanson
Broussard	Hitchcock	Robinson	Watson
Calder	Jones, N. Mex.	Sheppard	Weller
Caraway	Jones, Wash.	Shields	Williams
Cummins	Keyes	Simmons	Willis
Dial	Myers	Smith	
Edge	Norris	Spencer	
Elkins	Owen	Stanley	

So Mr. HEFLIN's motion to instruct the Committee on Banking and Currency was rejected.

The VICE PRESIDENT. The bill introduced by the Senator from Alabama [Mr. HEFLIN] is referred to the Committee on Banking and Currency.

RURAL CREDIT FACILITIES.

Mr. LENROOT. I ask unanimous consent that Senate bill 4287 be laid before the Senate and proceeded with.

Mr. JONES of Washington. I ask unanimous consent that the unfinished business may be temporarily laid aside for that purpose.

The VICE PRESIDENT. Without objection, the request of the Senator from Washington is agreed to.

If there be no objection, the request of the Senator from Wisconsin [Mr. LENROOT] is agreed to, and the Chair lays before the Senate the bill named by him.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

Mr. HEFLIN. Mr. President, I send to the desk an amendment to the so-called farm credits bill which I desire may be pending.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

The amendment of the Senator from Tennessee [Mr. McKEL-LAR], which is pending, will be stated.

The READING CLERK. It is proposed to add to the bill, on page 18, after line 22, a new section, as follows:

Sec. 12. That section 13 of the Federal reserve act, as amended, be further amended by adding after the words "being eligible for discount" and before the words "but such definition shall not include," the words: "And the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

Mr. LENROOT. Mr. President, I desire to submit a request for unanimous consent. The pending bill has now been before the Senate for three full days. The subject matter of the bill was discussed for nearly a week in the consideration of the so-called Capper bill. It is very desirable, if this bill is to get through Congress at this session, that it be sent over to the House of Representatives as soon as is consistent with reasonable consideration here. I do not wish to force consideration, but it seems to me that if we spend the next three days upon the bill we ought to dispose of it by Wednesday next. I therefore wish to submit a request for unanimous consent that at 4 o'clock on next Wednesday debate upon the bill and amendments thereto shall cease.

Mr. KING. Mr. President, let me suggest to the Senator from Wisconsin that he withdraw that request until the conclusion of the debate to-day. I think by 5 o'clock this afternoon we shall be able to know a little better what we should do.

Mr. LENROOT. I am willing to do that, except I wish to say, in order to give Senators ample notice, that if we can not come to an agreement I shall ask the Senate, if the bill is not disposed of by Wednesday afternoon, to sit in evening session until it shall be disposed of.

Mr. KING. I think during the afternoon, perhaps, some agreement in reference to the matter may be reached.

Mr. ASHURST. Mr. President, we have several times during this session by unanimous consent fixed a day upon which we should vote on bills without further debate, and I am in entire agreement with that course of procedure; but my experience here has convinced me that it is unwise at a particular hour to prevent further discussion.

The pending bill is an important measure; I think it should pass and will pass; but I believe that we ought not in the future to enter into agreements affecting important bills that debate shall cease at a particular time. I hope when the Senator from Wisconsin this afternoon asks for a unanimous-consent agreement for a vote that he will merely request that after the hour of 4 o'clock or 5 o'clock on Wednesday or Thursday, as the case may be, no Senator thereafter shall speak for more than three minutes on any one amendment. Some Senators suggest that the time be limited to five minutes. I believe that we have legislated in some instances ill-advisedly by depriving ourselves of the privilege of explaining an amendment. I should be perfectly glad and happy to see the Senator from Wisconsin ask for unanimous consent that at a certain hour all debate be limited to three minutes.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. LENROOT. I think there is very much force to what the Senator says; and when the matter comes up again I shall be very glad to modify my request so that beginning, say, at 1 o'clock on Wednesday the debate shall be limited to five minutes upon the bill.

Mr. ASHURST. The Senator is very generous to increase it to five minutes. I think that is a better rule than to tie ourselves down so that the proposer of an amendment—and frequently the amendments are worthy and have merit—has not opportunity to discuss it. We vote in the dark just after hearing amendments read at the desk; so I am very happy that the Senator will do that.

Mr. NORBECK obtained the floor.

Mr. BROOKHART. Mr. President—

Mr. NORBECK. I yield to the Senator from Iowa.

Mr. BROOKHART. With reference to this proposed unanimous-consent agreement, I have an important amendment to this bill involving cooperative banking which I wish to present to the Senate, and I understand that it will receive some consideration. I think the time suggested here for consideration of the bill is entirely too short.

Mr. CURTIS. Mr. President, it is impossible to hear the Senator.

Mr. BROOKHART. While the unanimous-consent agreement is not asked at this time, I want to say to the Senator that I think the time he has proposed is entirely too short. Nobody has any disposition to defeat this bill or to filibuster against it in any way; but it occurs to me that the Senator's proposition is more an effort to get the ship-subsidy bill back under consideration than it is to bring this bill to a final hearing. I assure the Senator that we will get to a final vote on this bill, but we certainly want time to consider this farming proposition on its merits.

Mr. LENROOT. Mr. President, in reply to the Senator from Iowa I will say that this bill has been before the Senate for three days, and up to this time, outside of two speeches, there has been, I think, no real discussion of the bill, but the time has been taken up upon other matters.

Mr. BROOKHART. I want to reply to the Senator that this bill affects directly 7,000,000 farmers and their families, with a capital investment of around \$80,000,000,000 and with a yearly production, even in these hard times, of eight or ten billion dollars; and yet the Senator seems to suggest that three days' consideration of a proposition involving an industry of that magnitude and that many people is reasonable consideration. I think not. I think it deserves more than that. There is not anything before the Senate that is so important.

Mr. LENROOT. The Senator is, of course, at liberty to object; but now, Mr. President, I want to test the Senator from Iowa. I am going to make a unanimous-consent request now. I ask unanimous consent that while this bill is pending before the Senate debate in the Senate be confined to the subject matter of the bill.

The VICE PRESIDENT. Is there objection?

Mr. COUZENS. Yes; I object.

Mr. KING. Mr. President, in the absence of Senators who may desire to submit some remarks upon other subjects, I think the Senator ought not to submit that request at this time.

Mr. LENROOT. My reason for making the request is because I am so anxious to have the real merits of this matter debated.

Mr. HEFLIN. Mr. President, I suggest to the Senator that he try a 10-minute limitation on debate.

Mr. FLETCHER. That is not the request now.

Mr. LENROOT. No; I was asking unanimous consent that while the bill is pending debate be confined to the subject matter of the bill.

Mr. FLETCHER. I object to the request.

The VICE PRESIDENT. The Chair understands that there is objection. The Senator from South Dakota is recognized.

Mr. NORBECK. Mr. President, I am glad the Senate has decided not to take hasty action in this matter of farm-credit legislation. We have not gone into that matter fully yet. I had a private talk with a few Senators who do not know that the plan under consideration proposes to start up a \$60,000,000 department or corporation, you might say, without a board of directors, attaching it to another department with another board of directors, which department says it will not carry out the provisions of this bill as expressed by the author if it is turned over to it.

We are told here that the farmer needs a three-year credit.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. NORBECK. Yes, sir.

Mr. LENROOT. Does the Senator state that the Farm Loan Board say that they would not carry out the provisions of this law if it should be turned over to them?

Mr. NORBECK. I want to say that exactly, and I am going to do differently than the Senator from Wisconsin did the other day. When he opened his argument on this bill, he requested that he be not interrupted. I am making no such request. I want Senators to feel free to interrupt me at any time.

Mr. LENROOT. The Senator will remember that the Senator from Wisconsin stated that he made that request only when he was outlining the general terms of the bill, and stated that when he came to discuss the details of the bill he would welcome interruption, and he did.

Mr. NORBECK. I did not so understand the Senator, and I know that the Chair protected him many times from interruption. Yes; I want to say that Commissioner Lobdell, who will have charge of the administration of this proposed law under its terms, says that he does not believe in long-time loans. It is in the record of the hearings, which I will refer to later, that if the execution of the law is turned over to him he will not favor a single loan of over nine months, while we are holding up before the farmers a three-year intermediate credit plan. I will get to that later, however. That is not the only objection to the bill. I think if there is any one thing that the country expects of this Congress now it is fair play and good faith and earnestness. Let us deal with the question of agricultural credits seriously and fairly.

There is no occasion for me to enlarge on the necessity of a better farm-credit system. The Senator from Wisconsin has brought that out very clearly. The Secretary of Agriculture has been before the committee and reminds us that for 30 or 40 years there has been a real demand on the part of the farmers for some legislation along this line. Mr. Wallace also stated that a reduction in one-half of 1 per cent of the interest rate would be equivalent to a 20 per cent freight reduction.

We all know that the banking system of the country is not well adapted to the needs of agriculture. In fact, it has not met the requirements of general business until the passage of the Federal reserve act. But, as has been said on the best authority, the Federal reserve act tried to accommodate that business particularly which had quick turnovers. The framers of the bill seriously considered fixing a shorter time than three months when the bill was being drafted, but finally decided upon three months for commercial paper and six months for agricultural paper. But, as the Senator from Wisconsin has so well said, the farmer can not make a turnover in six months. He must have a longer period. He says: "We need credit for from nine months to three years." I agree absolutely to that. There is one of the weaknesses of the American system. While we would not exchange it for any other banking system in the world, yet its weaknesses must be recognized and changes must be made to meet conditions.

The fact was brought out in the hearings of the Banking and Currency Committee that the farmer in the Canadian Northwest borrows his money cheaper than does the Dakota farmer on this side of the line, although Canadian capital is drawn in no small degree from this country.

The Canadian branch-banking system seems to have one advantage. It makes banking and investment capital in that country almost equally available to each section.

One of the difficulties of our system is that our farmers, as we all know, are so largely dependent upon the local bank of deposit. Often this bank is a small concern. Its deposits are limited to the earnings and savings of the community, and often entirely out of proportion to the demands made upon it, especially in years of deflation or poor crops.

The country expects Congress to provide a facility for making some of the surplus funds in money centers available to the farmer at a reasonable rate of interest without the payment of usurious commissions.

The Senator from Wyoming [Mr. KENDRICK] related to the committee a very impressive incident occurring out in Wyoming about one of the best farmers there being compelled to sell his live-stock herd, not because his paper was poor but rather because it was very good. Banks in distress have to collect. Necessarily they do not attempt to collect poor risks; that is no use. Too often they put the best man in the community out of business. The savings of a lifetime are swept away. This is a condition we want to get away from.

I do not want to speak in criticism of the investigating committee that has dealt with this particular economic question—the Committee on Agricultural Inquiry. I feel they are entitled to great credit for undertaking to work out a solution of the problem. I believe they have worked earnestly and honestly with the right purpose in mind, and I feel that it is very appropriate that any legislation resulting from this investigation should bear the name of the Senator from Wisconsin. He has devoted more time to it than any other Senator, but, Mr. President, it is a big problem and the committee did not have time to consider it properly.

It took Members of Congress two years to perfect the draft of the Federal reserve act. Several amendments have since been added. The Joint Committee of Agricultural Inquiry seems to have overlooked the fact that the temporary requirements were being taken care of by the War Finance Corporation and that any plan proposed was virtually a substitution for this work. What did they propose? They first presented a bill providing for a capital of \$12,000,000, this to take the place of an agency of the Government that was operating with \$512,000,000 capital—\$500,000,000 of original capital and the earnings that had accumulated in the meantime—and still this committee proposed seriously and pleaded earnestly that we practically accept that as the substitute.

I am glad to say that even the members of the committee that drafted this bill—Republicans and Democrats alike—have long ago abandoned that idea. I hold it not against them that they proposed the plan, which was doubtless intended to be a forward step. It is hard for Senators, who have worked faithfully on a measure, to come forward and admit that it fails to accomplish the desired purpose, but several of the members of the committees that have handled this proposed legislation have risen to the occasion. If all the Members who served on the three different committees would frankly admit we are wrestling with a big problem, and that it has not been solved any too well, we would be in a fair way to find the solution and agree upon it. Pride of authorship must not stand in the way. Our leaders should not insist on forcing through Congress a bill of doubtful value and possibly serious consequences. We should be willing to look the facts squarely in the face. If we do that, there is no danger of serious mistake.

It is well to keep in mind that the Senator from Wisconsin has given two splendid reasons for the enactment of intermediate farm credit legislation. First, make available for the farmers loans for a longer period; second, make available for agriculture some additional funds to be secured by the Government from the available investment capital of the country.

But, to my mind, there are two other reasons that should not be overlooked. One is to make some provision for the more gradual liquidation of the loans made by the War Finance Corporation, so that, in collecting, the farmer is not caused unnecessary hardship. We can also feel certain that the right kind of Government intermediate credit plan will tend to bring down interest rates on personal or chattel loans, just as certainly as would the Federal farm-loan system tend to bring down interest on farm mortgages.

Many bills have been presented. None may be perfect, but some are at least drawn along sound lines and are workable.

It was my privilege to introduce the bill proposed by the Farmers' Educational and Cooperative Union. This bill, as I have said, was modeled somewhat after the War Finance Corporation plan. It provides for a separate administrative board to be selected for this very purpose, men well qualified and in sympathy with the work. It provides for a capital of \$200,000,000 with power to sell debentures to secure additional

funds. The capital is large enough so it will accomplish its purpose. There need be no delay in getting started, as it provides for taking over a going concern, but to convert it to a permanent agency of the Government dedicated to the purpose of providing a suitable credit plan for the American farmer, supplementary to the Federal reserve plan and the Federal farm-loan plan, neither one of which adequately meets the situation. It permits and contemplates the establishment of branches or agencies in each of the States where there is a sufficient demand. It permits and suggests cooperation with the States. In other words, it provides a practical plan without unnecessary red tape.

The Farmers' Educational and Cooperative Union is one of the largest farm organizations in America and its suggestion should at least have been given fair consideration by the different committees having charge of credit plans during this session of Congress.

Later, the special committee of the farm bloc requested Mr. Herbert Myrick, of Springfield, Mass., to draft an intermediate farm credit bill. Mr. Myrick has been a lifelong student of farm economics, and his advice has been valuable in the drafting of the Federal farm loan act and other legislation important to agriculture. He is at present director of the Federal Farm Loan Bank of Springfield, Mass., and is also the publisher of several conservative farm journals. Frankly, it looked to me as though Mr. Myrick's bill suggested practical elements for solving this problem. This bill provided for adequate capital, for an agency in each agricultural State. The bill was so drafted as to bring the States into the support of the system. The cooperative features were well worked out. I was disappointed, indeed, when I found that this splendid measure had so few supporters in Congress—that it could not be brought out for proper discussion and consideration. It may not be acceptable in all respects. There may be room for changes in it; but let me say these matters have not yet been considered.

I have no desire to criticize the Federal reserve bank system. Its creation was a forward step, but I do not believe that even with the amendments now pending it will be able at all to meet the demands of agriculture. We are certain of one thing, and that is its failure was admitted by Congress a year and a half ago, when it passed the legislation rehabilitating the War Finance Corporation.

The credit extensions resulting therefrom saved hundreds of banks from failure and thousands of farmers from bankruptcy. While it did not provide much additional credit, it caused banks to stop forced collections when they could secure loans through this agency. More time was given for liquidation. Forced marketing of farm products, which each day brought lower prices, came to an end. Orderly marketing was restored. Prices immediately showed an upward tendency.

We were taught a real lesson as to the effect of reasonable credit extensions. Had smaller credit extensions been made or a slower process adopted, the effect on the market might not have been perceptible. This is one reason I am fearful of voting for any measure that will result in a reduction of credit to agriculture now being made by the War Finance Corporation. The question of additional credits to the farmer is not really as important as to guard against sudden and violent contractions. He is not in position to meet unexpected demands at this time.

It is not only important that the capital provided be adequate, but it is of equal, if not more, importance that the organization or machinery set up be more workable than that provided in the bill now pending before this body. My objections are fairly well set out in the conclusions of my minority report, as follows:

- In view of—
- (a) The uncertainty of expert witnesses who appeared before the committee as to the workability of this bill;
 - (b) The lack of capital provided to meet the need of the agriculturist;
 - (c) The cumbersome method proposed in moving funds from one Federal land bank district to another;
 - (d) The uncertainty of successful administration when handled as a side line by Federal farm loan banks, which are inexperienced in this line of work and without facilities for handling same;
 - (e) The failure to place the administration of this proposed legislation in the hands of the War Finance Corporation, which has already demonstrated its ability to successfully function under the provisions of existing law, or in the hands of some separate agency;
 - (f) The danger that the offering for sale of farm loan debentures (by 12 different district banks) will adversely affect the market for Federal farm loan bonds; and
 - (g) The unscientific character of the bill in general—
- It is my opinion that this proposed legislation is too experimental in its nature to be of practical benefit as intended, and same is not sufficient in scope to adequately meet the present situation.

Mr. FLETCHER. Mr. President, I would be very glad to have the Senator elaborate somewhat on the suggestion that

the putting into operation of this system would adversely affect the sale of farm loan bonds. Will the Senator please point out in what way that would result?

Mr. NORBECK. I will point that out a little later through the statements of the expert witnesses who came before the committee. They called attention to the danger of that; and I think Mr. Leffingwell, formerly Assistant Secretary of the Treasury, was one of them. I think Mr. Lobdell was very specific in saying in substance, "I do not want the job of selling these debentures if you are going to authorize debentures under the Capper bill also," and the Senate has already done that.

Any credit plan has two main parts: First, get the money; and, second, loan it safely and discreetly. Therefore, there are two questions before us. First how can we best get the funds? Second, how can we best distribute them where they are really needed? Is not that all there is to it? If we keep those two thoughts in mind we can work toward the solution of this question and forget any bills that may be pending. Mr. President, let it be remembered that I am not here saying that any of these farm-credit bills should be adopted in toto, and I may add that the Lenroot bill has been decidedly improved in the various stages through which it has gone in the last few months.

The bills before us may be divided into two classes. In the matter of getting the money, some of them propose a central board with a central fund. No one will say you can not get the money by following the plan of the War Finance Corporation.

The Lenroot plan does not provide for any central fund, but on the other hand provides for setting up a new department in connection with each of the 12 different land banks and letting each one go out and get the funds the best it can. It may work or it may not. I find that who I consider were the expert witnesses before the committee were very much in doubt as to whether the funds could be secured in this matter.

I was taken severely to task the other day by my friend, the Senator from Wisconsin. He did not mean it in any unkind way, but he took me to task for stating in the minority report that none of the witnesses before the committee believed that we could secure the necessary funds in the way he suggested. I had in mind Mr. Meyer, an able financier; I had in mind Mr. Leffingwell, to whom I have previously referred; I had in mind Governor Platt, of the Federal Reserve Board; I had in mind the Secretary of the Treasury, Mr. Mellon; but the Senator caught me in a mistake. I had made an error. I had overlooked the fact that the Senator from Wisconsin did testify before the committee that we could, and I beg his pardon.

His reference to the fact that I had not read the report was true. But I did not read it because I was present and heard the Senator make his statement, as the record will show.

The Lenroot bill, briefly, proposes that each land bank shall be provided with \$5,000,000 as capital for personal-credit purposes and borrow what they can with that as security. I made the further mistake of saying that this capital could not be loaned. I based that on a careful reading of the bill. It seemed ambiguous to me, so I examined the committee report, which I understood was drafted by my friend the Senator, and I thought that would clear the matter up; but, as the Senator said the other day, the explanation is that there is a mistake in the report; so I may be excused for that error.

One of my criticisms of this bill is that there is no regard given to the needs of the different sections of the country. There is an abundance of banking funds and investment capital in the United States, if it were well distributed. Everybody admits that. Foreign governments can come here and sell almost all the bonds they like, and the money goes out. Therefore, the thing we are aiming at is to get this investment capital nearer to the farmer. But the presumption of this bill is that the need is the same in each district; that the need is the same in Springfield, Mass., as it is in Omaha, Nebr., and that it is the same in Berkeley, Calif., as it is in a southern land-bank district. The experience of the country shows the opposite to be true. It does not take a banker to know that you must get money from the money centers. But, by this bill we propose to establish farm-credit banks in the money centers and give them exactly the same capital and exactly the same chance as have those in the sections where there is really demand for the money. What will be the result? The upshot will be that some bank will fail to function for lack of demand; others will fail to function because they can not supply one-fourth of the needs of the district. In other words, lack of mobility is one of the criticisms of the plan of the bill, and it grows out of the fact that you have not a central board clothed with authority to mobilize the resources of all the banks.

The Special Committee of Agricultural Inquiry commend most highly the mobility possible under the Federal reserve bank act, where the central board has authority to order the district banks to come to the relief of each other. I regret that the same committee that recommended this feature so highly in the Federal reserve act omitted it from the intermediate farm-credit plan. Under the pending bill, it is purely voluntary with the district land banks as to whether they will assist each other. It could hardly be expected that one bank would borrow on its own credit to assist some other far-away bank.

This matter was called to the attention of Mr. Hoover, the Secretary of Commerce, who is in favor of this bill. He was before the Banking Committee to help in expediting the bill, and when his attention was called to this weakness of the plan, he said—page 381 of the hearings: "My impression is it might as well be made obligatory and pool the whole lot. That is my feeling about it. Inasmuch as they have to take the joint responsibility for these notes they might as well pool these resources." He was a friendly witness, a witness trying to help in perfecting needed legislation; but his suggestion was not followed.

One of the questions to be decided is how large a capital is required for this purpose. The difference of opinion is much smaller than when the proponents of this bill suggested that a total of \$12,000,000 would be sufficient. By various steps this has been increased to \$60,000,000. If we continue to give some consideration to the merits of this question we will by slow but easy stages arrive at the conclusion that about \$200,000,000 should be the minimum. We know fairly well what is needed. We have the experience of the War Finance Corporation. Let us not pass an act that is restrictive in its nature. It would be unfortunate indeed if the enactment of this bill should result in the farm loan banks undertaking to do the work now performed by the War Finance Corporation. I have no authority to speak for the corporation, but the rumor has been about that they feel the passage of the Lenroot bill will relieve them of this burden. The intent of Congress could easily be so interpreted.

The first result of the passage of this bill may simply be a restriction of agricultural credit instead of a provision for additional funds.

Mr. KING. Will the Senator permit an inquiry?

Mr. NORBECK. Certainly.

Mr. KING. I inquire of the Senator whether, in his view, as we return, happily, I hope, to a condition of normalcy, the demand for these credits will be as great as they were at the period which seemed to demand the re-creation of the War Finance Corporation? I invite the Senator's attention to the coming year and the year following, with the slight improvement which we are witnessing in our commercial and industrial life, with a view to asking him the question whether he believes that it is essential to maintain such a large fund as \$500,000,000, as it is now, with the War Finance Corporation for the purpose of extending credits to the farmers and to the stock growers, in view of the facilities which are afforded to the large banking interests of the United States, with their assets of practically \$40,000,000,000, and with the fact, which is obvious to those who are familiar with the situation, that in many of the banking districts to-day they can not find persons or corporations to borrow their money, which is piling up in the treasuries.

Mr. NORBECK. In answer to that I will state that the bill I have introduced does not provide for a capital of \$500,000,000; it provides for a capital of only \$200,000,000. But speaking further on the matter, I will state that I do not claim to be able to foresee what emergencies might arise. If the Federal reserve bank had not been able to stand a much greater strain than even its proponents thought it would meet, it would not have stood up; and if we provide credit facilities for the farmers, let us take the same measure of safety as when we provide for commerce and industry. Therefore give them the benefit of the doubt.

Mr. KING. Mr. President, will the Senator yield for another question?

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). Does the Senator from South Dakota yield to the Senator from Utah?

Mr. NORBECK. I yield.

Mr. KING. I agree entirely with the Senator that all facilities should be afforded for agriculture and the live-stock industry to obtain legitimate and proper credit. I invite the Senator's attention to the fact that with the amendments which are being offered, and doubtless will prevail, to the Federal reserve law the opportunities to extend credit to agriculture through the Federal reserve system will be greatly enlarged. Undoubt-

edly, if we make eligible for rediscount agricultural paper for a period of nine months, there will be millions and tens of millions of dollars loaned to agriculture by the Federal reserve banks which in the past have been denied.

Does the Senator take that into account in considering now the character of legislation which we offer in the creation of an independent organization? In my opinion, the Federal reserve banks will covet the paper of agriculturists. With six and nine months' limit, with the competition which the pending bill would create, and with the competition that is going on throughout the country to-day, there would be a desire upon the part of the Federal reserve banks, in my opinion, to extend credit to the farmers and they would not hesitate to take good agricultural paper from any part of the United States. I direct the Senator's attention to that fact, hoping that he will amplify it in his discussion of the needs of agriculture and the need for the particular legislation now before us.

Mr. NORBECK. The Senator may remember that I was a supporter of the amendment to the Federal reserve act giving the farmer's paper nine months' time. I know it can not be harmful; I believe it would be helpful. To what extent it would be helpful it is impossible to foretell.

The fact was brought out forcibly by some witnesses before the Committee on Banking and Currency, men who were experts in their line, men who have made a life study of the question of finance, that many sections of the country have banking facilities which are inadequate; that even though the money were available the local banks dare not borrow, they dare not underwrite, they dare not involve themselves. That is especially true of nine months' paper. They know the farmers can not make their turnover in time to take care of the paper, but the psychology is bad because, while it is easy to say to the farmer, "The Federal reserve bank can take care of you; they will take care of you; we can prove it to you," yet they invariably make answer and say, "Yes; but they did not." If we go to the banker and say, "The Federal reserve bank will take care of you, they are able to do it, they have the funds available to do it," the banker replies, "Yes; but they did not take care of us." In other words, you may go to them and say, "We will renew in nine months, and it really means three years' time," but they are not sure what it does mean. They are afraid it may mean nine months, and they know the farmer can not make the turnover in nine months.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. NORBECK. Certainly.

Mr. CARAWAY. What always happens, if the farmer is not able to pay at the expiration of the shortest period mentioned, is that the bank at once grows uneasy and presses for payment, so that very fact tends to bring on a local panic so far as the farmer is concerned. Is not that the fact?

Mr. NORBECK. The Senator is entirely right.

The plan proposed for raising money is, as I have stated before, for the district land banks to borrow by the sale of debentures. The question is, Will those debentures sell? Are they always readily salable? The Senator from Wisconsin assures us that we can take the \$60,000,000 of capital and multiply it by 10 and have \$600,000,000. That is easy, but we know that men who have money are often finicky or, we think, unreasonable, when we try to borrow from them, but they insist on applying their own judgment in the matter. Sometimes it is difficult to tell in advance how they may view the thing. The Committee on Banking and Currency tried to ascertain that, and the question was asked of witnesses who appeared before them.

I want to refer to Commissioner Lobdell's testimony. I look upon Judge Lobdell, head of the Farm Loan Board, as one of the most capable and most experienced and careful men. He has had long banking experience in a Western State. His experience is very unusual. I would value his judgment highly, as to what he thinks about it.

The Senator from Wisconsin quoted from the testimony as an expression of Commissioner Lobdell, as follows:

The Lenroot bill, speaking broadly, is well worked out and proposes a practical and workable plan of meeting the situation.

That statement, isolated from all the testimony of the witness, leaves an entirely erroneous impression.

First, it must be kept in mind that Commissioner Lobdell is not speaking of a three-year plan of loans; in fact, he suggested that under his supervision nine months would be the limit, and suggested further that debentures of less than six months be permitted. He said, in fact (page 249 of the hearings):

I was going to say that if the administration were intrusted to the present Farm Loan Board, I would not make a chattel loan to anybody for more than nine months under any circumstances.

I say this not in criticism of Judge Lobdell, but he is not much in favor of the plan. His experience and training are such as lead him to take the other viewpoint. He thinks there is not much value in it.

In fairness to Commissioner Lobdell I quote from the record, page 218:

The CHAIRMAN. Do you think these debentures would be salable?

Mr. LOBDELL. I understand a much more eminent authority than I on this question dodged it a day or two ago. No, sir; I do not.

This is a case where the Senator from Wisconsin insists that "No, sir" means "Yes, sir." I fail to understand it in that way.

Then, again, Judge Lobdell continued:

Not because they (these debentures) are all unsound, but because they lodge between the desires of two types of investors. I may be pardoned, for I know something about the debenture market. I have sold \$600,000 of them. There are two distinct types of investors—the short-time investor and the bank of quick turnover, and the permanent investor—and the three-year investment is too short for him and it is too long for anybody else.

On page 248 he stated that his remarks as to the unsalability of debentures "should be confined to the three-year debenture." He thinks the six months' debenture would be salable, but what good is a six months' debenture for agricultural needs?

In view of the uncertainty of securing funds, I suggest that the passage of the bill at this time would probably prove to be a real disappointment. When we revived the War Finance Corporation a year and a half ago we took no such chances. We provided an abundant fund to be paid from the Treasury, and also provided for the sale of debentures, if needed.

Commissioner Lobdell also called attention to the fact that the debentures provided under the Capper bill might adversely affect the market for debentures provided under the Lenroot bill. I quote him verbatim:

If the two measures were passed and the task contemplated in the Lenroot bill were assigned to the Farm Loan Board, I would want the debenture issue suggested in the Capper bill eliminated.

They were not eliminated.

There is room for difference of opinion as to how much funds should be taken out of the Treasury for this purpose. Some Senators contend that it is all wrong. If so, we were all guilty when we rehabilitated the War Finance Corporation a year and a half ago. Is it possible that such a capable financier as Eugene Meyer, jr., advocated and worked out a poor plan? No, Mr. President; I think he took the only course that was certain to be successful. Theoretically, we should not go to the Treasury for this purpose, except so far as it is necessary. When it comes to actual practice we find that it amounts to about the same thing, whether the Treasury borrows the money or it is borrowed by the agencies proposed in the pending bill.

Where do the funds in the Treasury come from? Mostly from the sale of Government securities, do they not? Then, no matter which of the suggested bills becomes a law, we provide funds for the farm-credit system by pledging the Government's credit. The Treasury can borrow by the sale of certificates or bonds. Funds may be borrowed by the Farm Loan Board in practically the same manner by selling its bonds. The one practical difference may be that in this case a higher rate of interest must be paid.

Mr. KING. Am I to understand that the Senator from South Dakota believes in a banking system which is founded upon a permanent furnishing of capital by the Government of the United States, or does the Senator not believe that where the Government furnishes the capital, as we did in the case of the War Finance Corporation, it ought to be by reason of some exigency, and that we ought to approximate as nearly as we may the supply of credit for commercial and agricultural and other purposes by the utilization of the large fund of private capital which the Senator confesses exists in the United States? It would seem to me that there are conditions that would justify the taxing of the people in order to furnish money for the establishment of a bank for the purpose of extending credit to agriculture and to other activities of our country, but, generally speaking, does not the Senator think that the best and the soundest banking system is one which rests upon private capital, the introduction through the machinery provided by the Government into the avenues of trade and commerce of the actual savings of the people of the United States?

Mr. NORBECK. Mr. President, the theory of the Senator is quite accurate. We should not do any more than is necessary, and I submit that even under the proposed Lenroot bill that is exactly what is proposed to be done.

Mr. KING. I concede that.

Mr. NORBECK. We might go further and speculate whether it is a kind of subsidy, as has been charged. We may also ask whether the relief for the railroads is a subsidy, and whether

the proposed subsidy for the shipping industry is all wrong. We might inquire whether the subsidies to the manufacturers under the tariff bill are wrong. We may go into it endlessly. But I wish to make the statement that if this does look a little like subsidy I would not shy at it, for the farmer has the short end and we should not be so concerned about which theory we apply for his relief.

Mr. STERLING. But, Mr. President, if the Senator from South Dakota will yield to me, as I understand my colleague, it is his position that the exigency exists now?

Mr. NORBECK. Yes, certainly; exactly so.

Mr. CARAWAY. Mr. President, may I interrupt the Senator from South Dakota?

Mr. NORBECK. Yes; certainly.

Mr. CARAWAY. When we put unlimited credit back of commercial enterprises and speculations, it seems to be entirely legitimate, does it not? Nobody falls out with one about that. When every kind of paper is subject to discount, and the Government with its unlimited gold reserve circulates hundreds of millions of dollars of Federal reserve notes, that is all right. The trouble, however, comes when it is desired to extend aid to the worst oppressed class of people; then it is feared that we may be taxing somebody in order to aid the farmer, is it not?

Mr. NORBECK. The Senator from Arkansas is right as to that.

The reasons given by the proponents of the pending bill for attaching its administration to another department and running it as a side line to the farm loan banks, are two: First, to avoid delay; second, to avoid expense. Which would cause more delay, start up new departments in connection with the land banks, or take the War Finance Corporation, already a great and successful concern, as proposed in the other bills? It is my opinion that the Lenroot plan would involve the greater delay. The element of time, however, is not so important when we consider that a bill providing for an extension of the life of the War Finance Corporation has already passed the Senate and is quite certain of becoming a law. There is plenty of time in which to set up the agency that will perform the best service. Therefore, the question resolves itself into one of expense only.

I would certainly be pleased to bring about economy, but this is the first time we have ever known of a business starting with a large capital where it was felt that it could not afford to have its own board of directors and to pay them for giving supervision to the \$60,000,000 business. Really, I am fearful this kind of economy will lower efficiency and lead to losses.

The larger farm organizations of the country have expressed themselves in favor of a distinctly separate agency with its own board of directors. Why not heed the expression of the farm organizations in this matter?

I realize that we can get into endless argument here as to who indorses or approves this bill. The other day the Senator from Wisconsin [Mr. LENROOT] read a strong indorsement of his bill from the Washington representative of the National Grange. This statement said in substance: "I have examined all the proposed bills up to date and yours is the best." The date was not given by the Senator, but it appears in the RECORD. The date that letter was written was one month before I introduced the farmers' union bill. That date was before the Simmons bill was introduced. That date was before the Myrick bill was introduced. I believe the representative of the grange had good reasons for writing as he did at that time.

Mr. President, I would have joined him in such an indorsement at that time. The RECORD also shows that some cooperative marketing organizations met here and indorsed this bill. They possibly felt that it was adequate. One of their representatives before the Banking and Currency Committee put great stress upon the fact that the farmer would soon be able to secure his funds through ordinary banking channels by the assistance of the Federal reserve bank. The Senator also read an indorsement from some cattle organization in far-away Texas, to whom the pending bill seems entirely satisfactory. These people will properly operate largely under the so-called Capper live stock bill, anyway. However, I have no doubt that a good many farmers and farm organizations will look with favor upon any farm-credit legislation proposed, especially if they are given to understand that this is the best that can be secured from an unwilling Congress.

Let us be fair with the RECORD. I telephoned the grange office the other day. The chief representative was not in the office, but his assistant informed me that they had indorsed the Lenroot bill, because it seemed to them they must accept this or get nothing. Why should they not indorse it under such circumstances?

The able Senator from Wisconsin informed this body that the Farm Bureau Federation favored his bill with certain

changes. That is true; it favored it "with certain changes." What are the changes? The changes are mainly the changes that I am contending for here.

I have here a letter from the American Farm Bureau Federation at Washington, written on January 17, from which I shall read only a few lines:

With the intermediate credits subject now before the Senate we wish to urge upon the Members the importance of earnest consideration and passage of a measure which will, by its terms, authorize and provide a workable system for the use of the American farmer. To be so, we believe it must be administered by a separate board and so constituted that it will function freely in supplying the farmers' needs.

In other words, Mr. President, they are asking for a separate administrative board, an abundant fund, and a mobile plan—that is what they are contending for. This is not an indorsement of the Lenroot bill; it is an indorsement of my position. As we all know, the Farm Bureau Federation is one of the largest organizations in America.

Put the question squarely to any of the larger and conservative farm organizations, "Do you want the Lenroot bill?" and they will reply, "Yes; we will take a half loaf rather than none." If, however, they are asked, "Do you favor this bill in preference to other bills?" they will reply, "That is another question; we have never said that we did."

The farmers of the country are pleading with you that the administration of this plan be placed with a separate board—a board that is in sympathy with the work; a board that believes in the theory of the bill; a board that desires to provide credit for the farmer along the same line as the Senator from Wisconsin advocates, namely, loans of from nine months to three years.

Let us not enact another fake such as the postal savings bank law. If we do, it will not serve an important purpose. I am not criticizing Commissioner Lobdell for saying that he would not make any loans longer than nine months. I know this view is shared quite generally by bankers, who prefer short-time paper. The bankers always argue that the possibility of renewals is sufficient protection for the farmers, but the Senator from Wisconsin insists that we should provide a credit system especially adapted to the farmers' needs—slow turnovers of from nine months to three years. If we are to do that, let us place the operation of the system in the hands of men who view the matter in the same way as does the Senator from Wisconsin. The administrators of the fund must believe in the purpose of the law.

Several of the experts who appeared before the committee called attention to the fact that the Farm Loan Board was not equipped to handle the matter of personal credits or chattel loans. They thought it required a different kind of personnel—men trained along different lines. I have often heard the suggestion about the Senate that it was quite logical to even put this class of farm loans under the management of the Farm Loan Board. But we overlook the fact that under the proposed law it is not intended to make a single loan to farmers. This bill does not provide for farmers' produce credit at all, except through the banks. It proposes to deal with the banker, who in turn will lend the money to the farmer. If that is to be the only plan followed, we will find the district offices badly located; they should be as nearly as possible in the Federal reserve bank cities.

The Federal reserve bank is in close touch with the bankers of the country. Up-to-date information can be secured. But would it not be better to also establish an agency in each of the States where the business to be done would justify it? This had been suggested by Mr. Myrick, and Commissioner Lobdell suggested permissive authority be granted to establish branches in the States.

Mr. President, the history of this legislation is as follows: First, the Joint Committee of Agricultural Inquiry wrestled with the problem, as I have said. I believe they worked conscientiously to find a solution, and they made a start. They found there was great need of an intermediate credit system for the relief of agriculture. They worked out a bill. The measure was crude, it is true—but nevertheless it was a beginning. They presented it to the farm bloc for indorsement, but the members of the bloc called attention to the utter inadequacy of same. The result was that a motion was carried to refer this bill, together with other rural credit bills, to a special committee to be appointed by the chairman of the bloc, and he to act as chairman of the committee. The instructions were to draft a new measure embodying the best features of each bill. There was a delay of many months, and finally the committee reported the Lenroot bill, with certain changes, to the farm bloc. For the first time I learned that the special committee had given no consideration to any other measure.

Of course they found it difficult to harmonize the best features of each bill, because the two plans proposed are radically different. The bloc twice refused to approve the Lenroot bill with the suggested changes.

Members who served on the committee have stated both publicly and privately that they regret the necessity of supporting the Lenroot bill. A leading member of the committee said: "I am frank to say it is my third choice. I favored the Simmons bill first, the Norbeck bill second, and the Lenroot bill third, but I understand the administration has decided which bill we must have, and I do not want to stand in the way of farmers' legislation."

We have heard the statement made that the administration would be against any other credit bill. I have, however, investigated for myself, and I am fully satisfied that there is nothing to that statement. I believe it has been circulated for the purpose of discouraging the consideration of other measures. The administration has not expressed a preference as to the different measures. The administration is simply on record as favoring some substantial and practical farm-credit legislation. But under a misconception as to the attitude of the administration a great many Senators are committed to his bill.

The bill was brought before the farm bloc for consideration on two different occasions, and each time failed to get its indorsement.

The Committee on Banking and Currency held hearings for two weeks. Close attention was given to this bill, also the Capper live stock bill. But, Mr. President, the committee did not go into the question from the standpoint of credit for the farmer. It absolutely ignored other bills before them. They took it up entirely from the standpoint of trying to perfect the bills above referred to, apparently selected in advance. We could not get an hour's consideration of any other farmers' credit bill before the committee, although the farmers' union bill was introduced by me in April, last year, and has never been considered by the committee.

Possibly the best solution of this whole question is to refer the matter back to the committee for further consideration. This bill must be radically changed to accomplish its purpose or one of the other bills substituted in place of same.

Mr. STERLING. Mr. President, did not the Committee on Banking and Currency consider the Norbeck bill in connection with the Lenroot bill and other bills?

Mr. NORBECK. There was not an hour's consideration of any bill except the Capper bill and the Lenroot bill. My bill was read hastily to the committee; objections were raised to two or three little things in it, which I offered to change. I have changed them and have reintroduced the bill.

Speaking on this bill the other day, the Senator from Wisconsin referred to the minority report and declared:

The farmers do not want charity.

No; certainly they do not want charity. Nobody has proposed any charity for them. It is not fair to charge them with seeking charity because they insist on credit legislation adapted to their needs. Was the rehabilitation of the War Finance Corporation an act of charity? I heard no one say so at the time. How can it be charity to suggest now that a permanent, workable plan of sufficient scope be enacted into law? I insist, Mr. President, that this charity reference has no place in the discussion of this question.

We overlook the fact that during the period of inflation all prices went high except that of wheat. This was actually reduced below market prices by Government order and held down. The loss to the people of my State was probably \$100,000,000. Now our attention is called to the fact that the War Finance Corporation has made loans to South Dakota people to the amount of about \$15,000,000, or less than one-sixth of the money that was taken away from the farmers by Government wheat control. Is any Senator going to insist that these loans are an act of charity?

One would think from the debate here that the farmers were seeking to borrow large additional sums of money. This is not true. The farmer is asking, first, that the Government assist him in a fair way to secure a better proportionate price for his products. His dollar is worth only 68 cents as compared to pre-war levels, because nearly everything that he buys carries a high price.

This bill ignores the fact that the loans in the Omaha district were about \$50,000,000. It proposes to set up a department or bureau with \$5,000,000 capital for the Omaha district. It is entirely too small and out of proportion to that provided for other districts.

Mr. President, criticism has been made on this floor of the suggestion in the minority report "that some provision be

made in rural-credit legislation whereby farmers, who are financially responsible, can conveniently associate themselves into groups for the purpose of securing loans for the individual upon the indorsement of the group." The Senator from Wisconsin inquires who is going to pay for the operation of such a system. He asks: "Is it the farmer?" The question requires a frank answer. I would say: "Most certainly it is the farmer." He is not asking that we lend him money at less than cost. I will admit that most of the loans will be made through banks, and that there will seldom be demand for credit extended to a farmer group. But the provision should be in the law so that it is available. The highest authorities on banking matters have stated at the hearings before the committee that in certain sections the banks were unable to extend credit further. There must be a pretty definite relation between the bank's capital and the amount of business that it does. Banks in such communities might be not only willing but pleased to help the farmer form these temporary organizations for the purpose of securing the loans. All I am asking is that you provide the plan. Occasionally we find bankers who are unwilling to extend reasonable credit even when the funds are available. There were banks in my State who refused to take money from the War Finance Corporation, because the margin of interest was lower than what they customarily charged. They were afraid that making some loans at less than 10 per cent would tend to injure their business in the future, and they did not have sufficient funds available to even provide credit when a farmer was willing to pay 10 per cent.

These are only exceptional cases, but they are real. We should, if possible, protect the farmer against this kind of a condition. It can only be done by providing a method of doing business direct with the Government. Even though the method be rather slow, cumbersome, and expensive, it will at least be a way out. When the farmer finds the banker unwilling to extend reasonable credit on good security, he can say to Mr. Banker, "If you can not accommodate me, I will get the money in another way," and you may be certain that the banker will do his best to hold his customer. A plan like this, I believe, would prove to be a very helpful thing and would cause no expense to the Government and would not work unfairly to any person.

I also call your attention to the fact that Mr. Leffingwell said he thought it would be unwise to unload on the Federal Farm Loan Board—an organization created for making loans on real-estate mortgages, which is a relatively simple operation—the business of supervising a farm-credit bank.

This bill in its present form does not have the indorsement of the experts who were asked to come and advise with the Committee on Banking and Currency on this legislation. Some thought the bill unnecessary, in view of the extension of the War Finance Corporation. Some favored the bill, but suggested important changes to make it workable. The Secretary of the Treasury called attention to the necessity of reorganizing the farm-loan system if a line of personal credit was to be added.

Why give the farmer an unworkable plan? Why provide inadequate capital? Why put the administration of the act in the hands of people who are unfriendly and who will not carry out the purpose of the act as interpreted by the author of the bill?

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. NORBECK. Yes, sir.

Mr. LENROOT. For information, I should like to know if the Senator can tell us what bill the farm bloc did indorse. I do not happen to be a member of it, and I am asking for information.

Mr. NORBECK. I want to say that the only motions that were ever made in the farm bloc to indorse any bill were to indorse the Lenroot bill, and the motions did not prevail.

Mr. President, I deplore the way in which this matter has been handled. I do not agree with those who say that we must take this bill because we can not get anything better. I believe that if this matter had been pressed in the beginning of this Congress, or a little earlier, if it had not been delayed so long, we would now have a satisfactory bill enacted. We have provided legislation for the protection of every interest. The farmer's credit legislation comes last. We can hardly argue with you now; we can only plead with you.

Mr. LENROOT. Mr. President, will the Senator yield right there?

Mr. NORBECK. Yes, sir.

Mr. LENROOT. Is not the Senator aware that this bill has been delayed for nearly a year at the request of the members of the farm bloc, because it was represented that the farm bloc

wished to get together and agree upon some measure, and for that reason alone I did not press the measure for something like a year?

Mr. NORBECK. Mr. President, that question should be addressed to the committee who had the bill in charge during those months. Several members of it are present. I will not attempt to speak for them. They tell me that they have been at work on the bill; but, anyway, we are getting in at the late end of the session. We are getting in after every other interest has been taken care of.

Mr. LENROOT. Again I wish to assure the Senator from South Dakota, if that be true, that it is the fault of the farm bloc, not the fault of anybody else.

Mr. NORBECK. I want to remind the Senator again that I did not have the pleasure of serving on the committee of the farm bloc that handled that matter. I know that the Senator from Wisconsin did not, either, but he was in close touch with them, and they finally brought out his bill with a few changes.

Mr. BROOKHART. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Iowa?

Mr. NORBECK. I do.

Mr. BROOKHART. I want to suggest in reference to that matter that the proceedings of this whole session have been directed toward another purpose. There have been proposals of night sessions, 11 o'clock sessions, recesses, and all that, for the purpose of promoting a little enterprise known as a certain shipping bill, involving the interests of only a few people; but no fair, reasonable chance has been given to consider farm legislation on its merits at all since I have been here. Nobody in the farm bloc that I know of is trying to delay this legislation. They are all trying to boost it. They all wanted to get it before the Senate and give it full consideration, and after doing that and getting out an inadequate bill like this, they want to dispose of it in three days and get back to the shipping bill.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to his colleague?

Mr. NORBECK. I do.

Mr. STERLING. I do not like to, and yet I feel that I ought to challenge a little the statement of the Senator from Iowa in regard to the shipping bill having interfered with other legislation, because I remember the announcement of the Senator who had in charge the shipping bill that as soon as an agricultural credits bill was reported he would lay aside the shipping bill or ask unanimous consent that it be temporarily laid aside, and it has been laid aside from time to time for the consideration of other bills and has not occupied a moment of the Senate's time, except the time in which the Senator asked to lay the shipping bill aside.

Mr. NORRIS. Mr. President, may I interrupt the Senator there?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Nebraska?

Mr. NORBECK. Yes, sir.

Mr. NORRIS. I should like to add what I believe to be a proper correction to the statement of the senior Senator from South Dakota [Mr. STERLING] when he says that the shipping bill was laid aside voluntarily. The shipping bill was not laid aside voluntarily for any agricultural credit legislation that came from the Agricultural Committee, but only for legislation that came from the Banking and Currency Committee.

Mr. STERLING. Well, it was agricultural credit legislation for which the bill was laid aside. I do not think the Senator from Washington [Mr. JONES], who had in charge the shipping bill, distinguished between the bills that might be reported from the Committee on Agriculture and Forestry and those that might be reported from the Committee on Banking and Currency.

Mr. NORRIS. Oh, yes; there was not any laying aside of anything that came from the Committee on Agriculture and Forestry for the farmer. It had to come from the Banking and Currency Committee in order to enjoy that blessed privilege.

Mr. STERLING. So far as that is concerned, we all agreed that it was agricultural credit legislation, from whatever committee reported.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Has the Senator from South Dakota yielded the floor?

Mr. NORBECK. Yes; I am all through, Mr. President.

Mr. FLETCHER. I merely wish to suggest that that does not interfere with the comment of the Senator from Iowa that the disposition is to hurry through the consideration of these bills in order to get back to the ship subsidy bill.

During the delivery of Mr. NORBECK's speech,

Mr. LENROOT. Will the Senator yield to me for a moment?

Mr. NORBECK. Certainly.

Mr. LENROOT. I ask unanimous consent that when the Senate concludes its business to-day it recess until 11 o'clock to-morrow.

Mr. McKELLAR. I ask the Senator to make it 12 o'clock. It is very difficult for Senators to get here by 11 o'clock, and we lose about 20 minutes in securing a quorum. When we meet at 11 it keeps the Senators away from their outside business. I shall certainly try in every way I can to expedite the bill under consideration. I am very much in favor of it, and I want to see it become a law as soon as possible. I hope the Senator will make it 12 instead of 11. All of us have duties to attend to in the forenoon.

Mr. LENROOT. If the Senator will use his good offices with Senators on the other side to see that there is no lack of a quorum if we meet at 12, I will accede to his request.

Mr. McKELLAR. I assure my friend that I shall do all I can in that direction.

Mr. LENROOT. Very well; I ask unanimous consent that when the Senate concludes its business to-day it recess until 12 o'clock to-morrow.

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. LENROOT. Mr. President, I merely raise this question because of the intimation of the Senator from South Dakota, made in the utmost good faith, that somebody—he did not say who—was responsible for this agricultural credit bill being brought in at this late date. I would like to have the record straight. This bill was introduced by me more than a year ago. I secured very promptly the appointment of a subcommittee of the Committee on Banking and Currency. On March 10, 1922, almost a year ago, I appeared before that subcommittee and argued in favor of the passage of this bill. At the request of members of the farm bloc I did not press the bill, because it was represented to me that the farm bloc were discussing the whole question of farm credit legislation and would like to have the Committee on Banking and Currency take no action until they were ready to make some report. I acceded to that, and, in view of that fact, I do not think it is quite fair to apply any criticism to me or to the Committee on Banking and Currency when, if there be anyone responsible for the delay in this credit legislation, it is the farm bloc itself; and I am not criticizing them.

Mr. NORBECK. Mr. President, in answer to that let me say that I am a member of the farm bloc and of the Banking and Currency Committee, and I have never heard of any such request passing back and forth. I want to say, further, that I am not charging any delay on the part of the able Senator from Wisconsin. As I said in the beginning, I think he has worked conscientiously and did the best he could; but wherever the responsibility, we find that we have passed legislation desired by nearly every other industry of the country, reducing the taxes of the rich, providing a tariff for the manufacturers, and giving relief to the railroads, but we do not know if we have any real support for a practical farmers' credit bill. I am simply making the point that whoever is responsible, it is poor strategy that we should be compelled at the eleventh hour to beg for this farm relief legislation.

Mr. McCORMICK. Mr. President, wherever the responsibility may lie for the initiation of measures for the relief of agriculture, or for delay in their consideration, the now pending Lenroot-Anderson bill and the Norbeck bill reported to-day, when together they have become one law, will constitute the third measure enacted by this Congress seeking to afford credit and relief to the agricultural and live-stock interests of the country.

The bill thus contrived ought to pass. Doubtless it will pass. The farmer and the stockman were the first to suffer and have been the last to recover from the liquidation in prices and credits which followed the post-war inflation. The relief made available under the several measures will improve the farmer's position as a merchant. He will not be driven, as he has been driven in the past, to sell at sacrificial prices; that is, to make a loss on his year's labor, whereas if he had been able to wait for the market he might have made cost or profit. Herein lies the true merit of the Capper bill, the Lenroot-Anderson bill, and the Norbeck bill. It was in affording such relief that the War Finance Corporation and Eugene Meyer rendered so notable a service to the farmers and to the whole people.

The situation of the great majority of the farmers and stockmen of this country, which we hope to improve by the recently

passed and pending measures, is notably better than it was last summer and last fall. Corn, which sold in the autumn of 1921 at 20 cents at country elevator points, is now selling at 50 to 60 cents. Wool, which sold at 15 to 18 cents on the western ranges in September, 1921, is now selling at about 35 cents. The farm price of hogs in December ranged from \$6 to \$6.50 a hundred; it is now from \$7.50 to \$8. Lambs, which were difficult to sell at \$3 to \$5, are now selling at \$10 to \$12. Beef cattle, which sold as low as \$4.62 a hundred in December, 1921, are now bringing from \$5.50 to \$6. Sheep, which sold in November, 1921, at \$3.84 a hundred, are now bringing \$6 and \$7.

The three measures, to which I have referred, considered as a group, are calculated chiefly to make available to the farmer in a degree hitherto unknown, the intermediate credits referred to by the junior Senator from Wisconsin in his opening address. There has been a great need for funds which could not be secured by short-time paper, and to secure which it was neither practical nor useful to make real-estate mortgages. I am confident that with such changes as experience may advise, we shall hold to the principles embodied in the Capper Act and the Lenroot-Anderson bill, now before us. I am not so certain about the results which we may expect from the Norbeck bill. It contemplates the granting of credits to Europe, or, shall I say, it contemplates the discovery or establishment of credits hitherto hidden or unavailable. If the power conferred upon the War Finance Corporation under its terms were to be exercised by anyone less experienced, less able, less prudent, less tried, than the present director of the corporation, we might hesitate to accept the amendment. But considering the great importance of exports to the improvement of farm prices in America, considering the careful terms of the Norbeck bill and the personal capacity and experience of the director of the War Finance Corporation, I am clear that it would be a mistake not to add the Norbeck bill to the Lenroot-Anderson bill.

We do not want to leave anything undone which in good sense and in good faith we may do further to improve the economic condition of the farmer, who, after all, offers to the American manufacturer his greatest market, and thus assures to the American worker his wage. Nevertheless, Mr. President, in doing all that we can do at this time we should not convey the impression that agricultural prices are wholly determined by conditions which these bills can affect. Before long we shall have to press for a further reduction in the freight rates on agricultural staples, and a little later we shall have to meet the great and serious problem of providing adequate water transportation from the Great Lakes to the seaboard.

In the meantime the markets of Europe are dominated by factors largely beyond our control or influence. No one will gainsay that this was true during the war, when the allied armies and the civil populations of the allied States were supplied with vast unprecedented quantities of manufactures and foodstuffs, first, on the credit of the allied governments, and later on the credit of the Government of the United States. Shipments of breadstuffs from America to Europe multiplied manifold, with a consequent increase in acreage and increased cost of production. We could not continue, but, nevertheless, Mr. President, the exports of farm products to Europe in quantity and in value continues very large.

Europe is buying much, very much more of our farm products than before the war. I invite your comparison of the exports of beef, pork, corn, and wheat for the years 1913 and 1922:

Comparison of exports of beef, pork, corn, and wheat for the years 1913 and 1922.

1913.		
	Quantity.	Value.
Beef and beef products.....pounds..	36,193,757	\$3,865,277
Pork and pork products.....do.....	445,346,777	58,980,870
Corn and corn products.....bushels..	46,922,991	27,852,487
Wheat and wheat products.....do.....	154,759,995	151,964,282
1922.		
Beef and beef products.....pounds..	32,685,932	\$3,677,318
Pork and pork products.....do.....	699,618,284	118,840,352
Corn and corn products.....bushels..	166,130,737	117,211,878
Wheat and wheat products.....do.....	232,302,391	291,821,259

Confessedly, Europe to-day needs breadstuffs—more breadstuffs than she can buy. She needs half a billion dollars' worth of American wheat and corn. But her economic restoration,

the restoration of her buying power, the establishment of true and enduring peace, are blocked at the moment by the bitterness, bad faith, and bickering at Lausanne, the breach of the peace in Memel, the break between Britain and her continental allies, the presence of the battalions of France in the Ruhr. In the old days before the war, Europe was able to buy so largely from us because, despite the burden of armament, she lived in ordered security; her frugal and industrious populations possessed the credit and the tools necessary to trade and commerce; they labored, they produced goods which they exchanged for the fruits of our farms and the manufactures of our mills. During the war, as I have said, the allies bought increasingly—enormously—upon credit, and finally, upon the credit of the Government of the United States. When the war ended and the imperative needs of the reconstruction had been met, above all, when America ceased to sell on credit and without payment, exports to Europe diminished. There was at the same time a deflation of credits in this country. There has been some recovery, but—since it has been neither rapid enough nor great enough to satisfy either the few who would make political capital out of universal economic distress or to relieve the thousands who still suffer from the depression—some men are inveterately tempted to prescribe palatable panaceas for the public ills. This is always so in hard times.

Now there is an assumption by some that they alone are concerned with the economic recovery of Europe and the improvement of prices and trade in America. I want them to make clear precisely what they wish done. We know that Europe wants more cash and credit. We have lent her ten billions since the armistice. She wants more. What other formula is proposed for her relief? Have you forgotten, can you forget, that during the futile and febrile reconsideration of the league covenant by this body it was bruited abroad that in the league was some magic, some abracadabra, some presto list, which would make good the waste of war, imbue limitless issues of paper with vanished values, and continue inflated prices and inflated profits. The league was to be the handmaiden of peace and the harbinger of plenty. The league has proven a poor peace maker or peace keeper. Justice and mercy are still too little known, too little understood, too weak, to carry weight in the councils of Europe, unless they can invoke the aid of forces strong enough to compel for them a reverence and regard which they do not themselves inspire.

We know how perilous is the state of Europe's civilization to-day, how feeble its life. In Russia the fruit of generations of toil has been destroyed, and five times as many have died there under the revolution as died at war under the Czar. If Russia, disordered and despoiled, is able to produce little or nothing to sell abroad, central and southern Europe, west of the Dvina and the Dniester and east of the Isonzo and the Rhine, produces not more than half as much for export as it did before the great conflict.

A part of northern and eastern France was ruthlessly devastated during the conflict; but all central Europe—Poland and Rumania, Yugoslavia and Hungary, no less than Austria, Czechoslovakia, and Germany, were wasted by the war, their fields neglected, their factories and their railways worn and depleted, while since the signing of peace public and private credit in those States has been ruined by inestimable issues of worthless paper. From the Aegean and the Adriatic to the Baltic, Europe has been broken up—Balkanized. Where for the principal purposes of trade there were formerly three, there are now a dozen governments, a dozen tariffs, and a dozen rotten currencies. If the terrible condition of Europe be attributable to the ruin of revolution and the waste of war, it is attributable in part, too, to the increase in the number of States, to their rivalries and ambitions, to the wretched finance, to the incontinent extravagance, and to the unrestrained profligacy of parliaments and governments.

Contrast the retrenchment, the frugality, the economy of the Government of rich and solvent America with the financial frenzies of the bankrupt, or nearly bankrupt, countries of continental Europe. Will some one tell me how they may be led to do as we have done? By what legerdemain they may acquire the ripe experience in self-government and in public finance which we, tried by the Revolution and the great Rebellion, by greenbackery and free silver, have won only through generations? By what charm or what force are they to be led to disarm and to put aside the hates which have animated them for a hundred years? Time, Mr. President, time and labor are the prime requisites for the restoration of Europe. If she will put aside violence and ensue peace, she will help us to save her. Unhappily she must learn by painful failure the road to recovery.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhues, its enrolling clerk, announced that the House had passed without amendment the following bills:

S. 841. An act for the relief of Elizabeth Marsh Watkins;
S. 1945. An act to reimburse the Navajo Timber Co., of Delaware, for a deposit made to cover the purchase of timber;
S. 2210. An act for the relief of Lucy Paradis;
S. 2556. An act for the relief of Edwin Gantner; and
S. 2719. An act to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.

The message also announced that the House had passed the bill (S. 1690) to correct the military record of John Sullivan, with an amendment, in which the concurrence of the Senate was requested.

The message also announced that the House had passed bills and a joint resolution of the following titles, in which it requested the concurrence of the Senate:

H. R. 397. An act to remove the charge of desertion against the name of Frank George Bagshaw;

H. R. 855. An act for the relief of Fred G. Leith, United States Navy;

H. R. 2702. An act for the relief of J. W. Glidden and E. F. Hobbs;

H. R. 3499. An act for the relief of the Atlas Lumber Co., Babcock & Wilcox, Johnson, Jackson & Corning Co., and the C. H. Klein Brick Co.;

H. R. 4723. An act for the relief of William M. Phillipson;

H. R. 6204. An act to grant the military target range of Lincoln County, Okla., to the city of Chandler, Okla., and reserving the right to use for military and aviation purposes;

H. R. 6358. An act authorizing the accounting officers of the Treasury to pay to A. E. Ackerman the pay and allowances of his rank for services performed prior to the approval of his bond by the Secretary of the Navy;

H. R. 6538. An act for the relief of Grey Skipwith;

H. R. 6832. An act granting six months' pay to Anton Kunz, father of Joseph Anthony Kunz, deceased, machinist's mate, first class, United States Navy, in active service;

H. R. 7010. An act for the relief of Southern Transportation Co.;

H. R. 7027. An act for the relief of Herbert E. Shenton;

H. R. 7322. An act for the relief of John F. Homen;

H. R. 7921. An act granting six months' pay to Alice P. Dewey;

H. R. 8046. An act for the relief of Themis Christ;

H. R. 9316. An act for the relief of Robert J. Ashe;

H. R. 9862. An act for the relief of the Fred E. Jones Dredging Co.;

H. R. 9916. An act authorizing issuance of patent to Richard Murphy;

H. R. 10047. An act for the relief of Frances Martin;

H. R. 10529. An act for the relief of Harry E. Fiske;

H. R. 10555. An act for the relief of Russell Wilmer Johnson;

H. R. 10841. An act authorizing the transfer of 500 feet of Indian land in the State of Washington for a public school to which Indian children shall be admitted without payment of tuition;

H. R. 11340. An act to advance Maj. Ralph S. Keyser on the lineal list of officers of the United States Marine Corps so that he will take rank next after Maj. John R. Henley;

H. R. 11389. An act for the relief of Robert Guy Robinson;

H. R. 11528. An act to allow credits in the accounts of certain disbursing officers of the Army of the United States;

H. R. 11603. An act to validate for certain purposes the revocation of discharge orders of Lieut. Col. James M. Palmer and the orders restoring such officer to his former rank and command;

H. R. 11731. An act to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce;

H. R. 12019. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 12887. An act granting a pension to Jacob F. Rosenberger;

H. R. 13397. An act repealing so much of an act approved September 22, 1922, granting pension to certain soldiers and sailors and their widows as grants a pension of \$24 per month to Carl Olsen, late of the United States Navy;

H. R. 13540. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy,

and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 13980. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; and

H. J. Res. 47. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the United States Naval Academy, at Annapolis, Mr. Jose A. de la Torriente, a citizen of Cuba.

LEGISLATIVE APPROPRIATIONS—CONFERENCE REPORT.

Mr. WARREN. I submit the report of the committee of conference on House bill 13926, making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes, and I move its adoption.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, and agree to the same.

The committee of conference have not agreed upon amendments numbered 10, 25, and 26.

F. E. WARREN,
REED SMOOT,
WM. J. HARRIS,

Managers on the part of the Senate.

J. G. CANNON,
SYDNEY ANDERSON,

Managers on the part of the House.

Mr. KING. Let me inquire of the Senator what were the items in dispute and will the Senator please state the attitude of the Senate conferees with respect to those items?

Mr. WARREN. There are three items which are matters in agreement, provided the House will accept them. They are items considered to be of a legislative character.

I may say to the Senator from Utah that the bill covers the employees of the Senate and the employees of the House and that in the case of the Senate employees the House conferees receded from their disagreements. In regard to the House employees the Senate made no amendment, so it had no recession to make.

There are three matters of legislation involved. One of them is changing the title of the disbursing officer of the Printing Office to disbursing clerk. Another is as to the allowance of clerks to Senators elect who will come in after March 4. They are allowed clerks during the interim until we meet next fall, putting them on the same basis with Senators who are now Members of the body and who are not chairmen of committees.

The third item is with reference to apprentices in the Printing Office. The former law restricted the number so that there could be but 25 employed at one time. That establishment is asking for more for the reason that they need to have more men instructed in that line of business, and furthermore there are those who have come back from the Army, veterans of the war, whom they would like to employ. So we increased the limit from 25 to 200.

Mr. KING. Is there any change made in the number of clerks that the present Members of the Senate may have during the period of adjournment?

Mr. WARREN. They may have up to four.

Mr. KING. There is no change in existing law?

Mr. WARREN. There is none as to the number of clerks allowed.

The report was agreed to.

HOUSE BILLS AND JOINT RESOLUTION REFERRED.

The following bills and joint resolution were severally read twice by title and referred as indicated below:

H. R. 9916. An act authorizing issuance of patent to Richard Murphy; to the Committee on Public Lands and Surveys.

H. R. 11731. An act to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce; to the Committee on Public Buildings and Grounds.

H. R. 10841. An act authorizing the transfer of 500 feet of Indian land in the State of Washington for a public school

to which Indian children shall be admitted without payment of tuition; to the Committee on Indian Affairs.

H. R. 6204. An act to grant the military target range of Lincoln County, Okla., to the city of Chandler, Okla., and reserving the right to use for military and aviation purposes; and

H. R. 9316. An act for the relief of Robert J. Ashe; to the Committee on Military Affairs.

H. R. 12019. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors;

H. R. 12887. An act granting a pension to Jacob F. Rosenberger;

H. R. 13397. An act repealing so much of an act approved September 22, 1922, granting pension to certain soldiers and sailors and their widows as grants a pension of \$24 per month to Carl Olsen, late of the United States Navy;

H. R. 13540. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; and

H. R. 13980. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee on Pensions.

H. R. 2702. An act for the relief of J. W. Glidden and E. F. Hobbs;

H. R. 3499. An act for the relief of the Atlas Lumber Co., Babcock & Willcox, Johnson, Jackson & Corning Co., and the C. H. Klein Brick Co.;

H. R. 7027. An act for the relief of Herbert E. Shenton;

H. R. 7322. An act for the relief of John F. Homen;

H. R. 9862. An act for the relief of the Fred E. Jones Dredging Co.;

H. R. 10047. An act for the relief of Frances Martin; and

H. R. 10529. An act for the relief of Harry E. Fiske; to the Committee on Claims.

H. R. 397. An act to remove the charge of desertion against the name of Frank George Bagshaw;

H. R. 855. An act for the relief of Fred G. Leith, United States Navy;

H. R. 4723. An act for the relief of William M. Phillipson;

H. R. 6358. An act authorizing the accounting officers of the Treasury to pay to A. E. Ackerman the pay and allowances of his rank for services performed prior to the approval of his bond by the Secretary of the Navy;

H. R. 6538. An act for the relief of Grey Skipwith;

H. R. 6832. An act granting six months' pay to Anton Kunz, father of Joseph Anthony Kunz, deceased, machinist's mate, first class, United States Navy, in active service;

H. R. 7010. An act for the relief of the Southern Transportation Co.;

H. R. 7921. An act granting six months' pay to Alice P. Dewey;

H. R. 8046. An act for the relief of Themis Christ;

H. R. 10555. An act for the relief of Russell Wilmer Johnson;

H. R. 11340. An act to advance Maj. Ralph S. Keyser on the lineal list of officers of the United States Marine Corps so that he will take rank next after Maj. John R. Henley; and

H. R. 11389. An act for the relief of Robert Guy Robinson; to the Committee on Naval Affairs.

H. R. 11528. An act to allow credits in the accounts of certain disbursing officers of the Army of the United States; and

H. R. 11603. An act to validate for certain purposes the revocation of discharge orders of Lieut. Col. James M. Palmer and the orders restoring such officer to his former rank and command; to the Committee on Military Affairs.

H. J. Res. 47. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the United States Naval Academy, at Annapolis, Mr. Jose A. de la Torriente, a citizen of Cuba; to the Committee on Naval Affairs.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives on certain amendments of the Senate on House bill 13481, the Agricultural Department appropriation bill, which was read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 11 to the bill (H. R. 13481) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes," and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert: "and the Secretary of Agriculture may, in his discretion, permit timber and other forest products cut or removed from the national forests to be exported from the State or Territory in which said forests are respectively situated."

That the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"MAXIMUM SALARIES.

"During the fiscal year 1924 the maximum salary of any scientific investigator, or other employee engaged in scientific work and paid from the general appropriations of the Department of Agriculture, shall not exceed at the rate of \$6,500 per annum: *Provided*, That for the fiscal year 1924 no salary shall be paid under this paragraph at a rate per annum in excess of \$5,000 except the following: Not more than 12 in excess of \$5,000 but not in excess of \$5,500 each, and not more than 5 in excess of \$5,500 each."

That the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"FOREST ROADS AND TRAILS.

"For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, \$3,000,000, to be available until expended, being part of the sum of \$6,500,000 authorized to be appropriated for the fiscal year ending June 30, 1924, by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the approval of this act, also to apportion and prorate among the several States, Alaska, and Porto Rico, as provided in section 23 of said Federal highway act, the sum of \$3,500,000, constituting the remainder of the said authorization of \$6,500,000: *Provided further*, That the Secretary of Agriculture may incur obligations, approve projects, or enter into contracts under his apportionment and prorating of this authorization, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof: *Provided further*, That the appropriations heretofore, herein, and hereafter made for the purpose of carrying out the provisions of section 8 of the act of July 11, 1916, and of section 23 of the Federal highway act of November 9, 1921, and acts amendatory thereof and supplemental thereto, shall be considered available for the purpose of discharging the obligations created hereunder in any State or Territory: *Provided further*, That the total expenditures on account of any State or Territory shall at no time exceed its authorized apportionment."

That the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$69,536,653."

That the House insist upon its disagreement to the amendment of the Senate numbered 34.

Mr. McNARY. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 11, 31, 33, and 35 and recede from its amendment numbered 34.

Mr. KING. Mr. President, may I inquire of the Senator from Oregon, if his motion shall prevail would that bring the two branches into complete accord on every item of the bill?

Mr. McNARY. Into harmonious accord, I will say to the Senator from Utah.

Mr. KING. I would like the Senator to let the matter go over for a little while. Respecting the items with reference to roads, I think a number of Senators would be glad to be advised. If there is nothing pressing, will the Senator consent to bring it up-morrow at 12 o'clock?

Mr. McNARY. I shall be very glad to accommodate the Senator if he desires to look at the item. I think I could explain it in a moment, but if there are other Senators interested—

Mr. KING. There are others who are interested in it and I shall be glad if the Senator will consent to take it up the first thing to-morrow morning.

Mr. McNARY. I shall be glad to do so.

The PRESIDING OFFICER. The conference report will go over until to-morrow.

JOHN SULLIVAN.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1690) to correct the naval record of John Sullivan, which was to amend the title so as to read, "An act to correct the naval record of John Sullivan."

Mr. MOSES. I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

SENATOR FROM MINNESOTA.

The PRESIDING OFFICER laid before the Senate the credentials of HENRIK SHIPSTEAD, chosen a Senator from the State of Minnesota for the term beginning March 4, 1923, which were read and ordered to be placed on file, as follows:

STATE OF MINNESOTA,
Executive Department, St. Paul.

To the President of the Senate of the United States:

This is to certify that on the 7th day of November, 1922, HENRIK SHIPSTEAD was duly chosen by the qualified electors of the State of Minnesota a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1923.

Witness his excellency our governor, J. A. O. Preus, and our seal hereto affixed at St. Paul, this 28th day of November, in the year of our Lord 1923.

[SEAL.]

By the governor:

J. A. O. PREUS, Governor.

MIKE HOLM,
Secretary of State.

VIEWS OF HON. STANLEY BALDWIN.

Mr. McKELLAR. Mr. President, may I inquire if there is any other Senator who desires to proceed at this time on the pending bill? I desire to speak about 10 minutes on another subject, and I do not want to interrupt the regular course if some one else wishes to speak on the bill.

Mr. LENROOT. Can we not dispose of the Senator's amendment before he proceeds?

Mr. McKELLAR. I am not going to discuss the amendment now, but we can take it up immediately after the conclusion of my remarks and dispose of it at that time.

Mr. LENROOT. Very well.

Mr. McKELLAR. Mr. President, I wish to call attention to a very remarkable interview that appeared in Saturday's papers with one Stanley Baldwin, chancellor of the exchequer of Great Britain. On reaching England on the *Olympic* he gave out this remarkable statement to the papers:

"On the other hand, what the executives in America have to do is to endeavor to force anything of this sort through Congress, and in doing so they may be beaten." Then he continues: "The great difference between America and this country is that settlement of the debt in America is in the hands of politicians. We are bound in regard to that debt in the most stringent bonds you can possibly imagine." Mr. Baldwin described America as "a country, not an urban people. They have men of our way of thinking in the Eastern States," he said, "but that does not cut any ice at all with regard to other parts of America. If you look at the Senate you will find that the majority of the Members come from the agricultural and pastoral communities, and they do not realize the existing position with regard to the meaning of the international debt. The bulk of the people in America have no acquaintance with it. Great Britain lives on international trade, but in America this is not so. The people in the West merely sell wheat and hogs and other products and take no further interest in connection with the international debt or international trade."

And again: "The debt can only be funded on such terms as can be got through Congress, and that is the root of the difficulty with which we are now faced."

Evidently, according to Mr. Baldwin, he had no trouble with the Debt Funding Commission or the administration. It would have been all plain sailing if it had not been for what he evidently looked upon as the ignorant Congress with which he had indirectly to deal.

I need not speak, Mr. President, of the coarseness and uncouthness of these charges against the American Congress and against the American people by a man in high position in Great Britain. I need only say that if he exhibited the same elements of sordid parsimony and uttered the same crude attacks upon the American people and the American Congress while he was here, then the American Debt Funding Commission should not have treated with him at all.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. McKELLAR. Certainly.

Mr. CARAWAY. If the Senator will recall, while Mr. Baldwin was here the President wrote a scolding letter to the Senate and said if it wanted to be helpful it would give the administration power to deal with the debt question. Evidently the representatives of the British Government knew the administration better than the Senator from Tennessee seems to have known them.

Mr. McKELLAR. Yes; and that is a discouraging and rather shameful feature. After this British commission had had the honors heaped upon it by the administration, such as were heaped upon it while in this country, after our debt-funding commission treated the British commission with such obsequiousness, held its tongue all along the line, kept everything secret, apparently by direction of the British commission, it does seem to me that the head of the British commission when he returned to England owed it to common decency not to have cast these slurs upon the American commission, upon the Congress, and upon the American people.

His indirect attacks upon the funding commission are baser than his attacks upon the American people and the American Congress. He virtually accused the debt-funding commission of being putty in his hands and that he would have had no trouble making any agreement he might have wished if he had only to deal with that commission.

Ah, Mr. President, what a different note did our British friends utter toward the American Congress in May, 1917, when they came over here to borrow this very money in order to save their nation and, as they claimed, in order to save civilization! I quote from the speech of their spokesman, Mr. Balfour, in this body on May 8, 1917. Said Mr. Balfour:

The object of our mission, if I may so express it, was mainly a purely business one. We came here to discuss matters of the deepest moment for the conduct of that Great War in which both our nations are involved.

In other words, they came here to get money in order to conduct that war.

We came here to explain to your leaders and statesmen what were the needs from which the Allies mainly suffered and to lay freely at the disposal of those responsible for the conduct of your affairs, the results of our own experience, the consequences, perhaps I ought to say, of our own errors and blunders during two years and a half of strenuous and sanguinary fight. That was the original object. That was the business side of our mission. But the reception we have received from the President, from the Cabinet, from the House of Representatives, from the Senate—that treatment raises the whole level of our mission from a purely business operation to a great incident in the common life of two great and free peoples.

That address is reported in the CONGRESSIONAL RECORD for the year 1917, on page 1943, and was delivered in the presence of the Senate and of all the British mission. They all adopted and ratified the words of Mr. Balfour then. Oh, yes, Mr. President, when they came for this money in this Chamber and in the Chamber at the other end of the Capitol they lauded to the skies the representatives of the people upon whom this man, when he comes to fix the terms for the settlement of the indebtedness, casts reproaches and reflections upon all Members of the House and Senate, except as to those who come from New York and the East. Unless this man is an ass, he knew that this money had been borrowed by his Government from the Congress and that the Congress was the only authority which had power to deal with it. He knew that. Yet he assails Congress in this coarse fashion.

On May 5, 1917, that same borrowing mission, with that spokesman, Mr. Balfour, visited the House of Representatives, and here is what he had to say about the United States when the mission wanted the Congress to lend them this money. I quote from Mr. Balfour's speech in the House of Representatives:

Ladies and gentlemen, these two assemblies are the greatest and oldest of the free assemblies now governing great nations of the world. The history, indeed, of the two is very different. The beginnings of the British House of Commons go back to a dim historic past, and its full rights and status have only been conquered and permanently secured after centuries of political struggle. Your fate has been a happier one. You were called into existence at a much later stage of social development. You came into being complete and perfected and all your powers determined and your place in the Constitution secured beyond chance of revolution; but, though the history of these two great assemblies are different, each of them represents the great democratic principle to which we look forward as the security of the future peace of the world. [Applause.] All of the free assemblies now to be found governing the great nations of the earth have been modeled either upon your practice or upon ours, or upon both combined. Mr. Speaker, the compliment paid to the nation of Great Britain by such an assembly and upon such an occasion is one that not one of us is ever likely to forget. (CONGRESSIONAL RECORD, 66th Cong., 2d sess., p. 1879.)

And yet, when the British commission come back to fix the terms for the payment of the very money which they had borrowed, they forget there was a Congress at all, they forget that there was a Senate, except to slur at it, and they never even mention the House of Representatives. Yes, Mr. President, when our British friends wanted to borrow the \$4,700,000,000 from us, they went before both branches of the Congress, with compliments and flattery, with expressions of good will, with sentiments of esteem and respect, with gratitude, which they said they would never forget, and yet, when pay-day comes around, they send another commission over here that deals in the dark. They even, apparently, requested the American commission not to have anything to say about what is going on. They never came even near either branch of Congress, and then the head of it goes back and tells the British people that they could have made a deal for the payment of these debts to their own liking if it had not been for the uninformed and purely political Congress that held the American commission back and prevented the British commission from getting what it desired in the way of a settlement.

Mr. CARAWAY. Mr. President, may I again interrupt the Senator from Tennessee?

Mr. McKELLAR. Yes.

Mr. CARAWAY. How does the Senator from Tennessee know that Mr. Baldwin was not telling the exact truth when he said that he could get any terms he wanted from this administration if Congress would not interfere?

Mr. McKELLAR. Oh, Mr. President, I feel that surely no American citizen, whether he be a Democrat or a Republican, whether he be identified with this administration or not, could be base enough to have dealt with this British commission in the way that this interview implies. I would much prefer not to believe that.

Mr. CARAWAY. Does the Senator from Tennessee know what terms actually were discussed?

Mr. McKELLAR. No; and that is what I am coming to right now.

Mr. CARAWAY. Then why does the Senator, who does know what took place, characterize as improper the statement of Mr. Baldwin?

Mr. McKELLAR. We are going to learn something about it; and I am going to discuss now the very question which the Senator brings up.

Mr. President, I do not know what defense members of the American Debt Funding Commission are going to make to the slurs and innuendoes cast upon them by this representative of the British Government.

I am sure that Mr. Baldwin's statement that western Senators and western Representatives and western people are ignorant of international affairs and finance is quite untrue. The Senator from Utah [Mr. Smoot], who is a member of the American commission, is probably as well versed in international finance and business as is Mr. Baldwin. Representative BURTON, who formerly was a Member of this body, also is an authority on international finance and business matters. Together they are the representatives of the American Congress with whom Mr. Baldwin has been most closely associated while he was here. Mr. Baldwin's statement, therefore, appears to me to be an unwarranted criticism of these two distinguished gentlemen.

I digress here long enough to say that if it is an unwarranted criticism of them, it is the duty of those two representatives on the commission to speak out to the American people and tell them what are the facts. This man Baldwin, who has gone back to England, has virtually stated that the American commission was putty in his hands and would have agreed to anything that he asked if it had not been for fear of the Congress. It is their duty to speak out like American citizens, and I believe they will speak out. If they were not putty in his hands they should speak out. I am sorry the Senator from Utah is not present while I am making this statement. I am sure he would denounce the statements of Baldwin.

I have taken the position heretofore that these gentlemen and the other members of the American commission were at fault in not taking the American people into their confidence. I have thought, and still think, the American commission should have disclosed what was going on. I have denounced the policy of secrecy from the very inception of the secret meetings between the two commissions. It ought never to have been indulged in. Open, fair, above-board, frank statements should have been published at the time, and the American people should have been told all about what was going on in connection with this enormous debt which these two commissions were apparently trying to fund. If our commission had disclosed what was going on to the American people, if they had taken the American people into their confidence, they would not have subjected themselves to what I think the wholly unwarranted reflection that has been made upon them by this representative of the British people.

Mr. Baldwin's statement that a majority of Senators were from agricultural and pastoral communities, while technically true, is an attempted clumsy effort on his part to cast odium upon western Senators. His statement that "the people of the West merely sell wheat and hogs"—and I ask the representatives of Western States to consider this remark—and do not think of or know anything else, is simply a disgusting attempt at wit and a shining display of ignorance. If western Senators will not defend their own people somebody ought to do so when they are thus maligned and abused. I call upon the Senators representing the West to defend their own people against these aspersions made by the coarse and uncouth and ill-bred Baldwin.

Mr. President, I am glad that no Democrat was put on that commission and that the party to which I belong does not have to bear the odium of any part of the slurring statements made by the head of the British commission. That partisan commission, instead of being criticized by Baldwin, should have been praised by him, for it seems to have been all the time under the influence of the British commission in so far as secrecy, at least, was concerned. Our commission declined even to state the terms of the proposals, although asked to do so nearly every day by me, and we know of the terms only through the head of the British mission. The terms which, it is claimed, the American commission offered are violative of the expressed will and determination of the Congress as declared by law, and other proposals should not have been made by our commission. If there had been open, fair dealing, public dealing, instead of secret dealing such as took place, they would not have been made.

Mr. President, I do not know what position the administration is going to take on this subject, but I know what it ought to do. It should make immediate demand upon the British Government to disavow the statements of the chancellor of the exchequer, casting aspersions upon the American Senate and the American House of Representatives and upon the American people, and lastly upon the American Debt Funding Commission—I am going to take up for our funding commission, too. The British Government should disavow those statements absolutely. I can not believe that the British people enter-

tain the view that Mr. Baldwin expresses in reference to the funding of these debts. The British people have always been a debt-paying people. They have not treated their obligations as a "scrap of paper"; and it is inconceivable to me that these self-respecting people, these contract-observing people, will permit one of their own number to utter these uncalled-for, untrue, and discourteous words toward the American people and the American representatives without rebuke, in view of all the wonderful acts of friendship that have so frequently characterized the American people in their attitude toward the British Government and the British people.

Mr. President, I want also to call attention to the statement that appears in this morning's Washington Post that the British people are very much disappointed over the failure of their debt commission to secure payment of the American indebtedness in pounds rather than in dollars. If the American Debt Funding Commission had for a moment permitted a suggestion of such a repayment to be made, it would have done this country the greatest wrong. The British Government did not borrow this money in pounds. If it had, there would have been a very different and a very much larger sum that it owed. It borrowed the money in dollars, and to pay it in pounds would have been little less than a "skin game."

Again, Mr. President, quoting from the London article in the Post, it is said:

It is clearly evident from statements published here during the week end—

This is a London article—

that the British Government had anticipated being able to fund the debt on an interest basis nearer 2 per cent than 3 per cent, or £20,000,000 annually. According to these statements an informal promise was made by two prominent American diplomats at a luncheon party given at No. 10 Downing Street, the British Prime Minister's official residence, last summer, that the funding would be carried out on that basis. It is asserted that Mr. Bonar Law was present at this luncheon.

The American diplomats were not named, but they are said to have been of "the highest standing."

Mr. President, who were these American diplomats that made any such statement? They ought to be named. The State Department ought to give us the names of such diplomats, and they ought to be recalled at once.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. McKELLAR. In just one second. It was a matter that they were not privileged to speak about. If they knew anything, they knew that this whole debt-settlement matter was in the hands of the Congress, and not in the hands of our diplomatic corps. Where is the great Ambassador Harvey? Why does not he raise his voice in behalf of his Government and the American people at this time? Has he lost his voice permanently? He never seems to be on hand when something real is going on.

I now yield.

Mr. CARAWAY. The Senator from Tennessee now says, "Where was Harvey?" The Senator must know that he was not referred to, because the article says it was a diplomat of high standing.

Mr. McKELLAR. Mr. President, I am not going to discuss the ambassador to England at this time; but I do say, in conclusion, that after these little-short-of-infamous statements having been made by this man Baldwin, representative of the British Government, President Harding owes it to the people of this country to demand an apology from Great Britain for this man's uncouth and coarse language. What we ought to do is another thing. Our terms, given by Congress for the refunding of this debt, were openly discussed, openly voted for, and openly passed. They are just and equitable and ought not to be changed. The British Debt Funding Commission knew these terms when they came here. Our Debt Funding Commission knew the terms. They had voted for them. They knew exactly what Congress had authorized them to do. Our Debt Funding Commission, it now appears—not from anything they have told us, for they have been as silent as the grave, but purely upon word received from Mr. Baldwin after he got back to London—have made an offer contrary to the terms which they were instructed to ask. They owe us an explanation, too. They ought to come forward here and give us the facts. Let them speak out. There is one representative of that commission who is a Member of this body and another one a Member of the House of Representatives. They owe it to themselves, they owe it to their party, they owe it to the American people, to come forward and state the facts, and resent or refute the vulgar, the outrageous, and disgusting statements that have been made by one Stanley Baldwin.

I have just been handed an afternoon paper showing that Harvey, as is usual with him, has put his foot into it again. He has come out for Baldwin. America has, indeed, fallen

into impious hands. I quote Harvey's bray. This one bray is sufficient ground for recalling him immediately. I quote the dispatch:

HARVEY IS WELL SATISFIED.

LONDON.—George Harvey, American ambassador to Great Britain arrived at Plymouth to-day, and declared in an interview that Stanley Baldwin, head of Britain's debt funding commission, had made an excellent impression in the United States and that the results of the mission would be good.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. HEFLIN. Mr. President, I desire to make a parliamentary inquiry. I understand that the vote will come now on the amendment of the Senator from Tennessee [Mr. McKELLAR].

The PRESIDING OFFICER (Mr. McNARY in the chair). That is correct.

Mr. McKELLAR. Mr. President, before the vote is taken I want to make a statement to the Senate in reference to it. It will be very short.

My amendment is that section 13 of the Federal reserve act approved December 23, 1913, as amended, be amended by adding after the words "being eligible for discount" and before the words "but such definition shall not include" the words—

And the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount.

Mr. President, the purpose of this amendment is very simple. When the Federal reserve act was passed in 1913 it was assumed by everybody that what is known as factors' paper was eligible for rediscount in the reserve banks. For five years after the passage of that amendment such paper was rediscounted in the various Federal reserve banks.

Mr. LENROOT. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. LENROOT. Will not the Senator describe that factors' paper?

Mr. McKELLAR. I shall do so. I intended to do so and shall do so right away. In 1918 a ruling was had, I suppose by the counsel of the Federal Reserve Board, though I am not advised as to that—it was perhaps by the board itself, probably on the advice of counsel, of course—that such paper was not eligible to rediscount. I want to explain the factor's business as we have it in my State.

We will take a cotton factor. A cotton factor in the spring of the year makes a contract with a producer of cotton to lend him the money with which to make his crop, taking from him an agreement to ship him so many bales of cotton, depending on the amount of money loaned, in the fall of the year. The factor really furnishes the bulk, I might say, of the money on which cotton crops are raised in my section, and to a very large extent raised in the whole South. It is a very large business, and there are many factors. He furnishes the money to begin the crop even before it is planted, sometimes to buy the seed, then to work the crop, and then to harvest the crop, to pick it—which is rather an expensive operation—to haul it, to gin it, to market it; and then, in the fall of the year, when the crop is marketed and sold, the cotton factor repays himself and accounts to his principal for all of it, of course.

Mr. President, that custom has grown up, not for a few years, but ever since the cotton business started in the South there have been, as I am reliably informed, cotton factors and commission merchants. In my own city, some of the strongest firms that exist there are cotton factors—firms like Dillard & Coffin, Sledge & Norfleet, W. A. Gage & Co., and a great number of others that I could name. There are a great many there, firms of the highest standing, and whose paper is good; yet, because they are cotton factors, just simply because they are cotton factors and handle their business in that way, their paper is not eligible for rediscount in the various banks.

Mr. LENROOT. What kind of paper is it? That is the information I wanted to get.

Mr. McKELLAR. It is their paper.

Mr. LENROOT. Their own personal paper?

Mr. McKELLAR. Their own personal paper; and some of it, quite a large amount of it, has the warehouse receipts attached as security for the paper.

Mr. McLEAN. Warehouse receipts for what?

Mr. McKELLAR. For the cotton.

Mr. McLEAN. When it is not grown?

Mr. McKELLAR. They take the warehouse receipts in the fall of the year, when the cotton begins to come in, in order to get additional supplies. It takes an immense amount of money to handle a cotton crop. Of course, they can not take ware-

house receipts in the spring of the year. They get the warehouse receipts only after the cotton is shipped to the city and put in a warehouse and insured. It is the very best and highest security that can be had. I take it that the banks of my city would say that the very best security they have is the paper of a cotton factor with warehouse receipts attached.

Mr. LENROOT. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. LENROOT. May a man be a factor and at the same time a dealer or owner upon his own account?

Mr. McKELLAR. Occasionally that occurs, but as a rule these great factors handle the crops of other people. They lend the money to make the crops, as I have stated, to harvest the crops, and then in the fall of the year they apply the proceeds of the cotton when sold; and there is quite a distinction, I will say, between a cotton buyer and a cotton factor. A cotton factor is a man who handles it in the way that I have described. A cotton buyer buys either for himself or for mills or for foreign spindles.

Mr. SWANSON. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. SWANSON. The same difficulty arises also in the city of Norfolk, where they do not make advances to raise cotton in the shape of supplies, but a factor desires to get, say, 10,000 bales of cotton before getting a ship to carry it to Liverpool, Hamburg, or other places. In the meantime he advances the freight charges to the farmer who raises this cotton, and some money to pay his debts at home, and that paper was eligible for discount until two years ago. At that time the ruling was reversed, and that really destroyed, to a large extent, the export cotton business in Norfolk and other places where that system of business was conducted. A man can not ship cotton to Norfolk, New Orleans, or Galveston and transport it by ship until he accumulates enough cotton to load the ship. When they get five or ten or fifteen thousand bales they have enough to load the ship and it is exported. The paper that the factors had for that purpose was eligible for discount with the Federal reserve system until about two years ago. The bankers in Norfolk wanted that condition to continue. They were willing to discount the paper in Norfolk, provided the Federal reserve system would discount the paper in Richmond. I appeared before the Federal Reserve Board and also before their attorney, and I think it was a very forced construction of the law to hold that that paper was not eligible. It really injured to a large extent the export cotton business in the seaports where cotton is accumulated and afterwards exported.

Mr. NORRIS. From the explanation which has been made it seems to me that the question is reduced to this, that these money lenders, whom the Senators call factors, constitute, in reality, middlemen between the banker and the grower. They loan the money to the man who wants to produce the cotton, then they go to the bank and discount their note and get some more money, which they loan to somebody else, and discount that again. Is that the operation?

Mr. McKELLAR. That is the operation in the fall of the year. The Senator must make a distinction between the fall and the spring. The factors lend their own money in the spring of the year to make the crop, and frequently to harvest it; but it is a very expensive thing to make and harvest a crop of cotton, and especially to harvest it. The picking costs from \$10 to \$15 a bale; the ginning costs several dollars a bale; the hauling and the bagging and tying cost a great deal, and they all have to be paid for. The result is that there are few factors who could do a profitable business if they depended entirely on their own financing. In the fall of the year they have to aid in this process by using cotton warehouse receipts, borrowing money from the banks.

Mr. NORRIS. The question arises in my mind, why not eliminate these factors, and let the man who produces the cotton borrow the money in the first instance from the bank, and save one commission? As I understand the operation of it, the bank, after all, furnishes the money. Why do they need this intermediary, who must of necessity charge for his services?

Mr. McKELLAR. It may be remedied in some subsequent acts, or it may be remedied to some extent by this bill, but as a matter of fact, the banks sometimes lend the farmers money in the spring of the year, before the crop is even planted, oftentimes the notes to run until the fall of the year. That paper is not what is called bankable paper, and in order to get the money the farmer must utilize the means I have indicated.

Mr. NORRIS. Then, in that case, the operation of it would mean what is not bankable paper becomes bankable paper by the interposition of the middleman.

Mr. McKELLAR. No.

Mr. NORRIS. Then how is it that the factor, the middleman, by loaning money to the farmers to put in a crop, can discount his note at the bank, and that note then becomes eligible for rediscount by the bank with the Federal reserve bank?

Mr. McKELLAR. Under a ruling of the Federal Reserve Board they will not permit that.

Mr. NORRIS. I understand. Why should they permit it for the middleman and not permit it for the farmer himself?

Mr. McLEAN. They do permit it for the farmer.

Mr. SWANSON. They will lend the farmer money to produce a crop, but they will not lend him money to hold long enough to distribute the crop.

Mr. NORRIS. I understand that; but, as I understand, the amendment will have the effect of getting around that proposition by letting the middleman carry on the business. This amendment would make that paper eligible.

Mr. SWANSON. Not entirely for the middleman.

Mr. NORRIS. It seems to me that is putting on the business a burden it ought to escape.

Mr. SWANSON. As I understand the present law, you can take a farmer's note for money to be used to produce a crop and have it discounted by a bank, which can then have it discounted by the Federal reserve system.

Mr. McKELLAR. That is true.

Mr. SWANSON. If the farmer wants to sell his crop abroad, distribute it, his note will not be discounted. That is true, is it not?

Mr. McLEAN. If the note is secured by the cotton, the farmer can get all the accommodation he wants.

Mr. SWANSON. Nearly half the cotton produced is sold by factors. A producer can not ship his cotton until he has accumulated enough at the seaport to fill a ship. Very frequently I go and ask that a ship be sent to Norfolk or to Newport News, because cotton has accumulated there. To accumulate that cotton and fill a ship the factors must pay the freight, they must pay the storage, and they simply do a commission business. They enable the farmers to do their own exporting to Liverpool, Hamburg, and these other places, and it is sold on commission. It is not a case of a middleman buying it and making a profit. It is sold by the middleman as the agent of the producers. That paper had been held to be eligible until two years ago. The trouble happened in Norfolk, when the factors went to the banks, and the banks said, "We can not take your paper as we have done heretofore. We can not rediscount it in Richmond at the Federal reserve bank." I appeared before the Federal Reserve Board and tried to get them to continue the ruling which had theretofore existed making that paper eligible. A ruling was made that that class of paper was not eligible for rediscount; and this amendment is proposed to make that paper eligible in the Federal reserve banks, because nearly one-half of the cotton is sold in that way.

Those who handle the cotton in the way I have indicated are the people who are benefited under this, in addition to the producers.

Mr. NORRIS. That is a different class from the one the Senator from Tennessee has been discussing.

Mr. SWANSON. This will help both classes.

Mr. NORRIS. There is a question in my mind as to whether there ought to be any help to the one class. In other words, if you are not going to permit the farmer who wants to plant cotton to have his note held eligible you should not make it eligible by interposing a middleman and adding that much more to the interest in order to do it.

Mr. McKELLAR. But the middleman ought to have a right to have his paper rediscounted if he desires. Just simply because he happens to be in the business of a cotton factor the benefits of the reserve system should not be denied him if his paper is otherwise good.

I call attention to what the department has said about it. I will read a letter from the chairman of the Federal Reserve Board:

FEDERAL RESERVE BOARD,
OFFICE OF THE GOVERNOR,
Washington, May 9, 1921.

HON. KENNETH McKELLAR,
United States Senate.

MY DEAR SENATOR McKELLAR: I have your letter of the 7th instant, inclosing copy of Senate bill No. 1615, introduced by you. I have received a letter from Chairman McLEAN, of the Senate Committee on Banking and Currency, asking for the views of the board on this bill, and I am inclosing for your information copy of a letter which I have been directed to send to Senator McLEAN regarding it, such direction being by unanimous vote of the six members of the board present at the meeting to-day.

Very truly yours,

W. P. G. HARDING, Governor.

Again, on May 9:

HON. GEORGE P. McLEAN,
Chairman Committee on Banking and Currency,
United States Senate, Washington, D. C.

MAY 9, 1921.

MY DEAR MR. CHAIRMAN: I have received your letter of May 6, in which you request the views of the Federal Reserve Board with regard to Senate bill 1615, the purpose of which is to amend section 13 of the Federal reserve act by inserting a provision to the effect that "the notes, drafts, and bills of exchange of factors dealing exclusively with producers of staple agricultural products in their raw state shall be eligible for discount."

The board desires to point out that in its judgment the phraseology of the proposed insertion would be improved if the words "making advances" were substituted for the word "dealing," in the seventh line of the bill, and the word "to" were substituted for the word "with" in the eighth line, so that the insertion would read "and the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

That is exactly the way I have it. I stop here long enough to say that the Federal Reserve Board wrote the very amendment that is offered here. It is exactly the same as the one they proposed. There is not the change of a word or a syllable. Mr. Harding continues:

In my letter to you of December 19, 1920, expressing the board's views with regard to Senate bill 4537, which was intended to make eligible for rediscount the paper of cotton factors and commission merchants, it was pointed out that the paper was finance paper, rather than commercial or agricultural paper, since the borrower used the proceeds to make loans to his customers. The bill now under consideration—Senate bill 1615—is open to the same objection upon principle, but in view of the narrow scope of the bill under its restricted language, the Federal Reserve Board will offer no objection to it if amended as herein suggested.

Yours very truly,

W. P. G. HARDING, Governor.

Again:

FEDERAL RESERVE BOARD,
Washington, May 10, 1921.

HON. KENNETH McKELLAR,
United States Senate.

MY DEAR SENATOR: I am writing to acknowledge your note of the 7th instant inclosing copy of your bill (S. 1615) to amend the Federal reserve act so as to make factors' paper eligible for discount by Federal reserve banks. In order to relieve the amendment of any ambiguity, I have suggested a slight change in the phrasing, which commended itself to Governor Harding and other members of the board, to wit, the substitution of the phrase "making advances exclusively to" in place of "dealing exclusively with." In this form I believe the amendment is as unobjectionable as it could be made, consistent with the object aimed at. Believe me,

Very sincerely yours,

A. C. MILLER.

There is another letter here which I should have read, but I have not. It is as follows:

THE SECRETARY OF THE TREASURY,
Washington, May 9, 1921.

HON. KENNETH McKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I received your letter of May 7, 1921, inclosing a copy of S. 1615, a bill to amend section 13 of the Federal reserve act in respect to the notes, drafts, and bills of exchange of factors dealing exclusively with producers of staple agricultural products in their raw state. The Treasury does not offer any objection to the bill in this form.

Very truly yours,

A. W. MELLON.

This has been approved by both the Federal Reserve Board and the Treasury Department. It is an amendment that is very much needed among the producers of crops down in my section of the country, and in addition to that it is very much needed by these gentlemen who are denied without cause the right to rediscount their paper, and I hope very sincerely there will be no objection offered to the amendment.

Mr. LENROOT. The Senator has stated that factors sometimes are owners and dealers in a commodity as well as making advances to the producers of the commodity.

Mr. McKELLAR. That is only occasionally.

Mr. LENROOT. In any event under the language of the amendment as it stands the paper that may be discounted or made eligible to discount is not paper the proceeds of which have been used to produce or market a crop. It may have been pure speculation upon the part of the factor, and the Senator is in terms making purely speculative paper eligible for discount.

Mr. McKELLAR. That very matter was discussed at great length by the Federal Reserve Board. Those gentlemen went into it very carefully. The amendment was prepared by members of the Federal Reserve Board and I accepted just what they prepared.

Mr. SWANSON. Mr. President, will the Senator permit an interruption?

Mr. McKELLAR. In just a moment. The amendment does not have the vice to which the Senator refers.

Mr. LENROOT. Why does it not?

Mr. McKELLAR. They say not.

Mr. LENROOT. But the Senator is a good lawyer and can construe language.

Mr. McKELLAR. I do not think it has that vice.

Mr. SWANSON. If the factor engages in speculation, he is not engaged exclusively in making advances to producers.

Mr. LENROOT. He may not be making advances to anybody except producers, but he may be dealing upon his own account, and as the language reads it seems clear to me it is simply pointing out a class of persons whose paper may be eligible for discount.

Mr. McKELLAR. I call the Senator's attention to the language:

The notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state.

There can not be any misapprehension.

Mr. LENROOT. But that is not the Senator's amendment. It has been changed.

Mr. FLETCHER. That was modified by changing it to read "making advances exclusively."

Mr. LENROOT. They might not make advances to individuals, but they might on their own account and become speculators wholly, and yet the paper would become eligible to discount.

Mr. McKELLAR. That is not intended at all.

Mr. LENROOT. I do not question that.

Mr. GEORGE. Mr. President, the minute the factor becomes the owner of the property himself he ceases to be a factor. Under the language only a factor engaged in factoring may be advanced money.

Mr. LENROOT. Does the Senator mean he may not get goods in his own name and his paper be eligible to discount?

Mr. GEORGE. He may own goods in his own name and deal with his own goods, but credit based upon that paper would not come within his operations as a factor. In his individual capacity he may own goods and may deal with them, but he is then not factoring and is not engaged in factoring.

Mr. SWANSON. It is not then the note of a factor.

Mr. GEORGE. No. In the business of factoring the factor or commission merchant has a status well recognized and well defined in the law of all our Southern States. He does business upon a security authorized by law. His bills and notes are secured by a form of security recognized by law. The old-fashioned factor has practically ceased to exist in my State; that is, the factor who was in some sections a supply merchant or a banker advancing money to make the crop.

The factor now is chiefly valuable because he collects the product after it is put in merchantable form and holds it until he is able to make shipment. He is largely a warehouseman as well as a factor, and yet his business of factoring is well recognized in our States, and in my State, I know, it is especially defined and protected. While he might buy products of his own, he would not then be a factor. He would be then a cotton buyer, and the paper based upon that transaction would not be eligible to discount under the Federal reserve system.

Mr. LENROOT. His general business might be called a factor.

Mr. GEORGE. Certainly, but it would not be an advance made, and his paper, based upon the language of the amendment now under consideration, would not be eligible to discount under the Federal reserve system.

Mr. LENROOT. That is the question.

Mr. GEORGE. He might be a banker and also be a farmer, and he might engage in some other business, but that paper would not be eligible under the provision.

Mr. LENROOT. Taking the Senator's own illustration, if the language read "banker" instead of "factor," would he say the language would not authorize the discounting of all paper the banker might offer, irrespective of its character?

Mr. GEORGE. Only the paper that he had accumulated in making advances exclusively to producers.

Mr. LENROOT. No; it would point out a class of bankers who would be entitled to the privileges of discount, but it would not apply solely to the business, and that is my whole point. It should be confined, if it goes in at all, to paper issued by factors as such.

Mr. McKELLAR. Does the Senator from Wisconsin want to add the words "as such"? I would accept that modification.

Mr. GEORGE. I merely wish to make the further observation that the factor himself is not usually a buyer of the product. The two are inconsistent. He can not act as agent and at the same time be a buyer on his own account.

Mr. LENROOT. I do not think there is any doubt that the Senate does not want to enact a law which would give a pure speculator any privilege with reference to discounts.

Mr. GEORGE. The Senator misunderstands the business of factoring.

Mr. LENROOT. I have had the definitions and carefully gone over them.

Mr. McKELLAR. Will the Senator let me make this suggestion? In line 6, after the word "exclusively," how would it do to add the words "as factors"? Would that meet the suggestion which the Senator from Wisconsin makes?

Mr. SWANSON. "As such" would do it.

Mr. LENROOT. "Issued as such" might do it.

Mr. McKELLAR. I ask unanimous consent to perfect my amendment in line 5, after the word "factors," by inserting the words "issued as such."

The VICE PRESIDENT. The Senator has a right to perfect his own amendment.

Mr. FLETCHER. Mr. President, may I suggest, if the Senator will allow me, that what seemed the trouble with the Senator from Nebraska [Mr. NORRIS] was, as he explained, that he could not see why the farmer could not go to a bank and get the banker to make the advance; in other words, that the factor was an unnecessary middleman and more or less of a burden upon the producer. That is not the situation now with reference to factors in connection with the business. The factor affords an additional facility and his operation is a benefit to the producer.

The banker would not take the farmer's paper where he has cotton, for instance, in the field that is matured and ripened and ready to be picked, but the factor is interested in the business and has perhaps made an advance already for fertilizer. He knows exactly how many acres are under cultivation. He watches the crop. He knows how much it is going to produce per acre. He goes out and looks at it and sees for himself what the condition of the cotton is. He makes advances for the purpose of gathering the cotton, ginning it, and preparing it for market. He takes that risk which the banker would not take because the banker can not keep up with the crop from time to time in its different changing conditions from the planting of the crop to its final gathering, harvesting, and baling for market. But the factor does that and therefore it seems to me his paper, bearing his indorsement, he being personally liable on it and having secured himself, would be perfectly good paper.

Mr. McKELLAR. I ask for a vote on my amendment.

Mr. NORRIS. Not quite yet.

Mr. McKELLAR. I did not mean to hurry the Senate to a vote if the Senator from Nebraska desires to occupy the floor.

Mr. NORRIS. I shall not detain the Senate long. I am still not satisfied, as I understand the situation. I realize that it is a business with which I am not familiar and I apologize for my ignorance, but the Senate stands now converted by the letter which the Senator from Tennessee [Mr. McKELLAR] has read from W. P. G. Harding, who is the head of the Federal Reserve Board.

Mr. HEFLIN. Who was the head.

Mr. NORRIS. Yes; who was the head. He wrote this letter while he was its head. I have listened very intently on many occasions to the junior Senator from Alabama [Mr. HEFLIN] in regard to this person. I think he has convinced the Senate, the President, and the country—I think he said as much one day—that the word of this man Harding was no good and should never be taken, and yet here has come the Senator from Tennessee and practically won over the entire Senate to make eligible a lot of paper for the benefit of the middleman and to put the burden upon the man who produces the cotton, as I understand it. I have wondered whether the Senator from Alabama was going to permit that to be done.

Mr. HEFLIN. If the Senator from Nebraska will permit me, I think at the time the then governor of the Federal Reserve Board wrote a letter to the Senator from Tennessee, he was feeling considerably the lash we were applying to him up here and was trying to court favor somewhat in order to hold his position. I have just as little confidence now in anything suggested by him as I had then, but when a man is trying to hold his place and works as hard for it as he did, he is liable to state some truth among the things he says.

Mr. NORRIS. If that is true, and this man by the lashing, as the Senator said, was whipped into a mood of ability and honesty, then while he was in that mood we ought to have kept him in the job. He ought to be given a place for life, because the Senator from Alabama announced the other day he was going to stay here for life—

Mr. HEFLIN. Oh, no; I did not say for life.

Mr. NORRIS. And continue to pound away at him.

Mr. HEFLIN. I said I expected to be here for some time.

Mr. NORRIS. At any rate, the Senator expected to continue to talk about Harding, and yet he seems to have been converted to accepting his word.

Mr. LENROOT. I think the Senator from Nebraska has misunderstood the Senator from Alabama. I do not understand the Senator from Alabama means to convey the thought that he thinks that "William Poison Gas Harding," as he terms him, has told the truth even now, but he wrote the letter only to catch southern votes.

Mr. NORRIS. But he has not any votes to catch.

Mr. HEFLIN. He catches anything that might come his way.

Mr. NORRIS. It seems to me he is catching even the junior Senator from Alabama.

Mr. CARAWAY. He is a better catcher than the Senator from Nebraska thought.

Mr. NORRIS. Yes; I never thought for a moment he would be able to catch the junior Senator from Alabama in his lasso, but he seems to have gotten him on this occasion.

Mr. SWANSON. Mr. President, if I may be permitted to say just a word to the Senator from Nebraska, a factor really helps the producer of cotton. For instance, a farmer can not ship his cotton to Liverpool. He is bound to rely upon somebody who collects enough cotton to fill a ship, and when he does that, it is sold for his account.

Mr. NORRIS. I am not controverting that point. It seems to me there is one view that may be taken of the amendment that would demonstrate its worthiness. From all the Senator from Virginia has said, and I have listened to all the debate on it, the factor performs a valuable service in gathering in the cotton and holding it until he gets a shipload and until it can be sold. That is a good service.

Mr. SWANSON. It is sold, then, for the producer's account, and that enables the producer to sell his cotton himself in Liverpool instead of being compelled to sell it to a speculator. The cotton farmers, through a factor, accumulate a shipload and sell it in Liverpool and get the profits themselves, less the commission.

Mr. NORRIS. Yes; less the commission and the interest they pay. That is a good service; but we have been told, and I take it that is one of the objects of the paper, that the factors loan to the farmers money to buy fertilizer to take care of the crop and then to harvest it. He puts up the money before the cotton is planted. That is a different kind of service from gathering cotton together and holding it and accumulating it until they can get enough to make a shipload. The paper of the man who plants the cotton—the farmer himself, whom we all love so much and whom we are all working very hard to please and to help, the real farmer who plants the cotton—would not be eligible if he borrowed that same money from the bank to buy fertilizer and plant the cotton, as I understand it.

Mr. McKELLAR. Of course, it would be eligible then, being for agricultural purposes.

Mr. NORRIS. Would that be eligible under the Senator's amendment?

Mr. McKELLAR. Oh, yes.

Mr. FLETCHER. The amendment does not interfere with that.

Mr. McKELLAR. Not at all.

Mr. NORRIS. Very well. If that be true, my principal objection, which it seemed to me existed, has disappeared.

Mr. McKELLAR. I do not think there can be any question in the world about the farmers' paper.

Mr. NORRIS. The point I wanted to make was that I did not want to make paper eligible simply because a middleman had come in and indorsed it.

Mr. McKELLAR. I understand the amendment will not affect that particular feature.

Mr. FLETCHER. It is simply in addition to that.

Mr. HEFLIN. Mr. President, I want to suggest to the Senator from Nebraska that the cotton factors live mainly in the neighborhood of seaport towns, such as Norfolk, Savannah, Augusta, Mobile, New Orleans, Memphis, and so forth. For instance, a farmer who is going to make 50 bales of cotton will go to one of the factors and say, "I want to get money from you now, and I will deliver 50 bales of cotton in the fall." He contracts with the factor to that effect, and the factor then lends him the money. Perhaps the factor needs money himself later on for some other purpose, and so he goes over to the bank, indorses the farmer's paper, and gets the money. I think it will be helpful to those who deal in cotton.

Mr. CARAWAY. Mr. President, let me say to the Senator from Alabama that the man who makes advances to the farmer to produce a crop stands in the attitude of a commission merchant; that does not constitute him a cotton factor. The fac-

tor is a man who takes the finished product for somebody and sells it.

Mr. HEFLIN. The factors do let them have money, in order to bring their cotton direct to them to enable them to ship it abroad. There is some of that done.

Mr. CARAWAY. Such a man is not going to be affected under the amendment, because that class of his business will be cut out.

Mr. NORRIS. I do not understand the Senator from Arkansas.

Mr. CARAWAY. The Senator from Alabama says that the man he is trying to reach is the man who loans money to the farmer to make the crop. Such a business does not constitute a man a factor. The factor is the man who handles the product for the farmer as his agent and sells it.

Mr. NORRIS. The Senator means after it is produced?

Mr. CARAWAY. Yes; the man who handles the product at any time; and this amendment will never reach the man the Senator from Alabama describes as the man who advances the money to the farmer.

Mr. NORRIS. I understand the Senator's idea.

Mr. HEFLIN. That man ought to be reached under it.

Mr. CARAWAY. But he will not be reached under the amendment.

Mr. HEFLIN. We thought it would reach him.

Mr. NORRIS. As I understand, the contention of the Senator from Arkansas is that this amendment would not apply to a man, no matter what you call him, whether factor or anything else, who loans money to the farmer to plant and grow cotton?

Mr. CARAWAY. This amendment does not reach that class of individuals.

Mr. NORRIS. That is because of the word "factor" being used, I presume.

Mr. CARAWAY. Yes; and the words "as such." Only in his capacity as a factor can his paper be discounted under this amendment.

Mr. NORRIS. I understand that.

Mr. CARAWAY. Because it uses the words "as such," and the transaction of lending money to a farmer to enable him to make a crop is not a factor's business "as such," but his sole duty is to handle the product as the agent of the producer and sell it for him. If that is the kind of individual it is proposed to embrace under the amendment, it will not accomplish the purpose intended.

Mr. McKELLAR. Mr. President, if no one else desires to speak on the amendment, I hope we may have a vote this afternoon.

Mr. GLASS. Mr. President, the undeniable fact is that these are what are known as finance bills, which, as a general proposition, are not eligible for rediscount at a Federal reserve bank. It has been so decided by the counsel for the Federal Reserve Board after very careful examination into the matter, and he has set forth his views in a very exhaustive opinion. However, the amendment so hedges the proposition about as to make it not very dangerous; in fact, the governor of the Federal Reserve Board said to me that such paper in the rediscount operations of the Federal reserve system was so absolutely inconsequential that the board thought it entirely secure and safe, with the amendment as drafted by the board, to admit it to rediscount.

Mr. McKELLAR. I hope we may now have a vote on my amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Tennessee as modified.

The amendment as modified was agreed to, as follows:

SEC. 12. That section 13 of the Federal reserve act, as amended, be further amended by adding, after the words "being eligible for discount" and before the words "but such definition shall not include," the words: "And the notes, drafts, and bills of exchange of factors issued as such making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

Mr. HEFLIN. Mr. President, I desire to offer the amendment which I sent to the Secretary's desk earlier in the day, so that it may be pending when the Senate reconvenes tomorrow.

The VICE PRESIDENT. The amendment proposed by the Senator from Alabama will be stated.

The ASSISTANT SECRETARY. At the end of the bill it is proposed to add a new section, as follows:

SEC. 13. That the act approved April 13, 1920, being Public, No. 170, Sixty-sixth Congress, entitled "An act to amend the act approved December 23, 1913, known as the Federal reserve act," be, and the same is hereby, repealed.

EXECUTIVE SESSION.

Mr. LENROOT. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

DEATH OF REPRESENTATIVE SHERMAN E. BURROUGHS.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, communicated to the Senate the intelligence of the death of Hon. SHERMAN E. BURROUGHS, late a Representative from the State of New Hampshire, and transmitted the resolutions of the House thereon.

Mr. MOSES. I ask that the resolutions of the House be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The reading clerk read the resolutions, as follows:

IN THE HOUSE OF REPRESENTATIVES, January 29, 1923.

Resolved, That the House has heard with profound sorrow of the death of Hon. SHERMAN E. BURROUGHS, a Representative from the State of New Hampshire.

Resolved, That a committee of 12 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. MOSES. Mr. President, I offer the resolutions which I send to the desk and ask for their adoption.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 425) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Hon. SHERMAN E. BURROUGHS, late a Representative from the State of New Hampshire.

Resolved, That a committee of six Senators be appointed by the Vice President, to join the committee appointed on the part of the House of Representatives, to attend the funeral of the deceased.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT, under the second resolution, appointed Mr. MOSES, Mr. KEYES, Mr. HARRELD, Mr. MCKINLEY, Mr. BAYARD, and Mr. WALSH of Massachusetts members of the committee on the part of the Senate.

Mr. MOSES. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate take a recess under the order previously entered.

The motion was unanimously agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Tuesday, January 30, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 29, 1923.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

Robert Woods Bliss, of New York, now Third Assistant Secretary of State, to be envoy extraordinary and minister plenipotentiary of the United States of America to Sweden.

THIRD ASSISTANT SECRETARY OF STATE.

J. Butler Wright, of Wyoming, to be Third Assistant Secretary of State.

SOLICITOR FOR THE DEPARTMENT OF STATE.

Charles Cheney Hyde, of the District of Columbia, to be Solicitor for the Department of State, vice Fred K. Nielsen, resigned.

COLLECTOR OF CUSTOMS.

Philip Elting, of Kingston, N. Y., to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y., to fill an existing vacancy.

COLLECTOR OF INTERNAL REVENUE.

Acel C. Alexander, of Oklahoma City, Okla., to be collector of internal revenue for the district of Oklahoma, in place of David C. Bennington, resigned.

APPOINTMENTS IN THE COAST AND GEODETIC SURVEY.

The following-named deck officers in the Coast and Geodetic Survey to be aids with relative rank of ensign in the Navy:

Donald Wood Taylor, of Massachusetts, vice L. C. Wilder, promoted.

Carl Frederick Meyer, of Massachusetts, vice E. F. Delany, resigned.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY.

SIGNAL CORPS.

Capt. Archie Arrington Farmer, Infantry, with rank from February 2, 1919.

Capt. Emery Williamson, Infantry, with rank from July 1, 1920.

Capt. Lloyd Chandler Parsons, Infantry, with rank from July 1, 1920.

First Lieut. William Nimmons Davis, Infantry, with rank from October 20, 1919.

AIR SERVICE.

Maj. John Henry Pirie, Coast Artillery Corps, with rank from July 1, 1920.

Capt. William Francis Donnelly, Infantry, with rank from June 27, 1917.

Capt. Richard Derby, Coast Artillery Corps, with rank from July 1, 1920.

FIELD ARTILLERY.

Lieut. Col. Joseph Howard Barnard, Quartermaster Corps, with rank from December 27, 1920.

Maj. George Edgar Nelson, Quartermaster Corps, with rank from July 1, 1920.

Maj. George Wessley Sliney, Cavalry, with rank from July 1, 1920.

Capt. Joseph Scranton Tate, Cavalry, with rank from April 26, 1920.

Capt. Richard Ernest Dupuy, Coast Artillery Corps, with rank from July 1, 1920.

Capt. Lawrence Archie Kurtz, Infantry, with rank from July 1, 1920.

First Lieut. George Francis Neeley, jr., Infantry, with rank from July 1, 1920.

First Lieut. Edward Herendeen, Infantry, with rank from July 6, 1921.

CORPS OF ENGINEERS.

First Lieut. William Sawtelle Kilmer, Field Artillery.

Second Lieut. Hubert Stauffer Miller, Infantry.

SIGNAL CORPS.

First Lieut. Garland Cuzorte Black, Cavalry.

AIR SERVICE.

First Lieut. Ellis DeVern Willis, Infantry.

First Lieut. Robert Gale Breene, Cavalry.

COAST ARTILLERY CORPS.

Second Lieut. Clarence Miles Mendenhall, jr., Infantry.

POSTMASTERS.

ALABAMA.

Lillie C. Hays to be postmaster at Abbeville, Ala., in place of L. C. Hays. Incumbent's commission expired November 21, 1922.

ARKANSAS.

Philip K. Connaway to be postmaster at Forrest City, Ark., in place of Linn Turley, resigned.

CALIFORNIA.

James R. Willoughby to be postmaster at Corcoran, Calif., in place of L. M. Peery. Incumbent's commission expired September 5, 1922.

George L. Clare to be postmaster at Guerneville, Calif., in place of Elizabeth Clar. Incumbent's commission expired July 25, 1920.

William E. Hunt to be postmaster at Kelseyville, Calif., in place of W. E. Hunt. Incumbent's commission expired January 30, 1921.

DELAWARE.

Frederick J. Dodson to be postmaster at Smyrna, Del., in place of A. L. Cummins. Incumbent's commission expired December 18, 1922.

ILLINOIS.

Mode Morrison to be postmaster at Manteno, Ill., in place of J. O. Smith. Incumbent's commission expired October 24, 1922.

William R. Watts to be postmaster at Paxton, Ill., in place of W. R. Nelson. Incumbent's commission expired November 21, 1922.

Milton T. Hunt to be postmaster at Warsaw, Ill., in place of C. J. Paar, deceased.

INDIANA.

William D. Moss to be postmaster at Marion, Ind., in place of O. C. Bradford. Incumbent's commission expired September 5, 1922.

Jesse E. Harvey to be postmaster at Markle, Ind., in place of Clinton Rogers. Incumbent's commission expired September 5, 1922.

KENTUCKY.

George T. Joyner to be postmaster at Bardwell, Ky., in place of J. G. Roberts. Incumbent's commission expired October 3, 1922.

James A. Leach to be postmaster at Beaver Dam, Ky., in place of Edith Porter. Incumbent's commission expired October 3, 1922.

Emma M. Oldham to be postmaster at Bloomfield, Ky., in place of B. J. Purdy. Incumbent's commission expired October 3, 1922.

James W. Burns to be postmaster at Catlettsburg, Ky., in place of R. A. Field. Incumbent's commission expired October 3, 1922.

Anna Glascock to be postmaster at Flemingsburg, Ky., in place of Gilbert Adams. Incumbent's commission expired October 3, 1922.

Jasper N. Oates to be postmaster at Nortonville, Ky., in place of J. R. Harrison. Office became third class April 1, 1921.

MASSACHUSETTS.

Joseph E. Herrick to be postmaster at Beverly, Mass., in place of Charles Prescott, deceased.

Robert H. Howes to be postmaster at Southboro, Mass., in place of R. H. Howes. Incumbent's commission expired October 1, 1922.

MINNESOTA.

Hope Mouser to be postmaster at Gilbert, Minn., in place of Hope Mouser. Incumbent's commission expired November 21, 1922.

Clara A. Toftey to be postmaster at Grand Marais, Minn., in place of C. A. Toftey. Incumbent's commission expired November 21, 1922.

MISSISSIPPI.

Nathan B. Williams to be postmaster at Fernwood, Miss., in place of Gertrude Martin, resigned.

Allene M. Mitchell to be postmaster at Sunflower, Miss., in place of F. C. Williams, resigned.

MISSOURI.

John L. Oheim to be postmaster at Kimmswick, Mo., in place of J. J. A. Hilgert. Incumbent's commission expired September 5, 1922.

Anna T. Winchester to be postmaster at Sikeston, Mo., in place of F. H. Smith. Incumbent's commission expired September 5, 1922.

NEBRASKA.

Annette C. Jones to be postmaster at Western, Nebr., in place of M. T. Kilmer. Incumbent's commission expired October 3, 1922.

NEW JERSEY.

Milton K. Thorp to be postmaster at Hackettstown, N. J., in place of Charles Rittenhouse. Incumbent's commission expired August 6, 1921.

NEW YORK.

Adolph N. Johnson to be postmaster at Falconer, N. Y., in place of S. I. Houghwout. Incumbent's commission expired November 21, 1922.

Henry E. Johnston to be postmaster at Spencer, N. Y., in place of M. L. Fisher. Incumbent's commission expired September 19, 1922.

NORTH CAROLINA.

Clarence M. McCall to be postmaster at Biltmore, N. C., in place of H. M. Gudger. Incumbent's commission expired September 5, 1922.

Edward F. Yarborough to be postmaster at Louisburg, N. C., in place of R. H. Davis. Incumbent's commission expired September 5, 1922.

OHIO.

Cora M. Burns to be postmaster at Beloit, Ohio, in place of C. M. Burns. Office became third class April 1, 1922.

John W. Keel to be postmaster at Bolivar, Ohio, in place of M. H. Willard. Office became third class July 1, 1922.

Lee B. Milligan to be postmaster at Lowellville, Ohio, in place of L. B. Milligan. Incumbent's commission expired November 21, 1922.

Della Boone to be postmaster at Spencer, Ohio, in place of Della Boone. Incumbent's commission expired October 24, 1922.

OKLAHOMA.

Hubbard A. Babb to be postmaster at Hugo, Okla., in place of J. F. Larecy, removed.

Thomas W. Kelly to be postmaster at Stillwater, Okla., in place of I. O. Diggs. Incumbent's commission expired January 27, 1923.

George Logsdon to be postmaster at Taloga, Okla., in place of D. R. Wright. Incumbent's commission expired October 24, 1922.

PENNSYLVANIA.

Frank J. Woodward to be postmaster at Media, Pa., in place of M. C. Fox, jr. Incumbent's commission expired February 4, 1922.

Mary E. Leavitt to be postmaster at Sharon Hill, Pa., in place of T. O. Humphrey. Incumbent's commission expired October 24, 1922.

Howard M. Gardner to be postmaster at York Springs, Pa., in place of J. L. Gibb. Office became third class January 1, 1921.

TENNESSEE.

Clarence E. Locke to be postmaster at Ethridge, Tenn., in place of L. E. Newman. Office became third class July 1, 1920.

TEXAS.

McDougal Bybee to be postmaster at Childress, Tex., in place of L. E. Haskett. Incumbent's commission expired January 24, 1922.

Simpson I. Dunn to be postmaster at Port Arthur, Tex., in place of J. H. Washburne. Incumbent's commission expired September 5, 1922.

VERMONT.

James E. Kidder to be postmaster at Derby, Vt., in place of A. W. Kimball. Office became third class January 1, 1921.

WEST VIRGINIA.

Harry R. Adams to be postmaster at Spencer, W. Va., in place of S. A. Simmons, resigned.

WISCONSIN.

Floyd D. Bartels to be postmaster at Blue River, Wis., in place of E. M. Taylor. Incumbent's commission expired March 16, 1921.

John B. Schneller to be postmaster at Neenah, Wis., in place of E. A. Severson. Incumbent's commission expired December 23, 1922.

WYOMING.

Arthur W. Crawford to be postmaster at Guernsey, Wyo., in place of R. E. Rimington, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 29, 1923.

ASSOCIATE JUSTICE OF SUPREME COURT OF THE UNITED STATES.

Edward T. Sanford to be Associate Justice of the Supreme Court of the United States.

POSTMASTERS.

ALABAMA.

Fred M. Fitts, Alabama City.
Margaret E. Stephens, Attalla.
John L. Miller, Berry.
William L. Power, Blountsville.
Grova Grace, Dora.
Eva M. Ellison, Empire.
John M. Stapleton, Foley.
Warren L. Hollingsworth, Lincoln.
Henry G. Reiser, Mobile.
Jesse A. Eason, Ozark.
Fred D. Perkins, Wetumpka.

GEORGIA.

Lemuel S. Peterson, Douglas.
William C. Chambers, Fort Gaines.
Harry M. Wilson, Waycross.

KANSAS.

Lewis Thomas, Argonia.
Clark L. Porter, Blue Mound.
Hester Goldsmith, Cheney.
William D. Hale, Dexter.

Frank H. Hanson, Haddam.
William R. Waring, Hope.
Frank H. Dieter, Oakhill.
Franklin C. Thompson, Stafford.
Nettie M. Cox, Wellington.

MINNESOTA.

Wilson W. Wright, Cromwell.
Benjamin H. Peoples, Detroit.
Frank H. Wherland, Welcome.

NORTH DAKOTA.

Austinna S. Loudenbeck, Garrison.
Marion C. Houser, Napoleon.

OHIO.

Mary E. Ross, Lebanon.
Charlie D. Harvey, North Fairfield.
Georgiana Pifer, Rock Creek.
Walter W. Wiant, St. Paris.

SOUTH CAROLINA.

Walter W. Goudelock, Trough.

SOUTH DAKOTA.

Evert D. Law, Bonesteel.
George E. Conrick, Chamberlain.
Frank Den Beste, Corsica.

TEXAS.

Amelia M. Bridges, Anderson.
Joseph C. Council, Granger.
Riley C. Couch, Haskell.
Rufus H. Windham, Kirbyville.
E. Otho Driskell, Mansfield.
Nathaniel B. Spearman, Mount Pleasant.
William J. Barker, Van Horn.

WISCONSIN.

William W. Winchester, Amery.
William Martin, Campbellsport.
Edward J. Tracy, Doylestown.
Ferdinand A. Nierode, Grafton.
David L. Mann, Horicon.
Carrie K. Lehner, Juneau.
Anton Schiesl, Laona.
Albert Liebl, Luxembourg.
Elmer E. Haight, Poynette.
Elwin J. McLeod, Rib Lake.
Cora L. Evenson, Rio.

HOUSE OF REPRESENTATIVES.

MONDAY, January 29, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, suffer us to come to Thee. Be with all afflicted ones and comfort them with that peace that is blended with the very harmonies of heaven. Hear us as we pray: "Our Father, who art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done in earth, as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive them who trespass against us. And lead us not into temptation, but deliver us from evil. For Thine is the kingdom, and the power, and the glory, forever. Amen."

The Journal of the proceedings of Saturday was read and approved.

DEATH OF HON. SHERMAN E. BURROUGHS.

Mr. WASON. Mr. Speaker, after a brief illness, Hon. SHERMAN E. BURROUGHS, a Representative in Congress from the first district of New Hampshire, died in Washington, D. C., late in the evening of Saturday, the 27th day of this month. It is with profound sorrow and grief that I make this announcement. In his death I keenly realize his loss as a colleague, as a legislator, and a true friend. Later a request will be made that a time be set apart for the purpose of allowing his colleagues to express their appreciation of his services to our beloved country.

I offer the following resolution, and move its adoption.
The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 496.

Resolved, That the House has heard with profound sorrow of the death of Hon. SHERMAN E. BURROUGHS, a Representative from the State of New Hampshire.

Resolved, That a committee of 12 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The question was taken, and the resolution was unanimously agreed to.

The SPEAKER. The Chair announces the following committee:

The Clerk read as follows:

Mr. WASON, Mr. GREENE of Vermont, Mr. DALE, Mr. WINSLOW, Mr. TAGUE, Mr. DENISON, Mr. DALLINGER, Mr. VESTAL, Mr. HERSEY, Mr. LEA of California, Mr. GRAHAM of Illinois, and Mr. NEWTON of Minnesota.

The SPEAKER. The Clerk will report the additional resolution.

The Clerk read as follows:

Resolved, That, as a further mark of respect, this House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 13 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 30, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

923. A letter from the Public Printer, transmitting a report to Congress of the operations of the Government Printing Office for the fiscal year ended June 30, 1922; to the Committee on Printing.

924. A letter from the Secretary of the Treasury, transmitting report as to the rents received from properties located on sites of proposed public buildings purchased by the United States Government in the District of Columbia; to the Committee on Public Buildings and Grounds.

925. A letter from the Secretary of War, transmitting a tentative draft of a bill providing that hereafter all moneys arising from the disposition, as authorized by law and regulations, of serviceable military supplies and equipment of the Engineer Corps, Air Service, and Chemical Warfare Service shall constitute for each of said services a separate fund on the books of the Treasury Department, which shall be available to replace such military supplies and equipment throughout the fiscal year in which the dispositions were effected and throughout the following fiscal year; to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ROUSE: A bill (H. R. 14066) to amend an act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes," approved February 28, 1919, as amended by "An act to reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis," approved June 5, 1920, providing for travel allowances to railway postal clerks and substitute railway postal clerks; to the Committee on the Post Office and Post Roads.

By Mr. WEAVER: A bill (H. R. 14067) providing for closing of Weaver Place NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. ROUSE: A bill (H. R. 14068) to amend an act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922, and for other purposes," approved March 1, 1921; to the Committee on the Post Office and Post Roads.

By Mr. BUTLER: A bill (H. R. 14069) to increase the efficiency of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. HAMMER: A bill (H. R. 14070) to authorize the consolidation of corporations having franchises to operate street cars in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MOTT: A bill (H. R. 14071) to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenue laws; to the Committee on Ways and Means.

By Mr. KELLY of Pennsylvania: Resolution (H. Res. 497) providing for the purchase and installation of an electromechanical voting system in the House of Representatives; to the Committee on Accounts.

By the SPEAKER (by request): Memorial of the Legislature of the State of North Dakota, urging that the Congress of the United States take immediate action toward the passage of such laws or law which will make possible the early completion and perfection of the Great Lakes-St. Lawrence waterway project; to the Committee on Interstate and Foreign Commerce.

Also (by request), memorial of the Legislature of the State of Oregon, petitioning Congress to submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; to the Committee on Ways and Means.

By Mr. KISSEL: Memorial of the Legislature of the State of Oregon, recommending the submission of a constitutional amendment by Congress which will prohibit the further issuance of tax-exempt securities; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 14072) granting a pension to Ruth E. Daniels; to the Committee on Invalid Pensions.

By Mr. BOND: A bill (H. R. 14073) granting an increase of pension to John O. Nelson; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 14074) granting a pension to Stella Irwin; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 14075) granting a pension to Jane Oliver; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 14076) authorizing the President to appoint Edward S. West a captain in the United States Army and immediately to retire him with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7084. By the SPEAKER (by request): Petition of the board of trustees of the Woman's Home Missionary Society of the Methodist Episcopal Church, of Cincinnati, Ohio, urging passage of Senate bill 3721, providing appropriations for a leper hospital at Ceville, La.; to the Committee on Public Buildings and Grounds.

7085. Also (by request), petition of the Central Citizens' Association, of Washington, D. C., asking Congress for redress from an intolerable condition of affairs affecting the citizens of this city; to the Committee on the District of Columbia.

7086. Also (by request), communication from Mrs. Mary F. Henderson, offering to the United States Government a residence for the use of the Vice President of the United States; to the Committee on Public Buildings and Grounds.

7087. Also (by request), petition of Muskegon Lodge, No. 491, Loyal Order of Moose, giving their approval to a movement for a conference of nations to be called by the President of the United States to seek restriction of the production of raw materials from which narcotic drugs are made; to the Committee on Ways and Means.

7088. Also (by request), petition of members of Otsego Lodge, No. 345, endorsing the movement for a conference of nations to be called by the President of the United States to seek restriction of the production of raw materials from which narcotic drugs are made; to the Committee on Ways and Means.

7089. By Mr. GARNER: Petition of 40 citizens of Nueces County, Tex., favoring a joint resolution granting immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7090. By Mr. KISSEL: Petition of Hon. Charles L. Craig, comptroller city of New York, requesting that the House of Representatives concur in the Senate bill amending the national banking act; to the Committee on Banking and Currency.

7091. Also, petition of Pellegrino Jannicello, Esq., Denver, Colo., urging an amendment to the compensation act, known as H. R. 15316; to the Committee on Labor.

7092. By Mr. MEAD: Petition of Mr. and Mrs. J. G. Friedhaber and other citizens of Buffalo, N. Y., asking Congress to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7093. Also, petition of 112 citizens of the forty-second congressional district, New York, urging that aid be extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

SENATE.

TUESDAY, January 30, 1923.

(Legislative day of Monday, January 29, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

PERSONAL EXPLANATION—CONSTITUTIONAL AMENDMENT FIXING PRESIDENTIAL TERMS, ETC.

Mr. NORRIS. Mr. President, I want to call attention to something that happened yesterday in the Senate when I was not in the Chamber; and I want to call attention to what I believe was an error and perhaps make an explanation in regard to it.

I was not here yesterday when the Senator from Connecticut [Mr. McLEAN] was talking upon some pending motion to refer a bill to the Committee on Agriculture and Forestry. I think that was the motion. He was interrupted by the senior Senator from Minnesota [Mr. NELSON], who called the attention of the Senate to a condition relating to an amendment to the Constitution of the United States which had been reported from the Committee on Agriculture and Forestry and is now on the calendar. I want to read just a little from the RECORD as to what the Senator from Minnesota said. He said:

A moment ago the Senator from Connecticut referred to a joint resolution proposing a certain amendment to the Constitution of the United States, which joint resolution had been referred to the Committee on Agriculture.

I have not read the part of the RECORD in which the Senator from Connecticut made that reference. However, if he made the same mistake the Senator from Minnesota has made, I shall be able to correct that wrongful impression.

I desire—

Said the Senator from Minnesota—

to make a brief statement in reference to that matter.

The joint resolution proposed an amendment of the Constitution to dispense with the presidential electors and to provide for a direct vote of the people for President.

He was referring then to a joint resolution reported from the Committee on Agriculture and Forestry. He proceeded:

At the last session of Congress the Senator from Nebraska introduced a similar joint resolution contemplating such an amendment, and accompanied it with a statement on the floor. At his suggestion that joint resolution was referred to the Judiciary Committee, of which he is a member, and, on his own request, I appointed him chairman of a subcommittee to consider the joint resolution proposing the constitutional amendment. That joint resolution is still pending before the Judiciary Committee and is still in the hands of the subcommittee of which the Senator from Nebraska is chairman.

Mr. President, with the exception of my asking the Senator to appoint me as chairman of the subcommittee, the Senator from Minnesota stated the matter correctly. I did introduce such a joint resolution at the last regular session of Congress. I accompanied it with a short statement at the time I introduced it. I asked that it be referred to the Committee on the Judiciary. At the next meeting of the Committee on the Judiciary I asked that the joint resolution be referred to a subcommittee. The chairman of the committee very courteously appointed me as chairman of the subcommittee. So, with that simple correction, the chairman of the Judiciary Committee stated the matter correctly.

I realize, as I think every Senator does, that a Senator who is chairman of one of the great committees of the Senate has practically no time to devote to committee work on committees of which he is not chairman. I have found that with the work of the Agricultural Committee, much of which of course the Senate never considers because it does not get here, my time is entirely taken up; in fact, I could devote, if I had it, twice the time I do devote to that committee. I have tried to perform properly my duties as chairman of that committee.

Mr. President, personally I would be glad to be relieved from that arduous duty because there are so many details and so much work that takes time, not only of the Senator but of the force in his office, that he does not have an opportunity or time to consider other matters in which he is greatly interested. I myself suggested, when the committees of the present Congress were selected by the committee on committees, that I thought Senators like myself, who are chairmen of great committees, ought not to be put on any other committee, and I was perfectly willing that the rule should apply to me if it likewise applied to every other chairman. I would be glad to see that course followed now. I think it ought to be done.

But, Mr. President, I was deeply interested in the joint resolution. Notwithstanding the fact that my time was so taken up, I tried my very best to get a meeting of the subcommittee and to get action on the joint resolution. I have never been able even to get a meeting of the subcommittee. I

have called a meeting at various times, but not during this session, because I gave it up last session. I say that without any criticism of the members of the subcommittee. They were likewise busy on other things. One of them at least was chairman of another subcommittee which was having hearings.

It was a physical impossibility to get consideration of the joint resolution. Whatever blame attaches to me I gladly accept and assume full responsibility. However, the next part of the statement of the Senator from Minnesota is erroneous, as I think I shall be able to show, and if anyone questions it I think I can demonstrate it from the RECORD.

At this session of Congress—

Said the Senator from Minnesota—

the Senator from Nebraska introduced another joint resolution having in view the same object.

That is erroneous. I did not do it.

It was done at a time when I was not present in the Senate.

That is the reason why the Senator was mistaken. If he had been present and had remembered it he would realize that I did not introduce the joint resolution.

At all events, it escaped my attention. The Senator from Nebraska had that joint resolution proposing the same constitutional amendment referred to the Committee on Agriculture and Forestry—

That is erroneous. It was not the same kind of a resolution. It was not introduced by me and I had nothing whatever to do with the reference of the joint resolution to the Committee on Agriculture. But the Senator went on to say—

and from that committee he succeeded in securing a report on the joint resolution.

I did succeed in getting a report from the Committee on Agriculture.

I have been patiently waiting for him, as chairman of the subcommittee, to submit a report to the full Judiciary Committee on the joint resolution which he introduced and had referred to that committee, and which is still pending there.

I am finding no fault whatever with the chairman of the Judiciary Committee. I think he did his full duty. He did it promptly. Under no circumstances have I ever in the slightest degree indicated, even indirectly, any criticism. I am as much to blame as anybody, and the reason why I am to blame for the delay in reporting that joint resolution of mine from the Judiciary Committee is the reason I have already stated. Be it good or bad, those are the facts.

But, Mr. President, the resolution which was reported by me from the Committee on Agriculture, while it did provide for an amendment to the Constitution, was a committee resolution. The Senator from Arkansas [Mr. CARAWAY] one day introduced a concurrent resolution in the Senate. It had reference to Members of Congress who had been defeated at the recent election and who were then and are now participating in general legislation. It was referred to the Committee on Agriculture. It had reference to the meeting of the old Congress after the new one had been elected by the people. I was present when that reference was made. It was not done covertly. The Chair stated it fairly, and he made the reference after he had made a statement of the request of the Senator from Arkansas. I did not have anything to do with the preparation of the concurrent resolution. I had no knowledge that it was going to be introduced. It was referred, I think, as a joke to the Committee on Agriculture. There was a smile in the Senate that such a resolution should be referred to the Committee on Agriculture. But it was so referred, and it was not referred at my request. No such request was made by me. It was the action of the Senate. The Senator from Arkansas plainly in the open Senate made the request. The Chair asked if there was any objection and there was none.

Mr. CARAWAY. Mr. President, will the Senator permit an interruption?

Mr. NORRIS. I gladly yield to the Senator.

Mr. CARAWAY. The Senator will also recall that I called attention to the fact that the jurisdiction was properly with the Committee on the Judiciary.

Mr. NORRIS. I remember it distinctly.

Mr. CARAWAY. So that no one was deceived.

Mr. NORRIS. No one was deceived, but everybody laughed when it was referred to the Committee on Agriculture. The long-whiskered farmers on the Committee on Agriculture took the matter seriously. We went to work on it. We thought that the resolution introduced by the Senator from Arkansas did not provide a remedy for the evil to which he called attention in the whereases, that there had been an election and a new Congress elected but the old Congress was still doing business. He also called attention to some legislation to which it referred. I do not know whether he called attention to it or not, but it was a fact that the resolution in effect was passed by some organization and it was then introduced by him.

Now, the Committee on Agriculture took it up seriously. I was directed by the Committee on Agriculture to report a substitute resolution which would, we thought, meet the difficulty and which required a constitutional amendment in order to accomplish it. I drafted the joint resolution. It had two parts to it, one pertaining to the presidential electors and the other having reference to the fixing of the beginning of a term of Congress which in effect would do away with the short session of Congress and would provide for the meeting on the first Monday in January of the new Congress elected in November. After I had prepared the joint resolution, at a subsequent meeting of the Subcommittee on Agriculture, I read it. It was again referred to the Committee on Agriculture, and I was directed by a unanimous vote of that committee to report it to the Senate.

Mr. President, that is the history of the joint resolution. If we had followed the ordinary procedure the resolution would not have been referred to the Committee on Agriculture and Forestry. At the time I did not wish to have it referred to that committee; I myself had an impulse to object, but it seemed to me that, being the chairman of the committee, an objection would probably not come with good grace from me. So I remained silent, and the committee assumed the burden which the Senate put upon it. We have discharged our duty as best we knew how. Those are the facts with reference to the joint resolution which is now on the calendar.

Mr. President, I wish to say, as I have once before said, that I contemplate making a motion to take up the joint resolution before this session of Congress shall have expired, as soon as we shall have disposed of the so-called rural credits bill, which is now pending.

I thought I ought to say this much now, because the Senator from Connecticut as well as the Senator from Minnesota was laboring under a misapprehension as to the joint resolution. I make the statement in justice to the Committee on Agriculture and Forestry, which did not seek this responsibility. It was put upon them by the Senate itself, and having been placed there, we have undertaken to perform our duty as we understood it. I may add that at the time the concurrent resolution was referred to the Committee on Agriculture and Forestry the Senator from Iowa [Mr. CUMMINS], who himself is a member of the Judiciary Committee, was in the chair.

CALL OF THE ROLL.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from Alabama suggests the absence of a quorum. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gooding	McCormick	Shortridge
Brookhart	Hale	McCumber	Smith
Bursum	Harris	McKellar	Smoot
Cameron	Harrison	McLean	Spencer
Capper	Hefflin	McNary	Stanfield
Caraway	Hitchcock	Nelson	Sutherland
Colt	Johnson	New	Townsend
Couzens	Jones, Wash.	Nicholson	Trammell
Culberson	Kellogg	Norbeck	Underwood
Curtis	Kendrick	Norris	Wadsworth
Ernst	King	Oddie	Walsh, Mass.
Fletcher	Ladd	Overman	Walsh, Mont.
Frelinghuysen	La Follette	Page	Warren
George	Lenroot	Ransdell	Watson
Glass	Lodge	Reed, Pa.	Williams

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is detained at home on account of sickness. I ask that this notice may stand for the day.

Mr. UNDERWOOD. I wish to announce that the Senator from Texas [Mr. SHEPPARD] and the Senator from South Carolina [Mr. DIAL] are detained from the Senate by illness.

Mr. CURTIS. I desire to announce that the senior Senator from New Hampshire [Mr. MOSES], the junior Senator from New Hampshire [Mr. KEYES], the Senator from Illinois [Mr. MCKINLEY], and the Senator from Oklahoma [Mr. HARRELD] are absent on the business of the Senate.

The VICE PRESIDENT. Sixty Senators having answered to their names, a quorum is present.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, in partial response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the War Department in the city of Washington, which was ordered to lie on the table.

WITHDRAWALS AND RESTORATIONS OF PUBLIC LAND.

The VICE PRESIDENT laid before the Senate a communication from the First Assistant Secretary of the Interior, transmitting, pursuant to law, a report showing the withdrawals

and restorations of public lands during the period beginning December 1, 1921, and ending November 21, 1922, and also the areas embraced in outstanding withdrawals at the latter date, which was referred to the Committee on Public Lands and Surveys.

CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Chesapeake & Potomac Telephone Co., transmitting, pursuant to law, the final annual report of the company for the year 1922, to be substituted for the report heretofore submitted in which the results of the operations of the company for the month of December were only estimated, which was referred to the Committee on the District of Columbia.

BOARD OF VISITORS TO THE NAVAL ACADEMY.

The VICE PRESIDENT appointed Mr. PAGE, Mr. PEPPER, Mr. ODDIE, Mr. GERRY, and Mr. SWANSON as members of the Board of Visitors on the part of the Senate to visit the Naval Academy at Annapolis, Md., pursuant to the provisions of the act of August 29, 1916.

PETITIONS.

Mr. LADD presented petitions of sundry citizens of Gladstone, Chaseley, and Enderlin, all in the State of North Dakota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Appropriations.

BAKER RECLAMATION PROJECT, OREGON.

Mr. McNARY presented the following joint memorial of the Legislature of Oregon, which was referred to the Committee on Irrigation and Reclamation:

Senate joint memorial.

To the Hon. A. P. DAVIS,
Director of the United States Reclamation Service.

We, your memorialists, the Senate of the State of Oregon, the House of Representatives concurring, respectfully represent: That

"Whereas the United States Reclamation Service has made an exhaustive examination and survey of what is known as the Baker project, located in Baker County in this State; and

"Whereas estimates are about to be submitted covering the feasibility and cost of said project; and

"Whereas an examination of the soil and climatic conditions has been made by Prof. W. L. Powers, soil expert of the Oregon Agricultural College, and that the report is that the soil conditions and climatic conditions are wholly satisfactory and the soil of more than average fertility, and that the conditions are extremely favorable for the building of a successful project and providing homes for a large number of people and bringing under cultivation a large acreage of land and resulting in a large increase of population and wealth in the State of Oregon; and

"Whereas the State of Oregon has paid into the reclamation fund from the sale of public lands a large sum of money, and the sum of money paid into said fund is greatly in excess of the sum of money received therefrom; and

"Whereas the said Baker project, tentatively adopted by the Reclamation Service, is the only new project in the State of Oregon; and

"Whereas the said project will come before the said Director of the United States Reclamation Service for final approval; and

"Whereas the said project, on account of its proximity to the national forest furnishing cheap lumber for improvements, its close proximity to active markets, its soil and climatic conditions, can stand a high cost per acre for building; and

"Whereas the building of the said project will be an important factor in the encouragement of irrigation in the State of Oregon and stimulating the reclamation of thousands of acres of the arid lands of said State: Now therefore we, your memorialists, do hereby

"Resolve, That the Senate of the State of Oregon, the House of Representatives concurring, favor the building of the said Baker project and do hereby urge that the said project have favorable consideration at your hands and do urge upon you that you finally approve the building of the said project; and be it further

"Resolved, That the chief clerk of the Senate of the State of Oregon be directed to transmit a copy of this memorial to the Hon. A. P. Davis, Director of the United States Reclamation Service, and to each of the Senators and Representatives from the State of Oregon in Congress."

Concurred in by the House January 19, 1923.

K. K. KUBIE,
Speaker of the House.

Adopted by the Senate January 18, 1923.

JAY UPTON,
President of the Senate.

REPORTS OF COMMITTEES.

Mr. NEW, from the Committee on Claims, to which was referred the bill (S. 4425) to authorize appropriations for the relief of certain officers of the Army of the United States, reported it without amendment and submitted a report (No. 1071) thereon.

Mr. WARREN. From the Committee on Appropriations I report back the bill (S. 4362) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, and ask that the committee be discharged from its further consideration. I suggest that the bill should go to

the Committee on Finance, as that committee has charge of the subject matter.

The VICE PRESIDENT. Without objection, the Committee on Appropriations will be discharged from the further consideration of the bill and it will be referred to the Committee on Finance.

Mr. WILLIAMS, from the Committee on the Library, to which was referred the bill (S. 4119) authorizing the erection in the city of Washington of a monument in memory of the faithful colored mammies of the South, reported it with amendments and submitted a report (No. 1072) thereon.

Mr. SPENCER, from the Committee on Indian Affairs, to which was referred the bill (S. 4061) authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks of the Indians of the Blackfeet Indian Reservation, reported it without amendment and submitted a report (No. 1073) thereon.

He also, from the same committee, to which was referred the bill (H. R. 10211) authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service, reported it without amendment and submitted a report (No. 1074) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 4404) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C., reported it without amendment and submitted a report (No. 1075) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 4440) to amend section 9 of the trading with the enemy act, approved October 6, 1917, as amended; to the Committee on the Judiciary.

A bill (S. 4441) granting a pension to Millie Newman; to the Committee on Pensions.

By Mr. ODDIE:

A bill (S. 4442) to renew and extend certain letters patent; to the Committee on Patents.

By Mr. TOWNSEND:

A bill (S. 4443) granting an increase of pension to Alice J. Hunt (with accompanying papers); to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 4444) granting a pension to Thomas J. Boice; to the Committee on Pensions.

By Mr. PHIPPS:

A bill (S. 4445) to amend the first paragraph of section 2 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, and for other purposes; to the Committee on the District of Columbia.

By Mr. McKELLAR:

A bill (S. 4446) granting a pension to Oscar E. Burrow (with accompanying papers); to the Committee on Pensions.

RURAL-CREDIT FACILITIES.

Mr. NORBECK submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS OF WAR DEPARTMENT APPROPRIATION BILL.

Mr. WADSWORTH submitted an amendment authorizing the Secretary of War to permit, without cost to the United States, the erection of monuments or memorials in the Chickamauga and Chattanooga National Military Park to commemorate encampments of Spanish War organizations which were encamped in said park during the period of the Spanish-American War, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not

exceed 4 cents per mile, etc., intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment proposing to increase the appropriation for activities of the national board for promotion of rifle practice, quartermaster supplies, and services for rifle ranges for civilian instruction, etc., from \$20,000 to \$89,900, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that the master of the sword at the Military Academy, upon the completion of his service, shall be entitled to be placed upon the retired list of the Army (with the rank of lieutenant colonel) under the same conditions as are prescribed by law for other officers of the Army, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that no part of the appropriations made in the act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

He also submitted an amendment providing that hereafter the cost of transportation of civilian employees and of material in connection with the manufacturing and purchasing activities of the Signal Corps, Air Service, Medical Department, Ordnance Department, Engineer Department, and the Coast Artillery Corps, and in connection with the construction and installation of fire-control projects at seacoast fortifications by the Coast Artillery Corps, may be charged to the appropriations for the work in connection with which such transportation charges are required, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

PROPOSED INTERNATIONAL CONFERENCE.

Mr. BORAH. I submit a resolution, which I ask to have printed and lie on the table.

The resolution (S. Res. 426) was ordered to lie on the table and to be printed, as follows:

Resolved, That the President is authorized and requested to invite such governments as he may deem necessary or expedient to send representatives to a conference which shall be charged with the duty of considering the economic problems now obtaining throughout the world with a view of arriving at such adjustments or settlement as may seem essential to the restoration of trade and to the establishment of sound financial and business conditions; and also to consider the subject of further limitation of armaments with a view of reaching an understanding or agreement upon said matter, both by land and by sea, and particularly relative to limiting the construction of all types and sizes of subsurface and surface craft of 10,000 tons standard displacement or less, and of aircraft.

ASSISTANT CLERK TO COMMITTEE.

Mr. CALDER submitted the following resolution (S. Res. 427), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Senate Resolution 444, agreed to March 3, 1921, authorizing the Committee to Audit and Control the Contingent Expenses of the Senate to continue the employment of an assistant clerk, payable out of the contingent fund, until the end of the present Congress, be, and the same hereby is, further continued in full force and effect until the end of the Sixty-eighth Congress.

HEARINGS BEFORE COMMITTEE ON MINES AND MINING.

Mr. POINDEXTER submitted the following resolution (S. Res. 428), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Mines and Mining or any subcommittee thereof be, and hereby is, authorized, during the Sixty-seventh Congress, to send for persons, book and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per 100 words to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the bill (S. 472) for the relief of William B. Lancaster, with an amendment, in which it requested the concurrence of the Senate.

WILLIAM B. LANCASTER.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 472) for the relief of William B. Lancaster, which was to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William B. Lancaster, during his natural life, the sum of \$40 per month, to date from the passage of this act, as compensation for injuries sustained while employed by the Reclamation Service at the west portal, Strawberry Tunnel, Strawberry Valley project, Utah, said monthly payments to be paid through the United States Employees' Compensation Commission.

Mr. SMOOT. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

Mr. McNARY. Mr. President, yesterday afternoon I called up for consideration the conference report on the annual Agricultural appropriation bill and made a formal motion with respect to certain amendments. At the request of the Senator from Utah [Mr. KING] I consented that the matter might go over until to-day. By way of a parliamentary inquiry I desire to know if it is necessary to renew my motion, or is it carried over to this time?

The VICE PRESIDENT. The Senator may ask unanimous consent to take the report from the table, and then the motion heretofore made by him will be pending.

Mr. McNARY. I ask unanimous consent that the report of the conference committee on the annual Agricultural appropriation bill may be taken from the table.

There being no objection, the Vice President laid before the Senate the action of the House of Representatives on certain amendments of the Senate to House bill 13481, the Agricultural Department appropriation bill.

The VICE PRESIDENT. The Secretary will state the motion of the Senator from Oregon which is now pending.

The ASSISTANT SECRETARY. The Senator from Oregon [Mr. McNARY] moved that the Senate agree to the amendments of the House to the amendments of the Senate numbered 11, 31, 33, and 35, and that the Senate recede from its amendment numbered 34.

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon.

Mr. HARRISON. Mr. President, I should like to ask the Senator from Oregon if the conference report represents a full agreement on the Agricultural appropriation bill?

Mr. McNARY. It does.

Mr. HARRISON. I have not had time to go over the report in detail and I should like to ask the Senator what was done with some of the Senate amendments, notably the one making an appropriation for the investigation of insects prevalent in my section of the country affecting the sweet potato?

Mr. McNARY. That item as passed by the Senate is found on page 51 of the bill and reads:

For investigations of insects affecting truck crops, including insects affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, etc., and insects affecting stored products, \$173,000.

The Bureau of the Budget estimated \$123,000 for this item; the House appropriated \$123,000; the Senate committee recommended \$123,000, but on the floor of the Senate the appropriation was increased \$50,000 under the amendment offered by the Senator from Mississippi. That brought the total to \$173,000. The Senate conferees, however, after discussing the matter at length with the House conferees, yielded to the House conferees and the item stands now at \$123,000.

Mr. HARRISON. I am very sorry to hear that; it will be very bad news to those who are interested in the cultivation of sweet potatoes.

I should like to ask the Senator also what was done with respect to the provision for market news wire service?

Mr. McNARY. That provision was left in the bill as the Senate passed it, appropriating \$700,000 to provide for the distribution annually by wire of market news. Under the appropriation the service may be provided for the Pacific coast and the Southeastern States bordering on the Gulf and the Atlantic Ocean.

Mr. HARRISON. Were any other of the amounts reduced in conference where the appropriations were increased on the floor of the Senate?

Mr. McNARY. I will say to the Senator that by amendment numbered 4 in the item which provides for collecting data concerning frost damage, the Senate inserted a provision with regard to spraying, and that was eliminated by the conferees; so the item remains the same as it came over from the House.

Mr. HARRISON. Of course, I do not want to pry into any of the secrets of the conference; but I suppose it was contended by the conferees representing the House that the sweet-potato item was eliminated because the Bureau of the Budget had not recommended it?

Mr. McNARY. I will say to the Senator that that was not the sole consideration. Of course, it is always an element in the discussion of such a matter and arriving at a solution of the problem. I think the House conferees did mention that fact, but we thought the amount appropriated under this item as it reads now was sufficient to do this work.

Mr. HARRISON. Of course, the Senator made every effort to carry out the wishes of the Senate as expressed by the adoption of the amendment?

Mr. McNARY. Oh, I can say to the Senator that I never worked harder in my life.

Mr. HARRISON. I am sure of that.

Mr. McNARY. Mr. President, the next item is concerning barberry eradication. The House appropriated \$350,000 for this purpose. The Senate increased the House appropriation to \$500,000 on the floor. The conferees agreed upon \$425,000 for this purpose, making \$125,000 available for cooperative work, in the hope that those States and communities where the infestation occurs will more actively cooperate with the Government in the control and eradication of the barberry.

The next item is the sweet-potato item, to which I have called attention.

The next item is the amendment offered by the Senator from California [Mr. SHORTEIDGE], where he made a reservation that \$150,000 of the money appropriated to extinguish predatory animals should go to California. The Senate conferees yielded on that provision.

Mr. HARRISON. The Senate conferees yielded? Is that important item now stricken from the bill?

Mr. McNARY. The item is not so important as the Senator from Mississippi might think when he reads it.

Mr. HARRISON. I heard the very eloquent speech of the junior Senator from California, and he led me to believe that it was very important.

Mr. KING. Mr. President, if the Senator will yield—

Mr. HARRISON. I yield.

Mr. KING. Before leaving that item, may I inquire whether the amount carried in the bill as it left the Senate was reduced, or did the conferees merely strike out the language which required a certain amount of the appropriation to be expended solely in the State of California?

Mr. McNARY. I will state to the Senator from Utah that the amount was not increased or decreased. It remained the same; but the provision which provided for the expenditure of \$150,000 in California was stricken from the bill, so that the language of the bill is general in its nature, and no part of it is confined to any one particular State.

Mr. KING. I am very glad to know that, because the provision, may I say to the Senator, with the indulgence of the Senator from Mississippi, seemed to me to be very unfair and discriminatory. If funds which are appropriated for a section are to be segregated in the bill, and one State is to receive a given quantity, then obviously the other States would be deprived of their proportionate share, and it would lead ultimately to a complete division of the fund in the appropriation bill, leading to wild scrambles between sections, and would divorce the authority expending it from any discretion or any power in the matter. I congratulate the Senator on having eliminated that very unwise and, I was about to say, indefensible provision.

Mr. HARRISON. Evidently the Senator from Utah was not in the Chamber when the junior Senator from California presented the amendment and discussed it or he might have changed the opinion of the Senator from Utah.

Mr. KING. That may be. The Senator from California has great influence with the Senator from Utah; but I am inclined to think that in this matter his eloquence would have been in vain.

Mr. HARRISON. The Senator from California is temporarily out of the Chamber. I have sent for him so that he can again elaborate upon this subject if he desires.

Referring to amendment numbered 3, relating to investigations, observations and reports, forecasts, warnings, and advices for agricultural interests during the harvest season, was that included or did the Senate recede on that amendment?

Mr. McNARY. What page is that on, please?

Mr. HARRISON. That is on page 15 of the bill.

Mr. McNARY. The Senate receded on that.

Mr. HARRISON. The other important item is amendment numbered 4, about spraying.

Mr. McNARY. The Senate receded on that item.

Mr. HARRISON. As to amendment numbered 5, touching the white-pine blister rust, the Senate receded on that, did it?

Mr. McNARY. I will state to the Senator that the House receded on that item and the \$50,000 which was added to the bill for the purpose of scouting work in connection with the infestation of Northwestern States was retained; so the item is \$250,000 rather than \$200,000, as passed by the House.

Mr. HARRISON. Was amendment numbered 8, with respect to sugar-plant investigation, retained?

Mr. McNARY. The House receded from that, and the Senate amendment adding \$10,000 was accepted.

Mr. HARRISON. The Senator from California is now in his seat with respect to his amendment.

Mr. SHORTRIDGE. Mr. President, may I inquire touching the item referred to? I was not in the Chamber when it was brought up.

Mr. HARRISON. I will say to the Senator from California as to the item he had incorporated in the Agricultural bill, which, as I was led to believe, was quite important to the people of California—

Mr. SHORTRIDGE. It certainly was, and is.

Mr. HARRISON. The Senate has receded, or is about to recede when it adopts this report, on that item, and the Senator from Utah [Mr. KING] was just discussing it. He took a different view from that presented by the Senator from California; and I just expressed to him the thought that if he had heard the distinguished Senator from California present this matter he would have the same conviction that I have, namely, that the Senator from California was correct, and that the Senate should not have receded from this item.

Mr. SHORTRIDGE. I thank the Senator for his expressions. I recall the discussion concerning that particular item. I assume that many Senators present also recall what was then said. I made an effort to have the appropriation increased, but under a point of order, which was sustained by the Presiding Officer, my amendment so to increase was ruled out. The upshot of the discussion was that of the \$502,000 mentioned in the bill to be devoted to the purposes stated the Senate voted in effect to give permission to the Secretary of Agriculture to devote \$150,000 of that sum to California in and about the destruction of these very destructive predatory animals.

Mr. WARREN. Mr. President, will the Senator permit an interruption?

Mr. SHORTRIDGE. Certainly.

Mr. WARREN. Was any reason given, if that amendment was not placed in the bill, why the Secretary could not expend that amount in the Senator's State?

Mr. SHORTRIDGE. An effort was made in the House by Representative RAKER to incorporate that sum in the bill, and make it in effect permissive for the Secretary of Agriculture to expend that amount in the State of California for the purpose named. His effort was unsuccessful, because of a point of order raised.

To repeat myself, if the Senator desires to hear an answer to his question—

Mr. WARREN. If there is an answer to it, I should like to hear it.

Mr. SHORTRIDGE. Yes; I say, an effort was made in the House to have this sum made available for the purpose stated, and to be devoted to the State of California, reasons being assigned. That effort was unsuccessful. The bill came here. I moved to amend it by increasing the amount by \$150,000 for those purposes. A point of order was raised and sustained as to increasing the amount, so that the amount devoted to the various purposes was left at \$502,000. I believe that was the sum. I then moved to add a proviso, which is found in the bill, that of the \$502,000 the sum of \$150,000 might be expended in the State of California. In perfect candor I stated that it was not mandatory on the Secretary of Agriculture to devote that amount to that State; that it was permissive; and it took on that form.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Certainly.

Mr. KING. Was there any language in the bill which would have forbidden the Secretary of Agriculture devoting to California for the extermination of predatory animals such portion of the fund appropriated as he deemed necessary and equitable, taking into account the needs of the other States?

Mr. SHORTRIDGE. In a word, I answer "No." Of course, Senators will also recall that I did not forget Arizona or Utah or Colorado—

Mr. KING. Or California.

Mr. SHORTRIDGE. Or other States infested by these predatory animals; but I ventured to call the attention of the Senate

to the fact that California was territorially a very large State; that a vast percentage of her lands is public lands; and that of the public lands a large percentage is mountain and forest, the breeding place of these predatory animals, so that, to make an end of the matter, the amendment in the nature of a proviso was an expression, perhaps, of the feeling of the Senate in respect to the State of California and its needs, wherefore the amendment was permissive, not mandatory; and in that fashion it was approved by the Senate and found its way into the bill. I was not in the Chamber when the report of the conferees was taken up, but I see no reason why that expression of the Senate should not remain in the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Certainly.

Mr. KING. In the absence of the Senator and when the item was inquired about by the Senator from Mississippi [Mr. HARRISON], and the able Senator from Oregon [Mr. McNARY] had stated what the action of the conferees was, I suggested that I thought their action in eliminating the proviso which the able Senator from California had had sufficient influence in the Senate to have inserted in the bill was very wise; that where a fund of this character was appropriated for a certain section where there is a good deal of homogeneity, if I may use that expression, with respect to the section and its needs and purposes, I regarded it as rather unfair and unwise to segregate, even by a permissive expression in the bill, the fund itself, because that very permissive expression would be regarded by the able Senator from California, and certainly by his constituents, as being a direction to the Secretary of Agriculture to expend at least that amount in California, and it would be seized upon by those who sought the expenditure of that fund in California as a fulcrum for tremendous propaganda to bring pressure to bear upon the Secretary of Agriculture to induce him to expend the entire sum in that State. So I was very glad when the Senate conferees, out of the plenitude of their great wisdom, saw fit to yield upon this matter of disagreement and failed to follow the distinguished and able Senator from California.

Mr. SHORTRIDGE. I am sometimes reluctantly forced to concede that I have not very much influence. But not to detain the Senate long, in point of very truth that proviso should have been mandatory in its terms. If it were worth while, or I thought my words to be effective here to-day, I would urge that the amount specified be expended in my State. The conditions were such, they are such, as to warrant that expenditure. I sought to have the \$502,000 item enhanced by \$150,000, the latter sum to be devoted to California, but my effort in that direction was defeated by the point of order raised, not by the other side, if there be two sides in this Chamber, but by mine own particular friends. I had then to content myself with what was done by the Senate. I am not here questioning the wisdom of the conferees, though perhaps all wisdom will not die with them. "If mine enemy had exalted himself before me, peradventure I could have borne it," but mine own particular friends—that is beyond patient bearing.

Mr. KING. Et tu Brute!

Mr. SHORTRIDGE. Has the conference report been agreed to?

Mr. McNARY. It has.

Mr. SHORTRIDGE. What is the immediate matter before the Senate?

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon to agree to the House amendments to Senate amendments numbered 11, 31, 33, and 35, and to recede from its amendment numbered 34.

Mr. JONES of Washington. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. JONES of Washington. If the conference report had not been agreed to in the Senate, would not that be the first proposition to be submitted to the Senate?

The VICE PRESIDENT. The conference report was agreed to.

Mr. SHORTRIDGE. May I ask, for information, as to whether amendment numbered 22 was agreed to?

The VICE PRESIDENT. Amendment numbered 22 has already been agreed to.

Mr. SHORTRIDGE. I move to reconsider the vote by which amendment numbered 22 was agreed to.

Mr. JONES of Washington. That would reopen the whole conference report.

The VICE PRESIDENT. It would be necessary to move to reconsider the vote by which the Senate agreed to the conference report.

Mr. SHORTRIDGE. I make such motion.

Mr. KING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. KING. Do I understand that the statement of the Chair means that the report of the conferees upon all items of disagreement has been agreed to?

The VICE PRESIDENT. Except five items which were reported in disagreement. The others have been agreed to.

Mr. KING. May I inquire further, if the Chair will indulge me, whether that was upon some preceding day?

The VICE PRESIDENT. It was; the 22d of January.

Mr. KING. I was not here and was not advised of it. Then the matters now before the Senate are matters which had not been agreed upon; the bill went back to conference, and this is the final report of the conferees?

The VICE PRESIDENT. The bill went back to the House and the House acted on certain amendments to it.

Mr. SHORTRIDGE. I do not wish to detain the Senate or provoke discussion, but to the end that this particular amendment, numbered 22, may be considered on its merits, I move to reconsider the vote by which the conference report was adopted.

Mr. LENROOT. May I inquire when the conference report was agreed to?

The VICE PRESIDENT. On January 22.

Mr. LENROOT. More than two legislative days have intervened, and I make the point of order that the motion is not in order.

Mr. HARRISON. Mr. President, was this particular item in the conference report which was agreed to?

Mr. McNARY. This particular item was considered by the conferees, of course, and the Senate conferees receded, and on the 22d of January the report was adopted, except as to the five items which are now before the Senate for consideration.

Mr. SHORTRIDGE. Then the report of the conferees was not adopted as a whole, but it was in part adopted.

Mr. NORRIS. Is the item in which the Senator is interested one of the items included in the motion of the Senator from Oregon?

Mr. SHORTRIDGE. I think not.

Mr. NORRIS. The item in which the Senator is interested has already been passed on by the adoption of the conference report?

Mr. SHORTRIDGE. So I am informed.

Mr. WARREN. Mr. President, it is clearly out of order to undertake to reconsider a conference report agreed to on the 22d.

The VICE PRESIDENT. The Chair so rules.

Mr. LENROOT. Mr. President—

The VICE PRESIDENT. The Senator from Wisconsin.

Mr. HARRISON. Mr. President, I did not know I had lost the floor. I only yielded to the Senator from California to discuss what I thought was a very important amendment. I thought I still held the floor.

The VICE PRESIDENT. The Chair will recognize the Senator from Mississippi.

Mr. HARRISON. I yield to the Senator from Wisconsin.

Mr. LENROOT. I do not desire to take the floor.

Mr. HARRISON. I just wanted to inquire about some of the items in the conference report. I remember I asked the Senator from Oregon about the item on page 41, where the Senate amended the appropriation of \$110,000, and made it \$135,000, for silvicultural, dendrological, and other experiments and investigations with respect to our forests. Did the Senate recede on that item?

Mr. McNARY. The Senate receded on that item so that there would be sufficient funds to erect forest stations in the New England country and the Great Lakes region.

Mr. HARRISON. Did the House recede on the item with respect to the corn borer. The Senate adopted an amendment to that item.

Mr. McNARY. The House receded on that item.

Mr. HARRISON. That is one victory for the Senate, then. The amendment on page 55, amendment No. 22, is the one we have been discussing, which affects California and which the Senator from California has done everything in his power to bring to the attention of the Senate, but which he can not bring to our attention because of the rules. Amendment No. 25 is for the enforcement of the United States grain standards act.

Mr. McNARY. The House receded on that, with an amendment. The amount now appropriated is \$541,223.

Mr. HARRISON. The House receded on that?

Mr. McNARY. The House receded, with an amendment. The amount was decreased \$5,000.

Mr. HARRISON. There was a kind of a dog fall there. Amendment numbered 27, on page 72, referred to the distribu-

tion of the publications on "Diseases of the Horse" and "Diseases of Cattle." Did the Senate recede on that?

Mr. McNARY. The House receded on that item.

Mr. HARRISON. Amendment numbered 28 was a very important one. I recall that the Senator from North Carolina [Mr. OVERMAN] talked a good deal about the black-leg disease. What was done with respect to that amendment?

Mr. McNARY. The Senate receded on that amendment for the reason that the item was not at the proper place, and another provision of the bill takes care of the item.

Mr. HARRISON. So it is taken care of?

Mr. McNARY. It is.

Mr. HARRISON. So the black leg will be treated. Then there was an amendment touching the motor-vehicle proposition. I do not see the Senator from Tennessee in his seat at this time. He has given great study to this motor-vehicle proposition. Was amendment numbered 29 accepted by the House?

Mr. McNARY. Yes; I will say to the Senator from Mississippi that the House receded from its disagreement on that item.

Mr. HARRISON. The Senate was again triumphant.

Mr. McKELLAR. It is always so when it increases appropriations, especially for extravagances of that kind.

Mr. HARRISON. May I ask the Senator from Oregon about that item?

Mr. McNARY. It was to effect an economy in travel from station to station by those connected with the department, that they might receive compensation for gasoline they use rather than hire a vehicle to carry them from place to place.

Mr. HARRISON. Was amendment numbered 30 agreed to by the House, the amendment with respect to the Center Market?

Mr. McNARY. The House receded on that amendment.

Mr. HARRISON. That is a very important amendment. Did the House agree to amendment 31, on page 84?

Mr. McNARY. The House receded on that, with an amendment. The Senate attempted to make the law permanent by using the word "hereafter." The House receded with an amendment so as to make it applicable only for the year 1924.

Mr. HARRISON. What was done with respect to amendment numbered 34, relating to the purchase of seed for drought-stricken areas?

Mr. McNARY. That was in disagreement. It went back to the House, and their conferees' action was sustained, and it is here now before the Senate for action.

Mr. HARRISON. That is one of the amendments now pending?

Mr. McNARY. That and the one relating to maximum salaries.

Mr. HARRISON. Was there a separate vote in the House on that proposition?

Mr. JONES of Washington. They have, and they insisted on their disagreement.

Mr. HARRISON. That, perhaps, will be debated somewhat again, will it not?

Mr. JONES of Washington. It will not be debated by me.

Mr. HARRISON. The Senator must have very strong convictions on the subject.

Mr. JONES of Washington. I am convinced that the House would not recede, and I think it would be a waste of time to discuss it in the Senate.

Mr. HARRISON. What was done with respect to the amendment regarding the barberry bush?

Mr. McNARY. I think I answered an inquiry in regard to that propounded by the Senator from Mississippi a few moments ago.

Mr. HARRISON. No; I did not ask with respect to the barberry. I asked with respect to the corn borer and the Mexican bean beetle, I believe it is called, and the sweet-potato weevil, but not this particular item.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. I am afraid my friend is more interested in asking questions than listening to the answers, because the Senator from Oregon explained that item a moment ago.

Mr. HARRISON. I did not see my friend from Wisconsin present when barberry came up. It is so closely allied to some other names that are nearly like "barberry" that I really did not pay attention to the answer.

Mr. McNARY. Answering the Senator from Mississippi, the House provided \$350,000. The Senate added \$150,000, making a total of \$500,000. We compromised on the basis of \$425,000, with \$125,000 to be used in cooperation with the various States where the infestation occurs.

Mr. HARRISON. Mr. President, on yesterday the President of the United States, through the Vice President, delivered an address to the heads of the departments of the Government in

the city of Washington. He praised the Bureau of the Budget. He assumed responsibility for the estimates that had been submitted to the Congress. In the closing sentence of that address the President of the United States said:

I tender my thanks and appreciation for services rendered.

In the course of the speech, however, the President said—

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. Before the Senator continues his speech would he be willing to yield, that I may submit a unanimous-consent request?

Mr. HARRISON. Yes; I yield for that purpose.

RURAL-CREDIT FACILITIES.

Mr. LENROOT. I ask unanimous consent that beginning tomorrow at 1 o'clock, if the rural credits bill (S. 4287) has not then been disposed of, all debate upon the bill be limited to 20 minutes upon the bill and to 10 minutes upon any amendment pending or that may be offered.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Is there objection to the request of the Senator from Wisconsin?

Mr. HARRISON. Let the Secretary state the proposition, so we may understand it clearly.

The ASSISTANT SECRETARY. That from and after 1 o'clock p. m. on to-morrow no Senator shall speak more than once or longer than 20 minutes upon the bill, nor more than once or longer than 10 minutes upon any amendment that may then be pending or that may be offered.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gooding	McCormick	Smith
Ball	Hale	McCumber	Smoot
Borah	Harris	McKellar	Stanfield
Brookhart	Harrison	McNary	Sterling
Cameron	Heflin	Nelson	Sutherland
Capper	Hitchcock	New	Swanson
Caraway	Johnson	Norbeck	Townsend
Couzens	Jones, Wash.	Norris	Trammell
Culberson	Kellogg	Oddie	Underwood
Curtis	Kendrick	Overman	Wadsworth
Ernst	King	Phipps	Walsh, Mass.
Fletcher	Ladd	Poinexter	Walsh, Mont.
Frelinghuysen	La Follette	Pomeroy	Warren
Georg	Lenroot	Ransdell	
Glass	Lodge	Shields	

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. A quorum is present. Is there objection to the unanimous-consent agreement proposed by the Senator from Wisconsin [Mr. LENROOT]?

Mr. UNDERWOOD. Let the request be stated.

The PRESIDING OFFICER. The Secretary will state the proposed unanimous-consent agreement.

The ASSISTANT SECRETARY. That from and after 1 o'clock p. m. on to-morrow no Senator shall speak more than once or longer than 20 minutes upon the bill, nor more than once or longer than 10 minutes upon any amendment that may then be pending or that may be offered.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. HARRISON. Mr. President, reserving the right to object, let me say that there are some very important amendments to the bill, and there are some of us who up to this time have not discussed the particular measure now pending. We very much desire to discuss it at the proper time. It is foolish to attempt to discuss an amendment before it is pending. On yesterday I offered two amendments to the bill, one which would compel the Federal Farm Loan Board to locate in each agricultural or live-stock State a branch bank or agency where a Federal land bank was not located in that particular State. I have an idea that we ought to carry this proposition just as close to the people as it is possible. I believe that by the establishment in each State of an agency or branch bank more people would have an opportunity to take advantage of the provisions of the bill, more people would come within the provisions of the bill, and greater relief would be carried to them. I have every hope that the amendment will be agreed to. If there is any opposition to it, there ought to be full discussion of it, and no one, not even the Senator from Wisconsin, with all his ingenuity and splendid ability, could properly discuss it in 10 minutes. Yet if the unanimous-consent request should be granted we would be precluded from talking longer than 10 minutes on an important amendment like that.

I offered another amendment yesterday. Those amendments, perhaps, are not any more important in the opinion of various

individual Senators than the amendments which they themselves have offered. The other amendment which I offered would permit the credit association to loan directly to the individual. Senator after Senator has stated that he would be glad to see such a system put in operation; that certainly it would remove the increased interest rates which a bank would be permitted to charge upon the individual when they discount the individual's paper, and then go to the credit association and get the paper rediscounted. In other words, we will open up a channel or an avenue so that the individual may go direct to the credit association and borrow money if he has adequate security. That is an important amendment. That is an amendment which would bring sure enough relief to the farmers of the country, and would remove an overhead in interest charges that would be tremendous.

Does any one mean to tell me that an amendment of such magnitude and importance as that could be discussed by any Senator within the limit of 10 minutes? It is too important for such a limitation. Free and full discussion should be allowed on all the amendments that may be offered and upon the merits of the bill.

The distinguished Senator from South Dakota [Mr. NORBECK], laboring in behalf of the farmers of the country, wants agricultural relief. He believes the best way to get it is through what is known as the Norbeck bill. There are others who hold different views. We think the best way to get real legislation at this time is through the pending measure, with some amendments. The Senator from South Dakota will, no doubt, offer his bill at some stage of the proceeding as a substitute for the pending bill or in some other form, and a matter of such tremendous importance as that can not be discussed in 10 minutes.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Mississippi to the fact that while the question of a unanimous-consent agreement is subject to debate, if the Senator desires to object, the motion of the Senator from Oregon [Mr. McNARY] to agree to the amendments of the House to certain amendments of the Senate to the Agricultural Department appropriation bill is now pending.

Mr. HARRISON. I had hoped that I might convince the Senator from Wisconsin [Mr. LENROOT] that his unanimous-consent request is not reasonable, that the time is too short, and that the unanimous-consent request might be withdrawn at this time. After we have discussed the bill in all its phases, as the Senate has done other measures from time immemorial, then we could agree on a unanimous-consent request that might take care of the situation. For that reason I reserved the right for the moment to object, thinking we might agree to something satisfactory to all.

Mr. FLETCHER. May I suggest to the Senator that the War Department appropriation bill has been reported to the Senate, and the practice has been to consider appropriation bills, I believe, prior to considering other measures. We are not certain how long this particular bill may be before the Senate for consideration, or when it may be laid aside in order to take up an appropriation bill. Therefore, I think it is hardly fair to ask to limit debate upon the bill at this time.

Mr. HARRISON. I was going to come to that.

The PRESIDING OFFICER. The Chair understands the Senator from Florida objects.

Mr. HARRISON. I hope the Presiding Officer will be very patient with us. This manner of discussion is about as good as any other way to discuss the proposition. There has been no call by any Senator on the other side of the Chamber for the regular order. I dislike to object to the unanimous-consent request, and I thought, perhaps, after we had exchanged views here we might get together upon a unanimous-consent agreement to vote at a certain time upon the bill; but certainly at this time we ought not to limit debate on amendments and on the bill to the short time which is proposed in the suggestion which has been made.

Mr. LENROOT. Does not the Senator from Mississippi think that if Senators would be willing to devote themselves to the consideration of the bill and to cut out extraneous subjects, in the discussion of which I thought the Senator from Mississippi was about to indulge when I asked him to yield to me, we could discuss the very matters to which the Senator has referred, and dispose of them before the limit would begin on debate on the pending bill?

Mr. HARRISON. The Senator says that if we would confine our remarks to the bill, and if I would stop what he thought I was going to say when he interrupted me, the bill might be speedily disposed of. The Senator does not do me justice. The matter which was before the Senate was a motion by the Senator from Oregon [Mr. McNARY] touching the conference report on the Agricultural appropriation bill. In connection

with that a question arose with respect to the estimates of the Budget Bureau, and I was just starting with a discussion of the Budget Bureau and the expressions of the President yesterday relating to its activities. Then I was going to try to get down to this particular item in order to show that the President had condemned what the Senate did the other day in surrendering to the Budget Bureau all of the power of the Senate to increase an appropriation, although the increase was warranted by all the facts and by the statements of experts; so that so far as confining the discussion to the merits of the subject is concerned, I was going to discuss the merits of the proposition when the Senator from Wisconsin interrupted me.

Mr. LENROOT. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. Yes; I yield.

Mr. LENROOT. Will the Senator indicate how long he will take in order to develop that very interesting subject in all of its ramifications?

Mr. HARRISON. If the Senators on the other side would not interrupt me and cause me to branch off on side issues, it would not take very long.

Mr. BROOKHART. Mr. President—

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. I yield to the Senator from Iowa.

Mr. BROOKHART. I desire to offer as an amendment to the proposed unanimous-consent agreement that consent also be granted that there shall be no further consideration of the ship subsidy bill at this session of Congress.

The PRESIDING OFFICER. The Chair will hold that the unanimous-consent proposition submitted by the Senator from Wisconsin has been objected to at the present time. The question recurs on the motion of the Senator from Oregon [Mr. McNARY].

Mr. HARRISON. Mr. President, I desire to propose a unanimous-consent request. I ask unanimous consent that not later than 4 o'clock on next Tuesday all debate close upon the agricultural credits bill, so called; that we begin at that hour to vote upon any amendment that may be then pending until the bill is either passed or defeated; and that during that time no other matter shall be brought before the Senate for discussion or passage except by unanimous consent.

Mr. LENROOT. Mr. President, I am constrained to object to that request, because I feel certain that we shall dispose of the bill before that time without any limit of debate of the character suggested by the Senator from Mississippi.

The PRESIDING OFFICER. Objection is interposed.

Mr. LENROOT. I wish again to announce, in view of the failure of the Senate to come to any agreement for the final disposition of the bill, that I shall ask the Senate, beginning to-morrow night, if the bill shall not by that time have been disposed of, to sit in evening session until it shall be disposed of.

Mr. HARRISON. I am very sorry that the Senator from Wisconsin has objected to my request for unanimous consent. I tried to point out—though I did not finish because of an interruption—why I thought the unanimous-consent request made by the Senator from Wisconsin was not exactly fair. I had referred to the very important amendment which will be offered by the Senator from South Dakota [Mr. NORBECK]. It will be recalled also that the Senator from North Carolina [Mr. SIMMONS] has an amendment, in the form of a bill, I believe, heretofore introduced by him. It is a very good bill and a very important proposition. He has very strong views with respect to the merits of his bill, and I understand he may offer it in the form of an amendment as a substitute for the pending bill. To try to confine that Senator to a 10 minutes' discussion of so important a question, I say is most unreasonable.

Under the proposal that I made, if we had secured such a unanimous-consent agreement, within six days or a week the debate would be closed, and we could vote upon the agricultural credits bill, after disposing of all amendments. So we could proceed in an orderly way throughout this week without killing Senators by holding night sessions, and compelling them to answer roll calls, and at least half of the time about 99 per cent of the Senators absenting themselves from the Chamber and paying no attention to the discussion. If the proposal which I made had not been objected to, the agricultural credits bill would be out of the way and over to the House of Representatives by next Tuesday night. We could then take up the Army appropriation bill, which is the only appropriation bill, I believe, yet remaining to be considered by the Senate; we could take up measures by unanimous consent and could pass them; but now, under whip and spur of the Senate majority, we are to be compelled to attend night sessions, to meet at 11

o'clock in the morning, with the hope that the pending bill may be passed by to-morrow or Thursday. The Senator from Wisconsin knows it can not pass by that time; no Senator here believes it can pass by that time; and if there is anybody in the country who thinks it can be passed by that time, he is laboring under an erroneous impression.

I violate no secret when I say that at least some of us on this side of the Chamber want to see every appropriation bill passed during the present session of Congress; we want to see the agricultural credit legislation enacted into law before the 4th day of March, and we are willing to cooperate, as we have cooperated up until this good hour and will continue to cooperate, until those two things have been accomplished. When, however, we have said that, we stop, because we are not going to cooperate with the Republican side in the effort to pass through the Senate and through the Congress a ship-subsidy proposal which we believe will increase the burden of taxes upon the American people through subsidy to a shipping trust in the amount of \$750,000,000 or more. The Senators on the other side are aware of our plan. If they want us to cooperate so that we may proceed in an orderly way and pass much proposed legislation that is now on the Calendar and that is needed by various localities, that has been promised by numerous Senators, many bills could be taken up by unanimous consent and passed after brief discussion and consideration. If Senators on the other side want that, if they want cooperation to that extent, we will give it to them; but if they expect to use strong-arm methods and to hold night sessions in order to ram through this Congress a ship subsidy bill, then I tell them there will be a little trouble encountered on this side of the Chamber and I believe from certain Members on the other side of the Chamber.

When I make that statement I am not talking as a member of the Democratic Party, because if I were to speak as a Democrat I would wish the Republican majority to pass a ship subsidy proposal. I know nothing that would more inure to the benefit and advantage of the Democratic Party than to have the present administration top off the work of this Congress by passing legislation that would impose additional burdens upon our now oppressed taxpayers in the sum of \$750,000,000 or \$850,000,000. If that measure were passed, all the eloquence possessed by the distinguished Senator from Massachusetts, by the Senator from Wisconsin, and by the Senator from Washington, and all the activities and eloquence of various Members of the Cabinet could not answer for such action as that.

So my efforts against the ship subsidy bill is as an American, in order to save the taxpayers of this country from further burdens. So I say to Senators on the other side that if I would lay aside my Americanism and act merely as a partisan I would want to see them pass the ship subsidy bill; but I am not willing at this time, when the farmers throughout the country are receiving unremunerative prices for their products, when laborers' wages are being threatened with reduction, when the consuming masses are being extorted and gouged by profiteers in every city and village and hamlet throughout the country, when taxation is crowding itself day by day in increased volume upon the people, to see this outrage perpetrated when it can be prevented.

The Republican majority have done so many foolish things since they came into power that some of us would exert ourselves in order to save them from their own folly. So after the 4th of March I think I can see the Senator from Massachusetts, the leader of his party in this Chamber, and other majority Senators come over to the Senator from Florida [Mr. FLETCHER], come over to my friend from Michigan [Mr. COUZENS], and to my friend from Iowa [Mr. BROOKHART], and over to me and shake our hands, pat us on the back, and say, "Boys, I am mighty glad you did it." Why, you ought to feast us and dine us after the 4th of March for saving you from the folly of passing the ship subsidy bill.

So, Mr. President, why can we not proceed in an orderly way, and all of us get along nicely by meeting here at 12 o'clock or, if necessary, sometimes at 11 o'clock, work our six or seven hours in the day, discuss these measures as they should be discussed, pass the Army appropriation bill, as expressed by a majority of this body, pass the agricultural credits bill, pass these bills that are upon the calendar that have been promised the people, and abandon this idea of passing a ship subsidy bill at this session?

You know you are not treating the people fairly when you attempt to do it. You are not just on the level with them when you bring this bill in at this short session and try to force it to enactment. Why, you know if you had told the American people in the last campaign that you intended to follow this

procedure more of you would have been lost in the catastrophe than did fall by the wayside. Why did you not tell them at the time that immediately after the election an extra session of Congress would be called and that you would propose this legislative monstrosity to add further burdens to the taxpayers of America? But you did not do it. The only hint that was given, the only suggestion that came with respect to the ship subsidy bill and an extra session of Congress, was when the Speaker of the House of Representatives, Mr. GILLET, and the leader of the Republicans in the House, Mr. MONDELL, visited the White House, held a conference with President Harding, and one of them, upon coming out of the White House, in talking to a newspaper reporter, let the cat out of the bag and said that the President was going to call an extra session of Congress.

Why, I could hear it whispered among the leaders over there, I could hear it among Republicans everywhere, that it was poor politics for the President even to think of such a thing, and they condemned the Speaker of the House of Representatives and the leader of the Republicans in the House for having given such a statement to the press, saying "That in itself will lose us millions of votes in the coming election." So through the days intervening between the publicity of that statement and the election Republican leaders and spellbinders all over the country were busy trying to repudiate those statements and raise a doubt in the minds of the American people as to whether or not the President intended anything thereby; but as soon as the election is over, with a crowd of distinguished lame ducks who have my sympathy and whom I love—they carry back to their homes and their States my fondest respect and very best wishes—I say to them, I say to you who control in this body the destinies of the Republican Party to-day, and to those at the other end of Pennsylvania Avenue, that it is not fair to the American people to take the votes of Senators who have been repudiated at the polls and pass through this body a ship subsidy bill that means so much to the American shipping interest and so much to the American taxpayer. If you want to be fair with them, follow orderly procedure here; call an extra session of Congress immediately after the 4th of March, composed of new Senators, composed of Representatives of the American people fresh from the people, whose wishes were expressed to their constituents, whose views were known, and let them handle the ship subsidy bill as they will in that extra session of Congress.

No; you do not want an extra session of Congress. You do not want these new Representatives and Senators fresh from the people to deal with this question. I dare you to follow that procedure. There is not a Senator here who believes that if this proposal should be given to the new Senate and to the new House of Representatives it would stand a chance even of getting out of the Commerce Committee; and none of you think or have a thought that you could pass it through the Senate of the United States. Why, you know now that if it should come to a vote there would not be two votes difference on the measure; that if you passed it, it would be merely by the skin of your teeth, so to speak; and with a great change after the 4th of March in the personnel of this body and of the House of Representatives, you know that it would not stand any chance at all.

So I submit to you leaders over there that you should follow in the orderly way your program. Let us get through with the Army bill. Let us get through with the agricultural credits bill. Let the President take the American people into his confidence; and oh, why do not some of you advise him? Why do not some of you tell him what to do? God knows he does not know what to do, or, if he does know, he gives no evidence of it. Why do you not tell him the deplorable situation, not only in this body but in the House of Representatives and all over the country? Why do you not lay aside your flattery and go up there and say: "Mr. President, you are losing caste. You have lost the popularity that swept in a mighty wave over this country during the days of the Disarmament Conference. The folks in every State and in every part of the country have been disillusioned. They are tired of waiting on your negative, do-nothing policy. They want to be told what is going to happen to-morrow by the Government that runs affairs." Tell him how he is losing caste with the labor element, how he has lost caste with the farmers, how business is halting, and how disgusted all classes are. Tell him of some of the private things you hear here touching the management of foreign affairs and of domestic policies. Be on the square with your President. Open his eyes to the true situation, and tell him, if you will, that if he does not wait until an extra session of Congress is called to force through this last monstrosity the American people will lose all faith—and they have mighty nearly lost all faith now—in the Republican Party.

I do not want to see you disappear from view entirely. God knows I do not mind your shriveling up a little bit; but we want to have a foe that is worthy of our steel, and the way you are going down grade there will not be a respectable minority in this country to fight and withstand the onslaughts of Democracy two years from now. So, now, take the President into your confidence. Take into your confidence Mr. Lasker, who says he is going to resign if you do not pass this bill. He is not going to resign. This is the best job he ever had in the world. He likes it; but tell him the situation, and put it up to him that he should have more interest in the welfare of the Republican Party than he has in a shipping trust that wants to extort greater taxes from the people.

I have said this much in the hope that it might help you. I have given you this advice without suggestion from you and without expectation of reward, and I hope you will follow it.

Let me plead with the distinguished Senator from Washington [Mr. JONES] and the distinguished Senator from Wisconsin [Mr. LENROOT] and the distinguished Senator from Kansas [Mr. CURTIS], in the interest of expediting legislation, that they will agree to the request that I made. If they will, if they will just say they will, we will call a quorum, I will make again the proposal which will insure the agricultural credits bill being passed by next Tuesday night, we can then get to work on the Army bill, and we will have a good time from now to the 4th of March.

Mr. LENROOT. Mr. President, will the Senator yield? If there is bound to be a filibuster—of course that is the right of any one under the rules—will not the Senator postpone that until after this agricultural bill is passed? Will he not consent to consider the very important amendments of which he speaks? Will he not please let us consider this bill?

Mr. HARRISON. Mr. President, I see that my remarks have had no effect at all upon the Senator from Wisconsin. He is just a hardened political sinner. He is beyond redemption. The Senator from Wisconsin is generally as fair as he is able. He made a speech yesterday—I was surprised when I read it, but I saw it in the Record this morning—and in the course of those remarks he said that there was great delay with respect to this agricultural credits bill, and he charged the delay to the farm bloc in the Senate of the United States.

Mr. LENROOT. The Senator is wrong about that. The statement was made by the Senator from South Dakota, who charged delay. My response was that there was delay, but the fault for delay was with the farm bloc.

Mr. HARRISON. Here is exactly what the Senator said, and it gives the impression that the fault of this delay is with the farm bloc. Here is what the Senator said:

Mr. President, I merely raise this question because of the intimation of the Senator from South Dakota, made in the utmost good faith, that somebody—he did not say who—was responsible for this agricultural credit bill being brought in at this late date. I would like to have the record straight. This bill was introduced by me more than a year ago. I secured very promptly the appointment of a subcommittee of the Committee on Banking and Currency. On March 10, 1922, almost a year ago, I appeared before that subcommittee and argued in favor of the passage of this bill. At the request of members of the farm bloc I did not press the bill, because it was represented to me that the farm bloc were discussing the whole question of farm credit legislation and would like to have the Committee on Banking and Currency take no action until they were ready to make some report. I acceded to that, and, in view of that fact, I do not think it is quite fair to apply any criticism to me or to the Committee on Banking and Currency when, if there be anyone responsible for the delay in this credit legislation, it is the farm bloc itself; and I am not criticizing them.

Mr. President, I do not know that anybody in particular is to blame for the delay of this legislation. I am not charging that the Banking and Currency Committee of the Senate is to blame. I know that the farm bloc is not to blame. I know that the Commission on Agricultural Inquiry, of which the Senator was a most influential member, was not to blame. I will tell you where the blame was—not with the Banking and Currency Committee particularly, although this matter did lie dormant for a long time, just sleeping, so to speak, and evidently they forgot about the splendid argument presented to the subcommittee by the distinguished Senator from Wisconsin after he had made that argument, because then the matter lay in abeyance for quite a good long while.

Mr. President, the first suggestion as to agricultural credits legislation at this time came either from members of the farm bloc in the Senate or from the Commission on Agricultural Inquiry. The Commission on Agricultural Inquiry began work soon after the Republicans got into control of the Congress, and we studied the question and reported out a bill. There were many divergent views with respect to that legislation. It might be very truthfully said that the Commission on Agricultural Inquiry delayed the proposition, if the Senator

could be correct in what he said about the farm bloc, because the Commission on Agricultural Inquiry took weeks, aye, I may say months, in order to form conclusions and write a bill; but during all that time we were having hearings, we were drawing from every part of the country experts who we believed could give us some good suggestions. We called in the head of the Federal land bank system here; we called in Mr. Meyer; we called in everybody whom we thought might aid us in coming to a conclusion with respect to the matter.

The Senator knows that we worked diligently; he said so in his speech. I agree with him that no commission ever worked more diligently than did that particular commission. They worked at night, and I think it was during the time the tariff bill was being discussed in the Senate, and many other matters were before us for discussion; but we finally agreed upon a measure and it was reported by the Senator from Wisconsin.

Is it to be said the farm bloc delayed things? The farm bloc appointed a subcommittee to work out this proposition so that the views of various Senators might be reconciled, and we could present to the full farm bloc, and in turn the farm bloc agree upon some method by which we could put the whole force of the farm bloc behind the proposition. Although the tariff was being discussed in the Senate at that time and other important matters were before the Senate, that subcommittee worked day and night. They called in witnesses from far and near, and finally they agreed that the Lenroot bill was perhaps the best bill that could be passed during this session. That subcommittee of the farm bloc, in doing that, did not discount the splendid merits of the Norbeck bill; it did not intend to discredit the splendid provisions of the Simmons bill, but it believed that we could obtain some legislation giving to the farmers an agricultural credits system by urging the passage of the Lenroot-Anderson bill, and not the Norbeck or the Simmons bill.

All the measures seek to do the same thing; all represent efforts to serve the farmers, to give to them credit for such time as will take care of their turnover from production to harvest time. I do not speak in disparagement of the Lenroot bill, because I think it is a wise proposal. I want to see some amendments made to it, but as a whole it affords a splendid system, well worked out, and one which will bring untold benefits to the agricultural interests of the country; but in my opinion the thing which moved the subcommittee of the farm bloc more than anything else to indorse the Lenroot bill, with certain modifications, was that the members of the farm bloc, as well as some other friends of the farmers in this body who were not members of the farm bloc, had crystallized public opinion in this country to the extent that some agricultural credits bill must be championed by this administration, and must be passed by Congress. That crystallization of public opinion, I say, was brought about through the activities of the farm bloc and the friends in this body and in the other Chamber of agricultural credits legislation.

The Senator who sits before me [Mr. BROOKHART] is a splendid successor to a most distinguished ex-Member of this body, Senator Kenyon, who when he was a Member of this body lifted his voice in behalf of the farmers of the country, and after he called meetings night after night of the farm bloc in his committee room and they discussed these problems meaning so much to the farming interests of the country would announce to the press what they had done, and the press of the country would carry it everywhere. In that way sentiment was crystallized for agricultural credits legislation. In my humble opinion, if it had not been for the organization in this Congress of a farm bloc little or nothing would have been done for the great agricultural interests of this country. The farm bloc forced the cooperative marketing bill through this body. The farm bloc helped in the passage of packer legislation. The farm bloc stood here as mighty champion for the people, trying to withstand assaults on the revenue laws, so that Senators on the other side would not take off the high surtaxes from the rich of the country and place them where they could be least easily borne. It was the coalition formed by Senators on this side and a few on the other side, and championed by the farm bloc, that held the surtaxes as high as they were kept, over the suggestion and against the protest of President Harding and Secretary Mellon.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. HARRISON. In one moment. It will not be forgotten how the Secretary of the Treasury sent his messages and reports here asking us to reduce the surtaxes from 68 per cent, I think, down to 25 per cent, and how the President brought to bear the power and influence of his office to get it down to 32

per cent; but he did not succeed, because of the farm bloc, the coalition between the Democratic forces in this body and the progressive Members of the Republican Party. Now I yield to my friend from Massachusetts.

Mr. WALSH of Massachusetts. I was simply going to remark that in enumerating the great benefits the farm bloc have rendered to the country, I hoped the Senator would not forget to enumerate the excessively high tariff duties levied upon raw wool, due largely to the farm bloc.

Mr. HARRISON. That illustrates one of the troubles we encounter. There has been a certain element in this country that has attempted to make the people believe that the farm bloc indorsed those conscienceless rates on wool and on sugar, and yet the farm bloc at no meeting it ever had ever considered the question of a tariff on everything. The men who for the most part conspired to put the high tariff on wool were not members of the farm bloc. Some of the influential members of the farm bloc were particeps criminis to the other proposition, but the crowd which put the high-tariff duties on raw wool was what was known as the tariff bloc, and was headed by the distinguished junior Senator from Idaho, my friend Mr. GOODING. So the farm bloc had nothing to do with that piece of legislative monstrosity.

Mr. FLETCHER. Mr. President, I want to confirm what the Senator has said to the effect that there has been some misuse of the term "farm bloc." As the Senator from Mississippi has observed, the farm bloc never attempted to consider tariff matters or any party question. Afterwards some members, perhaps of what was known as the farm bloc, engineered some provisions in the tariff bill, and it got to be known as the farm-bloc movement in connection with the tariff; but it was entirely distinct and separate, and not in any wise properly lined up with what was known as the farm bloc.

Mr. WALSH of Massachusetts. Do I understand that the junior Senator from Idaho [Mr. GOODING], the junior Senator from Oregon [Mr. STANFIELD], the senior Senator from Wyoming [Mr. WARREN], and the junior Senator from New Mexico [Mr. BURSUM] are not members of the farm bloc?

Mr. HARRISON. I know that some of them are members of the farm bloc. The Senator omitted to state the senior Senator from Utah [Mr. SMOOT]. He should not leave out that good shepherd.

Mr. WALSH of Massachusetts. I quite agree with the Senator. They certainly are members of the wool bloc.

Mr. HARRISON. Yes; they certainly are members of the wool bloc. They are all wool and a yard wide. So much for the tariff bloc and the farm bloc. They are distinct and different entities.

I say that the farm bloc was the one that crystallized public sentiment in this country for agricultural credits legislation. Are we to be blamed now for delaying two or three days, say, so that we can adequately discuss the agricultural credits bill, when we know it is going to pass, a bill we are all in favor of, though some of us want to put amendments to it, when 12 months or more ago the Senate, controlled by the same leadership that now controls it, worked here for months to consider and have passed the tariff bill, a measure laying greater burdens on the people, while this one is to relieve the people of many burdens; yet there was no enthusiasm upon the part of the leadership on the other side during those long days that the tariff bill was being discussed in order to force an agricultural credits bill through at that time.

This bill would not now be considered in the Senate, and everyone who hears me knows it; it would have no chance in the world to be passed if it had not been that the President became aroused over the interest among the public for agricultural credits legislation. Indeed, he did not become aroused until the late election was held, and when the ides of November rolled around, and he saw this friend laid on the table, and this friend laid on the shelf, and he saw my friend from Illinois [Mr. MCCORMICK], seeing the breaker coming, get on the boat and sail across the placid waters of the Atlantic, cabling as he went away what would happen the next day to the Republican Party—it was only when the President saw those things that he became alive to the issue, and wanted some agricultural credits legislation. The first time the President ever hinted at any legislation for the farmers was in his message on the ship subsidy bill. He devoted about 55 minutes to a ship subsidy measure, to give to the shipping interests all these subsidies at the expense of the people, and two lines, which my friend Eugene Meyer evidently persuaded him to put in, touching agricultural credits legislation.

By the time the Congress convened in the regular session he had become wiser. Some of the members of the farm bloc had obtained an entrée to the White House. They had poured into

his ear some of the things the farmers of the great Middle West were saying about the Congress and the administration. He listened to their admonitions, and then it was that he incorporated in his message an urgent request for agricultural credit legislation. Why did he not do that way back yonder when the agricultural inquiry commission had made its report, when the distinguished Senator from Wisconsin [Mr. LENROOT] had originally introduced the bill? If he had desired to do something for the farmer, that was the time. The tariff bill should have been laid aside and agricultural credits discussed then. Yes, Mr. President, everyone knows that it was the farm bloc that forced the hand of the President and caused him to make the request of Congress to enact agricultural credits legislation.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. Does not the Senator remember that more than a year ago the President called an agricultural conference which met in Washington? Does not the Senator remember the President's speech to that conference?

Mr. HARRISON. Will the Senator repeat his question? I did not hear him clearly.

Mr. LENROOT. Does not the Senator remember that more than a year ago the President called an agricultural conference to meet here—

Mr. HARRISON. Oh, I was just coming to that. I am glad the Senator suggested it. It shows the importance of the part of the speech I am now going to make.

Mr. WALSH of Massachusetts. I hope the Senator will not overlook the fact that the present administration has substituted for a "watchful waiting" policy a "happy, hopeful" policy.

Mr. HARRISON. Yes; that is what our friend William Allen White said—a happy, hopeful policy instead of a watchful waiting policy. I do not know just how a fellow would feel if he was in a happy, hopeful way. He looks perfectly happy. He is sitting there with the whole world filled with uncertainty, threatened war all around us, discontent in this country, and yet he is supposed to be the watchman on the tower, but assumes a hopeful attitude. Then all of a sudden he becomes happy over this hopeful attitude. Not suggesting anything, not planning anything, not conferring with those in authority around him to arrive at a policy, yet in all this mess and mass of discontent our President assumes a happy, hopeful attitude.

So that is the compliment that is paid to the President by a distinguished Republican from the State of Kansas. I do not see my friend, the senior Senator from Kansas [Mr. CURTIS], now in his seat. He probably thought I was going to talk about William Allen White and left for that reason. "Happy, hopeful attitude!" Ten thousand times better is it for a President to assume a watchful waiting attitude than a happy, hopeful attitude.

Mr. President, the Senator from Wisconsin [Mr. LENROOT] recalled to my mind an agricultural conference that was called in Washington, which the President addressed. One of the things said about that conference was the lack of applause and commendation through the crowd over one expression used by the President at that time. That expression was carried by the press all over the country and was read by the farmers of Iowa and Kansas and the other Western States. It was the expression employed by the President condemning the farm bloc of the United States Senate. Oh, they reported the coldness that enshrouded that meeting when he let loose his invective and condemnation of the farm bloc.

That, it will be recalled, was only a little while after Secretary of War Weeks had spoken at a banquet in New York City, a banquet that was attended by national bankers in large part and by the great manufacturers of that great metropolis. He was in his atmosphere there. He was among his friends in that gathering at that time. Oh, will you men from the agricultural West ever forget what Secretary of War Weeks said against the farm bloc and the members of the farm bloc? If you ever forget, how will you explain to your constituents, when you go before them two years from now, with reference to what he said against legislation that was forced through the Congress by the farm bloc?

That is the treatment the farm bloc gets at the hands of the administration. Not until its work was displayed throughout the country and sentiment crystallized was it that the President came to Congress and recommended the enactment of agricultural credit legislation. His attitude in this particular is a good deal like his attitude when the great Senator from Idaho [Mr. BORAH] offered his resolution to call a disarmament conference. At first the President stood adamant. He said "no." The wires were busy from here to the other end of Penn-

sylvania Avenue. Leaders on the other side of the aisle talked to him and held up the provision in the naval appropriation bill. For weeks we talked. On this side of the Chamber we were lined up solidly for the Borah resolution. A few progressive Republicans on the other side stood side by side with the great Senator from Idaho.

Finally the country became aroused. They saw taxes piling up. They saw the heavy armaments being constructed. They read and saw for themselves that the naval appropriation bill in 1912 carried only \$160,000,000, while in 1922 it was \$560,000,000. They saw that in 1912 the Army appropriation bill carried only \$100,000,000, while in 1922 it had risen to \$350,000,000. So they became aroused.

The press of the country began to carry editorials. They brought pressure to bear on the President, and then he threw up the white flag and surrendered and sent word down to the distinguished Senator from Washington [Mr. POINDEXTER] and the distinguished Senator from Maine [Mr. HALE], "Let it pass, boys, let it go through." From that day on the President was carrying the flag and the Secretary of State was trailing behind, both claiming all the credit for the disarmament conference. The disarmament conference has come and it has gone. Nobody knows now whether any country has ratified any of the treaties except the United States.

Thus it goes. Of course, we were led to believe then that taxes were going to be reduced, and yet the naval appropriation bill passed during the present month carried practically three times as much as the naval appropriation bill carried in the preparedness days immediately preceding the war when the highest amount was \$160,000,000. We have had reported from the Committee on Military Affairs, notwithstanding the disarmament conference, an appropriation bill carrying for the Army \$350,000,000, over three times as much as during the preparedness days immediately preceding the war.

Thus it is and thus it was that the President came to advocate agricultural credits legislation, and yet the Senator from Wisconsin [Mr. LENROOT] chides us and says that the farm bloc was the cause of a great deal of delay.

Mr. President, I do not know that it is necessary for me to talk any more about the subject. I do not know just what is before the Senate. I think the Senator from Oregon [Mr. McNARY] has a motion pending?

Mr. McNARY. That is correct.

AGRICULTURAL DEPARTMENT APPROPRIATIONS.

The Senate resumed the consideration of the motion of Mr. McNARY that the Senate concur in the amendments of the House to the amendments of the Senate numbered 11, 31, 33, and 35 and recede from its amendment numbered 34 to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes.

Mr. HARRISON. Mr. President, I desired to discuss the motion of the Senator from Oregon [Mr. McNARY] some two hours ago, but the Senator from Wisconsin [Mr. LENROOT] got me off on another proposition. I shall now proceed to discuss the motion. When I was diverted I was about to discuss a speech that was made yesterday by the President of the United States. I had read the latter part of that speech where he expressed gratification over the fact that various men in the Government service had cooperated with him in a reduction of the estimates.

I was about to read, when I was interrupted, that part of the speech where the President had impliedly condemned the Senate for its attitude recently when we offered on the floor of the Senate amendments that had merit, but which did not have the sanction of the Bureau of the Budget and which had not been estimated for. I want the distinguished Senator from Kansas [Mr. CURTIS], who is now in the Chamber, to listen to me particularly when I read this part of the President's address. The President said:

It is the endeavor of the President to present to Congress calls for funds that are sufficient, and no more than sufficient, to carry out approved policies.

It is the duty of the President to estimate for those that are sufficient, said the President.

The Budget and accounting act places no limitation upon the power and right of Congress to increase or decrease estimates submitted—

Said the President.

This is in accord with the spirit of our institutions, and as it should be.

Mr. President, that reads like the eloquent speeches the President once made to the Senate when he talked about the dignity of the Senate and protested against Executive encroachment. Again, he gives utterance to the expression that

the Senate has the right and should exercise the function that is imposed by the Constitution of the United States. The President proceeded:

It is my hope and expectation that, as the Budget procedures develop, the estimates transmitted to Congress will be so carefully prepared and will present so accurate a picture of the real operating needs of the Government as materially to lighten the burden. But it is not expected or desired that Congress should relinquish any of its prerogatives regarding public funds—prerogatives so wisely given to the people's representatives by the founders of the Government.

So the President in those utterances first concedes the right of the Congress to increase appropriations over the estimates of the Budget, and then he admonishes the Congress that we have certain rights, that we are the representatives of the people, and that we should pass upon the matter. But he said in his speech that he assumes responsibility for the estimates and that the estimates he has given are those which in his opinion are based upon facts.

Let us see, Mr. President. Of course, in accordance with the law creating the Budget Bureau, the President has the power to reduce the estimates, but he delegates that power to certain representatives of the Budget Bureau. The President is too busy a man, he has too many duties, to look over the various estimates of all the departments of the Government. So it is natural and necessary that he should delegate that function to some one else. But in delegating that power he should know the character of the men to whom he has delegated it; he should acquaint himself with their fitness and their peculiar qualifications to perform the work. Has he done so? He is responsible for what these men do, for when they prepare the data and submit them to him he transmits them to Congress, and upon such information the Congress must act.

Under the antiquated rules of the Senate, Senators on the floor are prevented from offering an amendment proposing to increase the amount carried in an appropriation bill over the estimate which has been submitted by the Budget Bureau. That makes it so much more necessary and so much more important that the President should choose the right kind of men to go over the estimates and to submit them to him.

It would be a strange system of government indeed if, under the Budget system, there should be delegated to investigate the affairs of the Agricultural Department, for instance, and to prepare the estimates for that department, a man who is well versed in bookkeeping, who is well versed in the operations of a stock exchange in New York, who has thorough knowledge of the administration of a hotel in Chicago or elsewhere, but who knows nothing in the world about agriculture.

Indeed, if the President should adopt such a course under the Budget system, and the lack of qualifications of the Budget official should come to his knowledge, he would receive the condemnation instead of the praises of the American people. If he charged with the duty of examining the estimates for the War Department some person who was not qualified to do that work, some person who had never seen a cannon or a gun or a standing army, who knew nothing about the needs of an army, Senators would criticize him; everybody would find fault with him. If he should delegate to go into the Navy Department and look over the estimates prepared by the Navy experts and cut those estimates some man who knows nothing about the Navy, who never saw a battleship or a submarine, who had never been trained in that line of work, indeed, the President would rightfully receive the criticism of everybody.

So in the case of the Department of Commerce. The men who are delegated to examine the appropriations which are needed for the Department of Commerce and for the Department of Labor and for the various other branches of the Government ought to be men specially trained and qualified and fitted to pass on the estimates for those various departments, so that the President may transmit correct estimates to Congress. But what has been done? What has been the practice? Has the President sought men who are especially qualified to do that work? No.

Take the Agricultural Department, for instance, which has to do with an occupation which in this day and time should appeal more strongly to the President than any other. Why? Because wheat has gone down, corn has gone to a low price, the price of live stock is low; everything practically that the farmers of the country have produced in recent years has depreciated in value. The purchasing power of the farmer's dollar to-day is only about 70 cents, compared to what it formerly was; indeed, the purchasing power of the farmer's dollar to-day is lower than the purchasing power of the dollar of any man who is engaged in any other occupation in the country. So I say that, in view of the conditions confronting the American farmer, with his need for markets abroad, with his necessity for an adequate credit system at home, with increased prices for the products which the farmer has to buy,

some consideration should be accorded to him. The President should have seen that General Lord delegated some one to pass on estimates for the Agricultural Department who knew what the needs of agriculture were, so that the appropriations for agriculture might not be cut to the bone.

What was done? It is a matter of history now that last year a man who had been the manager of the Hotel La Salle in the city of Chicago; a man who had been an Army officer; who was not raised on a farm; who, perhaps, did not know whether a potato grew under the ground or on a tree, was delegated to revise the estimates which were prepared by the experts of the Agricultural Department. Then, he began to slash them without a program and without a policy, without rhyme or reason, until he had cut them about \$2,500,000. General Lord did not go over the Agricultural Department estimates, but he appointed some other man to go over them. It is all in the testimony. That man so designated took the figures and told the Secretary of Agriculture, or Doctor Ball, who was delegated by the Secretary of Agriculture to prepare the estimates for the department, that he wanted them cut about \$2,000,000. Those estimates had been prepared with great care, and with an idea to economize to the last degree; aye, they had been cut to such an extent that they were then some \$500,000 less than the appropriations which had been carried in the last agricultural appropriation bill; yet this man, whose name I do not now recall, delegated by the Budget Bureau to cut the estimates, served notice that they must be reduced \$2,000,000; so they were cut something like that, and the estimates which were prepared finally and agreed to by the Budget Bureau carry less, and considerably less, than the appropriations carried in the agricultural appropriation bill for last year.

The President, in his address yesterday, delivered through the Vice President, said, in substance: "We have given to Congress those things that they need; we have cut where the estimates should be cut." Then he thanked the various heads of the departments for cutting as they did. Let us look over the appropriations intended for the benefit of the farmers of the country. I am not going to discuss the Army appropriation bill; I am not going to call attention to the cut made by the Budget Bureau and approved by the President for the Army for the coming year; I am not going over the estimates prepared by the naval authorities and approved by the Budget Bureau for the Navy; I am not going to take up the appropriations for the Department of Commerce or for the Department of Labor, or for various other branches of the Government service, but I am going to take up the estimates for the Agricultural Department and one other matter, namely, river and harbor appropriations, which mean so much to the agricultural interests of America.

Now let us see the cut that the President of the United States, who now poses as a friend of American agriculture, has recommended; this President who now tries to force through the agricultural credits bill, but who did nothing for at least a year to ask Congress to pass an agricultural credits bill, who did not lift his voice or hand until public sentiment was aroused, as I said before, by the farm bloc.

Taking the items for the Agricultural Department, I will consider first the appropriation for extension work. Under that appropriation agents are sent throughout the country to try to instruct the farmers as to the best methods of farming. Under the same appropriation are employed demonstration agents, women as well as men, who go out to instruct the little boys and little girls to can fruits and vegetables, or to raise corn or to inoculate hogs, or to protect crops against insect pests and animals against diseases. The activities of the county agents and demonstration agents mean so much to the farmers of the country. They have saved millions and millions of dollars by the preservation of hogs, the eradication of tuberculosis from cattle, the destruction of insects of various kinds, helping the farmers to adjust conditions in their various localities so that they may prosper or, at least, live under the abnormal conditions which confront them; yet in the case of this important service of the Government, with people everywhere crying for it, demanding greater appropriations and showing that the needs are greater, the President suggests to Congress a reduction in this amount from \$1,300,000 to \$1,250,000. Oh, yes, he wanted to save \$50,000 to the taxpayers of the country, but how? By cutting it off this needed appropriation to carry on the work of maintaining county agents and demonstration agents in this country. Thus it is again manifested how the Bureau of the Budget and the present administration are favorably disposed toward the farmers of the country.

Now let us take another item, and I am just picking the items out piecemeal, for I merely wish to bring to the attention of the Senate the situation. I want the farmers of the

country to know, when it comes to cutting appropriations, that the cut is made in appropriations for their interest and not in those designed for a big Army and a big Navy and other appropriations devoted to Government work along other lines.

Mr. CURTIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. I yield.

Mr. CURTIS. I think the Senator ought to be fair in this matter. The facts have previously been called to his attention, and he knows what they are, and that the statements he is making are not sustained at all by the record.

In the first place, there never was a hotel man dictating appropriations for the Department of Agriculture. When General Dawes was put in charge of the Budget, he called to his assistance a number of business men from all over the country to visit some of the departments and study their expenditures. It happened that a hotel man from Chicago was sent to the Department of Agriculture, and stayed there for two or three weeks, studying the expenditures of the Agricultural Department. It is known to the Senator—it has been stated to him frequently—that every department has a Budget officer. The Agricultural Department has in the department its Budget officer, who has been with the department for years. He is still there. The Senator knows, because it was called to his attention before, that when the estimates were sent in by the heads of the departments to the Budget, the Budget concluded that the Government could be run with less money than had been asked for by the heads of the various departments; and the heads of the departments were not directed to take from this or that item, but the heads of the departments were asked to go over their estimates and reduce them so as to bring them within the recommended amount. That request went back to the head of the department, was referred to the Budget officer of the department, and the Budget officer concurred in the estimate that was finally sent in. The Senator knows all that; and yet this is the second or third time he has gotten up here and made statements that would indicate that some different plan was followed.

Mr. HARRISON. Mr. President, I thank the Senator. He is very courteous and very kind. It so happened that I was a member of the subcommittee that framed the Agricultural bill last year. I do not know whether the Senator was or not. I never heard it denied, because the record speaks for itself, that last year—

Mr. CURTIS rose.

Mr. HARRISON. I yield before I proceed.

Mr. CURTIS. I will state to the Senator that I am not a member of the subcommittee that has charge of the agricultural appropriation bill, and I am not a member of the Committee on Agriculture and Forestry; but when the Senator made his statement before I took the pains to call up the department, and wanted to know from the head of the department what the facts were, and I was given the information that I have given the Senate to-day.

Mr. HARRISON. If the Senator had been a member of the subcommittee he would not have made the statement he has just made. I am sorry the Senator fell into this error, because usually he does not state a thing unless he is absolutely sure of it. This is not his usual course. Last year—and it is in the Record—they were just trying out the Bureau of the Budget, just beginning; and General Dawes or General Lord, I do not know which—I think it was Dawes—

Mr. CARAWAY. Anyway, it was some Army officer that would not know a cow from a horse if the cow had been deborned.

Mr. HARRISON. It is very true, as the Senator says, that the Bureau of the Budget designates some one in the Bureau of the Budget to take up the estimates with the various departments and go over them. First, for instance, the Agricultural Department is supposed to get up its estimate, and then this representative of the Bureau of the Budget calls on the Agricultural Department, and they go over the matter together with any suggestions that the representative of the Bureau of the Budget may make. We agree thus far. The man that was designated by the Bureau of the Budget last year to go to the Secretary of Agriculture, or to those in charge of the estimates for the agricultural appropriation bill, was a man who was employed at the Hotel La Salle as manager.

Mr. CURTIS. Mr. President, that is just what I stated a minute ago. I stated that he was a hotel man, selected from Chicago.

Mr. HARRISON. We do not differ, then, so much.

Mr. CURTIS. I stated that, and he was there three weeks.

Mr. HARRISON. Yes.

Mr. CURTIS. That is not disputed.

Mr. HARRISON. We are getting together, then.

Mr. CURTIS. But what I want the Senator to know is that neither that man nor any other man in the Budget fixed the amount of any item in this appropriation bill. The total was requested to be reduced to a certain extent. The Budget notified the heads of the departments what the reductions must be, or what they would like to have them, and then the Budget officers in every department made the recommendations themselves to the Budget, and then the estimates came to the House of Representatives, where under the law they must be presented.

Mr. HARRISON. The Senator agrees with me about this manager of the Hotel La Salle, then.

Mr. CURTIS. Oh, I stated that, as the Senator would know if he had been listening. The difficulty with the Senator is that he makes statements and then does not listen to the answers.

Mr. HARRISON. The trouble is you never say anything.

Mr. CURTIS. Mr. President, it would be better for the Senate if other Senators said less.

Mr. HARRISON. That is the way with a reactionary Republican. He believes that. They want to slide something through here without the people getting onto it, but we have to let them know about it.

Now, getting back to this matter I was discussing, we are mighty near together. So last year this manager of the Hotel La Salle was appointed to go down to the Agricultural Department, and he did, and that is all I stated awhile ago. He went over the list, and he told them to cut the total over \$2,000,000. He was the man that had the Agricultural Department change its estimate. This year it is quite different. This manager of the Hotel La Salle was put on some other work. Evidently they found that he had bungled the estimates for the Agricultural Department last year and he was not the same man that was designated to go to the Agricultural Department this year.

Mr. CURTIS. Mr. President, if the Senator will yield for another statement, that shows that the Senator did not listen. The statement was made that General Dawes had asked business men from over the country to come here, volunteer their services, and study the estimates and the expenditures in the different departments. This man was not regularly employed in the Government service. He is not now and has not been, as I am advised, since that time.

Mr. HARRISON. Well, they ought to pay somebody and get a competent man, instead of allowing a manager of the Hotel La Salle to go down there and cut these estimates of the Department of Agriculture. I thought the fellow was on pay, a servant of the Government; and yet we find that General Dawes permitted a man who knew nothing about agriculture, who was to work for nothing, to go down there and cut the estimates. That is the system that we are called upon to accept; so there is not any difference between my good friend from Kansas and myself with respect to that matter.

I was going to read from the testimony to show that the manager of this hotel was the man delegated by the Bureau of the Budget to look over the Agricultural Department's estimates, and I am going to do it anyhow.

Senator HARRISON. Who had charge, on the part of the Director of the Budget, of the preparing of the estimates?

Doctor BALL—

He was representing the Department of Agriculture—

Doctor BALL. A gentleman whose name I can not at the moment remember—Stevens, I believe it was—the manager of the La Salle Hotel.

Senator HARRISON. Stevens?

Doctor BALL. Yes.

Senator HARRISON. He was the manager of the La Salle Hotel in Chicago?

Doctor BALL. The manager of the La Salle Hotel. He was also a director in General Dawes's bank, I believe.

Senator HARRISON. Was he an experienced farmer?

Doctor BALL. No; not at all.

Senator HARRISON. How long did he work on these estimates?

Doctor BALL. Probably about 10 days.

Senator HARRISON. Did he cut it throughout?

Doctor BALL. I never saw his exact figures, but about \$750,000.

Senator HARRISON. Was he the only one that worked on it on behalf of the Budget?

Doctor BALL. No; after he left he made his report to the Director of the Budget; and then General Mosley, who was the general assistant to General Dawes, went over the entire Budget again and made a further report.

Senator HARRISON. How much reduction did General Mosley make?

Doctor BALL. His reduction was the sum that I quoted.

Senator HARRISON. Seven hundred and fifty thousand dollars?

Doctor BALL. No; \$2,400,000, altogether.

Senator HARRISON. Why did General Mosley go over it after this other employee of the Director of the Budget had gone over it and checked it?

Doctor BALL. Because it had not reached the sum, I think, that was satisfactory to the Budget Bureau.

Senator HARRISON. But I understood you to say that this clerk at the Hotel La Salle—

Doctor BALL. He was the manager of the La Salle Hotel.

Senator HARRISON. This man who had been manager of the La Salle Hotel I understood you to say had made his report to the Director of the Budget, and in his report he had cut the estimate approximately \$750,000, and following that the director ordered General Mosley to go over it?

Senator OVERMAN. And cut it \$2,400,000.

Doctor BALL. Yes.

Senator HARRISON. And he cut it further?

Senator OVERMAN. No; he was instructed to go over it and cut it \$2,000,000, as I understood Doctor Ball to say yesterday.

There is the hearing on the proposition; and yet my good friend from Kansas becomes aroused here and disputes with me about a fact that finally we both agree about, and which the testimony shows we were both correct about.

Mr. President, my good friend from Kansas is one of the most adroit Senators I ever saw. I am sorry he is not here now. When we get to showing things up, and when the shoe begins to pinch, the Senator from Kansas seeks to divert us, as it is said that a bear, when pursued, will throw aside its young in order to escape and divert the attention of the pursuers. So, when I was proceeding to show how these various estimates for various lines of agricultural work had been cut by the Bureau of the Budget on the approval of the President, he tried to divert me from my line of talk, and brought up this Hotel La Salle manager.

I showed you the facts about the extension work. Let us take another matter. There is not anything that kills cattle quicker and is more injurious than a tick. They may not be indigenous to all sections of this country, but I know that in the section from which I come ticks sometimes infest the cattle, and they kill them, and work great injury and loss to the farmers of that section. So we must eradicate the tick, and heretofore we have carried in the appropriation bills very reasonable appropriations for that work. It was extended year by year, and so sections that once were infested by the tick have now become tick free, and these cattle, once tick ridden, now can be sent to market throughout this country, and it is due in large part to the splendid appropriations that have been made by the Congress for tick-eradication work; and yet what do we find in the bill now pending? The Agricultural Department recommended \$660,000, and the President approved what the Bureau of the Budget said was needed, and he says in his speech that is all they need. They cut the \$660,000 to \$500,000. Yes; they are economizing by lopping off \$160,000 of an appropriation that is necessary to rid the cattle of a certain section of this country of the tick, because they want through this Lasker bill to give that small amount over to the shipping trust of the country. Why, the way Lasker is managing things, that \$160,000 will not buy a stack for one of these boats that the Shipping Board has, and yet they are economizing with the great agricultural interests of the country!

That is not all. Let us consider the dairy industry. I do not know what the figures are. My friend the distinguished Senator from North Dakota might tell me; but I know that the dairy industry of this country is immense. It runs into hundreds and hundreds of millions of dollars. It is confined to no section of the country. In some degree at least it pours wealth into the pockets of the farmers and the dairymen around the great city of New York and the great city of Philadelphia, the same as it does to the farmers out near Minneapolis and Chicago. All over the country we have a dairy interest, and we need it.

Experiments in the dairy industry have been undertaken by the Government ever since the Department of Agriculture was organized. The Government has been liberal in appropriations in the past to carry on experiment work for the dairy industry. Yet, under this administration, under this economizing spell, which catches the farmer and catches almost no one else, we find that for experiments in the dairy industry there was estimated by the Department of Agriculture \$375,000. The President in his budget recommends \$284,320 as all that is necessary, a cut of nearly \$100,000 against continuing the plans for experimentation in the great dairy industry of the country.

Let us go further than that. I did not know this thing was so big; I had no idea that the farmer had been treated so badly; I had no idea that this Congress and the President and the Budget Bureau would to such an extent disregard the necessities of the agricultural classes, until I began to look over this list to see where the knife of economy had cut the farmer; but it did not scratch any other industry in this country.

I need not call to the attention of the Senate how disastrous hog cholera is. When hogs get cholera they die like sheep, meaning millions of dollars of loss.

Mr. WADSWORTH. Does the Senator mean like sheep with cholera?

Mr. HARRISON. No; the Senator from New York was writing a letter to some constituent, and he did not catch what I said. The cattle and the hogs and the sheep and all the stock would die if it were left to the nurturing hand of this administration to take care of the wants of agriculture.

Mr. LENROOT. Mr. President, will the Senator tell the Senate and the country how much better the Democratic administration took care of the wants of agriculture?

Mr. HARRISON. I am glad the Senator asked me that question. During the eight years that Wilson was President of this country there never came an appeal from the great West, or the North, or the South affecting the farmers' interests that he did not gladly heed and recommend to the Congress the passage of relief legislation.

Mr. LENROOT. Which party—

Mr. HARRISON. I have not finished answering the Senator. He asked me a question, and then does not want me to answer it. It takes me a long time to answer that question.

Mr. LENROOT. I observe that.

Mr. HARRISON. But I hope the Senator will be patient with me. The list of splendid achievements of the Wilson administration in behalf of the farmers of the country is so long that I hesitate to enter upon a discussion of it. I shall never forget when I came in as a Member in the Sixty-second Congress. At that time we were in the majority, and my friend from Wisconsin was then a Member of that august assembly, and a very live Member, too. He used to criticize everything that the majority wanted to do, and I know that in those days the influence of the distinguished Senator was hard for me to withstand. I sometimes feel like criticizing the majority myself, but I withhold my criticism—I have to restrain myself—but it was the habit the Senator from Wisconsin got into which almost led me astray when we got into the majority.

The Senator remembers that the first thing the Democratic Party did when we came into control of the House was in the interest of the farmers of the country. He has asked me the question, and I want him to listen to my answer. The first piece of legislation we championed was in the interest of the farmer; and yet he now asks me that question, as I parade this list of reductions in the appropriations for the agricultural interests before him. I know it makes him feel badly. I believe they did not know they treated the farmers as badly as they did, or they would not have done as they did by the passage of this bill.

The first legislation we passed was known as the farmers' free list bill. Before that the farmers had been compelled to buy their implements, buy the barbed wire for their fences, buy their gunny sacks, buy cloth in which to wrap their cotton, and buy 10,000 other things necessary to conduct a farm and the operation of the farm from the tariff-protected trusts. We removed the tariff from all those articles and placed them upon the free list. It was the first time in the history of this country that we had passed a tariff bill friendly to the great farming interests of the country.

We did not stop there. The next legislation we passed, as the Senator will recall, because he voted for it—and there were some others over there who voted for it—was to establish the Federal reserve banking system, when we wrote into the bill, with the help of the Senator from Wisconsin, the provision that allowed the member banks of the Federal reserve system to discount agricultural paper, the first time in all our history that the farmer had received an opportunity to discount his paper and get credit thereby.

We went down the list, passing what was known as the Lever agricultural extension act. I could enumerate piece after piece of legislation intended to promote the interests and welfare of the farmers enacted into the law during the Wilson administration, and never during the consideration of any agricultural appropriation bill were the estimates of the Agricultural Department cut below the needs of agriculture. Indeed, the Secretaries of Agriculture approved the estimates made by the experts from the Agricultural Department; they came to Congress, and committees and Congresses, dominated by a Democratic majority, passed them, giving to the great Department of Agriculture all that they needed and all that they could show was necessary.

Mr. LENROOT. Will the Senator yield?

Mr. HARRISON. Certainly.

Mr. LENROOT. Were those appropriations larger or smaller than the appropriations in the Agricultural appropriation bill just passed?

Mr. HARRISON. My recollection is that they were about the same as the appropriations in this one.

Mr. LENROOT. How does it happen, then, if this is such a discrimination against the farmer, with everything costing so much more now, that the Democratic Party did not make larger appropriations?

Mr. HARRISON. One of the reasons is that the barberry bush had not been discovered up in Wisconsin, and the demands would not come in from the Senator's State and Minnesota for some \$650,000 to eradicate the barberry. I can cite instance after instance where insects injurious to agriculture have been discovered since that time. That is what we make appropriations for, to enable the department to send men out to try to find such insects and pests and to get some solution for diseases which kill cattle and injure stock.

It is natural, as the population of the American Republic gradually increases, that the appropriations for agriculture should constantly be enlarged, and I am sure, with the logical mind of the distinguished Senator from Wisconsin, he would not assume for a minute that the Agricultural appropriation bill would gradually get smaller in amount, but he knows that if it keeps abreast of the times and takes care of the constant demands and needs of a great and growing country the appropriations will continue to increase within certain bounds.

Mr. LENROOT. Does not the Senator know that the bill we just passed carries out that very policy?

Mr. HARRISON. This bill carried \$200,000 less, if I recall the figures correctly, than the one we passed last year. I know the Budget cut the estimates. There is not much difference between them. I am not taking into account the appropriation carried for good roads.

Again I am diverted when I am proceeding in an orderly way. When the boot begins to pinch some Senator rises and tries to befuddle me so that I can not make my argument.

Mr. LENROOT. Will the Senator yield? The Senator has been making a purely political speech here, and I hope he will welcome some facts.

Mr. HARRISON. The Senator knows there is no politics in this.

Mr. LENROOT. Let me read the appropriations made for agriculture under the Democratic administration as compared with the Republican. In 1913 the Democratic Party appropriated for agriculture \$16,600,000; in 1914 they appropriated \$17,986,000; in 1915 they appropriated \$19,865,000; in 1916 they appropriated \$22,971,000; in 1917 they appropriated \$24,850,000; in 1918 they appropriated \$25,920,000. Then the Republicans came into power. In 1919 they appropriated \$27,887,000; in 1920 they appropriated \$33,899,000; in 1921 they appropriated \$31,712,000; and the bill just passed carries about \$33,000,000, more than double the appropriations made for agriculture by the Democratic Party when it came into power.

Mr. HARRISON. Mr. President, if there is anything in the world that would convince any man of ordinary common sense that the Democratic Party was a more economical party than the Republican Party, it is the statement just made by the Senator from Wisconsin.

I have shown that every estimate made by the Department of Agriculture for the needs of the farming interests of the country was immediately and adequately provided for in appropriations by a Democratic Congress. The appeals which came from the farmers were transmitted by the Agricultural Department to the Congress, and we gave them all they asked; yet we showed such magnificent economy in the management of the situation that the Senator himself cites figures which show the great saving to the American taxpayers when compared to the bill just passed.

Mr. LENROOT. Will not the Senator please make a statement which he himself believes? He certainly does not believe any such wild statement as he has just made regarding Democratic "economy." The word is not found in the Democratic dictionary.

Mr. HARRISON. Oh, I knew the Senator would talk that way, but we think we did things pretty well. About the only fellows who have been indicted by this administration for malfeasance in office were Republicans who were appointed by the Democratic administration.

Mr. LENROOT. Not those appointed by Republicans.

Mr. HARRISON. That shows that the Department of Justice is very fair and is not playing politics, as my friend from Wisconsin is. I am trying to make a real, constructive, statesmanlike speech, and the Senator says I am talking politics. I have not investigated, for the purpose of comparison, the agricultural appropriations that were passed by the Democratic Congresses and those passed by the Republican Con-

gresses. I do know one fact which is fundamental, that we did take care of the needs of agriculture, and there was no politics in it. There has never been any politics in the appropriations for agriculture.

There is not any now. I am talking against the system here, if you please. I know that certain Senators on the other side of the Chamber are just as friendly to the farmers and want to take care of their needs as much as those on this side.

But I am trying to bring to the attention of those on the Republican side of the Chamber the fact that there is in force a system that works against the interests of the agriculturists of the country. There may have been provisions in agricultural appropriation bills carrying large amounts that were not wholly for agricultural purposes; I do not know. I know that in the present bill we provide large amounts for the Atlantic watershed, as I believe it is called. I know that we carry quite a large amount for roads in this bill—I think about thirty-odd million dollars.

Mr. McNARY. Twenty-nine million dollars, but that is not included—

Mr. HARRISON. I understand, but there are many things carried in the bill that are not wholly for agriculture. So it is natural that the amount carried in the bill as a whole should change year by year. The Senator knows that in the passing of the years the agricultural appropriations will constantly increase, as they should increase. So there is really nothing in the amount, but I do know the amount has been cut in this bill. The Budget did it and that is what I am calling to the attention of the Senate.

Now, let us go further. I was discussing plant diseases. When we think about the great peach and apple orchards, the pecan groves, and the orchards and groves of every kind in which we constantly find new insects and new diseases and new pests that the department never knew about before, we realize that we need appropriations to look immediately into the situation and to eradicate the pests and eliminate or cure the diseases. The Department of Agriculture of all departments should know what is needed to do that work. They estimated for \$182,000. What was given them? The Bureau of the Budget, whose action meets the approval of the President, gave only \$77,000. Thus it is that that important work will be curtailed to at least \$100,000. That is the way Republicans economize.

But that is not all. There is another provision for diseases of the orchard. The Agricultural Department estimated \$113,935 for that purpose. The Bureau of the Budget cut it to \$111,000. Thus it is that on the two items affecting diseases of the orchards the amounts have been cut \$125,000, not enough under Lasker's administration of the Shipping Board to purchase one plank to help repair one of the ships.

With reference to cotton diseases, Mr. President and Senators, if you knew of the horrible situation in the cotton-growing section of the country, if you knew what they have had to contend with, if you knew the effect on the industries of this country as well as the effect in other countries, you would not want to economize in an appropriation to eradicate or eliminate diseases and pests that are destructive of cotton. The boll weevil, that made its appearance some years ago, wrought millions, yea, I might say billions of dollars of damage to the cotton planters of the South, working so disastrously in my State that fields which had previously produced over a bale of cotton to the acre were so affected that they could not raise one-tenth of a bale of cotton to the acre, forcing the farmers to allow hundreds of thousands of acres of the finest cotton lands on God's green earth to lie idle. I have seen the destructive effects of it in my own State. I have seen it, where we once raised over a million bales of cotton a year, drop until we raised hardly half a million bales of cotton a year.

In the State of Georgia, represented in part by my distinguished friend, the junior Senator from that State [Mr. GEORGE], where they once raised as much as two million bales, I believe, this year they estimate about 800,000 bales of cotton. I have seen the ravages of the boll weevil working its way through South Carolina, where they once raised 1,600,000 bales or more a year, and yet this year the Government estimate is that they will produce a little more than 500,000 bales. I have seen the pink boll weevil, as it came up from Mexico, working its injury in the boll of the cotton in Texas and on into Louisiana, destroying the prospects of the farmers and ravaging their fields. These things have caused the cotton crop to decrease until last year it had dropped to a little over 7,000,000 bales, and this year I think the Government estimate is 9,700,000 bales.

So, there will be in this country a shortage of cotton that can not be supplied to the world for at least two months of the

coming summer. They need the cotton. They need it to compete with the high prices of wool and other goods. They need it for the warmth of the American people as well as the people everywhere. Yet with that situation and condition, we see the estimates of the Agricultural Department, desired to fight the cotton diseases, cut from \$127,000 down to \$117,000.

Now, let us see what else. Here is an item for crop plants. Land that once produced nothing has, under the magic hand of some progressive truck farmer, been brought to produce truck crops that fill the wants of the great cities of the country with cheap cabbage, cheap tomatoes, and cheap vegetables of every kind. Diseases have worked their way into those crops and very often destroyed them. As the crop is affected by a pest or an insect or a disease, so is the price of that particular vegetable or commodity increased to the American consumer. In this day and time, when the high cost of living has soared so that the American people can hardly make ends meet, I wonder how the man of family on a small salary can get along at all. God knows I do not see how he can exist with things as high as they are.

All these economic conditions and questions should be taken into consideration in making up an appropriation bill affecting the great agricultural interests of the country, and yet, with vegetables and other necessities of life needed in the great cities of the country, we see the estimates of the Agricultural Department for the work on crop plants reduced from \$66,860 to the pitiful sum of \$55,000.

Now, what would \$11,000 do in maintaining the proposed subsidized merchant marine? How far would it go in promoting the Lasker scheme for a ship subsidy? It would help very materially the farmers of the country who are affected by the different diseases in their truck crops, and yet the Congress says, with the President's approval, "We will withhold that \$11,000; we will not give it to stamp out disease in truck crops, but we will give it over to the great shipping interests of the country, because they need it." That is the Republican idea of the way the Government should be run.

God bless you, you Republicans will have a lot to answer for when you get away from here on the 4th of March. You Republicans did not consider the force of the suggestion I made this morning. If you would go ahead and have the President call an extra session of Congress, we could stay here all this spring and summer fighting out the ship subsidy bill, and you would have a good excuse for not going back home to face your people. The people could not see you then. It is going to be mighty hard for some of you to face your constituents after the 4th of March. You will wish then that you had followed my suggestion about an extra session of Congress.

What explanation are you going to make to the man who raises a little truck crop, say, some lettuce that he must cover up at night with cloth, where he must build fires around the hotbeds and coldframes in order to keep the lettuce warm, so that the wintry winds and cold blasts from the north will not destroy it. The man who has planted his tomatoes out in the field, where they seem to be growing nicely under the kiss of the spring sun, hears the squeedunk blowing. It can be heard for miles and miles. Then one farmer says to the other, "What is that?"

There the farmer says, "That is the warning. That is the squeedunk over yonder that is blowing. They have a report from Washington, and the report is that a cold wave is coming." Then the farmers begin to go out in the field and cover up tomato plants or other vegetables. They work late into the night. They build fires to create warmth to ward off the wintry blast. But the cold comes and their crops are destroyed.

Those men undergo all the vicissitudes of a changing climate. They have to fight everything, with no great insurance companies to write a policy insuring that their crop will come out 100 per cent. There is no insurance company to underwrite a policy that they will be protected against cold or disease or insect or injurious pest. The only help they have is not the happy hopefulness of the President—no; not that, but they have the hope that here in Washington, where they have two Senators and a Congressman, they will be able to pass an appropriation bill every year which will in a small way make allowance for taking care of their crops, providing a little appropriation to fight the diseases which infest truck crops. And yet when you go home and meet that little truck farmer you will have to explain to him why you and your President reduced the Department of Agriculture estimate from \$66,860 to \$55,000. If you think that you can give him an excuse to justify the proposition that that was needed in the ship subsidy appropriation, just try it out on him. That is what you are trying to do here. Here I have brought upon my head censure from the distinguished junior Senator from Wisconsin [Mr. LENROOT] because I would have the Senate wait until next

Tuesday to pass the agricultural credits bill. He wants to whip it through here by to-morrow night; he only wants 10 minutes to be allowed for the discussion of each amendment. I can not believe that he does not want the bill "framed" after full and adequate consideration; but it is because he is so anxious and other Senators on the majority side of the Chamber are so anxious to force the ship subsidy bill upon the American people. I can not believe that Senators on the other side knew when they voted to reduce the appropriation for investigating and improving truck crops and to fight diseases and pests and insects affecting such crops \$11,000 that they really intended for the money merely to go to the shipping trust; and yet that is what their actions here mean if we allow the ship subsidy bill to pass.

Mr. President, I will refer to two other items. One is for the improvement of cereals. Is there anything that we should work more diligent upon than to try to improve the quality and increase the production of cereals in this country? Is there anything that could be brought more directly to the home life, to the fireside, to the breakfast table, and to the dinner table than to improve the quality as well as increase production of cereals?

The Agricultural Department through years have been prosecuting this work, and they have performed a great service. This year the Agricultural Department's estimate for this work was \$42,440. Yet the President of the United States approves the estimate of the Budget Bureau and Congress approves it, reducing the amount to \$32,000. There is an instance where cereal improvement can wait, but the shipping interests must be taken care of. It is argued that, though it is a small amount, it will help some.

The Agricultural Department estimated \$180,000 for the improvement of crop production, but the Budget Bureau cut it to \$169,000. Again the farmers of the country are economized upon.

For horticultural investigations the Agricultural Department estimated \$79,440, but the Budget Bureau estimates bring it down to \$71,940.

Mr. President, I shall not read the entire list, though I could cite other instances to the Senate. However, it does no good here. I talk, and I plead, but it seems that Senators on the other side of the Chamber are callous to any suggestions I make or to any appeal which I may utter.

Worse than all—and we are now about to vote—the Senator from Oregon makes a motion here which will put the finishing touches to this conference report. I procured—and I thank the Senate for it—an increased appropriation, against the suggestions of the Budget Bureau, of \$50,000 for the destruction of the sweet-potato weevil. I thought it was necessary; indeed, I know it would have been most helpful to the section from which I come. The sweet-potato crop in five States along the Gulf coast is valued at \$135,000,000.

Under this appropriation in the last few years we have been able to eliminate the sweet-potato weevil in many of the counties and in some of those States, but it is a pest which, unless we shall continue every effort to restrain its march, will go on from State to State and enlarge the field of its operations. I am quite sure that the inadequate appropriation carried in this bill will mean millions of dollars of injury to the farmers who must combat the sweet-potato weevil; but I have done my best; I can do no more. Under our system of Government, under the peculiar method in which we pass legislation through Congress, I know that no matter how long I might speak and what I might say I could not defeat, indeed, I would not defeat, the report carrying the appropriations for agriculture in this country. There are so many good provisions in the legislation; so many necessary provisions in the bill that I, of course, would not attempt to defeat the conference report merely because the Senate conferees receded on my amendment.

I shall not say, for some one might imagine the discussion to be sectional, that it is peculiarly strange that the appropriation for the corn borer which was increased by amendment in the Senate was retained in the bill. The corn borer has ravaged the corn fields of New England; it has greatly affected the corn crop in that section. I believe that the amount appropriated for its destruction, which includes the increased amount which the Senate provided, is necessary in order to fight the corn borer, and I would not say anything against it for fear that what I should say might be misinterpreted; but the increase in the appropriation to combat the sweet-potato weevil was eliminated, while the amendment increasing the appropriation to combat the corn borer was retained.

I would not say anything as to other amendments increasing appropriations over those recommended by the committee,

notably the one to exterminate the barberry bush. I shall bide my time with patience, hoping that next year, when the Agricultural appropriation bill shall again be under consideration, and the Senate committee considers it, care will be taken to provide an adequate appropriation for the destruction of the sweet-potato weevil.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LADD in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gooding	McKellar	Shortridge
Ball	Hale	McLean	Spencer
Brookhart	Harris	McNary	Stanfield
Bursum	Harrison	Nelson	Sterling
Calder	Heflin	New	Sutherland
Cameron	Johnson	Nicholson	Swanson
Capper	Jones, Wash.	Norbeck	Trammell
Caraway	Kellogg	Norris	Underwood
Colt	Kendrick	Oddie	Wadsworth
Curtis	King	Overman	Walsh, Mass.
Ernst	Ladd	Page	Walsh, Mont.
Fernald	Lenroot	Phipps	Watson
Fletcher	Lodge	Pomerene	
George	McCormick	Reed, Pa.	
Glass	McCumber	Shields	

Mr. HARRIS. I desire to announce that the senior Senator from Wyoming [Mr. WARREN] and the senior Senator from Utah [Mr. SMOOT] are detained from the Senate because of their duties in connection with the work of conference committees on appropriation bills.

Mr. POMERENE. I desire to announce the unavoidable absence of my colleague [Mr. WILLIS] because of serious illness in his family. I ask that this announcement may stand for the day.

Mr. McNARY. I desire to announce the absence from the Chamber of the Senator from Wisconsin [Mr. LA FOLLETTE] on account of the oil hearings before the Committee on Manufactures.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, there is a quorum present. The question is on the motion of the Senator from Oregon [Mr. McNARY].

Mr. KING. Mr. President, let us have the motion stated. We may want to divide the question, if it can be divided.

The PRESIDING OFFICER. The motion will be stated.

The ASSISTANT SECRETARY. The motion pertains to the message from the House, and is that the Senate agree to the House amendments to the Senate amendments numbered 11, 31, 33, and 35, and recede from its amendment numbered 34.

Mr. KING. May I inquire of the Senator from Oregon what disposition was made by the conferees of the appropriation of \$6,000,000 plus for roads and trails in Government forests?

Mr. McNARY. I will state to the Senator from Utah that we arrived at a disagreement. That was one of the items presented here to-day for either confirmation or instructions to insist upon the Senate amendment. I am informed that the Senator from Arizona [Mr. CAMERON] will make a motion at this time that the conferees insist upon making the whole amount, namely, \$6,500,000, immediately available for the construction of forest roads, rather than the House provision that only \$3,000,000 shall be made immediately available.

Mr. KING. As I understand, if I may be pardoned, the House appropriated \$6,000,000 directly—

Mr. McNARY. Six million five hundred thousand dollars.

Mr. KING. Six million five hundred thousand dollars, to be immediately available, for roads and trails within the national forests.

Mr. McNARY. Yes.

Mr. KING. The conferees have abandoned that, and have agreed upon \$3,000,000 to be immediately available, and power is given the Secretary of Agriculture to enter into contracts for the expenditure of the other \$3,500,000.

Mr. McNARY. The action of the Senate was to the effect that \$6,500,000 should be immediately available. In conference we disagreed, and the House comes back with this provision making \$3,000,000 immediately available, \$3,500,000 to be carried in a deficiency bill, and authorizing the Secretary of Agriculture to allocate among the States the \$3,500,000 not made available; also to contract with respect to it. That is not satisfactory to some of those who are interested in the roads in national forests, and the Senator from Arizona intends to make his motion at this time.

Mr. JONES of Washington. Mr. President, I just want to correct one impression that the Senator from Utah apparently has. The House did not appropriate \$6,500,000 and make it immediately available.

Mr. KING. No; \$3,000,000.

Mr. JONES of Washington. Three million dollars; and the Senate appropriated \$6,500,000 and made it immediately available.

Mr. KING. If I indicated as the Senator states, I did not intend to convey that impression.

Mr. CAMERON. Mr. President, I move that the Senate disagree to the amendment of the House to the amendment of the Senate numbered 33 and ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate, for this reason:

There are 29 States that have a large forest area. There has been withdrawn in these 29 States a forest area of 156,837,282 acres of the public domain. That area is not taxable at this time. In order to make the Forest Service self-sustaining or in order to derive from the Forest Service the benefits that the Government ought to derive these areas should be properly taken care of in the way of development. Roads and plenty of them should be built, thus tapping the timber belts and other natural resources which are now of little use and hardly appreciated. Under the appropriation of June 19, 1922, section 2 and section 4, we are entitled under that bill this year to \$6,500,000. The House saw fit to cut the \$6,500,000 to \$3,000,000. The Senate committee put it back to the original amount \$6,500,000, and the conferees stood up for the \$6,500,000. It is necessary now, in order to get this \$6,500,000, to disagree to the House amendment, and I ask the Senate, after a most careful consideration of this appropriation and close study of the situation, to send this amendment back for a further conference. That is the reason of my motion at this time, and I hope the Senate will see the great public need of this full appropriation so these forest areas can be properly developed as now outlined through the program of the forestry department.

Mr. KING. Mr. President, if the Senator will yield, I should like to inquire of him what was the recommendation of the Budget with respect to the item for roads within the national forests?

Mr. McNARY. Mr. President, I can answer that question, with the Senator's permission. The Bureau of the Budget recommended an authorization of \$6,500,000, due to a past act authorizing the appropriation of that sum of money, but making immediately available \$3,000,000. The act passed some years ago, when the road work was in the hands of the Post Office Department, authorizing the appropriation of \$6,500,000 for this year. This legislation is in fulfillment of that authorization, passed in 1921, and as brought to the House it was in response to the estimate of the Director of the Budget.

Mr. KING. Mr. President, if the Senator will pardon me, I think I understand the Senator. He spoke of "this year." Did he refer to the fiscal year 1924?

Mr. McNARY. The year commencing 1923, to 1924.

Mr. KING. That is, beginning with the 1st of July, 1923, and ending with the 30th of June, 1924?

Mr. McNARY. Yes; that is it.

Mr. KING. Was there any antecedent legislation that restricted the Congress of the United States to an appropriation of only \$6,500,000 for roads and trails in the national forests?

Mr. McNARY. A bill was passed in 1921 providing for the expenditure of certain sums in the national forests in the years 1923, 1924, and 1925. The \$6,500,000 was the amount authorized to be expended in 1923-24; and the Director of the Bureau of the Budget, of course, could not go back of the authorization that had been sanctioned by prior statutes, but made available \$3,000,000 upon the theory that that was all the money they could use, but that they had a right to contract for the balance, namely, \$3,500,000.

Mr. KING. Then he was acting upon the assumption that those who were charged with the duty of expending the entire amount could not advantageously contract for and expend this \$6,500,000 for roads and bridges and trails in the national forests in the space of 12 months?

Mr. McNARY. I will not say that. It was uncertain, perhaps, whether or not they could expend all the sums; but the point was simply this: A great many of those interested in the roads in national forests wanted the whole amount—namely, \$6,500,000—made immediately available, so that these small contractors would feel justified in entering into contracts, knowing thereby that they would receive their money and could get the proper credits at the banks. That was the position of the Senate conferees. The House conferees, however, argued that if they made \$3,000,000 available the balance could be carried in the deficiency bill, as it was subject to contract rights. As a compromise, the House proposed to make immediately available the \$3,000,000, and to specify that the Secretary of Agriculture can contract for the balance of the \$3,500,000, and also to direct him to allot among the various States the remain-

ing sum of \$3,500,000. That is not satisfactory to some of those interested in the forest roads, and that is the reason of the amendment suggested by the Senator from Arizona.

Mr. KING. It seems to me the Senator from Arizona is entirely right. He is fortified by the law, fortified by common sense, and fortified, it seems to me, by legitimate and wisely accepted business policies. If we are to construct these roads, the men charged with the responsibility know best how to expend the money, and the very reason suggested by the Senator from Oregon—namely, that the small contractors want to know that they can get their money when they enter into their contracts and when they do the work, without having to wait for subsequent appropriations—would justify, and not only justify, but, it seems to me, demand that the Senate adhere to the position it took when it made immediately available the \$6,500,000.

I shall be very glad, therefore, to support the motion of the Senator from Arizona.

Mr. LENROOT. Mr. President, a parliamentary inquiry. May I inquire what is the question before the Senate?

The PRESIDING OFFICER. The Secretary will state the pending question.

The ASSISTANT SECRETARY. The motion made by the Senator from Oregon [Mr. McNARY] was that the Senate agree to the House amendments to Senate amendments Nos. 11, 31, 33, and 35, and recede from its amendment No. 34. The Senator from Arizona [Mr. CAMERON] has now moved that the Senate disagree to the amendment of the House to the amendment of the Senate No. 33, and insist upon its own amendment.

Mr. LENROOT. I submit, merely as a matter of parliamentary procedure, that the motion of the Senator from Arizona is not in order until the pending motion of the Senator from Oregon is disposed of, a motion to agree being preferential over a motion to disagree, it bringing the two Houses together on the bill.

Mr. KING. Mr. President, may I inquire of the Senator from Wisconsin if his position is that the question can not be divided?

Mr. LENROOT. No; we can divide the question and vote upon the motion to agree, but of course voting it down would be equivalent to disagreeing; but a motion to disagree, as the Senator well knows, is not preferential over a motion to agree.

Mr. KING. The Senator insists that the proper parliamentary procedure would be to agree or to disagree to the report of the conferees?

Mr. LENROOT. If there is a motion pending to agree, that has preference, of course.

Mr. KING. And if we should vote to agree, being satisfied with all the residue of the report, that would cut off the item that is under consideration now and prevent the matter being sent back to conference?

Mr. LENROOT. Certainly; but a separate vote can be had upon this particular item, of course.

Mr. KING. That is what I had reference to.

Mr. McNARY. Mr. President, a parliamentary inquiry. I do not want to stand in the way of the Senator from Arizona having a free expression of the Senate upon his amendment; and I should like to know, if I should withdraw the motion that I have made, whether the motion of the Senator from Arizona would be in order?

Mr. LENROOT. Mr. President, if the Senator will yield, I suggest to the Senator from Oregon that he modify his motion so as to move to agree to all of the amendments that he desires to agree to, except the one in question, and that will leave the matter open for the Senator from Arizona to make his motion.

Mr. McNARY. I think that would be preferable.

The ASSISTANT SECRETARY. In other words, it is proposed to strike from the original motion the numerals "33."

Mr. JONES of Washington. Mr. President, I want to say just one word about the motion to recede from the amendment No. 34. I have examined the debate in the House, and I am satisfied from the situation there that it would be utterly useless to send that amendment back to conference. Therefore I shall vote for the motion to recede.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon, leaving out amendment numbered 33.

Mr. KING. Mr. President, before that motion is voted upon I shall be glad to learn from the Senator from Oregon what the other items are and exactly what will be the result of the affirmative vote for which the Senator now asks.

Mr. McNARY. One appertains to the provision of maximum salaries of the scientific employees of the Secretary of Agriculture. The only difference between the Senate amendment

and the action of the House is that the Senate inserted the word "hereafter," making it permanent law. The House has modified it to make it apply during the fiscal year 1924. The other is simply a reenactment of the provision, now extant in the statute, permitting the shipment from a State where lumber is cut to some other State in the Union. The other is the recession from the seed item and the bean item.

Mr. KING. Respecting the timber item to which the Senator refers, as I understand the Senator, if the amendment agreed upon in this report prevails, then timber which is cut from forests by permission may be transported from one State to another?

Mr. McNARY. Yes. In the old law there is a prohibition against cutting timber in one State and shipping it to another, upon the theory that the State where it is cut should have the use of the timber for its consumption. That was found to be impracticable, and timber cut on the public lands, or in the national forests of Utah, under this provision could be shipped to another State.

Mr. KING. That is a very wise provision, because the Senator knows that there are many instances where the timber cut near some boundary line between two States is not available at all in the State in which the timber is growing, and is only available across the line in some other State. The Senate recently passed a bill permitting the exportation to Utah or other States of timber cut upon the reserves in Arizona, for instance, because in the Arizona strip, as it is called, there are few, if any, inhabitants, and the timber there is of no value whatever. I am very glad of the position of the Senate upon that item.

The PRESIDING OFFICER. The question is on agreeing to the modified motion of the Senator from Oregon.

The motion as modified was agreed to.

The PRESIDING OFFICER. The Senator from Arizona now moves that the Senate disagree to the amendment of the House to the amendment of the Senate numbered 33, that the Senate insist upon its amendment and ask a further conference with the House on the disagreeing vote thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. McNARY, Mr. JONES of Washington, Mr. LENROOT, Mr. OVERMAN, and Mr. SMITH conferees on the part of the Senate at the further conference.

ACTION ON PROPOSED CONSTITUTIONAL AMENDMENTS.

Mr. ASHURST. Mr. President, in the Sixty-sixth Congress the Senator from Connecticut [Mr. BRANDEGEE] introduced a proposed amendment to the Constitution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That Article V of the Constitution of the United States is hereby amended to read as follows, to wit:

"ARTICLE V.

"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution when ratified within six years from the date of their proposal by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, or by the electors in three-fourths thereof, as the mode of ratification may be proposed by the Congress: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate."

This amendment was reported favorably from the Senate Committee on the Judiciary.

We have had 19 amendments to the Federal Constitution. I will treat the first 10 amendments as a part and parcel of the original Constitution, because when the Constitution was ratified it was upon the distinctly implied, in some cases expressed, understanding that amendments would be adopted. They were proposed and submitted by the First Congress on the 15th of September, 1789. They were 12 in number. The third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth were ratified by the required number of States within exactly two years and three months. But No. 1 and No. 2 are still pending, and on the 15th day of next September will have been pending 134 years.

So we perceive a wise suggestion in the amendment proposed by the Senator from Connecticut that there should be a time limit. Moreover, we have precedent. Congress, in submitting the prohibition amendment, laid a limit upon the time within which the States could ratify.

I call the attention of the Senate to the fact that the last nine amendments have been brought about by "amendment periods." The eleventh and twelfth amendments were adopted in the 10-year period between 1794 and 1804, the twelfth having been brought about by the unfortunate tie in the Electoral

College between Thomas Jefferson and Aaron Burr. Call that the first amendment period. Then, notwithstanding the fact that many scores of amendments were introduced in Congress and two were proposed between 1804 and 1864, no amendment was adopted; thus there was a 60-year period of immobility with respect to amending our Federal Constitution.

Then came the second amendment period, which began in 1865 and lasted until 1875. In that 10-year period the thirteenth, fourteenth, and fifteenth amendments were proposed and adopted.

Then came another period of nearly 40 years of immobility, and then came the sixteenth, seventeenth, eighteenth, and nineteenth amendments—the third amendment period, 1909 to 1923—showing that these amendments move in cycles.

The Federal Constitution conserves and protects all that real Americans hold precious; it should not be changed by legislative caucus but by the direct vote of the people.

There is not a State in the Federal Union whose constitution may be amended by the State legislature. The various State constitutions may be amended only by the electorate of the State. How utterly archaic, therefore, it is to deny the electorate an opportunity to express itself upon the proposed change in our fundamental law.

If the consent of the voters be required to alter and amend a State constitution, a fortiori the vote of the people should be required to change the Federal Constitution.

It is vital to our American system that the voter should have an opportunity to say at the ballot box what form of government he desires to live under.

If you are not willing that the State legislatures should choose United States Senators, for a much stronger reason the State legislatures should not change your fundamental law.

Every argument in favor of the election of Senators by a direct vote of the people is a stronger argument in favor of consulting the people on constitutional amendments.

I favored the amendments providing for the income tax, direct election of Senators, prohibition, and woman suffrage. I believe they were wise amendments, and that they were in response to the deliberate judgment and progressive thought of a vast majority of our countrymen; indeed, I believe those amendments were demanded by the people and were not forced upon the people. My belief, unfortunately, does not settle the question, for the stubborn fact exists that millions of our countrymen thoroughly believe that the prohibition and woman-suffrage amendments were adopted by cunning, by craftiness and indirection, and that the Congress and the State legislatures were either browbeaten into voting for the amendments or were induced to do so by an insidious lobby. It is my opinion that if a referendum to the people on the prohibition and woman-suffrage amendments could have been had, each amendment would have been adopted and ratified by the electors. We should, therefore, take the requisite steps to preclude the opportunity in the future of a recurrence of such discontent and suspicion by providing a means by which the electors of each State may pass upon amendments to the Federal Constitution.

Mr. President, there are 435 Members of the House of Representatives and 96 Members of the Senate, in all 531. I ask unanimous consent to include in the Record, as a part of my remarks, a statement showing the number of State senators, number of members of the house or assembly, as the case may be, in the State legislatures.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Number of members in State legislatures according to the year 1919.

State.	Senate.	House or assembly.
Alabama.....	35	106
Arizona.....	19	35
Arkansas.....	35	109
California.....	40	80
Colorado.....	35	60
Connecticut.....	35	258
Delaware.....	17	35
Florida.....	32	75
Georgia.....	44	159
Idaho.....	37	65
Illinois.....	51	152
Indiana.....	59	100
Iowa.....	50	108
Kansas.....	40	125
Kentucky.....	38	100
Louisiana.....	41	115
Maine.....	31	151
Maryland.....	27	102
Massachusetts.....	49	240
Michigan.....	32	100

Number of members in State legislatures, etc.—Continued.

State.	Senate.	House or assembly.
Minnesota.....	67	130
Mississippi.....	49	133
Missouri.....	34	142
Montana.....	41	95
Nebraska.....	33	100
Nevada.....	17	37
New Hampshire.....	24	404
New Jersey.....	21	60
New Mexico.....	24	49
New York.....	51	159
North Carolina.....	50	120
North Dakota.....	49	113
Ohio.....	38	128
Oklahoma.....	44	111
Oregon.....	30	60
Pennsylvania.....	59	207
Rhode Island.....	30	100
South Carolina.....	44	124
South Dakota.....	45	103
Tennessee.....	33	99
Texas.....	31	142
Utah.....	18	46
Vermont.....	30	245
Virginia.....	40	100
Washington.....	41	97
West Virginia.....	30	94
Wisconsin.....	33	100
Wyoming.....	27	57
	1,760	5,643

Members of senate.....	1,760
Members of houses of assembly.....	5,643
Total.....	7,403

Mr. ASHURST. So we have a total of 7,403 members of the State legislatures, according to the figures for the year 1919. Not two-thirds but a bare majority of that 7,400 men may pass upon an amendment to the Constitution.

We find ourselves in this posture: Two-thirds of the Congress and a majority of the 7,400, or about 4,500 men, pass upon the destiny of the most advanced people that ever lived in the tide of time. We set ourselves up as the leader among the nations in thought and as responsive to the people's will, and yet 4,500 men, if they saw fit, could Prussianize the Republic.

Mr. President, it is startling to investigate and then reflect upon the perils that have come and that in the future may come by a continued failure to set a time limit within which a proposed amendment may be ratified.

Four different amendments duly proposed by the Congress are now pending before the States for their action. These amendments are as follows:

One, proposed September 15, 1789, 134 years ago, relating to enumeration and representation:

ARTICLE I. After the first enumeration required by the first article of the Constitution there shall be one Representative for every 30,000 until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives, nor less than one Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives, nor more than one Representative for every 50,000 persons.

Another, proposed September 15, 1789, 134 years ago, relating to compensation of Members of Congress:

ART. 2. No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

Another, proposed May 1, 1810—113 years ago—to prohibit citizens of the United States from accepting presents, pensions, or titles from princes or from foreign powers:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States, and shall be incapable of holding any office of trust or profit under them, or either of them.

Another, proposed March 2, 1861—62 years ago—known as the Corwin amendment, prohibiting Congress from interfering with slavery within the States:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

I think the Senator from New York [Mr. WADSWORTH] took a bold and progressive step recently when he introduced his proposed constitutional amendment granting to the people the right to vote upon amendments.

Mr. KING. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield.

Mr. KING. The Senator mentioned a moment ago the ratification of the Constitution in the early days. I ask for information. My recollection is that most of the legislatures of the 13 Colonies—or many of them, at least—were elected with reference to the Constitution, so that the people had the right to choose—

Mr. ASHURST. The Senator is correct. Conventions in most instances were called and the question submitted was the ratification of the convention of 1787. In the case of Virginia I presume that never on this continent has there been assembled in one State more learning and wisdom than was assembled in the Virginia convention which ratified the Federal Constitution, and after a debate which lasted many days and was participated in by the leading statesmen of Virginia the Federal Constitution was ratified by 10 majority.

On September 15, 1789, 12 constitutional amendments were proposed by the First Congress. The requisite number of States ratified proposed articles numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 within exactly two years and three months, whilst Nos. 1 and 2, although proposed 134 years ago, have not, according to the latest available returns, received favorable action by the requisite number of States and are yet before the American people, or the States, rather, have been for 134 years, and are now subject to ratification or rejection by the States. After those two proposed amendments, to wit, Nos. 1 and 2, had been in nubilus—"in the clouds"—for 84 years, the Ohio State Senate in 1873, in response to a tide of indignation that swept over the land in opposition to the so-called "back-salary grab," resurrected proposed amendment No. 2 and passed a resolution of ratification through the State senate. No criticism can be visited upon the Ohio Legislature that attempted to ratify the amendment proposed in 1789, and if the amendment had been freshly proposed by Congress at the time of the "back-salary grab" instead of having been drawn forth from musty tomes, where it had so long lain idle, stale, and dormant, other States doubtless would have ratified it during the period from 1873 to 1881.

Thus it would seem that a period of 134 years, or 84 years, within which a State may act is altogether too long, and I will support a proposition limiting the time to 6, 8, or 10 years within which a State may act under a particular submission, so that we will not hand down to posterity a conglomerate mass of amendments floating around in a cloudy, nebulous haze, which a State here may resurrect and ratify and a State there may galvanize and ratify.

We ought to have homogeneous, steady, united exertion, and certainly we should have contemporaneous action with reference to these various proposed amendments. Judgment on the case should be rendered within the ordinary lifetime of those interested in bringing about the change in our fundamental law. Final action should be had while the discussions and arguments are within the remembrance of those who are called upon to act.

There is still another reason why a time limit should be set: When the 12 amendments were submitted in 1789 there were only 13 States. Vermont had not been admitted, if I remember correctly.

Question: Should three-fourths of the States then in the Union or three-fourths of those now in the Union be the test as to what shall be the number required for ratification?

The amendment proposed on May 1, 1810, was submitted to the States under the most interesting and peculiar auspices that ever came before a legislative body, and was as follows:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them.

What was the reason for that proposed amendment? History does not disclose, but the reason was that when officials accept presents of great value they dissolve the pearl of independence in the vinegar of obligation.

Unfortunately, the annals of Congress and contemporary newspapers do not give any of the debate upon this interesting proposition. The only light thrown upon the subject by the annals is the remark of Mr. Macon, who said "he considered the vote on this question as deciding whether or not we were to have members of the Legion of Honor in this country." What event connected with our diplomatic or political history suggested the need of such an amendment is not now apparent,

but it is possible that the presence of Jerome Bonaparte in this country a few years previous, and his marriage to a Maryland lady, may have suggested this measure.

An article in Niles's Register (vol. 72, p. 166), written many years after this event, refers to an amendment having been adopted to prevent any but native-born citizens from being President of the United States. This is, of course, a mistake, as the Constitution in its original form contained such a provision; but it may be possible that the circumstances referred to by the writer in Niles relate to the passage of this amendment through Congress in regard to titles of nobility. The article referred to maintains that at the time Jerome Bonaparte was in this country the Federalist Party, as a political trick, affecting to apprehend that Jerome might find his way to the Presidency through "French influence," proposed the amendment. The Federalists thought the Democratic Party would oppose it as unnecessary, which would thus appear to the public as a further proof of their subservency to French influence. The Democrats, to avoid this imputation, concluded to carry the amendment. "It can do no harm" was what reconciled it to all.

That amendment was submitted 113 years ago, and it was ratified within two years by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire. It was rejected by two or three of the States. At one period of our national life the school-book histories and the public men stated that it was a part of our organic law, because in the early days of our Government the Secretary of State did not send messages to Congress announcing ratification or promulgate to the public any notice whatever as to when an amendment became a part of the Constitution. I have caused the journals, records, and files in the Department of State to be searched, and there may not be found any notice of any proclamation or promulgation of the ratification of the first 10 amendments to the Constitution. The States assumed—it was not an unwarranted or violent assumption—that when the requisite number of States had ratified an amendment it was then and there a part of our organic law.

When the War between the States began to throw its shadow over the land, men rushed here and there with a compromise to heal the breach, if possible, and tried to avert the shock that was apparently about to come to our governmental structure. Expedient after expedient was proposed, and just before the adjournment of Congress—to wit, on March 2, 1861—the following amendment, known as the Corwin amendment, to the Constitution of the United States was proposed to the States, and it read as follows:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.) Proposed by Congress March 2, 1861.

That amendment was proposed by Congress on the 2d of March, 1861, and I warrant there are not 5,000 people in the United States to-day who know that such an amendment is now pending before the various States of the Union for their ratification. The amendment was ratified by the State of Ohio and by the State of Maryland through their legislatures and by the State of Illinois in 1862 by a convention.

Thus we perceive that a system which permits of no limitation as to the time when an amendment may not be voted upon by the State is not fair to posterity nor to the present generation. It keeps historians, publishers, and annalists, as well as the general public, constantly in doubt.

Having searched closely as to whether there is in the Constitution itself any expressed or implied limitations as to when an amendment may not be adopted, I am driven irresistibly to the conclusion that an amendment to the Constitution, once having been duly proposed, although proposed September 15, 1789, could not be recalled even by the unanimous vote of both Houses, if the Congress wished the same recalled, because the power to submit an amendment is specifically pointed out; but no power is given to recall it, and silence is negation.

I am not without authority on this subject, and I shall include in the Record some data I have collected on this subject.

Along this line, though it may be academic, I think it ought to go in the record, when an amendment is once submitted Congress has no power to recall it. Congress obtains its power solely from the Constitution. There is power to submit, but no power to recall. Hence, I reach the conclusion, and I believe it is a logical, inevitable conclusion, that those amendments which were submitted so long ago are still pending. If defeated, when were they defeated? They are still

pending. But in respect to a State, the State may ratify an amendment and recall that ratification if before its final ratification the required number of States have not ratified.

That is in grave doubt. Many Senators and a great many others dispute the right of a State, after it has ratified, to withdraw its ratification. But I think the best opinion, the most matured thought, is that a State has a right to withdraw its ratification, provided the required number of States have not theretofore ratified, and provided further that the action of the State withdrawing the ratification does not change the result. Of course, after a State legislature has rejected a ratification, it may the next day or the next week or at any other time vote again; it may vote every day if it wishes; that is entirely within the discretion of the State legislature. But I notice that the amendment proposed by the able senior Senator from New York [Mr. WADSWORTH] proposes to clear away that doubt, and I think that is wise. It proposes in terms that the State shall have the right to withdraw its assent at any time before the required number have ratified. Am I correct?

Mr. WADSWORTH. The Senator is correct.

Mr. ASHURST. In other words, the amendment proposed by the Senator from New York would clear away that doubt and statesmen and others would be no longer in doubt as to whether a State could or could not withdraw its assent.

Mr. WADSWORTH. Mr. President, may I interrupt the Senator to ask if he has noted the comparatively recent decision of the Supreme Court of the United States relating to the action of the Legislature of Ohio and of the people of Ohio who voted at a popular referendum on one of the recently submitted amendments. My recollection is, and I will stand corrected if I am mistaken, that the Legislature of Ohio, when it had submitted to it one of the last two amendments proposed, ratified it, although at that moment there was pending before the people of Ohio a referendum on the same subject. The people of Ohio voted down the proposal which the legislature had ratified. It was part of the law of Ohio that a matter of that sort could be submitted by the legislature to the people for a direct vote. The Supreme Court held, however, that the referendum held under the laws and constitution of the State of Ohio had no force and effect and that, the legislature itself first having ratified, that constituted a legal ratification, thereby the will of the people being absolutely thwarted and ignored.

Mr. ASHURST. I recall that circumstance. In other words, no matter if the State of Ohio or of New York or any other State should at the polls unanimously reject a proposed amendment, if the legislature should ratify it by a bare majority of one in each house, that would be a constitutional ratification, because it is beyond the power of the State now to ratify a constitutional amendment other than by the method provided in the Constitution.

Mr. WADSWORTH. As I understand, the Supreme Court holds that the term "legislature," as contained in the article of the Constitution providing for amendments, means the legislative body elected by the people of the State.

Mr. ASHURST. The Senator is correct.

Mr. WADSWORTH. The most restricted possible definition.

Mr. ASHURST. The Senator is correct.

Mr. WADSWORTH. And we can not include the people of a State as a part of the legislative machinery.

Mr. ASHURST. The Senator is entirely correct. If a State should abolish its legislature and resort to what we call the initiative to initiate laws and the referendum to pass upon them later, that State before it would be an eligible entity to pass upon an amendment to the Federal Constitution would have to set up some chosen body of men called its "legislature"; otherwise it would be impotent and powerless to pass upon a constitutional amendment.

At this juncture, Mr. President, I ask unanimous consent to include in the Record some copious data on this subject showing by what vote and when the various constitutional amendments were ratified. It will not take over half a column of the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DISCUSSION OF CONSTITUTIONAL QUESTIONS INVOLVED.
(Jameson.)

SEC. 585. VI. Two further questions may be considered: (1) When Congress has submitted amendments to the States, can it recall them? and (2) How long are amendments thus submitted open to adoption or rejection by the States?

1. The first question must, we think, receive a negative answer. When Congress has submitted amendments, at the time deemed by itself or its constituents desirable, to concede to that body the power of afterwards recalling them would be to give to it that of definitely rejecting such amendments, since the recall would withdraw them from

the consideration of the States and thus render their adoption impossible. However this may be, it is enough to justify a negative answer to say that the Federal Constitution, from which alone Congress derives its power to submit amendments to the States, does not provide for recalling them upon any event or condition, and that the power to recall can not be considered as involved in that to submit as necessary to its complete execution. It therefore can not exist.

2. The same consideration will, perhaps, furnish the answer to the second question. The Constitution gives to Congress the power to submit amendments to the States; that is, either to the State legislatures or to conventions called by the States for this purpose, but there it stops. No power is granted to prescribe conditions as to the time within which the amendments are to be ratified, and hence to do so would be to transcend the power given. The practice of Congress in such cases has always conformed to the implied limitations of the Constitution. It has contented itself with proposing amendments, to become valid as parts of the Constitution, according to the terms of that instrument. It is therefore possible, though hardly probable, that an amendment once proposed is always open to adoption by the nonacting or nonratifying States.

The better opinion would seem to be that an alteration of the Constitution proposed to-day has relation to the sentiment and the felt needs of to-day, and that, if not ratified early, while that sentiment may fairly be supposed to exist, it ought to be regarded as waived and not again to be voted upon unless a second time proposed by Congress.

SEC. 586. In discussing the question of the right of the States to vote upon proposed amendments at any time after the date of their proposal it is proper to look into the consequences of such a right. If they have the right, there are now floating about us, as it were, in nebulous, several amendments to the Constitution proposed by Congress which have received the ratification of one or more States but not of enough to make them valid as parts of that instrument. Congress could not withdraw them, and there is in force in regard to them no recognized statute of limitations. Unless abrogated by amendments subsequently adopted, they are, on the hypothesis stated, still before the American people to be adopted or rejected.

In 1873 the Senate of Ohio, acting upon the theory that once proposed an amendment to the Constitution is always open to ratification, adopted a joint resolution ratifying the second of the 12 amendments submitted to the States by Congress in 1789, but then rejected, providing that "no law varying the compensation of Members of Congress shall take effect until an election for Representatives shall have intervened." This resolution, prepared by Madison, was an excellent one; but suppose it had been unjust, proposed, perhaps, in the interest of a section or of a party, and, failing at the time to receive the requisite majority, it had subsequently by a concerted rally of those interested in its adoption been carried without discussion or a clear expression of the existing public will; is that a true construction of the Constitution which may be followed by so dangerous consequences? And, supposing the right referred to exists, by what majority shall the resurrected amendments be adopted? If proposed in 1789, when the States numbered but 13 and when a majority of 10 States might have ratified the amendment, how many would have been requisite in 1873, when there were 38 States which would have been called upon to vote? If the answer should be that 29 States must have voted to ratify, since that number was three-fourths of all the States in 1873, however reasonable such an answer might seem, it would be founded upon no statute or custom of the country, and therefore different opinions as to its reasonableness might well be entertained. Hence the danger of confusion or conflict. We discuss this question here merely to emphasize the dangers involved in the Constitution as it stands and to show the necessity of legislation to make certain those points upon which doubts may arise in the employment of the constitutional process for amending the fundamental law of the Nation. A constitutional statute of limitation prescribing the time within which proposed amendments shall be adopted or be treated as waived ought by all means to be passed. (Jameson, John A. A treatise on constitutional conventions (4th ed., 1887), pp. 634-636).

AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES PROPOSED BY CONGRESS BUT NOT RATIFIED BY THREE-FOURTHS OF THE STATES, COLLATED BY SENATOR ASHURST.

APPORTIONMENT OF REPRESENTATIVES.

After the first enumeration required by the first article of the Constitution, there shall be one Representative for every 30,000 until the number shall amount to 100; after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200; after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons. (1 Stat., 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10.)

Proposed by Congress September 15, 1789.

Ratified by the following States:

New Jersey, November 20, 1789. (Senate Journal, p. 199, 1st Cong., 2d sess.)

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

New Hampshire, January 25, 1790. (Senate Journal, p. 105, 1st Cong., 2d sess.)

New York, March 27, 1790. (Senate Journal, p. 53, 1st Cong., 2d sess.)

Rhode Island, June 15, 1790. (Senate Journal, p. 110, 1st Cong., 2d sess.)

Virginia, October 25, 1791. (Senate Journal, p. 30, 2d Cong., 1st sess.)

Pennsylvania, September 21, 1791. (Senate Journal, p. 11, 2d Cong., 1st sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Pennsylvania had first rejected the proposed amendment March 10, 1790.

Rejected by Delaware January 28, 1790.

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

COMPENSATION OF MEMBERS OF CONGRESS.

No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened. (1 Stat. 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10.)

Proposed by Congress September 15, 1789.

Ratified by the following States:

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

Delaware, January 28, 1790. (Senate Journal, p. 35, 1st Cong., 2d sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Virginia, December 15, 1791. (Senate Journal, p. 69, 2d Cong., 1st sess.)

Rejected by New Jersey, November 20, 1789 (Senate Journal, p. 199, 1st Cong., 2d sess.); New Hampshire, January 25, 1790 (Senate Journal, p. 105, 1st Cong., 2d sess.); Pennsylvania, March 10, 1790 (Senate Journal, p. 39, 1st Cong., 2d sess.); New York, March 27, 1790 (Senate Journal, p. 53, 1st Cong., 2d sess.); Rhode Island, June 15, 1790 (Senate Journal, p. 110, 1st Cong., 2d sess.).

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

TITLES OF NOBILITY.

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them or either of them. (2 Stat. 613.)

Proposed by Congress May 1, 1810.

Ratified by the following States:

Maryland, December 25, 1810.

Kentucky, January 31, 1811.

Ohio, January 31, 1811.

Delaware, February 2, 1811.

Pennsylvania, February 6, 1811.

New Jersey, February 13, 1811.

Vermont, October 24, 1811.

Tennessee, November 21, 1811.

Georgia, December 13, 1811.

North Carolina, December 23, 1811.

Massachusetts, February 27, 1812.

New Hampshire, December 10, 1812.

Rejected by New York (senate) March 12, 1811; Connecticut, May session, 1813; South Carolina, approved by senate November 28, 1811, reported unfavorably in house and not further considered December 7, 1813; Rhode Island, September 15, 1814.

AMENDMENT ABOLISHING OR INTERFERING WITH SLAVERY PROHIBITED (COWIN AMENDMENT).

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

Proposed by Congress March 2, 1861.

Ratified by the following States:

Ohio, March 13, 1861.

Maryland, January 10, 1862.

Illinois (convention), February 14, 1862.

ATTEMPTS TO REGULATE RATIFICATION.

On May 23, 1866, when the resolution proposing the fourteenth amendment was under consideration, Mr. Buckalew, of Pennsylvania, submitted an amendment to add to the resolution the following additional section:

"SEC. 6. This amendment shall be passed upon in each State by the legislature thereof which shall be chosen, or the members of the most popular branch of which shall be chosen, next after the submission of the amendment, and at its first session; and no acceptance or rejection shall be reconsidered or again brought in question at any subsequent session; nor shall any acceptance of the amendment be valid if made after three years from the passage of this resolution." (Cong. Globe, vol. 36, p. 2771.)

When the fifteenth amendment was before the Senate on February 3, 1869, Mr. Buckalew, of Pennsylvania, proposed to add to the resolution submitting it to the States the words:

"That the foregoing amendment shall be submitted to the legislatures of the several States, the most numerous branch of which shall be chosen next after the passage of this resolution." (Cong. Globe, vol. 40, p. 828.)

His speech in support of this proposal on February 5, 1869, is reported in the Congressional Globe, volume 40, pages 912 and 913. On February 9, 1869, this amendment was rejected—yeas 13, nays 43.

On February 17, 1869, an amendment practically identical with the above was offered by Mr. Hendricks, of Indiana, and the constitutionality of such a limitation was discussed by Senators Morton, Bayard, Buckalew, Dixon, and Yates. The question being taken, the amendment was rejected—yeas 12, nays 40. (Cong. Globe, vol. 40, pp. 1311-1314.)

On January 30, 1882, Mr. Berry, of California, introduced a joint resolution (H. J. Res. 116, 47th Cong., 1st sess.) proposing an amendment to the Constitution to regulate ratification, as follows:

"SECTION 1. The legislature of a State shall not vote upon a proposed amendment to the Constitution of the United States except at a regular session held following an election of the members of the most numerous branch of the State legislature, which election must take place subsequent to the time of submission by Congress or a convention of the proposed amendment.

"SEC. 2. This amendment shall not take effect until the 5th of March, 1885."

On March 17, 1869, Mr. Morton, of Indiana, introduced in the Senate, and on March 29, 1869, Mr. Shanks, of Indiana, introduced in the House identical joint resolutions (S. J. Res. 32 and H. J. Res. 57, 41st Cong., 1st sess.), which read as follows:

"Be it resolved, etc., That on the sixth legislative day of a regular session, or of a legally called special session, of any State legislature, each house of said legislature, at the hour of 12 meridian, shall proceed

to the consideration of any amendment of the Constitution of the United States that may have been submitted by the Congress of the United States to the legislatures of the several States for ratification, according to the provisions of the fifth article of the Constitution of the United States: *Provided*, That such amendment may not have been acted upon at any preceding session of said legislature. And if, upon the consideration of such amendment, it shall receive the votes of a majority of the members elected to each house of said legislature, it shall be held to be duly ratified by such legislature. And if final action is not taken upon the first day, then the house shall meet the next day at the same hour and so continue to meet from day to day (Sundays excepted) until final action is taken upon such amendment. Nor shall the action of either house of said legislature upon such amendment be hindered or prevented by the resignation or withdrawal, or the refusal to qualify, of a minority of either or of both houses of said legislature.

"SEC. 2. And be it further resolved, That if such amendment or amendments shall be ratified according to the provisions of the preceding section, the same shall be duly certified by the officers of each house and shall be transmitted by the governor of the State to the President of the United States."

(Cf. Ames, H. V. The proposed amendments to the Constitution of the United States during the first century of its history. pp. 287-292.)

OPERATIONS OF THE BUDGET—ADDRESS OF PRESIDENT HARDING.

Mr. CALDER. Mr. President, yesterday the President of the United States, through the Vice President, Mr. Coolidge, delivered a very excellent address to the "members of the Government's business organization" at its fourth regular meeting having to do with operations of the Budget Bureau. I ask unanimous consent that the address may be printed in the RECORD in regular RECORD type.

There being no objection, the address was ordered to be printed in the RECORD in 8-point type, as follows:

PRESIDENT'S SPEECH COMMENDING BUDGET.

Following is the text of President Harding's address read by Vice President Coolidge yesterday on the operations of the Bureau of the Budget:

Members of the Government's business organization, this is the fourth regular meeting of the business organization of the Government. We have met to review the work of the first six months and to consider the task which confronts us for the remaining period of this fiscal year 1923 along the lines of co-ordination, economy, and efficiency—three inseparable factors to successful government. There can be no economy of operation without coordination, and efficiency without economy is impossible.

The first meeting of the business organization of the Government was held June 29, 1921, less than one month after the enactment of the budget and accounting act. We faced then the problem of inaugurating a budget system, and growing out of this the further problem of reforming the uncoordinated routine business of the Government. Probably there never was a time in our country's history when a revision of its financial procedures was so urgent and necessary. The habit of large expenditures, of almost unlimited obligation of the public credit, acquired during the World War, seemed difficult to restrain, while the continuing demand upon the National Treasury gave little indication of abatement.

POINTS WITH PRIDE TO RESULTS.

The budget and accounting act placed definitely upon the Chief Executive responsibility for checking the flood of expenditure. This task called for the help of the Government officers and employees, as the solution of the problem lay in coordination of the Government's business, requiring cooperation of its personnel and their commitment to a continuing constructive policy of economy. From this determination—that the solution of the financial problems of the Government could be achieved only by teamwork—came the call for that first meeting of those officials and employees in the Government service who have to do with its routine business. The campaign, then begun with such high hopes and courageous defiance of the obstacles to be overcome, is continuing to-day, and with no little pride and satisfaction we point to a continuing policy of economy with efficiency evidenced by the progressive and material reductions made in expenditures. This has been accomplished not only without impairment of the effective operation of the Government's departments and establishments but with an increase of efficiency resulting from a closer study of methods and cost of operation.

This achievement—your achievement—is a matter of great satisfaction to the Chief Executive, who takes this opportunity to express appreciation to all who have participated in the constructive and patriotic work, not only those charged with the administration of Government funds and who control large and important activities but, as well, those devoted Government people who have applied principles of economy to their daily work in various smaller ways through the conservation of Government supplies and time. When the spirit of real economy has permeated the entire rank and file of the public service, and the use of time and supplies is regarded as a public trust, many of our problems will be solved.

THREATENED DEFICIT RECALLED.

At our last meeting on July 11, 1922, we had just entered upon a new fiscal year. We were concerned over a threatened discrepancy of large proportions between estimated receipts and estimated expenditures. The executive departments estimated that they would call upon the Treasury during the 12 months of the year July 1, 1922, to June 30, 1923, for \$3,771,000,000, while the estimate of ordinary receipts for that period reached a total of only \$3,073,000,000. This situation indicated withdrawals from the Treasury of \$698,000,000 more than it was anticipated would be received from ordinary sources. At that time, however, I expressed confidence that with the Budget organization and your cooperation we need not be unduly concerned and urged additional concerted effort to curtail expenditures in the laudable endeavor to keep our expenditures within our income.

The statement of expected receipts and proposed and anticipated expenditures given in the Budget for 1924, transmitted to Congress December 5 last, showed a probable excess of expenditures over receipts for the fiscal year 1923 of \$273,000,000, a downward revision of \$425,000,000 in the estimate made in July, and a real downward revision of \$550,000,000 as the Budget statement included as an ordinary expenditure an item of \$125,000,000 for discount accruals on war savings securities due January 1, 1923, which was not embraced in the estimate made in July. I am now advised that a revised estimate, just completed, shows a further reduction in the anticipated deficit for 1923 of \$181,000,000, which indicates, as the situation exists to-day, an apparent deficit of \$92,000,000 for the current fiscal year. This gratifying result is due not only to reductions in the program of expenditure but also to an increase in the anticipated total of revenue and other receipts for the year. The adherence to the policy of economy and the effective coordination of routine business were important factors in reducing this estimated deficit.

What now confronts us is the overcoming of this estimated deficit of \$92,000,000, and, if possible, the closing of this fiscal year with a balance on the right side of the ledger. I must look to you, therefore, for continuing efforts to control your expenditures during the remainder of this fiscal year, for in this way you can aid materially. I know that I can rely upon you.

At my last meeting with you I emphasized the necessity of keeping the estimates for the next fiscal year, ending June 30, 1924, within the receipts for that year which, at that time, were estimated at \$3,198,000,000. I also stated that the probable receipts for the next fiscal year would not permit as liberal appropriations as were provided for the current year. It is a pleasure to state that the estimates of appropriations submitted to Congress for the fiscal year 1924 are \$120,000,000 less than the estimated receipts for that year, and \$196,000,000 less than the appropriations for the current year. Whatever pressure may have been brought to bear on the executive departments of the Government with reference to their estimates, there must have been in the departments concerned a spirit of sacrifice and cooperation to make this real achievement possible. Treasury conditions, however, demanded such cooperation and sacrifice. The Chief Executive expected it, but nevertheless wishes to express his full appreciation of it.

RESPONSIBLE FOR BUDGET.

In view of the importance of the subject and to guard against misapprehension as to the nature of the Budget, I take occasion to refer to the fundamental principles which control its preparation. Under the terms of the law the President is required to transmit the Budget. It is his Budget; he recommends it to Congress upon his own responsibility as the head of the executive branch of the Government. The estimates of appropriations contained therein are his estimates, except those for the legislative branch and the Supreme Court. The Budget law, recognizing the fact that the President could not personally attend to all of the details involved in the preparation of the Budget, gave to him an agency and designated it the Bureau of the Budget. It did not confer upon this bureau any function which it could exercise independently of rules and regulations of the President. There can not, therefore, be any conflict of procedure or policy between the President or the members of his Cabinet and the Director of the Bureau of the Budget. The Budget as transmitted to Congress embodies the administrative policies which the President has decided to recommend.

Very significant and encouraging is the cooperation and collaboration between Congress and the Executive in connection with estimates for appropriations. It is the endeavor of the President to present to Congress calls for funds that are sufficient, and no more than sufficient, to carry out approved

policies. The budget and accounting act place no limitation upon the power and right of Congress to increase or decrease estimates submitted. This is in accord with the spirit of our institutions, and is as it should be. It is my hope and expectation that, as the Budget procedures develop, the estimates transmitted to Congress will be so carefully prepared, and will present so accurate a picture of the real operating needs of the Government as materially to lighten the burden of the appropriating committees. But it is not expected or desired that Congress should relinquish any of its prerogatives regarding public funds—prerogatives so wisely given to the people's representatives by the founders of the Government.

COORDINATION BRINGS RESULTS.

I am kept advised by the Director of the Bureau of the Budget of the constructive work being done by the various coordinating agencies and area coordinators under the immediate leadership of the chief coordinator, and of the value of the work being done by the several coordinating boards composed of the representatives of the departments and establishments. These coordinating agencies are accomplishing the purpose for which they were created—to provide the machinery through which to coordinate the activities of the departments and establishments, so as to guarantee the most provident and efficient expenditures of public funds, and to furnish the Executive an agency for imposing a unified, concerted plan of governmental routine business. The results attained show how admirable these important agencies are functioning. They are performing a most important part in the task of developing teamwork, instituting economies, and applying business principles to Government routine operation. These efforts have the interest and cordial indorsement of the Chief Executive.

I am also much interested in the organization of the Federal associations in various parts of the country carrying out from the seat of government into the field the gospel of teamwork, economy, and efficiency.

A subject always in mind when I meet with you is that of deficiency and supplemental estimates, and I am glad to note a marked improvement in the number, character, and amount of such estimates this fiscal year. The fact that Congress has made a new record in the passing of appropriation bills at an early date makes it certain that the heads of departments and establishments will have sufficient time before the beginning of the fiscal year 1924 to plan their expenditure program and apportion the funds appropriated to fit the program so planned. This makes it possible to avoid to a greater extent than in other years the necessity for supplemental and deficiency appropriations.

KEEPING OF RESERVES URGED.

I am not unmindful of the fact that many appropriations are made for disbursement by the departments, although the total of the obligations to be discharged is not within administrative control, payments being required to be made pursuant to the terms of specific statutes. Supplemental estimates in such cases can not be avoided, no matter how carefully estimates have been considered, both in the preparation and in the action by Congress thereon, unless the original estimate be made largely in excess of what past experience has indicated will be required. However, where appropriations are within the control of administrative officers a serious emergency only should justify departure from a well-considered plan of expenditure made in advance and contemplating a total within the amount fixed in the appropriating act. I shall expect, therefore, that in making expenditure plans for 1924 you will give this subject most careful consideration and in making apportionment of appropriations under your control you will not fail to make provision, usually by setting up a reasonable reserve, for the ordinary variation in the needs of the several periods of the year and what may be called ordinary emergencies.

General Lord, the Director of the Bureau of the Budget, will take up with you in detail the work of the past six months, with particular reference to the preparation of the Budget and the work of the various coordinating agencies, and I give way to him, expressing in closing, however, my satisfaction and appreciation of the good work you have done, the good work you are doing, and the good work I know you will continue to do.

WORK FOR WHOLE NATION.

If you have made sacrifices of certain cherished plans in connection with your work in order that expenditures might be reduced, if you have become discouraged and wearied at this continuing insistence upon economy, if you have labored, as possibly some of you have labored, without apparent recognition of your services, we should remember that what we are

doing is not for ourselves, not for our immediate chief, not for the President of the United States, but for the people, the stockholders of this great business, who are dependent upon us for the welfare and the proper conduct of this great business. Honest work well and faithfully done brings its own recompense in the consciousness of duty performed. To you, representatives of the business organization of the Government, and to all my faithful collaborators in the Government service, wherever stationed, I tender my thanks and appreciation for services rendered.

ORDER FOR RECESS UNTIL NOON TO-MORROW.

Mr. LENROOT. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

Mr. LENROOT. Mr. President, the Senate has now been in session 4 hours and 20 minutes to-day, and, while it is constantly asserted by certain Senators across the aisle that they are vitally interested in the welfare of the farmer and are anxious to see rural credits legislation passed at this session, we have not even touched the consideration of the pending bill to-day.

The Senator from Mississippi [Mr. HARRISON] occupied something like three hours of the time of the Senate this afternoon in what I think was clear to everyone was an undisguised filibuster. That would not have been so serious if it were not for the fact that the Senators who are discussing extraneous subjects and occupying the time of the Senate, when they ought to be considering the question before the Senate, are preventing thousands of farmers in this country from obtaining the credit facilities for the planting of their crops this spring which they might obtain if Senators would address themselves to the pending legislation. At best this bill can not become a law and be put into operation by whatever agency shall be created within 30 or 60 days. Do not those Senators see that if the discussion drifts on as it has been drifting, every day that is wasted in the Senate instead of being devoted to the consideration of the pending legislation may mean the loss of the proposed credit facilities to the farmers of the United States for the planting of their crops this year?

Mr. President, I know the Senator from Mississippi would be delighted if I should fall into his trap, as some other Senators sometimes do, and aid him in his efforts to delay matters by replying to him, but I am not going to do that. The Senator from Mississippi, however, like other Senators, when he engages in making a speech solely for the purpose of delay necessarily can not be very accurate in his statements. That was true in the case of the Senator from Mississippi to-day. He occupied half an hour of the time of the Senate in an effort to argue that President Harding took no interest in the needs of agriculture or in a financial credit system for the farmer until after the election last November.

Mr. President, in order that whoever may hereafter read the CONGRESSIONAL RECORD may ascertain for himself how utterly reckless the Senator from Mississippi has been in his statements to-day I ask unanimous consent to insert in the Record the speech of President Harding at the agricultural conference called by him more than a year ago, at which time he discussed this whole question fully, utterly refuting the statement of the Senator from Mississippi.

The PRESIDING OFFICER. Without objection, it is so ordered.

The address of the President is as follows:

ADDRESS BY THE PRESIDENT OF THE UNITED STATES.

Secretary Wallace and members of the conference, it is an occasion of the greatest satisfaction to me that Secretary Wallace's invitation has been so widely and cordially accepted. I confess the firm belief that in the public life of a people so intelligent as the American Nation most problems may be regarded as well on the way to solution when they are once reduced to their simplest terms and generally understood. This conference was called with the aim to bring about such a general understanding of the critical situation now confronting American agriculture.

We all understand that this conference is not a legislative body. Its recommendations will require to be written into the statute books by other authorities, or applied in administration, after sanction by those who must assume responsibility. But we do confidently anticipate that the considerations here had will be helpful and illuminating to those immediately responsible for the formulation of public policy in dealing with these problems. Therefore it has seemed to me I can make no more appropriate observation than that your work here will

be of value precisely as you address yourselves to the realities, the matters of fact, the understanding of conditions as they are, and the proposal of feasible and practicable methods for dealing with those conditions.

Concerning the grim reality of the present crisis in agriculture, there can be no differences of opinion among informed people. The depressions and discouragements are not peculiar to agriculture, and I think it fair to say there could have been no avoidance of a great slump from war-time excesses to the hardships of readjustment. We can have no helpful understanding by assuming that agriculture suffers alone, but we may fairly recognize the fundamental difficulties which accentuate the agricultural discouragements and menace the healthful life of this basic and absolutely necessary industry.

I do not need to tell you or the country of the supreme service that the farmer rendered our Nation and the world during the war. Peculiar circumstances placed our allies in Europe, as well as our own country, in a position of peculiar and unprecedented dependence on the American farmer. With his labor supply limited and in conditions which made producing costs high beyond all precedent, the farmer rose to the emergency. He did everything that was asked of him, and more than most people believed it was possible for him to do. Now, in his hour of disaster, consequent on the reaction from the feverish conditions of war, he comes to us asking that he be given support and assistance which shall testify our appreciation of his service. To this he is entitled, not only for the service he has done but because if we fail him we will precipitate a disaster that will affect every industrial and commercial activity of the Nation.

The administration has been keenly alive to the situation, and has given encouragement and support to every measure which it believed calculated to ameliorate the condition of agriculture. In the effort to finance crop movements, to expand foreign markets, to expand credits at home and abroad, much has been accomplished. These have been, it is true, largely in the nature of emergency measures. So long as the emergency continues, it must be dealt with as such; but at the same time there is every reason for us to consider those permanent modifications of policy which may make relief permanent, may secure agriculture so far as possible against the danger that such conditions will arise again, and place it as an industry in the firmest and most assured position for the future.

You men are thoroughly familiar with the distressing details of present conditions in the agricultural community. The whole country has an acute concern with the conditions and the problems which you are met to consider. It is a truly national interest, and not entitled to be regarded as primarily the concern of either a class or a section.

Agriculture is the oldest and most elemental of industries. Every other activity is intimately related to and largely dependent upon it. It is the first industry to which society makes appeal in every period of distress and difficulty. When war is precipitated, the first demand is made on the farmer, that he will produce the wherewithal for both combatants and the civil population to be fed, and in large part also to be clothed and equipped. It is a curious fact that agriculture has always been the first line of support of communities in war and too commonly the victim of those distresses which emanate from great conflicts. Perhaps I may be pardoned a word by way of developing this idea. Until comparatively very recent times the land was the first prize of victory in war. The conqueror distributed the subjugated soil among his favorites and gave them his prisoners as slaves to work it. Thus the ownership of the land became the symbol of favor and aristocracy, while the working of it was regarded as the task of menials, dedicated to ill-paid toil in order that the owners of the land and the rulers of the state might be able to maintain themselves in luxury and to enforce their political authority.

Coming down through the ages, we see the advance of civilization gradually emancipating the soil from this low estate. We see the institutions of serfdom and villenage, under the feudal order, succeeding those of slavery. Later we see the creation of a rural peasantry, comprising broadly those who till the soil but in most cases do not own it, and whose political rights are very restricted. It is, indeed, not until we come to very recent times and to our own country's development that we see the soil lifted above the taint of this unjust heredity and restored to the full dignity and independence to which it is entitled.

Even in our own times and under the most modern and enlightened establishments the soil has continued to enjoy less liberal institutions for its encouragement and promotion than many other forms of industry. Commerce and manufacturing have been afforded ample financial facilities for their encouragement and expansion, while agriculture on the whole has lagged behind. The merchant, the manufacturer, the great instruments of public transportation, have been provided methods by which they enlist necessary capital more readily than does the farmer. A great manufacturing industry can consolidate under the ownership of a single corporation with a multitude of stockholders, a great number of originally separate establishments, and thus effect economies and concentrations, and acquire for itself a power in the markets where it must buy and in the markets where it must sell, such as have not been made available to agriculture. The farmer is the most individualistic and independent citizen among us. He comes nearest to being self-sufficient; but precisely because of this he has not claimed for himself the right to employ those means of cooperation, coordination, and consolidation which serve so usefully in other industries. A score or more of manufacturers consolidate their interests under a corporate organization and attain a great increase of their power in the markets, whether they are buying or selling. The farmer, from the very mode of his life, has been estopped from these effective combinations; therefore, because he buys and sells as an individual, it is his fate to buy in the dearest and sell in the cheapest market.

The great industrial corporation sells its bonds in order to get what we may call its fixed or plant capital, just as the farmer sells a mortgage on his land in order to get at least a large part of his fixed or plant capital. I am not commending the bonding or mortgage system of capitalization, rather only recognizing a fact. But there in large part the analogy ends. Both the manufacturer and the farmer still require provision of working capital. The manufacturer, whose turnover is rapid, finds that in the seasons when he needs unusual amounts of working capital he can go to the bank and borrow on short-time notes. His turnover is rapid, and the money will come back in time to meet his short-term obligation. The merchant finances his operations in the same way. But the farmer is in a different case. His turnover period is a long one; his annual production is small compared to the amount of investment. For almost any crop the turnover period is at least a year; for live stock it may require two or three years for a single turnover. Yet the farmer is compelled, if he borrows his working capital, to borrow for short periods, to renew his paper several times before his turnover is possible, and to take the chance that if he

is called upon untimely to pay off his notes he may be compelled to sacrifice growing crops or unfinished live stock. Obviously the farmer needs to have provisions adapted to his requirements for extension of credit to produce his working capital.

Under the necessities of war time consolidation and centralization of credit resources and financial capabilities went far to sustain the struggle. Essential industries were extended the help and support of society because society recognized its dependence on them. Much that was economically unsound and unfair was perpetrated under cover of this effort to uphold necessary industrial factors. But the lesson was useful and justifies inquiry as to whether, properly adapted to peace conditions, the methods of larger integration and wider cooperation might not well be projected into times of peace.

The need of better financial facilities for the farmer must be apparent on the most casual consideration of the profound divergence between methods of financing agriculture and other industries. The farmer who owns his farm is capitalist, executive, and laborer all in one. As capitalist he earns the smaller return on his investment. As executive he is little paid, and as laborer he is greatly underpaid in comparison to labor in other occupations.

There is much misconception regarding the financial status of agriculture. If the mortgage indebtedness of farms shows over a given period a marked tendency to increase, the fact becomes occasion for concern. If during the same period the railroads or the great industries controlled by corporations find themselves able to increase their mortgage indebtedness by dint of bond issues, the fact is heralded as evidence of better business conditions and of capital's increased willingness to engage in these industries and thus insure larger production and better employment of labor. Both the mechanism of finance and the preconceptions of the community are united in creating the impression that easy access to ample capital is a disadvantage to the farmer, and an evidence of his decay in prosperity, while precisely the same circumstances are construed in other industries as evidence of prosperity and of desirable business expansion.

In the matter of what may be called fixed investment capital, the disadvantage of the farmer so strongly impressed public opinion that a few years ago the Federal Farm Loan Board was established to afford better supplies of capital for plant investment and to insure moderate interest rates. But while unquestionably farm finance has benefited, the board has thus far not extended its operations to the provision of working capital for the farmer as distinguished from permanent investment in the plant. There should be developed a thorough code of law and business procedure, with the proper machinery of finance, through some agency, to insure that turnover capital shall be as generously supplied to the farmer and on as reasonable terms as to other industries. An industry more vital than any other, in which nearly half the Nation's wealth is invested can be relied upon for good security and certain returns.

In the aggregate, the capital indebtedness of the country's agricultural plant is small, not large. Compared with other industries, the wonder is that agriculture, thus deprived of easy access to both investment and accommodation capital, has prospered even so well.

The lines on which financial support of agriculture may be organized are suggested in the plan of the Federal Farm Loan Board, and in those rural finance societies which have been so effective in some European countries. The cooperative loaning associations of Europe have been effective incentives to united action by farmers, and have led them directly into cooperation in both production and marketing which have contributed greatly to the stabilization and prosperity of agriculture. Whether we examine the cooperative societies of Russia, now recognized as the most potent support in that disturbed country for orderly society, or whether we turn to the great and illuminated cooperative associations which have strengthened the California agricultural industries; whether we examine the cooperative societies of Ireland and Denmark or the like organizations which handle the potatoes of Maine, or the cantaloupes of Colorado; whether we consider these organizations as means to buying the farmer's requirements in a cheaper market or to selling his products in a more remunerative one, the conclusion is in all cases the same. It is, that the farmer is as good a business man as any other when he has the chance; that he is capable of organization, cooperation, and coordination; that he will apply sound methods to his business whenever he has the chance; that his credit can be better established, his particular needs of capital on terms suited to his requirements can be met; that, these things accomplished, he ceases to be an underpaid laborer, an unpaid executive, and a capitalist with an unremunerative investment.

It can not be too strongly urged that the farmer must be ready to help himself. This conference would do most lasting good if it would find ways to impress the great mass of farmers to avail themselves of the best methods. By this I mean that, in the last analysis, legislation can do little more than give the farmer the chance to organize and help himself.

Take cooperative marketing. American farmers are asking for, and it should be possible to afford them, ample provision of law under which they may carry on in cooperative fashion those business operations which lend themselves to that method, and which, thus handled, would bring advantage to both the farmer and his consuming public. In countries where these facilities and opportunities have been afforded such cooperative organizations have been carried to the highest usefulness and are recognized as aiding both farmer and consumer. They make the farmer's selling price higher and the consumer's buying price lower.

But when we shall have done this, the farmers must become responsible for doing the rest. They must learn organization and the practical procedures of cooperation. These things we can not do for them, but we can and should give them the chance to do them for themselves. It will be for them to demonstrate their readiness and willingness and ability to utilize such instrumentalities. There is need for wide dissemination of information and understanding of methods, and for development of what I may call the spirit and purpose of cooperation. The various excellent societies of farmers which are represented here have a large responsibility in this regard. They have already done much, but they have much more to do if the American farmer shall be brought most effectively to help himself through organization and cooperation.

One of the most serious obstacles to a proper balancing of agricultural production lies in the lack of essential information. All too frequently such information is gathered by private interests whose concern is private profit rather than the general good. Agriculture can not thrive under conditions which permit the speculator, the broker, the forester, because of superior information, to become chief beneficiaries. The element of speculation in crop production is at best so great as to dictate that other speculative elements, always liable to

be manipulated to the disadvantage of the producer, shall be reduced to the minimum.

With proper financial support for agriculture, and with instrumentalities for the collection and dissemination of useful information, a group of cooperative-marketing organizations would be able to advise their members as to the probable demand for staples, and to propose measures for proper limitation of acreages in particular crops. The certainty that such scientific distribution of production was to be observed would strengthen the credit of agriculture and increase the security on which financial advances could be made to it.

The disastrous effects which arise from overproduction are notorious. The congressional joint committee on agricultural conditions in the valuable report which it has recently issued declares that a deficiency of one-tenth in the production of a particular staple means an increase of three-tenths in the price, while a deficit of two-tenths in production will mean an increase of eight-tenths in the price.

The converse of this is just as emphatically true. In a recent address to the Congress I stated this situation thus:

"It is rather shocking to be told, and to have the statement strongly supported, that 9,000,000 bales of cotton raised on American plantations in a given year will actually be worth more to the producers than 13,000,000 would have been. Equally shocking is the statement that 700,000,000 bushels of wheat raised by American farmers would bring them more money than a billion bushels. Yet these are not exaggerated statements. In a world where there are tens of millions who need food and clothing which they can not get such a condition is sure to indict the social system which makes it possible."

It is apparent that the interest of the consumer, quite equally with that of the producer, demands measures to prevent these violent fluctuations which result from unorganized and haphazard production. Indeed, the statistics of this entire subject clearly demonstrate that the consumer's concern for better stabilized conditions is quite equal to that of the producer. The farmer does not demand special consideration to the disadvantage of any other class; he asks only for that consideration which shall place his vital industry on a parity of opportunity with others and enable it to serve the broadest interest.

No country is so dependent upon railroad transportation as is the United States. The irregular coast lines of Europe, its numerous indenting arms of the sea, as well as its great river system, afford that continent exceptional water transportation. The vast continental area of the United States is quite differently situated, its greater dependence upon railroad transportation being attested by its possession of nearly one-half the railroad mileage of the world; and even this is not adequate. The inevitable expansion of population will enormously increase the burden upon our transportation facilities, and proper forethought must dictate the present adoption of wise and far-seeing policies in dealing with transportation.

If broad-visioned statesmanship shall establish fundamentally sound policies toward transportation, the present crisis will one day be regarded as a piece of good fortune to the Nation. To this time railroad construction, financing, and operation have been unscientific and devoid of proper consideration for the wider concerns of the community. To say this is simply to admit a fact which applies to practically every railroad system in the world. It is as true regarding the railroads of Canada and Great Britain as it is in reference to those of the United States. It is equally applicable to the railways of continental Europe, in whose development considerations of political and military availability have too far overweighed economic usefulness. In America we have too long neglected our waterways. We need a practical development of water resources for both transportation and power. A large share of railway tonnage is coal for railroad fuel. The experience of railway electrification demonstrates the possibility of reducing this waste and increasing efficiency. We may well begin very soon to consider plans to electrify our railroads. If such a suggestion seems to involve inordinate demands upon our financial and industrial power, it may be replied that three generations ago the suggestion of building 260,000 miles of railways in this country would have been scouted as a financial and industrial impossibility. Waterway improvement represents not only the possibility of expanding our transportation system, but also of producing hydroelectric power for its operation and for the activities of widely diffused industry.

I have spoken of the advantage which Europe enjoys because of its easy access to the sea, the cheapest and surest transportation facility. In our own country is presented one of the world's most attractive opportunities for extension of the seaways many hundred miles inland. The heart of the continent, with its vast resources in both agriculture and industry, would be brought in communication with all the ocean routes by the execution of the St. Lawrence waterway project. To enable ocean-going vessels to have access to all the ports of the Great Lakes would have a most stimulating effect upon the industrial life of the continent's interior. The feasibility of the project is unquestioned, and its cost, compared with some other great engineering works, would be small. Disorganized and prostrate, the nations of central Europe are even now setting their hands to the development of a great continental waterway, which, connecting the Rhine and Danube, will bring water transportation from the Black to the North Sea, from Mediterranean to Baltic. If nationalist prejudices and economic difficulties can be overcome by Europe, they certainly should not be formidable obstacles to an achievement less expensive and giving promise of yet greater advantages to the peoples of North America. Not only would the cost of transportation be greatly reduced but a vast population would be brought overnight in immediate touch with the markets of the entire world.

This conference needs have no fear of unfortunate effects from the fullest development of national resources. A narrow view might dictate, in the present agricultural stress, antagonism to projects of reclamation, rehabilitation, and extension of the agricultural area. To the contrary, if agriculture is to hold its high place, there must be the most liberal policy in extending its opportunity. The war, as was recently well said by the Secretary of Agriculture, has brought our country more quickly, but not more inevitably, to the necessity of deciding whether this shall be predominantly an industrial country or one in which industry and agriculture shall be encouraged to prosper side by side, and to complement each other in building here a community of diverse interests. If our policy shall be, as it ought, to encourage the dual development, then we have need to consider the early and continuing reclamation of those great areas which with proper treatment would become valuable additions to our agricultural capacity. To this end every practical proposal for watering our arid and semiarid land, for reclaiming cut-over forest areas, for protecting fertile valleys from inundations, and for draining the potentially rich and widely extended swamp areas, should be given the full encourage-

ment of the Government. All this should be a part of recognized permanent policy. Not otherwise will it be possible to keep the Nation self-supporting and as nearly self-contained as it has been in the past.

There must be a new conception of the farmer's place in our social and economic scheme. The time is long past when we may think of farming as an occupation fitting for the man who is not equipped for or has somehow failed at some other line of endeavor. The successful farmer of to-day, far from being an untrained laborer working every day and every hour that sun and weather permit, is required to be the most expert and particularly the most versatile of artisans, executives, and business men. He must be a good deal of an engineer, to deal with problems of drainage, road building, and the like. He requires the practical knowledge of an all-round mechanic to handle his machinery and get best results from it. The problems of stock raising and breeding demand understanding of biology, while those of plant raising and breeding call for a wide practical knowledge of botany and plant pathology.

In handling his soils for best results, in using fertilizers, determining rotations, and in selecting and using feeds for stock he has need for a working knowledge of chemistry. As our timber supply is reduced, his service in conserving and expanding the timber resources of the farm will be increasingly important, necessitating an intimacy with forestry and forestation. There is no business in which the executive talents of the skilled organizer and manager are more absolutely necessary than in successful farming, and this applies alike to the producing, the buying, and the selling phases of farming. Along with all this the farmer must have untiring energy and a real love and enthusiasm for his splendid profession. For such I choose to call the vocation of the farmer—the most useful, and, it ought to be made, one of the most attractive among all lines of human effort.

Mr. JONES of Washington. Mr. President, will the Senator from Wisconsin yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. LENROOT. I do.

Mr. JONES of Washington. I wish to suggest, in connection with what the Senator from Wisconsin stated, that a month or so ago many Senators on this floor were urging the importance of legislation for the farmer; they were urging the necessity of the Senate proceeding at once to the consideration of rural credit measures, and yet now, when rural credit legislation is before the Senate, apparently they have lost their zeal for the farmer and have taken the time of the Senate upon entirely extraneous matters, thereby preventing the passage of legislation that would be of benefit to the farmer.

Mr. FLETCHER. I wish to say there is not any question but that the rural credits bill will pass the Senate; there is no effort being made to prevent its passage. It is pretty well understood there will be no difficulty about the enactment of the legislation by this Congress so far as the Senate is concerned.

Mr. HEFLIN. I ask for a vote on my amendment to the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Alabama.

Mr. LENROOT. Mr. President, I wish to say merely a word with reference to the amendment. I doubt very much whether the provision of the Federal reserve act which the Senator from Alabama seeks to repeal by the amendment ever did any good, and I am perfectly sure there is no occasion for retaining it in the law now. My own view is that any bank that would be willing to pay as high a rate of interest as the Senator from Alabama has so often narrated to the Senate ought not to be given credit at all, and it would not be if this provision of the law were repealed. The provision is not any longer in force, so far as the Federal Reserve Board is concerned, and is not utilized, and I think that it ought to be repealed.

Mr. HEFLIN. Mr. President, it is true that the provision is not now utilized and the rediscount rate has been reduced, but the provision is still in the law and ought to be taken out, because if it remains in the law at some time in the future it may again be resorted to. I ask for a vote upon the amendment.

Mr. KING. I ask that the amendment be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 13. That the act approved April 13, 1920, being Public, No. 170, Sixty-sixth Congress, entitled "An act to amend the act approved December 23, 1913, known as the Federal reserve act," be, and the same is hereby, repealed.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Alabama.

The amendment was agreed to.

Mr. LENROOT. I desire to offer some perfecting amendments. On page 2, line 16, after the word "corporation," I move to strike out the comma and insert a semicolon.

The amendment was agreed to.

Mr. FLETCHER. May I inquire of the Senator why that change should be made? The sentence seems to be grammatical with the present punctuation.

Mr. LENROOT. I do not want the words "organized under the laws of any State" to relate back to national banks; that

is all. National banks, of course, are not organized under the laws of any State.

Mr. FLETCHER. But the Senator proposes to include in the act incorporated live-stock loan or farm-credit companies?

Mr. LENROOT. Yes. I am going to offer another amendment to insert the words "or of the United States," so as to include the corporations provided for under the Capper bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Wisconsin to strike out the comma and insert a semicolon at the place indicated.

The amendment was agreed to.

Mr. LENROOT. On page 2, line 19, after the word "State," I move to insert the words "or of the United States."

The amendment was agreed to.

Mr. LENROOT. On page 5, line 22, after the words "live stock," I move to insert the word "loan."

The amendment was agreed to.

Mr. KING. May I inquire of the Senator whether the antecedent is clearly shown there; that is, whether the context would indicate that it was intended to include live-stock loan companies?

Mr. LENROOT. It will read "live-stock loan company."

Mr. KING. Is the Senator proposing to amend existing law?

Mr. LENROOT. No; this is new legislation.

Mr. KING. I apprehend that there is a distinction between a live-stock company and a live-stock loan company.

Mr. LENROOT. That is why I want to put in the word "loan." The word "loan" has been omitted merely through an error. The provision is only intended to refer to live-stock loan companies.

Mr. KING. That is what I was inquiring about, whether there was anything in this bill or in the bill of which this is amendatory to indicate that a live-stock loan company was in contemplation of the legislators rather than a live-stock company.

Mr. LENROOT. That was one of the primary purposes of the Capper bill.

I offer the amendment which I send to the desk, to come in page 13.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 13, on lines 4, 5, and 6, it is proposed to strike out the words "and may be paid out of any surplus in excess of 100 per cent of subscribed capital."

Mr. KING. I ask that that amendment be again stated.

The amendment was again stated.

Mr. STERLING. Mr. President, will not the Senator from Wisconsin explain that amendment?

Mr. LENROOT. This amendment and the one following that will be offered to this section are to make it identical with the amendments that were adopted to the same provision in the Capper bill. Senators will remember that there was a good deal of discussion and controversy over that section of the bill, and the matter was settled by the Senate. This amendment is merely to carry out the will of the Senate, as expressed in the Capper bill, with respect to this question.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The READING CLERK. On page 13, line 7, it is proposed to strike out the words "and surplus," so that, if amended, it will read:

Out of any net earnings remaining after the aforesaid dividends claims have been fully met there shall be paid each year—

And so forth.

Mr. KING. Mr. President, let me inquire the significance of that and see that we fully apprehend it, because it seems to me that that is an amendment of some importance.

Mr. LENROOT. I will say that as this language was originally written—the Senator will remember that it was fully discussed in connection with the Capper bill—no dividend could be paid until a surplus of 100 per cent had been accumulated. That was changed so that the dividend may be paid out of pending earnings, but after the dividend is paid a surplus shall be accumulated until it shall amount to 100 per cent of the subscribed capital; and then, when 12 per cent is earned, an additional 3 per cent may be distributed, and of the remaining earnings 10 per cent may be paid to the surplus and 90 per cent as an additional franchise tax.

Mr. McLEAN. It conforms to the present law.

Mr. LENROOT. It conforms to the present law exactly.

Mr. KING. May I inquire of the Senator whether the amendment which he has just offered meets the concurrence of the members of the Committee on Banking and Currency?

Mr. LENROOT. The chairman of the committee is here. He himself offered the same amendment to the Capper bill.

Mr. McLEAN. Yes. These amendments were offered and adopted to the Capper bill, because as the bill now reads no dividend could be paid until the Federal reserve bank had accumulated a surplus of 100 per cent, and that was not intended by the committee; it was not intended by the author of the bill; and we had to make this correction so that the Federal reserve banks could draw their dividends on their stocks as under the original act. There was no intention to interfere with that; but the Capper bill, as originally drawn, contained that error, and we want this provision to be identical with the provision in the Capper bill.

Mr. KING. Mr. President, I should like to inquire of the Senator to what extent he is seeking to modify the provisions of the original Federal reserve law, which is the existing law dealing with this particular question?

Mr. McLEAN. None whatever, except that when the banks earn more than 12 per cent, and have their 100 per cent put aside, then 3 per cent can be added to the dividends on the stock, as an invitation to the State banks to come into the system.

Mr. FLETCHER. Mr. President, as I understand, this language with the words stricken out as proposed by the Senator is precisely the same as in the Federal reserve act.

Mr. McLEAN. Precisely.

Mr. FLETCHER. So there is no change in that provision.

Mr. KING. Then, as I understand the Senator, it was not contemplated by the committee or by the proponent of this bill that the words "and surplus" should be there?

Mr. McLEAN. No. If the Senator will read the provision as printed in the bill, he will see that no dividend can be paid until the bank has accumulated 100 per cent surplus.

Mr. KING. Yes; I understand.

Mr. McLEAN. It was an error in drafting the bill, and it was noticed, and I had it corrected in the Capper bill, and it should be corrected in this bill.

Mr. KING. But it passed unnoticed in the committee, and the committee in reporting the bill did not ask for emendation as suggested now by the Senator?

Mr. McLEAN. It was amended in the Senate when the Capper bill came into the Senate.

Mr. KING. I am speaking of the present bill—the Lenroot bill—now under discussion.

Mr. McLEAN. This bill was reported before the Capper bill was passed, I think.

Mr. LENROOT. It was agreed in the committee that the same changes should be made in both bills.

Mr. KING. Then it was just an error in reporting the bill without noticing this proposed amendment?

Mr. LENROOT. It was; and I think it arose from the fact that the original draftsman of that section assumed that 100 per cent surplus had been accumulated in all of the banks, and that has proved not to be so.

Mr. McLEAN. That was the assumption; but it was ascertained that the Dallas bank had not accumulated the surplus.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, on line 17, does not the Senator think the language would be a little clearer if we added, after the word "earnings," the words "of any year," so that it would read:

And thereafter when net earnings of any year exceed 12 per cent.

Mr. LENROOT. That is all right.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 13, line 17, after the word "earnings," it is proposed to insert "of any year," so that it will read:

And thereafter when net earnings of any year exceed 12 per cent.

The amendment was agreed to.

The READING CLERK. Also, on the same page, it is proposed to strike out lines 19 and 20 and to insert in lieu thereof the following words:

And 10 per cent of the remaining net earnings shall be paid into the surplus and 90 per cent shall be paid to the United States as an additional franchise tax.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. President, will the Senator explain the purpose of the amendment he is tendering now?

Mr. LENROOT. Under this provision they are entitled to a normal dividend of 6 per cent. Out of the additional earnings

they are required to build up a surplus. When the surplus amounts to 100 per cent of the subscribed capital, and when the earnings in any year exceed 12 per cent, they may declare an additional dividend of 3 per cent to the stockholders. Of anything then remaining, 10 per cent must go to additional surplus to build up the surplus further, and 90 per cent must go to the Treasury as a franchise tax.

Mr. KING. What is paid now as a franchise tax?

Mr. LENROOT. Part of it goes to surplus. The act has been amended, and I do not remember just what the present provision is.

Mr. McLEAN. The franchise tax is the surplus paid into the Treasury.

Mr. KING. May I address an inquiry to the Senator from Wisconsin, as well as the able chairman of the committee, about the criticisms which we have heard from time to time about the enormous earnings of the Federal reserve member banks?

The Senators know that criticisms have been made upon the floor of the Senate, and criticisms have frequently appeared in the press to the effect that during the past year or two the earnings of the members of the Federal reserve system—at least, some of them—have been extremely great; indeed, so great as to have led to the criticism that these banks were profiteering.

I express no opinion relative to those criticisms. I simply ask the chairman of the committee whether, in dealing with this question—the earnings of the Federal reserve banks, the disposition to be made of them, the amount to be paid in dividends, and the amount to be paid as a franchise tax—any investigation was made of these criticisms, and if the committee felt that there was any necessity of amending existing law other than in the particulars submitted by the Senator from Wisconsin?

Mr. McLEAN. That criticism has been directed to the bill many times—the feeling that they were making too much money. The Senator knows that these profits do not affect the discount rate.

Mr. KING. No.

Mr. McLEAN. That is an entirely different matter, and must be fixed by some one, and must be paid in order to control the system, and the Senator will find that at the present time the profits are not large. They were necessarily large during the years of expansion, and the feeling of the committee was that it was pretty difficult to anticipate with regard to these profits. A good many of the banks, I think, are not making much of anything now, and inasmuch as this surplus goes into the Treasury of the United States, and does not affect the discount rate, the committee saw no reason for changing the law. It would not benefit the borrower in any way.

Mr. KING. The Senator recalls that the criticism went a little further, perhaps, than I indicate, namely, that in order rather to conceal their enormous profits they had been paying extravagant salaries to the employees of the banks, and, indeed, had been employing too many persons. I do not know that a consideration of that question would be pertinent or really germane to this bill; and yet I observe that attempts are made in this bill to amend the existing Federal reserve act in respect to a great many matters, and it occurred to me that if those criticisms had any justification it might be well to curb any evils that the committee may have found to exist in the administration of the law.

Mr. McLEAN. The Senator knows that the commission of inquiry that was appointed more than a year ago went into that subject very carefully, and it was assumed that if any additional legislation was warranted it would have been suggested by that commission. No such recommendation was made, however, and if the Senator will read the testimony which was presented to that commission I think he will be satisfied that many of these insinuations and attacks upon the system, based upon the assumption that exorbitant salaries had been paid, were largely without foundation.

Mr. KING. It did seem to me that the criticism in regard to the actions of the board controlling the bank in New York had some foundation. It did seem to me that the amount proposed to be expended for the erection of a building was rather excessive, and that there seemed to be rather a disposition upon the part of the board of the bank in New York to treat their enterprise as one so absolutely divorced from the Federal Government or from Federal control as that the directors could do as they pleased with the proceeds, pay the dividends they pleased, pay the salaries they pleased, and expend an extravagant amount in the erection of buildings.

Mr. WADSWORTH. Will the Senator allow me to make an observation there?

Mr. McLEAN. Certainly,

Mr. KING. That was the impression made upon me by revelations here in the Senate, and by the debate.

Mr. McLEAN. That has been explained many times. It was explained a few days ago by the junior Senator from New York [Mr. CALDER], and I do not think there is very much foundation for the criticism.

Mr. WADSWORTH. There has been, as stated, a ruthless attack against the reserve bank in New York for putting up its building, and on account of the salaries it pays. As a matter of fact, the size of its business rivals that of the greatest banks in the city. Its salaries are less than the average paid by banks doing the same amount of business. The building it is putting up, on the basis of cost per cubic foot, is cheaper than the average bank building put up by a bank doing an equal amount of business. The attacks on it have been utterly unjustified.

Mr. KING. I have heard those attacks made.

Mr. WADSWORTH. So have I.

Mr. KING. And I have seen no refutation or any reply to the attacks. I may ask the Senator from Connecticut, in conclusion, as to this item, if as chairman of the committee he is satisfied with the amendment which has been offered, and if he feels that that deals with the subject now as comprehensively as the subject should be dealt with?

Mr. McLEAN. Certainly. These amendments were offered at my suggestion, and all of them were adopted as amendments to the Capper bill. They are necessary, unless the desire is to prevent the member banks from drawing any dividends on their subscriptions until the regional banks get 100 per cent surplus.

Mr. KING. I am not sufficiently advised to make such a recommendation.

Mr. FLETCHER. Mr. President, as the Senator from Wisconsin desires to reach a conclusion on the pending bill, I will submit a unanimous-consent request.

The VICE PRESIDENT. The Secretary will state the request.

The reading clerk read as follows:

It is agreed by unanimous consent that all debate upon the pending bill shall close at 4 o'clock p. m. on the calendar day of Monday, February 5, 1923, and that in the meantime no other legislation shall be considered unless by unanimous consent.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	McCumber	Smith
Ball	Gooding	McKellar	Spencer
Brookhart	Hale	McLean	Stanfield
Bursum	Harris	McNary	Sterling
Calder	Harrison	Nelson	Sutherland
Cameron	Johnson	New	Swanson
Capper	Jones, Wash.	Norbeck	Trammell
Colt	Kellogg	Norris	Wadsworth
Curtis	Kendrick	Oddie	Walsh, Mass.
Ernst	King	Phipps	Walsh, Mont.
Fernald	Ladd	Poindexter	Warren
Fletcher	Lenroot	Reed, Pa.	Watson
George	Lodge	Shields	
Gerry	McCormick	Shortridge	

The VICE PRESIDENT. Fifty-four Senators having answered to their names, a quorum is present. The Secretary will report the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that all debate upon the pending bill shall close at 4 o'clock p. m. on the calendar day of Monday, February 5, 1923, and that in the meantime no other legislation shall be considered unless by unanimous consent.

The VICE PRESIDENT. Is there objection to entering into the proposed agreement?

Mr. JONES of Washington. Mr. President, I can not consent to fixing Monday. I may say to the Senator from Florida that I would be willing to enter into an agreement to close debate on Friday, but I can not consent to any later date than that.

Mr. FLETCHER. I suggest that perhaps we may get together and agree on a time. We do not want to have any more delay in this matter than we can avoid, and I suggest Saturday at 3 o'clock.

Mr. JONES of Washington. No. I am very anxious to get this farm legislation through; I think it ought to be passed at an early date. We can not get it through too early to meet the situation that will develop in the spring, and I am willing to fix a time on Friday.

Mr. SMITH. Mr. President, may I call the attention of the Senator from Washington to the fact, known to all Senators here, that on a Saturday very little work is done. It is very hard to keep a quorum of the Senate on Saturday, and I think

if he will make it Saturday, we will get together. We would not save any time by fixing Friday. If the Senator would make it Saturday at 3 o'clock, I do not think there would be any objection, and we would get this bill out of the way and go on then to the consideration of other work.

Mr. JONES of Washington. Of course, we ought to be here on Saturday doing the work of the session. I am willing to make it 3 o'clock or 4 o'clock on Friday, but I am not willing to go beyond Friday. I think that is very reasonable.

Mr. SMITH. Of course, that is merely an arbitrary distinction, if we are really and truly in earnest about saving time. I have served with the Senator a good long time, and I do not think either one of us has ever been guilty of trespassing upon the time of the Senate. I make a plea to him that in the interest of saving time we make it Saturday.

Mr. JONES of Washington. I plead with the Senator, in the interest of saving time and in the interest of saving night sessions, that we close it up on Friday.

Mr. SMITH. The proposition was to fix Monday as the date for a vote, and making it Saturday just splits the difference between Friday and Monday. Everything is arrived at by compromise. The Senator fixes Friday on the one side, and it was proposed on the other side to fix Monday, and I come in and split the difference.

Mr. JONES of Washington. The proposition was really to have night sessions beginning to-morrow night, and to try to limit debate to-morrow. That is what we are trying to do. I do not desire to be arbitrary, and I do not think I have been so; but I think it is best, if our minds are set on a matter, to frankly state it. I can not agree to fixing a later day than Friday.

Mr. HARRISON. Will not the Senator allow this question to be submitted to the Senate? There is a difference of opinion about it.

Mr. JONES of Washington. It is a matter of unanimous consent.

Mr. HARRISON. There are Senators on this side who do not want to agree to vote even on Monday, but we have tried to get together on Monday as the day when we shall vote.

Mr. JONES of Washington. There are Senators on this side who do not desire to agree to vote on Friday.

Mr. HARRISON. I was in hopes we could agree on this proposition, because it disarranges everything to have to meet here at night.

Mr. JONES of Washington. I know that.

Mr. HARRISON. Of course, it does not inconvenience some of us.

Mr. JONES of Washington. I am willing to try to avoid it. Mr. HARRISON. We would save a good deal of time by agreeing to vote on Saturday, if we could get together on it.

Mr. JONES of Washington. We can avoid the difficulty by agreeing to vote on Friday.

Mr. McKELLAR. Mr. President, I doubt very much whether we would save any time by having night sessions.

Mr. JONES of Washington. That may be.

Mr. McKELLAR. I have very grave doubts about it.

Mr. HARRISON. The Senator from Washington must realize that if we can not get together on something within reason, the whole situation is going to get very confusing. Nominations may be held up, confirmations held up, and an extra session may be brought on.

Mr. JONES of Washington. I know the possibilities.

Mr. HARRISON. There are great possibilities, and we made a very fair proposition that debate on this bill shall stop on Monday. It was suggested by some one on the other side that the debate should stop on Saturday, and we agreed to that. Now, we are holding out on a difference of one day.

Mr. JONES of Washington. Yes; and I certainly think the Senator should not do it.

Mr. HARRISON. I may not insist on it, but some other Senator will, and there you are.

Mr. JONES of Washington. I hope they will not. I can not agree to vote later than Friday. I would like to get a vote at 4 o'clock on Friday, or agree that we shall take all the time we want on Friday, so that we will have an abundance of time to consider the bill and amendments.

Mr. FLETCHER. Of course, I do not care to press the matter if the Senator has made up his mind about it, but I was going to say that we were about at the close of the day on Tuesday—

Mr. JONES of Washington. We can run longer if we desire.

Mr. FLETCHER. We can run longer, and we can, of course, hold night sessions, if the majority insist on it. With reference to that, I am going to say that it is rather a serious

proposal in my judgment, because with the town full of grippe and influenza, I am not going to endanger my life or jeopardize my health by attending night sessions of the Senate.

I do not know how others may feel with reference to the situation, but I feel very strongly that the mortality among Senators is great already, and, if we begin holding night sessions, there will be fewer of us here at the end of the Congress than there are to-day. It is really quite a serious matter. I do not think we ought to resort to that course at all. I believe it would take a great many Assistant Sergeant at Arms to bring Senators here for night sessions so as to be able to transact much business. Then there are various publications on the ship subsidy question that it will take a great deal of time to read. I doubt if we would save any time by resorting to night sessions.

I think the Senator from Washington ought to accept the proposition that is made as a compromise, because I thought at first Monday was the earliest time we could agree upon, but I find Senators are willing to concede the point and make it Saturday.

Mr. JONES of Washington. Mr. President, I agree with reference to the seriousness of night sessions. I do not want to have the Senate hold night sessions. I hope we can avoid it. I am willing now to make an attempt to agree on any time Friday, at any hour of the day up until 12 o'clock at night, if Senators think they ought to have that much time to consider the measure. It is an important measure. No doubt important amendments will be offered to it, and those amendments ought to have consideration. I want to have them given consideration, and I am willing to give all the time necessary to have them properly considered. In order to do that I am willing to remain in session to-day as long as Senators may desire, and give ample time to-morrow, also.

I hope Senators will agree to a conclusion of the debate on the bill. I ask leave to modify the request so to provide that debate shall be concluded on the bill not later than 5 o'clock Friday. That proposal is subject to any change Senators may desire to present.

Mr. FLETCHER. Would the Senator accept the suggestion that general debate on the bill shall close at 5 o'clock Friday and that debate on the amendments shall be limited to 5 minutes thereafter?

Mr. JONES of Washington. To be concluded on Friday?

Mr. KING. That is for the Senate to determine.

Mr. JONES of Washington. No; I can not consent to carrying the bill over Friday. I am perfectly willing to close debate any time on Friday.

Mr. McKELLAR. Let us go on with the debate. I ask for the regular order.

Mr. JONES of Washington. Very well.

Mr. HARRISON. Mr. President, I believe there is already an order entered for a recess until 12 o'clock to-morrow when the Senate concludes its business to-day?

The VICE PRESIDENT. That order has been made.

Mr. HARRISON. How long does the Senator from Wisconsin expect to proceed this afternoon?

Mr. LENROOT. I would like to complete the formal amendments, anyway.

Mr. HARRISON. I move that the Senate take a recess, and on that motion I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I transfer my general pair with the junior Senator from West Virginia [Mr. ELKINS] to the junior Senator from Texas [Mr. SHEPPARD] and vote "yea."

Mr. KELLOGG (when his name was called). I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the senior Senator from Pennsylvania [Mr. PEPPER] and vote "nay."

Mr. LODGE (when his name was called). I transfer my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the junior Senator from Oklahoma [Mr. HARRELD] and vote "nay."

Mr. PHIPPS (when his name was called). I transfer my pair with the junior Senator from South Carolina [Mr. DIAL] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. SUTHERLAND (when his name was called). I transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the junior Senator from New Hampshire [Mr. KEYES] and vote "nay."

Mr. WARREN (when his name was called). I transfer my pair with the Senator from North Carolina [Mr. OVERMAN] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. WATSON (when his name was called). I transfer my pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the junior Senator from Arizona [Mr. CAMERON] and vote "nay."

The roll call was concluded.

Mr. McCORMICK. I have a standing pair with the junior Senator from Wyoming [Mr. KENDRICK], which I transfer to the junior Senator from Colorado [Mr. NICHOLSON] and vote "nay."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Maryland [Mr. WELLER] and vote "nay."

Mr. REED of Pennsylvania. I transfer my general pair with the junior Senator from Delaware [Mr. BAYARD] to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

Mr. FERNALD (after having voted in the negative). I notice that the Senator from New Mexico [Mr. JONES] has not voted. Therefore I transfer my pair with that Senator to the senior Senator from Maryland [Mr. FRANCE] and allow my vote to stand.

Mr. GLASS. I transfer my general pair with the senior Senator from Vermont [Mr. DILLINGHAM] to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. GERRY. I wish to announce that the Senator from Texas [Mr. SHEPPARD] is absent on account of illness.

I wish also to announce that the Senator from New Mexico [Mr. JONES] and the Senator from South Carolina [Mr. DIAL] are absent on account of illness.

Mr. HARRISON. The Senator from Delaware [Mr. BAYARD] is absent on official business. He stands paired on this vote with the Senator from Iowa [Mr. CUMMINS].

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Illinois [Mr. McKINLEY] with the Senator from Arkansas [Mr. CARAWAY];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD];

The junior Senator from Ohio [Mr. WILLIS] with the senior Senator from Ohio [Mr. POMERENE]; and

The Senator from New Jersey [Mr. FRELINGHUYSEN] with the Senator from Montana [Mr. WALSH].

The result was announced—yeas 18, nays 34, as follows:

YEAS—18.

Ashurst	Glass	La Follette	Swanson
Brookhart	Harris	McKellar	Trammell
Fletcher	Harrison	Norris	Walsh, Mass.
George	King	Shields	
Gerry	Ladd	Smith	

NAYS—34.

Ball	Hale	McNary	Spencer
Bursum	Johnson	Nelson	Stanfield
Calder	Jones, Wash.	New	Sterling
Capper	Kellogg	Norbeck	Sutherland
Colt	Leuroot	Oddie	Wadsworth
Curtis	Lodge	Philips	Warren
Ernst	McCormick	Polindexter	Watson
Fernald	McCumber	Reed, Pa.	
Gooding	McLean	Shortridge	

NOT VOTING—44.

Bayard	Edge	Moses	Robinson
Borah	Elkins	Myers	Sheppard
Brandeggee	France	Nicholson	Simmons
Broussard	Frelinghuysen	Overman	Smoot
Cameron	Harreld	Owen	Stanley
Caraway	Heffin	Page	Townsend
Couzens	Hitchcock	Pepper	Underwood
Culberson	Jones, N. Mex.	Pittman	Walsh, Mont.
Cummins	Kendrick	Pomerene	Weller
Dial	Keyes	Ransdell	Williams
Dillingham	McKinley	Reed, Mo.	Willis

So the Senate refused to take a recess.

Mr. LENROOT. Mr. President, a parliamentary inquiry. Was the amendment striking out lines 19 and 20, on page 13, agreed to?

The VICE PRESIDENT. It was agreed to.

Mr. LENROOT. And the amendment to strike out and insert was agreed to?

The VICE PRESIDENT. It was.

Mr. LENROOT. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 17, after line 18, it is proposed to insert a new paragraph, as follows:

Any Federal reserve bank may also buy and sell debentures and other such obligations issued by a Federal land bank under Title II of the Federal farm loan act, but only to the same extent as and subject to the same limitation as those upon which it may buy and sell bonds issued under Title I of said act.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LENROOT. On page 17, at the beginning of line 20, I move to strike out the word "cooperating" and to insert in lieu thereof the word "cooperative." That amendment is merely to correct a misprint.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. LENROOT. On page 18, at the end of line 12, I move to insert the word "for."

The VICE PRESIDENT. The amendment proposed by the Senator from Wisconsin [Mr. LENROOT] will be stated.

The READING CLERK. On page 18, at the end of line 12, after the word "eligible," it is proposed to insert the word "for"; so that it will read:

Any other class of paper of such associations which is now eligible for rediscout.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. LENROOT. Mr. President, there is one other amendment about which I have not consulted the chairman of the committee, but I am sure he will not object to it. On page 12, line 4, after the word "shall," I move to insert the words "be deemed and be held to be instrumentalities of the Government and shall."

Mr. FLETCHER. May I ask the Senator from Wisconsin to state just what the effect of that amendment, if agreed to, will be?

Mr. LENROOT. That is the language of the present farm loan act with reference to farm loan bonds and farm land banks. I was just a little afraid that without that recital the constitutional question might arise. That is avoided in the present farm loan act by reason of those words being inserted, and I wish the same words to apply to this recital of fact, as well as to the other. The amendment is proposed merely to avoid any constitutional question.

Mr. FLETCHER. It is designed to make that rule apply to the debentures to be issued under this proposed act?

Mr. LENROOT. Certainly.

Mr. FLETCHER. I think that is a very good amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LENROOT. Those are all the amendments, I think, Mr. President, which I now wish to offer.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole, and open to amendment.

EXECUTIVE SESSION.

Mr. LENROOT. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened; and (at 5 o'clock and 25 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Wednesday, January 31, 1923, at 12 o'clock m.

NOMINATIONS.

Executive nominations received by the Senate January 30 (legislative day of January 29), 1923.

SECRETARIES OF EMBASSIES OR LEGATIONS.

CLASS 4.

The following-named persons to be secretaries of embassy or legation of class 4 of the United States of America:

Gustave Pabst, jr., of Wisconsin.

Rees H. Barkalow, of New Jersey.

UNITED STATES DISTRICT JUDGE.

Charles L. McKeehan, of Pennsylvania, to be United States district judge, eastern district of Pennsylvania. (An additional position created by the act approved September 14, 1922.)

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 30 (legislative day of January 29), 1923.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

Robert Woods Bliss to be envoy extraordinary and minister plenipotentiary of the United States of America to Sweden.

THIRD ASSISTANT SECRETARY OF STATE.

J. Butler Wright to be Third Assistant Secretary of State.

COLLECTOR OF CUSTOMS.

Philip Elting, of Kingston, to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y.

POSTMASTERS.

COLORADO.

Agnes M. Ward, Bennett.

Gerald H. Denio, Eaton.

Frank D. Aldridge, Wellington.

DELAWARE.

LeRoy W. Hickman, Wilmington.

IDAHO.

George F. Gleed, Bonners Ferry.

Avery G. Constant, Buhl.

Hazel Vickrey, Firth.

Samuel P. Oldham, Rexburg.

Haly C. Kunter, Ririe.

ILLINOIS.

Harry R. Morgan, Aledo.

A. Luella Smith, Chatham.

Harry S. Farmer, Farmer City.

Charles J. Douglas, Gilman.

Peter H. Conzet, Greenup.

John A. Dausmann, Lebanon.

Margaret Heider, Minonk.

Benjamin S. Price, Mount Morris.

John Lawrence, jr., O'Fallon.

William F. Hemenway, Sycamore.

INDIANA.

Frank Lyon, Arcadia.

Louis M. Biesecker, Cedar Lake.

Burr E. York, Converse.

Iiah M. Dausman, Goshen.

Hattie M. Craw, Jonesboro.

John M. Johnston, Loganport.

Ralph W. Gaylor, Mishawaka.

Vernon D. Macy, Mooresville.

Henry D. Long, New Harmony.

George E. Jones, Peru.

Ernest A. Bodey, Rising Sun.

Orville B. Kilmer, Warsaw.

IOWA.

Daniel H. Eyler, Clarion.

Henry H. Gilbertson, Lansing.

Charlie M. Willard, Persia.

Spencer C. Nelson, Tama.

Carl Wulkau, Williams.

MAINE.

Ralph T. Horton, Calais.

Michael J. Kennedy, Woodland.

MICHIGAN.

Herbert E. Ward, Bangor.

James W. Cobb, Birmingham.

George H. Neisler, Dearborn.

Ernest A. Densmore, Mason.

Ira J. Stephens, Mendon.

Charles J. Kappler, Port Austin.

Dorr A. Rosencrans, Reed City.

Charles H. Dodge, Romeo.

Charles A. Jordan, Saline.

Homer L. Allard, Sturgis.

MONTANA.

John M. Bever, Bridger.

Arthur C. Baker, Hamilton.

Estella K. Smith, Lima.

NEW HAMPSHIRE.

Harlie A. Cole, Groveton.

Fred W. Smith, North Woodstock.

James R. Kill Kelley, Wilton.

NEW JERSEY.

Annie E. Hoffman, Allenhurst.

Frederick Knapp, Little Ferry.

Joseph R. Forrest, Palisades Park.

Wilbur Fuller, Sussex.

NEW YORK.

James G. Lewis, Naples.

OKLAHOMA.

Forrest L. Strong, Clinton.
Perry E. High, Maysville.
Elmer D. Rook, Sayre.

OREGON.

Cyril G. Shaw, Kerry.
Henry H. McReynolds, Pilot Rock.

PENNSYLVANIA.

Edward A. P. Christley, Ellwood City.

TENNESSEE.

Simon C. Dodson, Sparta.
Michel K. Freeman, Westmoreland.

UTAH.

John A. Call, Bountiful.

HOUSE OF REPRESENTATIVES.

TUESDAY, January 30, 1923.

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, we are not alone with Thee. He who considers the lily and notes the sparrow's fall has said to all men, "Come unto me." Bestow upon us this day the blessings of a free mind and an untroubled heart. Help us to forgive our enemies, to encourage the ignorant, to relieve the distressed, and to share with others the common fruits of toil. We thank Thee for the freedom of government and for the blessings that hallow the paths of our citizenship. Bless all educational, charitable, and religious institutions; may they go on unimpaired to higher usefulness. May every day bring to us, to our homes, and to our whole land the fragrant flowers of love, joy, patience, and good will. Through Christ, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE APPROPRIATION BILL—CONFERENCE REPORT.

Mr. CANNON. Mr. Speaker, I present a conference report (H. Rept. 1477) and accompanying statement on the legislative appropriation bill for printing under the rule.

The SPEAKER. The gentleman from Illinois presents the conference report and accompanying statement on the legislative appropriation bill for printing under the rule. The Clerk will report it.

The Clerk read as follows:

Conference report on the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. Ordered printed under the rule.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4358. An act to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada;

S. 4387. An act to authorize the building of a bridge across the Tugaloo River between South Carolina and Georgia; and

S. 4398. An act in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 1690) to correct the military record of John Sullivan.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate numbered 11, 31, and 35 to the bill (H. R. 13481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1924, and for other purposes, had receded from its amendment numbered 34 to said bill. That the Senate had disagreed to the amendment of the

House of Representatives to the amendment of the Senate numbered 33 to said bill, had further insisted upon its said amendment, had requested a further conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and had appointed Mr. McNARY, Mr. JONES of Washington, Mr. LENROOT, Mr. OVERMAN, and Mr. SMITH as the conferees on the part of the Senate.

The message also announced that the Senate had passed the following resolutions:

Senate Resolution 422.

Resolved, That the Senate has heard with profound sorrow of the death of Hon. PHILANDER C. KNOX, late a Senator from the State of Pennsylvania.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

Senate Resolution 423.

Resolved, That the Senate has heard with profound sorrow of the death of Hon. BOIES PENROSE, late a Senator from the State of Pennsylvania.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

Senate Resolution 424.

Resolved, That the Senate has heard with profound sorrow of the death of Hon. WILLIAM E. CROW, late a Senator from the State of Pennsylvania.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

The message also announced that the Senate had passed the following resolution:

Senate Resolution 425.

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Hon. SHERMAN E. BURROUGHS, late a Representative from the State of New Hampshire.

Resolved, That a committee of six Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate take a recess until 12 o'clock to-morrow.

And that the Vice President, under the second resolution, had appointed Mr. MOSES, Mr. KEYES, Mr. HARRELD, Mr. MCKINLEY, Mr. BAYARD, and Mr. WALSH of Massachusetts members of the committee on the part of the Senate.

COLORADO RIVER PACT.

Mr. HAYDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by publishing in 8-point type some information that I have gathered relative to the Colorado River compact.

The SPEAKER. The gentleman from Arizona asks unanimous consent to extend his remarks in the RECORD by inserting the matter indicated. Is there objection?

Mr. STAFFORD. Are they the gentleman's own remarks?

Mr. HAYDEN. They are partly my own remarks, but otherwise they are questions and answers relative to the pact, addressed to Mr. Hoover, chairman of the commission, and Mr. Davis, Chief Engineer, and others. The data that I have gathered, I am sure, will be of interest to the House as well as to the people of the seven States of the Colorado River Basin.

The SPEAKER. Is there objection?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. HAYDEN. Mr. Speaker, the Colorado River compact is of immediate and intense interest to the people of the seven States of the basin of that mighty river, and the Nation as a whole will soon realize its importance. This is the first time that so large a number of States have sought a unanimous agreement upon a question which vitally affects their common welfare. Very naturally there has been a desire to secure all the information that could possibly be obtained not only as to

the true meaning of the terms of the compact but also as to its effect when approved. In the hope that I might aid in this quest for knowledge, I have addressed a number of inquiries to those in the service of the Federal Government who are best qualified to speak on this subject. First among them is Hon. Herbert Hoover, who served as chairman of the Colorado River Commission, which drafted the compact. His reply is as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, January 27, 1923.

HON. CARL HAYDEN,
House of Representatives, Washington, D. C.

MY DEAR MR. HAYDEN: Referring to your letter of January 9 addressed to the Secretary, inclosing questionnaire on the Colorado River compact, I am requested by Mr. Hoover to forward to you his answers to the questions which you propounded. Very truly yours,

CLARENCE C. STETSON,
Executive Secretary, Colorado River Commission.

Question 1. What was the reason for dividing the drainage area of the Colorado River and its tributaries into two basins, as provided in Article II of the Colorado River compact?

The reasons were:

(a) The commission, upon analysis, found that the causes of present friction and of major future disputes lay between the lower basin States and the upper basin States, and that very little likelihood of friction lay between the States within each basin; that the delays to development at the present time are wholly interbasinal disputes; and that major development is not likely to be impeded by disputes between the States within each basin. And in any event, the compact provides machinery for such settlements.

(b) The drainage area falls into two basins naturally, from a geographical, hydrographical, and an economic point of view. They are separated by over 500 miles of barren canyon which serves as the neck of the funnel, into which the drainage area comprised in the upper basin pours its waters, and these waters again spread over the lands of the lower basin.

(c) The climate of the two basins is different; that of the upper basin being, generally speaking, temperate, while that of the lower basin ranges from semitropical to tropical. The growing seasons, the crops, and the quantity of water consumed per acre are therefore different.

(d) The economic conditions in the two basins are entirely different. The upper basin will be slower of development than the lower basin. The upper basin will secure its waters more by diversion than by storage, whereas the development of the lower basin is practically altogether a storage problem.

(e) The major friction at the present moment is over the water rights which might be established by the erection of adequate storage in the lower basin, as prejudicing the situation in the upper basin, and regardless of legal rights in either case. The States are now divided into two groups in opposition to each other legislatively, with little hope of the cohesion that is necessary before Federal aid can ever be secured.

The use of the group method of division was therefore adopted both from necessity, as being the only practical one, and from advisability, being dictated by the conditions existing in the entire basin.

Question 2. Was the apportionment in Article III of the compact between the upper and lower basins arbitrary or was it based on the actual requirements of each basin?

The apportionment was not arbitrary. It was based on a careful consideration of respective needs of the two basins. The data available was the estimates provided by the Reclamation Service, which follow, showing the total new and old acreage in the two basins, including not only all existing projects but all projects considered economically feasible and also those of doubtful feasibility and intended to cover every prospective development during the next 75 years. The commissioners and engineering staffs of the different States varied somewhat from the basic estimates of the Reclamation Service, and some compromise from these figures was agreed to by the commission to compensate in different directions. This was particularly the case with regard to the estimated consumption of water per acre. It will be noted that the total acreage in the lower basin, present and prospective, is given as 2,127,000, whereas that in the upper basin is given as 4,000,000. Therefore the amount of water depends partly on the consumption assumed per acre, and after general consideration an addition was made in each case to cover any

possible mischances of calculation, the general addition being about 30 per cent more than the probable use.

Table of Colorado River acreage.

	Acreage irrigated 1920.	New acreage.	Total acreage.
Lower basin:			
Arizona.....	507,000	640,000	1,147,000
California.....	450,000	490,000	940,000
Nevada.....	5,000	35,000	40,000
Total.....	962,000	1,165,000	2,127,000
Upper basin:			
Colorado.....	740,000	1,018,000	1,758,000
New Mexico.....	34,000	483,000	517,000
Utah.....	350,000	456,000	815,000
Wyoming.....	367,000	543,000	910,000
Total.....	1,500,000	2,500,000	4,000,000

Question 3. Why was 40 years fixed as the time for a future apportionment of the surplus water of the Colorado River?

There was a decided conflict between the States over the period to be fixed in this paragraph, based chiefly on their ideas as to rapidity of development and actual use of the water. Some desired a shorter and some a longer time. Suggestions were made varying from 20 to 60 years. The 40-year period was finally arrived at as a common point of agreement. Judging by experience under other projects—the Imperial Valley and Salt River Valley, for instance—the full development of contemplated construction, as shown in the table following question 2, will take a much longer time than the one fixed.

Question 4. Why was the term "Colorado River system" used in paragraph (a) of Article III, wherein 7,500,000 acre-feet of water is apportioned to the upper and lower basins, respectively?

This term is defined in Article II as covering the entire river and its tributaries in the United States. No other term could be used, as the duty of the commission was to divide all the water of the river. It serves to make it clear that this was what the commission intended to do and prevents any State from contending that, since a certain tributary rises and empties within its boundaries and is therefore not an interstate stream, it may use its waters without reference to the terms of the compact. The plan covers all the waters of the river and all its tributaries, and the term referred to leaves that situation beyond doubt.

Question 5. Why is the basis of division changed from the "Colorado River system" to the "river at Lee Ferry" in paragraph (d) of Article III, the period of time extended to 10 years and the number of acre-feet multiplied by 10?

(a) I do not think there is any change in the basis of division as the result of the difference in language in Articles III (a) and III (b). The two mean the same. By reference to Article II (f) it will be seen that Lee Ferry, referred to in III (d), is the determining point in the creation of the two basins specified in III (a). The use of this term makes it plain that the 75,000,000 acre-feet are to be delivered in the main channel of the river above the various tributaries which contribute water below.

(b) The agreement as to the flow of 75,000,000 acre-feet at Lee Ferry during each 10-year period fixes a definite quantity of water which must pass that point. Under III (a) each basin is entitled to the use of 7,500,000 acre-feet annually. Judging by past records, there will always be sufficient flow in the river to supply these quantities, but in the improbable event of a deficiency, the lower basin has the first call on the water up to a total use of 75,000,000 acre-feet each 10 years. While there was in the commission a firm belief that no such shortage will ever occur, still this provision was adopted as a matter of caution. The period of 10 years was fixed as a basis of measurement, as being long enough to allow equalization between years of high and low flow, and as representing a basis fair to both divisions.

Question 6. Are the 1,000,000 additional acre-feet of water apportioned to the lower basin in paragraph (b) of Article III supposed to be obtained from the Colorado River or solely from the tributaries of that stream within the State of Arizona?

The use of the words "such waters" in this paragraph clearly refers to waters from the Colorado River system, and the extra 1,000,000 acre-feet provided for can therefore be taken from the main river or from any of its tributaries.

Question 7. If more than 1,000,000 acre-feet of water are beneficially used and consumed annually on the tributaries of the

Colorado River in Arizona, will the excess above that amount be charged against the 75,000,000 acre-feet of water to be delivered at Lee Ferry during any 10-year period, as provided in paragraph (d) of Article III? In other words, will the use of any amount of water from the tributaries of the Colorado below Lee Ferry in any way relieve the States of the upper division from their obligation not to cause the flow of the river to be depleted below 75,000,000 acre-feet in any period of 10 consecutive years?

I can see no connection between the use of waters in Arizona from Colorado River tributaries and the obligation of the upper States to deliver the 75,000,000 acre-feet each 10 years at Lee Ferry. Their undertaking in this respect is separate and independent and without reference to place of use or quantity of water obtained from any other source. On the face of this paragraph this amount of water must be delivered even though not used at all. The obligation certainly can not be diminished by the fact that Arizona obtains other water from another source. The contract is to deliver a definite amount of water at a definite point above the inflow of various important tributaries, and I find nothing in the compact which modifies this obligation, except the general limitation as to use, which is hereafter referred to.

Question 8. As a matter of fact more than 1,000,000 acre-feet of water from the tributaries of the Colorado below Lee Ferry are now being beneficially used and consumed within the State of Arizona. Will the excess above that amount be accounted for as a part of the 75,000,000 acre-feet first apportioned to the lower basin from the waters of the "Colorado River system" as provided in paragraph (a) of Article III?

By the provisions of paragraphs (a) and (b), Article III, the lower basin is entitled to the use of a total of 8,500,000 acre-feet per annum from the entire Colorado River system, the main river and its tributaries. All use of water in that basin, including the waters of tributaries entering the river below Lee Ferry, must be included within this quantity. The relation is reciprocal. Water used from these tributaries falls within the 8,500,000 acre-feet quota. Water obtained from them does not come within the 75,000,000 acre-feet 10-year period flow delivered at Lee Ferry, but remains available for use over and above that amount.

Question 9. Does paragraph (c) of Article III contemplate a treaty between the United States and the Republic of Mexico under which one-half of a deficiency of water for the irrigation of lands in Mexico shall be supplied from reservoirs in Arizona?

No. Paragraph (c) of Article III does not contemplate any treaty. It recognizes the possibility that a treaty may, at some time, be made and that under it Mexico may become entitled to the use of some water, and divides the burden in such an event, but the quantity to which that country may become entitled and the manner, terms, and conditions upon which such use may depend, can not be foreseen. It is a certainty that no such treaty will be negotiated and ratified which is unfair to the United States or any State or detrimental to their interests. To discuss whether or not a treaty might be made under which Mexico might be permitted to receive water impounded in a reservoir which may be constructed, is to indulge in speculation, but it is safe to say that if such a situation should result it will be only under conditions fair and satisfactory to all parties concerned.

Question 10. What is the estimated quantity of water which constitutes the undivided surplus of the annual flow of the Colorado River and may the compact be construed to mean that no part of this surplus can be beneficially used or consumed in either the upper or the lower basins until 1963, so that the entire quantity above the apportionment must flow into Mexico, where it may be used for irrigation and thus create a prior right to water which the United States would be bound to recognize at the end of the 40-year period?

(a) The unapportioned surplus is estimated at from 4,000,000 to 6,000,000 acre-feet, but may be taken as approximately 5,000,000 acre-feet.

(b) The right to the use of unapportioned or surplus water is not covered by the compact. The question can not arise until all the waters apportioned are appropriated and used, and this will not be until after the lapse of a long period of time, perhaps 75 years. Assuming that each basin should reach the limit of its allotment and there should still be water unapportioned, in my opinion, such water could be taken and used in either basin under the ordinary rules governing appropriations, and such appropriations would doubtless receive formal recognition by the commission at the end of the 40-year period. There is certainly nothing in the compact which requires any water whatever to run unused to Mexico, or which recognizes any Mexican

rights, the only reference to that situation being the expression of the realization that some such rights may perhaps in the future be established by treaty. As I understand the matter, the United States is not "bound to recognize" any such rights of a foreign country unless based upon treaty stipulations.

Question 11. Is there any possibility that water stored by dams in the tributaries of the Colorado River in Arizona, such as the Roosevelt Reservoir, on the Salt River, or the San Carlos Reservoir, on the Gila, might, under the terms of such a treaty, be released for use in Mexico to the injury of the water users of the projects for whose benefit such dams were constructed?

I can not conceive of the making or the ratification of a treaty which would have such an effect. If it were possible to believe that the Federal Government would treat its own citizens with such absolute disregard of their property and rights, I presume that they would receive ample protection even as against the Government, under the provisions of the Federal Constitution.

It must be remembered that the United States now has a large financial interest in the projects already constructed. It is not to be presumed that action will be taken detrimental to these interests. Furthermore, each of the seven States directly concerned has two Members of the Senate, by which any treaty proposed must be ratified.

Question 12. Is it true, as has been asserted, that, if the Colorado River compact be approved, the water which should reclaim 2,500,000 acres of land in Arizona will go to Mexico and there irrigate a vast area owned by American speculators who will cultivate the same with Asiatic coolie labor and raise cheap crops in competition with Arizona and California farmers?

If such assertions have been made, there is absolutely nothing in the compact upon which they can be based. They are the result solely of unrestrained and unfounded imagination. As already stated, there is no reference in the compact to any rights of any persons in Mexico; none are created and none are recognized. That entire question, if it ever arises, must be dealt with by the Federal Government in the exercise of its treaty-making power. Such a subject was beyond the purview of the acts creating the commission, and it was intentionally omitted from the compact.

Question 13. Objection has been made to paragraph (d) of Article III in that it authorizes the withholding of an indefinite amount of water by the States of the upper division during a drought which might extend over two or three years. If the drought should be broken by heavy rains the ensuing floods would provide the total of 75,000,000 acre-feet within the 10 years, but water would be denied to the lower basin when most needed and oversupplied when not needed. In your opinion, does this provision of the compact seriously menace the proper and maximum development of irrigation projects in the lower basin?

In my opinion, the provision about which you ask does not menace the proper and maximum development of irrigation projects in the lower basin.

The future development of the Colorado River Basin is dependent wholly upon the creation of storage. The lower States have certainly reached the limit of development by the direct diversion of the flow of the river. Reservoirs are imperative. They must be of sufficient size not merely to equalize the annual flow, but to impound the excessive floods of one year to supply a deficiency resulting from a following lean year. Such construction will obviate, to a great extent, the likelihood of the situation you suggest. Furthermore, there can not be a drought or lack of water in the lower States without a similar condition in the upper. A shortage of water below can only be caused by lack of rainfall above. It is inconceivable that any upper State would attempt to store and withhold water it did not need. Such action would not be permitted under the ordinary rules of law and is prohibited by the compact itself. If the water is used in the upper States, the return flow, ultimately large in quantity, necessarily runs down the stream. The large reservoir sites capable of impounding the flow for more than one year are in the lower, not the upper, basin, and it would be a physical impossibility for the upper States to withhold all the flow of the river for any long period, even if they desired to do so. For these reasons, I answer this question in the negative.

Question 14. Can paragraph (d) of Article III be construed to mean that the States of the upper division may withhold all except 75,000,000 acre-feet of water within any period of 10 years and thus not only secure the amount to which they are entitled under the apportionment made in paragraph (a) but also the entire unapportioned surplus waters of the Colorado River?

No. Paragraph (a) of Article III apportions to the upper basin 7,500,000 acre-feet per annum. Paragraph (e) of Article III provides that the States of the upper division shall not withhold water that can not be beneficially used. Paragraphs (f) and (g) of this article specifically leave to further apportionment water now unapportioned. There is, therefore, no possibility of construing paragraph (d) of this article as suggested.

Question 15. Does paragraph (d) of Article III in any way modify the obligation of the States of the upper division, as expressed in paragraph (c), to permit the surplus and unapportioned waters to flow down in satisfaction of any right to water which may hereafter be accorded by treaty to Mexico? Within any year of a 10-year period, could the States of the upper division shift to the States of the lower division the entire burden of supplying such water to Mexico?

(a) No. It is provided in the compact that the upper States shall add their share of any Mexican burden to the delivery to be made at Lee Ferry, whenever any Mexican rights shall be established by treaty. By paragraph (c) of Article III, such an amount of water is to be delivered in addition to the 75,000,000 acre-feet otherwise provided for.

(b) In the face of the specific provision of Article III (c) that the burden of any deficiency must be "equally borne," I can see no possibility of placing upon the lower division the entire burden. If the surplus is sufficient, there is no burden on anyone. If it is insufficient the plain language is that it must be equally shared, with the equally plain provision that the upper division must furnish its half.

Question 16. Why is it that provision is made in paragraph (f) of Article III for a further apportionment, after 40 years, of the waters of the Colorado River system unapportioned by paragraphs (a), (b) and (c), but that no provision is made for a revision of the terms relating to the flow of the Colorado River at Lee Ferry, as set forth in paragraph (d)?

No such special provision was necessary. All that the present commission has done has been by virtue of its power "to divide and apportion equitably" the waters of the river. By specifying in this compact the powers of the second commission in identical language the same powers are necessarily granted, and that commission may do whatever this one could, subject only to noninterference with individual rights which may have become vested under this agreement. It was therefore not considered necessary to specify powers in detail, since the grant of the general power includes the particular.

In this connection it must be remembered that the further compact at the end of 40 years can be entered into only by unanimous agreement of the States. Given such unanimity, anything desired may be done and any existing provisions modified or annulled.

Question 17. In your opinion, will the States of the upper division or the States of the lower division benefit most by the terms of paragraph (c) of Article III when the same are in actual operation?

This paragraph applies only to an unreasonable or arbitrary withholding or demand. I do not anticipate either arbitrary action or unreasonableness on the part of any of the States concerned. The upper States can gain nothing by withholding water not needed, nor can the lower States gain by demanding water for which they have no use. The paragraph is of value as an expression of the prohibition of such action, but I doubt if it is ever called into practical effect.

Question 18. Why is the use of the waters of the Colorado River for navigation made subservient to domestic, agricultural, and power uses, as provided in paragraph (a) of Article IV?

This article is an expression of the views of the commission as to the relative importance of the uses to which the waters of the river may be devoted. It is recognized that on many streams navigation is a paramount use, but on this particular river navigation is negligible in fact. As expressed in the language adopted, the river "has ceased to be navigable for commerce." This is a true statement of the existing situation. Below Yuma there is but little water in the river bed. The Laguna Dam, above Yuma, has made navigation between points above and below it physically impossible, and the construction of further dams in the development of the river will prevent navigation at other points, even if it were now physically possible. Power structures, irrigation dams and navigation can not conveniently exist together. It was therefore felt that the very great possible use of this water for power and irrigation far outweighed in economic importance the very slight and largely theoretical use which might be made for navigation, and this paragraph was drafted accordingly.

Question 19. Why is the impounding of water for power purposes made subservient to its use and consumption for agricultural and domestic purposes, as provided in paragraph (b) of Article IV?

(a) Because such subordination conforms to established law, either by constitution or statute, in most of the semi-arid States. This provision frees the farmer from the danger of damage suits by power companies in the event of conflict between them.

(b) Because the cultivation of land naturally outranks in importance the generation of power, since it is the most important of human activities, the foundation upon which all other industries finally rest.

(c) Because there was a general agreement by all parties appearing before the commission, including those representing power interests, that such preference was proper.

Question 20. Will this subordination of the development of hydroelectric power to domestic and agricultural uses, combined with the apportionment of 7,500,000 acre-feet of water to the upper basin, utterly destroy an asset of the State of Arizona consisting of 3,000,000 horsepower, which it is said could otherwise be developed within that State if the Colorado River continues to flow, undiminished in volume, across its northern boundary line and through the Grand Canyon?

(a) The subordination of power to agriculture will only diminish power in the case that it is necessary to stop the entire flow of the river at some lower dam at some particular season of the year in order to create reserves for the agricultural community. The normal engineering development of the river will proceed by various dams, of which the dam lowest down would be the only one where there would be the remotest probability of a complete stoppage of water flow. Indeed, this could not happen for at least a hundred years, as it would contemplate a development of acreage in the Lower Basin far beyond anything now dreamed of.

(b) The adequate development of power can only be obtained through the erection of storage and through the irrigation of the Upper Basin. Storage dams can be erected both in the lower and upper canyon in such a fashion as to secure an average flow of the water throughout the entire year, and thus the maximum power developed. The irrigation of the Upper Basin, as explained above, acts itself as a reservoir regulating the flow of the river, increasing the minimum flow, and thus increasing the average power.

(c) Obviously, the use of the water for irrigation in the upper basin must in some degree diminish the volume of power in the lower basin, even though the lower river were entirely regulated to secure an even flow of the water. But it can not be pretended that the upper basin is to be denied the right to the use of the water for agricultural purposes because of power demands in the lower basin. Such a pretension would not be supported in any of the courts, and if set up in the lower basin would mean that the basin will not be developed so long as the upper States can exert any legislative influence whatever. As a matter of fact, the power possibilities of the river are in no way diminished by the compact, unless it is to be assumed that there is not to be an equitable division of water.

(d) The compact provides that no water is to be withheld above that can not be used for purposes of agriculture. The lower basin will therefore receive the entire flow of the river, less only the amount consumptively used in the upper States for agricultural purposes.

(e) The contention that the Colorado River is to continue to flow undiminished in volume across the northern boundary line of Arizona is a contention that the upper States shall have no rights to irrigation. It is a direct negation of both equity and human rights.

Question 21. Paragraph (c) of Article IV states that that article shall not interfere with the control by any State over the appropriation, use, and distribution of water within its own boundaries. Does this imply that the remainder of the compact may interfere with such intrastate control?

This article seems the only one of the compact which might affect the relations of citizens of one State with each other, and it was therefore considered advisable to add the clause to which your question refers. I do not believe, however, that its insertion in this article would, by implication or otherwise, preclude the complete control by each State of its own internal affairs.

Question 22. Does the Colorado River compact apportion any water to the State of Arizona?

No, nor to any other State individually. The apportionment is to the groups.

Question 23. In case of disagreements between the States of Arizona, California or Nevada as to a division among them

of the waters of the Colorado River system apportioned by the compact to the lower basin, what procedure will be followed and what rules will govern the settlement of such differences?

This situation would be covered by Article VI. If its provisions are not sufficient or not satisfactory, then the dispute would be settled in the same way as other interstate conflicts now are, either by negotiation or agreement or by litigation.

Question 24. What was the necessity for Article VII relating to the obligations of the United States to Indian tribes?

This article was perhaps unnecessary. It is merely a declaration that the States, in entering into the agreement, disclaim any intention of affecting the performance of any obligations owing by the United States to Indians. It is presumed that the States have no power to disturb these relations, and it was thought wise to declare that no such result was intended.

Question 25. Article VIII is somewhat confusing to me and I would like to have your interpretation of its meaning. Why is the term "storage capacity" used? Does the capacity of a reservoir to hold water necessarily mean that it will be filled? If this "storage capacity" is destroyed by the reservoir filling with silt, are all rights to the use of water in the lower basin likewise destroyed? Why was so small a figure as 5,000,000 acre-feet agreed upon as the measure of this "capacity"?

(a) The first sentence of this paragraph is a recognition of the validity of present perfected rights to the use of waters and is inserted to obviate any fears on the part of present users that their rights might be impaired by the compact.

(b) The second sentence covers the situation now existing on the lower river. It is claimed that the entire low-water flow of the river has now been appropriated by users in California and Arizona, that rights to its continued and unimpaired flow have vested, and that any interference with these rights by attempted appropriation in the upper States could be prevented by appropriate legal proceedings. If such rights do exist, under the provisions of this paragraph they continue unimpaired until the use of water by direct diversion is substituted by its use through storage, at which time the enforcement of any rights to low-water flow for direct diversion obviously becomes unnecessary. When adequate storage has been provided, disputes over low-water flow necessarily cease. Five million acre-feet of storage is ample to provide water for all existing appropriations in the lower basin, and since it was intended only to meet the situation there it was agreed to. It is in no sense a limitation upon the size of the works to be built nor even an expression of opinion of the capacity to be adopted.

There can be no reasonable doubt in the mind of anyone as to the supply of water for a reservoir of this capacity. Given the capacity, the filling of the reservoir will result as a matter of course and physical necessity.

The rights to the use of the water in the lower basin are in no way dependent upon the construction of this or any other storage. The clause in question affects only rights to the direct diversion of low-water flow. The apportionment of water between the basins and the guaranty of quantity by the upper States have no relation to this situation, and whether storage is or is not provided, whether or not reservoirs fill with silt, the apportionment and mutual obligations as to division of water remain unaffected and unimpaired.

Question 26. All of these questions have been asked primarily with a view to obtaining first-hand information for the benefit of the Legislature of the State of Arizona, which now has the Colorado River compact under consideration. Any further observations that you may care to make will, therefore, be appreciated.

It seems to me a primary fact that the legislative action necessary for appropriations from Congress can not be secured nor construction work established at any point unless an equitable division of the waters of the Colorado River is first accomplished. There are only two methods of doing this; one is by compact and the other is by litigation. If this compact is not ratified it is necessary to start the process all over again, and I can see little hope of any more constructive basis of handling the problem than this compact already embraces.

The minor objections to the compact are generally based on exploitation of theoretical figures, without a full appreciation of the physical facts that govern the flow of the Colorado River. I have found that careful consideration of these physical surroundings of the river dissipate fear whenever they are carefully inquired into.

It is to be remembered also that until the dams are constructed the present flood menace will continue to threaten the Yuma project, the Imperial Valley, and other Arizona and California territory adjacent to the river on its lower reaches.

ANSWERS BY MR. ARTHUR P. DAVIS.

No engineer in America has made so great a study of the Colorado River as Arthur P. Davis, Director of the United States Reclamation Service. Under his supervision over a quarter of a million dollars has been expended in searching for the facts which are the basis of his conclusions as to what should be done in order to completely control and utilize the waters of that stream. For nearly 20 years he has had supervision over all the constructive work of the Reclamation Service, which includes the building of more great storage reservoirs than has been done by any other government in the world. This wide experience, therefore, qualifies Mr. Davis better than anyone else to answer the engineering questions which I have propounded.

DEPARTMENT OF THE INTERIOR,
UNITED STATES RECLAMATION SERVICE,
Washington, January 30, 1923.

HON. CARL HAYDEN,
House of Representatives.

MY DEAR MR. HAYDEN: Reference is made to your letter of January 8, inclosing a list of questions relating to the Colorado River compact as it affects the State of Arizona.

Inclosed please find original and two carbon copies of our replies to the above questions.

Yours very truly,

A. P. DAVIS, Director.

(Inclosures.)

Question 1. Referring to paragraphs (a), (f), and (g) of Article II of the Colorado River compact as to waters diverted from drainage area of the Colorado River and its tributaries in the States of Colorado, New Mexico, Utah, and Wyoming.

Question 1-A. How many acre-feet of water are now so diverted annually and where is such water being used?

Answer 1-A. The following table gives the present trans-mountain diversion from the Colorado River watershed, showing the average annual diversion in acre-feet:

Utah:	Acre-feet.
Strawberry River to Provo River.....	4,500
Strawberry River to Spanish Fork River.....	78,000
Price River to Spanish Fork River.....	1,500
Virgin River to Pinto Creek.....	23,000
Total, Utah.....	107,000

Colorado:	Acre-feet.
Colorado (Grand) to Cache la Poudre.....	15,000
Fraser to Clear Creek.....	500
Blue to Tarryall.....	800
Eagle to Arkansas.....	1,200
Cochetopa to Rio Grande.....	2,500
Total, Colorado.....	20,000

Total acre-feet existing diversions, upper basin..... 127,000

Question 1-B. Where are the proposed projects which contemplate additional diversions from the upper basin and the estimated cost of the same?

Answer 1-B. In Senate Document 142, the following proposed diversions are listed, all in Colorado. No cost data are available:

Proposed diversion (acre-feet annually):	Acre-feet.
Colorado (Grand) to Cache la Poudre (irrigation).....	10,000
Fraser to Clear Creek or South Boulder (municipal and irrigation, Denver).....	110,000
Williams Fork to Clear Creek (municipal and irrigation, Denver).....	50,000
Blue and tributaries to South Platte (municipal and irrigation, Denver).....	100,000
Eagle and tributaries to Arkansas.....	40,000
Extensions to existing diversions, irrigation.....	7,000
Total, Colorado.....	317,000

Question 1-C. What is the probable amount of water that will be diverted annually from the upper basin in the future?

Answer 1-C. It does not appear probable that any large increase will take place in diversions from the upper basin in the near future. The only one that can be reasonably included as at all "probable" at the present time would be the proposed Fraser River diversion of 110,000 acre-feet for the Denver City water supply. For purposes of computation, however, we have included the entire amount as listed above.

	Acre-feet.
Present diversions.....	127,000
Proposed diversions.....	317,000
Total.....	444,000

Question 2. As to waters diverted from the drainage area of the Colorado River and its tributaries in the States of Arizona, California, and Nevada.

Question 2-A. Is any other such diversion proposed except into the Imperial and Coachella Valleys?

Answer 2-A. No data are at hand in regard to any proposed diversion from the drainage area of the Colorado River in the States of Arizona, California, or Nevada unless the Imperial Valley diversion be so considered.

Question 2-B. How many acre-feet of water are now being used annually in the Imperial Valley?

Answer 2-B. The present annual diversion of the Imperial Valley Canal is given as follows:

Imperial irrigation district system:	Acre-feet.
United States land.....	1,597,000
Mexican lands.....	540,000
Main canal waste.....	580,000
Losses in Alamo Channel.....	173,000

Total diversion..... 2,890,000

Question 2-C. How many acre-feet of water will be required to irrigate all of the lands that it is feasible to bring under cultivation in the Imperial and Coachella Valleys?

Answer 2-C. Net ultimate acreage in Imperial irrigation district in the United States and Coachella Valley is given in Senate Document 142, page 48, as 785,000 acres, and, using the duty of water stated in that report, the total requirement would be 3,400,000 acre-feet.

Question 2-D. What is the estimated cost of the All-American Canal and other works for the irrigation of these lands?

Answer 2-D. Senate Document 142, page 86, gives estimated total cost of the All-American Canal and other works as \$49,191,000.

Question 3. What are the present, the probable, and the maximum possible number of acre-feet of water that may be used for irrigation from the Colorado River system in each of the four States of the upper division?

Answer 3. The following table answers the question, the quantities being in acre-feet:

Use of Colorado River, upper basin.

Upper basin.	Acreage irrigated, 1920.	Consumption of water.	New acreage.	Consumption of water.	Total acreage.	Total consumption of water.
Colorado.....	740,000	1,184,000	1,018,000	1,527,000	1,758,000	2,711,000
New Mexico.....	34,000	54,400	483,000	724,500	517,000	778,900
Utah.....	359,000	574,400	456,000	684,000	815,000	1,258,400
Wyoming.....	367,000	587,200	543,000	814,500	910,000	1,401,700
Total.....	1,500,000	2,400,000	2,500,000	3,750,000	4,000,000	6,150,000

Of the above "new acreage" total of 2,500,000 acres, it is estimated in Senate Document 142, page 33, that a total of 1,008,000 acres will be irrigated in the upper basin in the near future.

Question 4. If the maximum quantity of water is diverted for irrigation in the upper basin, how much of it will return to the river by seepage and drainage and be available for use at Lee Ferry?

Answer 4. Above figures are based upon an average figure for "consumptive use"; that is, diversion minus return flow, and are believed to be large enough to include evaporation from local reservoirs which will be used for irrigation. They therefore represent the net reduction in the flow of the river to be anticipated under the assumed conditions.

Question 5. After deducting the maximum quantity of water that may be diverted out of the upper basin and the maximum amount that may be consumed by irrigation and domestic uses, what is your estimate of the average annual run-off from the upper basin in acre-feet at Lee Ferry?

Answer 5.—

	Acre-feet.
Mean discharge at Lee Ferry, 1903-1920 (assumed same as Laguna).....	16,400,000
Past depletion, upper basin, 1,094,000 acres (average) at 1.54 acre-feet per acre.....	1,700,000
Reconstructed river at Lee Ferry.....	18,100,000
Upper basin:	
Maximum consumption.....	6,150,000
Diversion out of basin.....	444,000
	6,590,000

Remaining flow at Lee Ferry..... 11,510,000

Question 6. If the same maximum deductions are made from the quantity of water in the Colorado River when that stream had the least recorded annual flow, how many acre-feet would remain for use in the lower basin?

Answer 6. The above maximum deductions could not be made when the Colorado had its least recorded annual flow because sufficient water would not be available in the tributaries for maximum diversion. Assuming that the consumptive use would be reduced 25 per cent during this shortest year, and taking the

flow at Lee Ferry, the same as that at Laguna, as given on page 5 of Senate Document 142, we have—

	Acre-feet.
Discharge at Lee Ferry, 1902.....	9,110,000
Depletion, 1902 (665,000 acres at 1.54), by 75 per cent.....	770,000
Reconstructed river at Lee Ferry, 1902.....	9,880,000
Maximum consumption, upper basin, 1902 (75 per cent of 6,590,000).....	4,940,000
Available at Lee Ferry, 1902.....	4,940,000

This indicates that under the compact the flow of the lowest year would be available in approximately equal portions for the use of each basin.

Question 7. If a reservoir of 30,000,000 acre-feet capacity had been in existence at that time, how much water would have been carried over from previous years to aid in meeting any deficiency?

Answer 7. Plate XII-A, Senate Document 142, page 30, shows that starting in 1899 with a 26,400,000 acre-foot reservoir half full, the reservoir would have filled in 1900 and again in 1901, and the full demands for irrigating 1,500,000 acres below could have been met not only through 1902 but through the succeeding low years of 1903 and 1904. In addition, sufficient water would have been available for discharge through the months of low irrigation demand to maintain a year around output of 700,000 horsepower.

Question 8. How many acres are now being irrigated; what additional areas can be irrigated from the main Colorado River, and what is the estimated cost of the reclamation of the lands in Arizona within the projects that have been investigated by the Reclamation Service up to the present time?

Answer 8. Senate Document No. 142, gives the following figures for lands irrigated in Arizona, 1920, from the main stream of the Colorado:

Irrigated 1920, Arizona.	
	Acres.
Main stream:	
Parker project.....	4,000
Yuma project.....	46,000
Total, 1920.....	50,000
Additional irrigable, Arizona.	
	Acres.
Main stream:	
Cottonwood Island.....	2,000
Parker project.....	106,000
Mojave Valley.....	26,000
Yuma project.....	75,000
Cibola Valley.....	16,000
Isolated tracts.....	4,000
Total additional.....	229,000

Cost data for most of the above projects are not available in sufficient detail to be of value. An engineer of the Indian Service estimated in 1920 a cost of \$78 per acre for the Parker project, exclusive of storage, flood control, and power (S. Doc. No. 142, p. 55). Gravity lands on the Yuma project are subject to a construction charge of \$75 per acre.

Question 9. I would like to have the same information as to the projects in California on the Colorado River above the Laguna Dam.

Answer 9. Senate Document No. 142 gives the following figures:

	Irrigated, 1920.	New acreage.	Total.
	Acres.	Acres.	Acres.
Mojave Valley.....	1,000	1,000	2,000
Chemehuevi Valley.....	2,300	2,300	4,600
Palo Verde Valley.....	35,000	43,000	78,000
Palo Verde Mesa and Chuckawalla Valley.....	62,000	62,000	124,000
Total.....	35,000	108,300	143,300

Question 10. Is it true that, if the Colorado River compact is adopted, all of the water that Arizona will ever get out of the main river will be enough to irrigate only 280,000 acres of land, of which 130,000 acres are now embraced in the Yuma project and 110,000 acres in the Parker project?

Answer 10. The Colorado River compact does not attempt to divide the water of the river between individual States. Except for rights already initiated by California and Nevada, there is nothing in the compact that will prevent the State of Arizona from taking from the river all the water that it can put to beneficial use. Rights already initiated will have to be respected in any event, and future development under the compact will be undertaken only in competition with the two States named, and with the cooperation instead of against possible opposition of the States of the upper basin. The

present and prospective use of water in the lower basin is estimated, as follows:

Use of Colorado River, lower basin.

Lower basin.	Acreage irrigated, 1920.	Consumption of water, acre-feet.	New acreage.	Consumption of water, acre-feet.	Total acreage.	Total consumption of water, acre-feet.
Arizona.....	58,000	290,000	229,000	860,000	287,000	1,150,000
California.....	450,000	2,250,000	490,000	1,540,000	940,000	3,790,000
Nevada.....	5,000	20,000	35,000	140,000	40,000	160,000
Total, Main River.....	513,000	2,560,000	754,000	2,540,000	1,267,000	5,100,000

From this the surplus available for any further development that may be found feasible may be deduced as follows:

	Acre-feet.
Mean annual flow at Lee Ferry after deducting all future uses in the upper basin (see question 5).....	11,510,000
Total visible demands.....	5,100,000
Surplus.....	6,410,000

This would irrigate nearly 2,000,000 acres of land in addition to the acreage figured above, and since water must flow downhill, and since a reservoir at Boulder Canyon of the size proposed will completely control the stream at that point, it only remains to find the land to which this water can be profitably applied.

Question 11. What information have you with respect to the Arizona High Line Canal plan?

Answer 11. We have asked our field engineers for report on Arizona High Line Canal, which has just been received as follows:

"The Arizona High Line Canal as outlined more recently contemplates—

"A storage reservoir at or near Glen Canyon. Its capacity has not been stated in definite terms.

"A second dam at Boulder Canyon to be built to elevation 1,350 feet, or 1,375 feet, or a dam at the lower end of the Grand Canyon of a less height that will raise the water to the same elevation.

"A tunnel from the Detrital Sacramento Wash through the Black Mountains some 15 or 20 miles in length which would come out on the western side of the Black Mountains in the general region of Eldorado Ferry, water to be delivered at the end of the tunnel at an elevation not less than 1,325 feet.

"A large canal, extending southward and generally parallel with the Colorado River, following along the west side of the Black Range, the greater portion of which would be in tunnel from a point back of Eldorado Ferry to Mount Davis. These tunnels may aggregate another 15 miles or more; thence an open canal crossing a detrital wash country with many deep washes southward along the Blue Ridge and Black Mountains, crossing Sacramento Wash and the main line of the Santa Fe Railroad a few miles from Franconia; thence south and southwesterly toward the Colorado River, where it would pass around the west face of the Chemehuevi Mountains and the Williams Mountains; thence easterly along the north side of the Williams River to a crossing on the Williams River. Through this region there would be more or less tunnel work.

"A crossing of the Williams River either by a high dam in that stream where the river is confined in a box canyon, through the Rawhide Mountains, or by a high aqueduct or a large siphon. Some surveys are being conducted at the present time by the Arizona Engineering Commission to ascertain data on this crossing. The canal would then run westerly along the south side of the Williams River through the Buckskin Mountains, tunneling through the Osborne Pass; thence in a general southerly direction through the Cactus Plain to the general region of Bouse.

"The first tracts of tillable land of any consequence encountered would be that lying within what is commonly called the Bouse Valley. The proposed canal line would probably cross the Phoenix branch of the Santa Fe Railroad between Bouse and Vicksburg. What the irrigable area of these valleys amounts to is as yet an undetermined quantity.

"The main canal would continue in a southeasterly direction, passing to the south of the Little Harqua Hala Mountains through a pass that has been estimated to be from 16 to 25 miles in length. This part of the construction would be a deep cut, the depth of the cut depending upon the elevation at which a canal would reach that point. Before reaching this cut the

canal would bifurcate, some of the water being taken south and southwesterly to irrigate other possible areas. It is planned that the water would finally reach Centennial Wash. The south and southwesterly branch would pass between the S. H. Mountains and the Little Horn Mountains to the Palomas Plain, from which point it would be on the Gila watershed and would be conveyed to other lands on the Gila.

"These several branches would bifurcate, carrying water to different valleys, some of which contemplate considerable pumping lifts. The acreage under this possible system is impossible to state, as up to the present time it is nothing more than the roughest kind of a guess, and one upon which no figures can be given. There are not sufficient data at hand to make an estimate as to the cost of constructing such a large canal. The Arizona engineering commission is at the present time trying to ascertain the elevation of certain controlling points, and it is hoped that in the near future the commission will be able to give some idea as to the practicability or impracticability of conducting any further investigations as to the merits or demerits of such a scheme."

Question 12. It has been said that the Arizona High Line Canal project is just as feasible as the Columbia River Basin gravity project recently approved by Gen. George W. Goethals. Please compare the main features of these two projects.

Answer 12. As far as this office is advised no surveys or detailed estimates are available from which any statement of the construction quantities or costs involved in the main features of the Arizona High Line Canal can be even approximated. No comparison is therefore now possible.

Question 13. In his report on the Columbia River Basin project, General Goethals discusses a pumping plan which contemplates building a dam 285 feet high across the Columbia River near the head of the Grand Coulee and using the energy thus stored to operate 17 pumps, each with a capacity of 1,000 second-feet, which will raise the water 450 feet to an artificial lake, whence the water flows by gravity to the basin area, where 1,403,000 acres may be irrigated. The total estimated cost of this pumping project is \$241,487,285, or \$172 per acre, and the annual operating cost is estimated at \$1.56 per acre.

It has occurred to me that, as an alternative to the upper and more expensive part of the Arizona High Line Canal plan, consideration might be given to a pumping project, the essential features of which would be as follows:

A. Utilize the power site about 5 miles above Parker, for which application has been made by Beckman and Linden, by constructing a dam about 75 feet high for the generation of hydroelectric energy. If this dam will not provide enough power, after the flow of the Colorado River is regulated, then supplement the same by power developed in the Grand Canyon.

B. Raise the water about 900 feet by pumping from the Colorado River through a conduit or conduits about 15 miles long up the Osborne Wash to the level of the proposed Arizona High Line Canal, from whence it would flow by gravity as proposed in the original scheme.

I shall be pleased to receive your comments on this idea.

Answer 13. As to this, our field engineers report as follows:

"This plan appears infeasible, but as a possibility the Arizona Engineering Commission has considered and is considering the possibility of a diversion at this point to divert water for the lands lying along the Colorado River south of the dam site spoken of above, with the possibility of pumping water therefrom to moderate lifts. From this dam site south to a point about opposite Lighthouse Rock, the topography is such that a canal might be constructed. At or near Lighthouse Rock it might be possible to raise water in the distant future some 100 or 150 feet, passing through the Trigo and Chocolate Mountains, reaching the plain lying east of Castle Dome at an elevation that certain lands lying on the lower Gila might be served. The acreage and the difficulties encountered in this are not definitely known and the whole proposition only stands out as a remote possibility of the development of lands on the extreme lower Gila."

Question 14. While I fully realize that the Colorado River compact makes no reference to the location of storage reservoirs on that stream, yet the subject is of great interest to the people of Arizona. I shall, therefore, appreciate it if you will make a brief comparison of the Bulls Head, Black Canyon, Boulder Canyon, Diamond Creek, and Glen Canyon dam sites.

Question 15. For the same reason, I would like to have a summary of the available information relative to the Sentinel, San Carlos, and Solomonville dam sites on the Gila, and the Horseshoe and Camp Verde dam sites on the Verde River.

Answers 14 and 15. The following table gives the data available in this office relative to these dam sites.

Name.	Storage capacity (acre-feet).	Estimated cost. ¹	Height of dam (feet). ²	Width at base (feet).	Depth to bedrock (feet).	Character of rock in walls.	Horse-power developed.
San Carlos.....	1,600,000	\$9,792,763	249	222	20	Quartzite or quartzitic sandstone.	6,500
Horseshoe.....	233,000	1,909,000	166	200	30	.....	*20,000
Camp Verde.....	421,000	1,701,800	210	.....	25	Sandstone.....	.....
Solomonville-Guthrie.....	225,800	.....	140	.....	.....	.....	.....
Sentinel.....	2,200,000	4,250,000	130	.....	(4)	Basalt.....	.....
Bulls Head.....	2,000,000	.....	155	.....	.....	Granite.....	*341,000
Boulder Canyon.....	31,400,000	55,000,000	594	665	140	do.....	700,000
.....	26,500,000	50,000,000	558	.....	.....	.....	600,000
Black Canyon.....	31,400,000	.....	590	.....	*123	Volcanic breccia; latite, and andesite.	700,000
.....	26,500,000	.....	555	.....	.....	.....	600,000
Diamond Creek:	.....	.....	.....	.....	.....	.....	.....
Ultimate.....	1,250,000	.....	420	.....	45	Granite.....	935,000
Present.....	340,000	12,000,000	255	380	45	.....	200,000
Glen Canyon.....	18,000,000	.....	500	.....	.....	Sandstone.....	500,000

¹ Costs based on preliminary estimates and incomplete information; subject to revision in all cases.

² Above low-water level or stream bed.

³ Developed at drop 20 miles below dam.

⁴ Foundation is lava or cemented gravel underlain by sand and silt to a depth of at least 200 feet.

⁵ Assuming equated flow.

⁶ Drilling not completed.

NOTE.—Average annual net evaporation loss measured at Roosevelt is 60 inches, and this figure has been the basis of evaporation estimates for most of the reservoir studies in this region.

Question 16. It has been said that the Colorado floods have never initiated any serious damage to the Yuma project or the Imperial Valley but that the Gila River constitutes the principal menace; that the only method of curbing the Gila is an adequate levee system, which can be constructed in 18 months at one-fifth the cost of the Boulder Canyon Dam. Will expensive levees have to be maintained on both sides of the Colorado River below Yuma after a large flood-control dam has been constructed on the main Colorado River?

Answer 16. A dam at Boulder Canyon will control all the floods on the main river capable of doing any damage at Yuma except those from the Gila, and it is the only reservoir site on the river of sufficient capacity which is below the sources of all these floods. Until the Gila floods are otherwise controlled it will be necessary to maintain levees to prevent damage from the floods on this stream. As is well known, however, floods from the Gila are of flashy character, and while they may be of sufficient magnitude to inflict some damage, they will subside as quickly as they arise and the days and weeks of night-and-day struggle with the river during each recurring Colorado flood will be a thing of the past. Even if a Gila flood should be experienced of sufficient magnitude to break into the Imperial Valley, its quick subsidence would leave the breach practically dry for repair if the water from the main river could be cut off or regulated at Boulder Canyon.

The annually recurring menace to Yuma and the Imperial Valley against which they are without defense at present is that a Gila flood may come down on top of an early Colorado rise or that breaches made by Gila floods may open the way for the summer floods of the Colorado to break into Imperial Valley. The breaks of 1905-6 and the flood of January, 1916, illustrate the possibilities of such a combination.

Question 17. It has been said that if the depth to bedrock for the foundation of the proposed dam at Black Canyon is found to be over 100 feet, as it is reported to be at Boulder Canyon, that it might be more economical to build the Glen Canyon Dam first so as to have the benefit of the regulated flow from the upper reservoir during the construction of the deep and difficult foundations either at Black or Boulder Canyons. What are the results thus far obtained in prospecting for bedrock at these dam sites?

Answer 17. The maximum depth to bedrock at Boulder Canyon Dam site is about 140 feet below low water. Foundation and walls are of granite of excellent quality for a dam foundation. At site of the upstream cofferdam a line of drill holes shows a maximum depth of only 36 feet to bedrock. It is not considered advisable, however, to move the dam itself upstream to this point, as both the condition and the topography of the side walls at this point are much less favorable than at the site under consideration.

The greatest depth to bedrock found so far at Black Canyon is 123 feet. Sufficient borings have not yet been made to develop this site completely, and work is still in progress.

The foundation and walls at Black Canyon are described as a hard volcanic breccia, overlaid by flows of latite and andesite. This formation as exposed in the canyon walls is entirely suitable for the construction of a high masonry dam, and unless future borings disclose unexpectedly inferior material in the foundation or excessive depth to bedrock, the site should be

entirely satisfactory for the construction of a high masonry dam.

The rock in the abutments at the Glen Canyon site is a soft reddish sandstone, unsuitable for building stone or for either coarse or fine concrete aggregate, but probably of sufficient strength to support a concrete dam. Foundation conditions have not been fully tested, the single drill hole then being sunk having on December 15, 1922, reached a depth of 60 feet in the fine sand and silt of the river bed, without having reached bedrock. This drill work is being done by the Southern California Edison Co., and we have no later information as to the progress of this drilling.

As to the economy of building Glen Canyon Dam before one at the Boulder or Black Canyon site, attention is called to the fact that Glen Canyon is too far from power markets now available to be of value for power production for many years. For any given capacity up to complete regulation of the stream the height of a dam above low water at Glen Canyon must be greater than one at Boulder Canyon. Taking into consideration the greater distance from sources of supplies and labor, and other unfavorable conditions, a dam at Glen Canyon can not cost less than a dam of equal capacity at Boulder Canyon, and will produce absolutely no direct financial return for many years.

The amount estimated for river control and diversion during construction at Boulder Canyon is \$3,500,000. If the Glen Canyon dam cost \$50,000,000, as estimated for Boulder Canyon in the table, one year's interest at 6 per cent would practically absorb the savings on the Boulder Canyon dam, and even assuming for the sake of argument that it would cost only \$25,000,000, the saving would be swallowed up in two years. Under most favorable conditions power returns could not be realized in any considerable amount at Boulder Canyon in less time than that.

Question 18. The Interior Department appropriation act for the next fiscal year contains an item making \$100,000 immediately available for further engineering investigations on the Colorado River by the United States Reclamation Service. Is it your intention to expend any part of this sum in ascertaining the depth to bedrock and in obtaining other information relative to the Glen Canyon dam site?

Answer 18. It had been our intention to undertake the drilling of the Glen Canyon site and push it to a conclusion next winter, beginning as soon as the subsidence of the summer floods would permit. If, however, the work of the Southern California Edison Co., now under way at this site, results in satisfactory development of foundation conditions, it will not be necessary for the Reclamation Service to put in a drill outfit there.

Question 19. Any further comment that you may care to make relative to the approval of the Colorado River compact by the Arizona State Legislature will be appreciated.

Answer 19. The Colorado River compact provides that the lower basin shall be guaranteed an average of 7,500,000 acre-feet of water annually from the upper basin and all of the yield of the lower basin, and that any water not beneficially used for agricultural and domestic uses shall likewise be allowed to run down for use below. This provides for all known uses of water in the lower basin and a very large surplus for such

uses as may develop in the future. The greatest merit of the compact from the standpoint of Arizona is that it changes the attitude of the upper States from one of antagonism to one of friendship and advocacy of storage in the lower basin. If this fair offer is now rejected, the opposition of the upper basin to storage for the benefit of the lower basin will have stronger moral ground than ever, and the attitude of antagonism will be accentuated. This would accord with the wishes of those who are opposed to the development of the river and are opposing the compact. Arizona would thereby be placed in a position of preferring contention to development and her interests would suffer accordingly.

REPLIES MADE BY MR. OTTAMAR HAMELE.

Mr. Ottamar Hamel, for a number of years chief counsel of the United States Reclamation Service, acted as Mr. Hoover's legal advisor during the sessions of the Colorado River Commission last November at Santa Fe. I therefore considered him to be the best equipped to give a legal interpretation of the meaning of the compact. His replies to my questions will, I trust, clear up a number of misconceptions about it which are not founded on good law or sound reasoning.

DEPARTMENT OF THE INTERIOR,
UNITED STATES RECLAMATION SERVICE,
Washington, D. C., January 29, 1923.

HON. CARL HAYDEN,
House of Representatives.

DEAR HAYDEN: I have received the nine questions prepared by you concerning the Colorado River compact and take pleasure in answering them below in the order given:

Question 1. It has been said that the Colorado River compact is based upon the fallacious theory that the seven States named therein are jointly invested with the absolute ownership of that stream, and all rights arising out of or pertaining thereto, and consequently these States have power to divide its waters among themselves; but that as a matter of fact and law any right in and to the waters of the Colorado River can only be acquired by appropriation for a beneficial use, which right may be exercised solely by private citizens and not by any State, and therefore the proposed apportionment of the flow of the stream among the States of the upper and lower divisions can not be enforced because the Federal courts would grant relief to any citizen of the United States injured thereby who has a vested right in the stream, even though such right was initiated and acquired after the approval of the compact by the legislatures of the seven States and by the Congress. What is your answer to this contention?

Answer 1. When the terms of the Colorado River compact shall have been properly and fully approved by a State, they will be a part of the law of that State relating to the use of water, and in so far as they conflict with prior law they will operate as a repeal. Rights vested before such approval of the compact would not be affected by its terms, while rights vested after such approval would be subject to these terms, as is true generally of other State legislation. Every arid State has adopted rules under which the citizen obtains a right to the use of water; to limit future appropriations to the allocated waters of the compact is merely an additional rule.

Question 2. It has been suggested that no such compact between the seven States is necessary as an antecedent to the construction by the Federal Government of reservoirs on the lower Colorado, because Congress, acting for the United States as the owner of the dam and reservoir sites, could provide at the time when funds are made available that the building of such dams for power and irrigation purposes shall not be considered as creating any rights to the use of the waters of the Colorado River which might be adverse to subsequent appropriators in the upper basin. Has Congress now the power to thus limit or modify the right to the use of water from such reservoirs?

Answer 2. There is a diversity of opinion on this point. In the Wyoming-Colorado case the United States took the position that the National Government is the owner of the use of the unappropriated waters of the arid West, and that the States have never acquired any rights therein. However, the court, in deciding the case, did not pass on this claim and the question remains an open one. Under the theory advanced by the Government in that case, the United States apparently would have the right by legislation to place the limitations you mention on the water rights acquired in connection with Government dams and reservoirs.

If, however, it be contended that under existing law the State of Arizona, for instance, has a right as a sovereign to the use of the waters of the Colorado River under the doctrine of prior appropriation without reference to State lines,

and that appropriations by the Federal Government in that State must follow State law, it would seem that an act of Congress could not substitute for Government reservoirs in Arizona a new rule of appropriation not in agreement with the law of Arizona.

Question 3. The regulation of the flow of the Colorado River by the construction of large reservoirs would undoubtedly result in making available an increased supply of water at all seasons of the year, and the fear has been expressed that this water might be promptly utilized for the irrigation of large tracts of land in Mexico. Would the prior appropriation of this water to a beneficial use in Mexico create any right which the American Government would be bound to respect in case of a conflict of interests arising out of the subsequent development of irrigation projects within the United States whereby these Mexican lands would be deprived of water?

Answer 3. It would not. The rule of international law applicable to such a case was stated by Attorney General Judson Harmon in an opinion dated December 12, 1895 (21 Op. Atty. Gen. 274), concerning the Rio Grande. The following is taken from the syllabus of the reported opinion of the Attorney General:

"The rules, principles, and precedents of international law impose no duty or obligation upon the United States of denying to its inhabitants the use of the water of that part of the Rio Grande lying entirely within the United States, although such use results in reducing the volume of water in the river below the point where it ceases to be entirely within the United States.

"The fact that there is not enough water in the Rio Grande for the use of the inhabitants of both countries for irrigation purposes does not give Mexico the right to subject the United States to the burden of arresting its development and denying to its inhabitants the use of a provision which nature has supplied, entirely within its own territory. The recognition of such a right is entirely inconsistent with the sovereignty of the United States over its national domain."

Question 4. Would a declaration by Congress or by the legislatures of any of the seven States, made at the time of the approval of the Colorado River compact, of an intention ultimately to use all of the water necessary for the irrigation of any lands which may thereafter be reclaimed within the United States, or within any such States, regardless of any irrigation development that may subsequently take place in Mexico, be effective in preserving the right to use such water in the future?

Answer 4. Such a declaration by a State would be of no force, as the subject matter is one over which the State has no control. Such a declaration by the Congress would suggest a national policy, but would not prevent the making of a treaty having a contrary effect.

Question 5. It has been urged that the State of Arizona should be guaranteed forever the right to the entire and undiminished flow of the Colorado River as it now comes, and for ages past has come, to the north boundary line of that State. Upon what legal theory can the demand for such a right be based, and, in the absence of any guarantee or acknowledgment of its validity by the States of the upper division, how can the State of Arizona now successfully maintain and enforce such a claim?

Answer 5. The proposition you describe seems to be based on the common-law doctrine of riparian rights, which, however, does not obtain in the Colorado River Basin. Such a demand on the part of Arizona could not well be maintained. Other States could make the claim with equal force, to the detriment of Arizona. It would be contrary to the rule of prior appropriation which is the foundation of the present water law of Arizona and of the other States of the arid West. Also, it would be contrary to the decision of the United States Supreme Court in the Wyoming-Colorado case.

Question 6. What is the legal meaning of the term "any period of 10 consecutive years reckoned in continuing progressive series" as used in paragraph (d) of Article III of the Colorado River compact? What means could any State of the lower division use to compel the delivery of 75,000,000 acre-feet of water during such a period? Would it be necessary to wait until the end of some 10-year period before invoking the remedy?

Answer 6. The time referred to as "any period of 10 consecutive years reckoned in continuing progressive series" means the period from October 1, 1923, to October 1, 1933, the period from October 1, 1924, to October 1, 1934, and so on. If paragraph (d) of article 3 were being violated, suit could be brought to enforce its provisions. The aggrieved party would not necessarily have to wait until October 1, 1933, before instituting suit, but of course could not bring such suit until it appeared as a fact

that the compact was being violated. This paragraph could be eliminated without disturbing the plan of the compact, and should always be read in connection with paragraphs (a) and (b) of the same article.

Question 7. *If the States of the upper division should withhold water in violation of paragraph (e) of Article III of the Colorado River compact, what means would any State of the lower division have to compel the actual delivery of all water which was not being reasonably applied to domestic and agricultural uses?*

Answer 7. The same means such State now has to enforce its interstate water claims, supplemented, however, with the advantage of having its legal rights much more clearly defined. The plan of the compact is to reduce causes of controversy to a minimum, first, by agreeing upon the respective legal rights, and, second, by developing between the States, under the provisions of Articles V and VI, a spirit of cooperation and better understanding.

Question 8. *In the case of Howell v. Johnson (89 Fed. 556), the court held that "being the owner of these (public) lands it (the United States) has power to sell or dispose of any estate therein or any part thereof. The natural unnavigable streams flowing over the public domain are a part thereof, and the National Government can sell or grant the same or the use of the water separate from the rest of the estate under such conditions as may to it seem proper." Congress has passed the desert land act approved March 3, 1877 (19 Stat. 377), which provides that the "sources of water supply upon the public lands and not navigable shall remain and be held free for the appropriation and use of the public for irrigation, mining, and manufacturing purposes." If Article IV of the compact be construed as a declaration that the Colorado River is a non-navigable stream, could it be held that the effect of the approval of the compact by Congress would be to transfer the title to the unappropriated waters of the Colorado River from the United States to the seven States named therein, and also as a repeal of the provision of the desert land act which I have quoted?*

Answer 8. Secretary of the Interior Albert B. Fall, who is generally recognized as an authority on relations between this country and Mexico, on January 12, 1923, upon request, made a report on the Colorado River compact to the House Committee on Irrigation of Arid Lands. In that report he stated:

"The said paragraph (a), Article IV, of the compact would, in my opinion, be regarded as a violation of the rights of Mexico, and, to say the least, might be made the basis of a claim against the United States. I am clearly of the opinion that said paragraph should not be approved by the Congress of the United States."

However, should Congress consent to the paragraph in question, such consent would not, in my opinion, operate as a transfer to the States of any right the Government now has in the waters of the Colorado or as a repeal of any part of the desert land act. The compact was drafted with the understanding that it should neither affirm nor deny either the claims of the States or the claims of the United States upon this point. The United States has no interest adverse to any State, and the compact is thoroughly workable without settling therein the point you raise.

Question 9. *What is your interpretation of the meaning of Article VIII of the compact? Does the use of the term "such rights" imply that "present perfected rights" to the use of water in the lower basin would have to be satisfied from stored water after a storage capacity of 5,000,000 acre-feet has been provided? Whenever a reservoir of that size is available, must all future appropriations of water in the lower basin be based upon stored water and not upon the natural flow of the river?*

Answer 9. The purpose of Article VIII is largely psychological. It represents a compromise reached after much discussion. The compact would be complete were it eliminated. As I stated above, vested rights can not be affected by the compact. John Doe can execute a deed purporting to convey the house and lot belonging to his neighbor Richard Roe, but such deed is ineffective as a conveyance until signed by Richard Roe. So with rights from the Colorado River. It is planned that eight parties shall approve the Colorado River compact; such approvals can affect only the interests which those eight parties have, and can not cancel the vested rights of a ninth party not a party to the compact.

In my opinion, in so far as Article VIII can be construed as an attempt to change vested rights, it is ineffective. I believe these general statements answer your first two queries under this number. As to your third query, inasmuch as substantially all of the low water flow of the main Colorado has already been appropriated, "future appropriations" from that stream for the lower basin necessarily must depend largely

upon storage. I would add that such appropriations would be based primarily not on storage but on the allocation of 8,500,000 acre-feet of water per annum under paragraphs (a) and (b) of Article VIII.

In conclusion, I would suggest that in considering the Colorado River compact two facts should be kept in mind. The first is that this compact represents a compromise of many conflicting claims, as must nearly always be true in any settlement of this kind, either in or out of court. However, this settlement was reached within a year, while the settlement in court in the Wyoming-Colorado case required about 11 years, and is very unsatisfactory, not to one alone, but to both of the States involved in that case. The second fact to keep in mind is that the compact is not intended to be a complete settlement of all possible water controversy in the Colorado River Basin, but is a big step in the right direction and as big a one as can apparently be made at this time.

Very truly yours,

OTTAMAR HAMELE,
Chief Counsel.

INFORMATION FURNISHED BY THE GEOLOGICAL SURVEY.

It has been well said that water is the essence of the compact. The United States Geological Survey has been engaged for many years in the work of measuring the flow of streams, and has the only reliable information on that subject. The following letter fully demonstrates that the water supply, if properly conserved, is ample for all purposes.

DEPARTMENT OF THE INTERIOR,
UNITED STATES GEOLOGICAL SURVEY,
Washington, January 30, 1923.

HON. CARL HAYDEN,
House of Representatives.

MY DEAR MR. HAYDEN: In reply to your letters of January 4 and 11, and with reference to frequent personal interviews on the subject, I am sending you herewith answers to the questions propounded relative to the Colorado River.

Yours very cordially,

PHILIP S. SMITH,
Acting Director.

Question 1. *According to your records, what is the maximum, minimum, and average annual flow in acre-feet of the Colorado River between Yuma and Lees Ferry? I would also like to have the same information for all of the tributaries of the Colorado River in Arizona where you have a record of stream measurement.*

Answer 1. The summary of the principal records available for gauging stations on Colorado River and tributaries in the State of Arizona is shown by the attached blue-print sheets. The data given for each station are: The years or partial years of record, the maximum and minimum daily flow and dates of occurrence for each year, the average discharge for each complete year, and the total run-off for each year or partial year. The year used is the climatic or water year, beginning October 1 and ending September 30, unless otherwise noted.

The longest continuous record is that for Colorado River at Yuma, which begins with January, 1902. This record is collected by the United States Reclamation Service and furnished to the Geological Survey for publication. The point of measurement is below the mouth of the Gila, so the contribution of that stream is included in the record. The amounts diverted at Laguna Dam are not included in the record. The maximum year was 1908-9—run-off, 26,100,000 acre-feet; the minimum year was 1903-4—run-off, 9,870,000 acre-feet. The average annual run-off for 20 years is 17,450,000 acre-feet. It is of interest to note that the run-off during the year ending September 30, 1922, was about 1 per cent greater than the 20-year average.

The only records of flow of the Colorado River above Yuma are for one complete year at Lees Ferry, two complete years at Hardyville, and five complete years at Topock. The run-off at Lees Ferry for that year (1921-22) was 16,100,000 acre-feet. The average of the two years' records at Hardyville (1905-6, 1906-7) was 20,150,000 acre-feet. The records at Yuma show that the flow in these two years was 30 per cent greater than the 20-year average. The average run-off of five years at Topock (1917-1922) was 17,860,000 acre-feet. The records at Yuma show that the flow in the five years was 6 per cent less than the 20-year average. The run-off in 1921-22 at Topock was 6 per cent greater than the five-year average at Topock.

The records indicate that 1921-22 was approximately an average year of run-off. The inflow between Lees Ferry and Topock for that year, as shown by the records, was 2,900,000 acre-feet. There was an apparent loss of 1,400,000 acre-feet between Topock and Yuma, in addition to the total amount of

all inflow between the two points. This loss is partially accounted for by diversions for irrigation at Laguna Dam and other points above.

The available records for Little Colorado and Williams Rivers are too short to permit of reliable deductions as to the mean annual flow. The average annual contribution of these streams to the main Colorado has been estimated at 200,000 acre-feet for the Little Colorado and 75,000 acre-feet for Williams River.

Records have been obtained at several points on Gila River for periods of different length. The records for stations at Guthrie, Solomonville, San Carlos, and Kelvin have been assembled in the attached tabulation. Below the junction of the Salt there are records for one year near Sentinel and for three complete years in the vicinity of Dome. Records of several years' duration are available for Salt and Verde Rivers, and for periods of various length for San Francisco River, at Clifton; San Pedro River, near Fairbank; Santa Cruz River, at Tucson; Augua Fria River, near Glendale; and Hassayampa River, near Wagoner.

Inspection of the longer records for Colorado River at Yuma and those for Salt and Verde Rivers shows that during the past 20 years there were two periods or groups of years of high run-off. The first group contains the years 1905 to 1909, and the second group the years 1915 to 1917. It is evident, therefore, that figures representing average annual run-off at points on streams in Arizona, deduced from a record of only a few years in length, may be subject to considerable error.

Question 2. What percentage of the total flow of the Colorado River originates above Lees Ferry, and how much below that point?

Answer 2. Measurements of the flow of Colorado River at Lees Ferry have been made since July, 1921. The total run-off at that station for the water year ending September 30, 1922, was 16,100,000 acre-feet. For the same period the flow at Yuma was 17,600,000 acre-feet, and at Topock, 19,000,000 acre-feet. Therefore, for that year 91.5 per cent of the total flow as measured at Yuma and 84.2 per cent of that measured at Topock came from above Lees Ferry.

The mean annual flow at Yuma for the 20-year period 1903-1922 is 17,400,000 acre-feet. Therefore the water year ending September 30, 1922, was 200,000 acre-feet, or a little more than 1 per cent greater than the mean.

From the above it appears that between 85 and 90 per cent of the total flow of the Colorado River originates above Lees Ferry. Before the Lees Ferry records were available a study was made for the Colorado River Commission of records collected at gauging stations above Lees Ferry and the conclusion reached at that time—March, 1922—that about 91 per cent of the run-off at Yuma came from the States of Wyoming, Colorado, and Utah.

Question 3. What part of the total flow of the Colorado comes from the Gila River?

Answer 3. Records showing the flow of Gila River near the mouth are fragmentary. The Reclamation Service, however, has made an estimate of the total flow for the years 1903 to 1920, based on the available records and measurements of the Gila at or near Yuma. These estimates indicate an annual run-off of the Gila during 1903 to 1920 varying from less than 100,000 to 4,500,000 acre-feet, with a mean of about 1,100,000 acre-feet, which is about 6 per cent of the mean annual flow of the Colorado at Yuma.

Question 4. What are the dates of some of the highest floods in the Colorado River at Yuma and the flow in second-feet at the peak?

Answer 4. The maximum daily flow for each year during the period of record is shown on the attached sheets. The maximum recorded flow at Yuma was on January 22, 1916, when the mean flow for the day was 240,000 second-feet. It should be noted that this flood originated primarily from the Gila, as, during the winter, the main Colorado River is at low stage. The next highest flood occurred June 8, 1920, when the mean daily flow was 190,000 second-feet. This flood came from that part of the drainage area above the Gila. In general, winter floods at Yuma come from the Gila and summer floods from the Colorado River above the Gila.

Question 5. What are some of the low-water dates of the Colorado River at Yuma and the minimum flow in second-feet?

Answer 5. The minimum daily flow for each year of record is shown on the attached sheets. The minimum recorded flow at Yuma occurred January 16, 1919, when the mean flow was 1,800 second-feet.

Question 6. During what periods has all of the flow of the Colorado been diverted into the Imperial Canal, leaving the river dry in Mexico below the intake?

Answer 6. The Reclamation Service has obtained the following information from the Imperial irrigation district:

"In 1915, from September 20 to September 27, and again on October 2 and 3, all the water of the Colorado River was diverted into the Imperial Valley canal system, in spite of which an actual shortage, though not severe nor disastrous, existed there part of that time. In 1919 there was another shortage, the entire flow of the river during the period September 2 to September 14 being diverted into the canal system.

"During this period the mean flow was 3,325 second-feet, the usual diversion at this time of year being 5,000 second-feet. Under date of October 31, 1922, a report in this office shows that the entire flow of the river had again been diverted, the river having been dry below the heading since October 2 and the mean flow for the period October 2-31 was reported at 3,800 second-feet.

"This is the third time, so far as known, that the entire low-water flow of the river has been actually diverted into the valley, but at least one other year of record, 1902, had a minimum and mean flow for the month of September so low that the entire flow would not have satisfied the demands of the lands now under irrigation in Imperial Valley."

Question 7. What are the dates of some of the highest floods of the Gila River at Yuma and the flow in second-feet at the peak?

Answer 7. The Reclamation Service has recorded the following floods on Gila River of over 50,000 second-feet:

Date.	Second-feet.
February, 1891.....	105,000
February, 1905.....	82,000
March, 1905.....	95,000
November, 1905.....	95,000
Feb. 3, 1915.....	80,000
Jan. 22, 1916.....	200,000
Jan. 31, 1916.....	141,000
Nov. 30, 1919.....	72,600
Feb. 25, 1920.....	95,000

Question 8. During what part of the year is there usually no water flowing from the Gila into the Colorado River?

Answer 8. The Reclamation Service has recorded the Gila as having been dry at its mouth during entire months, as follows:

	Years.
May.....	8
June.....	13
July.....	11
August.....	6
September.....	8
October.....	9
November.....	8
December.....	8

Question 9. Have both the Gila and Colorado Rivers been in high flood at the same time?

Answer 9. The records show no periods when both the Colorado and Gila Rivers were in high flood at the same time. During three Gila floods there were considerable flows in the Colorado above the Gila, as follows:

Date.	Yuma Peak.	Colorado.	Gila.
March 20, 1905.....	111,000	16,000	95,000
January 22, 1916.....	240,000	40,000	200,000
April 20, 1917.....	70,000	30,000	40,000

Question 10. When has the Colorado River broken into Imperial Valley, and when were these breaks in the levees closed?

Answer 10. The Colorado has "broken into the Imperial Valley" from August, 1905, to November 4, 1906, and again from December 7, 1906, to February 10, 1907. (These dates have been obtained from papers by C. E. Grunsky, entitled "The lower Colorado River and the Salton Basin," published in Transactions of the American Society of Civil Engineers, vol. 59, pp. 1-50, and by H. T. Cory, entitled "Irrigation and river control in the Colorado River delta," published in Transactions of the American Society of Civil Engineers, vol. 76, pp. 1204-1571.)

Question 11. How many acre-feet of water were poured into the Salton Sink by each of these floods?

Answer 11. There is no exact record of the total flow of water to the Salton Sea during these breaks, but it is approximately the same as the total flow at Yuma for the same periods. The recorded run-off at Yuma during the first period was about 22,000,000 acre-feet and during the second period about 2,500,000 acre-feet.

Question 12. How many acre-feet of silt are deposited in the Colorado River delta each year?

Answer 12. The All-American Canal Board, in report published in 1920 (pp. 24-26), estimates the average quantity of silt carried in suspension annually at Yuma at 90,000 acre-feet and the bed load at 12,000 acre-feet, making a total load of silt of 102,000 acre-feet.

Engineers of the Reclamation Service estimate the average annual quantity of silt carried at Yuma at 113,000 acre-feet (S. Doc. No. 142, 67th Cong., 2d sess., p. 3).

Question 13. What is the estimated number of acre-feet of silt carried by the Colorado River annually at Boulder Canyon and at Lee Ferry?

Answer 13. The Reclamation Service has estimated (S. Doc. No. 142, 67th Cong., 2d sess.) that the amount of silt carried by Colorado River at Boulder Canyon averages about 88,000 acre-feet annually.

Question 14. Do geologists generally agree that the Gulf of California once extended over the Imperial Valley and the Salton Sink?

Answer 14. Geologists generally agree that the Gulf of California once extended over the Imperial Valley and Salton Sink.

Question 15. Arrangements were made last June or July for an engineering commission consisting of Messrs. E. C. LaRue of the Geological Survey, Porter J. Preston of the Reclamation Service, and Homer E. Turner representing the Arizona State water commissioner, to make a reconnaissance of lands irrigable from the Colorado River in western Arizona. How far have the investigations of this commission proceeded, and what results have been obtained up to the present time?

Answer 15. The Arizona engineering commission, consisting of E. C. LaRue, P. J. Preston, and H. E. Turner, is a State commission, for which Mr. LaRue has been lent by the Geological Survey and Mr. Preston by the Reclamation Service. The commission will make its report directly to State officials. There is therefore no report in Washington of findings of the commission to date, and none is expected until the State makes the report public.

Summary of stream-flow records for gauging stations in Arizona.

Gauging station.	Number of complete years of records.	Annual run-off in acre-feet.		
		Maximum.	Minimum.	Average.
Colorado River at Lees Ferry	1			16,100,000
Colorado River at Hardyville	2	21,500,000	18,800,000	20,150,000
Colorado River at Topock	5	21,500,000	12,900,000	17,860,000
Colorado River at Yuma	20	26,100,000	9,870,000	17,450,000
Little Colorado River at Woodruff	1			85,200
Little Colorado River at Holbrook	1			183,000
Chevelon Fork near Winslow	1			80,300
Clear Creek near Winslow				
Williams River near Swansea	2	116,000	78,100	97,000
Gila River at Guthrie	5	733,000	102,000	331,000

Summary of stream-flow records for gauging stations in Arizona—Con.

Gauging station.	Number of complete years of records.	Annual run-off in acre-feet.		
		Maximum.	Minimum.	Average.
San Francisco River at Chilton	3	681,000	106,000	357,000
Gila River near Solomonville	4	1,560,000	124,000	900,000
Gila River near San Carlos	4	1,500,000	83,300	871,000
Gila River near Kelvin	8	2,950,000	152,000	862,000
Gila River near Sentinel	1			318,000
Gila River at Yuma and Dome	3	3,050,000	201,100	1,787,000
San Pedro River at Fairbank	9	148,000	20,300	66,200
Santa Cruz River at Tucson	6	80,200	1,820	25,900
Salt River at Roosevelt	14	2,749,000	196,700	1,010,000
Salt River at McDowell	9	3,101,000	248,400	1,142,000
Verde River at Camp Verde	5	524,000	174,000	321,000
Verde River at McDowell	17	1,569,000	198,200	571,000
Agua Fria River near Glendale	4	806,000	34,200	332,000
Hassayampa River near Wagoner	2	36,400	2,580	19,500

Annual discharge of Colorado River at Lees Ferry, Hardyville, and Topock (years ending September 30).

Year.	Maximum day.		Minimum day.		Annual mean, sec.-ft.	Annual run-off, acre-feet.
	Sec.-ft.	Date.	Sec.-ft.	Date.		
<i>Lees Ferry (July, 1921, to September, 1922).</i>						
1921	66,000	Aug. 25	7,000	Sept. 30		14,540,000
1921-22	110,000	May 31	3,680	Jan. 14	22,200	16,100,000
<i>Hardyville (June, 1905, to September, 1907).</i>						
1905	99,800	June 15	4,520	Sept. 26		17,210,000
1905-6	116,000	June 20	2,820	Jan. 5	26,000	18,800,000
1906-7	112,000	June 12	5,500	Dec. 5	29,600	21,500,000
<i>Topock (February, 1917, to September, 1922).</i>						
1917	140,000	June 30	6,000	Feb. 4		18,800,000
1917-18	92,000	June 19			21,000	15,500,000
1918-19	77,300	June 4	4,100	Jan. 16	17,800	12,900,000
1919-20	155,000	June 1	5,500	Jan. 22	28,100	20,400,000
1920-21	174,000	June 22	5,900	Dec. 27	29,800	21,500,000
1921-22	121,000	June 3	6,360	Sept. 28	26,200	19,000,000

¹ Partial year.

Annual discharge for the years ending September 30, 1902 to 1922.

Year.	Maximum day.		Minimum day.		Annual mean (second-feet).	Annual run-off (acre-feet).
	Second-feet.	Date.	Second-feet.	Date.		
Colorado River at Yuma, Ariz.:						
1902 ¹	50,200	May 25.....	3,050	Sept. 28.....		7,110,000
1902-3.....	72,200	June 27.....	2,690	Jan. 12.....	15,200	11,100,000
1903-4.....	51,200	June 7.....	3,170	Dec. 25.....	13,000	9,870,000
1904-5.....	* 110,800	Mar. 20.....	3,480	Dec. 27.....	26,200	18,900,000
1905-6.....	* 102,700	Nov. 30.....	4,200	Jan. 19.....	20,300	19,200,000
1906-7.....	115,000	June 27.....	6,800	Dec. 30.....	35,800	26,000,000
1907-8.....	61,700	June 26.....	5,600	Jan. 20.....	18,700	13,600,000
1908-9.....	149,500	June 24.....	8,800	Jan. 12.....	36,000	26,100,000
1909-10.....	70,300	May 24.....	4,100	Dec. 31.....	20,600	15,000,000
1910-11.....	78,300	June 24.....	3,700	Jan. 10.....	22,400	16,200,000
1911-12.....	144,000	June 22.....	3,400	Jan. 12.....	26,900	19,600,000
1912-13.....	62,500	June 10.....	2,600	Jan. 20.....	16,000	12,000,000
1913-14.....	137,000	June 14.....	3,300	Jan. 7.....	27,400	19,900,000
1914-15.....	* 98,500	Feb. 3.....	2,700	Sept. 20.....	21,800	15,800,000
1915-16.....	* 240,000	Jan. 22.....	3,500	Oct. 2.....	29,600	21,500,000
1916-17.....	143,000	July 4.....	5,100	Dec. 28.....	30,500	22,100,000
1917-18.....	94,300	July 3.....	4,100	Sept. 13.....	18,000	13,100,000
1918-19.....	57,600	June 6.....	1,800	Jan. 16.....	14,200	10,300,000
1919-20.....	190,000	June 8.....	3,700	Oct. 10.....	30,100	21,900,000
1920-21.....	186,000	June 28.....	5,100	Dec. 27.....	26,000	19,300,000
1921-22.....	115,000	June 10.....	4,200	Jan. 31.....	24,400	17,600,000
Period.....	240,000	.....	1,800	.....	24,100	17,450,000
Little Colorado River at Woodruff:						
1905 (August-December).....	10,000	Nov. 27.....	5	Aug. 20.....		48,900
1906 (January-December).....	2,280	Mar. 13.....	1	Sept. 10-26.....	118	85,200
Little Colorado River at Holbrook:						
1905 (April-September).....	2,080	Apr. 26.....	5	July 23.....		91,500
1905-6.....	20,200	Nov. 27.....	3	June and July.....	253	183,000
1906-7 (October-April).....	2,100	Mar. 23.....	4	Nov. 1-7.....		91,400
Chevelon Fork near Winslow:						
1906 (January-December).....	3,870	Mar. 27.....	0.25	September and November.....	110	80,300
Clear Creek near Winslow:						
1906 (January-December).....	2,245	Dec. 5.....	3	Aug. 5.....		22,300

¹ January to September.

² Flood from Gila River.

Annual discharge for the years ending September 30, 1902 to 1922—Continued.

Year.	Maximum day.		Minimum day.		Annual mean (second-feet).	Annual run-off (acre-feet).
	Second-feet.	Date.	Second-feet.	Date.		
Williams River at Planet, near Swansea:						
1913 (January-September).....					108	26,400
1913-14.....					108	78,100
1914-15.....	8,100	Jan. 30.....	14	April to September.....	160	116,000
Gila River at Guthrie:						
1910-11 (November-September).....	3,260	July 25.....	6	May-June.....		133,000
1911-12.....			3	July 16.....		149,000
1912-13.....	1,000	Apr. 3.....	20	July 11-14.....	141	102,000
1913-14.....	2,060	July 20.....	22	May 12-19.....	313	227,000
1914-15.....	15,000	Dec. 20.....	30	July 16.....	1,010	733,000
1915-16.....	6,310	Jan. 20.....	36	June and July.....	464	336,000
1916-17.....	8,600	Jan. 20-21.....	26	July 19.....	358	259,000
1917-18 (October-June).....	246	Mar. 7.....	24	May 15.....		39,100
San Francisco River at Clifton:						
1913-14.....	1,280	July 4.....	24	June 28.....	146	106,000
1914-15.....	14,600	Dec. 20.....	30	June 29.....	939	681,000
1915-16.....	2,850	Mar. 23.....	40	June-July.....		205,000
1916-17.....		October.....	2	June 29.....	390	283,000
1917-18 (October-June).....	238	Mar. 1.....	33	June 15.....		41,100
Gila River near Solomonville:						
1914 (May-September).....	4,200	Aug. 31.....	64	June 29.....		218,000
1914-15.....	31,000	Dec. 20.....	80	July 2.....	2,160	1,500,000
1915-16.....	73,600	Jan. 19.....	110	June 21-28.....	1,810	1,320,000
1916-17.....	46,000	Oct. 14.....	89	Sept. 6.....	825	598,000
1917-18.....	1,100	July 1.....	75	Sept. 30.....	171	124,000
Gila River near San Carlos:						
1914 (May-September).....	3,220	Aug. 31.....	1	July 1.....		167,000
1914-15.....		December.....			2,100	1,500,000
1915-16.....		January.....	12	July 6.....	1,890	1,370,000
1916-17.....	33,500	Oct. 15.....	14	July 1.....	732	530,000
1917-18.....	1,540	Aug. 7.....	3	June 30.....	115	83,300
Gila River near Kelvin:						
1911-12.....	32,900	Mar. 12.....	3	June 1-5.....	722	523,000
1912-13.....	3,450	Feb. 27.....	0	June-July.....	250	181,000
1913-14.....	8,550	Aug. 19.....	1	June 15-19.....	612	443,000
1914-15.....	90,000	Dec. 24.....	45	July 17.....	4,080	2,950,000
1915-16.....	76,200	Jan. 20.....	29	July 7.....	1,840	1,330,000
1916-17.....	32,000	Oct. 15.....	24	June 30.....	801	581,000
1917-18.....	5,340	Aug. 7.....	4	July and September.....	210	152,000
1918-19.....	12,600	July 16.....	9	Oct. 19.....		736,000
1919-20 (October-April).....	9,190	Dec. 5.....	131	Nov. 2.....	1,020	619,000
Gila River, near Sentinel:						
1913-14 (October-September).....	19,000	Feb. 23.....	0	October and June.....	440	318,000
Gila River at Yuma and Dome: [*]						
1903 (January-September).....	2,000	April.....	0			47,500
1903-4.....	4,560	Aug. 30.....	0	Dry one or more months each year.....	278	201,100
1904-5.....	95,000	Mar. 28.....	0		4,200	3,050,000
1905-6.....	95,000	Nov. 30.....	0		2,930	2,110,000
1906 (October-December).....	29,000	Dec. 7.....	0			332,000
San Pedro River near Fairbank:						
1912-13.....	846	August and September.....	1.7	June and July.....	32.8	23,700
1913-14.....	12,300	Aug. 17.....	2	Oct. 20.....	205	148,000
1914-15.....			17	May and August.....		60,300
1915-16.....	1,760	Aug. 16.....	2	October and June.....	47.2	34,200
1916-17.....	5,180	July 24.....	2	October and January.....	125	90,200
1917-18.....	920	July 1.....	1	June and September.....	28	20,300
1918-19.....					131	94,900
1919-20.....	2,290	Aug. 11.....	2	Sept. 4.....	63.3	46,100
1920-21.....	6,700	July 30.....	1.5	June 29.....	140	102,000
1921-22.....	1,900	Aug. 10.....	1	April and May.....	50.4	36,500
Santa Cruz River at Tucson:						
1912-13.....	60	Aug. 7.....	0		3.9	2,810
1913-14.....	200	July.....	0		2.5	1,820
1914-15.....	8,510	Dec. 24.....	0		112	80,200
1915-16.....	4,000	January.....	0		51.4	37,300
1916-17.....	2,710	September.....	0		39.2	28,400
1917-18.....	1,490	Aug. 8.....	0		6.8	4,940
Salt River at Roosevelt:						
1901 (January-September).....	4,172	February.....	71	July 17.....		446,100
1901-2.....	4,675	Aug. 12.....	45	July 14.....	272	196,700
1902-3.....	2,800	Dec. 14.....	88	July and August.....	358	259,200
1903-4.....	14,700	Aug. 22.....	50	July 12.....	337	244,200
1904-5.....	45,470	Apr. 13.....	146	Oct. 5.....	3,800	2,749,000
1905-6.....	97,710	Nov. 27.....	217	Oct. 12.....	2,360	1,703,000
1906-7.....	26,600	Dec. 3.....	255	Oct. 25.....	1,760	1,275,000
1910 (January-September).....						343,700
1910-11.....					1,100	798,200
1911-12.....					771	558,000
1912-13.....					560	405,000
1913-14.....					738	534,400
1914-15.....					2,460	1,773,000
1915-16.....					3,330	2,413,000
1916-17.....					1,140	822,000
1917-18.....					555	402,100
Average of 14 years.....						1,010,000
Salt River at McDowell:						
1897 (May-September).....	2,010	May.....	83	July.....		174,900
1897-98.....	1,275	August.....	137	August.....	466	337,500
1898-99.....	3,500	do.....	155	October.....	384	278,100
1903-4.....	13,700	Aug. 23.....	38	July 16.....	343	248,400
1904-5.....	60,600	Apr. 13.....	154	Oct. 5.....	4,280	3,101,000
1905-6.....	138,000	Nov. 27.....	275	Nov. 1.....	2,750	1,988,000
1906-7.....	38,000	Dec. 4.....	278	Oct. 24.....	1,980	1,432,000

¹ High-water periods in March and July not included.² Dec. 11, 1915, to Mar. 8, 1916, not included.³ Discharge estimated for several months. Maximum daily discharge not determined for floods of December, 1914, and January, 1916.⁴ Near Yuma during 1903. Near Dome during 1904 to 1905.⁵ No record during floods of December and January.⁶ Beginning October, 1913, records are sum of records for Salt River above reservoir and Tonto Creek.

Annual discharge for the years ending September 30, 1902 to 1922—Continued.

Year.	Maximum day.		Minimum day.		Annual mean (second-feet).	Annual run-off (acre-feet).
	Second-feet.	Date.	Second-feet.	Date.		
Salt River at McDowell—Continued.						
1907-8.....	30,900	Feb. 4.....	214	July 9.....	1,520	1,103,000
1908-9.....	35,000	Dec. 17.....	50	Jan. 11-17.....	1,800	1,304,000
1909-10.....					671	486,000
Average 9 years.....						1,142,000
Verde River at Camp Verde:						
1913 (January-September).....	7,080	Apr. 1.....	120	May and June.....	254	254,000
1913-14.....	7,180	Feb. 22.....	31	June 28.....	265	191,000
1914-15.....	3,400	Mar. 26.....	42	July 15.....	535	388,000
1915-16.....			40	Oct. 5.....	724	524,000
1916-17.....	7,650	Apr. 23.....	95	June 16.....	456	330,000
1917-18.....			38	June 9.....	241	174,000
Verde River at McDowell:						
1897 (May-September).....	5,000	September.....	90	July.....	327	119,503
1897-98.....	1,890	July.....	115	do.....	327	226,503
1898-99.....	2,500	September.....	100	August.....	274	198,200
1901 (January-December).....	6,610	January.....	29	July.....	426	302,600
1903-4.....	6,030	July 31.....	32	July 20.....	382	276,600
1904-5.....	32,970	Feb. 4.....	125	July 12.....	2,170	1,569,000
1905-6.....	61,450	Nov. 27.....	105	July 4.....	1,250	901,800
1906-7.....	32,200	Mar. 6.....	144	July 20.....	1,190	859,700
1907-8.....	14,400	Feb. 4.....	98	July 7.....	628	455,000
1908-09.....	51,600	Dec. 16.....	116	June 29.....	1,050	763,500
1909-10.....					655	474,100
1910-11.....					917	664,500
1911-12.....					625	452,300
1912-13.....					515	373,000
1913-14.....	17,125	Feb. 23.....	78	July 1.....	545	394,000
1914-15.....	15,675	Jan. 30.....	95	July 20.....	960	705,000
1915-16.....	53,350	Jan. 19.....	115	July 10.....	1,290	933,000
1916-17.....	26,600	Apr. 18.....	128	July 5.....	1,240	893,000
1917-18.....	54,300	Mar. 14.....	112	June 13.....	773	559,000
Average, 17 years.....						571,000
Agua Fria River near Glendale:						
1914-15.....	(1)	Jan. 29.....	2	Oct. 25.....	345	250,000
1915-16.....	(2)	Jan. 27.....	2	Oct. 20.....	1,110	806,000
1916-17.....	22,800	Apr. 18.....	5	July 1.....	332	240,000
1917-18.....	1,500	Aug. 10.....	2	May to September.....	47	34,200
Hassayampa River near Wagoner:						
1912-13 (December-September).....	235	Sept. 4.....	0	June.....		2,970
1913-14.....	108	July 24.....	0	May to September.....	3.6	2,580
1914-15.....	660	July 23.....	0	October.....	50	36,400
1917-18 (October-May).....	500	Mar. 8.....	1	October.....		4,100

¹ Crest discharge on Jan. 29 estimated as 60,000 second-feet.² Crest discharge on Jan. 27 estimated as 105,000 second-feet.

DATA FROM THE FEDERAL POWER COMMISSION.

In order to secure late information relating to all the applications for power sites on the Colorado River within the State of Arizona I made inquiry of the Federal Power Commission, and under date of January 2, 1923, received the following data from Col. William Kelly, the chief engineer:

No. 111. Southern California Edison Co., Los Angeles, Calif.: Dam at Grand Wash just west of Nevada-Arizona line, backing water to Diamond Creek.

Dam at Diamond Creek, backing water to west boundary of Park.

Dam at Marble Canyon just above Park, developing head to Lee Ferry.

Dam at Glen Canyon, 500 feet high, backing water approximately to mouth of Green River.

Total development, 2,500,000 horsepower.

No. 258. Southern California Edison Co., Los Angeles, Calif.: Dam at Bulls Head Rock near Fort Mohave, 220 feet high, creating backwater to Old Callville.

Dam at Old Callville, creating backwater to Grand Wash. Capacity of project, 900,000 horsepower.

No. 238. City of Los Angeles, Calif.: Dam at Black Canyon, 500 feet high, developing 600,000 horsepower.

No. 230. James B. Girand, Phoenix, Ariz.: Dam at mouth of Andrus Canyon, about 25 miles above Diamond Creek, developing 65,000 horsepower—alternate scheme to the one of Mr. Girand providing for raising the Diamond Creek Dam.

No. 231. James B. Girand, Phoenix, Ariz.: Dam at Pierce Ferry about 30 miles below Diamond Creek, to create backwater to Diamond Creek and develop about 65,000 horsepower.

No. 30. Beckman & Linden Engineering Corporation, 604 Mission Street, San Francisco, Calif.: Dam above Parker, Ariz., creating backwater to Needles, Calif., and developing 115,000 horsepower.

No. 59. E. I. Beyard, Seligman, Ariz.:

Series of dams from Boulder Canyon to Lee Ferry, developing all the power in the stream except the part within national park.

Applicant has made no showing of preparedness to develop any part of this extension scheme.

No. 265. Guy P. Mohler, box 561, Needles, Calif.:

Project to develop all the power in the Colorado River between Fort Mohave and Boulder Canyon.

Applicant has made no showing of financial ability to carry out his proposed undertaking.

All of the above projects have been advertised in accordance with the provisions of the Federal water power act, but action upon them has been suspended pending the investigations and report of the Colorado River Commission.

No. 121. James B. Girand, Phoenix, Ariz.: Dam at Diamond Creek, 270 feet high, with provision to raise the same to 400 feet, developing 139,000 primary horsepower and with installed capacity of 200,000 horsepower.

A preliminary permit was granted to the Interior Department and by the Forest Service about 1917. An application for a final permit was pending when the Federal water power act was passed, and in accordance with the provisions of section 23 of the act the application was transferred to this commission. The application as prepared did not comply with the regulations of this commission because of the fact that the new act contained many provisions not set forth in the previous act, under which a preliminary permit had been granted. Accordingly this commission gave Mr. Girand a preliminary permit on July 19, 1921, so as to maintain his priority. Pursuant to this preliminary permit, a new application for a license was filed in March, 1922, which was satisfactory from an engineering point of view; but in view of the fact that the Colorado River Commission had been created, and in view of the Swing-Johnson bill providing for the construction of a large dam at Boulder or Black Canyon by the Federal Government, action on Mr. Girand's application was temporarily suspended. Mr. Girand's permit was to have expired July 18, 1922, but it was extended to October 19, 1922, and again extended to March 19, 1923.

APPROVAL OF COMPACT BY CONGRESS.

On December 18, 1922, Hon. FRANK W. MONDELL introduced a bill (H. R. 13480) granting the consent and approval of Congress to the Colorado River compact, a copy of which I shall print as an extension of my remarks. Nothing will be done with that measure until the compact is approved by the

legislatures of all of the seven interested States, because Congress can not be expected to act in advance of such an agreement. The bill was referred by the chairman of the Committee on Irrigation of Arid Lands to the State and Interior Departments and to the Federal Power Commission. The following reports have been received:

DEPARTMENT OF STATE,
Washington, December 30, 1922.

HON. ADDISON T. SMITH,
House of Representatives.

SIR: I have the honor to acknowledge the receipt of your letter of December 21, 1922, transmitting a copy of the bill (H. R. 13480) granting the consent and approval of Congress to the Colorado River compact, and requesting me to furnish your committee such information and suggestions as may be proper regarding the proposed legislation.

The compact does not pertain to matters coming within the jurisdiction of this department, except in so far as the control and use of the waters of the Colorado River system may possibly affect the international relations of the Government. The fact that the Colorado River has international aspects and the possibility that questions of an international character concerning the use of the waters may arise, necessitating action by the Federal Government with respect to the distribution of the waters, appears to be recognized and adequately provided for by Article III (c) of the compact.

I may, however, call attention to what appears to be a slight inaccuracy in lines 11 to 14, page 2, of the bill, in which it is stated that the compact was signed by representative commissioners of the States mentioned "and the representative appointed by the President." I think it would be more accurate to state that the compact was signed by the representative commissioners and "approved by the representative appointed by the President." The second paragraph of Article XI, as well as the signatures to the compact (page 11 of the bill) indicate that only the States in question are to be considered signatories.

I have the honor to be, sir,
Your obedient servant,

CHARLES E. HUGHES.

DEPARTMENT OF THE INTERIOR,
Washington.

HON. ADDISON T. SMITH,
Chairman Committee on Irrigation, House of Representatives.

MY DEAR MR. SMITH: Answering your request for report upon H. R. 13480, a bill granting the consent and approval of Congress to the Colorado River compact, which measure is designed to ratify a compact executed at Santa Fe on November 24, 1922, by representatives of the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, and approved by a representative of the United States.

Paragraph (a) of Article IV of the compact would make navigation subservient to domestic, agricultural, and power uses. In this connection, I direct attention to the fact that under the treaty of 1854 the Republic of Mexico appears to have certain rights with reference to the "Rio Colorado." The first paragraph of Article IV of this treaty reads as follows:

"The provisions of the sixth and seventh articles of the treaty of Guadalupe Hidalgo having been rendered nugatory for the most part by the cession of territory granted in the first article of this treaty, the said articles are hereby abrogated and annulled and the provisions as herein expressed substituted therefor. The vessels and citizens of the United States shall in all time have free and uninterrupted passage through the Gulf of California, to and from their possessions situated north of the boundary line of the two countries. It being understood that this passage is to be by navigating the Gulf of California and the River Colorado, and not by land without the express consent of the Mexican Government; and precisely the same provisions, stipulations, and restrictions in all respects are hereby agreed upon and adopted, and shall be scrupulously observed and enforced by the two contracting Governments in reference to the Rio Colorado, so far and for such distance as the middle of that river is made their common boundary line by the first article of this treaty."

The sixth and seventh articles of the treaty of Guadalupe Hidalgo, as decreed by this language, were rendered nugatory "for the most part," but you will note the language with reference to the mutuality of rights of the two Governments is expressly insisted upon.

The provisions of this treaty and the articles of the treaty of Guadalupe Hidalgo referred to were considered by the Supreme

Court of the United States in what is known as the "Rio Grande Dam case."

During the administration of Mr. Taft a form of convention was presented by this country to Mexico, and was agreed upon for the settlement of the irrigation question and use of water on the lower Colorado.

This convention was never executed nor the commissioners thereunder appointed because of the Mexican revolution, and the matter, as between the United States and Mexico, remains in this shape.

I also direct attention to the decisions of the United States Supreme Court in the case of United States against Rio Grande Irrigation Co. (174 U. S. 69; 184 U. S. 416), in which latter decision the court sets out the treaty provisions, equally applicable to the Rio Colorado, and states—

"These treaties, with the above and other acts of Congress, being in force, the present suit was brought" * * *

And the court concluded by saying—

"We can not resist the conviction that if we proceed to a final decree upon the present record great wrong may be done to the United States, as well as to all interested in preserving the navigability of the Rio Grande. * * * We are the better satisfied with this disposition of the case because the questions presented may involve rights secured by treaties concluded between this country and the Republic of Mexico. As the latter country can not be indifferent to the result of this litigation and is not a party to the record, the court ought not to determine the important question before us in the absence of material evidence, which we are not at liberty upon this record to doubt would be in the record but for the somewhat precipitate action of the trial court."

It will thus be seen that the Supreme Court finally recognized the rights of Mexico under treaty provisions and remanded the case for further evidence, among other reasons, because of the recognition of Mexico's rights.

Thereafter, our Government entered into an arrangement with Mexico for the construction of a reservoir upon the Rio Grande, under the terms of which, among other things, Mexico was granted in perpetuity 60,000 acre-feet of water annually from such reservoir for her use or that of her citizens free of all costs.

On January 8, 1913, a preliminary draft of a proposed convention with Mexico, dealing with the waters of the Colorado, was submitted by the Secretary of State to the then Secretary of the Interior for his consideration and comment. Other preliminary drafts of proposed convention have been submitted by each Government and considerable discussion had taken place, as shown by correspondence on file in this department. The United States insisted upon the appointment of a commission to make studies; the Mexican Government insisted upon the Joint Boundary Commission making such studies. On February 8, 1913, the State Department forwarded a final draft of proposed convention to this department, together with a copy of letter from Secretary Knox to the American ambassador in Mexico. The latter letter advised the ambassador that the department had retained the wording of the preamble as proposed originally and commented on various counterproposals. This proposal was approved by the Interior Department and submitted by Ambassador Wilson to the then Mexican administration. Thereafter, events which took place in Mexico resulted in the recall of the ambassador, leaving the drafts of the convention practically approved by both Governments but without final conclusion, either by treaty or appointment of commissioners.

The matter received consideration during the Wilson administration, various references thereto being made in official correspondence.

In October, 1921, I received from the State Department a communication inclosing translations of communications from the Mexican de facto authorities, referring to meetings of governors of the various States who were discussing rights to the use of waters and requesting that Mexico be allowed to participate in any arrangement concerning the distribution and use of the waters of the Colorado, and that Mexico might be represented as an interested party in any proceedings taken under the act of Congress of August 19, 1921. I replied to this communication and called attention to the fact that on June 27, 1921, I had written the Secretary of State calling his attention to treaty provisions and stating:

"I do not understand that the result of any such consideration (by the commission of which Mr. Hoover is a member) would affect Mexico in any way, as, of course, the United States would not be a party to any agreement with individual or col-

lective States which would constitute a breach or violation of any treaty which it may have entered into with Mexico."

At a meeting in San Diego, Calif., about December 1, 1921, where discussion was had as to report which I was preparing to send to Congress with respect to the use of the waters of the Colorado River, Mexican officials were unofficially present and their informal suggestions listened to. I explained publicly that I favored the construction of a reservoir by the Government for the impounding of waters for the protection of the lower Colorado River for irrigation of present irrigable lands of the United States and Mexico and that I did not favor the granting of any individual rights for power or otherwise until this Government could decide its course of action, for the reason, among others, that the Government was the only authority or power through which the treaty rights of Mexico as well as the rights of the several States of the Union could properly be protected.

The said paragraph (a), Article IV, of the compact would, in my opinion, be regarded as a violation of the rights of Mexico and, to say the least, might be made the basis of a claim against the United States. I am clearly of the opinion that said paragraph should not be approved by the Congress of the United States.

Section 2 of the bill apparently covers the same subject matter as Article X of the compact and appears to be surplusage.

With respect to existing rights to the use of the waters of the Colorado River, treated in Article VIII of the compact, I direct attention to the fact that the United States Government has constructed or is constructing several reclamation projects upon the Colorado River and its tributaries and investigations have been made of other projects which may at some future time be undertaken. I also direct attention to the existing system which irrigates the lands in Imperial Valley, Calif., in the United States, as well as certain lands in Mexico, the main canal passing through Mexico for a long distance prior to entering the irrigable lands of Imperial Valley. With respect to the history of this project, reference is made to volume 33, Land Decisions, page 391, and to pages 14, 15, and 16 of Senate Document No. 103, Sixty-fifth Congress, first session, copy inclosed.

In view of the foregoing, I suggest that there be substituted for the present section 2 of the bill the following:

"Sec. 2. That this act is not intended and shall not be construed as an approval by the United States of the provisions of paragraph (a) of article 4 of the compact, nor as abrogating, limiting, or in any way affecting any existing rights of the United States or of the Republic of Mexico concerning the subject matter of the compact."

It would be appropriate in section 1, line 3, after the word "that," to insert the words "subject to the provisions of section 2 of this act"; in section 1, line 11, to change the word "signed" to "executed," and in section 1, line 14, after the word "and," to insert the words "approved by."

Subject to the suggestions above made I favor the enactment of the measure.

Respectfully,

ALBERT B. FALL, *Secretary.*

FEDERAL POWER COMMISSION,
Washington, December 29, 1922.

[Secretary of War, chairman; Secretary of the Interior; Secretary of Agriculture; O. C. Merrill, executive secretary.]

HON. ADDISON T. SMITH,

*Chairman Committee on Irrigation of Arid Lands,
House of Representatives.*

DEAR MR. SMITH: In reply to your request for information and suggestions on H. R. 13480, granting the consent and approval of Congress to the Colorado River compact, I have to inform you that practically all development on the Colorado River is suspended pending the acceptance by the interested States and the United States of some compact to apportion the waters equitably among the States.

There are several developments now under consideration which have merit and a fair chance of success, and in the interest of that region they should be permitted to proceed.

The compact quoted in H. R. 13480 is the result of many conferences and discussions; it has been agreed to by the representatives of all the interested States and offers the best, if not the only, chance of terminating an obstructive controversy. It is believed therefore that H. R. 13480 should receive favorable action.

Very truly yours,

JOHN W. WEEKS,
Secretary of War, Chairman.

It will be noted that the Secretary of State approves of the compact. The Secretary of the Interior also favors its ap-

proval by Congress except that, in his opinion, Congress should not agree to paragraph (a) of Article IV, which makes navigation subservient to domestic, agricultural, and power uses. His objection is based upon the fear that to do so might violate the terms of existing treaties with Mexico. This advice by Secretary Fall is gratuitous, since the Department of the Interior has no jurisdiction over the question of the navigability of streams within the United States, which is a function of the War Department, and the conduct of all foreign relations is vested by law in the Department of State. This suggestion may therefore be considered as merely an expression of his personal views which, however, should be given attention as coming from a distinguished international lawyer who has made a profound study of Mexican affairs.

Since the Secretary of the Interior has made these observations upon a matter over which he has no official authority I feel even more free to say that I do not agree with him at all. First, because, in truth, navigation is now, and for many years has been, the least of all the uses of the waters of the Colorado River and there is no way in which Mexico can suffer any injury by a frank recognition of that fact.

Second, because the provisions of the treaties quoted and referred to by Secretary Fall do nothing more than prohibit action by either the Government of the United States or the Government of Mexico *along the common boundary line* which might impede navigation in the Colorado River. Therefore, anything done wholly within the United States and not *along the common boundary line* would not violate either the letter or the spirit of these treaties even though navigation were made impossible.

Third, because the general proposition that Mexico has any interest in maintaining the navigability of that part of the Colorado River which is wholly within the United States is completely refuted by the opinion of Attorney General Judson Harmon, dated December 12, 1895, a part of which has been quoted by Mr. Hamel in answer to one of my questions. I am advised that this opinion has always been considered by the State Department to be a sound and accurate statement of the international law governing such cases.

The decision of the Supreme Court in the case of *United States v. Rio Grande Irrigation Co.* in no way modified or disturbed the legal principles thus laid down by Attorney General Harmon.

The references made by Secretary Fall to the various ineffectual efforts that have been made to conclude a convention between the United States and Mexico dealing with the waters of the Colorado River have absolutely no bearing on the question of navigation. An examination of the terms of these proposed conventions will disclose that nothing was provided except that a joint commission be appointed to study, agree upon, and report the basis of distribution and appropriation of the waters of the Colorado River, the findings of the commission, if and when approved by the two Governments, to be embodied in a treaty.

The report of the Secretary of War, as chairman of the Federal Power Commission, also approves of the compact. His statement that practically all water-power development on the Colorado River is suspended pending the acceptance by the interested States of some such compact confirms what I understand to be a fixed policy of the Harding administration. I am informed that it has been agreed that no applications for power sites on the Colorado River will be granted until the Colorado River compact is approved by the legislatures of the seven States and by Congress. This includes the application of Mr. James B. Grand for the Diamond Creek site in Arizona.

At my request the legislative reference service of the Library of Congress has furnished the following information:

AGREEMENTS AND COMPACTS BETWEEN STATES OF THE AMERICAN
FEDERAL UNION TO WHICH CONGRESS HAS GIVEN ITS ASSENT.

BOUNDARY COVENANTS.

1. Kentucky and Tennessee: May 12, 1820. (Stat. L. vol. 3, p. 609.)
2. New York and New Jersey: June 28, 1834. (Stat. L. vol. 4, pp. 708ff.)
3. Virginia and Maryland: March 3, 1879. (Stat. L. vol. 20, pp. 481ff.)
4. New York and Vermont: April 7, 1880. (Stat. L. vol. 21, p. 72.)
5. New York and Connecticut: February 26, 1881. (Stat. L. vol. 21, pp. 351ff.)
6. Connecticut and Rhode Island: October 12, 1888. (Stat. L. vol. 25, p. 553.)
7. New York and Pennsylvania: August 19, 1890. (Stat. L. vol. 26, pp. 329ff.)

PROTECTION OF FISH IN BOUNDARY WATERS.

1. Oregon and Washington: April 8, 1918. (Stat. L. vol. 40, p. 515.)

JURISDICTION OVER BOUNDARY WATERS FOR SPECIFIC PURPOSES.

1. North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, and Nebraska: March 4, 1921. (Stat. L. vol. 41, pp. 1447ff.)

CONSTRUCTION AND OPERATION OF TUNNELS.

1. New York and New Jersey: July 11, 1919. (Stat. L. vol. 41, p. 158.)

DEVELOPMENT OF THE PORT OF NEW YORK.

1. New York and New Jersey: August 23, 1921. (Stat. L. vol. 42, pp. 174ff.)

2. New York and New Jersey: July 1, 1922. (Stat. L. vol. 42, pp. 822ff.)

ERECTION, MAINTENANCE, AND OPERATION OF WATERWORKS.

1. Kansas and Missouri: September 22, 1922. (Stat. L. vol. 42, p. 1058ff.)

THE MONDELL BILL.

The following is a copy of H. R. 13480, which contains the text of the Colorado River compact:

IN THE HOUSE OF REPRESENTATIVES,
December 18, 1922.

Mr. MONDELL introduced the following bill; which was referred to the Committee on Irrigation of Arid Lands and ordered to be printed.

A bill (H. R. 13480) granting the consent and approval of Congress to the Colorado River compact.

Whereas the act approved August 19, 1921, entitled "An act to permit a compact or agreement between the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming respecting the disposition and apportionment of the waters of the Colorado River, and for other purposes," gave the consent of Congress to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming to negotiate and enter into a compact or agreement providing for an equitable distribution and apportionment among the said States of the waters of the Colorado River and of streams tributary thereto, upon condition that a suitable person, to be appointed by the President of the United States, should participate in said negotiations; and

Whereas under the authority of said act the representative commissioners of the said States did on the 24th day of November, 1922, at the city of Santa Fe, N. Mex., sign a compact under the provisions of the said act, which compact was approved by the representative appointed by the President of the United States: Therefore

Be it enacted, etc., That the consent and approval of Congress is hereby given to a compact signed at the city of Santa Fe, N. Mex., on the 24th day of November, 1922, under and in accordance with the authority of the act approved August 19, 1921, entitled "An act to permit a compact or agreement between the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming respecting the disposition and apportionment of the waters of the Colorado River, and for other purposes," which compact was signed by the representative commissioners of the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the representative appointed by the President of the United States under said act, which compact is as follows:

"COLORADO RIVER COMPACT.

"The States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, having resolved to enter into a compact under the act of the Congress of the United States of America approved August 19, 1921 (42 Stat. L. 171), and the acts of the legislatures of the said States, have, through their governors, appointed as their commissioners:

"W. S. Norviel, for the State of Arizona;

"W. F. McCure, for the State of California;

"Delph E. Carpenter, for the State of Colorado;

"J. G. Scrugham, for the State of Nevada;

"Stephen B. Davis, Jr., for the State of New Mexico;

"R. E. Caldwell, for the State of Utah;

"Frank C. Emerson, for the State of Wyoming;

who, after negotiations participated in by Herbert Hoover, appointed by the President as the representative of the United States of America, have agreed upon the following articles:

"ARTICLE I. The major purposes of this compact are to provide for the equitable division and apportionment of the use of the waters of the Colorado River system; to establish the relative importance of different beneficial uses of water; to promote interstate comity; to remove causes of present and future controversies; and to secure the expeditious agricultural

and industrial development of the Colorado River Basin, the storage of its waters, and the protection of life and property from floods. To these ends the Colorado River Basin is divided into two basins, and an apportionment of the use of part of the water of the Colorado River system is made to each of them with the provision that further equitable apportionments may be made.

"ART. II. As used in this compact—

"(a) The term "Colorado River system" means that portion of the Colorado River and its tributaries within the United States of America.

"(b) The term "Colorado River Basin" means all of the drainage area of the Colorado River system and all other territory within the United States of America to which the waters of the Colorado River system shall be beneficially applied.

"(c) The term "States of the upper division" means the States of Colorado, New Mexico, Utah, and Wyoming.

"(d) The term "States of the lower division" means the States of Arizona, California, and Nevada.

"(e) The term "Lee Ferry" means a point in the main stream of the Colorado River, 1 mile below the mouth of the Paria River.

"(f) The term "upper basin" means those parts of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River system above Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system above Lee Ferry.

"(g) The term "lower basin" means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system below Lee Ferry.

"(h) The term "domestic use" shall include the use of water for household, stock, municipal, mining, milling, industrial, and other like purposes, but shall exclude the generation of electrical power.

"ART. III. (a) There is hereby apportioned from the Colorado River system in perpetuity to the upper basin and to the lower basin, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, which shall include all water necessary for the supply of any rights which may now exist.

"(b) In addition to the apportionment in paragraph (a), the lower basin is hereby given the right to increase its beneficial consumptive use of such waters by 1,000,000 acre-feet per annum.

"(c) If, as a matter of international comity, the United States of America shall hereafter recognize in the United States of Mexico any right to the use of any waters of the Colorado River system, such waters shall be supplied first from the waters which are surplus over and above the aggregate of the quantities specified in paragraphs (a) and (b); and if such surplus shall prove insufficient for this purpose, then the burden of such deficiency shall be equally borne by the upper basin and the lower basin, and whenever necessary the States of the upper division shall deliver at Lee Ferry water to supply one-half of the deficiency so recognized in addition to that provided in paragraph (d).

"(d) The States of the upper division will not cause the flow of the river at Lee Ferry to be depleted below an aggregate of 75,000,000 acre-feet for any period of 10 consecutive years reckoned in continuing progressive series beginning with the 1st day of October next succeeding the ratification of this compact.

"(e) The States of the upper division shall not withhold water, and the States of the lower division shall not require the delivery of water, which can not reasonably be applied to domestic and agricultural uses.

"(f) Further equitable apportionment of the beneficial uses of the waters of the Colorado River system unapportioned by paragraphs (a), (b), and (c) may be made in the manner provided in paragraph (g) at any time after October 1, 1963, if and when either basin shall have reached its total beneficial consumptive use as set out in paragraphs (a) and (b).

"(g) In the event of a desire for a further apportionment as provided in paragraph (f) any two signatory States, acting through their governors, may give joint notice of such desire to the governors of the other signatory States and to the President of the United States of America, and it shall be the duty of the governors of the signatory States and of the President of

the United States of America forthwith to appoint representatives, whose duty it shall be to divide and apportion equitably between the upper basin and lower basin the beneficial use of the unapportioned water of the Colorado River system as mentioned in paragraph (f), subject to the legislative ratification of the signatory States and the Congress of the United States of America.

"ART. IV. (a) Inasmuch as the Colorado River has ceased to be navigable for commerce and the reservation of its waters for navigation would seriously limit the development of its basin, the use of its waters for purposes of navigation shall be subservient to the uses of such waters for domestic, agricultural, and power purposes. If the Congress shall not consent to this paragraph, the other provisions of this compact shall nevertheless remain binding.

"(b) Subject to the provisions of this compact, water of the Colorado River system may be impounded and used for the generation of electrical power, but such impounding and use shall be subservient to the use and consumption of such water for agricultural and domestic purposes and shall not interfere with or prevent use for such dominant purposes.

"(c) The provisions of this article shall not apply to or interfere with the regulation and control by any State within its boundaries of the appropriation, use, and distribution of water.

"ART. V. The chief official of each signatory State charged with the administration of water rights, together with the Director of the United States Reclamation Service and the Director of the United States Geological Survey, shall cooperate, ex officio:

"(a) To promote the systematic determination and coordination of the facts as to flow, appropriation, consumption, and use of water in the Colorado River Basin, and the interchange of available information in such matters.

"(b) To secure the ascertainment and publication of the annual flow of the Colorado River at Lee Ferry.

"(c) To perform such other duties as may be assigned by mutual consent of the signatories from time to time.

"ART. VI. Should any claim or controversy arise between any two or more of the signatory States: (a) With respect to the waters of the Colorado River system not covered by the terms of this compact; (b) over the meaning or performance of any of the terms of this compact; (c) as to the allocation of the burdens incident to the performance of any article of this compact or the delivery of waters as herein provided; (d) as to the construction or operation of works within the Colorado River Basin to be situated in two or more States, or to be constructed in one State for the benefit of another State; or (e) as to the diversion of water in one State for the benefit of another State; the governors of the States affected, upon the request of one of them, shall forthwith appoint commissioners with power to consider and adjust such claim or controversy, subject to ratification by the legislatures of the States so affected.

"Nothing herein contained shall prevent the adjustment of any such claim or controversy by any present method or by direct future legislative action of the interested States.

"ART. VII. Nothing in this compact shall be construed as affecting the obligations of the United States of America to Indian tribes.

"ART. VIII. Present perfected rights to the beneficial use of waters of the Colorado River system are unimpaired by this compact. Whenever storage capacity of 5,000,000 acre-feet shall have been provided on the main Colorado River within or for the benefit of the lower basin, then claims of such rights, if any, by appropriators or users of water in the lower basin against appropriators or users of water in the upper basin shall attach to and be satisfied from water that may be stored not in conflict with Article III.

"All other rights to beneficial use of waters of the Colorado River system shall be satisfied solely from the water apportioned to that basin in which they are situate.

"ART. IX. Nothing in this compact shall be construed to limit or prevent any State from instituting or maintaining any action or proceeding, legal or equitable, for the protection of any right under this compact or the enforcement of any of its provisions.

"ART. X. This compact may be terminated at any time by the unanimous agreement of the signatory States. In the event of such termination all rights established under it shall continue unimpaired.

"ART. XI. This compact shall become binding and obligatory when it shall have been approved by the legislatures of each of the signatory States and by the Congress of the United States. Notice of approval by the legislatures shall be given by the governor of each signatory State to the governors of

the other signatory States and to the President of the United States, and the President of the United States is requested to give notice to the governors of the signatory States of approval by the Congress of the United States.

"In witness whereof the commissioners have signed this compact in a single original, which shall be deposited in the archives of the Department of State of the United States of America, and of which a duly certified copy shall be forwarded to the governor of each of the signatory States.

"Done at Santa Fe, N. Mex., the 24th day of November, A. D. 1922.

"W. S. NORVIEL,
"W. F. MCCLURE,
"DELPH E. CARPENTER,
"J. G. SCRUGHAM,
"STEPHEN B. DAVIS, Jr.,
"R. E. CALDWELL,
"FRANK C. EMERSON.

"Approved:
"HERBERT HOOVER."

SEC. 2. That the said compact shall not be binding and obligatory on any of the parties thereto unless and until the same shall have been approved by the legislature of each of the said States and proclamation thereof shall be made by the President upon receipt by him from the governors of all the signatory States of notice of approval of such compact by the legislatures thereof.

DEDICATION, ENDICOTT-JOHNSON STADIUM, BINGHAMTON, N. Y.

Mr. CLARKE of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting in 8-point type a copy of my speech at the dedication of the First Ward Endicott-Johnson Stadium at Binghamton, N. Y., together with the statement of the labor policy of the Endicott-Johnson Corporation.

Mr. STAFFORD. It is not necessary that gentlemen request that their remarks be printed in 8-point type. If they are the gentleman's own remarks they will be printed in 8-point type.

The SPEAKER. Is there objection?

There was no objection.

Following are the speech and statement referred to:

SPEECH AT DEDICATION FIRST WARD ENDICOTT-JOHNSON STADIUM, BINGHAMTON, N. Y.

"Fellow members of the First Ward Endicott-Johnson Athletic Association, I was glad to become a member of this athletic association about a year ago, and I am doubly glad and proud to claim membership now when I see this wonderful athletic field and stadium so full of possibilities that you have built.

"Helpfulness is the final test of the success or failure of the man, of our institutions, our Government; yes, civilization itself.

"On every hand we find mute monuments that bear their silent but certain message that noble men and heroic women have contributed their time and means and selves in order to be helpful, to lighten the loads of others less fortunate, to make easier the way, to render opportunity more accessible to all.

"Our schools, our hospitals, our churches; yes, our Government itself, all bear the indelible imprint of hearts and minds—yes; lives—dedicated to helpfulness, not alone to the children of this day but to all of the children of all the to-morrows.

"Tom Brown doffed his cap as he stood at the grave of his beloved teacher, Doctor Arnold, of Rugby. A flood of memories of school days came rushing back and of how his dear old beloved teacher had put of himself in his effort to help his boys.

"Sir Christopher Wrenn was the architect of St. Paul's Cathedral in London; he put of himself in his work, and how fitting the epitaph you find over the entrance of his masterpiece, 'If you seek his monument look about you.'

"So, too, this wonderful stadium is an enduring monument, first, to those dauntless pioneers who conceived and dared to undertake; to those who persisted amidst a multitude of discouragements; to the Ansco Co. for its unselfish contributions; to Frank Walters and Roy Barnes for willingly and cheerfully assisting in directing the efforts of a multitude of earnest, enthusiastic souls; but most of all to your Mr. George F. Johnson, a kindred soul with a kindly heart, who understood the yearnings of these young people.

"Christened in the laboratory of honest toil.

"Tried and not found wanting in the crucible of competition.

"No helpful effort in this community seems to escape your observation or fails to enlist your hearty and thoughtful cooperation.

"Helpfulness is your watchword, as it should be ours.

"There flies Old Glory, our flag. Not a star or bar but what speaks its message of inspiration to all the world. On the crumbling ruins of many fallen kingdoms are new governments springing up largely modeled on our own. And everywhere these governments promise a larger helpfulness to all the people.

"No government since the beginning of history has brought so much to so many of its people as our own, and yet strange preachers and teachers are in our midst urging changes in its form and preaching doctrines and inculcating hate. Let us look back on our national history of helpfulness and service to our own; on the inspiration we have been to all the world—and then bid these strange preachers a speedy return to the foreign shores from whence most of them came. Our Constitution guarantees to everyone those inalienable rights of life, of liberty, of property, of equality of opportunity. No more should free men ask, no less do they deserve. Let's keep the faith with the founders who conceived and with a myriad of self-sacrificing souls that 'carried on' this form of government.

"Fly on Old Glory, and may your sons and daughters on this glorious field contest, always honorably and fairly, for all you symbolize; fight as in honor bound for that noble example of the 'square deal,' George F. He has made this field possible to you, and on it you should train yourself in that mastery of self that means so much. Fit your bodies that they may be fit places for all that is best in education and morals, and thus fitted you are prepared for the battle of life.

"The final measure of your success will find itself measured by the principle of the 'square deal' and your helpfulness to your fellow men, and the shining example in all his dealings with his thousands of employees who love him, and of the citizens of the 'valley of opportunity,' everybody's friend, George F. Johnson."

A REPLY AS TO THE ALLEGED "RAPACITY" OF THIS CORPORATION, APPEARING IN THE CONGRESSIONAL RECORD OF FEBRUARY 9, 1922. LABOR POLICY OF ENDICOTT-JOHNSON AND WORKERS.

"This article is written in response to persistent requests by labor employers and working people, who wish to know what is the 'policy' which has determined our successful operation of industry, as it is exemplified in the Endicott-Johnson organization. (Written by one who knows.) It needs must be simple, straight to the point, and easily understood.

"First. Wages or salary—or, better yet, yearly income—of the toilers is the outstanding and all-important element, necessarily first in importance. As every man who labors reckons his yearly income, so should a man who makes shoes, because it is his yearly income that determines his circumstances, comfortable or otherwise, under which he needs must exist. We are prone to speak of professional men as 'salaried' workers. Their income is generally spoken of, 'so much a year.' A workingman who labors with his hands is sometimes spoken of so carefully as to mention that he earns 'so much an hour,' or possibly 'so much a day,' and, on rare occasions, 'so much a week.' We think if a workingman earns 'a dollar an hour' it looks pretty big. If he earns '\$7 a day' he does pretty fair. And, perchance, if he earns '\$35 to \$50 a week,' it is great. But he does not live by the hour or by the day or by the week. This is not the way he supports his family and meets his current expenses. So the yearly income is the only way to reckon the income of those who labor with their heads and hands, as we have always figured the income of those who labor chiefly with their heads.

"This gives us the right start. Now, to make a good yearly income for the average working man or woman they must needs have steady work, as near 52 weeks each year as possible, less vacation periods, which are just as necessary for the worker as they are for the professional man. Therefore Endicott-Johnson's first and foremost duty, as they understand it, is to find a way to run steadily, week in and week out, month in and month out, guaranteeing steady incomes to the army of workers under their direction. There must be, first, then, a need for our products. There must be a market. And so, because we manufacture shoes, which are a prime necessity of the people, we are fortunate in the character of our product, shoes, or leather and shoes.

"Shoes are a highly competitive product. There are no 'combinations' in the shoe business. There never has been. There must be keen competition, because the productive capacity is at least one-third greater than the consumption or requirements. So it is a fight for business, which precludes any possibility of operating at big profits with little effort.

"The way we accomplished the elimination of the 'middleman' from our source of supplies is interesting, but this is another story. Sufficient to say that we did eliminate all the 'middlemen' between the raw hide and the finished shoe. Buying hides in the world's markets and manufacturing our

own leather in our own tanneries, supplying all our requirements for raw material without the intervention of 'middlemen' or middle costs and profits—this gives us our big source of leather supplies without unnecessary costs. We can make better leather for less money than any tannery in the world. We know how leather should be made, and what is required of leather for manufacturing into shoes. This big advantage makes it possible for us to furnish greater values in shoes, to pay higher wages to labor, to secure steadier production and better income for the entire organization.

"We have higher efficiency in the manufacture of leather and shoes because of square dealing with the workers and because of satisfied and contented workers. We have created in the minds of the average man and woman a real desire and a firm determination to try to do their work better, and do more of it. This has been done because we want them to earn better wages, and they are anxious also to earn good wages. There is not any combination to restrain production. There is no 'teamwork' which would seek to keep down the efforts of good, smart workers. There is no disposition to hold back and not to do a full day's work. And so the smart, intelligent worker earns more than the slower, duller one, as he naturally should. The natural result of this is the slow, dull worker is trying hard to produce quantity and quality to compare with his coworker who is able to do more and better work. So the tendency is always upward and not downward. Poor men do not drag down good men in this industry. Quite the reverse. Good men lift up the poor men. Good workers are an incentive to poor workers. Always there is the uplift.

"The hours of labor are reasonable—48 hours a week. The average wages last year were about \$1,450. Under a profit-sharing or surplus-sharing plan there was added to each worker's wages, on the average, about \$150, making a yearly income of \$1,600—man and woman, every name on the pay roll—52 weeks in the year.

"N. B.—We figure our average wages, including men and women and young people above the legal age of 16 years. We do not hire children below 16, adhering strictly to the legal limit. Many concerns employ young children because they can work cheap, and compute their average wages separately as between men and women, always showing a low average wage paid women and endeavoring to build up a high average wage paid men. This concern is different. We believe women must live as well as men. So we reckon our average wage all together—as last year, \$1,600—men and women, young and old.

"This is a high average for the shoe and leather industry, which is generally regarded as very uncertain and in which a large number of women are employed, particularly in the shoe-making end of it.

"We are building homes for the workers as fast as possible. We are selling them at cost or less.

"We are creating low living costs in many ways. We have medical departments, where the workers and all their families may have the best and most scientific care and attention. We have maternity wards and hospital service.

"We have prevention departments, preventing accidents.

"We have playgrounds of every description and swimming pools. We have race tracks. We have entertainments of various kinds. We make life worth living.

"The executives of the company, with one or two exceptions, live with the business and with the people. There is no distinction between those who labor and those who direct that labor. We have all learned to love the business from which we draw our common support.

"We make better shoes and sell them for less money. We are as careful to guard the interests of our customers as we are our own interests. We believe there can be no permanent success except that which is built up by cooperation. We could not expect to make poor shoes and sell them for big money in order to do all the nice things among ourselves that we are doing. We don't want to make a big profit at the expense of the customers. Quite the contrary. We are ambitious to give them more leather and better shoes for less money. While we take good care of ourselves, we also take good care of our customers.

"Every need of every family is promptly cared for. We have old-age pensions, which is simply the weekly wages continued while there is need. We have death insurance, which means we provide the means occasioned by the loss of the heads of families or supporting member of the family. There is no mechanical operation of insurance to deceased workers that gives \$1,000 to the family that has lost its support, whether the family needs it or not, or whether they need five times as much. We don't believe in that kind of insurance. Here is the way we insure:

"John, the head of the family, passes away. Immediately the needs of that family, occasioned by John's death, are ascertained, and whatever needs there are are provided for. For instance, John earned \$1,600 last year; but, because he made his investment in a big family, he has not been able to save much. He has been hoping, when the children grew up, to save some money, but he has not arrived yet. Therefore, what John's family needs is John's envelope just as if he were living, and this is just exactly what they get. For one year, therefore, John's wages are given to his family just as if he were living. If by that time there has been no adjustment, if the family needs the wages another year, it is provided. It may indeed be provided for the third, fourth, and fifth year. Whatever the needs may be, they are cared for. If John should have had a family, many able to work, if he should, indeed, have had some life insurance, if there is no need occasioned by his death, then nothing is done. So there is no mechanical operation insurance in our business. The needs of every case are carefully considered and conscientiously met. This is the right kind of insurance. Those who need it receive it. Those who don't need it help to pay it. If John's family, who secure his income for the first year, have partly adjusted their affairs, there is a decrease in the amount paid the second year. Or, perhaps, at the end of the second year there is no further need. If there still exists need, whatever that need is is cared for.

"Old-age pensions: If John is a faithful worker and unable to do a full day's work, he is encouraged to do what work he can, and gradually, as he grows older and less able, he finally retires, just as a business man retires, exactly. But his needs are cared for as long as he lives. There is no fixed or stated sum. It is whatever he and his family need to be comfortable with. This is provided as long as he lives, or as long as there is need. And so, to sum up, the needs of the workers are carefully considered and conscientiously supplied.

"Last, but not least, the personal contact and old-fashioned ideas prevail. Human nature is what we reckon with. We know what we like and what we dislike. Therefore we know what the working people like and what they cordially detest. They don't want to be patronized. They don't want to be toadied to. They don't want to accept favors. They only want a 'square deal.' Given it, the 'labor problem' is solved.

"If there is any complaint, they know exactly where to go to 'talk things over.' There are no shop committees, but committees can be made up from the workers, and they can see the head of the business—provided other sources have failed—and they can discuss their troubles freely, frankly, and candidly. There is an honest effort sure to be made to adjust their difficulties.

"The surplus or profit sharing, we believe, is the greatest stabilizer in industry. After good wages have been paid and fair and decent consideration given to the welfare of the producers—after capital has had fair rates of interest; after the customers and buyers of the product have had a 'square deal' in good values and reasonable prices—if there is then any surplus, it is split '50-50' between the common stockholders, who have taken the financial risks, and the workers, who have produced the results. There are no big profits, therefore, split among a few people. There are no families who divide the earnings.

"Everything is 'on the level.' Everything is fair and square. The industry itself is greater than any individual. It is a great place for a man to work. It is a splendid place to bring up a family. It is a business that all have learned to love, because it represents the 'golden rule' and the 'square deal' in industry. It is a successful business which deserves to be successful."

NO QUORUM—CALL OF THE HOUSE.

Mr. KINCHELOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Britten	Classon	Davis, Tenn.
Anderson	Burdick	Clouse	Dempsey
Anthony	Burke	Collins	Denison
Atkeson	Cable	Cooper, Ohio	Drane
Bacharach	Campbell, Pa.	Coughlin	Drewry
Barkley	Carter	Cullen	Dunbar
Bixler	Chandler, N. Y.	Dallinger	Dunn
Brand	Chandler, Okla.	Davis, Minn.	Dyer

Echols	Jones, Pa.	Mills	Ryan
Edmonds	Kahn	Moore, Ohio	Sanders, N. Y.
Evans	Keller	Morin	Scott, Mich.
Fairfield	Kelley, Mich.	Mott	Shelton
Fish	Kendall	Mudd	Shreve
Fitzgerald	Ketcham	O'Brien	Sinclair
Focht	Kindred	O'Connor	Smith, Mich.
Free	King	Oliver	Snyder
Funk	Kirkpatrick	Olpp	Steenerson
Gahn	Kitchin	Osborne	Stiness
Gallivan	Klecza	Park, Ga.	Stoll
Gould	Knight	Parker, N. Y.	Sullivan
Graham, Ill.	Kreider	Perlman	Sweet
Graham, Pa.	Kunz	Porter	Tague
Green, Iowa	Langley	Rainey, Ala.	Taylor, Ark.
Griffin	Layton	Rainey, Ill.	Taylor, Colo.
Hardy, Colo.	Lea, Calif.	Ramsayer	Taylor, N. J.
Hays	Lehlbach	Reber	Ten Eyck
Hersey	Longworth	Reed, N. Y.	Thomas
Himes	Lyon	Reed, W. Va.	Tyson
Hogan	McLaughlin, Pa.	Roach	Volk
Huck	Mansfield	Robison	Wheeler
Johnson, Ky.	Mead	Rose	Winslow
Johnson, Miss.	Merritt	Rossdale	Woodyard
Johnson, Wash.	Michaelson	Rucker	Wyant

The SPEAKER. Two hundred and ninety-five Members are present—a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The doors were opened.

ELECTRICAL SYSTEM OF VOTING.

The SPEAKER. The Chair has been requested to state, and thinks it may be interesting to the Members to know, that in the Committee on Accounts the new electrical system of voting will be on exhibition for a few days, where Members desiring to see it can do so. It is in the Committee on Accounts.

SUGARS IMPORTED FROM ARGENTINA.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report. The Clerk will report it.

The Clerk read as follows:

House Resolution No. 498 (Rept. No. 1476).

Resolved, That upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of Senate Joint Resolution No. 12; that there shall be not to exceed one hour additional general debate on said resolution, one-half of the time to be controlled by those favoring the resolution and one-half by those opposing it. Upon the conclusion of such general debate the resolution shall be read for amendment under the five-minute rule, whereupon the resolution with amendments, if any, shall be reported back to the House, the previous question shall be considered as ordered on said resolution and all amendments thereto to final passage without intervening motion except one motion to recommit.

That immediately upon the conclusion of the consideration of Senate Joint Resolution No. 12 in the House, the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution No. 79; there shall be not to exceed one hour and thirty minutes general debate on said resolution, one-half of the time to be controlled by those favoring the resolution and one-half by those opposing it; that at the conclusion of the general debate the resolution shall be read for amendments under the five-minute rule, whereupon the resolution with amendments, if any, shall be reported back to the House, the previous question shall be considered as ordered on the resolution and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The gentleman from Kansas moves the previous question on the resolution.

The previous question was ordered.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I would like to have that time yielded to the gentleman from New York [Mr. HUSTED].

Mr. CAMPBELL of Kansas. The gentleman may use the time as he desires.

Mr. HUSTED. Mr. Speaker and gentlemen of the House, it is not my purpose to discuss the rule, but to discuss Senate Joint Resolution 12, which the rule seeks to bring up for further consideration in the House. This resolution, as you may remember, has passed the Senate twice and has already been up for consideration in the House in this Congress.

The claim of the American Trading Co. and of B. H. Howell, Son & Co. has been approved as to its merits by the Secretary of State of this administration, by the Secretary of State of the last administration, by the Attorney General of this administration, and also by the Attorney General of the last administration, and also by the Sugar Equalization Board. Of course, that raises a reasonable presumption in its favor, because these gentlemen have all examined it carefully and have made reports to committees of Congress upon it. I happen to know some

of the gentlemen who are the officers of the American Trading Co. Mr. Jennings, the president of the company, was in Yale College when I was a student there, and I knew him very well. Mr. Warren, the first vice president of the company, is a resident of my district, and I know him very well. I want to say of my own personal knowledge that these officers of the company, and, I believe, all the officers of the company, are men of the highest character and standing, who would not be guilty of imposing upon the Congress of the United States or upon the Government of the United States in any possible way to their own financial benefit.

Now, the loss sustained by the American Trading Co. and by B. H. Howell, Son & Co., which worked in conjunction with the American Trading Co., was not in any way the fault of either of those companies. The loss was caused solely and wholly by the action or omission of the United States Government itself. This loss could have been avoided. The fact that it was not avoided was entirely the fault of the Government of the United States. The American Trading Co. knew that there was an embargo in Argentina against the exportation of sugar, and before they agreed to negotiate this transaction for the Government of the United States they obtained from our Secretary of State a promise to have the embargo lifted. They knew they could not export a pound of sugar unless the embargo was lifted as to them, and the Government of the United States, after diplomatic exchanges with Argentina, assured these people that the embargo would be lifted. Well, the embargo was not raised until a period many weeks after all purchases of sugar had been concluded and when it was no longer possible for the American Trading Co. to sell in the United States the sugar which they bought in Argentina without selling it at a very great loss.

The second point is this: The Department of Justice gave out an interview, after the American Trading Co. had made heavy purchases of sugar in Argentina, and before they had sold a pound, before the embargo had been raised, before they could sell a pound, which interview was published throughout the land in the newspapers, stating that the Government was purchasing sugar heavily in Argentina for the purpose of breaking the price in the United States. Of course, as soon as that information was given out to the people through the public press, it did break the price, and the price began to go down just as soon as that information was published, and continued to go down until the price in the United States was very low.

There was a third way in which the Government was responsible for the loss. As the price of sugar dropped in the United States, it rose in Argentina. It rose in Argentina because sugar was going out of Argentina, and it was coming into the United States. These claimants had an opportunity to sell their sugar in Argentina, not at a loss, but at a profit, but the Government of the United States said, "You can not sell a pound in Argentina." If I had more time I could state this matter in greater detail, but these are the principal reasons why this resolution should pass. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, will the gentleman from North Carolina use some of his time?

Mr. POUL. I yield five minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Speaker, it seems to me that there ought to be an equal division of time on this rule between those who favor it and those who are opposed to it, but that does not seem to be the status of things as they are being managed here to-day.

Here is a rule that ought to be defeated. A claim involving \$2,000,000, on which 483 pages of testimony were taken, is to be decided at the close of 30 minutes' debate on a side. Seven or eight months ago we had three hours' debate on this question. The proponents of the rule realized that they were beaten when the facts were presented. Over our protest they postponed the matter, thinking they would pass it after the election, and that is what they are trying to do now.

No one is more anxious for the United States to pay all of its just obligations than I. On the other hand, I am as anxious as anyone can be that the Government shall not pay any unjust claims. Much has been said on these sugar resolutions. In an effort to tear away the cobwebs and get at the very truth of this matter I am going to state the facts as they occurred just as simply as I can.

In April, 1920, the price of sugar in this country was high. There was some surplus sugar in the Argentine. The American Trading Co. was an importing corporation. B. H. Howell & Co. were general sugar distributors all over the world, and

they and their correlated companies owned large sugar plantations in Cuba and elsewhere.

One would think from some of the discussions here that the American Trading Co. and B. H. Howell & Co. were drafted, that they were conscripted, if you please, into bringing in the Argentine sugar. Now, let us see whether this is true. Just in this connection I want to read you from page 20 of the hearings of January, 1921:

Mr. McLAUGHLIN of Michigan. Who first brought up the subject of sugar from the Argentine?

Mr. FRANKLIN. I am unable to say that. It was in connection with a discussion in the State Department as to duties, and we were asking about export and import duties, and the question came up then. I do not know but what I may have said that there were sugars in the Argentine and sugars in Java, etc., and so on. They suggested that we tell the Department of Justice about it. We told the Department of Justice about that transaction in April, and then heard nothing more from it at all until May 7, at which time we were called down here to the meeting. It was about April 20, as I remember it, when I was in Washington in connection with other matters.

Quoting further:

Mr. McLAUGHLIN of Michigan. How did this thing start and how did it develop?

Mr. FRANKLIN. Well, it started exactly as I have told you. In April we told the Department of Justice that this sugar was there.

Thus it will be seen that Mr. Franklin first gave the information to the State Department; they requested him to go to the Department of Justice with the information. He did so, and thus furnished to the Department of Justice the information on which this whole transaction started.

At that time there was a sugar embargo in the Argentine. In order that sugar might be brought out of the Argentine and into the United States, the State Department undertook to get the embargo lifted. During the month of May—that is, on May 14, 15, and 18—the American Trading Co. purchased the sugar that furnishes the basis of this claim. On May 22, 1920, the embargo was lifted and any sugar company in the world, wherever located, could bring in sugar from the Argentine up to 100,000 tons, provided they deposited in the Argentine 30 per cent of what is known as pilet sugar, to be resold down there in the event the market there was materially affected. On June 23, 1920, even this last condition was removed, so that any importer might bring in sugar without any deposit of pilet sugar in the Argentine.

Now, notwithstanding this sugar was purchased in May, and notwithstanding the embargo was lifted on May 22, and all conditions were removed on June 23, this sugar was not brought into the United States until the month of August, 1920. The market kept going up in this country and did not begin to break until July 13, when sugar broke 2 cents per pound and thereafter began to decline. Thus this company had nearly two months after the embargo was lifted before the sugar market broke, and it had 20 days after all restrictions were removed before the sugar market broke, and yet it did not bring in the sugar until nearly three months after the embargo was lifted.

These are the exact dates taken from the sworn testimony of those who presented the claims.

There must be some motive for this delay. I am going to show what I think that motive was. James H. Post was one of the partners in B. H. Howell Co., the distributor. James H. Post was a director in the Cuban-American Co., in the National Sugar Refining Co., and in 12 other sugar companies, which companies owned vast estates in Cuba and elsewhere where sugar was produced in great quantities. I undertake to say that these claimants did not want to bring this sugar in from the Argentine, that they wanted to control the situation, hook the Government, hold back the Argentine sugar, and feed the high-priced market in the United States gradually with their sugar from Cuba, Java, and elsewhere. In other words, what is popularly known as the Sugar Trust was trying to control the sugar situation, for while the American Trading Co. tried to create the impression at first that they were not engaged in the sugar business, yet as a matter of fact they were general importers and they were associated in this transaction with the B. H. Howell Co., who were engaged in the general sugar business.

Now evidently the B. H. Howell Co. knew of these vast quantities of sugar owned by their company in Cuba and elsewhere, because they actually owned the sugar and the estates which produced the sugar, and the market was finally broken by virtue of the importation of sugar not from the Argentine but from other points and by virtue of the great quantities of sugar which were available.

During this period the Sugar Equalization Board was licensing all sugar companies in this country and was controlling

the profits, allowing 1 cent per pound profit to the sugar wholesaler. The claimants were not the purchasing agents of the Government; they were merely licensees like all other companies. These companies were rather artistic in their dealings. While the profits on all sugar were being limited to 1 cent per pound they threw in together, one of them bringing it in and the other distributing, so that they each received 1 cent per pound—in other words, doubled the profits. This sugar, according to Mr. Franklin's own testimony, was purchased in the Argentine for between 13 and 14 cents per pound. Here I quote from page 15 of the hearings of January 8, 1921:

Mr. JONES. What did you pay for the sugar that you purchased down there?

Mr. FRANKLIN. I am coming to that. I can answer that question right here. About 13 cents, United States currency.

Now accepting the American Trading Co.'s own estimate as to various items of expense, including the cost of delivering in the Argentine, the freight, the insurance, the interest on the money invested, and the warehousing, the cost laid down in New York with storage paid was only 18.34 cents per pound, and if you permit their own estimate as to the cost of refining the part of it which they claim needed refining, it was only 19.43 cents per pound, everything included, with all the padding they cared to make.

They were permitted to sell this sugar at 2 cents per pound above this, figuring 1 cent profit to each company. This was twice the profit that other companies were allowed at the same time. It is conceded by Mr. Franklin and all of the witnesses that the Government never agreed to stand any losses, that nothing was ever said about the loss in the contract that the claimants made. The contractors furnished the money and handled the sugar and were to get all the profits. Where do you get agency in such a contract? Who ever heard of such a contract of agency? Did you ever hear of an agent in your life who was to make all the contracts, handle all the products, do all the financing, get all the profits, furnish all the money? The whole proposition is absurd. And yet after all this, after they have handled all the transactions and received all the profits they want the Government to shoulder all the losses. The absurdity of such a proposition is clearly proven by the mere statement of the facts in the case.

But this is not all; not only were these companies trying to keep sugar from coming in from the Argentine and to feed the high-priced market with their own sugar, native grown and elsewhere, in which they continued to fix their own price, but they made contracts all over the United States to furnish sugar at 22.5 cents per pound.

I have in my hands a number of copies of the American Sugar Bulletin. Here is a front-page headline, dated December 18, 1920: "Files suit to enforce repudiated contracts. Franklin Sugar Refining Co. brings suit for \$90,000 against Reeves, Parvin & Co., of Philadelphia, and for \$84,000 against John Scott & Co., of Philadelphia. February 12, 1921: Other suits to enforce repudiated sugar contracts. American Sugar Refining Co. brings suits against a number of other companies. Sugar sales 22.5 cents per pound. February 26: Another suit for enforcement of sugar contracts by Franklin Sugar Co. February 19, 1921: Refiners bring more suits to enforce broken contracts. March 5, 1921: Bring two more suits to enforce contracts. April 9: American Sugar Refining Co. and Franklin Sugar Refining Co. bring two more suits to enforce contracts. April 23: Another suit for enforcement of sugar contracts by Franklin Co. May 14: Another suit by the American Sugar Refining Co. On May 21 another suit. On May 28 two more suits."

And so it runs.

All of these were suits on contracts made by these companies for sugar to be sold throughout the United States for 22.5 cents per pound.

Oh, these fellows were wise. While the sugar was high and while they were holding back the Argentine sugar and while they controlled immense quantities of sugar in Cuba and elsewhere they were making contracts all over the United States for the delivery of sugar at 22.5 cents per pound. What an absurdity for them to want Uncle Sam to play walking Santa Claus in the face of such transactions as these.

This is the best-organized raid on the United States Treasury that has ever come within my observation. Any loss which they may have sustained on the pittance of Argentine sugar was a mere bagatelle. They were doing high financing on a tremendous scale, and were undertaking not only to hook the United States Government but the business men throughout the United States. I pronounce the whole thing a gigantic fraud, a pretentious holdup, a legislative outrage.

Even if the whole thing had been in good faith they would not be entitled to recover, for this is a question of the adoption of a policy, and if the United States undertook to refund all losses that arose out of the war there would be no place to stop. Wheat was \$3 per bushel. The Government, over night, fixed the price at \$2, thus occasioning great losses to the farmers, elevator men, and wheat buyers; and dealers who on one day had paid \$2.80 and \$2.90 cash for wheat were compelled to sell next day for \$1.80, \$1.90, and \$2.10. These are much greater sacrifices than could possibly have been involved in the case at bar.

During the war and the aftermath of the war many people were called upon to make sacrifices. All over this country property losses were involved in the necessary action of the Government in the prosecution and winning of the war. Bright-eyed, ambitious American boys were taken from their vocations and their employment at salaries ranging from \$1,200 to \$10,000 per year and required to serve at \$30 per month. Some of them in addition gave an arm, an eye, their health, and many their lives for the common good. All over this country there are men with empty sleeves, with wooden legs, who with awkward footsteps are undertaking to make a livelihood. In many homes there are vacant chairs. It cost seas of blood, broken hearts, and billions of treasure to win the war. If the American Government is going to make appropriations to sugar claimants for any seeming losses, should it not likewise take care of these? Such a monstrous proposition as this claim outrages the sense of justice and shames those who countenance it. It ill becomes these claimants to cry about losses on sugar transactions that only involved a few thousand tons from the Argentine when they have never at any time seen fit to even suggest a division with the United States Government for all of the millions which they made out of high-priced sugar from their vast estate in Cuba and elsewhere.

The SPEAKER. The time of the gentleman has expired.

Mr. POUL. Mr. Speaker, there ought not to be much controversy about this matter, because all of the substantial facts are admitted. The resolution provides not for any appropriation of money, not a dollar to be taken out of the Treasury, but that the President of the United States be authorized to have the Sugar Equalization Board investigate these claims, and if, in the opinion of the President of the United States, the claims are honest, just, and right, they will be paid and not otherwise. The entire matter is referred to the President. This sums up the purpose of the resolution now before the House.

Now, let us not get away from that fact. Not a dollar of money appropriated by any resolution upon which we will vote to-day. Why these claims? In 1920 the Government of the United States was engaged in the business of attempting to break the price of sugar. I say that no business man under the shining sun with any degree of common sense would have brought sugar into the United States with the Government attempting to break the price, except under specific guaranties. That is exactly what took place here. These gentlemen took the place of the Sugar Equalization Board. If the Sugar Equalization Board, which had ceased to function at that time, had brought this sugar in, the loss would have been the same and the Government would have borne the loss. Certain companies are merely substituted for the Sugar Equalization Board, and they have sustained an enormous loss. By Executive order the Department of Justice had taken over the duties and activities of the Sugar Equalization Board. The American people have had the benefit of the break in the price of sugar caused by the campaign inaugurated by Attorney General Palmer and his assistants. You can not play heads I win and tails you lose. The Government can not in justice hide behind its sovereignty and force the men who brought in this sugar to sustain the loss. The Attorney General was doing the best he could to break the price of sugar. He succeeded, and is entitled to the thanks of all the American people.

Mr. Palmer and his associates and Mr. Rily had inaugurated this campaign to break the price of sugar, and that campaign was in part made successful by these gentlemen who brought in this sugar for the very purpose of breaking the price. They were practically at all times agents of the Government.

I see no reason for discussing the question of whether they might have imported Argentine sugar a little sooner or did not do so. They were making a certain profit that was agreed upon in advance by A. Mitchell Palmer's department, and they were doing the best they could. Of course, all transportation was at that time more or less difficult.

They had agreed upon a profit which could not be in excess of 1 cent a pound for bringing the sugar in and 1 cent a pound for distributing it. I submit no business man would bring in

a great supply of sugar with that small profit except under a guaranty that he was going to find a purchaser when the sugar got here. One of these companies had a ship at Buenos Aires partly loaded. This company ordered the cargo discharged and reloaded the ship with this sugar to be imported into the United States in order to break the price. The ship immediately began its voyage to New York and the price began to go down. The company asked permission to turn the ship around and send it back to the Argentine, but the Attorney General said, "No; bring it into the United States, as you agreed." When the sugar got to New York the representative of the importing company said, "Where are the persons to whom the sugar is to be delivered? You told me you would have purchasers ready." Mr. Rily said, "I don't know; the market is demoralized. The price is down. I don't know where any purchasers are and I can't do anything for you." The company said, "Can we put the sugar in warehouses?" "No," the department answered; "if you do, we may have to prosecute you for hoarding." "Where is my relief?" said the company representative to Rily, and Rily said, "I can do nothing for you."

Mr. LAZARO. Who was Rily?

Mr. POU. Rily was a special assistant to A. Mitchell Palmer under the Wilson administration. He had the handling of the sugar problem; he was put there by Palmer, and Palmer indorsed his acts. In cooperation with the companies named in this resolution he was trying to break the price of sugar, and he and they succeeded.

Why, gentlemen of the House, it would be a breach of faith on the part of the Government to repudiate these transactions.

Mr. SNELL. Will the gentleman yield?

Mr. POU. For a very brief question.

Mr. SNELL. Is it not a fact that every man connected with the two administrations that knows about the transaction approves of this legislation?

Mr. POU. Certainly; every official of the Wilson administration connected with these transactions says a high moral obligation is involved. Mr. Palmer and Mr. Rily and every official of the Wilson administration who had any connection with these importations of sugar takes the position that the Government can not honorably force the loss upon the importers who were merely agents of the Government; and then a hostile administration came in which would have been glad, probably, in a political battle to have found some point to criticize in the action of the former administration, but Mr. Daugherty, the Attorney General, and every official of his office, who had supervision of the sugar problem, take the same position. They all say there is a highly moral obligation on the part of the Government to pay these claims. I would be ashamed of my Government if, under these circumstances, it repudiated the transaction. [Applause.]

Now, gentleman, that is about all there is to this matter. And yet we took up a whole day discussing the claim of the B. H. Howell Co. and the other company. I have read the arguments of my splendid young friends who are fighting this resolution. The only thing that caused me to hesitate was their earnestness, but when you read their arguments they are distinctly technical. It is the argument of a lawyer honestly misled, no doubt, by technicalities when there is a great moral principle involved which ought to control.

The Government of the United States should be an example of fair and square dealing with every one of its citizens. The people of the United States have gotten the benefit of the decline in the price of sugar. The price went from 28 cents a pound down to 8 cents a pound as the result of the campaign inaugurated by Attorney General Palmer. Submit the matter to the people of the United States, to their fair and just judgment. They will not repudiate an honest obligation. The Sugar Equalization Board made \$39,000,000 clear profit upon the sugar crop of Cuba. When the Sugar Equalization Board ceased to function the sugar was imported in the only way it could be brought in, by appealing to patriotic private citizens and their companies, and when they sustained a loss, lo and behold, we find gentlemen here who say that they must be ruined, because these men will go into bankruptcy, I am told, on account of these transactions—we must ruin these men who were trying to help the American people, and keep our \$39,000,000 of profit which we made on the Cuban sugar crop. Gentlemen, this House can not afford to take such a position as that. I do not believe that this House will take such a position as that. The only thing that the proponents of this resolution are asking is the just and righteous thing, and the just and the righteous thing is for the Government to make good the pledge of its servants. In any event, I think we can trust the President of the United States, who by

this resolution is referee, because I think we have never had a President who could not be trusted to treat the citizen fairly. [Applause.]

Mr. BLANTON. Mr. Speaker, I make the point of order that under the rules of the House, where the previous question is ordered upon a resolution of this kind, before there has been debate, the time is automatically divided, 20 minutes on a side, one-half to those favoring the resolution and one-half to those opposing it. That rule is not being followed here, in that only 5 minutes have been given out of the 40 minutes to those who oppose the resolution, and I claim that it is in violation of the rules of the House to so apportion the time.

The SPEAKER. The Chair had no knowledge how gentlemen on the Committee on Rules stood. The Chair recognized the chairman of the Committee on Rules for 20 minutes and then the ranking minority member of the Committee on Rules for 20 minutes. The Chair thinks that they have the right to use the time according to their judgment.

Mr. BLANTON. And that that can be done regardless of the rule which provides 20 minutes shall be given to those in favor of the resolution and 20 minutes against?

The SPEAKER. Does the rule say that?

Mr. BLANTON. That is my recollection of the rule, where the previous question is ordered without debate. It occurs to me that we have had so far a very unfair division of the time.

The SPEAKER. The gentleman is correct. The rule provides:

One-half of said time to be given to debate in favor of and one-half to debate in opposition to.

Mr. BLANTON. I insist that there shall be an equal division of the time.

The SPEAKER. The Chair was not aware that the gentleman from North Carolina [Mr. Pou] was in favor of the resolution. The Chair recognized him, as he always does the ranking member of the minority. The Chair thinks the time ought to be equally divided between those in favor of the resolution and those who oppose it. As it is, 15 minutes have been used in favor of the resolution and 5 minutes have been used in opposition to it.

Mr. POU. Mr. Speaker, how much time did I use?

The SPEAKER. The gentleman used 10 minutes.

Mr. POU. I am perfectly willing to cut the time. I have yielded five minutes of my time against the rule, and I shall yield five minutes more time against the rule.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. Is it not true that while the rule provides as has been suggested, yet that the time to assert that right is when the gentleman in charge of the rule yields the floor, reserving the remainder of his time? At that time I think those who opposed the rule should have demanded recognition.

Mr. BLANTON. We took it for granted that the minority side would grant such time.

The SPEAKER. Of course, it is the custom always to recognize the ranking member of the minority of the Committee on Rules, but the Chair thinks that when the minority member is on the same side as the majority member, half of the time should be given, as he has given it, to those who oppose the resolution. The Chair is disposed to think that the gentleman from Kansas [Mr. CAMPBELL] should also give half his time, if members on the Republican side desire it.

Mr. CAMPBELL of Kansas. Mr. Speaker, I have had no requests from this side of the House for time on the rule.

Mr. BLANTON. We request some now.

Mr. JONES of Texas. I made the request.

Mr. CAMPBELL of Kansas. Yes; the gentleman from Texas did, but I distinctly said just now that no one on this side of the House, meaning the Republican side, had requested time.

Mr. MONDELL. Mr. Speaker, I do not recall that it has ever been held in the House that the Chair is responsible for the division of time. It is the almost universal rule for the Chair to recognize the chairman of the committee and the ranking minority member of the committee. Those gentlemen have, under the almost universal practice in the House, divided the time under the rule.

The SPEAKER. That is very true, and, as the Chair stated, the Chair was not aware how either of the gentlemen stood.

Mr. MONDELL. The Chair having recognized these two gentlemen, it is for them to decide, it seems to me, under the rules of the House how they shall allot the time.

Mr. POU. Mr. Speaker, I should like to say that there was almost no division in the Committee on Rules. I think that the opponents of the resolution have had more than their share of the time according to the sentiment of the Committee on Rules.

Mr. BLANTON. But that is not what the rule of the House says.

The SPEAKER. According to the invariable practice, the Chair recognized the gentleman from Kansas and the gentleman from North Carolina, but the Chair does think that those gentlemen ought to so arrange that the time both for and against is equally divided.

Mr. CAMPBELL of Kansas. May I make this suggestion, Mr. Speaker: Matters of debate from a committee, of course, are within the rule that where the previous question is ordered there shall be 20 minutes on a side, 20 minutes for and 20 minutes in opposition to the matter under consideration. Here is a matter from the Committee on Rules upon which there seems to be unanimity of opinion from that committee. The chairman of the committee moved the previous question. The previous question was ordered. That automatically gave the chairman of the committee 20 minutes and the ranking minority member of the committee 20 minutes. At that time no gentleman on either side of the House protested that he was opposed to this resolution and asked to control the time in opposition to it. No member of the Committee on Rules asked for time in opposition to this resolution. If any member of the committee had asked for it, he would have undoubtedly been recognized by the Speaker to control the time in opposition to the rule.

Mr. KINCHELOE. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Other gentlemen, having no knowledge of the information submitted to the Committee on Rules, ask now at the conclusion of one-half the time for debate on this resolution to control the time in opposition to it.

Mr. KINCHELOE. Will the gentleman yield?

Mr. CAMPBELL of Kansas. For a question.

Mr. KINCHELOE. The gentleman remembers that I came to him endeavoring to secure some time?

Mr. CAMPBELL of Kansas. The gentleman is not a member of the Committee on Rules.

Mr. KINCHELOE. I am a member of the Committee on Agriculture, and the gentleman stated that some stranger—

Mr. CAMPBELL of Kansas. And the gentleman has spoken for hours on this question.

Mr. KINCHELOE. Yes.

Mr. CAMPBELL of Kansas. Out of order and in order.

Mr. KINCHELOE. And the committee proponents of this question, seeing they were beat that day, rose and would not have a vote on it—

Mr. CAMPBELL of Kansas. I submit that it will inaugurate a new régime in this House to say that after debate has progressed until it is disclosed that the committee in charge of a bill are unanimously in favor on a matter, where the previous question has been ordered, that then some gentleman may arise and say that the time should have been divided. The request to control time in opposition should be made immediately after the previous question is ordered.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. BLANTON. May I make a statement?

The SPEAKER. The Chair will hear the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, it seems that I am unfortunate in that I am not a member of the great Committee on Rules. There are 423 of us who are thus unfortunately situated, and yet, we have rights under the rules of the House, and I am sure the Speaker is going to see that we get them.

We can not tell whether members of the Rules Committee are in favor of a proposition until we hear them speak. The Chair recognized the gentleman from North Carolina [Mr. POU]. We found out when he spoke that he was in favor of the resolution. Then, Mr. Speaker, I took the floor and called for the rule which gives 20 minutes on a side. I think in all fairness—

The SPEAKER. The gentleman is mistaken.

Mr. BLANTON. I submit that the Record will support my statement. The gentleman from Kansas should give 10 minutes of his time to those opposing the resolution.

The SPEAKER. The gentleman is mistaken. At the time the gentleman called attention the gentleman from North Carolina had spoken for 10 minutes. The Chair is ready to rule. The Chair does not think any point of order rises—

Mr. CRAMTON. Mr. Speaker—

The SPEAKER. The Chair will hear the gentleman from Michigan.

Mr. CRAMTON. Mr. Speaker, it appears to me this involves a matter of much importance to the House. The rules provide for an equal division of time, 20 minutes for and 20 minutes against.

By custom the matter of apportionment of that time is left with the ranking member of the Rules Committee on each side, and of course the Speaker does not know until a speech is made on which side the Member speaking may stand, but when it develops that 20 minutes of time has been used by one side, that fact is before the Speaker. The rule is above custom. The rule provides that one-half of the time shall be on each side, and however it may be handled by the Committee on Rules, when it appears to the Speaker that 20 minutes has been used on one side of a question, under the rule the Speaker, if objection is made, can not recognize any one for further debate upon that side of the question. Otherwise this would leave the House in a dangerous situation. The Committee on Rules might many times be fully in accord as to a rule, be all on one side of a question, and if it is to be held that the Committee on Rules may so manipulate the apportionment of time as to have debate almost wholly on one side or even to the extent of all on one side and none on the other, what position is the House in?

Now, the rule was to prevent that situation, and the only way that appeals to me of enforcing it is, as I suggest, in the yielding of time, the Committee on Rules controlling the time, when 20 minutes have been used on one side no one else can be heard on that side. In other words, in this particular situation when five minutes more shall have been used in favor of this rule, further debate in favor of the rule is exhausted and further debate on that side impossible, and if no member of the Committee on Rules wants to speak in opposition, those not on the Committee on Rules are entitled to recognition under the rules of the House.

Mr. ASWELL. Is not the time for making that division at the beginning of debate, not afterwards?

Mr. CRAMTON. The rule makes that division.

Mr. ASWELL. Is not the time for the opposition to speak when the debate begins?

Mr. CRAMTON. No; the House may not know the situation in the Committee on Rules. The House may not know.

Mr. ASWELL. It is a gentleman's business to find out.

Mr. CRAMTON. The rule stands for their protection.

Mr. CAMPBELL of Kansas. Mr. Speaker, to cut this matter short and avoid further delay, any gentleman on this side of the House wanting time in opposition to this rule may have it.

Mr. JONES of Texas. Mr. Speaker, I suggest that the rule does not say one side or the other.

Mr. CAMPBELL of Kansas. The gentleman from Texas has had time.

Mr. MONDELL. In case of opposition to unanimous consent the opposition would be opposition to the rule, and not to the merits of the rule. In other words, the merits can only be considered by unanimous consent.

Mr. JONES of Texas. Is it in order for one who opposes this rule to claim recognition?

The SPEAKER. The Chair is ready to rule on the point of order. The rule provides that one-half of such time shall be given in favor of and one-half in opposition. As the House is aware, it is always the custom in the House to recognize the ranking member of the Committee on Rules in favor and the ranking member of the minority against. Sometimes there is no one to oppose a rule when it is presented. The Chair thinks that so far as the Chair is aware, the House always intends to be fair and disapproves of any attempt to evade the intention of the rule, and often that is left to the acquiescence of the House. When the gentleman from Kansas [Mr. CAMPBELL] had finished and reserved the balance of his time, the Chair recognized the gentleman from North Carolina [Mr. POU] for 20 minutes.

The Chair assumed that he was against the rule, which was confirmed by his yielding to the gentleman from Texas [Mr. JONES], who opposed the rule. Then the first knowledge the Chair had that the gentleman from North Carolina was in favor of the rule was when he took the floor and occupied time for 10 minutes. The Chair thinks the point of order should be made when recognition is had. When the Chair recognized the gentleman from North Carolina, the Chair sanctioned that. But the Chair thinks that in fairness to the rule and in fairness to the House, the gentleman from North Carolina having yielded half of his time in opposition, it would be but fair that the gentleman from Kansas [Mr. CAMPBELL] should yield half his time also in opposition to the rule.

Mr. CAMPBELL of Kansas. I am perfectly willing to yield now if any gentleman on this side of the House wants time in opposition to the rule. I will yield him 10 minutes.

Mr. CRAMTON. Mr. Speaker, will the Chair permit an observation?

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for the regular order.

Mr. CRAMTON. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. How is it going to be possible for any Member of the House to have knowledge of what position a man is going to maintain on the floor when the Speaker himself says he can not have that knowledge?

The SPEAKER. It is very easy. The Chair remembers, himself, years ago when on the floor, arising and asking whether the gentleman about to be recognized was opposed to the bill or not.

Mr. CRAMTON. The Speaker would have that right.

The SPEAKER. The Speaker remembers having done it when he was a Member on the floor.

Mr. CRAMTON. The Member on the floor does not know what is in the mind of the Committee on Rules.

Mr. CAMPBELL of Kansas. Mr. Speaker, I call for the regular order. We must proceed with the business of the House.

The SPEAKER. The Chair thinks he has the right to recognize the gentleman from Michigan.

Mr. CRAMTON. A Member on the floor may not have in mind what is in the mind of the Committee on Rules. The gentleman from North Carolina [Mr. POW], himself in favor of the rule, might have had in mind that the chairman of the committee was planning to recognize for 10 minutes some one on the other side. But each side of the question is entitled to 20 minutes.

The SPEAKER. That is being accomplished at this time. The gentleman from Kansas says he will yield 10 minutes to them against the bill.

Mr. CRAMTON. But the gentleman from Kansas limits his yielding to those on this side of the House.

The SPEAKER. The Chair does not think so.

Mr. BLANTON. Mr. Speaker, I would like to have time against the rule.

Mr. CAMPBELL of Kansas. I yield to the gentleman from Texas five minutes.

Mr. BLANTON. I yielded to my colleague [Mr. JONES].

Mr. CAMPBELL of Kansas. No; I yielded to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Have I not the right to yield?

Mr. CAMPBELL of Kansas. No.

Mr. HARDY of Texas. Mr. Speaker—

Mr. BLANTON. Then, Mr. Speaker, I will occupy it myself. But I would have preferred to have given it to my colleague [Mr. JONES].

Mr. HARDY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman has no right to prefer a parliamentary inquiry without the consent of the gentleman occupying the floor.

Mr. HARDY of Texas. I have been talking to the Speaker, but the Speaker has not been listening.

Mr. BLANTON. Mr. Speaker and gentlemen of the House, if this is a proper resolution and if this is a proper rule making it in order it ought to bear the light of day. It ought to bear a close scrutiny. It ought to be able to stand up under proper argument and proper dissection by Members of the House who have studied the question. It comes before the House with a shadow upon it. It comes before the House with an attempt on the part of our dozen friends who have been so fortunate as to be members of the Rules Committee—and who seem to think that the other 423 Members who are not so fortunate have no say at all about it—to shut off debate and to make in order two resolutions, the first one embracing the serious proposition to take \$2,500,000 of the people's money out of the Treasury, and the second to take out an additional \$1,700,000 of public money, and they seem to think that we who are not members of that committee are not concerned in this at all, when this public money is to be placed in the private pockets of big corporations.

Mr. ASWELL. Will the gentleman yield just for a question?

Mr. BLANTON. The gentleman can get time from his sugar friends on the other side.

Mr. ASWELL. This money does not come out of the Treasury. It comes out of the Sugar Equalization Board, which has \$16,000,000 in the bank now.

Mr. BLANTON. Yes; but that \$16,000,000 came out of the pockets of every jobber and every retailer and every consumer back at home in our respective districts, and it ought to go back into the Public Treasury. Thus, as a matter of fact,

this \$2,500,000 which by this resolution we are to put into the private pockets of these two corporations will be paid by the people of the United States, and it is just the same as if we were now appropriating it out of their Treasury.

I would feel more favorable toward this rule if our friend from Kansas [Mr. CAMPBELL], the great chairman of the Committee on Rules, and if our friend from North Carolina [Mr. POW], the former great chairman and now the ranking minority member of that committee, had come on the floor and said, "We are going to discuss this rule 40 minutes, 20 minutes for those who are for it and 20 minutes for those who are against it." But they gave us 5 minutes. Here is a proposition that involves \$2,500,000, yet we are forced to close debate in an hour.

Why should we not take this day? Why should we vote for a rule that limits debate on a \$2,500,000 proposition to one hour, when we are practically through the work of this Congress? We have passed every supply bill; we have performed our work; we have done our work expeditiously; we have already sent it to the other end of the Capitol; we have time on our hands. This is to be followed by the other resolution that is to take \$1,700,000 out of the Treasury, and by the provisions of this rule we are limited to an hour and a half debate on that measure. Is that proper debate? I submit it to the gentleman from Kansas that he ought to be more fair to the membership of this House when he brings in a rule of this kind out of his hip pocket, when few Members know what is coming up. He brings it here and springs it on the House when the Members are not expecting it. I say that the people of this country are looking, not to the membership of the Rules Committee but they are looking to the 435 Members of this House for the passage of proper legislation by their votes. The gentleman from Kansas can not pass this resolution merely by the 12 votes of the Committee on Rules. He is going to ask us to vote on it. He is going to ask us to vote under our oaths of office. He ought to give us a chance to know what we are voting on. He ought to give my colleague from Texas [Mr. JONES] an hour on this proposition. My colleague from Texas has given careful study to this question. He is a member of the Committee on Agriculture that has had it under consideration. He has been working on it for weeks. He ought to give the gentleman from Kentucky [Mr. KINCHELOE] an hour on it. Now, why do you not give him plenty of time to give his views to this House, to place what he knows about the matter before the membership? Then we would feel more favorable toward your resolution.

Mr. CAMPBELL of Kansas. I still have five minutes that I will yield to any gentleman who desires it.

Mr. ROSENBLOOM. I should like the time.

Mr. CAMPBELL of Kansas. I yield five minutes to the gentleman from West Virginia [Mr. ROSENBLOOM].

Mr. ROSENBLOOM. Mr. Speaker and gentlemen of the House, I wish to state to you observations which I have had in mind for a considerable period of time. You have read in the newspapers of this country the questions: "What is wrong with Congress?" "Why is it that men of the old type do not present themselves as candidates for election to Congress?"

The eminent gentleman from New York [Mr. COCKRAN] made a very masterly and eloquent address on that subject some time ago.

In my opinion, proceedings such as this—passage of rules that will not permit proper consideration of legislation—merit a diminution of public esteem and respect.

We have accepted and continue to tolerate rules of procedure restricting our prerogatives as Members of Congress until our activity is confined to legalizing what is submitted by some one else. Instead of legislating, we serve as a rubber stamp to approve legislation.

Mr. ASWELL. If they are rubber stamps, what do they stamp?

Mr. ROSENBLOOM. They stamp the bills that are submitted by commissions, by the Sugar Equalization Board, by members of the Cabinet, and by some committees. Many bills have been passed here with but a single argument in their favor. The Secretary of the Interior, the Secretary of the Navy, the Secretary of War, or some other Cabinet officer indorses it, and consideration by Members of the House is deemed superfluous.

The tariff bill was considered here for but a few hours, and in the Senate it was considered for months.

This session has been a revelation. Bill after bill has been presented by a committee with but practically no argument—a letter from the head of some department. If those officials are the best judges, why are we asked by our constituents to pass

upon the merits of legislation? Why, in fact, is the legislation submitted to us at all?

Mr. KNUTSON. Will the gentleman yield?

Mr. ROSENBLUM. I have very little time. I will yield if there is any left. The point I make is this: The trouble with Congress is that we have ceased to legislate and that we merely legalize. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield?

Mr. ROSENBLUM. Yes.

Mr. CHINDBLOM. The gentleman does not intend to have us understand that he approved of the protracted debate on the tariff bill at the other end of the Capitol, did he?

Mr. ROSENBLUM. No; but I do approve the fact that there was sufficient time to consider the items.

Mr. CHINDBLOM. Will not the gentleman agree with me that that very fact that the tariff bill was under consideration so long at the other end of the Capitol is one of the troubles that we have had on this side of the House?

Mr. ROSENBLUM. I did not have any such trouble, because I voted to recommit that bill. Now, are there any other questions?

Mr. BLANTON. They are through. [Laughter.]

Mr. ASWELL. Will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, the House having listened twice within 40 minutes to the same speech by the gentleman from Texas, I presume we have had all there is to be said on that side of the question. The resolutions made in order by this resolution have passed the Senate, I think, by unanimous vote—one of them twice. They have been reported by unanimous vote from the committees of the Senate. There seems to have been no opposition to the Government doing the fair thing by those who brought sugar into the United States for the purpose of breaking the sugar market and bringing down the high price of sugar until the gentleman from Texas and the gentleman from Kentucky thought they had discovered a mare's nest somewhere. The fact is the Sugar Equalization Board during the summer of 1920 was practically out of business. The price of sugar had mounted very high, the price ranging from 26 to 29 and 30 cents a pound. The Department of Justice was given authority to deal with the question. The Attorney General in his anxiety to bring down the price of sugar appointed Mr. Figg and Mr. Riley to proceed in the matter and do everything that could be done to bring down the price of sugar. The claimants in these two resolutions were authorized and directed by the agents of the Attorney General to bring this sugar in from the Argentine Republic. It was brought in, it brought down the price of sugar, it broke the market, it brought the price of sugar down from 28 and 30 cents to 8 cents a pound.

These men lost money. The Sugar Equalization Board has in its possession now \$11,000,000 of money earned by that corporation in the sugar business. The resolution directs the President, being the sole stockholder of that corporation, the equalization board, to take over these matters and make such adjustment as in his judgment he deems proper. Could anything be fairer, could anything be more just, is there anything wrong about it? Is there anything about it that has a shadow over it?

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. CAMPBELL of Kansas. For a brief question.

Mr. SUMMERS of Washington. It has been stated that the price of sugar broke before this sugar came in. If that is true, how did this break the price?

Mr. CAMPBELL of Kansas. It was published in every newspaper in the United States that this sugar was on the way here from Buenos Aires, and that broke the market.

Mr. EVANS. Is it not a fact that most of the sugar was there after the price broke and started afterwards, and they tried to get a waiver of the embargo and could have sold the sugar?

Mr. CAMPBELL of Kansas. I believe the gentleman is in error. I know that one lot of sugar was in cargo midway between here and Buenos Aires. They learned that the sugar market had broken and endeavored to get authority to return to Buenos Aires to dispose of the sugar there, and they were denied the right to do it. These are the facts in this matter.

I have been unable to understand how gentlemen can work themselves into a fury upon a matter that involves the Government's doing simple justice to those it had authorized and directed as its agents to perform certain duties for our citizens, and that is what was done here.

Mr. FESS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. FESS. With reference to breaking the market, how long would it take to break the market if it were announced that there were 100,000 tons of sugar in Argentina, and that 70,000 tons were going to be purchased by our Government?

Mr. CAMPBELL of Kansas. A day would do it, and it was published to the world that this sugar was on its way to the United States, and the price went down.

Mr. KNUTSON. And was it not implied by this Government that infinitely more sugar was on its way from Argentina than was actually on its way, in order to depress the market?

Mr. CAMPBELL of Kansas. I think that was done.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for a vote on the resolution.

Mr. JONES of Texas. Mr. Speaker, I ask for a division of the questions in the resolution.

Mr. CAMPBELL of Kansas. There is but one resolution.

Mr. JONES of Texas. But one portion of the resolution deals with Senate Joint Resolution 12, and another portion of the resolution deals with Senate Joint Resolution 79.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order that this is not divisible for the reason that it is a resolution from the Committee of Rules and becomes a rule of the House and does away with the other rules.

Mr. CAMPBELL of Kansas. Mr. Speaker, the Committee on Rules for years has brought resolutions in making one, two, three, and in some instances a large number of bills in order. This is one resolution, and there never has been a division of the question in this way to my knowledge within the past 10 years.

Mr. JONES of Texas. Mr. Speaker, two distinct claims are taken care of in the resolution. Some Members of the House think that one claim is just, and some that the other claim is just. A man may want to vote for one and not for the other, but he would have to vote for the consideration of both resolutions if the vote be taken en bloc.

Mr. CAMPBELL of Kansas. The same resolution provides for the consideration of two separate resolutions.

Mr. JONES of Texas. But an hour and a half is given to the discussion of one and but one hour to the discussion of the other.

Mr. CAMPBELL of Kansas. We gave an additional hour to the discussion of one which had already been discussed for three hours, and an hour and a half to the discussion of the other.

The SPEAKER. The Chair finds that there is a precedent for dividing the rule, although at first blush the Chair would have thought that the statement made by the gentleman from Indiana [Mr. SANDERS] was correct. Therefore, the Chair thinks that this is divisible, and the vote will first come upon the portion of the rule which applies to Joint Resolution No. 12. The question is on that portion of the resolution applying to Senate Joint Resolution No. 12.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 119, noes 54.

Mr. KINCHELOE. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question is on that portion of the resolution applying to Senate Joint Resolution No. 12.

The question was taken; and there were—yeas 197, nays 104, answered "present" 1, not voting 125, as follows:

YEAS—197.

Abernethy	Brooks, Ill.	Cole, Ohio	Fenn
Andrew, Mass.	Brooks, Pa.	Colton	Fess
Ansorge	Brown, Tenn.	Connolly, Pa.	Fisher
Appleby	Buchanan	Copley	Focht
Arentz	Bulwinkle	Crago	Foster
Aswell	Burdick	Crowther	Freeman
Bacharach	Burtess	Cullen	French
Bankhead	Burton	Curry	Garrett, Tenn.
Beedy	Butler	Dale	Gerhard
Beggs	Byrnes, S. C.	Darrow	Gifford
Bell	Byrns, Tenn.	Doughton	Glynn
Benham	Campbell, Kans.	Dupré	Gorman
Blakeney	Cantrill	Echols	Green, Iowa
Bland, Ind.	Carew	Elliott	Greene, Mass.
Bland, Va.	Chalmers	Ellis	Greene, Vt.
Bond	Chinblom	Fairchild	Grist
Bowers	Clark, Fla.	Fairfield	Hadley
Brennan	Clarke, N. Y.	Faust	Hardy, Colo.
Britten	Cole, Iowa	Favrot	Haugen

Hawes	Linthicum	Patterson, Mo.	Stedman
Hawley	Logan	Patterson, N. J.	Stephens
Hays	Lowrey	Paul	Strong, Pa.
Henry	Luhning	Luce	Sullivan
Hickey	McArthur	Perlman	Summers, Wash.
Hicks	McCormick	Petersen	Sweet
Hill	McFadden	Pou	Swing
Hukriede	McKenzie	Pringle	Taylor, Tenn.
Humphrey, Nebr.	McLaughlin, Mich.	Purnell	Temple
Humphreys, Miss.	McLaughlin, Nebr.	Radcliffe	Tilson
Husted	McPherson	Ramsley	Timberlake
Hutchinson	MacGregor	Rhee	Tinkham
Ireland	MacLafferty	Rhodes	Towner
Jacoway	Magee	Riddick	Treadway
Jeffers, Nebr.	Mansfield	Riordan	Underhill
Johnson, S. Dak.	Mapes	Roach	Vaile
Kearns	Martin	Robertson	Vestal
Kelley, Mich.	Mondell	Rodenberg	Voigt
Kennedy	Montague	Rogers	Walters
Kless	Moore, Ill.	Rossdale	Ward, N. Y.
Kindred	Moore, Ind.	Sanders, Ind.	Wason
Kissel	Morgan	Schall	Webster
Klecza	Mott	Shaw	White, Me.
Kline, N. Y.	Murphy	Siegel	Wood, Ind.
Kline, Pa.	Nelson, Me.	Sinnott	Wurzbach
Knutson	Nelson, A. P.	Smith, Idaho	Wyant
Kraus	Newton, Mo.	Smithwick	Young
Larson, Minn.	O'Connor	Snell	Zihlman
Layton	Oldfield	Snyder	
Lee, Ga.	Parker, N. Y.	Sproul	
Lee, N. Y.		Stafford	

NAYS—104.

Almon	Fields	Lazaro	Sinclair
Andrews, Nebr.	Frear	Leatherwood	Sisson
Anthony	Fulmer	Lineberger	Speaks
Barbour	Garrett, Tex.	London	Steagall
Beck	Gilbert	McDuffie	Steenerson
Bird	Goldsborough	McSwain	Stevenson
Black	Hammer	Maloney	Strong, Kans.
Blanton	Hardy, Tex.	Michener	Sumners, Tex.
Boies	Herrick	Miller	Swank
Bowling	Hoch	Moore, Va.	Tillman
Box	Hooker	Nelson, J. M.	Tucker
Briggs	Huddleston	Norton	Turner
Browne, Wis.	Hudspeth	Oliver	Vinson
Christopherson	Hull	Parker, N. J.	Volstead
Clague	James	Parks, Ark.	Ward, N. C.
Collier	Jeffers, Ala.	Quin	Weaver
Collins	Johnson, Ky.	Raker	White, Kans.
Connally, Tex.	Jones, Tex.	Rankin	Williams, Ill.
Cooper, Wis.	Kelly, Pa.	Rayburn	Williams, Tex.
Cramton	Kincheloe	Ricketts	Williamson
Crisp	Kopp	Robison	Wilson
Deal	Lampert	Rosenbloom	Wingo
Dickinson	Lanham	Sabath	Wise
Dowell	Lankford	Sanders, Tex.	Woodruff
Driver	Larsen, Ga.	Sandlin	Woods, Va.
Evans	Lawrence	Sears	Wright

ANSWERED "PRESENT"—1.

Rouse

NOT VOTING—125.

Ackerman	Fitzgerald	Kunz	Rose
Anderson	Fordney	Langley	Rucker
Atkeson	Free	Lea, Calif.	Ryan
Barkley	Prothingham	Lehlbach	Sanders, N. Y.
Bixler	Fuller	Little	Scott, Mich.
Brand	Funk	Longworth	Scott, Tenn.
Burke	Gahn	Lyon	Shelton
Cable	Gallivan	McClintic	Shreve
Campbell, Pa.	Garner	McLaughlin, Pa.	Slomp
Cannon	Gensman	Madden	Smith, Mich.
Carter	Goodykoontz	Mead	Stiness
Chandler, N. Y.	Gould	Merritt	Stoll
Chandler, Okla.	Graham, Ill.	Michaelson	Tague
Classon	Graham, Pa.	Mills	Taylor, Ark.
Clouse	Griffin	Moore, Ohio	Taylor, Colo.
Cockran	Hayden	Morin	Taylor, N. J.
Codd	Hersey	Mudd	Ten Eyck
Cooper, Ohio	Himes	Newton, Minn.	Thomas
Coughlin	Hogan	O'Brien	Thompson
Dallinger	Huck	Ogden	Thorpe
Davis, Minn.	Johnson, Miss.	Olpp	Tincher
Davis, Tenn.	Johnson, Wash.	Osborne	Tyson
Dempsey	Jones, Pa.	Overstreet	Upshaw
Denison	Kahn	Paige	Volk
Dominick	Keller	Park, Ga.	Watson
Drane	Kendall	Porter	Wheeler
Drewry	Ketcham	Rainey, Ala.	Winslow
Dunbar	King	Rainey, Ill.	Woodyard
Dunn	Kirkpatrick	Ramseyer	Yates
Dyer	Kitchin	Reber	
Edmonds	Knight	Reed, N. Y.	
Fish	Kreider	Reed, W. Va.	

So that portion of the resolution applying to Senate Joint Resolution 12 was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Paige (for) with Mr. Rouse (against).

Mr. Griffin (for) with Mr. Davis of Tennessee (against).

Mr. McLaughlin of Pennsylvania (for) with Mr. Tincher (against).

Mr. Atkeson (for) with Mr. Little (against).

General pairs:

Mr. Shreve with Mr. McClintic.

Mr. Mudd with Mr. Rainey of Illinois.

Mr. Kahn with Mr. Barkley.

Mr. Denison with Mr. Tague.
 Mr. Graham of Pennsylvania with Mr. Upshaw.
 Mr. Ackerman with Mr. Dominick.
 Mr. Funk with Mr. Brand.
 Mr. Michaelson with Mr. O'Brien.
 Mr. Thompson with Mr. Stoll.
 Mr. Kearns with Mr. Taylor of Colorado.
 Mr. Winslow with Mr. Hayden.
 Mr. Cannon with Mr. Garner.
 Mr. Bixler with Mr. Drane.
 Mr. Cooper of Ohio with Mr. Cockran.
 Mr. Kendall with Mr. Thomas.
 Mr. Reed of New York with Mr. Rucker.
 Mr. Keller with Mr. Tyson.
 Mr. Dunn with Mr. Carter.
 Mr. Free with Mr. Kitchin.
 Mr. Longworth with Mr. Taylor of Arkansas.
 Mr. Rose with Mr. Drewry.
 Mr. Anderson with Mr. Park of Georgia.
 Mr. Davis of Minnesota with Mr. Lea of California.
 Mr. Cable with Mr. Johnson of Mississippi.
 Mr. Dallinger with Mr. Gallivan.
 Mr. Langley with Mr. Mead.
 Mr. Lehlbach with Mr. Rainey of Alabama.
 Mr. Graham of Illinois with Mr. Kunz.
 Mr. Chandler of New York with Mr. Lyon.
 Mr. Osborne with Mr. Overstreet.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The question is on agreeing to the second part of the resolution.

The question was taken; and the Speaker announced the yeas seemed to have it.

On a division (demanded by Mr. KINCHELOE and Mr. BLANTON) there were—yeas 124, noes 60.

Mr. KINCHELOE. Mr. Speaker, I object to the vote on account of no quorum being present, and make that point of order.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-one Members are present, a quorum.

Mr. KINCHELOE. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Kentucky demands the yeas and nays. Thirty-six gentlemen have arisen, not a sufficient number, and the yeas and nays are refused, and the motion is agreed to. Under the rule the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of the resolution.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. HICKS in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of Senate Joint Resolution No. 12, which the Clerk will report.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 12) authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic.

Resolved, etc., That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation, American Trading Co., and the copartnership, B. H. Howell, Son & Co., a certain transaction entered into and carried on by said corporation and copartnership at the request, under direction and as agents of the Department of Justice and Department of State, which transaction involved the purchase in the Argentine Republic, between the 13th day of May, 1920, and the 22d day of May, 1920, of 13,902 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispose of any of said sugar so imported remaining undisposed of, and to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the corporation and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them, or either of them, in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

Mr. KINCHELOE. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. KINCHELOE. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. Under this rule one-half the time is to be controlled by those who are against the resolution and one-half by those who are in favor of the resolution. I was wondering whether it is in order for the gentleman from New York [Mr. WARD], who is in favor of and in charge of the bill, to ask unanimous consent that the time may be divided equally.

The CHAIRMAN. The Chair feels it is not necessary to make that unanimous-consent request. The Chair is going to recognize the gentleman from New York [Mr. WARD] to control the time of those who are in favor of the bill and the gentleman from Kentucky [Mr. KINCHELOE] to control the time in opposition to the bill. Under the rule 60 minutes have been set apart for debate on this resolution, 30 minutes in control of those who are in favor and 30 minutes for those who are in opposition. The Chair recognizes the gentleman from New York [Mr. WARD] for 30 minutes.

Mr. WARD of New York. Mr. Chairman, will the Chair notify me when I have used seven minutes? Mr. Chairman and members of the Committee, I am going to make a very brief statement, giving the true facts and conditions that made necessary Senate Joint Resolution No. 12.

Early in April, 1920, the State Department learned of a surplus of sugar in Argentina, which information was communicated to the Department of Justice. An acute shortage existed in this country, with sugar retailing from 25 to 30 cents per pound. The Department of Justice, with the cooperation of the State Department, acting under authority of the Lever Act, arranged for the importation of a large part of this surplus sugar to relieve this situation and to break the price.

These departments lacked both funds and an organization to promptly carry out such an undertaking. Upon assurances by the State Department that the Argentine sugar embargo would be lifted on request of the United States Government, the American Trading Co., of New York, with a branch office in Buenos Aires for 30 years, was appointed purchasing agent of the Department of Justice to buy and import the sugar. The Department of Justice then asked B. H. Howell, Son & Co., of New York, to distribute the sugar to a list of purchasers approved by it. The commission fixed by the Department of Justice at 1 cent per pound for each company, the testimony shows, was very reasonable.

The Department of Justice, by letter dated May 11, 1920, instructed the American Trading Co. to immediately buy as much sugar as possible, and simultaneously requested, through the State Department, the lifting of the Argentine embargo. Through inability of these departments to secure the permit promptly, the company was delayed more than a month and a half in arranging the importation of the total purchase of 13,902 tons. Meantime much publicity was given the transaction, the market weakened, and when the sugar was offered in the United States only 5,000 tons could be sold.

To avoid any loss, the companies urged the resale in Argentina of the unshipped sugar, but the State Department and Department of Justice refused this suggestion by letter of August 2, 1920, thus preventing such resale. On August 11, 1920, this Government officially offered the unshipped sugar to the Argentine Government at approximate cost, but this offer was declined. All of the sugar—13,902 tons—was brought to the United States and sold at a loss of approximately \$2,500,000. The break in the market which this importation is acknowledged to have started saved hundreds of millions of dollars to the American people, and these Government agents should not be required to stand the loss incurred in performing this service. This measure only provides reimbursement without compensation, and enables these agents to repay the money borrowed to finance the transaction.

During the extensive hearings Attorney General Daugherty and Attorney General Palmer appeared and urged, as a matter of equity and justice, that relief should be granted these companies, who acted merely as the agents of the Government. All of these facts were established in the hearings by letters, official cables, and other documentary evidence.

This bill does not require an appropriation, but simply provides administrative authority for the liquidation of the transaction from the surplus funds of the United States Sugar Equalization Board. This board has examined this case and are unanimously in favor of this resolution. [Applause.]

Mr. SNYDER. Will the gentleman yield right there?

Mr. WARD of New York. For a question.

Mr. SNYDER. Just for a question. Is it not a fact those nine millions this Government is getting is part of the profit the Government made in the sugar business?

Mr. WARD of New York. Yes. I reserve the remainder of my time.

Mr. BLANTON. Will the distinguished gentleman from New York yield?

Mr. WARD of New York. I can not yield.

Mr. KINCHELOE. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. HAUGEN], chairman of the Committee on Agriculture.

Mr. HAUGEN. Mr. Chairman, the gentleman from New York has referred to the Lever Act lacking in funds. He should have added lacking in authority for any official of the Government to enter into a contract to buy or sell sugar, or to guarantee anybody against a loss or to make good any loss. The statement of the Attorney General and the statement of Mr. Figg, the only ones who had anything to do with the transaction on the part of the Federal Government, so stated. The claimants do not claim that there is any legal obligation. In fact, the claimants admit they had no agreement or understanding that the losses should be made good. So it resolves itself into this: It is merely a moral obligation, as has been stated by Mr. CAMPBELL of Kansas and other gentlemen—a moral obligation. Now, gentlemen, the question is if the Government or if the Congress is to recognize and to make good its millions of moral obligations—if so, why single out this particular one, one which has been granted special privileges, first to be given a profit of 2 cents a pound, and, as the gentleman will recall, Congress passed an act authorizing the President of the United States to take over the Cuban sugar. Had the President exercised the power suggested by Congress, these people would have sold their sugar at a much lower price than the price sold at; they were large holders; they would have sold their sugar at about 5½ cents a pound, instead of the price which they were allowed to sell it for—about twice that amount. The other privilege was they might be excused from the deposit of 30 per cent of pilot sugar, required of other exporters. The De Ronde people made the deposit, and had no difficulty in importing sugar at the time which they desired.

Mr. HUSTED. Will the gentleman yield for a question?

Mr. HAUGEN. I have only five minutes. Just a question, I will yield to the gentleman.

Mr. HUSTED. I just want to ask the gentleman—

Mr. HAUGEN. I am simply correcting the gentleman's statement.

Mr. HUSTED. I want to ask the gentleman if he was aware the American Trading Co. purchased every pound of the thirteen thousand and some odd tons of sugar before the pilot embargo decree was issued in the Argentine?

Mr. HAUGEN. Oh, they had no trouble in importing afterwards—

Mr. HUSTED. Oh, no; they bought all their sugar—

Mr. HAUGEN. I can not yield further, unless the gentleman will give me additional time.

Let us see about this embargo. The question was asked:

I understood you to say that no agency of the Government or department of the Government was in any way derelict but did everything they could to assist these people?

Here is Mr. Figg's answer:

I think the Government was trying in every way possible. If there was any failure anywhere on the part of the Government, it was due to the American ambassador.

Now, what did he have to say about the sale of the sugar? He said it could not be done without creating trouble in Argentina. Is it suggested that the Government should interest itself to accommodate anybody importing sugar, especially after being given all these privileges and assistance to the extent of causing trouble with another nation? How about the embargo? What did Mr. Figg have to say about it? I read from Mr. Figg's letter:

After talking this over with your representatives, Mr. Linn and Mr. Giddings, it was deemed advisable that your agent already on the ground should be advised to contract for or buy as much of the entire surplus as possible before any further request was made that the embargo be lifted, as, of course, the general knowledge that this has been done will create a speculative market.

That was to prevent an inflation of prices to enable these people to purchase the sugar at a very low price and make a profit.

Now, my friends, if we are to recognize these people, if the Government is to recognize these moral obligations, why single out these gentlemen who have made profits, these gentlemen who went into it, as stated by the gentleman from Kansas [Mr. CAMPBELL] and others for the purpose of "breaking the price"?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HAUGEN. Mr. Chairman, I would like to have three minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HAUGEN. That is stated in the hearings. The only purpose was to break the price, to bankrupt the dealers of this country who had sugar on hand, to bankrupt the retail dealers of this country. All have knowledge of retail dealers

all over this country who bought sugar at a cost of 25 or 30 cents a pound, and as the result of this transaction they were compelled to sell their sugar at half the price they paid for it, which bankrupted many dealers.

If we are to recognize these moral obligations, why single out these people who have caused the retail dealers to suffer loss?

Mr. MONDELL. Where in the record does the gentleman find any statement that these people have made any profit at all?

Mr. HAUGEN. They were in the sugar business.

Mr. MONDELL. Where is it stated that they made anything?

Mr. HAUGEN. They were in the sugar business, and practically everybody in the sugar business on a large scale made profits. I have pointed out to the gentleman that the President failed to authorize the purchase of the Cuban sugar crop. If the President had authorized the Sugar Equalization Board to carry out its policy and purchase the Cuban crop, the price of sugar would not have been increased to the consumers in this country.

Mr. MONDELL. Oh, the gentleman is not talking about the case that is pending here.

The CHAIRMAN. The gentleman's time has again expired.

Mr. WARD of New York. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

The CHAIRMAN. The gentleman from Michigan is recognized for five minutes.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, it has been said that the American Trading Co., in the line of their business, took this matter up with the Department of Justice; that it was their own idea; they started it. The American Trading Co. was transacting other business with the State Department, and when that was concluded the State Department officials said: "There is a large amount of sugar in the Argentine. Why not see if you can buy it? Go and see the Department of Justice about it." The American Trading Co. people went to the Department of Justice, and then the matter was taken up. It is said that the American Trading Co. bought this sugar secretly and early, thereby implying something underhanded or dishonest in their transaction. The Department of Justice instructed them to buy secretly, so that there could be no influence on the market in the Argentine.

Now, there is a question as to the authority conferred on the American Trading Co. They have been called the purchasing agents of the Department of Justice. There is serious doubt whether the Department of Justice had authority to employ those people or make them its agents. That is a legal question that the courts may have to pass upon. But we do find the American Trading Co.'s agent going out of the office of the Department of Justice announcing that his company had been appointed the department's purchasing agent. We find a letter written immediately thereafter by the Department of Justice to the Department of State saying that these people would take up the purchase of this sugar, and that letter called them the purchasing agents of the Department of Justice. We have correspondence between our Secretary of State, Mr. Colby, and our ambassador in the Argentine, saying over and over again that the American Trading Co. was the purchasing agent of the Department of Justice.

Mr. JACOWAY. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. JACOWAY. I want to ask the gentleman if the record in the State Department does not disclose the fact that time and time again the correspondence between the department and our minister abroad referred to this sugar as "our" sugar, meaning the sugar of the United States?

Mr. McLAUGHLIN of Michigan. I will speak of that. The Secretary of State instructed our ambassador in Argentina to assist these people as the purchasing agents to buy sugar for the Government. They were called "our agents." There was then a total embargo. The lifting of it was promised. A few weeks later the embargo was lifted, but on condition that pillet sugar, 30 per cent of the amount proposed to be exported should be deposited, an inferior quality of sugar in Argentina, known as pillet sugar. That demand was made on our Government. Our correspondence between the State Department and the ambassador asked that that restriction be removed. The Secretary of State said: "We have no sugar of that kind. We have no pillet sugar. Our sugar is of a different kind."

The idea runs all through the correspondence that it was the sugar of the Government of the United States; that the American Trading Co. was only acting as our agent. Finally that restriction was removed by a decree signed by the President

of Argentina, in which he says: "Out of consideration to the Government of the United States and as a favor to the United States, considering the friendly relations," and so on, "we issue this decree to permit their purchasing agents, the American Trading Co., to buy and export that sugar without the necessity of depositing the 30 per cent."

Then prices in this country fell, and the suggestion was made that permission be given to sell that sugar in Argentina, where the price had gone up. The State Department said: "Yes; we will let the American Trading Co. sell the sugar down in Argentina." The State Department corresponded with our ambassador down there, and he replied: "No; that will not do at all. This is a Government transaction; and when the suggestion was made that the sugar be sold here, it was said our Government was not keeping faith with the Government and people of Argentina; it will not do at all to permit this sugar to be sold in Argentina." So permission to sell was refused by the State Department and by our ambassador in Argentina.

Then the Government of the United States itself wished to sell that sugar down there, and the State Department wrote to our ambassador asking if he could not get permission to sell "our sugar," and the Argentine Government refused the request. Now, in short, that is the situation. There was not a moment through all that transaction when it was not under the absolute control of the Government. That is why the American Trading Co. did not export earlier. There was not a moment when it was not controlled by the Government. Others brought in sugar. De Ronde & Co. did it. Lamborn & Co. did it, because they had no connection with the Government and they were able to comply with all restrictions. The State Department officials testified that the American Trading Co. was the only company with which they had anything to do. I am not speaking now of the Howell Co., which was authorized to distribute sugar. The American Trading Co. was the only company with which we had anything to do. These other people, the De Ronde Co. and the Lamborn Co., could do as they pleased. They were free agents. It is true they were acting at the request of the Federal Government, but there was absolutely no control over them by the Federal Government. There was control by the Government from beginning to end over all the transactions of the American Trading Co. by the State Department and by the Government of the Argentine.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KINCHELOE. I yield to the gentleman from Minnesota [Mr. CLAGUE] five minutes.

Mr. CLAGUE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks. Is there objection?

"There was no objection."

Mr. CLAGUE. Mr. Chairman, being a member of the Committee on Agriculture, before which these claims were referred, I have heard all the evidence presented before the committee since March, 1921.

Not only have I heard the evidence presented before our committee, but a number of Senators have spoken to me regarding the evidence that was taken before the Senate Committee, in reference not only to this resolution, but to the one that is to follow it. After hearing that evidence and after talking to men whom I thought had knowledge of this matter, I voted to have these claims come before the House, and I also voted in favor of reporting the claim that is to follow. Since these claims were reported by the committee I have given much study and further consideration to these resolutions and am now convinced that these resolutions should not have been reported favorably. I have become so convinced after hearing the evidence of Mr. Rily who came before the committee on another claim. At that time Mr. Rily's evidence convinced me that the evidence of Mr. Glasgow, which tended to support this claim, was absolutely erroneous, and if the evidence of Mr. Rily had been presented before our committee before these claims were reported, in my opinion they would not have been reported favorably. I wish to say at this time that in my judgment there is no legal nor moral obligation on the part of the Government to pay these claims. I say that after a thorough investigation of all the evidence presented before March, 1921, and since, and particularly since the Lamborn claim was before our committee, that there is no moral or legal obligation of any kind on the part of the Government to support these claims.

Mr. ROACH. Will the gentleman yield?

Mr. CLAGUE. I yield to the gentleman.

Mr. ROACH. I notice that as to Senate Joint Resolution 79, which presents the claim of De Ronde & Co., that is to follow this one, the gentleman prepared the report of the committee in that case.

Mr. CLAGUE. Yes.

Mr. ROACH. And the gentleman recommended the passage of the resolution, and as a matter of equity and justice the gentleman asked payment of the loss sustained by De Ronde & Co.

Mr. CLAGUE. Yes.

Mr. ROACH. Since the gentleman prepared that report has he had a change of heart on this subject?

Mr. CLAGUE. Yes. I am convinced that it was a mistake that these resolutions were reported favorably by the committee, and after hearing Mr. Rily in the Lamborn claim I was and am now convinced that none of the claims are either legal or moral claims against the Government.

Mr. BLANTON. Will the gentleman yield?

Mr. CLAGUE. Yes.

Mr. BLANTON. Much has been said about reducing the price of sugar from 25 or 30 cents a pound to 8 or 10 cents a pound. The gentleman will remember what happened before, when they ran sugar up from 8 cents a pound to 25 or 30 cents a pound. There was a going up first before there was a coming down afterwards.

Mr. J. M. NELSON. Will the gentleman yield?

Mr. CLAGUE. Yes.

Mr. J. M. NELSON. Are there other claims of this kind pending before the gentleman's committee?

Mr. CLAGUE. There are other claims. The Lamborn claim is much more meritorious than this one.

Mr. J. M. NELSON. So, if we pass this, there will be other claims presented before the House?

Mr. CLAGUE. There is no question but that there are other claims, amounting to several million dollars, that will be presented if these claims are paid.

Mr. WARD of New York. I yield three minutes to the gentleman from Wisconsin [Mr. VOIGT].

Mr. VOIGT. Mr. Chairman and gentlemen, as a member of the Committee on Agriculture, I have given very careful consideration to the claim involved in this resolution. I am familiar with all the evidence in the case. While my inclination is to be opposed to claims of this nature and to regard them with suspicion, a calm and unbiased consideration of the evidence drives me to the conclusion that this is as meritorious a claim as could be presented to the Congress of the United States. I do not feel at liberty to allow political considerations to enter into my judgment in passing on the rights of these claimants, and I have considered the evidence as though I were sitting as a judge or a member of a jury.

In the short time allotted to me I can not go into many details. The Government, through the Department of Justice, employed the American Trading Co. as its purchasing agent. If you will turn to page 9 of the hearings, you will find a dispatch from Mr. Polk, Acting Secretary of State, to the American Embassy at Buenos Aires. This is dated May 13, 1920, and therein this sentence occurs:

The American Trading Co. has been appointed purchasing agent by the Department of Justice, and it is being instructed by that department to obtain quietly as many options as possible before the market is aware that the embargo has been lifted, in order to avoid unduly high prices, otherwise it will be impossible to buy Argentine sugar.

These people from start to finish were in the hands of the Government of the United States, and submitted to and were subject to its direction in this transaction.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. VOIGT. I can not yield in the short time I have. They were not free agents. After they purchased the sugar they could not have disposed of one pound of it without the consent of the Department of Justice. Before they bought the sugar, and as an inducement to enter into the transaction, they were assured by the State Department and the Department of Justice that for any sugar bought as purchasing agents for the Government, the embargo maintained by the Argentine Government against the exportation of sugar could be raised. It was agreed that the gross profit of the American Trading Co. should be limited to 1 cent a pound; that the sugar should only be delivered to such persons as were designated to receive it by the Department of Justice; that Howell & Son were to act as distributors of the sugar on behalf of the department; that the distributees and the amounts were to be approved by the department. On the assurance that the Government could immediately upon the purchase of the sugar secure the consent of the Argentine Government for its export, and with the above understanding the American Trading Co. borrowed and furnished between six and seven million dollars and purchased about 14,000 tons of

sugar down there. After they bought the sugar it developed that our Government could not get the embargo raised, and it took six weeks of negotiation to finally get the consent of the Argentine Government to let the sugar out. During these six weeks exaggerated stories were published in the United States about the large amount of sugar coming here from the Argentine. As a consequence the price took a tumble. When the American Trading Co. realized that on account of the delay it probably could not get cost and expenses for all of the sugar in the United States, it requested permission of our Government to sell the sugar it still had in the Argentine.

At that time sugar had materially advanced in the Argentine; and if the American Trading Co. had been free to do with the sugar as it pleased, it could have resold down there and have realized a profit of a couple of million dollars. However, the company was very honorable. It made a proposition to our Government that, if permitted, it would resell the sugar in the Argentine at 16 cents per pound, when the price then was at least 7 or 8 cents more. Our State Department refused to permit this course. It seems to me this course should have been arranged, but these claimants are not responsible for the refusal of the State Department to let them sell. Then these parties were obliged to bring all of the sugar to the United States and sell it at a loss. They could not even store it, for fear of being prosecuted for hoarding.

Mr. STEPHENS. Was the sugar ever sold?

Mr. VOIGT. Most of it was afterwards sold at a loss.

Now, if you will turn to the hearings, page 11, you will find a communication from the Argentine Government, stating that permission is granted to this company to export the sugar as purchasing agent of the Department of Justice. On page 26 you will find a letter from Mr. Figg, who was the Assistant Attorney General having this transaction in charge, to the President, urging him to direct the Sugar Equalization Board to take over this transaction so as to save these people from loss.

Mr. Figg says in his letter that the action of these claimants, resulting in depressing the price of sugar in the United States, which as you may recall was then between 25 and 30 cents per pound, resulted in a saving to the American people of a billion dollars. I do not believe that, but I do believe that by reason of the stories published at the time, concerning the importation of vast quantities of Argentine sugar, the price went down materially, and I believe this venture did save the American people several hundred million dollars. Even if it did not save us a cent, I believe the Government is morally bound to save these people from loss. They acted as agents for the Government, they acted within the scope of their instructions, and it is elementary that in these circumstances the principal must back up the agent. Furthermore, our Government failed to have the embargo lifted as it agreed, which fact was responsible for the loss, and then to cap the climax it refused these people permission to resell the sugar in the Argentine when there was an opportunity for them to come out whole. They do not ask a profit now; they want the Government to stand their loss. I am going to hold this Government to the same rule of responsibility that I would hold an individual, and when that rule is adopted, the Government is absolutely bound to reimburse these people. [Applause.]

Mr. KINCHELOE. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Kentucky has 21 minutes and the gentleman from New York has 16 minutes.

Mr. KINCHELOE. We have but one more speech on this side.

Mr. WARD of New York. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Nebraska. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. McLAUGHLIN of Nebraska. Mr. Chairman and gentlemen of the committee, of the many claims against the Federal Government growing out of the varied activities of the Government departments in the World War, some of them undoubtedly are just and meritorious and should be paid, while many of them are without sufficient merit and should not be paid. Among the claims that have been presented or may be presented, that of the American Trading Co. for reimbursement for the actual loss sustained by them in acting as the purchasing agent of the Department of Justice for the importation of sugar from the Argentine in a successful attempt to break the sugar market in this country has, in my judgment, been established beyond the question of a doubt. The resolution has twice passed the Senate by a 2-to-1 vote,

after having been unanimously reported by the Senate Committee on Agriculture and Forestry.

Hearings have been held in both the Senate and House committees, in which men of the highest repute and integrity have testified, representing the American Trading Co., the Department of Justice, the Department of State, and the Sugar Equalization Board. The Good Book says that by the mouth of two witnesses a thing shall be established. In support of the claim of the American Trading Co. practically all of the witnesses who have been called are in complete agreement as to the merits of the claim. A Democratic Attorney General and a Republican Attorney General, as well as a Democratic Secretary of State and a Republican Secretary of State have assured the Agriculture Committee in the hearings that were had that the claim was just and meritorious and should be paid.

Inasmuch as the details of the transaction have been thoroughly covered in the printed hearings and have been discussed on the floor of the House, I do not wish to take the time of the House, except to review some of the more important features of the evidence in support of the claim.

It is understood that under the Lever Act the President was empowered to take such steps and set such machinery in motion from time to time as might appear necessary to provide an adequate supply of food and feeds of various kinds and to facilitate the proper distribution of the same. The question of the supply and distribution of sugar was considered early under the operation of the Lever Act, and finally the United States Sugar Equalization Board was established, which, in addition to the Cuban sugars imported, imported a little less than 40,000 tons of other foreign sugars, on which a profit of \$39,000,000 was made in the handling and distribution. Thirty million dollars of this amount was turned into the Treasury of the United States, and something like \$9,000,000 was held back for the purpose of adjusting claims growing out of sugar transactions.

When the Sugar Equalization Board was created it was not in the mind of those arranging to handle the sugar situation in this country originally to attempt to control the sugar situation at a profit to the United States Government, but a profit of \$39,000,000 was made. Now, I submit to the Members of the House that it is unfair, most decidedly unfair, that the Government of the United States should make a profit of \$39,000,000 in handling the sugar situation during the war and immediately after the war, and that a private importing company, at the solicitation of the Department of State, the Department of Justice, and acting as the purchasing agent for the Department of Justice, as clearly shown in the hearings as well as in the large volume of official correspondence passing between this Government and the Argentine during the course of the transaction, should stand a loss of \$2,500,000 while attempting faithfully to cooperate with the Department of Justice in their efforts to break the sugar market.

On or about April 26, 1920, Mr. Walter S. Franklin, vice president of the American Trading Co., of New York, while in conversation with Mr. Gittings, assistant to the trade adviser of the State Department, was advised by Mr. Gittings that a cablegram had been received by the State Department indicating that there was a surplus of sugar in the Argentine, and Mr. Gittings urged Mr. Franklin to call at the Department of Justice and talk with members of the department relative to the importation of sugar from the Argentine.

Mr. Franklin complied with the request the same day and talked with Mr. Newton, assistant to Mr. Figg, on the sugar situation. Later, about May 6, Mr. Linn, a Washington representative of the American Trading Co., wired Mr. Franklin that Assistant Attorney General Figg desired to see him in Washington. Mr. Franklin responded to the request and on May 7 interviewed Mr. Figg on the sugar situation. Mr. Figg, according to his own testimony in the hearings and the testimony of Mr. Franklin, informed Mr. Franklin that the Department of Justice desired to have purchased some of the surplus sugar in the Argentine and import the same to the United States for the express purpose of lowering the price of sugar here, and requested the American Trading Co. to act as the purchasing agent of the Government in the transaction. No definite arrangement was made at that time, because Mr. Franklin wanted the United States Government to find out definitely that the Argentine Government would modify the existing embargo at our Government's request. However, on May 12, 1920, Mr. Franklin received a letter from Mr. Figg, from which the following quotation is taken:

After talking this over with your representative, Mr. Linn, and Mr. Giddings, it was deemed advisable that your agent already on the ground should be advised to contract for or buy as much of the entire surplus as possible before any further request was made that the em-

bargo be lifted, as, of course, upon the general knowledge that this has been done will create a speculative market.

I have made arrangements with very large interests to handle all or any part of this sugar that we may indicate, our principal idea being, first, to secure sugar for the United States; second, to secure the sugar at the lowest possible price; and, thirdly, to control or indicate the channels of distribution after arrival here.

I hope you will give this your immediate attention, as we must work very rapidly to beat the speculators in the market.

Yours very truly,

HOWARD FIGG,

Special Assistant to the Attorney General.

In answer to this request of the Special Assistant to the Attorney General, the American Trading Co. wired their Argentine office to begin buying sugar at a price not to exceed \$300 a ton, and arranged for the proper credit with their bankers to take care of the transaction.

About this time or later the Department of Justice, entirely independent of their dealings with the American Trading Co., approached the B. H. Howell, Son & Co. and requested them to assist the Department of Justice in the distribution of the sugar in the United States, for which importation arrangements had been made with the American Trading Co., and later an agreement was made with the American Trading Co. that the Department of Justice would allow them a commission of 1 cent a pound for importing the sugar, and an agreement was also made with B. H. Howell, Son & Co. that the department would allow them a commission of 1 cent a pound for distributing the sugar after its arrival. Had these companies been able to have carried out their part of the transaction with the greatest expedition and marketed their sugar before the break in the price came neither of them would have made a net profit on the transaction of to exceed one-half cent a pound and probably not more than one-fourth cent a pound, after allowing for the overhead expenses of handling the business.

About the middle of May Mr. Franklin, of the American Trading Co., conferred with Mr. Figg, of the Department of Justice, and Mr. Gittings, of the Department of State, and among other things requested them to arrange for the lifting of the Argentine embargo so that the sugar purchase could be brought to this country. On May 13 Mr. Figg wrote the State Department asking them to arrange for the lifting of the sugar embargo, and the State Department cabled this message to the American ambassador in the Argentine:

The American Trading Co. has been appointed purchasing agent by the Department of Justice and is being instructed by that department to obtain quietly as many options as possible before the market is aware that the embargo has been lifted in order to avoid unduly high prices; otherwise it will be impossible to buy Argentine sugar.

Note that in this cablegram, and this same expression is contained many times in the official correspondence passing between the two Governments, copies of which are in possession of the Agriculture Committee, the American Trading Co. was designated as the purchasing agent of the Department of Justice. On June 8, 1920, the State Department again cabled the American ambassador in the Argentine, asking him to confer with the President of the Argentine and arrange for a satisfactory lifting of the embargo.

This was finally done, and on June 23 the necessary license was issued for the importation of the sugar to this country, and in that license the following language was used:

That the necessary permission be given to the American Trading Co., purchasing agent for the Department of Justice of the United States of America, to export to the said company 13,909 tons of sugar of national production.

Please observe that in the permission given to the American Trading Co. by the Argentine Government the words are used, "purchasing agent for the Department of Justice of the United States of America."

Owing to the long delay of the State Department in securing the lifting of the Argentine embargo and as a result of the large publicity given throughout this country to the pending importations of sugar the American Trading Co. was only able to sell 5,118 tons of the 14,209 before the break in the sugar market came.

Mr. Zabriskie, president of the United States Sugar Equalization Board and the best informed sugar man in the United States, has expressed it as his judgment that the importation of this Argentine sugar was one great factor in breaking the sugar market in this country which saved the American people hundreds of millions of dollars. The same view is expressed by Assistant Attorney General Figg and by Judge Glasgow, a member of the Sugar Equalization Board and attorney for that body. When the sugar market broke the American Trading Co. applied to this Government for permission to resell the sugar they had been unable to import to this country because of the delay in lifting the Argentine embargo back to the Argentine Government, as sugar had risen in price there, and offered to resell the sugar to the Argentine Government at a price that

would not have given them more than the 1 cent profit per pound which had been agreed on with the Department of Justice.

The company was refused permission to resell in the Argentine and directed to bring all of the sugar to the United States, and as a result of the entire transaction these two companies, the American Trading Co. and B. H. Howell, Son & Co., have lost approximately \$2,500,000.

The Sugar Equalization Board still has several million dollars that have not been turned in to the United States Treasury, and it is the unanimous opinion of that board that the American Trading Co. should be reimbursed for the loss sustained while acting as purchasing agent for the Department of Justice, the only question with the members of the board being that owing to the time that had elapsed and the attempted winding up of the affairs of the board at the time the question of reimbursement of the American Trading Co. and B. H. Howell, Son & Co., was proposed the board should have a definite authorization from Congress to take over the transaction and reimburse these companies for their actual losses.

The American Trading Co. and B. H. Howell, Son & Co. are not asking for any profit on this sugar transaction; they are only asking that the Sugar Equalization Board be authorized to take over the transaction, audit their accounts, and repay the companies for the actual losses sustained.

It should be borne in mind in the consideration of this transaction, that the American Trading Co. and B. H. Howell, Son & Co., acted throughout under the instructions of the State and Justice Departments, and that they were forbidden to make any move on their own account in the matter. When it came to the distribution of the sugar, B. H. Howell, Son & Co. was not permitted to go into the open market and make sales but were authorized by the Department of Justice to sell only to such persons and firms as the department might designate. Had these companies, after entering into the agreement with the Department of Justice to import and distribute Argentine sugar, been permitted, when they experienced the delay on account of the embargo, to go ahead and distribute the sugar in any manner that they might discover which would make them whole or nearly whole they could have saved a part of the loss, but they were restricted and circumscribed on every hand by the requirements of the department.

The testimony shows that all of the witnesses from the State and Justice Departments, as well as the attorney for the Sugar Equalization Board, testified that the claim of the American Trading Co. and B. H. Howell, Son & Co., constituted the very strongest possible moral obligation on the part of the United States Government, and in their judgment closely approached, if not fully constituted, a legal obligation as well.

In the case of the United States v. Realty Co., reported in One hundred and sixty-third United States, 427, at page 440, Mr. Justice Peckham says:

Under the "provisions of the Constitution (Article 1, section 8) Congress has power to pay the debts" of the United States. * * * What are the debts of the United States within the meaning of this constitutional provision? It is conceded, and indeed it can not be questioned, that the debts are not limited to those which are evidenced by some written obligation or to those which are otherwise of a strictly legal character. The term "debts" includes those debts or claims which rest upon a merely equitable or honorary obligation, and which would not be recoverable in a court of law if existing against an individual. The Nation, speaking broadly, owes a "debt" to an individual when his claim grows out of general principles of right and justice; when, in other words, it is based upon considerations of a moral or merely honorary nature, such as are binding on the conscience or the honor of an individual, although the debts could obtain no recognition in a court of law.

Congress followed this decision of the Supreme Court in its amendment to section 5 of the act approved March 2, 1919, entitled, "An act to provide for relief in case of contracts connected with the prosecution of the war and for other purposes," in providing for the reimbursement of those who produced certain ores or minerals needed in the prosecution of the war as a result of requests made by the Government.

I have in my possession 100 pages of copies of letters and cablegrams that passed between our State Department and the Argentine Government covering the negotiations in this entire transaction, in which our Government repeatedly refers to the American Trading Co. as the purchasing agent of the Department of Justice of the United States, and as has already been shown the permit issued for the exportation of this sugar from the Argentine to the American Trading Co. designates them as the purchasing agent of the United States Government, showing that both Governments had the understanding throughout the transaction that the American Trading Co. was the purchasing agent of the Department of Justice.

The American Trading Co. went ahead in good faith throughout the whole transaction in the belief that they were the purchasing agents of the United States Government. This company had not been in the business of importing sugar before entering into this transaction, nor have they been importing sugar since that time, but the testimony all shows that they entered into the matter in good faith at the request of the Government departments for the purpose of assisting the Government in its efforts to reduce the high prices of sugar that were being charged at the time.

It has been argued by some of those who oppose this resolution that certain members of B. H. Howell, Son & Co. have been prosperous and that they are in possession of considerable means. Such argument is entirely irrelevant, as anyone with an ordinary sense of justice must agree. The question of the right or wrong of a claim, if properly considered, can not take into account whether or not the person or persons to whom money is justly due are worth \$1 or \$1,000,000. The claim should be settled wholly on its merits, as evidenced by the testimony.

In conclusion, Mr. Chairman, let me remind the House again that the question of the reimbursement of the American Trading Co. and B. H. Howell, Son & Co. for the actual losses sustained in this transaction was unanimously approved by the Senate Committee on Agriculture and Forestry, passed twice by a 2 to 1 vote in the Senate, has been twice favorably reported by the House Committee on Agriculture, has been approved, so far as the justice of the claim is concerned, unanimously by the Sugar Equalization Board, by the Departments of State and Justice of both the former and the present administrations; and when we take into account that the United States Government cleared upward of \$30,000,000 on its sugar transactions during the war emergency and that this Government called these companies to its assistance in an effort to curb the high price of sugar in the United States, and that these companies worked faithfully and constantly with the departments all through the transaction, and as a result of delays occasioned by the Government and restrictions placed on the companies by the Government and sustained an actual loss in the neighborhood of \$2,500,000, it does not seem possible to me that this body can render a decision to the effect that these private companies must lose \$2,500,000 in this transaction when the United States Government has cleared between \$30,000,000 and \$40,000,000 on its sugar transactions during the war.

I therefore hope and believe that the House in its effort to mete out pure justice to these companies will join with the other bodies and departments that have passed on the resolution favorably in authorizing by a liberal majority the Sugar Equalization Board to take over this transaction and reimburse the American Trading Co. and B. H. Howell, Son & Co. for the losses they have sustained and for which reimbursement they have waited long and patiently.

Mr. WARD of New York. Mr. Chairman, I yield four minutes to the gentleman from Ohio [Mr. Fess].

Mr. FESS. Mr. Chairman, my only caution here is not to allow prejudice against a thing that might be a question whether it should have been done or not, to determine justice in a contract. I was one of the Members of the House that thought the dealings in the sugar matter of a prior administration was subject to criticism. Whether there was a mistake on the part of Attorney General Palmer or not is not a question to-day as to the obligation of this contract, and whether what he did in an earlier day on the sugar dealings was the cause of the scaling of the price of sugar upward was a subject of criticism or not, this much must be said, that when the price was going skyward he took this plan as his method by which he could break that scaling price; and if the first thing done, including the failure to buy the sugar crop in Cuba, was a mistake, certainly this thing of breaking the price was not a mistake. He took this method by which when sugar was selling at 30 cents a pound and promising to go yet higher the price could be brought down. The price was brought down and the people got the benefit of it. The mere announcement that the United States was about to purchase the Argentine crop was enough to break the price.

Mr. JONES of Texas. Will the gentleman yield?

Mr. FESS. No; I can not yield; I have only four minutes. My young friend who has just asked me to yield is one of the most sincere Members in the House. I always listen to him with interest and usually with profit; but I think he has made a terrific indictment of a Democratic Attorney General, an indictment of a Democratic Secretary of State, an indictment of the Republican Attorney General, an indictment of the Re-

publican Secretary of State, an indictment of the Sugar Equalization Board, an indictment of the membership of the Senate, which twice passed this bill, and an indictment of the Agricultural Committee of this House.

I can not be made to believe that all of the people are either purposely wrong or unwittingly in error. I can not believe that they are subject not only to the charge of legal misinterpretation but also to the charge of moral turpitude. I started in on this matter against it because I did not like the procedure at the time. But after an examination of the record I am totally convinced that there is but one thing to do. The documents prove the Government's obligation. The Government can not afford to repudiate but should fulfill its contract whether in the onset it was a bad contract or not. [Applause.]

Mr. WARD of New York. Mr. Chairman, I ask the other side now to use its time, as I have only one more speaker.

Mr. JONES of Texas. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and forty-eight Members present, a quorum.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, I assure you that I approach the discussion of this subject realizing the fact that I have no more responsibility in the matter than you have. I do try to discharge my duties and to be a faithful and diligent member of the Committee on Agriculture. If there has been a measure before this great committee since I have been a Member of this House that I have studied more than any other, it is this. I entered into these hearings with an absolutely open mind. I never heard of these gentlemen who are interested until they came before that committee. I want to present this thing to you as I see it.

First, what have you to pass upon? Here is a claim of the American Trading Co. and B. H. Howell & Co. for \$2,500,000, to be taken out of the taxpayers' pockets. Oh, they say it will not come out of the taxpayers' pockets but that it will come out of the Sugar Equalization Board. They say that the Sugar Equalization Board made \$98,000,000. They did. Where did that come from? It came out of the pockets of the consumers of sugar in this country, and I want that \$98,000,000 to go into the Treasury of the United States, where it belongs, rather than into the pockets of a favored few. They have a claim of \$2,500,000, De Ronde & Co. have a claim of \$1,700,000, and Lamborn & Co. have a claim of \$570,000. After hearing all of the evidence in all of these cases, I want to say to you now that the least meritorious of them all is that of the American Trading Co. and B. H. Howell & Co., and if you can allow their claims—and that is the first vote to be taken—then you will pass the least meritorious of the three claims.

Let us see how this came about. They talk about their being an agency of the Government. They were no more an agent to the Government than I am, either in law or in fact. It is stated here that the Secretary of State told the American Trading Co.—Mr. Franklin—about this sugar in the Argentine. These fellows were not amateurs in the business. They were not novices; they were not conscripted. They were out to make some money, and they took a chance on the assurance of the Government paying them 2 cents—one cent for Howell & Co. and the other for the American Trading Co.—and they lost; and I asked every witness who came before the committee, or some of my colleagues did, whether any agents of the Government, when they were talking about these contracts, ever said a word to the effect that if they lost in this transaction with the Government the Government would reimburse them to the extent of one red cent, and everyone of them said that there was nothing said about losses. I challenge you proponents of the bill to put your finger on a line of evidence where an agent of the Government ever said a word about reimbursing if there was a loss. Let me show you what Mr. Franklin said. Mr. Franklin was down here in the State Department on some other sugar matters—

Mr. WARD of New York. Oh, no sugar matters.

Mr. KINCHELOE. That is immaterial. He went there on private business.

Mr. WARD of New York rose.

Mr. KINCHELOE. I do not yield. He was down there on other business—it is immaterial what business—and Mr. McLaughlin asked the question, "Who first brought up the question of sugar from the Argentine?" Mr. Franklin replied:

I am unable to say that. It was in connection with a discussion in the State Department as to duties, and we were asking about export and import duties, and the question came up then. I do not know but what I may have said there were sugars in the Argentine and sugars in Java, etc., and so on.

Mr. WARD of New York. Oh, read it all.

Mr. KINCHELOE. Wait a moment. Mr. Franklin said:

They suggested that we tell the Department of Justice about it—

Not the State Department. Mr. Franklin continues:

We told the Department of Justice about that transaction in April and then heard nothing from it until May 7, at which time we were called down here to the meeting. It was about April 20 when I was in Washington in connection with other matters.

Mr. McLAUGHLIN then asked the question:

How did this thing start, and how did it develop?

Mr. Franklin replied:

Well, it started as I have told you. In April we told the Department of Justice that this sugar was there, because of a conversation we had in the State Department.

Then the contract was made, and there was no agent of the Government behind it. They came down here and agreed, not like De Ronde or Lamborn, to get 1 cent a pound, but they wanted to make a killing. They said, "If you give B. H. Howell, Son & Co. 1 cent and the American Trading Co. 1 cent, we will go and buy it."

Mr. WARD of New York. Who said that?

Mr. KINCHELOE. I do not yield, and I am not making an incorrect statement. I know what I am talking about in this record.

Mr. WARD of New York. You can not show it in the hearings.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman from New York is out of order.

Mr. KINCHELOE. Mr. Chairman, I am trying to get some information before the committee.

The CHAIRMAN. The point of order is sustained.

Mr. KINCHELOE. Where did the State Department come in? If they had been agents of the Government, would not it have bought the sugar in the name of the Government?

Mr. WARD of New York. They did.

Mr. KINCHELOE. It did not. Would it not have sold it in the name of the Government? These people bought it in their own name in the Argentine and they sold it here in their own name. What did they do? They made their first purchase on the 13th of May, 1920. They made their last purchase, and here is the gist of this—the contributory negligence that I want to show you—they made their last purchase on the 22d day of May, completed this, 14,000 tons, and that very day, May 22, 1920, after they had made their last purchase in the Argentine, the Argentine Republic raised their embargo.

What was that embargo? The State Department never had been called in then, no agency up to this time. They raised that embargo, saying that anyone could export to the extent of 100,000 tons of Argentine sugar to any party in the world, provided, what? That those exporters deposited 30 per cent of that export amount in pillet sugar there. Why? Because if that export caused a rise in sugar the Argentine Republic would have 30 per cent to protect their own consumers. Sugar did not decline a cent in this country until the 13th of July, nearly two months afterwards. If B. F. Howell and the American Trading Co. had shipped 14,000 tons prior to the 22d day of May, the day the Argentine Government raised the embargo, they could have taken 70 per cent of that sugar and sold it, every dollar's worth, in the United States and got their 2 cents a pound profit.

Mr. WARD of New York. Will the gentleman yield?

Mr. KINCHELOE. No. They could have disposed of 30 per cent of pillet sugar in Argentina at a bigger price than it would have sold here.

Mr. WARD of New York. Will the gentleman yield?

Mr. McSWAIN. Mr. Chairman, I make the point of order that the speaker is entitled to protection under the rule.

Mr. KINCHELOE. I am trying to get a connected statement before the committee if I can.

The CHAIRMAN. The point of order is sustained.

Mr. KINCHELOE. Why would they not do that? They wanted to make a clean-up. No coalition now with the State Department. Why do I say this claim is not as just as De Ronde and Lamborn? The De Rondos took advantage of the embargo, and so did Lamborn. The way they got stung was they did not agree to buy this sugar until several months after the American Trading Co. had. To show you, Lamborn did not agree to buy this sugar until the last of June, and yet he got his sugar at New York eight days before De Ronde & Co.'s sugar left the Argentine, four weeks before the American Trading Co. shipped a pound. What is it that the American Trading Co. and B. F. Howell wanted to do? They wanted to make a clean-up. They said, "Oh, no; we will not comply with the regulations of the Argentine Republic by the deposit of 30 per

cent of pilot sugar. We will go over to the State Department and we will get the State Department as an intermediary and we will ask them to ask the Argentine Republic to raise the embargo, without any restrictions at all, so we can get all of our sugar on the market and make a clean-up of 2 cents profit." And they finally got the State Department to intercede. It did intercede, and before the embargo was finally raised the crash came on July 23. Now, let me show you. Who asked the Department of State to intercede? Mr. Franklin, to make this clean-up. He wrote a letter on July 29, and in answer to that Mr. Figg, of the Department of Justice, who interceded in his behalf to the Department of State—let us see about this agency. Now, here is what Mr. Figg says:

He also brought to my attention a matter of seeming interest to you, and that was that if any portion of this sugar was sold in the Argentine it would be a ruin to the American Trading Co. or any other American interests that might be involved as well as a very serious thing for the United States Government.

Further Mr. Figg says:

I do not feel that there is an opportunity for you or the B. H. Howell Co. to lose any money on this transaction, but that you will find a ready sale for the sugar on its arrival here. I have been assured by a great many dealers over the country that they are ready to buy on delivery, but would not contract ahead of time. I not only think there will not be any loss, but that your profits will be the same as you expected from the start.

So they would still make a profit. Now—

Mr. J. M. NELSON. Will the gentleman yield for just one question?

Mr. KINCHELOE. Just a question.

Mr. J. M. NELSON. Is it the gentleman's contention that these parties were not the agents, but the Government was helping them?

Mr. KINCHELOE. At their urgent solicitation; yes. The man behind the gun was Mr. Post, of the American Trading Co. Let me show you. He is interested in 14 sugar companies in Cuba, in Java, and in the Argentine.

He is a member of the B. H. Howell, Son & Co. partnership. For months, when raw sugar was selling at 21 cents a pound in this country, when they were robbing the American consumers to the extent of 35 cents a pound retail for refined sugar, this Mr. Post—the brains behind all these concerns, the brains that have conducted this lobby in Washington, the most insidious since I have been a Member of Congress [applause]—is a member of 14 companies, companies that made untold millions of dollars of profits, which came out of the pockets of the husbands and housewives of this country, taking advantage of the situation and selling the sugar at 35 cents a pound, he comes before the committee and says, in substance, that love of country caused him to buy this sugar. Let me read to you what I asked Mr. Post. I read:

Mr. KINCHELOE. Mr. Post, I want to try to get your viewpoint as a business man, if I can, of this transaction. I am frank to say I do not understand it. Of course, the purpose of the purchase of this Argentine sugar to bring to this country was to break the market. That is conceded here. That was the purpose of it, to break the market for the benefit of the consumers of America. You, of course, knew that?

Mr. Post. That was the purpose of it; yes.

Mr. KINCHELOE. Now, with your holdings of sugar in Cuba, and with the war over, eliminating the patriotic end of it, knowing that the purpose of buying this Argentine sugar was to break the market, I can not understand your viewpoint as a business man. I can not understand why you should go into an arrangement of that kind unless you felt that the profits you would get out of the Argentine purchase would yield a greater dividend than you would get from your sugar in Cuba. What was really your purpose in it?

Mr. Post. In the first place, B. H. Howell, Son & Co. never owned any sugar; we are commission merchants.

Mr. KINCHELOE. But the more sugar you handle the more you make?

Mr. Post. We get a commission; yes. We had not got over the feeling of loyalty to the Government that we had in the war, and the feeling that we ought to cooperate in every way we possibly could. That may seem very strange to you, but that was our purpose.

By the eternal gods, it seems awfully strange to me that the man who was making millions out of his 14 other companies by robbing the American people would go in for a philanthropic purpose of breaking the market on his own sugar, out of which he was making those millions. [Applause.] Why, of course, there are inequalities in war. War is a conglomeration of inequalities and a multiplicity of iniquities. Gentlemen, you no doubt know men in your districts who were wholesale dealers who lost thousands of dollars by buying sugar at a high price when this slump came.

They say this 13,000 tons of sugar brought up here broke the sugar market. The American people at that time were consuming 100,000 tons of sugar per week. They were consuming over 14,000 tons a day. Yet B. H. Howell, Son & Co. and the American Trading Co., with their 13,000 tons—not so much as the American people consumed in a day—are said to have broken the market, and you must take the money out of the Treasury and pay it to them. There were wholesale and retail dealers in your districts who lost money and became bankrupt

after the slump came. What will you say to them? What will you say to the good housewives who bought the sugar at 35 cents? What will you say to the American consumers who contributed their untold millions to Post and his 14 sugar owners? Will you say, "Notwithstanding the American people contributed to you all these millions, notwithstanding you robbed the American people for months and months, notwithstanding you went into this scheme at your own risk and lost, notwithstanding all that, we will not only contribute the millions that we gave you when sugar was sold at 35 cents a pound, but we will take \$2,500,000 of the taxpayers' money out of the Treasury of the United States and make one favorite of you?"

Gentlemen, these are private bills. They came on the calendar by a majority vote of the Committee on Agriculture. They went on the calendar of the Committee of the Whole House on the state of the Union. They hammered and hammered the Committee on Rules in May until that committee brought out a rule. At that time the Committee on Rules were kind enough to give us three hours to permit a discussion of this matter. These people have had their day in court. To my surprise, when those three hours on that day in May had been consumed, instead of rising and reporting the resolution favorably, they rose without taking action on the resolution and quit. [Applause.]

Why did you quit? You knew you were "beaten to a frazzle." I can understand where elections change the political complexion of the personnel of the House of Representatives but I can not understand how elections changing the political personnel of the next House will change the settled convictions of the personnel in this House. [Applause.]

I do not believe you will do it. So far as I am concerned, I am no better than you are. I am no more honorable than you are. I owe no more responsibility to my district than you do to yours; but, by the eternal gods, when my service in this House ends I am going to hand back the commission that the people of that congressional district gave me as unsullied as it was when it was placed in my hands, and I believe that every other Member of the House wants to do that same thing. [Applause.] I ask you, if that is true, how in good conscience you can say to these sugar dealers, worth millions, who went into the game—who went in for profit—and were unfortunate enough to lose, "We will make you whole," and then say to the retail sugar dealers in your districts, "You have met a loss, but let it go"? During the war appeals went out to the farmers of the country, "Raise more wheat, raise more hogs, raise more foodstuffs." You went to the retailers and said, "Buy more wheat." It was then selling at \$3 a bushel. Many people bought millions of dollars' worth of it at that price. The Government came on—and I am not criticizing anybody—and reduced the price to \$2.20 a bushel. That difference was lost by these men who bought up sugar in order to win the war.

Are you going to say, "Let us treat all alike"; or are you going to say, "Let us take these people up and reimburse them for their loss"?

I would like to know upon what meat the B. H. Howell, Son & Co. and the American Trading Co. feed that makes them so great. How can they come and have the Rules Committee bring in a resolution which, after discussion, is beaten, and then come back with a rule allowing only 30 minutes to a side, to appropriate \$2,500,000 of the taxpayers' money?

Mr. BLANTON. And this same reaction bankrupted 60 per cent of the sheepmen and cattlemen at that time?

Mr. KINCHELOE. Yes. There had to be sacrifices during the war. It applied to every home in this Republic. It left a vacant chair at 50,000 firesides in this Republic—50,000 mothers made the sacrifice of their sons on the altar of their country, at the same time paying 35 cents per pound for sugar brought to this country by concerns in which Mr. Post was interested, and, as one Member of Congress, I am not going to vote for this measure that asks those mothers and their husbands to dig down in their pockets and help pay these concerns \$2,250,000 to reimburse them because they took a chance to make hundreds of thousands of dollars and lost. I ask you, gentlemen, in good conscience, whether you can say to the American Trading Co. and to the B. H. Howell Co. that you will discriminate in their favor? Let them share some of the hardships with the mothers and fathers who are mourning by reason of the vacant chairs around their firesides as a sacrifice to the war. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to revise and extend his remarks in the Record. Is there objection?

There was no objection.

Mr. JONES of Texas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. WARD of New York. Mr. Chairman, I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming [Mr. MONDELL] is recognized for 10 minutes. [Applause.]

Mr. MONDELL. Mr. Chairman, I feel a sense of responsibility in this matter, because when a resolution similar to this was favorably reported in the Sixty-sixth Congress and those who favored it and those who opposed it were asking, on the one hand, that a rule be given for its consideration, and, on the other hand, that there should be no rule, it became my duty to consider the matter, in order that I might advise with the gentlemen of the Rules Committee who asked my advice. I then read all of the testimony carefully. I talked with the members of the committee, those who were favorable and those who were unfavorable, after which I said to the chairman of the Committee on Rules, "I am inclined to think these gentlemen have a good case, but I do not believe they have fully established their case before the committee." I said to Mr. Franklin, "I am inclined to believe that there is an obligation on the part of the Government that should be met, but I do not believe your case has been presented to the committee clearly enough that I may properly advise that a rule be given for its consideration." And so the matter was not considered at that time and was again presented to the committee and presented logically and clearly. The facts were presented from the beginning to the end of the transaction in logical sequence.

I wish to say that it is my deliberate judgment that if there is not in this case a moral, equitable, and legal obligation, then there is never any obligation on the part of the Federal Government save under a written contract clearly and beyond all question made under a specific provision of law. This is more than a moral obligation. It is more than an equitable obligation. It is an obligation that unquestionably would be legal if the Secretary of State under the Wilson administration, if the Secretary of State under this administration, if the Attorney General under the Wilson administration, if the Attorney General under this administration had as the responsible managers of a private corporation in behalf of and in the name of the corporation done what they did in the name of the Government in this case. There is no escape from this obligation unless we are willing to say that, so far as we are concerned, no obligation of this Government should be met and paid unless it is so clearly and definitely legal under our form of government and law that the claimant may obtain relief in a court of law. We know that there are valid obligations which the Government ought not to attempt to escape toward the establishment of which the claimant can not have recourse to the courts. At the close of the war we made valid innumerable informal contracts and agreements that had been entered into during the war period, and under that legislation hundreds of millions of dollars of obligations were met. It is possible that in passing upon those obligations those charged with responsibility were not always wise and were not always sufficiently careful to guard the interests of the Government.

I do not pretend to say. I do know that it was necessary for us to pass that law or stand before the world as a Government that repudiated its obligations. Ah, like the gentleman who just took his seat [Mr. KINCHELOE], I hope that when I leave this House after my years of service I can leave it with a clear conscience; but I can not leave it with a clear conscience if I shall stand here in my place and preach repudiation of Government obligations. Either this obligation is binding upon the Government of the United States or two Secretaries of State under two administrations, two Attorneys General under two administrations, the men designated by the Departments of Justice and of State to study the case under two administrations, and those who have been officially brought into contact with it are all wrong, all prejudiced, and all controlled by unworthy motives. I am not ready to say that those men, charged with great responsibilities, did not realize their obligations to the people of this country under their oaths of office, were not sufficiently versed in law and commercial usages to recognize what constitutes a national obligation. It is all very lovely for gentlemen to be able to say, "Oh, well, I do not have to vote for a thing of this kind, and I will escape all criticism at home if I can just say, 'No; I had some doubts about those sugar claims, and so I voted to turn them down.'" I do not desire to return to my constituency laying any such

unction as that to my soul. I prefer to go saying, "This obligation was presented to me. It is vouched for by the men responsible under my Government to pass judgment on it. I have read the record. I know the facts. I believe there is an obligation that ought to be met, and I propose to help meet it." [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired. All time has expired. The Clerk will read the joint resolution.

The Clerk read as follows:

Resolved, etc., That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation, American Trading Co., and the copartnership, B. H. Howell, Son & Co., a certain transaction entered into and carried on by said corporation and copartnership at the request, under direction, and as agents of the Department of Justice and Department of State, which transaction involved the purchase in the Argentine Republic, between the 13th day of May, 1920, and the 22d day of May, 1920, of 13,902 tons of sugar, the importation thereof into the United States, and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispose of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the corporation and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them, or either of them, in said transaction; and for this purpose the President is authorized to vote or use the stock of the corporation held by him or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

Mr. JONES of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: On page 2, line 18, after the word "resolution," insert the following proviso: "Provided, That the United States Sugar Equalization Board shall not pay anything in the way of profits to the American Trading Co. or to B. H. Howell, Son & Co. in such transaction."

Mr. JONES of Texas. Mr. Chairman, there is a provision in this resolution that is a little uncertain. It authorizes the Sugar Equalization Board to dispose of any of said sugar so imported remaining undisposed of and to liquidate or adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises.

That is followed by a provision which authorizes the board to pay to the corporation and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them; but that does not limit them in the way of profit. It does not limit the previous grant of power to adjust it in any way they see fit. It authorizes them to pay the actual loss, but it does not prevent their paying profits or commissions. It seems to me there should be no doubt in the premises in any event, and that it ought to be limited to the actual losses sustained and authorize them to pay the actual losses only.

Now, I want to call attention just in this connection to the assumption that has been made here all along that this is a contractual obligation. Gentlemen, if this were a contractual obligation this claim would be in the Court of Claims and not before the House of Representatives. The attorney for B. H. Howell & Co. admitted that there is no legal obligation. If we are to adopt a policy of paying moral obligations, let me call your attention to this: During the war wheat was \$2.90 a bushel. The elevator men had their elevators filled with wheat for which they paid \$2.90 a bushel, and the farmers had wheat worth that amount. Overnight the Government fixed the price at \$2 a bushel and turned round and said to the elevator men and to the farmers, "You sell your wheat for \$2 a bushel, although you paid \$2.90 a bushel." The corporation made \$89,000,000 in profit. There are millions of dollars in claims in the Agricultural Committee in wheat transactions. If you are going to pay moral obligations, if you adopt that as a general policy, you might as well build a new Treasury Building and get your printing presses and go to work printing the bonds.

Now, as to this proposition involved here, the board is authorized to adjust the entire transaction in such a manner as may be deemed by said board to be equitable and proper. I take it that they could award them any kind of a profit they thought was just and reasonable. It can award them any actual losses that they think was sustained by the companies. They might consider commissions and profits to be just and reasonable under the circumstances.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MONDELL. Mr. Chairman, I do not know just what the purpose of the gentleman from Texas is in offering this amendment. I assume that he has no thought of endeavoring to make the House of Representatives appear ridiculous, and yet that is exactly what would be accomplished if his amendment was

adopted. The resolution provides that these transactions shall be investigated, with a view to paying to the corporations such sums as are found to represent actual losses. I wonder just what that board would think if they had a measure presented to them that in one line said they should pay the sum which represented only actual losses and in another part that they were charged to pay no profits. At least, they would not have a very high regard for the intelligence of the House of Representatives.

Mr. CHAIRMAN, I do not want to charge any sinister motive to the gentleman from Texas, and I would not do that, for I am sure he is perfectly honest, though not wise in this amendment that he offers. Is it possible that somewhere between the actual losses and a denial of profits there is a sum that might be paid under this amendment? I am frank to say that offhand I can not discover that there is any space between these two propositions, but if there is any reason on earth for this amendment it would be on the theory that there is a sum somewhere between actual losses and profits, and under the amendment the Trading Co. would get the difference. So that the gentleman from Texas has offered an amendment that seems ridiculous on its face, and if it means anything at all it means that he proposes to give the Sugar Equalization Board authority to pay more than could be paid under this resolution, to wit, some uncertain sum existing between their losses and a possible profit.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Texas.

The Clerk read as follows:

Amendment to the amendment by Mr. BLANTON: At the end of the Jones amendment add the following: "Provided further, That the President shall take into consideration all other sugar holdings and profits thereon controlled by any officer connected with the corporations mentioned herein in determining any losses sustained."

Mr. CAMPBELL of Kansas. Mr. Chairman, I make a point of order.

Mr. MONDELL. I reserve a point of order.

Mr. CAMPBELL of Kansas. I make the point of order on the ground that he can not add the settlement of other claims to the one involved here.

Mr. BLANTON. It clearly deals with this general subject.

Mr. CAMPBELL of Kansas. It deals with sugar, but with other sugar claims. This point, Mr. Chairman, has been decided so many times in the House—

Mr. STAFFORD. Mr. Chairman, may we have the amendment again reported?

Mr. BLANTON. I think it is clearly germane and a proper limitation.

Mr. CAMPBELL of Kansas. It is not a limitation; it provides for other sugar claims than the one under consideration. It is like an amendment to build another battleship or do other similar work which can not be done.

The CHAIRMAN. The gentleman from Wisconsin asks that the amendment be again reported. Without objection, the Clerk will again read the amendment.

The Clerk again reported the amendment.

Mr. BLANTON. Mr. Chairman, what is the purpose of this resolution? It is to pay alleged losses to these two corporations, which it is alleged were agents of the Government in the sugar transaction. It is alleged that these officers by reason of the sugar transaction in connection with buying and distributing sugar in the United States suffered a loss. Now, if, as a matter of fact, these men in other sugar transactions which they simultaneously carried on made profits, why should not the President take them into consideration? It is clearly germane; it is clearly a limitation to the authorization given the President, and clearly in order under the precedents of the House.

Mr. SANDERS of Indiana. May I inquire whether the gentleman from Kansas made his point of order that this is not germane to the amendment offered by the gentleman from Texas?

The CHAIRMAN. The Chair so understood the gentleman.

Mr. SANDERS of Indiana. If that is the point of order it seems to me the amendment offered by the gentleman from Texas [Mr. BLANTON] is clearly a matter of entirely different transactions than the one mentioned in the amendment of the gentleman from Texas [Mr. JONES]. It seems to me the gentleman's amendment would be germane to the resolution, but it certainly is not germane to the amendment offered by the gentleman from Texas [Mr. JONES]. Mr. JONES's amendment deals with the whole question whether you can take into consideration the profits.

The amendment offered by the gentleman from Texas [Mr. BLANTON] is certainly not germane to that proposition, and

since it is offered as an amendment to an amendment it must not only be germane to the resolution, but it must be germane to the particular amendment to which it is offered.

Mr. BLANTON. It just points out to the President the manner in which he shall proceed in passing upon both the resolution and the amendment offered by my colleague.

The CHAIRMAN. The Chair is ready to rule. It is very clear under the rules of the House that a specific subject may not be amended by a provision general in nature, even when of the class of the specific subject. This amendment deals with a class and the resolution deals with a specific item. The amendment of the gentleman from Texas [Mr. JONES] prescribes that the money shall not be paid to these two specific claimants. Therefore, in the opinion of the Chair, this second amendment, dealing with other subjects, is not germane to the amendment of the gentleman from Texas, and the Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I can not agree with the distinguished floor leader when he says that the amendment of my colleague [Mr. JONES] is ridiculous and that he is unwise, that it has not any bearing on the subject. It may so appear to the floor leader, but lots of things appear to him one way and to other people differently. It has been suggested here that the Government promised these agents 2 cents per pound profit—1 cent per pound profit to the American Trading Co. for buying and 1 cent per pound profit to the distributing company for distribution. That is 2 cents per pound profit that is claimed they were to receive on this sugar transaction.

Mr. McLAUGHLIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. When my colleague [Mr. JONES] proposes by his amendment that you can not consider this 2 cents per pound profit, you can not consider anything but paying back actual loss, why is it not a wise proposition? Why is it ridiculous?

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Why is there not wisdom in it? What is there about it that is ridiculous, except the floor leader's effort in trying to get the amendment out of the way? The truth of the matter is that my colleague has proposed an amendment that stands in the way of these fellows getting 2 cents per pound profit.

That 1 per cent was, of course, a slip of the tongue. I meant 1 cent per pound. There is nothing in the hearings about this big lobby that has been behind this proposition since last May, and yet the lobby is here, and though we thought the proposition dead, we find now that it has been actively slumbering until the gentleman from New York [Mr. SNELL] and his Rules Committee have brought it in once more with new life, and under the whip and lash they are going to pass it here in a few minutes. When you people go home, all of you, and face your jobbers in your districts, and face your retailers, every one of whom were caught with high-priced sugar and lost money, try to explain to them if you can why you gave two and a half million dollars to these two corporations and left them at home up in the air with the bag to hold. You can not explain it to them or to your consumers, and you are going to have trouble when you go home. You western fellows, try to explain to your sheep men and your cattle men, who when this same reaction came, were bankrupted, to the extent of 60 per cent of them. Why, there were millionaires then who are now not worth a cent. You will have to explain this proposition to them, and all of the ingenious argument that the gentleman from Kansas [Mr. CAMPBELL] and the distinguished floor leader put up here to whip you into line is not going to brush away that feeling of dissatisfaction. You had better think about it before you vote for this resolution.

Mr. MONDELL. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. HAUGEN. Mr. Chairman, I am not asking for time for the purpose of opposing the amendment, but I desire to correct a statement. The statement has been made that the Government should make its contracts good, and that a vote against this resolution is a vote of repudiation. I desire to call the attention of the House to the fact that there were no contracts. The question is, Shall we accept the statement of gentlemen who have spoken or shall we accept the statement of the Attorney General and of Mr. Figg and the claimants themselves? I desire to read from the record. Mr. PURNELL asked:

Was there anything said to you by Mr. Figg or any other representative of the Department of Justice that would lead you to believe that the Government would take care of you in case there was a loss sustained?

Mr. FRANKLIN. No, sir.

Will you accept Mr. Franklin's statement or the statement of the gentleman from Wyoming [Mr. MONDELL] or the statement of the gentleman from Ohio [Mr. FESS]? What does the Attorney General have to say? Let us see:

Mr. PURNELL. Do you know whether there was any arrangement of any kind made whereby they were to be protected against any loss.

The ATTORNEY GENERAL. No, sir.

Do you accept the statement of the Attorney General or the statement of somebody else?

Here is another:

Mr. TINCER. So they were to have the same profit other men were to have in handling sugar, so far as you are able to enforce your ideas of the Lever food control law?

The ATTORNEY GENERAL. That is correct. Of course, we could not control all.

Further, Mr. Franklin was asked by the chairman:

Have you a contract with the Government guaranteeing you against loss?

Mr. FRANKLIN. No, sir.

Mr. ARMSTRONG, attorney for the claimants, stated:

At the time we undertook the purchase of these sugars no arrangement had been made for compensation for our services.

That is the statement of the attorney, the statement of the claimant, and the statement of Mr. Figg, who represented the department, and the statement of the Attorney General, and there are numerous other statements.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. ROACH. If I understood the gentleman who had the floor a moment ago, he said the Attorney General stated there was no legal liability for these claims.

Mr. HAUGEN. Absolutely.

Mr. ROACH. I call the gentleman's attention to the hearings, on page 13, to a letter from the Assistant Attorney General, signed Guy D. Goff, in which he makes this statement, and this letter is addressed to the gentleman as chairman of the Committee on Agriculture:

The Attorney General expressed the view before the committee that there was an undeniable moral obligation, and in his opinion a legal obligation upon the Government.

Mr. HAUGEN. But I have just read the statement of Attorney General Palmer.

Mr. ROACH. And I am reading the Attorney General's letter as addressed to the gentleman.

Mr. HAUGEN. I am quoting the Attorney General from his testimony before the committee.

Mr. KINCHELOE. Will the gentleman yield?

Mr. HAUGEN (reading):

The chairman asked Mr. Figg what authority did that proclamation give you to buy or to sell or to guarantee any profits?

Mr. Figg. We did not at any point have the power to guarantee against loss by that act.

The CHAIRMAN. Did the Government have any power to purchase or to guarantee against loss?

Mr. Figg. I think not; no, sir.

Mr. KINCHELOE. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. KINCHELOE. Right there. Is it not the fact that Attorney General Daugherty came before the committee in person?

Mr. HAUGEN. Yes; and I am quoting from Attorney General Palmer.

Mr. KINCHELOE. And at first he thought probably there was a good legal claim, but before he got through and after considering it thoroughly he felt that there was no legal obligation, and he did not know whether there was any moral obligation.

Mr. ASWELL. He never said there was no moral obligation.

Mr. HAUGEN. The attorney for the Sugar Equalization Board, Mr. Glasgow, stated that in his judgment there is no legal obligation anywhere though there may be a moral obligation.

Mr. ASWELL. Does not the gentleman believe that a moral obligation of the Government is more binding than a legal obligation?

Mr. HAUGEN. I arose to correct a statement made that a contract was entered into.

Mr. ASWELL. And if the Government does not pay its moral obligations—

The CHAIRMAN. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, I have an amendment which I desire to offer, but before that I ask that the pending amendment may be disposed of.

The CHAIRMAN. The Chair will recognize the gentleman in time after the disposition of this amendment.

Mr. MONDELL. Mr. Chairman, debate is closed at the end of 10 minutes, 5 minutes of that time being reserved for the gentleman from Indiana [Mr. SANDERS].

The CHAIRMAN. The Chair thought there had been no arrangement made.

Mr. MONDELL. I made the statement on the floor that the gentleman from Iowa and the gentleman from Indiana desired to speak in those 10 minutes.

Mr. BANKHEAD. Can the gentleman from Indiana get along with three minutes?

Mr. SANDERS of Indiana. I will try to do that, Mr. Chairman.

Mr. BANKHEAD. I think we ought to dispose of the pending amendment.

Mr. SANDERS of Indiana. I want to speak on the pending amendment.

Mr. MONDELL. The gentleman from Indiana is entitled to time to close discussion. So far the negative has had no opportunity to discuss this amendment. Discussion so far has been all in favor of the amendment.

The CHAIRMAN. The Chair thinks the best way he can solve this question is to allow the gentleman from Indiana to speak for three minutes.

Mr. SANDERS of Indiana. Mr. Chairman, of course the Committee of the Whole House on the state of the Union is not going to adopt the Jones amendment. The Jones amendment is made by a gentleman who is opposed to any of this legislation, and this committee, which favors the legislation, is not going in the last minute to adopt an amendment of the gentleman from Texas [Mr. JONES] which would confuse the whole issue, because the bill in itself makes this provision, and it absolutely safeguards every interest the gentleman mentions, in that it says:

To liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises.

So the Jones amendment would just confuse the whole issue, and this resolution ought to be passed in its present form, because we are in the closing days of the Congress and we ought not to compel this joint resolution to be taken back to another body.

This resolution ought to be passed. Anyone who has carefully read the hearings must be convinced that there is a moral obligation on the part of the Government of the United States to see that the board adjusts this claim. Of course, there is no legal obligation. If there were, gentlemen need not be here with this measure. It is a moral obligation to provide not for the payment out of the Treasury, but out of the funds of the Sugar Equalization Board made by the sugar transactions, and it does not come out of the Treasury at all. It is a moral obligation of the United States. The gentleman from Texas [Mr. BLANTON] says we can not go back and face our constituents if we meet this moral obligation of the United States. I do not know what kind of constituents the gentleman has in his district, but I prefer to go back and meet my constituents and say to them that in the aftermath of the great war a Republican administration which succeeded a Democratic administration undertook to carry out the obligations which the officers of that Democratic administration made during that war, and we did not stop to quibble as to whether we are absolutely bound legally to do it or not, but we inquired to see if it was a moral obligation made by those agents of Democratic administration conducting this great war, and when we found it was such an obligation we decided promptly to meet it. So, gentlemen, I think we ought promptly to vote down the Jones amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced the yeas appeared to have it.

On a division (demanded by Mr. JONES of Texas) there were—ayes 56, yeas 117.

So the amendment was rejected.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 12, after the word "transaction," insert "if it shall appear to said board that such loss constituted an equitable and proper claim against the United States."

The CHAIRMAN. The gentleman from Alabama is recognized for two minutes.

Mr. BANKHEAD. Mr. Chairman, the purpose of offering this amendment is to clarify what possibly might be construed as an ambiguity in the power given to this board.

You will observe by the reading of the language that the board shall have the power "to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the corpora-

tion and copartnership aforesaid such sums as may be found by said board to represent the actual loss sustained by them."

I do not know but that, by the ordinary rules of interpretation, that might be construed as a mandatory provision authorizing them to pay such actual loss as they may find they sustained, whether or not the board determined it was an equitable and just claim against the Government. The language suggested, of course, can do no damage to the spirit and purpose of the resolution as it has been framed; but it seems to me it ought to be clearly inserted in the language of the provision that this shall be paid only in the event that the board, after its investigation, shall as a matter of fact find that it constitutes a just and equitable claim.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. FESS. Is not the gentleman's amendment contained in line 10?

Mr. BANKHEAD. Line 9.

Mr. FESS. Is not the wording in lines 9 and 10 the same as the gentleman's amendment?

Mr. BANKHEAD. It says the adjustment shall be equitable and proper; but it may be construed as requiring them to pay the loss, regardless of whether they find it to be equitable and proper or not.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Texas offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 18, after the word "resolution," insert the following proviso: "Provided, That as a condition precedent to the taking over by the Sugar Equalization Board of such transaction, said B. H. Howell, Son & Co. shall be required to turn over to the said Sugar Equalization Board 10 per cent of all profits made by it on other sugar importations between the 13th day of May and the 13th day of July, 1920."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Texas offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 18, after the word "resolution," insert the following proviso: "Provided, That the amount of losses, if any, which the Sugar Equalization Board is hereby authorized to pay such companies, or either of them, shall be reduced by the amount of profits which said companies, or either of them, made on sugar imported by the companies, or either of them, between May 22 and August 21, 1920."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division on that.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 35, noes 115.

So the amendment was rejected.

Mr. WARD of New York. Mr. Chairman, I move that the committee do now rise and report the resolution back to the House with the recommendation that it do pass.

Mr. JONES of Texas. Mr. Chairman, I have a preferential motion.

The CHAIRMAN. The gentleman from Texas offers a preferential motion, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 2, line 11, after the word "loss," insert "exclusive of profits."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The gentleman from New York [Mr. WARD] moves that the committee do now rise and report the resolution to the House with the recommendation that it do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration Senate Joint Resolution 12 authorizing the President to require the United States Sugar

Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic, had directed him to report the same back with the recommendation that the resolution do pass.

The SPEAKER. By the rule the previous question is considered as ordered.

Mr. HERRICK. Mr. Speaker, I move to strike out the enacting clause. [Laughter.]

The SPEAKER. That is not in order. The rule provides that it shall be considered without intervening motion. The previous question is ordered. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. JONES of Texas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. JONES of Texas moves to recommit the resolution to the Committee on Agriculture with instructions to report the same back to the House forthwith with the following amendment:

"Provided, That the United States Sugar Equalization Board shall not pay anything in the way of profits to the American Trading Co. or to B. H. Howell, Son & Co. in such transaction."

Mr. WARD of New York. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER. The gentleman from New York moves the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit. The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. JONES of Texas. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Texas asks for the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Thirty-eight Members rising. The Chair will count the number present. [After counting.] Two hundred and nineteen Members present. Not a sufficient number rising to second the demand. The yeas and nays are refused. The question is on the passage of the bill.

Mr. JONES of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 124, not voting 122, as follows:

YEAS—181.

Abernethy	Favrot	Lee, N. Y.	Robertson
Anson	Fenn	Logan	Rodenberg
Appleby	Fess	Luce	Rogers
Arentz	Fish	Luhning	Sanders, Ind.
Aswell	Fisher	McArthur	Scott, Tenn.
Bacharach	Focht	McCormick	Shelton
Begg	Fordney	McLaughlin, Mich.	Siegel
Benham	Foster	McLaughlin, Nebr.	Sinnott
Blakeney	Freeman	McPherson	Sleep
Bland, Ind.	Frothingham	MacGregor	Smith, Idaho
Bond	Garrett, Tenn.	MacLafferty	Snell
Bowers	Gerner	Magee	Snyder
Britten	Gifford	Mansfield	Sprout
Brooks, Ill.	Glynn	Mapes	Stafford
Brooks, Pa.	Gorman	Martin	Stedman
Brown, Tenn.	Green, Iowa	Merritt	Stephens
Buchanan	Greene, Mass.	Mondell	Strong, Pa.
Bulwinkle	Greene, Vt.	Moore, Ill.	Sullivan
Burdick	Griest	Moore, Ind.	Sweet
Burton	Hadley	Morgan	Temple
Butler	Hammer	Mott	Thompson
Byrnes, S. C.	Hardy, Colo.	Mudd	Thorpe
Campbell, Kans.	Hawley	Murphy	Tilson
Cantrill	Henry	Nelson, Me.	Timberlake
Carew	Hickey	Nelson, A. P.	Tinkham
Chalmers	Hicks	Newton, Mo.	Towner
Chindblom	Hill	O'Connor	Treadway
Clark, Fla.	Hukriede	Oldfield	Underhill
Clarke, N. Y.	Humphrey, Nebr.	Paige	Valle
Cockran	Humphreys, Miss.	Parker, N. Y.	Vestal
Cole, Iowa	Husted	Patterson, Mo.	Voigt
Cole, Ohio	Hutchinson	Patterson, N. J.	Walters
Colton	Ireland	Paul	Ward, N. Y.
Connolly, Pa.	Jacoway	Perkins	Watson
Copley	Jefferis, Nebr.	Petersen	Watson
Crago	Kearns	Porter	Webster
Cullen	Kelley, Mich.	Pou	White, Me.
Curry	Kendall	Pringle	Winslow
Dale	Kennedy	Purnell	Wood, Ind.
Darrow	Kiess	Radcliffe	Wurzbach
Dupré	Kindred	Ransley	Wyant
Elliott	Kissel	Reece	Yates
Ellis	Kline, N. Y.	Rhodes	Zihlman
Fairchild	Kline, Pa.	Riddick	
Fairfield	Knutson	Riordan	
Faust	Larson, Minn.	Roach	

NAYS—124.

Almon	Driver	Linthicum	Sinclair
Andrew, Mass.	Evans	London	Sisson
Andrews, Nebr.	Fields	Lowrey	Smithwick
Anthony	Frear	McClintie	Speaks
Bankhead	French	McDuffie	Steagall
Barbour	Fulmer	McSwain	Steenerson
Beck	Garrett, Tex.	Maloney	Stevenson
Beedy	Gensman	Michener	Strong, Kans.
Bird	Gilbert	Miller	Summers, Wash.
Black	Goldsborough	Montague	Summers, Tex.
Bland, Va.	Hardy, Tex.	Moore, Va.	Swank
Blanton	Haugen	Nelson, J. M.	Swing
Boies	Herrick	Norton	Taylor, Tenn.
Bowling	Hoch	Ogden	Thomas
Box	Hooker	Oliver	Tillman
Briggs	Huddleston	Parker, N. J.	Tucker
Browne, Wis.	James	Parks, Ark.	Turner
Burress	Jeffers, Ala.	Perlman	Vinson
Christopherson	Johnson, Ky.	Quin	Volstead
Clague	Johnson, S. Dak.	Raker	Weaver
Codd	Jones, Tex.	Ramseyer	White, Kans.
Collier	Kincheloe	Rankin	Williams, Ill.
Collins	Kieczka	Rayburn	Williams, Tex.
Connally, Tex.	Lampert	Ricketts	Williamson
Cooper, Wis.	Lanham	Robison	Wilson
Cramton	Lankford	Rosenbloom	Wingo
Crisp	Larsen, Ga.	Rouse	Wise
Deal	Lawrence	Sabath	Woodruff
Dickinson	Lazaro	Sanders, Tex.	Woods, Va.
Doughton	Leatherwood	Sandlin	Wright
Dowell	Lineberger	Shaw	Young

NOT VOTING—122.

Ackerman	Dyer	King	Rainey, Ala.
Anderson	Echols	Kirkpatrick	Rainey, Ill.
Atkeson	Edmonds	Kitchin	Reber
Barkley	Fitzgerald	Knight	Reed, N. Y.
Bell	Free	Kopp	Reed, W. Va.
Bixler	Fuller	Kraus	Rose
Brand	Funk	Kreider	Rosendale
Brennan	Gahn	Kunz	Rucker
Burke	Gallivan	Langley	Ryan
Byrns, Tenn.	Garner	Layton	Sanders, N. Y.
Cable	Goodykoontz	Lea, Calif.	Schall
Campbell, Pa.	Gould	Lee, Ga.	Scott, Mich.
Cannon	Graham, Ill.	Leibach	Sears
Carter	Graham, Pa.	Little	Shreve
Chandler, N. Y.	Griffin	Longworth	Smith, Mich.
Chandler, Okla.	Hawes	Lyon	Stiness
Classon	Hayden	McFadden	Stoll
Clouse	Hays	McKenzie	Tague
Cooper, Ohio	Hersey	McLaughlin, Pa.	Taylor, Ark.
Coughlin	Himes	Madden	Taylor, Colo.
Crowther	Hogan	Mead	Taylor, N. J.
Dallinger	Huck	Michaelson	Ten Eyck
Davis, Minn.	Hudspeth	Millis	Tincher
Davis, Tenn.	Hull	Moore, Ohio	Tyson
Dempsey	Johnson, Miss.	Morin	Upshaw
Denison	Johnson, Wash.	Newton, Minn.	Volk
Dominick	Jones, Pa.	O'Brien	Ward, N. C.
Drane	Kahn	Olpp	Wheeler
Drewry	Keller	Osborne	Woodyard
Dunbar	Kelly, Pa.	Overstreet	
Dunn	Ketcham	Park, Ga.	

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Griffin (for) with Mr. Davis of Tennessee (against).

Mr. McLaughlin of Pennsylvania (for) with Mr. Tincher (against).

Mr. Atkeson (for) with Mr. Little (against).

Until further notice:

Mr. Graham of Illinois with Mr. Rucker.

Mr. Edmonds with Mr. Hayden.

Mr. Madden with Mr. Kunz.

Mr. Reed of New York with Mr. Stoll.

Mr. Brennan with Mr. Bell.

Mr. Fitzgerald with Mr. Hudspeth.

Mr. Fuller with Mr. Lee of Georgia.

Mr. Johnson of Washington with Mr. Rainey of Illinois.

Mr. Crowther with Mr. Hawes.

Mr. Sanders of New York with Mr. Taylor of Colorado.

Mr. Shreve with Mr. Ward of North Carolina.

Mr. Moore of Ohio with Mr. Sears.

Mr. Cooper of Ohio with Mr. Byrns of Tennessee.

Mr. GOODYKOONTZ. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. GOODYKOONTZ. I was not.

The SPEAKER. The gentleman does not qualify under the rule.

The result of the vote was announced as above recorded.

On motion of Mr. WARD of New York, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

P. DE RONDE & CO. (INC.).

The SPEAKER. Under the rule the House resolves itself into the Committee of the Whole House on the state of the Union for the consideration of S. J. Res. 79, and the gentleman from New York [Mr. Hicks] will resume the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. Hicks in the chair.

The CHAIRMAN. The Clerk will report the joint resolution.

The Clerk read as follows:

Resolved, etc., That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation P. DeRonde & Co. (Inc.) a certain transaction entered into and carried on by said corporation at the request and under the direction of the Department of Justice, which transaction involved the purchase in the Argentine Republic, between the 15th day of June, 1920, and the 22d day of June, 1920, of 5,000 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispense of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction, paying to the corporation aforesaid such sum as may be found by said board to represent the actual loss sustained by them in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

The CHAIRMAN. The Chair, under the rule for the division of time, will recognize in favor of the resolution the gentleman from Indiana [Mr. PURNELL] and opposed to the resolution the gentleman from Kentucky [Mr. KINCHELOE].

Mr. PURNELL. Mr. Chairman and gentlemen of the committee, the same principle is involved in this bill that is involved in the bill which has just passed. You are all familiar with the fact that the Sugar Equalization Board, which was analogous to the Grain Corporation, was created for the purpose of assuring to the people of the country an adequate supply of sugar. That stock was held by the President of the United States. That board made a profit of \$39,000,000. Thirty million dollars of that profit was covered into the Treasury of the United States. The \$9,000,000 remaining, which has been increased to about \$10,000,000, is now held, together with the capital stock, in the treasury of the Sugar Equalization Board for the specific purpose, as stated to us by the Sugar Equalization Board, to take care of odds and ends and such claims as this.

Back in April, 1920, it became very evident to the Department of Justice, to the Attorney General, to whom had been given the powers and duties that were theretofore held by the Food Administrator, that there was a shortage of sugar in the country, or at least that there was a corner in sugar. It became necessary to take some drastic steps to break that corner to protect the consumers of the country. In the debate which has just preceded this you have learned how the Department of Justice, through the Department of State, secured by means of diplomatic channels the raising of the embargo that existed in Argentina against the exportation of sugar. That was in April, 1920. In May, 1920, just one month later, Mr. A. W. Riley, who was the special agent of the Department of Justice in these sugar matters, stationed in New York City, called together a number of importers of New York City and stated to them the purposes of the Department of Justice in securing an adequate supply of sugar.

Among those concerned who were importuned to bring sugar into the United States under this plan of the Department of Justice was the firm of P. De Ronde & Co. The corporation of P. De Ronde & Co. had not at any time been interested in the importation of sugar. They were shippers. Their ships traveled between the Argentine Republic and the United States of America. Mr. De Ronde, a splendid young gentleman, who served his country during the war in France, who is president of that company, came before our committee and said that he had no knowledge about sugar prior to the interview with the representative of the Department of Justice, but that he considered the matter and finally concluded to undertake the task of bringing into the country 5,000 tons of Argentine sugar. The department asked him to bring in any amount that he could bring. De Ronde had at that time a ship that was partially loaded at Argentina. De Ronde testified that after he made this arrangement, after he had undertaken to help his Government at the request of the department agent, he cabled to the Argentine Republic and had the ship unloaded of its cargo and had the agent in Argentina buy with his money 5,000 tons of this sugar, for which he paid 19½ cents a pound. That sugar was loaded on this vessel and brought back to the United States.

Now, you are familiar with the story up to that time. When it was announced through the public press, which announcement was greatly exaggerated, that the Government of the United States intended to break the back of this sugar combination and bring down the price of sugar by going into Argentina and buying it and selling it to American consumers, the price naturally dropped. The report that was carried in the

press was exaggerated. It said that the United States Government was going to buy from 64,000 to 140,000 tons of this sugar, so that when De Ronde brought his sugar into the United States he was subject to the same conditions that confronted the American Trading Co. when they attempted to bring back the 13,000 tons.

At the time he entered into the negotiations with Rily, who was the duly authorized and acting agent, as Attorney General Palmer said in his testimony, of the Department of Justice, he was given distinctly to understand that he would be confined in his profits to 1 cent per pound, and when he brought the sugar back to the United States he must distribute it to the persons, firms, or corporations, and through the channels designated by the Department of Justice. He had no other opportunity than this; they were to furnish a list of the customers. Upon the arrival of the sugar in New York City it was impossible for the Department of Justice to furnish a list of the customers, because the price had fallen by virtue of this wholesale purchase and the exaggerated report in the newspapers. The bottom had fallen out of the sugar market and the American consumers had been saved hundreds of millions of dollars.

Gentlemen, this claim is on the same footing and the same basis as the other claim, and if we are in peace time to recognize obligations made by our predecessors during the war, certainly we are bound morally if not legally to pay this claim. Now, I do not want any member of the committee to be confused about the procedure that will follow after the adoption of this resolution. We are merely authorizing the President to instruct the Sugar Equalization Board that has this \$10,000,000 profit made out of sugar to pay such losses as may be legally found to be due these people.

Mr. GOODYKOONTZ. Will the gentleman yield?

Mr. PURNELL. I prefer not to yield as I have only a few minutes. The Committee on Agriculture has given to this claim the most careful scrutiny. I signed, at first, the minority report as I was opposed to it.

I was opposed to these sugar claims until we sent a special subcommittee, composed of the gentleman from Michigan [Mr. McLAUGHLIN], the gentleman from Arkansas [Mr. JACOWAY], and the gentleman from Kansas [Mr. TINCHE], down to the Department of State and to the Department of Justice, where they were permitted to see the secret communications that passed between our diplomats in the Argentine and the State Department, and upon their statements and upon the documents which I saw I became absolutely convinced that these transactions were brought about at the instigation and request of the Government, and that these men at all times were under the jurisdiction of the Government, and, therefore, that the claims ought to be allowed. [Applause.]

I reserve the remainder of my time.

Mr. KINCHELOE. Mr. Chairman, as I stated to the committee in the speech I made against the other claim, in my judgment this is more meritorious as a claim than the one just passed, by a good deal. There was no smoke screen put up. They bought the sugar and complied with the Argentine regulations. The reason they lost is because they entered into a contract so much later than the American Trading Co. and Howell & Co., and they exercised all of the diligence they could, and got the sugar here. I am against all of these claims, and you gentlemen now have an opportunity to vote \$1,170,000 more out of the Treasury, and I presume you are going to do it. I am going to vote against it, but, as I say, I think this is a more meritorious claim than the other one. I do not want to be understood as saying that I am for it, or that I am mitigating the objections that lie against this claim.

Mr. GOODYKOONTZ. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. GOODYKOONTZ. How many of this character of claims are pending in Congress?

Mr. KINCHELOE. The American Trading Co., the claim just passed, appropriates \$2,250,000, about, and this appropriates about \$1,170,000 more. The Lamborn claim has not yet been reported out from the committee, but it appropriates \$750,000, and there are several other claims. I do not know how many will come in, now that the head has been knocked out of the barrel.

Mr. GOODYKOONTZ. Is it proposed that we indemnify all of these fellows who lost money on these sugar transactions?

Mr. KINCHELOE. The majority of the House seem to indicate that that is true. I do not.

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. FIELDS. I think I understood the gentleman to say, or some gentleman to say, that there are a lot of claims for losses on wheat.

Mr. KINCHELOE. There is a bill pending before the Agricultural Committee to reimburse men for millions of dollars who bought up wheat and afterwards the Government put the price on it and who lost.

Mr. FIELDS. So that we do not know where this will stop?

Mr. KINCHELOE. No; now that the precedent has been set.

Mr. PARKS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. PARKS of Arkansas. There are hundreds and thousands of claims here. I am informed, on behalf of individuals, men, women, and children, who have been injured in some way, that are now pending here before Congress. Will the gentleman explain why it is that this particular claim is given preference above all of these others?

Mr. KINCHELOE. No; I could not explain the action of the majority of the House. They are not before our committee, and I am not acquainted with those claims. So I say, so far as I am concerned, I submit to the majority of the House—[cries of "Vote!"]—but as I say, I am not mitigating this claim. I think they are all just a swoop on the Treasury, and being against the claim I am going to yield to some of these gentlemen who are also against these claims.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. BANKHEAD. In the gentleman's opinion, after investigation of the facts in this particular claim, does the gentleman believe that this claimant was induced to take this action to his loss by representations or at the request of an authorized agent of the Government?

Mr. KINCHELOE. Absolutely. Mr. Rily was just as much a representative of the Department of Justice as was Mr. Figg, and the gentleman to whom all the sugar activities were turned over afterwards was Mr. Rily, whose headquarters were in New York, representing the Department of Justice.

Mr. BANKHEAD. And this man acted on the suggestion of Mr. Rily?

Mr. KINCHELOE. Yes.

Mr. BANKHEAD. In unloading a ship and in going to bring the sugar to the United States?

Mr. KINCHELOE. That is the testimony.

Mr. BANKHEAD. Was Mr. Rily at that time an authorized agent of the Government to induce him to do that thing?

Mr. KINCHELOE. I do not know. He was a member of the Department of Justice with headquarters in New York, and I will say that after all of the activities of this sugar loading and unloading were turned over to Mr. Rily, the testimony shows that Mr. Rily went to Mr. Franklin of the American Trading Co. to get his activities and to learn what they were doing, and Mr. Franklin refused to report to Mr. Rily, and reported to Mr. Figg.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. OLIVER. In the claim just disposed of I understand that one of the beneficiaries was a large purchaser and distributor.

Mr. KINCHELOE. Yes. Mr. Post, of B. H. Howell & Co., was one of the biggest in the country.

Mr. OLIVER. The gentleman from Indiana [Mr. PURNELL], who has just spoken, called attention to the fact that there was a corner on sugar during the year 1920. I am wondering if the investigation of the committee at any time led them to make special inquiry into whether either of the beneficiaries, under the claims just favorably voted on, could in any wise have been a party to such corner on sugar?

Mr. KINCHELOE. Mr. Post admitted on cross-examination before the committee that his other 14 companies, or a part of them, were busy getting it and selling raw sugar at 21 cents a pound.

Mr. OLIVER. So Mr. Post was interested in 14 other companies?

Mr. KINCHELOE. Yes, sir.

Mr. OLIVER. They were not only selling in this country but raising sugar elsewhere and importing it here?

Mr. KINCHELOE. Oh, yes; Cuba, Java, and the Argentine. He was connected with 14 companies.

Mr. OLIVER. His were among the largest sugar-distributing companies in America, were they not?

Mr. KINCHELOE. Yes. I think Mr. Post has the largest connection with sugar companies of any man in the United States.

Mr. OLIVER. Is the gentleman aware of the further fact—and I believe the gentleman called attention to it—that a number of suits have been brought by these large companies

against merchants and wholesalers and retailers who purchased sugar in 1920 from them, during the months of June and July, 1920, on solicitation and assurance by these companies that there was a scarcity of sugar, that written contracts were made for future deliveries on the strength of such assurances, that many of these cases are undisposed of, and that the defense to such suits will be that these very parties, who are beneficiaries under the claim allowed, had knowledge of this cornering of sugar, and one of them may have been a party to it, yet failed to disclose the fact that there was in truth no real scarcity of sugar, but only a pretended scarcity?

Mr. KINCHELOE. I understand that is the defense. Not only that but the wholesale sugar dealers throughout the country are dependent upon this man Post and the companies in which he is interested, and are sending in propaganda by way of telegrams because they can not get more sugar from these fellows unless they support the bill just passed.

Mr. ASWELL. I desire to say that the resolution already passed in no way affects the De Ronde claim. The gentleman whose claim the House is now considering has nothing to do with the sugar business, never handled a pound of sugar before or since.

Mr. KINCHELOE. No; De Ronde bought this sugar delivered at New York and he had no idea—

Mr. ASWELL. The ship was half loaded with freight, and he unloaded at request. He is not and was not a sugar dealer at all.

Mr. KINCHELOE. The testimony shows that.

Mr. BANKHEAD. That is the question I asked, because I am seeking light on this proposition. I asked if this action was taken by De Ronde on the request of an authorization?

Mr. KINCHELOE. I answered that Mr. Rily, who is identified with the Department of Justice the same as Mr. Figg was with the business of the American Trading Co. and Howell & Co., except that Rily had his headquarters at New York—

Mr. BANKHEAD. He was the authorized agent of the department?

Mr. KINCHELOE. Absolutely so. To such an extent that later on all the sugar activities here were turned over to Rily instead of Figg.

Mr. FESS. If the gentleman will permit, I have looked through the hearings and read the report, and I have not found anywhere where either the Department of Justice or the Secretary of State or other departments indorsed the payment of this.

Mr. KINCHELOE. I do not know about that. But De Ronde did not set up a smoke screen that he was an agent of the Government, like the other claim, and in my opinion this claim is more just and equitable.

Mr. PARKS of Arkansas. Will the gentleman yield?

Mr. KINCHELOE. I will.

Mr. PARKS of Arkansas. Something was said here this afternoon, probably more than once, about the Wilson administration being committed to the payment of these sugar claims. I want to ask the gentleman if he does not recall—I am not indorsing the attitude of the Wilson administration on this particular claim or any of these claims—that Mr. Wilson wrote a letter or sent a message to the Congress during the war in which he said with regard to the sugar lobby or sugar claims or these sugar bills, as he termed it, they had become a national scandal, or a public scandal?

Mr. KINCHELOE. I think that is true, but—

Mr. PARKS of Arkansas. I am against both of these bills.

Mr. KINCHELOE. Palmer knew personally nothing about it except what Rily and Figg told him, and Daugherty knew absolutely nothing except what was told him. They did not have half as much knowledge as gentlemen on the floor of the House.

Mr. PURNELL. If the gentleman will yield just a minute, it must not be lost sight of that after all we are dealing with a moral obligation and not with a strictly legal obligation.

Mr. KINCHELOE. We are not dealing with a legal and I do not think a moral obligation.

Mr. PURNELL. The gentleman will remember that there is in the record a letter which Attorney General Palmer sent to Senator Moses, in which he makes this statement:

The situation with reference to sugar was by my direction placed entirely in the hands of Mr. Rily in the spring of 1920, and it became his duty to direct all the activities of the department looking to the enforcement of the Lever law with relation to sugar and to relieve the people from the high prices then prevailing.

Then later he said that while he was not personally in touch at the time with what Mr. Rily did in getting Mr. De Ronde to go to Argentina and bring in this sugar, yet what he did—

Was very clearly within his authority and jurisdiction.

And he said:

Therefore I am sure that if I had been advised at the time of the details of these transactions on the part of both Mr. Rily and Mr. Figg, I would have approved them as being in line with my instructions to use proper effort to secure the importation of such sugar with the idea of breaking the price in this country.

Mr. KINCHELOE. That is true; and that is the same Mr. Rily that Mr. Franklin would not do business with.

Mr. Chairman, how much time have I?

The CHAIRMAN. The gentleman has 13 minutes.

Mr. KINCHELOE. I reserve the balance of my time, and yield 10 minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. PURNELL. How much time have I consumed?

The CHAIRMAN. Ten minutes.

Mr. MONDELL. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Wyoming moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Hicks, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration Senate Joint Resolution 79, authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic, had come to no resolution thereon.

The SPEAKER. The gentleman from New York [Mr. Hicks], Chairman of the Committee of the Whole House on the state of the Union, having under consideration the Senate Joint Resolution 79, reports that that committee has come to no resolution thereon.

Mr. MONDELL. Mr. Speaker, I move to close debate on the pending resolution.

The SPEAKER. The gentleman from Wyoming moves that debate on the pending resolution be now closed.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. And on that the gentleman from Michigan [Mr. McLAUGHLIN] makes the point of order that there is no quorum present. The Chair will count. [After counting.] It is very clear that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move to close debate.

Mr. STAFFORD. Mr. Speaker, I make the point of order on the motion to close debate, on the ground that the House has heretofore—

The SPEAKER. The gentleman from Michigan has made the point of order that there is no quorum present.

Mr. McLAUGHLIN of Michigan. I withdraw that, Mr. Speaker.

Mr. STAFFORD. I make the point of order that there is no quorum present.

Mr. KINCHELOE. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present, and the gentleman from Kentucky [Mr. KINCHELOE] moves that the House do now adjourn. The question is on agreeing to the motion of the gentleman from Kentucky.

The question was taken, and the Speaker announced that the yeas appeared to have it.

Mr. KINCHELOE. Mr. Speaker, I call for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 44, yeas 85.

Mr. KINCHELOE. I ask for tellers, Mr. Speaker.

The SPEAKER. The gentleman from Kentucky demands tellers. As many as favor taking this vote by tellers will rise and stand until they are counted. [After counting.] Twenty-two gentlemen have risen—not a sufficient number. Tellers are refused.

Mr. STAFFORD. Mr. Speaker, I demand the yeas and nays on the motion to adjourn.

The SPEAKER. The gentleman from Wisconsin demands the yeas and nays on the motion to adjourn. As many as favor taking this vote by yeas and nays will rise and stand until they are counted. [After counting.] Twenty-four gentlemen have risen in the affirmative—not a sufficient number.

Mr. STAFFORD. What was the vote, Mr. Speaker?

The SPEAKER. Twenty-four. The yeas and nays are refused. The gentleman from Wisconsin made the point that there is no quorum present. It is quite clear that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

Mr. MONDELL. I made a motion to limit debate on the resolution before the point of order was made. Is the vote on that motion?

The SPEAKER. The Chair does not recall if there was a division on that.

Mr. STAFFORD. Before the yeas and nays were called for a point of order was made by the gentleman from Michigan [Mr. McLAUGHLIN] that no quorum was present. Then I made a point of order on the motion to close debate, and later I called for the yeas and nays on the motion to adjourn.

The SPEAKER. The Chair is advised that there was no division on that. Therefore it is not an automatic call.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Free	Kraus	Rainey, Ill.
Anderson	Frothingham	Kunz	Ramseyer
Arentz	Fuller	Langley	Reber
Atkeson	Funk	Layton	Reed, N. Y.
Barkley	Gahn	Lea, Calif.	Reed, W. Va.
Bixler	Gallivan	Lee, Ga.	Riddick
Blakeney	Garner	Lehlbach	Rogers
Brand	Garrett, Tex.	Little	Rose
Brennan	Glyn	Longworth	Rosenbloom
Britten	Gorman	Lyon	Rossdale
Bulwinkle	Gould	McArthur	Rucker
Burdick	Graham, Ill.	McCormick	Ryan
Burke	Graham, Pa.	McDuffie	Sabath
Burton	Griffin	McKenzie	Sanders, N. Y.
Byrns, Tenn.	Hardy, Tex.	McLaughlin, Nebr.	Schall
Campbell, Pa.	Hawes	McLaughlin, Pa.	Scott, Mich.
Cantrill	Hayden	MacGregor	Shreve
Carter	Hays	Madden	Siemp
Chandler, N. Y.	Hershey	Martin	Smith, Mich.
Chandler, Okla.	Himes	Mead	Smithwick
Clark, Fla.	Hogan	Merritt	Snell
Classon	Huck	Michaelson	Stiness
Closure	Hudspeth	Mills	Stoll
Codd	Hukriede	Montague	Sweet
Cooper, Ohio	Hull	Moore, Ill.	Swing
Coughlin	Husted	Moore, Ohio	Tague
Crowther	Jeffers, Nebr.	Moore, Va.	Taylor, Ark.
Dallinger	Johnson, Ky.	Moore, Ind.	Taylor, Colo.
Davis, Minn.	Johnson, Miss.	Morgan	Taylor, N. J.
Davis, Tenn.	Johnson, S. Dak.	Morin	Taylor, Tenn.
Dempsey	Johnson, Wash.	Mudd	Ten Eyck
Denison	Jones, Pa.	Nelson, J. M.	Thomas
Dickinson	Kahn	Newton, Minn.	Tincher
Domineck	Keller	O'Brien	Towner
Drane	Kelly, Pa.	Olpp	Tucker
Drewry	Kendall	Osborne	Tyson
Dunbar	Ketcham	Overstreet	Upshaw
Dunn	King	Paige	Volk
Dyer	Kirkpatrick	Park, Ga.	Weaver
Edmonds	Kitchin	Parker, N. J.	Wheeler
Ellis	Klecza	Parker, N. Y.	Williams, Tex.
Faust	Kline, N. Y.	Patterson, Mo.	Woodyard
Fenn	Knight	Porter	Yates
Fitzgerald	Kopp	Rainey, Ala.	Zihlman

The SPEAKER. On this roll call 250 Members have answered to their names. A quorum is present. The Doorkeeper will open the doors.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call.

The motion was agreed to.

Mr. MONDELL. Mr. Speaker, I move to close debate on the pending resolution.

The SPEAKER. The gentleman from Wyoming moves to close debate.

Mr. STAFFORD. Mr. Speaker, I make the point of order that that motion is not in order, for the reason that the House under a rule heretofore submitted by the Committee on Rules has fixed the time for which general debate shall be in order in the consideration of this resolution. Many Members might have voted as I did, for the adoption of that rule, in the expectation that there would be an hour and a half of time given for the consideration of the resolution, half to be controlled by those in favor and half by those opposed. Now, the only way in which this House can change that order is by another rule. I believe a motion to reconsider does not lie against votes of the House on motions from the Committee on Rules. The House by its action having decided on a certain rule, namely, that there should be an hour and a half of general debate, it is not within the province of any Member to come in the House and try to alter that rule by restricting it any more than a Member would have the right to come in here now with the previous question ordered under the rule and move that the previous question should not be considered as ordered. Only the Committee on Rules has the right to make that privileged motion to change

the time already fixed by the House in adopting the report of the Committee on Rules. I demand the regular order, and the regular order under the rule is to go back into the Committee of the Whole.

Mr. SANDERS of Indiana. Mr. Speaker, will the gentleman from Wisconsin yield?

Mr. STAFFORD. I yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. Is not the provision of the rule that there shall be "not to exceed" an hour and a half, rather than to fix an hour and a half?

Mr. STAFFORD. Not to exceed a certain stated time has always been considered that if Members did not wish to avail themselves of the time it would not have to be used; but in this instance the time was desired to be used.

Mr. GREENE of Vermont. Mr. Speaker, if the gentleman will yield, my understanding of the English language is that the phrase "not to exceed" means not any greater amount.

Mr. STAFFORD. But it was not to exceed that time in Committee of the Whole. It was not to be by further action of the House, but the order of procedure was fixed for the Committee of the Whole.

Mr. GREENE of Vermont. We sought to fix the outside limit.

Mr. STAFFORD. We fixed an established order that could not be exceeded in the committee. It was a rule for the procedure in the Committee of the Whole.

The SPEAKER. Has the gentleman from Wisconsin any authority to support his position?

Mr. STAFFORD. I can cite the Speaker to the authority for the jurisdiction of the Committee on Rules, that it is the only body which has jurisdiction to present rules of procedure. Never before have I seen any such procedure as this; and if the Chair is going to hold that after a solemn order of the House has been made that there shall be not to exceed an hour and a half of debate in committee, the committee after a minute's debate can rise without any notice as to the purpose of the committee in rising and some Member may make a motion which will supersede the province of the Committee on Rules in determining the rules of the House, it seems to me that will be an unheard-of order of procedure and a new precedent.

The SPEAKER. The Chair thinks the argument of the gentleman would undoubtedly be correct if the resolution had fixed definitely a certain time; but as the gentleman from Indiana [Mr. SANDERS] has pointed out, the resolution says that there shall be not to exceed 1 hour and 30 minutes of general debate. Now, there is a general rule, of course, that the House at any time has the right to close debate in Committee of the Whole. The Chair does not think, because the Committee on Rules said there should be not to exceed an hour and a half, that that takes away from the House the power to decide whether there shall be less than that. It does not give it to any one gentleman to decide, but it leaves it in the power of the House to decide whether there shall be less than that time for general debate. The Chair overrules the point of order.

Mr. MONDELL. Mr. Speaker, I move to close debate.

Mr. SANDERS of Indiana. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SANDERS of Indiana. Should not the motion to go into Committee of the Whole be made before the gentleman moves to close debate?

The SPEAKER. Under the rule the House will automatically go into Committee of the Whole. The gentleman from Wyoming moves that debate in Committee of the Whole be now closed.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 125, noes 43.

Mr. KINCHELOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. The Chair will count.

Pending the count—

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman from Kentucky withhold his point for a moment?

Mr. KINCHELOE. Yes.

Mr. GARRETT of Tennessee. Mr. Speaker, may I suggest to the gentleman from Wyoming [Mr. MONDELL] that I think at the time the rule was adopted the House felt that there would be an hour and a half of discussion upon this particular bill, and while I think there is no question about the correctness of the Speaker's ruling that the House has the right to close the debate, yet it seems to me it would save time if the gentleman from Wyoming would ask unanimous consent to have the order vacated by which debate was closed or ap-

peared to be closed and let the rest of the time be taken up in the debate.

Mr. MONDELL. Mr. Speaker, personally I should have been perfectly willing to have the debate go on for an hour and a half, but the gentlemen in control on both sides, after discussing the matter, had agreed that, so far as they were concerned, they were perfectly willing to close the debate at the close of the statements which they should make. Both gentlemen reserved the remainder of their time, and under those circumstances it has been the almost invariable rule of the House for the Clerk to begin to read the bill. In making the motion to close debate I was carrying out what I understood to be the desire of gentlemen on both sides. Both of the gentlemen stated that this claim was in very large measure similar to the one just settled, and that, therefore, there was no reason for any extended general debate, but that proposed amendments could be debated under the five-minute rule.

Mr. KINCHELOE. The gentleman misunderstood my statement if he understood me to say what he says. I said that, so far as I was personally concerned, I thought this was more meritorious than the other bill, but that if any gentleman opposed to the bill wanted time, I proposed to give it to him, and the gentleman from Michigan [Mr. McLAUGHLIN] was desiring recognition.

Mr. MONDELL. The gentleman from Kentucky [Mr. KINCHELOE] reserved his time and the gentleman favoring the bill reserved his time, and under the ordinary practice of the House that closed the debate.

Mr. KINCHELOE. I had yielded 10 minutes to the gentleman from Michigan [Mr. McLAUGHLIN] when the gentleman moved to rise.

Mr. MONDELL. Mr. Speaker, I did not know the gentleman had yielded time to the gentleman from Michigan. If I had, I would not have moved to close debate. If there are other gentlemen who wish to debate, I think they ought to be heard. I suggest that we have 20 minutes additional general debate to be divided equally among those for and against the measure.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that an additional 20 minutes of general debate be had, to be equally divided among those for and those against the measure.

Mr. KINCHELOE. Reserving the right to object, I want to say that as far as I am concerned I have no interest in the bill, but they came in and gave us scarcely no time under the rule, and after debate under the gag rule the majority leader comes in and undertakes to cut off debate.

Mr. MONDELL. As I understood the matter, the gentleman from Kentucky, who has just spoken, agreed that so far as he was concerned general debate might be closed.

Mr. KINCHELOE. I did not agree to that. I said positively that I proposed to yield time to those against the bill, and I had yielded 10 minutes to the gentleman from Michigan [Mr. McLAUGHLIN] when the motion was made that the committee rise. The RECORD will show that.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

Mr. HERRICK. I object.

The SPEAKER. The ayes have it, and the motion of the gentleman from Wyoming to close debate prevails. The House automatically resolves itself into Committee of the Whole House on the state of the Union, and the gentleman from New York will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. Hicks in the chair.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 79) authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic.

Resolved, etc., That the President is authorized to require the United States Sugar Equalization Board (Inc.) to take over from the corporation P. DeRonde & Co. (Inc.) a certain transaction entered into and carried on by said corporation at the request and under the direction of the Department of Justice, which transaction involved the purchase in the Argentine Republic, between the 15th day of June, 1920, and the 22d day of June, 1920, of 5,000 tons of sugar, the importation thereof into the United States and the distribution of a portion of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to dispose of any of said sugar so imported remaining undisposed of and to liquidate and adjust the entire transaction, paying to the corporation aforesaid such sum as may be found by said board to represent the actual loss sustained by them in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. FESS. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may continue for 10 minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that the gentleman from Michigan may proceed for 10 minutes. Is there objection?

Mr. HERRICK. I object.

The CHAIRMAN. The Chair will not recognize any Member who does not stand up and address the Chair. Is there objection?

Mr. LINTHICUM. I object.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, a few minutes ago the House passed a resolution providing for the consideration of the claim of the American Trading Co. and B. H. Howell & Co. by the Sugar Equalization Board. I was strongly in favor of that resolution and so expressed myself. It has been said by those who have spoken on this resolution relating to the De Ronde claim that it is entirely like the American Trading Co. claim. One gentleman went so far as to say he thinks this claim has more merit than the others. I am not able to agree with him. I think the two claims are dissimilar. The fact that they relate to sugar, the fact that the sugar imported was from Argentina are the only respects in which the two claims are alike. I insist that this De Ronde Co. was exactly in the position of thousands of others throughout the country—farmers, manufacturers, and producers of all kinds—receiving, acting upon, and responding to the requests of the Government for increased production. In doing so each took his chances. There was no guaranty against loss; there was nothing said and no circumstances in any way, even remotely, connected with it that would suggest a guaranty. There was no employment, no creating of an agency as there was in the case that we have just concluded.

It is true that Mr. Rily, representing the Department of Justice, asked the De Ronde Co. to bring sugar from Argentina. It is true as the gentleman from Indiana [Mr. PURNELL] says, that Rily had certain authority. There may be some difference of opinion as to what his authority was. I do not know that he exceeded his authority in any case.

I presume Attorney General Palmer was right in saying that Rily acted properly in these matters and that if the Attorney General had known of them he would have approved them. What was Rily's authority, and how did he exercise that authority? He had authority over the sugar situation, to do what was in his power to increase the supply and induce those who were able to bring sugar into the United States. In pursuance of that he asked, among others, the De Ronde Co. to bring in sugar. Now, I wish to read some of the hearings, and I want you to judge. I think you will come to the conclusion that I reached, that it was simply a request on the part of Mr. Rily, a very mild one indeed, that might have been complied with or not, just as De Ronde wished. Mr. De Ronde says—and this involves a couple of million dollars, and it is worth while to give a little time to it. I wish I might have discussed it under general debate where the time was not so limited. It may be that you will be generous if I take a little more time in reading what may seem to be too long an extract from the hearings, but it is important and bears directly on the matter I am speaking of:

It was in May of last year, 1920, that the subject of sugar importations from the Argentine was first discussed between Mr. Rily, of the Department of Justice, and myself in New York. I saw him frequently in New York. Sometimes I discussed matters of business with him—his coal work at times and his sugar work—and at other times I simply exchanged the courtesies of the day with him. It was toward the end of May when he informed me that through the efforts of his own department, the Department of Justice, and the Department of State, the embargo which up to that time prevailed upon exports of Argentine sugar was lifted or was about to be lifted; that if that was the case, and knowing that I was interested in Argentine affairs, and had been for a good many years, he desired to know whether I would not interest myself in such an importation.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. PURNELL. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the time of the gentleman from Michigan be extended for five minutes. Is there objection?

Mr. HERRICK. Mr. Chairman, I object.

Mr. PURNELL. Mr. Chairman, I rise in opposition to the amendment. I am sorry that I can not agree with my distinguished colleague from Michigan [Mr. McLAUGHLIN]. Usually I follow him, because I have great respect for his ability and integrity. I followed him on the other claim. I filed a minority report against the other claim, but when he and the other members of the subcommittee came back from the De-

partment of Justice and the Department of State and assured me, as they did the other members of the committee, that that transaction was at all times under the jurisdiction of the Government, I followed him. I am unable to see the difference between these two claims. When the Department of Justice took over the Food Administration and became responsible for the distribution of sugar in the country, they set out in April, 1920, to find sugar with which to break the market. They made an agreement with the American Trading Co. to go down into the Argentine and bring back some 60,000 tons of that sugar. About that time, according to the testimony of Attorney General Palmer, he put Mr. A. W. Rily in charge of the office in New York City, with what he designated as full authority to act. Mr. Rily, acting on that authority, called together a number of the importers in New York City, explained the existence of this sugar in the Argentine, and suggested the advisability of bringing it back to the United States for the purpose of breaking the market. Mr. De Ronde considered the proposition a number of times, as he states in his testimony, because he was not a sugar man but a shipper. He finally consented to undertake it, but upon what terms? Upon these conditions: First, that he should be limited to 1 cent profit per pound; second, that the Department of Justice would furnish to him a list of those to whom the sugar was to be distributed. Mr. De Ronde stated in his testimony—it is undisputed—that he was not a sugar man and had no facilities for distributing sugar.

The American Trading Co. had joined hands with B. F. Howell & Co., sugar people, who had the facilities for distribution. De Ronde specifically stated in his testimony that at the time of the negotiations with Mr. Rily, representing the Department of Justice, he was not so much concerned about the 1 cent profit as he was about distributing it after he got it back here. I can not at this moment lay my hand upon exactly what Mr. Rily said, but in substance it was this, that the Department of Justice was being besieged every day, that life was being made almost unbearable by reason of the fact that thousands were soliciting them to furnish sugar, and that Mr. De Ronde would have no trouble in finding purchasers, and that they would guarantee that. It was upon those conditions that Mr. De Ronde entered into these arrangements, brought the sugar back, and found when he returned that there were no persons to whom it could be distributed. He also stated at the same time, when the suggestion was made that he could take it back to the Argentine and sell it at a profit, or at least save his face, that the Government would not permit it, and I submit to the House that if that is not as much supervision as was exercised in the other case, then I am not able to make a distinction. Here is the difference between the two cases. The American Trading Co. blazed the trail. They were the first ones to get in touch with the Department of Justice, and naturally their name was linked up with those cablegrams that went from this Government to the Argentine, but does anybody deny that these two companies set about to do the same thing, and that they did the same thing? I am sorry that I can not agree with the distinguished gentleman from Michigan. He is usually right, but in this he is decidedly but honestly wrong.

Mr. BLANTON. Mr. Chairman, I offer as a substitute to strike out the period and insert a colon.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 14, strike out the period and insert a colon.

Mr. BLANTON. Mr. Chairman, in the Sixty-seventh Congress through deaths and resignations the House of Representatives lost some of its most valuable Members. One of the greatest losses that it has sustained, in my judgment, is the loss of the distinguished gentleman from Massachusetts, Mr. Walsh, whose presence is needed here in this House every day, and whose absence we will not get over for a long time.

In the closing hours of the Sixty-sixth Congress, when there were assaults made with war claim after claim to take large sums of money out of the Treasury, the conscience of Joe Walsh was shocked to such an extent that he got on this floor and accused his colleagues of having broken down the Treasury doors, so many were the different large sums that were being taken out. I imagine if he were here now on just such claims as these, one for \$2,500,000, which we have just passed, and the one now under consideration for \$1,700,000, he would stand as leading a solid phalanx against such raids upon the people's Treasury. I wish he were back, and I wish there were more like him to stand up here and keep the money in the Treasury, where it belongs. If you take this sum out, you can

take sums out with equal propriety on hundreds or even thousands of similar claims.

I wish we had time to go into them. The gentleman from Michigan [Mr. McLAUGHLIN] has not been given time. We have been whipped into line here. It is now 10 minutes to 6 o'clock; it is after quitting time, and yet debate is cut off and we are forced to vote here with hardly any consideration whatever being given to this measure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILLIAMS of Illinois and Mr. THORPE rose.

The CHAIRMAN. The gentleman from Illinois [Mr. WILLIAMS].

Mr. WILLIAMS of Illinois. Mr. Chairman, as a member of the Committee on Agriculture I gave very careful consideration to the evidence submitted in these sugar claims. I came to a conclusion directly opposite to that expressed by the gentleman from Michigan [Mr. McLAUGHLIN]. We must appreciate the fact that in the consideration of these claims we are not considering legal claims against the Government, although Attorney General Daugherty did express the view before our committee that those were legal claims. I came to the conclusion from the testimony that the Congress should not recognize and should not pay these claims, not because it was not a contract between these parties and authorized representatives of the Government but because if we start on the payment of moral obligations growing out of the Great War there would be no place where Congress could stop. The Committee on Agriculture, the Committee on Rules, and the House by a very large majority on the roll call voted a short while ago expressed the view that these claims should be liquidated by the Government. In my opinion, the claim we are now considering has a great deal more moral weight than the claim just passed. I voted against the rule. I voted against the claim just considered, because I wanted to be consistent and did not want to take up these claims. But here is what we have in this matter: De Ronde & Co. were not sugar men. They had no transactions in sugar; they had no experience in sugar. They were shipowners operating a line of ships between the ports of this country and South American ports. A representative of the Department of Justice, whom the Attorney General, Mitchell Palmer, said had authority to act for the department, entered into an arrangement with De Ronde & Co. to load one of their ships then in the harbor at Buenos Aires with sugar for the port of New York and agreed that the Department of Justice would furnish buyers for that sugar at a profit of 1 cent a pound.

Remember, this ship that brought the sugar here was half loaded with merchandise to be transported to this country, but at the request of the Department of Justice under this contract and this agreement that cargo was unloaded and a cargo of sugar was brought to New York. When it arrived there, as has been explained, the market broke, and the agents of the Department of Justice who made this contract with De Ronde & Co., could not find purchasers for the sugar and they suffered loss. In my opinion it would be a monstrosity if the Congress of the United States should liquidate a claim that has just been allowed, where the record shows that Mr. Post, one of those interested in the Howell company, was a large dealer in sugar—as I say, to liquidate their claim and then turn down a claim exactly similar when the parties who were in the steamship business, acting as agents of the Government, loaded one of their ships after unloading their cargo in order to bring the sugar into this country. That is the reason I intend to vote for this claim. Congress has already gone on record as saying these contracts entered into by the Department of Justice to break the price of sugar shall be considered as moral obligations against the Government and should be paid out of profits made out of sugar by the Sugar Equalization Board. I shall vote for this claim because, against my vote and my judgment, Congress has already said claims of this kind should be paid. I see no reason to discriminate against these claimants.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. I rise in opposition to the motion of the gentleman. A few minutes ago I was reading from the testimony of Mr. De Ronde. To continue, Mr. De Ronde said:

I was not particularly keen about it at the time, never having been in the sugar business and knowing very little about it.

I will not read it all, but he goes on to say he would take this under advisement and think it over and look into it as a business proposition; he came to the conclusion from the standpoint of his own interests that it was safe and right for him to go into it, and he decided to do it. He gave instructions to his company in Argentina to buy 5,000 tons of sugar, which was loaded. Before it left Argentina the price had begun to drop, and he talked with Mr. Rily about selling it there. Mr. Rily

did not exercise any authority over him or issue any orders to him; he did not command him, but he said, "No, you must not do that, you promised to bring that here and should keep your promise," evidencing that he had no control over Mr. De Ronde whatever. Mr. Rily said to him that this slump in price was only temporary, that the price is going to increase. Practically, as he said himself, "I went back and thought it over and decided that Rily was right." I said to myself, "I guess the thing is going to be all right after all." He acted on his own judgment and brought that sugar on. Then when the boat was half way between Argentina and New York he talked with Rily again about the matter, and Rily urged him to let the ship come on. Mr. De Ronde was asked by the chairman of our committee if he could have interfered and turned the ship back to Argentina. He said, "Oh, yes; possibly so; possibly I could; we are always in touch with our vessels by wireless." He might have sent his ship back and sold the sugar. He was free to use his own judgment. He was not in the position of the American Trading Co. The Government itself had been handling the Trading Co. matter, and it was under obligations to the Government of Argentina. Our Government had pledged the matter as its own. It could not sell.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield for a question?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. McSWAIN. I wish to ask in regard to this claim now under consideration whether the present Attorney General has regarded it as both legally and morally binding?

Mr. McLAUGHLIN of Michigan. He did not know anything about it; anybody listening to him would be satisfied that he did not know a blooming thing about it. [Laughter.]

Mr. COPLEY. What did he say?

Mr. McLAUGHLIN of Michigan. He said he thought there was a moral obligation and perhaps a legal obligation. I read a letter written by an Assistant Attorney General in which one of these sugar claimants is described as "agent of the Department of Justice." I went to him and asked him what authority he had for using those words. He said, "Those words are used in the resolution presented to the House"—that is, they were the words of the claimant himself. I asked him if he had made any inquiry or investigation about the thing. He did not know as much as the Attorney General, and that is going some. So much for those expressions of opinion as to the force and legality of these claims.

Now, it is said that the Department of Justice was to control the distribution of the De Ronde sugar. It was to control the distribution no more than it controlled the distribution of many, many other food products in the United States, directing when and where and at what price they should be sold. They were to exercise general supervision over it and limit the price as they limited the price on dozens of articles. I said from the first that Mr. De Ronde and his company simply brought themselves into line with thousands of producers in this country, and that they were not entitled to any more consideration than is any one of these thousands of producers.

Now, the gentleman from Indiana [Mr. PURNELL] says he did not agree with me as to the merits of the American Trading Co.'s claim at first, but when he went to the Department of State and looked over the correspondence he was convinced as to that claim and also as to the justice of this De Ronde claim. I would like to ask him where he found one line, one word, in the office of the Secretary of State in regard to this claim. They answered expressly and concisely when asked about sugar claims, "The American Trading Co.'s claim is the only one we have ever had anything to do with." There is not a line in that department in regard to De Ronde's claim or the De Ronde transaction from first to last.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. COCKRAN rose.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. COCKRAN. Mr. Chairman, I have listened to this debate with considerable interest. I knew nothing about these claims until I began to examine this morning the documents submitted to the House in connection with them; and, without undertaking to pass judgment on matters which are in dispute, I think the conclusion is plain, to which the House should be impelled by honor—I may say by decency—[applause] if it has regard to the uncontradicted, conceded facts in the case.

Let me say at the beginning that in transactions with governments all technical questions of legal liability or of the difference between contracts and moral obligations can always be disregarded. The Government is bound by any contract

only so far as it wants to be bound by it. We are not dealing with this matter as a liability arising under a contract between individuals but as representatives of a sovereign in the exercise of sovereignty.

The circumstances under which this transaction took place—all the actions of the Government with respect to it—should guide this body in its decision. Does anybody doubt that the Government was engaged in the task of lowering the price of sugar at that time? Does anybody doubt that the attempt was a meritorious enterprise?

Does anybody doubt that importations of sugar from abroad was the only possible means of breaking down the price except by stark confiscation, which in this country would have been impossible? When the Government took the only means open to it, and when Mr. De Ronde, who never was in the sugar trade, whose ships were already loaded with other freight, in the course of his ordinary transportation business, unloaded at the instance of the Government the goods that were in the holds of his vessels and took on sugar and brought it here on the promise of the Government to find him customers at a rate fixed not by him but by the Government, will anybody doubt that there was an agreement, a contract, as far as one could be made under such conditions? There was an obligation, both moral and legal, from which no decent man would seek to escape, and which no honorable Government would contemplate evading. [Applause.]

That is not all. The cargo started toward this country, and then the price of sugar having fallen here before its arrival, to the relief of all our citizens, Mr. De Ronde and others had ample opportunity to return the cargo and sell it with a profit, or at least without loss, in the Argentine.

Does anybody doubt that they would have elected to utilize that opportunity unless somebody had interfered to prevent those capable business men from pursuing the course which ordinary business prudence imposed on them? And who did interfere to prevent them? It was not an angel from heaven that warned these ships away from the Argentine and bade them come here. It was this Government, through its lawfully appointed officer.

Now, they say that Mr. Rily had no authority to give them this instruction or advice—call it what you will—and that Mr. De Ronde in following it was acting upon his own judgment. It is difficult to treat this contention seriously. Will anybody pretend that if Mr. Rily had not been a Government officer Messrs. De Ronde would have paid the slightest attention to his representations or would have hesitated a moment in seeking safety where safety was to be had; that is to say, by sending the sugar back to the Argentine? Why did they not seek this safety? Why were they not by this obvious measure of precaution saved from the loss which it is admitted they sustained? It was because this Government stepped in and urged upon them the course they pursued. It was at the behest and at the instance of the Government that they brought the sugar here and suffered the loss from which they now seek to be relieved. On this statement of facts, not one of which has been controverted here or is questioned on any side, the course of honor—and that is the only course this Nation can afford to follow or even to consider—is certainly clear. The Government that seeks by quibbling evasions to avoid making good a loss suffered by its citizens in carrying out its policy at its own behest and under its own specific directions, is not a government worthy of American traditions or worthy of the flag that floats over our heads. [Applause.]

Mr. MONDELL. Mr. Chairman, I move that all debate on the resolution and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Wyoming moves that all debate on the resolution and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. Debate on the resolution and all amendments thereto is closed. The question is on the amendment offered by the gentleman from Texas.

Mr. BLANTON. That was pro forma.

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn.

Mr. PARKS of Arkansas. I object to withdrawing it. As I understand, there is an amendment pending offered by the gentleman from Texas.

The CHAIRMAN. The gentleman is correct.

Mr. PARKS of Arkansas. Is that subject to debate?

The CHAIRMAN. No; debate is closed.

Mr. PARKS of Arkansas. On that amendment as well as all others?

The CHAIRMAN. Debate on the section and all amendments thereto is closed. The question is on the amendment offered by the gentleman from Texas.

The question being taken, on a division (demanded by Mr. PARKS of Arkansas) there were—ayes 2, noes 125.

Accordingly the amendment was rejected.

Mr. PURNELL. Mr. Chairman, a parliamentary inquiry. Are there any other amendments?

The CHAIRMAN. There are no other amendments pending.

Mr. PURNELL. Then I move that the committee do now rise and report the joint resolution to the House with the recommendation that it do pass.

The CHAIRMAN. The gentleman from Indiana moves that the committee do now rise and report the joint resolution to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration S. J. Res. 79, authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic, had directed him to report the same back to the House with the recommendation that it do pass.

The SPEAKER. By the rule the previous question is ordered. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question being taken, on a division (demanded by Mr. KINCHELOE) there were—ayes 102, noes 83.

Mr. KINCHELOE. Mr. Speaker, I object to the vote because there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

Mr. MONDELL. Mr. Speaker, will this be the unfinished business if the House adjourns at this time?

The SPEAKER. The Chair thinks it would be the unfinished business on Thursday. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees. As many as favor the passage of the joint resolution will, as their names are called, vote "yea," those opposed "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 116, nays 115, answered "present" 2, not voting 194, as follows:

YEAS—116.

Abernethy	Darrow	Knutson	Rodenberg
Ansorge	Dupré	Kraus	Sanders, Ind.
Appleby	Fairchild	Kreider	Shelton
Aswell	Faust	Larson, Minn.	Siegel
Bacharach	Fisher	Lee, N. Y.	Sinnot
Begg	Focht	Logan	Smith, Idaho
Bland, Ind.	Freeman	Luce	Snyder
Bond	Gerner	Luhning	Sprout
Bowers	Gifford	McArthur	Stedman
Brooks, Ill.	Greene, Mass.	McFadden	Stephens
Brooks, Pa.	Greene, Vt.	MacGregor	Strong, Pa.
Buchanan	Griest	Magee	Sullivan
Bulwinkle	Hadley	Mondell	Thorpe
Burdick	Hammer	Mott	Timberlake
Butler	Hawley	Nelson, A. P.	Tinkham
Campbell, Kans.	Henry	Newton, Mo.	Vaile
Cantrill	Herrick	O'Connor	Vestal
Carew	Hickey	Oldfield	Voigt
Chindblom	Hicks	Patterson, N. J.	Walters
Clarke, N. Y.	Hill	Perkins	Ward, N. Y.
Cockran	Hukriede	Perlman	Watson
Cole, Ohio	Humphreys, Miss.	Petersen	Watson
Colton	Hutchinson	Pou	Webster
Connolly, Pa.	Ireland	Purnell	White, Me.
Copley	Kelley, Mich.	Ransley	Williams, Ill.
Crago	Kennedy	Reece	Winslow
Cullen	Kindred	Riordan	Wood, Ind.
Curry	Kissel	Roach	Wurzbach
Dale	Kline, Pa.	Robertson	Wyant

NAYS—115.

Almon	Chalmers	Fess	Jeffers, Ala.
Andrews, Nebr.	Christopherson	Fields	Jones, Tex.
Barbour	Clague	Foster	Kincheloe
Beck	Cole, Iowa	French	Lampert
Beedy	Collier	Fulmer	Lanham
Bird	Collins	Garrett, Tenn.	Lankford
Black	Connally, Tex.	Gensman	Larsen, Ga.
Bland, Va.	Cooper, Wis.	Gilbert	Lawrence
Blanton	Cramton	Goldsborough	Leatherwood
Boles	Crisp	Green, Iowa	Lineberger
Bowling	Deal	Hardy, Colo.	Linthicum
Box	Dickinson	Haugen	London
Brennan	Doughton	Hoch	Lowrey
Briggs	Dowell	Huddleston	McLaughlin, Mich.
Browne, Wis.	Driver	Hudspeth	McLaughlin, Nebr.
Burtess	Echols	Humphrey, Nebr.	McSwain
Byrnes, S. C.	Evans	Jacoway	MacLafferty
Cable	Fairfield	James	Maloney

Mapes
Michener
Morgan
Nelson, Me.
Nelson, J. M.
Norton
Ogden
Oliver
Parks, Ark.
Quin
Radcliffe

Raker
Rankin
Ricketts
Robison
Sanders, Tex.
Sandlin
Scott, Tenn.
Sears
Shaw
Sinclair
Sisson

Speaks
Stafford
Steagall
Stevenson
Strong, Kans.
Summers, Wash.
Summers, Tex.
Swank
Swing
Temple
Turner

Underhill
Volstead
Ward, N. C.
Williams, Tex.
Williamson
Wilson
Wingo
Woods, Va.
Wright
Young

ANSWERED "PRESENT"—2.

Hooker

Rouse

NOT VOTING—194.

Ackerman
Anderson
Andrew, Mass.
Anthony
Arentz
Atkeson
Bankhead
Barkley
Bell
Benham
Bixler
Blakeney
Brand
Britten
Brown, Tenn.
Burke
Burton
Byrnes, Tenn.
Campbell, Pa.
Cannon
Carter
Chandler, N. Y.
Chandler, Okla.
Clark, Fla.
Classon
Clouse
Codd
Cooper, Ohio
Coughlin
Crowther
Dallinger
Davis, Minn.
Davis, Tenn.
Dempsey
Denison
Dominick
Drane
Drewry
Dunbar
Dunn
Dyer
Edmonds
Elliott
Ellis
Favrot
Fenn
Fish
Fitzgerald
Fordney

Frear
Free
Frothingham
Fuller
Funk
Gahn
Gallivan
Garner
Garrett, Tex.
Glynn
Goodykoontz
Gorman
Gould
Graham, Ill.
Graham, Pa.
Griffin
Hardy, Tex.
Hawes
Hayden
Hays
Hersey
Himes
Hogan
Huck
Hull
Husted
Jeffers, Nebr.
Johnson, Ky.
Johnson, Miss.
Johnson, S. Dak.
Johnson, Wash.
Jones, Pa.
Kahn
Kearns
Keller
Kelly, Pa.
Kendall
Ketcham
Kiess
King
Kirkpatrick
Kitchin
Klecza
Kilne, N. Y.
Knight
Kopp
Kunz
Langley
Layton

Lazaro
Lea, Calif.
Lee, Ga.
Lehlbach
Little
Longworth
Lyon
McClintic
McCormick
McDuffie
McKenzie
McLaughlin, Pa.
McPherson
Madden
Mansfield
Martin
Mead
Merritt
Michaelson
Miller
Mills
Montague
Moore, Ill.
Moore, Ohio
Moore, Va.
Moore, Ind.
Morin
Mudd
Murphy
Newton, Minn.
O'Brien
Olpp
Osborne
Overstreet
Palge
Park, Ga.
Parker, N. J.
Parker, N. Y.
Patterson, Mo.
Paul
Porter
Pringle
Rainey, Ala.
Rainey, Ill.
Ramseyer
Rayburn
Reber
Reed, N. Y.
Reed, W. Va.

Rhodes
Riddick
Rogers
Rose
Rosenbloom
Rossdale
Rucker
Ryan
Sabath
Sanders, N. Y.
Schall
Scott, Mich.
Shreve
Slomp
Smith, Mich.
Smithwick
Snell
Steenerson
Stiness
Stoll
Sweet
Tague
Taylor, Ark.
Taylor, Colo.
Taylor, N. J.
Taylor, Tenn.
Ten Eyck
Thomas
Thompson
Tillman
Tilson
Tinscher
Townner
Treadway
Tucker
Tyson
Upshaw
Vinson
Volk
Weaver
Wheeler
White, Kans.
Wise
Woodruff
Woodyard
Yates
Zihlman

So the joint resolution was passed.

The following additional pairs were announced:

On the vote:

Mr. Griffin (for) with Mr. Davis of Tennessee (against).

Mr. Rainey of Illinois (for) with Mr. Weaver (against).

Mr. McLaughlin of Pennsylvania (for) with Mr. Tinscher (against).

Mr. Paige (for) with Mr. Rouse (against).

Mr. Treadway (for) with Mr. Fish (against).

Mr. Graham of Pennsylvania (for) with Mr. Vinson (against).

Mr. Brown of Tennessee (for) with Mr. Bankhead (against).

Mr. Martin (for) with Mr. Lazaro (against).

Mr. Crowther (for) with Mr. Woodruff (against).

Mr. Favrot (for) with Mr. Tillman (against).

Mr. Moore of Illinois (for) with Mr. Johnson of South Dakota (against).

Mr. Tilson (for) with Mr. Sabath (against).

Mr. Slomp (for) with Mr. Hooker (against).

Mr. Atkeson (for) with Mr. Little (against).

Additional pairs:

Mr. White of Kansas with Mr. Montague.

Mr. Kiess with Mr. Lee of Georgia.

Mr. Anthony with Mr. Clark of Florida.

Mr. Elliott with Mr. Hardy of Texas.

Mr. Patterson of Missouri with Mr. Mansfield.

Mr. Moore of Ohio with Mr. Wise.

Mr. Rosenbloom with Mr. Tucker.

Mr. Snell with Mr. Smithwick.

Mr. Rhodes with Mr. Moore of Virginia.

Mr. Morin with Mr. Rayburn.

Mr. Merritt with Mr. Garrett of Texas.

Mr. Britten with Mr. Johnson of Kentucky.

Mr. Burton with Mr. McClintic.

Mr. Fenn with Mr. McDuffie.

Mr. ROUSE. Mr. Speaker, I voted "no." I am paired with the gentleman from Massachusetts [Mr. PAIGE]. I wish to withdraw my vote of "no" and answer "present."

The result of the vote was announced as above recorded.

On motion of Mr. PURNELL, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the potash situation.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HUTCHINSON. Mr. Speaker and gentlemen of the House, I rise for the purpose of correcting certain statements and impressions created by an extension of remarks of the gentleman from Vermont [Mr. GREENE], appearing in the RECORD of December 28, 1922, and a speech made in the House on January 10, 1923, by the gentleman from New York [Mr. CROWTHER]. In both instances reference is made to potash and the price of that commodity since the passage of the Fordney-McCumber Tariff Act.

Many Members have asked me if it is true that potash prices have advanced 345 per cent since the passage of the tariff act. Such is not the case, because potash prices have been practically the same for over a year, and it is not likely there will be any serious changes for several months, because most buyers have contracted for their requirements for the present season.

In the first place it might be well to remember that for many years potash has been on the free list, and, of course, when an effort was made to place a duty of 50 cents a unit or \$50 per ton of actual potash, on this commodity, that effort was met with serious opposition.

The effort failed, as you all know, and potash was restored to the free list by a vote of 177 to 130.

The tariff act became effective on September 21, 1922, and, on November 27, 1922, as president of a cooperative buying society, I contracted for 20,000 tons of K20 at a price lower than I recall having ever paid, with one exception. Several years ago during a trade war abroad prices were reduced below the cost of production and for a brief period American buyers were able to profit by that condition. But they soon settled their trouble and prices returned to normal.

It is evident the false impression as to the advance in price was created by information contained in a letter from Mr. Hoover, Secretary of Commerce, to the gentleman from Vermont, [Mr. GREENE], and included in the remarks of that gentleman.

As some of our farmer friends are alarmed at the prospect of the cost to them of potash carrying the increase specified in the RECORD, I wrote to Mr. Hoover and asked that he state more clearly the actual meaning of the price advance reported in his letter to the gentleman from Vermont.

I have since received from Mr. Hoover the following reply:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, January 25, 1923.

The Hon. E. C. HUTCHINSON,
House of Representatives.

My DEAR Mr. HUTCHINSON: I am in receipt of your letter of January 19th with regard to potash prices.

I am afraid the discussion has gone all wrong because of the misunderstanding of the term "inland potash prices" which was the term used in publications of this department in reference to the increase in German inland prices.

Prices have been advanced from time to time in Germany in accord with the fall in the mark whereas the export prices in terms of dollars have remained fairly stable for some time.

The men in the department here apparently thought that the term "inland prices" in Germany would be understood as the price in marks and neglected to call attention to the fact that such changes in inland prices did not necessarily represent a change in terms of dollars.

Yours faithfully,

HERBERT HOOVER.

Mr. Speaker, I should like to say to the farmers and people of the country generally that the manufacturers of fertilizers have seldom sold a high-grade fertilizer for as low a price as is being offered this year. This is due largely to the low cost of potash.

There are some materials higher this year, such as ammonia from animal matter, in which the advance figures almost double, but that is a market condition over which the manufacturer and dealer has no control, and even that is largely nullified by the low cost of potash free of tariff duty.

There has been considerable talk of a monopoly in potash, but as Germany and France are the chief producers of potash the prospects of a monopoly are remote. In fact, I predict that the keen desire for business in this country will result in our farmers being assured low cost of potash for some time to come.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4358. An act to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada; to the Committee on Interstate and Foreign Commerce.

S. 4387. An act to authorize the building of a bridge across the Tugaloo River, between South Carolina and Georgia; to the Committee on Interstate and Foreign Commerce.

S. 4398. An act in recognition of the valor of the officers and men of the Seventy-ninth Division who were killed in action or died of wounds received in action; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2719. An act to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.:

S. 2556. An act for the relief of Edwin Gantner;

S. 2210. An act for the relief of Lucy Paradis;

S. 1945. An act to reimburse the Navajo Timber Co., of Delaware, for a deposit made to cover the purchase of timber;

S. 4309. An act to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921;

S. 841. An act for the relief of Elizabeth Marsh Watkins; and

S. 1690. An act to correct the naval record of John Sullivan.

LEAVE OF ABSENCE.

By unanimous consent the following leave of absence was granted:

To Mr. SCOTT of Michigan, indefinitely, on account of illness, at the request of Mr. MAPES.

To Mr. ROSE, at the request of Mr. WALTERS, on account of illness.

To Mr. FUNK, for two days, on account of illness.

To Mr. FULLER, for five days, on account of illness in the family.

To Mr. RAMSEYER, for one week, on account of sickness in his family.

Mr. BOX. Mr. Speaker, I ask unanimous consent that I may have leave to file a minority report within five days on the Louis Leavitt claim on the Private Calendar.

The SPEAKER. The gentleman from Texas asks unanimous consent that he may have five days to file a minority report. Is there objection?

There was no objection.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman from Wyoming yield for me to inquire about the Order of Business?

Mr. MONDELL. I yield.

Mr. GARRETT of Tennessee. In regard to the tentative program which the gentleman has kindly given us, will that be carried out on Thursday?

Mr. MONDELL. I think it should be carried out. I made the program on the theory that it was a program that ought to be followed. I shall use my best endeavors to follow it.

Mr. GARRETT of Tennessee. That includes the conference report on the taxation bill as the first Order of Business.

Mr. MONDELL. Prior to that I think we ought to take up the bill that is now on the Speaker's table on the following day.

Mr. McFADDEN. The gentleman refers to the bank building bill?

Mr. MONDELL. Yes. However we would leave it with the committee to decide, but that would be my thought in regard to it.

Mr. GARRETT of Tennessee. The trouble with us innocent bystanders is that after the Committee on Rules has adopted a rule without our suggestion or thought that it will be called up on a certain day the chairman of the Committee on Rules changes the day, not of his own motion, but it keeps us busy answering questions.

Mr. MONDELL. I think we have been following very closely the tentative program that has been announced for a long time at least on Saturday morning, and generally Friday morning of the week before. I think we have not departed from it in any important particular.

Mr. GARRETT of Tennessee. Do I understand that the conference report on the bank building bill will probably come up first on Thursday?

Mr. MONDELL. That will depend on the action of the committee. That was to have been taken up this morning. It is a matter to be disposed of as soon as we can. It is a matter of entire indifference to me, but I shall leave it entirely with the committee.

Mr. McFADDEN. The gentleman from Tennessee refers to the bank building bill as a conference report. It is a bill on the Speaker's table which the Senate has passed. It is in lieu of the conference report and will be substituted for the conference report.

Mr. GARRETT of Tennessee. How did it happen that the committee requested a rule for the bill?

Mr. McFADDEN. The request for the rule came before the Senate bill was passed. There has been a cooperation both in the Senate and the House to get the legislation through because of its urgency, and it would seem that it would come a little quicker this way.

Mr. MONDELL. The bank building bill is a House Calendar bill on the Speaker's table.

Mr. GARRETT of Tennessee. How did it happen to come to the Committee on Rules?

Mr. MONDELL. I do not know. I had nothing to do with that.

Mr. GARRETT of Tennessee. I want to have a clear understanding about this. Then that bill can be called up or will be called up on Thursday under whatever parliamentary procedure is necessary.

Mr. MONDELL. If the gentleman from Tennessee desires and it is agreeable to the committee.

Mr. GARRETT of Tennessee. I have no disposition or desire about it. All I want to know is about the program of the business. The conference report on the taxation of banks—

Mr. McFADDEN. That is in conference and the conferees meet to-morrow. I expect they will disagree to a portion of it and make a partial report so that we may submit the validation clause, and we hope to have Thursday to consider that.

Mr. GARRETT of Tennessee. Will it be called up ahead of the privileged business of the Committee on Ways and Means?

Mr. MONDELL. It is a matter of the highest privilege, and my understanding has been that it is the desire of Members of the House, generally, that this matter be disposed of. As to privileged matters of the Committee on Ways and Means we could utilize the balance of the day to dispose of them.

Mr. GARRETT of Tennessee. Then the conference report will be a partial report, and that will be called up ahead of the business reported by the Committee on Ways and Means.

Mr. McFADDEN. That is my understanding.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 40 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 31, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

926. A letter from the president of the Chesapeake & Potomac Telephone Co., transmitting a report of the Chesapeake & Potomac Telephone Co. for the year 1922. This report is substituted for the report submitted January 4, 1923; to the Committee on the District of Columbia.

927. A letter from the First Assistant Secretary of the Interior, transmitting copy of a letter from the Commissioner of the General Land Office, transmitting report of the withdrawals and restorations of public lands in certain cases; to the Committee on the Public Lands.

928. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to permit the sale of exterior articles of the uniform to honorably discharged enlisted men; to the Committee on Naval Affairs.

929. A communication from the President of the United States, transmitting, with a letter from the Director of the Bureau of the Budget, supplemental and deficiency estimates of appropriations for the Department of the Interior for the fiscal year ending June 30, 1923, and for prior fiscal years, amounting to \$16,452,217.51 (H. Doc. No. 536); to the Committee on Appropriations and ordered to be printed.

930. A communication from the President of the United States, transmitting a communication from the Assistant Sec-

retary of Commerce submitting an estimate of appropriation in the sum of \$188.25 to pay claims which have been considered and adjusted by the Director of the Coast and Geodetic Survey under the provisions of the act of June 5, 1920 (41 Stat. 1054), and which require an appropriation for their payment (H. Doc. No. 537); to the Committee on Appropriations and ordered to be printed.

931. A communication from the President of the United States, transmitting a communication from the Secretary of Labor submitting an estimate of appropriation in the sum of \$495.69 to pay claims which he has adjusted under the provisions of the act of December 28, 1922 (Public, No. 375, 67th Cong.), and which require an appropriation for their payment (H. Doc. No. 538); to the Committee on Appropriations and ordered to be printed.

932. A communication from the President of the United States, transmitting a communication from the Secretary of War submitting an estimate of appropriation in the sum of \$3,672.65 to pay claims which he has adjusted under the provisions of the act of December 28, 1922 (Public, No. 375, 67th Cong.), and which require an appropriation for their payment (H. Doc. No. 539); to the Committee on Appropriations and ordered to be printed.

933. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Supreme Court of the United States for the fiscal year ending June 30, 1923, for printing and binding, amounting in all to \$14,000 (H. Doc. No. 540); to the Committee on Appropriations and ordered to be printed.

934. A letter from the Secretary of War, transmitting a draft of legislation regarding service rendered by National Guard officers during temporary Federal recognition prior to December 15, 1922; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DALLINGER: Committee on Indian Affairs. H. R. 5099. A bill providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians of North Carolina; with amendments (Rept. No. 1475). Referred to the Committee of the Whole House on the state of the Union.

Mr. McFADDEN: Committee on Banking and Currency. H. R. 14041. A bill to amend sections 3, 4, 9, 12, 15, 21, 22, and 25 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; without amendment (Rept. No. 1478). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS: Committee on Foreign Affairs. H. R. 13880. A bill for the reorganization and improvement of the foreign service of the United States, and for other purposes; with an amendment (Rept. No. 1479). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Indian Affairs. H. R. 14000. A bill authorizing the Secretary of the Interior, with the consent of the Chippewa Indians of Minnesota, to transfer and convey to the State of Minnesota all lands, with the buildings thereon, now constituting the White Earth Agency and school reserves; with an amendment (Rept. No. 1480). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 13993. A bill to amend section 140 of the Criminal Code of the United States, relating to obstruction of process and assaulting officers; without amendment (Rept. No. 1481). Referred to the House Calendar.

Mr. RAKER: Committee on the Public Lands. S. J. Res. 226. A joint resolution authorizing the acceptance of title to certain land within the Shasta National Forest, Calif.; without amendment (Rept. No. 1482). Referred to the Committee of the Whole House on the state of the Union.

Mr. McKENZIE: Committee on Military Affairs. S. 674. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia; with amendments (Rept. No. 1483). Referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FROTHINGHAM: A bill (H. R. 14077) to extend the benefits of section 14 of the pay readjustment act of June 10, 1922, to validate certain payments made to National Guard and Reserve officers and warrant officers, and for other purposes; to the Committee on Military Affairs.

By Mr. JACOWAY: A bill (H. R. 14078) to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta, Ark.," approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

By Mr. McSWAIN: A bill (H. R. 14079) to define and punish official misconduct of officers of the United States; to the Committee on the Judiciary.

By Mr. MacGREGOR: A bill (H. R. 14080) amending section 206 of the act of February 28, 1920, known as the transportation act; to the Committee on Interstate and Foreign Commerce.

By Mr. NEWTON of Minnesota: A bill (H. R. 14081) granting the consent of Congress to the Valley Transfer Railway Co., a corporation, to construct three bridges and approaches thereto across the junction of the Minnesota and Mississippi Rivers at points suitable to the interests of navigation; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 14082) to authorize the Valley Transfer Railway Co., a corporation, to construct and operate a line of railway in and upon the Fort Snelling Military Reservation, in the State of Minnesota; to the Committee on Military Affairs.

By Mr. STEENERSON: A bill (H. R. 14083) to amend the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914; to the Committee on Indian Affairs.

By Mr. VOLSTEAD: A bill (H. R. 14084) to amend section 1025 of the Revised Statutes; to the Committee on the Judiciary.

Also, a bill (H. R. 14085) to amend section 284 of the Judicial Code of the United States; to the Committee on the Judiciary.

By Mr. HICKS: A bill (H. R. 14086) authorizing the acquisition of certain sites for naval aviation stations; to the Committee on Naval Affairs.

By Mr. PORTER: A bill (H. R. 14087) for the creation of an American battle monuments commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HUSTED: Joint resolution (H. J. Res. 428) providing funds to enable Armenian refugees to avail themselves of the offer of asylum made by the Russian Soviet Government; to the Committee on Foreign Affairs.

By Mr. WASON: Resolution (H. Res. 499) authorizing the Clerk of the House to pay out of the contingent fund of the House to Ralph B. Pratt and Helen S. Burroughs one month's salary as clerks to the late Hon. Sherman E. Burroughs; to the Committee on Accounts.

By Mr. STEENERSON: Resolution (H. Res. 500) for the immediate consideration of H. R. 14038; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BECK: A bill (H. R. 14088) granting a pension to Elizabeth Grover; to the Committee on Invalid Pensions.

By Mr. CODD: A bill (H. R. 14089) granting six months' pay to Harriet B. Castle; to the Committee on Naval Affairs.

By Mr. DENISON: A bill (H. R. 14090) granting an increase of pension to Harriet Wicks; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 14091) for the relief of the Compagnie Francaise des Cables Telegraphiques; to the Committee on Claims.

By Mr. FESS: A bill (H. R. 14092) granting a pension to George Hurt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14093) granting a pension to Ada M. Young; to the Committee on Pensions.

By Mr. HOGAN: A bill (H. R. 14094) for the relief of various owners of vessels and cargoes damaged by the U. S. S. *Lamberton*; to the Committee on Claims.

By Mr. JEFFERIS: A bill (H. R. 14095) for the relief of George F. Wooley, jr.; to the Committee on Military Affairs.

By Mr. LAWRENCE: A bill (H. R. 14096) granting a pension to Euphania Smith; to the Committee on Invalid Pensions.

By Mr. LAYTON: A bill (H. R. 14097) for the relief of Horace G. Knowles; to the Committee on Claims.

By Mr. MORGAN: A bill (H. R. 14098) granting an increase of pension to Anne E. Black; to the Committee on Invalid Pensions.

By Mr. PATTERSON of New Jersey: A bill (H. R. 14099) granting a pension to Emma A. Bradfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14100) granting an increase of pension to Ellen Thompson; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 14101) granting a pension to Hannah Hughes; to the Committee on Invalid Pensions.

By Mr. RHODES: A bill (H. R. 14102) granting a pension to William E. Robinson; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 14103) for the relief of Erve W. Johnson; to the Committee on the Public Lands.

Also, a bill (H. R. 14104) for the relief of Nora B. Sherrier Johnson; to the Committee on the Public Lands.

By Mr. SWING: A bill (H. R. 14105) granting a pension to Alan George MacArthur; to the Committee on Pensions.

By Mr. WARD of New York: A bill (H. R. 14106) granting a pension to Edward Carpenter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14107) granting an increase of pension to Celynda Werner Ford; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 14108) to correct the military record of Daniel C. Darroch; to the Committee on Military Affairs.

Also, a bill (H. R. 14109) granting an increase of pension to L. Anna Mavity; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7094. By Mr. ARENTZ: Petition of the Lyon County (Nev.) Farm Bureau, indorsing the Capper amendment to the Esch-Cummins Act; to the Committee on Interstate and Foreign Commerce.

7095. Also, petition of the Lyon County (Nev.) Farm Bureau, favoring the proposed revision of the farm credits system by the new Capper bill; to the Committee on Banking and Currency.

7096. Also, petition of the Lyon County (Nev.) Farm Bureau, urging the passage of the Smith-McNary bill, or some similar measure, providing for the completion of western reclamation projects; to the Committee on Irrigation of Arid Lands.

7097. By Mr. BARBOUR: Petition of sundry citizens of Shafter, Kern County, Calif., urging support of joint resolution for the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7098. By Mr. CLAGUE: Petition of sundry citizens of Blue Earth County, Minn., for aid to the peoples of the German and Austrian Republics in famine-stricken districts; to the Committee on Foreign Affairs.

7099. Also, petition of sundry citizens of Blue Earth County, Minn., for aid to the peoples of the German and Austrian Republics in famine-stricken districts; to the Committee on Foreign Affairs.

7100. Also, petition of sundry citizens of Cottonwood, Fairbault, and Martin Counties, Minn., for aid to the peoples of the German and Austrian Republics in famine-stricken districts; to the Committee on Foreign Affairs.

7101. By Mr. FAUST: Petition of numerous citizens of St. Joseph, Mo., for extension of aid to the German and Austrian Republics; to the Committee on Foreign Affairs.

7102. By Mr. KELLER: Petition signed by F. A. Carroll and 23 citizens, by Carl O. Ruecker and 26 citizens, and by J. Riehle and 48 other citizens, all of St. Paul, Minn., urging immediate action upon H. J. Res. 412, proposing to extend aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7103. By Mr. KIESS: Petition of sundry citizens of Williamsport, Pa., with reference to tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7104. By Mr. KISSEL: Petition of the American Cotton Growers' Exchange, Dallas, Tex., favoring the enactment of a rural credits act, to be introduced by the Committee on Banking and Currency, in such way as the committee may deem advisable; to the Committee on Banking and Currency.

7105. By Mr. MacGREGOR: Petition of Charles I. Craig, comptroller of the city of New York, favoring an amendment to the national bank act; to the Committee on Banking and Currency.

7106. Also, petition of sundry citizens of the forty-first congressional district, New York, favoring a joint resolution providing for the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7107. Also, petition of the Federation of Polish Hebrews of America, favoring an amendment to the immigration law per-

mitting the wives and children in foreign countries whose husbands are now in the United States to enter this country regardless of the quota allowed for the country in which they reside; to the Committee on Immigration and Naturalization.

7108. By Mr. MICHENER: Petition of sundry citizens of Michigan, petitioning for immediate aid to the people of German and Austrian Republics, etc.; to the Committee on Foreign Affairs.

7109. By Mr. PERKINS: Petition signed by Mr. David C. Boswell and several others, of Lyndhurst, N. J., urging immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7110. By Mr. SPEAKS: Papers to accompany H. R. 13802, granting a pension to Rosa Gatterdam; to the Committee on Pensions.

7111. By Mr. STRONG of Pennsylvania: Petition of sundry citizens of Leechburg, Pa., to abolish the tax on small arms and ammunition; to the Committee on Ways and Means.

7112. By Mr. TEMPLE: Petition of a number of residents of Woodlawn, Beaver County, Pa., to abolish discriminatory tax on small-arms ammunition and firearms (internal revenue act, sec. 900, par. 7); to the Committee on Ways and Means.

7113. By Mr. YOUNG: Petition of Rev. H. Elster and others, of Enderlin, N. Dak., urging the passage of the joint resolution now pending in Congress proposing to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7114. Also, petition of Mr. Fritz Mutschler and others, of Jamestown, N. Dak., urging the passage of the joint resolution now pending in Congress proposing to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7115. Also, memorial of the National Farm Loan Association of Velva, N. Dak., protesting the passage of the Strong, Norbeck, and Green bills bearing on the Federal farm loan system; to the Committee on Banking and Currency.

7116. Also, petition of Joseph Niebler and others, of Hague, N. Dak., urging the passage of the joint resolution now pending to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7117. Also, petition of 73 residents of Pierce County, N. Dak., requesting the passage of the joint resolution now pending in Congress to extend immediate relief to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7118. Also, petition of the Young Men's Christian Association of Fargo, N. Dak., urging strengthening of prohibition laws and enforcement of same; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, January 31, 1923.

(Legislative day of Monday, January 29, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

The VICE PRESIDENT. The bill is as in Committee of the Whole and open to amendment.

Mr. MCKELLAR. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll. The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McKellar	Smoot
Ball	Gerry	McLean	Spencer
Borah	Glass	McNary	Stanfield
Brookhart	Gooding	Nelson	Sterling
Bursum	Hale	New	Sutherland
Calder	Harris	Nicholson	Swanson
Cameron	Heflin	Norbeck	Trammell
Capper	Johnson	Oddie	Underwood
Caraway	Jones, Wash.	Overman	Wadsworth
Colt	Kellogg	Page	Walsh, Mass.
Couzens	Kendrick	Pepper	Walsh, Mont.
Culberson	Ladd	Philpps	Warren
Curtis	Lenroot	Pomerene	Watson
Ernst	Lodge	Ransdell	Weller
Fernald	McCormick	Reed, Pa.	Williams
Fletcher	McCumber	Smith	

Mr. UNDERWOOD. I wish to announce the necessary absence of the junior Senator from Texas [Mr. SHEPPARD] on account of illness.

Mr. SMITH. I wish to state that my colleague [Mr. DIAL] is absent on account of illness.

Mr. CURTIS. I was requested to announce that the Senator from Nebraska [Mr. NORRIS] is absent on official business.

I was also requested to announce that the senior Senator from New Hampshire [Mr. MOSES], the junior Senator from New Hampshire [Mr. KEYES], the Senator from Illinois [Mr. MCKINLEY], and the Senator from Oklahoma [Mr. HARRELD] are absent on business of the Senate.

Mr. McNARY. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent on official business.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is absent on account of illness. I will let this announcement stand for the day.

The VICE PRESIDENT. Sixty-three Senators have answered to their names. A quorum is present.

Mr. LENROOT. Mr. President, I merely wish to announce again that if the pending bill is not disposed of during the day I shall ask the Senate to continue in session to-night.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General in response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the Department of Justice, which was ordered to lie on the table.

REPORT OF THE CAPITAL TRACTION CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Capital Traction Co., transmitting, pursuant to law, a report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

REPORT OF THE GEORGETOWN GAS LIGHT CO.

The VICE PRESIDENT laid before the Senate a communication from the President of the Georgetown Gas Light Co., transmitting, pursuant to law, a detailed statement of the business of the company for the year ended December 31, 1922, together with a list of stockholders, which was referred to the Committee on the District of Columbia.

PETITIONS.

Mr. WARREN presented resolutions adopted by the Fort McKinney National Farm Loan Association, of Buffalo, Wyo., favoring certain proposed amendments to the Federal farm loan act, which were referred to the Committee on Banking and Currency.

Mr. ODDIE presented resolutions of the Reno Central Trades and Labor Council, of Reno, Nev., favoring suspension of immigration for a period of five years and the deporting of such aliens as have not demonstrated their fitness to become naturalized citizens of the United States, which was referred to the Committee on Immigration.

Mr. McLEAN presented petitions of the Meriden Woman's Club of Meriden, and the League of Women Voters of New Haven County, both in the State of Connecticut, praying an amendment of the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

He also presented a petition of the Chamber of Commerce of Greenwich, Conn., praying for the passage of Senate Joint Resolution 269, authorizing the United States to pay just and meritorious claims for loss of or damage to freight in transportation while the railroads were under Federal control, etc., which was referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES.

Mr. BURSUM, from the Committee on Pensions, to which was referred the bill (S. 4305) granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes, reported it with amendments and submitted a report (No. 1076) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 3499) for the relief of the Atlas Lumber Co., Babcock & Willcox, Johnson, Jackson & Corning Co., and the C. H. Klein Brick Co., reported it without amendment and submitted a report (No. 1077) thereon.

Mr. KENDRICK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4146) granting certain lands to Natrona County, Wyo., for a public park, reported it with amendments and submitted a report (No. 1079) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 4447) to establish standards for anthracite coal shipped in interstate or foreign commerce; to the Committee on Education and Labor.

By Mr. KENDRICK:

A bill (S. 4448) for the relief of certain disbursing officers; to the Committee on Post Offices and Post Roads.

By Mr. ODDIE:

A bill (S. 4449) granting a pension to Thomas Rea; and

A bill (S. 4450) granting a pension to James S. Kelley; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 4451) to renew and extend certain letters patent; to the Committee on Patents.

By Mr. CURTIS:

A bill (S. 4452) for the establishment of a United States industrial home for women at Mount Weather, Va.; to the Committee on the Judiciary.

By Mr. NORBECK:

A bill (S. 4453) to amend sections 3, 4, 9, 12, 15, 21, 22, and 25 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. POINDEXTER:

A bill (S. 4454) authorizing an appropriation of \$25,000 for aid in the construction of a wagon road between Onak and Nespelem on the Colville Indian Reservation in the State of Washington; to the Committee on Indian Affairs.

RURAL-CREDIT FACILITIES.

Mr. TRAMMELL submitted three amendments intended to be proposed by him to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF WAR DEPARTMENT APPROPRIATION BILL.

Mr. POINDEXTER submitted an amendment proposing that the President be authorized to nominate and, by and with the advice and consent of the Senate, to appoint any commissioned officer of the Army not above the grade of colonel who served in the Army during the World War whose service has been creditable, and who has been or may hereafter be retired according to law, to an advanced grade on the retired list at the highest grade held by him during the World War, etc., intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed without amendment the following joint resolutions:

S. J. Res. 12. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic; and

S. J. Res. 79. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8921. An act for the relief of Ellen McNamara; and

H. R. 11397. An act to authorize appropriations for the relief of certain officers of the Army of the United States, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills and joint resolutions, and they were thereupon signed by the Vice President:

S. 472. An act for the relief of William B. Lancaster;

S. 841. An act for the relief of Elizabeth Marsh Watkins;

S. 1690. An act to correct the naval record of John Sullivan;

S. 1945. An act to reimburse the Navajo Timber Co., of Delaware, for a deposit made to cover the purchase of timber;

S. 2210. An act for the relief of Lucy Paradis;

S. 2556. An act for the relief of Edwin Gantner;

S. 2719. An act to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.;

S. 4309. An act to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921; and

H. R. 6294. An act promoting civilization and self-support among the Indians of the Mescalero Reservation, in New Mexico.

S. J. Res. 12. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic; and

S. J. Res. 79. A joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic.

HOUSE BILLS REFERRED.

The following bills were each read twice by their titles and referred as indicated below:

H. R. 8921. An act for the relief of Ellen McNamara; to the Committee on Naval Affairs; and

H. R. 11397. An act to authorize appropriations for the relief of certain officers of the Army of the United States, and for other purposes; to the Committee on Claims.

INVESTIGATION OF MEMBERSHIP IN FEDERAL RESERVE SYSTEM.

Mr. McLEAN. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of the concurrent resolution (S. Con. Res. 33) providing for the appointment of a joint committee for the purpose of ascertaining the reason why eligible State banks do not join the Federal reserve system. If it leads to any debate, I shall not press its consideration at this time.

The VICE PRESIDENT. Is there objection to the request of the Senator from Connecticut?

Mr. JONES of Washington. I shall not object if it is passed without debate, but if debate should arise then I shall object.

Mr. HEFLIN. Mr. President, I ask for order. We can not hear what is going on upon the other side.

Mr. McLEAN. I ask that the Secretary report the resolution.

The VICE PRESIDENT. The Secretary will report the concurrent resolution.

The reading clerk read the resolution (S. Con. Res. 33) submitted by Mr. McLEAN on the 25th instant, as follows:

Whereas the Federal reserve system was established by the Congress for the benefit of all sections of the country and of all agricultural as well as commercial and industrial interests; and

Whereas it appears from the last annual report of the Federal Reserve Board that 9,640 State banks and trust companies, constituting over 85 per cent of the eligible State banks and trust companies in the United States, have failed to become members of the Federal reserve system:

Resolved, etc., That a joint committee be appointed, to consist of three Members of the Senate, to be appointed by the President thereof, and three Members of the House of Representatives, to be appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled in the same manner as the original appointment.

2. That said joint committee is authorized to inquire into the effect of the present limited membership of State banks and trust companies in the Federal reserve system upon financial conditions in the agricultural sections of the United States; the reasons which actuate eligible State banks and trust companies in failing to become members of the Federal reserve system; what administrative measures have been taken and are being taken to increase such membership; and whether or not any change should be made in existing law, or in rules and regulations of the Federal Reserve Board, or in methods of administration, to bring about in the agricultural districts a larger membership of such banks or trust companies in the Federal reserve system.

3. That said committee is authorized to sit at any time during the sessions or recesses of the Congress and conduct its hearings at Washington or at any other place in the United States, to send for persons, books, and papers, to administer oaths, and to employ experts deemed necessary by such committee, a clerk, and a stenographer to report such hearings as may be had in connection with any subject which may be before said committee, such stenographer's services to be rendered at a cost not exceeding \$1.25 per printed page, the expenses involved in carrying out this resolution to be paid in equal parts out of the contingent funds of the Senate and House of Representatives.

4. The committee shall from time to time report to both the Senate and the House of Representatives the results of its inquiries, together with its recommendations, and may prepare and submit bills or resolutions embodying such recommendations, and the final report of said committee shall be submitted not later than January 31, 1924.

Mr. McLEAN. I understand that the rate of compensation of stenographers has been changed from \$1.25 per printed page to 25 cents per 100 words. I therefore move that the resolution be amended on page 2, in lines 23 and 24, by striking out the words—

Mr. GLASS. Mr. President, we can not hear a word that is being said.

Mr. McLEAN. I did not understand that there was any objection to the consideration of the concurrent resolution.

Mr. GLASS. I would like to inquire if there has been unanimous consent given for the consideration of the concurrent resolution at this time?

The VICE PRESIDENT. The Chair has not yet ascertained. Is there objection to the present consideration of the concurrent resolution?

Mr. JONES of Washington. As I said a moment ago, if it can be passed without discussion, I shall not object; but if anyone desires to discuss it, then I shall object.

Mr. HEFLIN. I want to have an opportunity to look into it and to have it explained.

Mr. JONES of Washington. I object to the consideration of the resolution at this time.

The VICE PRESIDENT. There is objection.

CUSTOMHOUSE AT MOBILE, ALA.

Mr. FERNALD. Mr. President, out of order, I desire to report favorably and without amendment from the Committee on Public Buildings and Grounds the bill (H. R. 11731) to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce. I am sure there will be no discussion of the bill if it shall be considered, and I ask unanimous consent for its present consideration.

Mr. UNDERWOOD. Mr. President, if I may say just one word, I desire to state that there is a space on the first floor of the customhouse building at Mobile, Ala., which is unoccupied. The Chamber of Commerce of Mobile wish to rent and to pay for that space. Should the bill be passed, there will be nothing going out from the Government, but something will be coming in. The bill proposes to authorize the Secretary of the Treasury to rent the space referred to on such terms as he may approve, and he has given his indorsement to the bill.

Mr. JONES of Washington. If there is to be no further discussion on the bill, I shall make no objection to its consideration.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill; which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to rent, under such terms and conditions and for such period as he may prescribe, to the Chamber of Commerce of Mobile, Ala., the first floor of the customhouse, situated at the corner of Royal and St. Francis Streets, in the city of Mobile, Ala., or such parts of the first floor of the above-mentioned Federal building as may be used by the said chamber of commerce.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER FOR RECESS UNTIL NOON TO-MORROW.

Mr. LENROOT. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock noon to-morrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

LANDS AT CAMP JACKSON, S. C.

Mr. SMITH. Mr. President, I ask unanimous consent, out of order, to have considered Senate bill 4404, which relates merely to the transfer of land back to certain parties in my State. Those lands were donated to Camp Jackson. The bill has been reported unanimously by the Committee on Military Affairs. Now that Camp Jackson has been abandoned, it is proposed that the lands which were donated by certain parties to that camp may be returned to them. I ask unanimous consent for its consideration and passage. I am sure it will create no debate, for there is nothing involved in the bill except merely a return of the lands to the parties who heretofore donated them to Camp Jackson.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. JONES of Washington. If it will create no further discussion, I shall make no objection to the consideration of the bill.

Mr. SMITH. I do not think there will be any further discussion.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4404) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C., which was read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby authorized to convey by appropriate quitclaim deed to nine trustees and their successors to be selected by the Chamber of Commerce of Columbia,

S. C. and known as "Trustees of Columbia Cantonment Lands," approximately 1,192 acres of land within the United States military reservation at Camp Jackson, S. C., to wit:

The following two tracts of land:

Tract No. 1: Beginning at a stone corner of the Powell, Hampton, and United States Government lands, thence along the Hampton lands north 61 degrees 45 minutes west 3,024 feet to a stone; thence north 47 degrees 5 minutes west 1,956 feet to a stone; thence north 61 degrees 40 minutes west 740 feet to a stone; thence north 27 degrees 20 minutes east across Government lands 2,000 feet to a stone; thence south 87 degrees 40 minutes east 385 feet to a stone; near southeast corner of Camp Jackson incinerator; thence north 6 degrees 20 minutes east 975.5 feet to a stone; thence north 42 degrees 20 minutes east 815 feet to a stone; thence north 82 degrees 20 minutes east 828 feet to a stone; thence north 61 degrees 35 minutes east 1,430 feet to a stone at intersection of old roads; thence south 72 degrees 40 minutes east 1,355 feet to a stone; thence south 85 degrees 40 minutes east 2,798.5 feet to a stone; thence south 27 degrees 50 minutes west 2,654 feet to a stone; corner Powell lands; thence along Powell lands south 79 degrees 35 minutes west 1,290 feet to a stone; thence south 11 degrees 40 minutes west 4,102 feet to a stone, point of beginning, containing in all 705.12 acres.

Tract No. 2: Beginning at a stone on the eastern side of the Camden public road near the 6-mile post; thence along Camden public road south 89 degrees 45 minutes west 800 feet to a stone; thence along the Camden public road south 87 degrees 35 minutes west 985 feet to a stone; thence along the Camden public road south 78 degrees 45 minutes west 184 feet to a stone; thence south 12 degrees 50 minutes east 985 feet to a stone; thence north 85 degrees 45 minutes east 1,240 feet to a stone; thence south 63 degrees 5 minutes east 1,984 feet to a stone 6 feet from paved road; thence in an easterly and northerly direction 922 feet along paved road to a stone 6 feet from paving; thence south 82 degrees 20 minutes east 1,050 feet to a stone; thence north 73 degrees 50 minutes east 1,325 feet to a stone; thence north 8 degrees 20 minutes east 270 feet to a stone; thence south 86 degrees east 408 feet to a stone; thence south 7 degrees 30 minutes west 217 feet to a stone; thence south 64 degrees 25 minutes west 570 feet to a stone; thence south 53 degrees 25 minutes west 1,460 feet to a stone; thence south 50 degrees 25 minutes east 323 feet to a stone; thence north 71 degrees 55 minutes east 1,300 feet to a stone; thence north 32 degrees 15 minutes east 2,131 feet to a stone on the north side of the Ancrum Ferry Road; thence north 3 degrees 40 minutes east 4,315 feet to a stone on the eastern side of the Camden public road; thence along said Camden public road south 38 degrees 30 minutes west 211 feet to a stone; thence south 36 degrees 55 minutes west 1,039 feet to a stone; thence south 55 degrees 50 minutes west 620 feet to a stone near the 7-mile post; thence south 87 degrees 55 minutes west 779 feet to a stone; thence south 69 degrees 40 minutes west 498 feet to a stone; thence south 55 degrees 55 minutes west 1,330 feet to a stone on the southerly side of the Ancrum Ferry Road; thence south 75 degrees 20 minutes west 811 feet to a stone near branch; thence south 70 degrees 15 minutes west 1,265 feet to a stone; thence south 68 degrees 25 minutes west 890 feet to a stone near branch; thence north 89 degrees 20 minutes west 166 feet to a stone, the point of beginning, containing in all 486.88 acres; the lands so conveyed being approximately equal in area to the lands donated to the United States by the said chamber of commerce as a part of the site on the said reservation by deeds executed by J. Irwin Belser, trustee, dated July 20, 1917, and November 16, 1917: *Provided*, That prior to such conveyance by the Secretary of War there shall be conveyed to the United States by appropriate deed all the rights of way and other rights reserved in the aforementioned deeds of donation to the United States to the extent that the Secretary of War may require.

SEC. 2. That the Secretary of War is hereby further authorized, in his discretion, to grant by revocable license to the said trustees, their successors or assigns, subject to such conditions and restrictions as he may deem necessary to protect the interests of the United States and to such regulations as he may from time to time prescribe, the right to use, in common with the United States, the existing roadways and railway lines of the United States, steam or electric, now located upon and extending over and across the reservation, and also the right to occupy and use such other lands within the said reservation as he may designate for the construction and operation thereon of steam or electric railway lines to extend to the lands to be conveyed to the said trustees as hereinabove described, the United States to have the right to use without charge any railway lines or tracks so constructed on the reservation: *Provided*, That the said existing roadways and railway lines on the reservation so occupied and used and the railway lines so constructed and operated thereon shall be maintained and kept in a good state of repair, to the satisfaction of the Secretary of War, at the sole expense of the said trustees, their successors or assigns.

SEC. 3. That the said trustees shall hold, use, manage, lease, sell, and convey, or otherwise dispose of said lands, or any portion thereof, and of the proceeds and revenues of the same, for one or more of the following purposes as they may deem best, to wit: Agricultural, industrial, charitable, and educational purposes: *Provided, however*, That no sale or conveyance shall be made by the said trustees of the lands conveyed by the Secretary of War under this act until the Secretary of War shall have given his consent in each instance to such sale or conveyance.

SEC. 4. That a majority of the said trustees shall constitute a quorum competent to transact business, and that the said trustees shall make such by-laws, rules, and regulations for their own government and for the management and control of the said property and the proceeds thereof as they may deem necessary and proper, and that in the event of any vacancy occurring among the said trustees by death, resignation, removal of residence from Richland County, S. C., or other cause, such vacancy shall be filled from residents of Richland County by selection by a majority of the remaining trustees, such selection to be approved by the chamber of commerce of the city of Columbia, S. C., or its successors; and if there be no successors, then such selection shall be approved by a majority vote of a committee composed of the president of the University of South Carolina, the mayor of the city of Columbia, the senator in the General Assembly of South Carolina from Richland County, the probate judge of Richland County, and the resident judge of the judicial circuit of South Carolina embracing Richland County, or their respective successors.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STANDARD OF BUTTER.

Mr. STERLING. Mr. President, I ask unanimous consent for the present consideration of the bill (S. 3858) to define butter and to provide a standard therefor. It is a short bill, and I think if it be considered there will be no discussion of it.

Mr. ASHURST. Mr. President, of course, I do not desire to object to the consideration of the bill, but Senators now see the situation which has arisen by reason of our frittering away Calendar Monday. I was entirely to blame, for I should have objected on Monday morning to everything proposed, so that we might have reached the calendar. The Senate needs a Calendar Monday or at least a calendar day once a week. When Senators fritter away that morning, then necessity drives us and drives them to interfere with the routine business. I shall not object to the consideration of the bill which is asked for by the Senator from South Dakota, but I hope that hereafter we may at least have Calendar Monday, for there are bills on the calendar to which, in my judgment, there is no objection. But when the calendar is not considered on Monday, as the rule provides, we are required to rise, as Senators are now rising, and to ask unanimous consent for the consideration of bills. In this instance I shall not object, but I hope this may be a lesson to us and that we shall not hereafter fritter away Calendar Monday.

Mr. JONES of Washington. I ask for the regular order.

The VICE PRESIDENT. The regular order is demanded.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

Mr. BROOKHART. Mr. President, I desire to discuss the pending bill and matters in general in reference to farm legislation and the farmers' program.

I think some confusion has arisen in the situation here, and I am going to see what I can do to straighten it out from the farmer's standpoint. I have had some communication with the farmers, and I know something about their idea of the legislation proposed at this session of Congress. I think the first idea of all the farmers everywhere all over the United States is that the ship subsidy bill should be defeated. I think that is the first thing they are considering everywhere.

We have heard discussion about the farm bloc being responsible for the delay in the enactment of farm legislation, and all of that; but I will tell Senators that I do not think there ought to be anybody in the farm bloc who believes in the ship subsidy bill, and when matters settle down a little I think we shall have to prefer charges against some of them and have a heresy trial and clear the farm bloc up a little.

The farmers wanted to increase the loan limit of the Federal land banks. That was one little act of legislation for which they stood and the Senate has provided for that by the passage of the Capper bill.

They wanted to extend the time of rediscounting paper by the Federal reserve banks so that it would fit the farming business. The biggest business in this country is farming. The farmers are contributing the greatest percentage to the bank deposits of the country, and yet the business of farming is not recognized in the great Federal reserve bank system. The bill which is now before us merely proposes to raise the limit of agricultural loans to nine months when the farmers need three years. The idea has grown in the minds of many men that the money of the farmers deposited in banks is taken, put in a reserve, mobilized, moved around over the country as it pleases certain interests, used to back up loans of other business in the country, but the farmer is denied a line of credit that will fit his own business; in other words, he is denied the use of his own money in his own business. The authorization of nine months' paper instead of six months would be some little advantage to the farmers, but not much. So the pending bill is wholly inadequate in that respect.

The only bill which has been presented here that will give the farmers immediate relief in any way is the Norris bill, consideration of which has been refused because my friend from Mississippi [Mr. WILLIAMS] and other Senators claim it is socialism or communism or some other kind of ism.

Mr. WILLIAMS. Mr. President, the Senator is making a mistake. I said it was a pawnbroking proposal. I never accused it of having the dignity of socialism or communism.

Mr. BROOKHART. The Senator from Mississippi corrects me and says it is a "pawnbroking" measure. In reply I can only say that we had better enact that kind of a pawnbroking

measure than some of the other measures which have been enacted by Congress.

Another measure which the farmers would like to see enacted is the Voigt filled milk bill. I understand from the newspapers that as a result of a conference held the other night that bill is to be sidetracked so that we may get back to the shipping bill.

Another measure the farmers would like to have enacted is the truth in fabric bill, but I understand the switch has been opened for that measure, so that it, too, will go on the sidetrack and will not receive consideration at this session of Congress.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. BROOKHART. Yes.

Mr. CARAWAY. To what conference does the Senator refer as having agreed to sidetrack these meritorious measures?

Mr. BROOKHART. The Baltimore Sun contained an account to the effect that a number of distinguished Senators slipped around to the White House after the newspaper men had all gone away to arrange these matters.

Mr. CARAWAY. Does the Sun tell who composed the party of Senators referred to?

Mr. BROOKHART. I think probably it does, but I think the Senator from Wisconsin [Mr. LENROOT] or the Senator from Washington [Mr. JONES] could give the Senator more accurate information than does the Baltimore Sun.

Mr. CARAWAY. Does the Senator think those two Senators inspired the meeting?

Mr. BROOKHART. No; I do not say that; I do not recall that the article so stated, and I do not think they knew who inspired the meeting.

Mr. CARAWAY. The opinion of the Senator from Iowa is that the advocates of ship subsidy inspired the meeting?

Mr. BROOKHART. Yes; that is my opinion; that the ship subsidy bill was getting on dangerous rocks and something had to be done. The United States Chamber of Commerce seems to be of the same opinion, because it is filling all the papers with editorials and articles to the effect that a vote must be had on the shipping bill in some way or other immediately.

In this situation, in addition to the legislative proposals referred to, the farmers and their organizations are all the time teaching the doctrine of cooperation. They believe it ought to be taught to everybody. That is why they are for the bill of the Senator from South Dakota [Mr. NORBECK], instead of the pending bill, because it is really a cooperative bill.

For that reason I wish to say to the Senate that I have rather welcomed the night-school suggestion which has been made by the Senator from Wisconsin [Mr. LENROOT]. I think we ought to start a night school of cooperation. I have had quite a good deal to do with night schools in my time. I have been a teacher all my life, and have had a great many night schools with the farmers and a good many with the laboring people and quite a good many with the soldiers, so that I rather welcome the proposal to have a night school in the Senate. I talked to the farm bloc members about that, and told them I had some subjects to present to the school and I thought we could organize the Senate into a school on cooperation. I am sure there is nothing could happen in the United States that the farmers would approve more than that; in fact, I was talking to some farmers this morning and they were blaming the Senator from Wisconsin and the Senator from Washington for not starting the proposed night school three or four weeks ago. So far as I am concerned, I can tell the Senate something about what I would suggest in reference to that school. I have a little volume here on the subject of cooperation the world over with special relation to the subject of cooperation in credits.

I have agreed that at these night schools I will take up some of these propositions with the Senate myself. I told them I thought I would need about two weeks of nights to present all of this to the Senate, but they objected to that. They thought seven or eight nights were enough for me. I am only going to present the kindergarten phases of this proposition myself, but I think they need to be studied most carefully. After I get through with that we are going then to turn the big guns loose and give them a high-school course and a university course; so I really believe that this night school may become the greatest cooperative school that has ever been conducted in the world.

I got a letter from the Senator from Massachusetts [Mr. LODGE] and the Senator from Kansas [Mr. CURRIS] about this matter. They say that Republican Senators are advised that there will be evening sessions beginning to-morrow, Wednesday,

January 31, and each night thereafter until the Lenroot rural credits bill is passed. Of course, you notice that the sessions will continue until it is passed, so we can run this school quite a while if we can get an attendance. It says their attendance is urgently needed, to the end that a quorum may be available both day and evening.

In reference to the attendance, I think that all the Republican Senators who are in favor of the ship subsidy bill surely ought to attend this school. I think they ought to be here all the time. So far as the other Senators are concerned—a large number of Republicans and the Democrats who are opposed—it does not matter so much about them. They probably do not need the instruction so badly, anyhow; and if the very distinguished Senator from Massachusetts can attend the school all the time—and I understand that a school like this can not succeed unless there is a quorum present; they need to be there all the time—if he can attend it all the time we can probably make him, in view of his distinguished record in letters, the historian of this school; and I think it will really make a chapter in the history of the American Republic that will meet the approval of every farmer and every laboring man and every soldier and every mother of our land.

Now I desire to point out something of the big issue in this discussion. We have a bill before us. There is something very remarkable about that bill. You notice it goes down into the Treasury of the United States, first, for \$60,000,000 and then for \$120,000,000, under certain conditions. That money is to be used to issue certain debentures to certain banks and things. No loans are proposed to be made to any farmer. Of course, I can remember a very short time ago when the Senator from Wisconsin [Mr. LENROOT] and the Senator from Massachusetts [Mr. LODGE] and the Senator from Kansas [Mr. CURTIS] would be denouncing a bill like that as socialistic and as communistic and all that sort of thing, so I would at first thought be inclined to congratulate the Senator from Wisconsin on the fact that he has turned these erstwhile ultraconservatives into such a radical channel; but on second thought, you know, there is a little more than that. As soon as we get out of the way this \$120,000,000 or \$60,000,000, or whatever it is, which is to take care of 7,000,000 farmers and their families, to take care of the business growing out of an \$80,000,000,000 investment, or thereabouts, with an annual turnover of from ten to fifteen billion dollars—as soon as this little sixty or one hundred and twenty million dollars, with certain debentures subject to the approval of the banks, can be raised there is something bigger in sight, and, of course, that is not socialistic. It is not communistic. It never was, in the language of the conservatives. The other proposition is that we will give to a few fellows, just a small number of them, in a shipping trust, \$750,000,000 out of the National Treasury.

The little sixty or one hundred and twenty millions that is provided here to start with is all to be paid back by the farmers of the United States. They are promising to pay it back. Every Senator, everybody, knows that they will pay it back. So the Government is not taking much chance in that little socialistic venture; but the \$750,000,000 which is to be turned over to the Shipping Trust under this bill never will be paid back. It will always stand.

You can see in that one of the reasons why the farmers of the United States are saying, "First, defeat the shipping bill." That is of most importance in this session to the farmers, because the relief that is offered to them is inadequate. It does not amount to much in comparison to the tax in this other line that will be put on them forever, because the farmers are ultimate consumers that pay taxes.

The Senator from Wisconsin made the point that we were delaying immediate relief to the farmers; but it was the Senator from Wisconsin, among others, who opposed and defeated the consideration of the Norris bill, the only bill that has been proposed here that would give immediate relief to the farming interests of the United States. Not only that, but the Senator delayed this little, inadequate bill; it was not reported in here until the farmers had disposed of most of their grain and crops. Most of that crop is now in the hands of the speculator, so that the title of his bill ought to be changed, perhaps, to a bill for the relief of the speculators. I think it would do them at this late day—or the date even at which it was reported—far more good than it would the farmers.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. BROOKHART. Yes.

Mr. LENROOT. Is the Senator in favor of the Norris bill? Would he like to see it enacted now?

Mr. BROOKHART. Yes.

Mr. LENROOT. Does the Senator, then, think that the farmer would get the benefit, if he has sold his crops, and they are all in the hands of speculators? Whom would the Senator benefit by the Norris bill?

Mr. BROOKHART. If we enact it now, we would lose a good deal of the benefit we would have had if it had been enacted earlier.

Mr. LENROOT. And who would be benefited by it—the speculator or the farmer?

Mr. BROOKHART. If we had come here and opened up this Congress with the consideration of that bill, instead of having a special session to consider ship subsidy for the shipping trust, that bill would have gone through in time to do the farmers some good.

Mr. LENROOT. Yes; but the Senator said he was in favor of the enactment of the Norris bill now.

Mr. BROOKHART. Yes.

Mr. LENROOT. He also said the farmers' product was in the hands of the speculator. Therefore, it necessarily follows that the Senator from Iowa is in favor of a bill taking immense moneys out of the Treasury of the United States for the benefit of the speculators of the United States.

Mr. BROOKHART. I did not say I would use those funds to benefit any speculators, either, and I know how to fix those funds so that they will help the farmers next year and not help the speculators; and that is what I favor now, if the Senator wants to know. The speculator has no calling cards on my desk.

I want to get in some way a credit system that will give the farmers some voice in its control. I want to get a credit system that will back agriculture. I say to you that the greatest development of this age is the cooperative movement. It is the greatest in every line of business all over the world. It is the greatest development of the last two or three years in the United States.

It has more sound business principles and sound business reasons behind it than any other system of business that has ever been inaugurated in this world. Every position I take and every movement I make is with the idea of developing the great cooperative idea. That is why I have offered this amendment to this bill to provide for permission now—just permission—to organize cooperative banks. The amendment which I have offered does not interfere with the present banking system, does not interfere with any established business, but it does give the farmer permission, if he wants to, to organize a cooperative bank.

Why should he want that? I have talked to members of the Federal Reserve Board; I have talked to Eugene Meyer, of the War Finance Corporation; and I have talked to other big financiers in New York, and I have asked them to determine what proportion of bank deposits the farmers of this country furnish to the banks. I never have been able to get an authoritative answer or estimate from any source. I took an estimate out in my own State, and there the bankers' associations admit that the farmers in that State make more than 75 per cent of all the deposits in all the banks of the State. My own belief is that it is nearly 85 per cent. That being true, I took that as a basis, took the proportion of agricultural business in Iowa to other business, and took a percentage from that relation. Then I took the total farming business of the United States and multiplied it by that percentage, and upon that estimate it gives something like 40 per cent that the farmers deposit in all the banks of all the United States. That may be too high, but nobody has ever estimated it lower than 25 per cent to me.

The Senator from Wisconsin in his presentation of this bill discussed that proposition. He said:

In that connection I wish to say just a word with reference to what has been so often repeated upon the floor in debate upon the so-called Capper bill and in the Committee on Banking and Currency, of which I am not a member. It has been repeatedly stated that the farmers of the country have furnished 40 per cent of the deposits of the member banks of the Federal reserve system and that the implication therefore follows, or it is tried to have it follow, that because of that fact the farmers were entitled to 40 per cent of the total available credit. Mr. President, a farmer who deposits money in a bank is just as anxious for the protection of that deposit as is a merchant or anyone else. The farmer who deposits money in a bank is just as interested as any other depositor in having loans of that bank either liquid or of such character that should he want his deposit back he is going to be sure to get it. So, when an attempt is made to create a distinction between the farmers' deposits and other deposits, it is simply absurd. The interest of both classes of depositors is exactly the same in that connection.

I think that comment of the Senator from Wisconsin raises the basic issue about the control of these deposits. The Senator's conclusion is based upon the theory that when a farmer puts deposits in a bank he has not sense enough to know how

he wants those deposits to be used; that he must submit to some superior knowledge or some superior business idea outside of this greatest of all our businesses, and must have his deposits and the credit built upon them controlled by some one else.

The Senator says he wants the farmer's deposits safe, but he is not willing to concede that he should have any voice or any power in the control of those deposits to make them safe. It is the theory that is coming down from the top everywhere. Everyone of the big bankers whispers to you, "Go ahead with your cooperative movement, but do not touch the banks. Do not touch them; they are the friends of cooperation. Keep away from the banks."

I want to combat that theory completely. I want to say that every cooperative movement in the world that is succeeding has control of its own cooperative credit. There is not an exception where there has been success, and this theory that the farmers, furnishing this vast amount of deposits, shall have no voice in their use is wrong.

What is the purpose of a bank anyway? A bank is the agent of the depositors. A bank is employed by the depositors and the borrower. It is the middleman. It is not the dominant agency; it is the servient agency in all of these relations, and the depositors have the right to control and to say how the bank will use those funds. They exercise that right sometimes by withdrawing their deposits when the bank is not managed to suit them.

The farmers have just wakened up to this great fact, which has been concealed from them all these years. They have just found out that their total deposits amount to this vast sum, and they have said, "We have reached the time when we want to organize those deposits under our own control."

If it be true that the farmers deposit even 25 per cent in the banks of the country, then they deposited more than \$4,000,000,000 in the national banks in 1920. John Skelton Williams in his report as comptroller shows that agriculture received back for use in its own business only \$1,998,000,000, and that occurred at the time of the great contraction of credit.

We find that under the banking system at that time the Beef Trust, Armour & Co., went out in the spring of 1920 and floated \$60,000,000 of 10-year loans at 8 per cent. I have talked to Members of Congress since I came to the Senate who bought some of that paper. Swift & Co. got \$50,000,000 in that way, and the other day in investigating the Sinclair Oil Co. we found that at the same time it got \$46,000,000. My understanding is that all of the great concerns came in and made provision for their financing and their credit ahead of the deflation which occurred in the fall of 1920.

They were directors in these banks; they were in close touch with the Federal Reserve Board and the governing boards of the branch banks. They knew what was going to happen, and they provided accordingly, and the banks assisted them. They sent out the inspiration, the "dope," that this paper was good, and the farmers' own money was used to finance those institutions, when, in fact, it should have been conserved for use in agriculture. Then followed the deflation and the losses which we have discussed so much.

I say in the first place that the farmer not only has a right to have his representation on that board but he has a right to have a proportion of membership on that board equal to his proportion of deposits. That would mean three members of the board instead of one member.

For the same reason labor, which deposits more than 25 per cent in the banks of the country, would be entitled to two members of that board, and I say that if that board were controlled by people looking out first for the interests of the farmers and the laboring people, the great producers of this country, this speculative control would end and this speculative system would cease.

That is not sufficient. That would help, but the farmers come at this time and say: "We would like permission to organize a cooperative bank in our own way. You can put all the restrictions for safety and inspection around it you want—we have no objection to anything of that kind—but we want a system that will give us control of our own deposits." Then the Senator from Wisconsin says that if the farmers start out for a thing like that it is going to defeat this whole bill. I would like to inquire of the Senator who has said the bill would be defeated if we adopted this amendment?

Mr. LENROOT. If we were going to enter into that subject, it is one on which the Senate, under any kind of normal consideration, would desire to spend a great deal of time. In view of the fact that this bill must go to the House and be considered there, it would, in the opinion of the Senator from Wisconsin, have the effect of defeating the bill.

Mr. BROOKHART. Does the Senator think anybody in the House will dispute the farmer's natural right to organize his own bank, in which to deposit his own funds on a cooperative plan?

Mr. LENROOT. No; but I would expect that Members of the House and Members of the Senate would hardly be willing to take only the judgment of the Senator from Iowa upon a very comprehensive matter of that kind, without each Senator and each Representative having an opportunity to give it serious consideration.

Mr. BROOKHART. Does the Senator insist that the farmers are not for this proposition?

Mr. LENROOT. I do not know whether they are or not. I never heard of it until this morning, in the form presented by the Senator from Iowa. No farmers' organization has presented it to any committee of Congress; no farmers' organization has ever made its demand upon anybody in either House of Congress, so far as I know, in regard to it. It may be that the Senator from Iowa solely represents the farmers of the United States. It may be that he has superior knowledge of what they desire. But I will assume, until I know the contrary, that the farmers, through their authorized representatives appearing here before the various committees, are presenting the real demands of the farmers.

Mr. BROOKHART. The Senator from Wisconsin stated in the first part of his statement that he did not know whether the farmers were for it or not, and I feel quite sure that is accurate. President Barrett, of the National Board of Farm Organizations, called me this morning and suggested that he wanted to support this amendment as strongly as possible. The National Farmers' Union adopted resolutions in its national convention for cooperative banking. The ex-president of the American Farm Bureau Federation recently spoke in New York in favor of cooperative banking for the farmer.

Mr. LENROOT. Does that mean they indorse the Senator's bill? Because a farmers' organization indorses rural-credit legislation, does that mean they indorse every bill that is introduced upon that subject?

Mr. BROOKHART. There is only one cooperative banking proposition. Whenever a cooperative banking bill is introduced, it may differ somewhat in minor details from others, but in the fundamental proposition they will all be the same if they are cooperative; so they have indorsed it to that extent.

Mr. LENROOT. The Senator contends that all wisdom with reference to the subject is centered in the Senator from Iowa and the bill he has introduced.

Mr. BROOKHART. The cooperative idea is centered in it, and that is the reason why I think we should have a cooperative school here in the Senate. I think these Senators who go around and talk to bankers who are opposed to cooperation fail to get the cooperative angle on things, and I think the time has come when we will have to do something so they will understand what cooperation really means.

I do not know much about it, but I am very firm in what little I do know. I can not be sidetracked easily from that.

Mr. KING. Mr. President—

The PRESIDING OFFICER. (Mr. FERNALD in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. BROOKHART. I yield.

Mr. KING. I was compelled to be absent from the session this morning on official business and I have not had the pleasure of hearing the Senator's address. For information, has the Senator introduced a bill embodying his views and the cooperative plan to which he has just referred?

Mr. BROOKHART. I have offered an addition to the Lenroot bill simply giving permission to farmers to organize these cooperative banks. I think, in order that we may get an understanding of its provisions, I will read it. It is not very long.

Mr. KING. Of course, the Senator will understand I do not want to divert him from the line of his argument, and I hope he will not permit me to do so.

Mr. BROOKHART. I am glad to be interrupted; I always am; and am glad to answer the Senator's questions if possible. Mr. President, may we have the amendment read?

The PRESIDING OFFICER. There is no amendment pending.

Mr. LENROOT. I suggest that the Senator offer his amendment and have it read.

The PRESIDING OFFICER. Does the Senator offer his amendment?

Mr. BROOKHART. Yes; I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will read the amendment.

The ASSISTANT SECRETARY. On page 18, after line 22, the Senator from Iowa proposes to add the following:

SEC. 12. That section 5133 of the Revised Statutes relating to the formation of national banking associations be amended by adding thereto the following: "Provided, That associations for carrying on the business of banking under this title may be formed by any number of natural persons, not less in any case than 200, with a capital stock subscription of not less than \$15,000 to be known as cooperative national banks."

SEC. 13. That section 5134 of the Revised Statutes be amended by adding thereto the following:

"Persons uniting to form a cooperative national bank shall under their hands make an organization certificate which shall specifically state:

"First, each and all of the five statements required for other banking associations under the section.

"Second, That each share shall be \$10 par value and each shareholder shall have one vote and no more, and the capital stock shall not vote, and proxies shall not be allowed.

"Third, That the capital stock shall receive dividends not exceeding the legal interest rate in the State where the bank is located, and in no event exceeding 8 per cent per annum, and subject to the provision that the net earnings of the bank are first sufficient to pay such dividends.

"Fourth, That one-fourth of all other net earnings shall be passed to surplus until the surplus is equal to the capital stock. That the other three-fourths and thereafter all other net earnings shall be distributed to the depositors and to the borrowers from the bank who are stockholders in proportion to the amount of interest received by the depositors and the amount of interest paid by the borrowers.

"Fifth, Upon liquidation, after payment of liabilities, the capital stock shall be redeemed at par with dividends as before provided and all other assets of the bank shall be distributed to the depositors and borrowers then stockholders of the bank in the same proportions provided for the distribution of dividends."

SEC. 14. That the amount which a cooperative national bank may loan to one person or corporation shall not exceed 5 per cent of its deposits, and loans for productive purposes shall have preference, and no loans shall be made for purely speculative purposes.

SEC. 15. That all provisions of the Federal reserve act and of the national banking act not inconsistent herewith shall be applicable to the cooperative national banks; and it is further provided that after 1,000 cooperative national banks have been organized they may establish a cooperative reserve of their own and become members thereof by subscribing for capital stock therein equal to 5 per cent of their own capital stock. Such cooperative reserve bank may also admit as members cooperative State banks organized substantially upon the same plan as cooperative national banks, and the plan of such cooperative reserve bank shall be substantially the same as cooperative national banks, except that its stockholders and members shall be only cooperative banks as herein provided.

SEC. 16. That a tax of one-tenth of 1 per cent per annum shall be levied upon the total deposits of each cooperative national bank and paid into the Treasury of the United States, to be known as the deposit guaranty fund, and the same shall be used by the Treasurer of the United States to immediately pay depositors in the cooperative national banks the full amount of their deposits upon the liquidation of any such bank. That such tax shall cease when its accumulations amount to 3 per cent of the total deposits of all cooperative national banks and shall be automatically relieved to maintain said 3 per cent. That after a cooperative reserve is organized, as herein provided, the said tax for guarantee of depositors shall be paid to said cooperative reserve bank instead of the Treasurer of the United States, and shall be disposed of by it as herein provided.

SEC. 17. That cooperative national banks shall use the words "cooperative" and "national" in their title, and no other banks shall use the word "cooperative" except State banks which are organized upon substantially the principles as herein provided.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Iowa. The Senator from Iowa will proceed.

Mr. BROOKHART. Now, Mr. President, I desire to review the situation of cooperative banking throughout the world where cooperative enterprises have met with such great success. As I have said, in many countries cooperative business of every kind is becoming the leading business. In Great Britain now one-third of all the business is through the Rochdale Cooperative Association and its branches. Its banking turnover in 1919 was \$2,500,000,000, being next to the Bank of England in importance. It had an increase of 26 per cent in the first six months of 1920, and the increase, while perhaps not at that great rate, continues. The association now has 108 factories, many of them the greatest in the world, all operated cooperatively. It owns its own steamships. It needs no ship subsidy. It is the biggest purchaser of Canadian wheat. It has started upon the big estates of England and now has 40,000 acres, worth perhaps £3,000,000, all operated cooperatively. It writes one-half of the life insurance and accident insurance in all Great Britain. This great cooperative association, through its branches, has brought about a turnover of more than \$1,000,000,000 a year. Mr. Thorpe, perhaps the merchant prince of the world, is its manager. There is no one equal to him in the business world in these times, unless it would be Henry Ford. He manages that business on a salary of £850. He is a cooperator and would not change his place with any business man in the world. He has a higher place than any mere money-making business proposition, where profits are taken from the people without their consent.

This great system is growing so fast and so soundly that in perhaps less than 20 years there will be nothing but cooperative business in Great Britain. It has succeeded—why? Because it

has established a banking department of its own under its own control. It has never borrowed money from outside banks. It has money to lend them. Its money is comprised of the deposits of workers who started the institution, because that great cooperative institution was started by 28 flannel weavers away back in 1843. It took them a year and a half to save their pennies to raise a pound apiece, and with that \$140 they started the little store in December, 1844. It has grown to its present great proportions because it early established its own credit system which would back its own enterprises. I think there is no capitalist or anybody else who would deny the right of these men to mobilize their own funds under their own control in their own banks. Having done that, it has reached these vast proportions.

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. BROOKHART. I yield.

Mr. KING. My recollection of the organization to which the Senator refers is that it is a series of corporations organized under what might be denominated private statutes in contradistinction to a general charter granted organizations by Parliament. If I am in error, I should be glad to be corrected.

Mr. BROOKHART. I think the Senator is substantially correct in the statement. It is an organization under what they call the cooperative corporation act. They all embody the same principles that are included in my amendment to the Lenroot bill now under consideration.

Mr. KING. May I invite the Senator's attention, if he will pardon me, to the fact that in legislating in Congress we should bear in mind the fact that we are somewhat different from Great Britain. I do not mean to say I am antagonizing the Senator's proposition at all. It has very much to commend itself. It has just been brought to my attention.

As I was about to observe, in legislating here we should bear in mind the fact that we have a dual form of government; that, generally speaking, the States look after domestic corporations under their police and under their sovereign powers, and the corporations which are organized under the laws of a State may not confine their activities solely to the State. They are interstate rather than intrastate. It is very seldom now that we have a purely intrastate corporation. The activities of our railroad corporations and even our State banking corporations and our State insurance corporations extend beyond the boundaries of the States in which they have been incorporated.

The point I want to make is this: May not the Senator's plan be executed by the various cooperative organizations organizing under State laws and then consolidating and mobilizing, as they would have the right to do, as I recall the statutes of most of the States, for the purpose of establishing the large reservoir of reserve which the Senator's proposition involves? I hope the Senator will not think I want him to digress from the continuity of his remarks, but if he can discuss that feature later on I shall be very glad.

Mr. BROOKHART. I shall be very glad to discuss it at this time. This is as good a time as any to consider the proposition, and I am glad the Senator asked the question.

The Senator from Virginia [Mr. GLASS] has informed me that about one-third of the banks in the United States are national banks. The other two-thirds would be State banks. I thought it was a little nearer half-and-half, but possibly not. Therefore our banking business is divided into two parts, National and State. The banks are working along side by side without interference one with another. Therefore the best way to promote the cooperative idea would be to start with a national law. My proposition is only an amendment of the national bank act itself, permitting the organization, under the regulations and restrictions of the national bank act, of cooperative national banks also. It would not disturb the State banks, nor would it disturb the national banks, except that in the farming and laboring communities I think very many of them would reorganize and consolidate under the provisions of my amendment, if they had permission to do so. But we can not now organize a cooperative national bank and get a charter or certificate for that purpose.

A cooperative State bank can not be organized except in a few States. I believe some of the States have laws under which mutual banking companies may be organized. Therefore the great help the amendment will afford will be in giving a general permission to the farmers and the laboring people of the country to develop their cooperative ideas. It does not propose to take a dollar out of the United States Treasury; it does not call on the Federal Government for help in any way. It leaves it to those people to do it all themselves as individuals, and in

that way to organize a cooperative system. The trouble is that nobody thought about this in the beginning, or, if they did think about it, they carefully avoided putting anything in our national laws that would permit the organization of cooperative societies of any kind. There is nothing we need more in the United States now, nothing more urgent that the Congress should do, than to enact a whole cooperative code, something such as that under which the Rochdale system is organized in England; at least a code that would permit such things to be done.

Now, I wish to call attention to the cooperative credit systems of some of the other countries of the world.

The Commonwealth Bank of Australia, which, with one small exception, is the only known bank in the world without a cent of stock outstanding, reports for the six months ending January 1, 1922, net profits of \$1,501,988 par.

Before I proceed further along that line, however, let me say to the Senator from Utah that the Brotherhood of Locomotive Engineers have organized what they call a cooperative national bank; in fact, they organized a national bank the same as any other national bank, with the stock held the same way as that of any other national bank. Then their stockholders signed an agreement to operate the bank under cooperative by-laws. Senators will see the disadvantage under which the locomotive engineers labored in organizing a bank of that kind. They can not secure a cooperative charter, but they have to go to all of the trouble to secure an agreement on the part of all of their members everywhere, and then they do not know how legal it is going to be when some stockholder may come in and claim the dividends.

So my amendment is designed to give them permission to do the things which they are already trying to do under the present law, which is not broad enough.

I know the grand chief of the Brotherhood of Locomotive Engineers. He was a farm boy a few years ago in my home county. I have known him always. He is a big man in every way—one of the biggest men in our country, for that matter. That locomotive engineers' bank has grown until its resources are now some \$19,000,000. It has caused the consolidation of 21 other banks into three banks, and the demand for the cooperative idea has developed there in the most remarkable degree. Then recently they have gone into New York and have acquired control of another large bank, which will be changed by these same cooperative agreements and be operated cooperatively. Some of the big financiers of New York—I talked to some of them—are convinced that the cooperative plan is the safest and the best for banking generally, although most of them, of course, take the other view.

Now, in further reference to the Australian bank—

The Commonwealth Bank was established on January 20, 1913, by the Government of Australia and is owned and controlled by the people of the Commonwealth. Its purpose is to protect the people from usury and exploitation by the big bankers. It started without capital on a loan advanced by the Government, and has not only completely repaid the loan from its profits but has, in addition, piled up a large surplus. The bank has branches in the larger cities of the country, and has succeeded in keeping interest rates down to the minimum while lending money for productive purposes and agricultural development. Its deposits now exceed \$374,000,000.

That bank is encouraging every cooperative organization. It is really a Government operated bank all the way through.

In reference to Bulgaria—

Nearly half of the cooperative societies in Bulgaria are people's banks or cooperative credit unions modeled on the Raiffeisen and Schulze-Delitsch credit societies of Europe. The 993 peasant banks have liberated the Bulgarian people from the scourge of usury, and are financing and developing other forms of cooperation. The Central Cooperative Bank of Sofia has a capital of \$2,446,000 par, representing a 100 per cent increase over 1919. The annual turnover of the bank is nearly \$300,000,000 par, of which \$15,500,000 represents money loaned to cooperative societies.

In Canada—

Early in the present year the Province of Ontario adopted a cooperative code and created a democratic banking system which places it in the lead of cooperative progress on this continent. The Ontario law specifically defines what constitutes honest cooperation, and makes utterly impossible the existence of fake cooperators.

Such a feature in a cooperative law is very necessary, and in the amendment I have limited the use of the word "cooperative" in the United States as applied to banks.

All organizations calling themselves cooperative must be conducted on the sound principle of one member one vote, regardless of the amount of stock held. Proxy voting is not permitted. Surplus savings arising from the business must be distributed cooperatively, provided 2 per cent of the annual surplus may be placed in a reserve fund and 5 per cent may be expended for educational or social purposes.

In addition to this Magna Charta of honest cooperation, the Ontario Government has just taken steps to solve the farm-credit problem on the cooperative basis. Branch treasury offices are being opened in the leading towns, where the people can deposit their savings, the resulting funds to be used for agricultural development and other public improvements. Four of these treasury offices are already opened and

12 others are being organized. It is a principle of the government not only to promote thrift by this means but to cut the interest rate below that charged by the private banks.

As to Czechoslovakia—

Of the 12,336 cooperative societies in Czechoslovakia 5,186, or nearly one-half, are cooperative banks and credit societies. Since agriculture is the main industry of the country, two-thirds of these people's banks serve the farmers. They do more than a mere banking business for the farmer. They supply him with capital to buy a farm, erect buildings, purchase implements, stock, seed, fodder, and coal, and to market or manufacture his produce.

Contrast a system like that with the restricted system we have in the United States, where I know not of a single bank anywhere organized under the old plan that even pretends to accommodate the farming business as it ought to be accommodated, and that regardless of the value of the security behind the loan. The time limit and all other conditions look in the commercial direction. They turn their backs upon the farmer all the time.

They promote and finance all other forms of cooperation, including cooperative stores, home-building societies, linen factories, and creameries. These agricultural banks are called Kampelicky, after the name of the founder. They are modeled on the Raiffeisen plan, so successful in Germany. There are both local and district banks, the former with 400,000 members and deposits exceeding 1,000,000,000 kronen; and the district banks with 210,000 members and one-half billion kronen in deposits.

The city workers' cooperative bank, patterned after the Schulze-Delitsch workers' banks of Germany, were introduced about 1870, and by 1917 numbered 902 banks. Since the war their growth has been rapid, reaching 1,450 banks on January 1, 1921, with 1,500,000 deposits, a capital of 50,000,000 kronen, and about 100,000,000 kronen in the reserve funds.

I think the figures "1,500,000 deposits" are a clerical error.

For the purpose of unifying the financial strength of the local credit societies, the general cooperative bank was established at Prague July 1, 1920. Its capital is now 5,000,000 kronen and its deposits more than 20,000,000 kronen.

Mr. POMERENE. Mr. President, will the Senator yield to me for a question?

The PRESIDING OFFICER (Mr. Ladd in the chair). Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. Yes.

Mr. POMERENE. The Senator is now speaking of cooperative banks as they are operated in Germany. Is the Senator advised as to whether or not those cooperative banking institutions during and since the war have served the farming community satisfactorily?

Mr. BROOKHART. Let me correct the Senator slightly. I was speaking of Czechoslovakia at that particular time. I may say in answer to the Senator's question, I have a large amount of information on that subject to the effect that those banks are really serving the farmer's needs. The banks are controlled by the farmers themselves through the cooperative system; their reserve is controlled by the farmers themselves; so that they have the right to say how the credit shall be used, and while the banks back every kind of productive enterprise they also kill off every kind of speculative enterprise.

Mr. KING. Mr. President, may I inquire of the Senator how they were enabled to obtain sufficient capital to support the enterprises, or back the enterprises, to use the Senator's expression, which are promoted in the respective districts? We all know that Czechoslovakia, under the wise administration of President Masarak, perhaps is forging ahead more rapidly than any other country of Europe to-day, measured by its resources and its size and its population. However, Czechoslovakia during the war was inundated by the warring factions; first, the armies of Austria-Hungary would pass over it and then some parts of it were inundated by the Russian forces, and it was greatly devastated. I was wondering how, rising on the ruins of the past, it was able so quickly to supply funds and how its farmers were able out of the ruins of their country so quickly to organize the banks and companies referred to by the Senator and supply the needed capital for themselves and those who joined the associations.

Really, if the plan has worked there, it is a tribute to the genius of the plan, to its efficiency, and to its effectiveness as well as to the people who have put it into operation and who are controlling it.

Mr. BROOKHART. I think the elements suggested by the Senator are all included. I think the big element is the efficiency and, you might say, the magic of the plan itself. You see, all of our business development is backed, after all, by the little deposits collected by little people here and there and everywhere; and in the cooperative system these little people are simply obtaining managers of their own, and controlling their own finances through banks and various enterprises in that way.

Take the great Rochdale system in England, which is the greatest of all. All that vast capital has been furnished by

laboring men in little amounts. They buy 1 share of stock, 2 shares, or 10 shares, whatever their savings will permit. By combining them all together they not only have this vast volume of deposits for use in their business, but they are the owners of all that stock, also. In our country we could develop it much more rapidly than any other country if the capitalists would assist us in doing it. They would only have to submit to two propositions to do that. One is that capital should have its wages fixed, the same as men, and the other is that one man should have one vote in all these enterprises, and that capital should not vote. Those are the two basic principles of co-operation, whether in a bank, a factory, a shop, a coal mine, or whatever it may be; and those principles are governing and conducting and carrying on every line of business in the world to-day. I think you can hardly name anything that they are not doing now, and doing successfully, on the cooperative plan. Not only that, but they are more enterprising than private business; they are more progressive; they are more philanthropic; they do everything in the spirit of the advancement of human civilization better than the corporations ever have done anywhere in the world.

Mr. KING. Mr. President, will the Senator yield?

Mr. BROOKHART. Yes.

Mr. KING. I want to inquire whether, from the Senator's investigations, he has discovered that there have been any centralizing tendencies there which have eliminated the smaller units, the smaller holders, and concentrated in fewer hands year by year the assets, the stocks, the surplus, and so forth, of these organizations?

Mr. BROOKHART. Yes. In the Rochdale system the units have all grown to a size dictated by the greatest efficiency. They never compete, you understand. They always cooperate or affiliate one with another. That is one of the basic principles of cooperation. They are never fighting each other. If there are two or three cooperative enterprises running in the same line and they decide that it is more economical, more efficient, to combine them into one, that is done. They all go in on the same cooperative idea. If we had in the United States the cooperative plan we would have no need for anti-trust laws. The restriction that the capital earnings should be only the usual interest rate and that one man should have only one vote are much more far-reaching than any anti-trust laws that can be conceived.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. FLETCHER. In response to the question of the Senator from Utah about the possibility of a few associated in these cooperative organizations getting control of the whole institution, that is prevented, that is made impossible by reason of the very basis of the true cooperative principle; namely, that every member has a vote, no matter how much stock he holds. The member holding one share has just the same vote and voice in the management of the affairs of the association as the member holding a thousand shares, so that there is no danger of centralizing control in a few people who may hold a majority of the stock. Is not that the fact?

Mr. BROOKHART. I think the Senator is absolutely correct; and there is no guaranty equal to that.

Mr. SMITH. Mr. President, before the Senator leaves the question of these cooperative banking organizations I want to ask him this question: We have here a bill which in its nature is very similar to the operation of the War Finance Corporation in relation to the cooperative farm organizations; but, if you will notice, in this bill the farmers are permitted to organize these cooperative organizations, and are exempt by statute from the operation of the Sherman anti-trust law, and yet when it comes to the question of controlling the very vital principle that was hoped to be enlarged or made operative—namely, the principle of marketing and sharing in the profits that would accrue from proper marketing—under the operation of this law and under the operation of the War Finance Corporation those who hold the purse-strings of the credit can determine the time and quantity and manner in which the cooperative organization may dispose of its holdings. I should like to know if the Senator thinks there is any benefit whatever to the cooperative organizations in this country if it is left discretionary with the financial institutions that we set up ostensibly to help them if we leave with those financial institutions, with their close connection with the great banking system of this country, discretion as to how and under what terms they will let this money go?

Mr. BROOKHART. I should say that the chance of any substantial benefit was very small indeed. I believe that the banking organizations, with here and there notable exceptions, are opposed to the cooperative idea, and I think they tolerate

it and encourage it only as they are practically forced to do so. This bill is not a farm bloc bill at all; it is a bankers' bloc bill. I think there is no question about that. It deals with bankers, and leaves the power in their hands, exactly as it is now.

Mr. SMITH. I was very much disappointed to find that one of the cooperative associations that had organized in a great number of States to market a great product in this country has utilized the War Finance Corporation for its loans, in part, at least. I have not seen the contract, but I am confident that I am approximating the terms of that contract in the following statement: The cooperative marketing units throughout the several States having charge of this farm product signed an agreement or entered into a contract that in consideration of the loan extended by the War Finance Corporation, or other financial institutions that provided them with money through the influence of the War Finance Corporation, they obligated themselves to dispose of one-eighth of the pooled product a month, regardless, of course, in a manner, of the law of supply and demand or the price. I believe it was admitted that one of the units that did not sell an eighth each month must, when its attention was called to it, upon notice, sell at that time the deferred amount in sufficient quantity to constitute an eighth. Under such conditions the cooperative concern was in a worse situation than the individual, because the individual might negotiate a loan, hold his stuff, and sell it within the time of his loan in such quantities and for such sum as he saw fit. If, however, the cooperative concern must enter into a contract that they must dispose of an eighth, or an average of an eighth, each month, all that the buyer of that article and those who desire to speculate in it would have to do would be, by manipulation, to depress the market and get the article at the depressed price.

In addition to that, in the rehabilitation of the War Finance Corporation we provided for a 12 months' loan. Our idea—because I was very industrious in trying to get a rehabilitation of the War Finance Corporation act, believing as I did that under the conditions we had to set aside and specifically name some kind of a fund that would be available for agriculture alone—was that there should be a 12 months' extension of time in which the borrower might dispose of his holdings, and we so specified in the bill; but under the form of this contract the borrower had only eight months, because, if he disposed of an eighth each month, at the end of eight months he would have disposed of his entire holdings.

Therefore he was obligated to stand in the presence of his commercial enemy, so to speak—the buyer, who naturally wanted to get his product as low as possible—with it known of all men that he had to dispose of an eighth of his product each month, and all of it in eight months, four months less time than we intended to give him. There is the danger of inviting agricultural cooperative organizations to be formed and then not providing some system by which they can get the full benefit in the sale and management of their product when they have produced it.

I shall have more to say about this matter later on; but I just wanted to call the attention of the Senator to what is actually in operation now under the form of relief that we have attempted to extend to the farmer in such bills as this.

Mr. BROOKHART. I quite agree with what the Senator says upon that proposition; and I can cite one additional instance in my own State. The farmers out there organized, with the help of the bankers, a finance corporation. It was not cooperative, because we had no law for it, so we followed the plan of the locomotive engineers' cooperative national bank and adopted cooperative by-laws. The bankers have entirely abandoned it now. The War Finance Corporation arranged at first to do business with it, and then turned around and said they must get the approval of the bankers' committee out in Iowa before they would make loans for them or transact business with them. The result was that it could not function and has not functioned to any extent through the War Finance Corporation, although it had a million dollars of good capital paid in, as solid as any capital ever was in the world.

Now we come back to this credit system. It is going to work in the United States as it has everywhere else when the farmers get a cooperative system which they control and are able to say how credit shall be used. Then we will have loans for three years if we want them, or for one year if we want them. We will have the system fit the farming business, because farmers will be determining the rules under which those loans are made. At the present time the rules are being determined by those who want rapid, sudden turnovers, big profits, and big earnings for a few stockholders.

Mr. KING. If the Senator will yield, I presume the Senator will analyze the amendment which he has offered, and discuss

it; and if he intends doing that, I shall pretermit the asking of a question I have in mind; but I suggest it now, so that when he comes to it he may answer it if he thinks proper. I was wondering why the Senator, with his firm belief in cooperation and entertaining the views which he has expressed, which I think are quite rational and in conformity with commercial laws and our industrial system, attempted to attach his amendment to the national-bank law, because, as the Senator knows, the national banks have many limitations placed upon them, especially as to time. Their paper is all commercial. The theory is that they are commercial banks, and what the Senator designs is to extend the credit to the farmers under this cooperative banking system for indefinite periods, such periods as will help them in their undertakings. If the Senator attaches it to the national-bank system per se, then will he not be hampering the execution of his plan and limit the period of credit in the plan which he proposes to the periods of credit provided in the national banking law?

Mr. BROOKHART. Is there a period provided by statute?

Mr. KING. If not, at least by custom.

Mr. McKELLAR. By banking usage.

Mr. KING. The theory of liquidity is paramount and dominating; the paper must always be liquid.

Mr. BROOKHART. I think that is true; but I was under the impression that it was a regulation of the banks and not provided by statute.

Mr. KING. I am inclined to think the Senator is right.

Mr. BROOKHART. But I want to call the Senator's attention to this: If new banks are organized under this amendment—a thousand of them, we will say—they will then organize their own reserve, also cooperative, and the talk of liquidity disappears. New people who will have a different idea of what is liquid will be in control, and those people will be farmers or those representing farmers' ideas of things. I insist that the same idea should go into the Federal Reserve system by having three farmers put on the Federal Reserve Board, or three men representing farmers' ideas. I also insist that labor is entitled to two members on that board for the same reason. That would change some of these rules. I insist all the time that that regulation is an arbitrary thing, and, being arbitrary, it ignores the greatest business in the United States—the agricultural industry.

It is said they want funds to pay off the deposits; but if a bank is solvent and sound, even though its deposits may be in the bank for only six months, many loans will be for that time, too; but as deposits go out others come in, and the fact that a loan is for three years does not endanger the bank or the deposits or anything else, except that this commercial idea that you must have a three months' turnover or a 30 days' turnover has distorted the idea of business and the view of people upon that proposition. The farmer has wakened up to that and sees and knows now the advantage to him in having a turnover that will fit his business, and I say that he is here demanding it and is demanding it all over the United States.

Mr. President, I desire now to go further into the organization of cooperative credit throughout the world. It is a wonderful story. It is the most hopeful story in the world. I think it is the one chance to settle all this unrest in the world. Perhaps more can be said for Denmark because of cooperative organization than any other country in the world.

Denmark acted on a little different principle from the English. In England the cooperative idea grew of its own force and its own power; it had no help of government at any time; it had to fight its way against the competitive system. It had to fight its way against unfavorable laws and regulations for a long time, and in the face and in spite of that it has won out. Its growth under those conditions was necessarily very slow.

In Denmark the story is different. In Denmark the farmers went in and elected a majority of both houses of their congress, and that is what I think they are going to do in this country, with the help of the laboring people. I think that is going to happen pretty soon.

That farmers' government then gave government aid to the cooperative system, and they did in 10 years what it took 50 years to do in Great Britain. I am not going to review the situation in Denmark fully. I want to quote something about their credit system, which is backing these cooperative enterprises.

The farmers have 46 cooperative packing plants in that country, all under their own control, and producing the best packing products in the world. They can outsell our Beef Trust in the competitive markets of the world because their product is better than ours.

They could not succeed in all that, with all of their cooperative marketing and all of their cooperative processing, without also cooperative credit, and that is the phase we are discussing.

I now read from the Locomotive Engineers' Journal for December, 1922:

The great Danish Cooperative Bank of Copenhagen shows a net profit for 1921 of 2,500,000 kroner, or 33 per cent more than the previous year. After paying 5 per cent interest on capital, the Danish Cooperative Bank placed 1,000,000 kroner in its reserve fund and left the balance of its earnings to be distributed to its depositors and customers on a cooperative basis. In addition 701,403 kroner were deducted from the assets of the bank because of falling prices. Besides its central office in Copenhagen, occupying a whole city block, the Danish Cooperative Bank has 47 district branch offices and 59 suboffices throughout the country.

The Danish Cooperative Wholesale Society reports total sales exceeding 210,300,000 kroner for the past year, of which 35,700,000 kroner represents goods produced by the society's cooperative factories. The Cooperative Wholesale is composed of 1,800 local cooperatives with nearly 350,000 members. Even this splendid record is surpassed by the Danish Agricultural Cooperatives, the Milk Distributors' Society, doing a business of 750,000,000 kroner, the Cooperative Cattle Society, 268,300,000 kroner, and the two farmers' purchasing societies a combined turnover of 367,000,000 kroner. The combined business of the Danish cooperative societies reached the huge sum of 1,470,300,000 kroner (\$476,900,000 par).

The extensive building program of the Danish cooperators has led them to found their own cooperative cement works, the business of which has increased during the past year by 48,000 casks. The capacity of the works was not only extended to supply the entire domestic cooperative need but large quantities were also exported to the West Indies, Brazil, Africa, and the East Indies by the Danish cooperators.

Mr. KENDRICK. Mr. President, I want to ask the Senator if he can give us any figures as to what proportion of the agricultural products of that country are sold through this cooperative system.

Mr. BROOKHART. As I recollect it, it is about 93 per cent, but I would not say that is absolutely accurate. It is a very high percentage, at any rate.

Mr. KENDRICK. Then, I will ask the Senator if he does not believe that such a system would probably give the farmer his best opportunity to have something to say about the price of his own products?

Mr. BROOKHART. I am in absolute accord with that suggestion. Upon that proposition, I will say that I believe one of the greatest troubles with the farmer in peace, as well as in war times, even before the war, was the fact that so much of his product had to be sold, or "dumped," as we say, at harvest time.

Mr. KENDRICK. Mr. President, I believe it is coming to be understood, and I ask the Senator if it is not his opinion, that the chief difficulty with the agricultural interests of the country to-day is the fact that they buy everything in something at least approaching a fairly well controlled price condition, and sell everything they produce in the same open competition that has prevailed for hundreds of years. In other words, when the sale of its products is involved, agriculture is the only industry operating on a purely competitive basis.

Mr. BROOKHART. Yes; Mr. President, it is even worse than a competitive basis both ways. The farmer has no voice whatever in fixing the price he will get for his products. It is determined by the particular combinations which exist at the time he must sell. The vast proportion of the farm products must be sold at harvest time every year, because the farmer is not financed to hold his products. That forces more onto the market than the demand; it creates an excess supply, and the farmers' prices are always depressed at that time of the year.

Mr. KENDRICK. Referring again to the prices of Danish products, I understood the Senator to say that they commanded a premium in the markets over similar products in our country.

Mr. BROOKHART. I was speaking of packing products; but I think the same is true of butter and cheese. I am sure it is true of packing products.

Mr. KENDRICK. Does the Senator believe that some of the increased prices is due to this cooperative system of selling?

Mr. BROOKHART. Altogether due to that, because under the cooperative system they have been careful about their grading and standardizing everything with the idea of getting the benefit of the extra value. It has stimulated farming in that way, made it better, and made the farmer more careful than has any other system that has ever been used.

There are 7,000,000 farmers in the United States who are unorganized, we will say, but who are becoming organized. Heretofore each farmer was out for himself, and many of them owing six months' obligations at the bank, all of which they have to pay at harvest time, and in order to settle which they have to dispose of some of their product. As I said, that

always brings a big lot of farm products on the market at that time.

Why buys those products? The speculator. Where do they get the money? They get it through our credit system. They will be backed by the Lenroot bill. They are now backed, and would be backed, by the present banking system. They are able to get the money and hold those products and distribute them throughout the year to fit the demand, but at a very greatly advanced price. The farmers lose all of that benefit.

The Agricultural Commission of Inquiry of Congress, which reported a little over a year ago, found that out of the dollar which the consumer pays for farm products the farmer gets 37 cents. That is the official report of a commission appointed by the Congress. In Denmark, under the system controlled by the farmers themselves, out of the dollar which the consumer pays for the products of the farm, the farmer is getting from 72 to 75 cents. The cost of distribution has been reduced that much.

The cost of distribution ought to be less in the United States than it is in Denmark in percentage. Why do I say that? Because so much of our production is large in volume. Our great volume of grain, our great volume of live stock, in comparison to the little chicken-feed stuff of Denmark, ought to cost less in proportion for distribution than does their production over there.

Mr. KENDRICK. Mr. President, may I interrupt the Senator again?

Mr. BROOKHART. Certainly.

Mr. KENDRICK. I want to ask the Senator if he does not believe that before we have proceeded very far in working out the problems of distribution it is going to be necessary for us to have some system under which freight rates applying to the heavy tonnage of agricultural products will be based more nearly upon the value of those products than is the principle applied to-day. In other words, we have every day letters from our constituents showing the ruinous prices they have been compelled to take for their products shipped to market, and also showing in almost every case a situation in which the railroad receives twice as much for the freight on the product as the farmer received for the product itself.

The question I want to ask the Senator is if he is not impressed with the conviction and the belief that some solution of the problem should be found under which the freight might be more nearly based upon the value of the product when it is delivered to the consumer?

Mr. BROOKHART. I think that is true. Of course, it is on that basis somewhat now, but perhaps there ought to be a greater consideration given to the value of the product in making rates than is given now. I am sure that is true. However, there are some other vital questions in the railroad problem. Our volume of farm freights is so very great that unless we can reform the capitalization and management of the roads we are not going to get much reduction in freight rates.

Now, I want to call the Senator's attention to the fact that he is treading on dangerous ground when he suggests that freight rates are so high that the farmers have nothing left for their stuff. In pamphlets circulated all over the United States by railroad managers I have been called a Bolshevik, a communist, a socialist, an anarchist, and almost everything else for making a similar statement recently.

Mr. SMITH. Mr. President, does not the Senator think that if the farmer were in position to treat his products like other producers or manufacturers treat their products, namely, to add all the cost to the article and then fix his profit, we would have the railroad problem solved so far as farm products are concerned? In other words, if the farmer were so organized, both as to capital and cohesiveness, that he could name the price of his stuff and add the freight to that, so that those who get the product would pay the farmer his price plus a profit plus the freight, we would have had the problem settled. But under present conditions the producer of farm products subtracts the freight from the price, and the farmer loses it. If he had the power to reverse it and add the freight, we would have had the question settled, because the consumer would have had to pay the freight rather than the farmer having to pay it.

Mr. BROOKHART. I believe there is very much in the Senator's suggestion.

Mr. KENDRICK. Mr. President, in the first place, in connection with the statement of the Senator from Iowa about the dangerous ground, I think almost everyone who has lately given the subject any thought or attention at all must have come to the conclusion that, without regard to what is thought about it on the part of those who operate the railroads, they have an interest in common with the farmer. If the farmer does not receive something like fair remuneration for his prod-

ucts, he, by that very fact, becomes unable to buy and patronize the roads, and so the only haul or service to the farmer is the one of taking his farm products to market, because he can not buy anything in lieu of that product to be hauled back to him. In one instance which I have recently had reported to me, one of the farmers of my State sold 668 bushels of potatoes for \$156. That was his net received for the carload of potatoes. The railway freight on the same carload of potatoes was \$276.

Mr. BROOKHART. Was the freight paid before his net or after?

Mr. KENDRICK. It was paid before, of course.

Mr. BROOKHART. He had about as much left as the constituent referred to by the Senator from Washington [Mr. JONES] the other day, who sold his apples and had so little left.

Mr. NORRIS. Mr. President, may I interrupt the Senator from Iowa?

Mr. BROOKHART. Certainly.

Mr. NORRIS. I do not like to remain quiet when these suggestions are made about freight rates first, that the freight rates ought to be changed continually as the value of the property shifts. I would take it that would mean that if the Senator from Wyoming shipped a carload of cattle to Chicago on the 1st of January he would pay a certain freight, and on the 1st of February, with the same kind of shipment, the freight would either go up or down, depending on how much the cattle sold for.

On the other hand, the Senator from South Carolina [Mr. SMITH] suggests that if we had things arranged differently we would have the freight added to the farmer's price, and the consumer would be paying it and the farmer getting the benefit of it.

I do not want to interrupt unnecessarily the Senator's remarks. Perhaps he did not intend to discuss the railroad freight question. But I do want to say that I do not by my silence want to be understood as acquiescing in either one of those propositions. We ought to consider the consumer as well as the producer. We must consider the consumer. The freight question will never be settled right in my opinion until we take out of the railroad valuation proposition the several billions of dollars that have been injected into it from the time we began the railroad business up to the present time. Probably half or nearly half of the alleged value is nothing but water, and ought not to be involved in it. It ought to be excluded entirely.

Mr. KENDRICK. May I say in answer to the statement made by the Senator from Nebraska that I had no such thought in mind as having the freight values follow the valuation literally, but the idea I have entertained for some time in connection with this question is best explained as follows: All over the western country, as the Senator knows, there is a superabundance of different kinds of farm products, fruits, vegetables, and grain, which in many cases remain unharvested and are allowed to decay and waste because, under present conditions, the producers fail to receive in the markets but little, if anything, over and above the cost of production. It is my thought that there might be authority lodged with the Interstate Commerce Commission to use discretion in adjusting rates for emergency purposes so that such products might be marketed to the benefit of the producer, the railroads, and the consumer. Such a plan would not penalize the railroads. It is easily conceivable that it would be to their interest to accept in an emergency the reduced rates in lieu of no business at all. As stated before, further comment is unnecessary to show the real community of interest between the transportation lines and their patrons, and no satisfactory adjustment of the question will ever be found that does not involve this fact in its solution.

Mr. BROOKHART. Mr. President, there are certain provisions of the law now that allow that element to be considered to a certain extent. It is also true that in making the rates the value of the commodity is considered now. That has been the rule of rate making for many years. That is a technical question and before I would give a final opinion on it I would want a summary of values and movements and volume and a good many other things that enter into a determination of the question of rate making.

In any event if we had our marketing under cooperative control we could give the farmers all over the country advice about their production, about what crop there would be in demand and what the demand would be for it. We would know. We would not depend upon the haphazard system that exists now. When we come to market the crops, if we have our own credit system and our own money under our own control, the cooperative system would hold the products and dispose of them as the demand for them arose. In that way it would prevent the

dumping on the market and a general fall of prices every year at harvest time. The farmer would get the benefit of it, whereas at this time the speculator gets the benefit of it, and the speculator in turn is mainly protected by the Lenroot bill or similar credit bills, which are dealing with banks and not with farmers.

Now, I want to go a little further, because I want the Senate to know that there has been a development of the cooperative proposition in the world and in the United States, too. I have been in farm organizations, among the real farmers themselves, and there is little trouble in talking cooperation to them because they have been studying it and they know what it means. The laboring people are beginning to deeply study the same question. It is from a labor journal that I am reading these matters, the journal of the locomotive engineers.

I will next take up Finland, that new country which grew out of the war. With reference to Finland I read as follows:

The rapid extension of the cooperative movement in Finland since the war promises to make it, like Denmark, one of the strongest cooperative countries in the world. Reports received during the past year show a remarkable growth of cooperation in that country, rising from a total of 592 enterprises in 1905 to 3,422 in 1921.

The most significant increases have occurred in the producers' and credit cooperatives. Credit societies in Finland have increased from 140 to 775 during the above period; dairy societies, from 225 to 515; societies for the purchase of agricultural machinery, from 4 to 333; cooperatives for fuel supply, from 7 to 195. Other agricultural societies have increased from 50 to 816. Distributive cooperatives have also shown a rapid, though not so striking, growth, from 166 to 788.

In France—

A national cooperative bank has been created at Marseille during 1922, which is known as the Banque des Cooperatives de France. The initial capital of the bank is fixed at 12,000,000 francs, owned by 1,600 cooperative societies and the wholesale organization. Interest on capital stock is limited to 6 per cent, all earnings in excess of which, after meeting the legal reserve, are to be distributed among the shareholding societies in proportion to deposits, as well as interest paid on sums borrowed from the central bank. Its deposits in June, 1922, amounted to 16,287,000 francs from cooperative societies and more than 51,000,000 francs from individuals, groups, and trade-unions.

So Senators see that in France they are establishing not only mutual cooperative banks and credit societies, but the big overhead cooperative societies or reserve banks.

The German Cooperative Wholesale Bank shows a similar progress during the past year. Its turnover increased from 3,361,000,000 to 6,841,300,000 marks, its deposits likewise doubling to 211,900,000 marks and its assets to 3,440,000,000. Even with the present low value of the mark, this tremendous business indicates the great power of cooperation in restoring the economic life of Germany on a democratic cooperative basis.

As to Japan—

The amazing growth of cooperation in Japan is indicated by the Eighteenth National Congress of Cooperative Societies held in July in Tokyo, which brought together 12,000 delegates, representing 2,850,000 cooperators throughout the country. The detailed report of the congress shows that there are now 13,770 cooperative societies in Japan, grouped in 178 district federations. A majority of these cooperatives are peasants and workers' banks or credit unions. These people's banks not only handle money and furnish credit for workers and farmers but also mobilize the funds of the people under their own control for their use in cooperative productive enterprises as well as consumers' stores. The congress passed a resolution declaring for a central cooperative bank in Tokyo.

Mr. SWANSON. Mr. President, will the Senator from Iowa yield to me for a moment?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Iowa yield to the Senator from Virginia?

Mr. BROOKHART. I do.

Mr. SWANSON. I wish to submit a request for unanimous consent, and in order that it may be presented I make the point that there is no quorum present.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gooding	Nelson	Smith
Ball	Hale	New	Smoot
Borah	Harris	Nicholson	Spencer
Brookhart	Heflin	Norbeck	Stanfield
Bursum	Hitchcock	Norris	Sterling
Cameron	Johnson	Oddie	Sutherland
Capper	Jones, Wash.	Overman	Swanson
Caraway	Kellogg	Page	Trammell
Couzens	Kendrick	Pepper	Underwood
Culberson	King	Phillips	Wadsworth
Curtis	Ladd	Pomerene	Walsh, Mont.
Ernst	Lenroot	Ransdell	Weller
Fernald	Lodge	Reed, Pa.	
Fletcher	McKellar	Shields	
George	McNary	Shortridge	

The VICE PRESIDENT. Fifty-seven Senators having answered to their names, a quorum of the Senate is present.

Mr. SWANSON. Mr. President, I desire to offer a request for unanimous consent. I have submitted the proposal to most of the Senators interested in the pending bill who contemplate speaking on it, and I am satisfied, after talking with them, that probably all who desire to speak may find time to do so between now and 4 o'clock Friday afternoon. I therefore offer

for the consideration of the Senate the proposed unanimous-consent agreement which I send to the desk in the hope that the Senate may enter into the agreement.

The VICE PRESIDENT. The request for unanimous consent presented by the Senator from Virginia will be stated.

The reading clerk read as follows:

It is agreed by unanimous consent that at 4 o'clock p. m. on the calendar day Friday, February 2, 1923, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, etc., through the regular parliamentary stages to its final disposition, and that in the time intervening no other legislation shall be considered by the Senate unless unanimous consent is first given therefor.

Mr. SWANSON. Mr. President, I should like to say that, in addition, it is understood, though it is not necessary to put it in the agreement, that on Friday there will be a motion to take a recess or to adjourn, as Senators on the other side who have charge of legislation may think proper, to 12 o'clock on Saturday, and that on Saturday at not later than 4 o'clock an adjournment will be taken until 12 o'clock on Monday, so that the calendar may be considered on that day.

Mr. JONES of Washington. As to the last portion of the statement of the Senator from Virginia that on Saturday at not later than 4 o'clock the Senate shall adjourn, I should not desire to have that limitation provided, but let it be understood that the Senate will adjourn on Saturday when it concludes its business for that day.

Mr. SWANSON. I understood that the Senate would probably adjourn about 4 o'clock on Saturday afternoon.

Mr. JONES of Washington. I do not know how long the Senate may desire to continue in session on Saturday. It is desired to take up the Army appropriation bill and to proceed with it as far as we can.

Mr. SWANSON. On Saturday, at any rate, whether at 4 o'clock or 5 o'clock, an adjournment will be taken to 12 o'clock on Monday, so that the calendar may be considered on that day.

Mr. WADSWORTH. Mr. President, am I to understand, if the pending bill is disposed of on Friday, Saturday will be what might be termed a normal session?

Mr. JONES of Washington. Yes.

Mr. WADSWORTH. It will last into the afternoon the usual length of time?

Mr. JONES of Washington. Yes.

Mr. SWANSON. And an adjournment will then be taken until Monday.

The VICE PRESIDENT. Is there objection to entering into the agreement proposed by the Senator from Virginia?

Mr. TRAMMELL. Mr. President, I very much regret that the Senator has not provided in his proposal that after a given hour a Member may speak, say, five minutes upon any amendment that is pending or that may be offered. It is possible that there may not be any offered; but it is a very great handicap to a Senator who wants to propose an amendment to be obliged to do so after debate is absolutely closed, with no opportunity to explain it; or, if some one else proposes an amendment, he may desire to offer an amendment to that amendment or to offer a substitute for it, and yet he has absolutely no opportunity to explain his amendment or his substitute. I have seen that contingency arise here a number of times.

Mr. SWANSON. I have no objection to such a modification. Mr. NORRIS. Mr. President, I should like to suggest an amendment to the effect that after 1 o'clock on Friday all speeches shall be limited to five minutes.

Mr. SWANSON. I have no objection to that.

Mr. LODGE. If the vote is taken that day.

Mr. LENROOT. And conclude the consideration of the bill that day.

Mr. HEFLIN. At 4 o'clock.

Mr. FLETCHER. That does not change the hour.

Mr. NORRIS. I would rather have that than have nothing, but I should like to make this as a suggestion: I should be willing to commence sooner, if no one objects. I should be willing to say that, beginning at 12 o'clock Friday, all speeches shall be limited to five minutes, and let it run itself out; then include the condition which the Senator from Florida mentioned, and agree, as the Senator from Wisconsin says, that we will conclude the bill before we adjourn.

Mr. SWANSON. I have no objection. I think that will be agreeable.

Mr. TRAMMELL. That would meet the objection I have offered, but I think the limitation should not begin, say, before 1 o'clock. The possibilities are that we will not meet until 12; and if we put the limitation at 2 o'clock, in all probability the

debate will have exhausted itself before 3 o'clock—certainly before 4—and it would not delay the matter of getting a vote on Friday afternoon.

Mr. NORRIS. No; here is what will probably happen; it almost always does happen. There are exceptions to it, and this may be one of them; but the thing I object to is that when we fix a final time to vote there are a dozen amendments offered afterwards, and a Senator who wants to vote conscientiously and fairly on those amendments is absolutely prohibited from doing so because no consideration can be given to them and no explanation can be made of them. To be sure, they are read by the Secretary, but usually, when that time comes, everybody knows that there can be no debate, no explanation, and there is confusion in the Chamber and we can not even hear the amendments read. If we postpone this until 2 o'clock before the five-minute rule begins, it will probably run too late. The probabilities are that there will be general debate up to the time either of a final vote on the bill or up until the agreement to commence under the five-minute rule. If it is 2 o'clock, it will run too late. The general debate will be considerable. Let us say, then, that all speeches after 2 o'clock on Friday will be limited to five minutes and that the Senate will take a recess on Thursday until 11 o'clock on Friday—that will meet all the propositions—and that we will conclude the bill and vote finally before we adjourn on Friday.

Mr. HEFLIN. That is all right.

Mr. TRAMMELL. That is agreeable to me, Mr. President.

Mr. SWANSON. I have no objection.

Mr. POMERENE. Mr. President, let me suggest to the Senator from Nebraska that I think his modification is not quite clear. He made the statement that all speeches after 2 o'clock should be limited to five minutes. I assume he meant all speeches on the bill or on any amendment that might be presented.

Mr. NORRIS. Yes; and, of course, that will entitle a Senator to speak on every amendment, if he wants to. It does not exclude that.

Mr. SWANSON. Now, may the Secretary state the unanimous-consent agreement as amended?

The VICE PRESIDENT. The Secretary will state the proposed agreement as amended.

The reading clerk read as follows:

It is agreed by unanimous consent that on the calendar day of Friday, February 2, 1923, the Senate will proceed to vote upon the bill (S. 4287) to provide credit facilities for the agricultural and livestock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes, through the regular parliamentary stages to its final disposition, and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto; and that in the time intervening no other legislation shall be considered by the Senate unless unanimous consent is first given therefor.

Mr. NORRIS. And that on Thursday the Senate will take a recess, when it concludes its business, until 11 o'clock on Friday.

Mr. SWANSON. That can be understood. There is no use of including that.

Mr. NORRIS. That is understood, is it?

Mr. JONES of Washington. Mr. President, I was going to suggest that we might understand that if any Senator would like to have us recess to 11 o'clock, in order to get more time, we would do it, but if nobody desires it we would not bind ourselves to do it.

Mr. KING. That is better.

Mr. SWANSON. That is satisfactory to me.

Mr. JONES of Washington. On Thursday evening if any Senator expresses a desire to meet at 11 o'clock the next day, in order to have more time, that would be all right.

Mr. NORRIS. Very well. That understanding is agreeable to me.

The VICE PRESIDENT. The Chair understands, then, that all reference to voting at 4 o'clock comes out.

Mr. SWANSON. No.

Mr. NORRIS. No; there is not any limit of time.

Mr. LENROOT. We are to vote on that calendar day; no hour is named.

Mr. SWANSON. No.

Mr. KING. Why, of course, that is to be eliminated.

Mr. SWANSON. As I understand, the unanimous-consent agreement is that we shall vote at 4 o'clock, but that commencing at 1 o'clock debate shall be limited to five minutes.

Mr. NORRIS. No.

Mr. KING. No; that is to be eliminated.

Mr. SWANSON. I have no objection to that, if we dispose of it upon that calendar day.

Mr. KING. Commencing at 2 o'clock, the speeches are to be limited to five minutes upon the bill or any amendment; and if the debate proceeds beyond 4 o'clock it shall so proceed, but shall be completed that calendar day.

Mr. LODGE. But it shall be voted on on that calendar day.

Mr. SWANSON. That is satisfactory to me.

Mr. NORRIS. We shall vote on it on that calendar day.

Mr. KING. Absolutely.

The VICE PRESIDENT. The Secretary will state the agreement again, so that there may be no misunderstanding.

The reading clerk read as follows:

It is agreed by unanimous consent that on the calendar day of Friday, February 2, 1923, the Senate will proceed to vote upon the bill (S. 4287) to provide credit facilities for the agricultural and livestock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes, through the regular parliamentary stages to its final disposition, and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto; and that in the time intervening no other legislation shall be considered by the Senate unless unanimous consent is first given therefor.

The VICE PRESIDENT. Is there objection?

Mr. JONES of Washington. Mr. President, I want to ask whether there is any significance to the word "first" in the last clause of the proposed agreement—in other words, whether we would have to get unanimous consent to consider a bill without any explanation of the necessity for considering it? I think we had better leave out the word "first," and have it read "unless unanimous consent is given therefor."

Mr. SWANSON. I do not object to the word "first" going out.

The VICE PRESIDENT. Is there objection to entering into the unanimous-consent agreement as stated by the Secretary? The Chair hears none, and the unanimous-consent agreement is entered into.

The agreement is as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that on the calendar day of Friday, February 2, 1923, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 4287) to provide credit facilities for the agricultural and livestock industries of the United States, etc., through the regular parliamentary stages to its final disposition; and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto; and that in the time intervening no other legislation shall be considered by the Senate unless unanimous consent is given therefor.

Mr. LENROOT. Mr. President, this agreement having been made, I wish to state that I shall not ask the Senate to sit in an evening session.

REGULATION OF COTTON INDUSTRY.

Mr. NORRIS. Mr. President, I think the understanding was that the Senator from Iowa [Mr. BROOKHART] should finish his remarks now; but since he has been interrupted thus far, I want to ask him if he will not permit me to report a resolution and ask for its consideration at this time?

Mr. BROOKHART. I yield for that purpose.

Mr. NORRIS. Mr. President, some time ago the Senate passed a resolution directing the Committee on Agriculture and Forestry to make certain investigations in regard to the cotton situation. Among other things, they were authorized to use any means or any instrumentality they saw fit in making that investigation. The committee, after due consideration and considerable investigation, reached the conclusion that they wanted that investigation made by the Federal Trade Commission, and in the judgment of the committee the resolution that passed the Senate did not give to the commission sufficient authority; so I have been directed by the committee to report back to the Senate a resolution asking that this investigation be made by the Federal Trade Commission. I report the resolution and submit a report (No. 1078) thereon, and I ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. The Secretary will read the resolution.

The READING CLERK. From the Committee on Agriculture and Forestry, the Senator from Nebraska reports favorably the following resolution (S. Res. 429):

Resolved, That for the purpose of providing the Congress with information to serve as a basis for such legislation as may in its opinion be found necessary for the regulation of the cotton industry, the Federal Trade Commission is authorized and directed to investigate (in pursuance of the powers conferred upon it by subdivision (d) of section 6 of the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended, and in pursuance of any other power

conferred upon it by such act) the facts relating to (a) alleged corporate violations of the antitrust laws with respect to operations in cotton, including conduct of cotton exchanges, and operations upon such exchanges by corporations, partnerships, and individuals; (b) the effect, if any, of such operations in future contracts upon the price of spot cotton sold in interstate or foreign commerce; and (c) the relation to such antitrust-law violations of the demand for cotton and the supply and methods of marketing it in interstate and foreign commerce.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution? The Chair hears none.

The resolution was considered by the Senate and agreed to.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT.

Mr. WARREN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

I do not ask for action upon it at this time, but that it may lie on the table.

The report was ordered to lie on the table.

RURAL CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. BROOKHART. Mr. President, I regret very much that the Senator from Wisconsin [Mr. LENROOT] has withdrawn his statement that he will ask for night sessions. I counted a great deal on those, but I suppose they will not be held now.

The Senator seemed to question the statement that any farmers were supporting this cooperative banking idea. I have this letter, dated to-day:

WASHINGTON OFFICE NATIONAL FARMERS' UNION,
January 31, 1923.

Hon. S. W. BROOKHART,
United States Senate, Washington, D. C.

DEAR SENATOR BROOKHART: The National Farmers' Union and a number of other farmer groups closely associated with us in effort for the common good are strongly in favor of agricultural cooperative banks. Any effort that can be made to express our deep-seated convictions upon this matter will not only be appreciated but will also be helpful in arriving at the solution of what we believe has become one of the paramount questions among farmers.

By cooperative banks we mean banks which under State or National law will function in the interest of the legitimate objects which are recognized as belonging to the well-trying-out efforts of agricultural cooperation. Railroads, meat packers, and other great manufacturers, merchants, and many others long ago learned that they must protect their interests by entering into banking arrangements where by outright stock ownership or interlocking sympathies they could protect themselves against financial embarrassment.

In the resolution adopted by our national convention at Lynchburg, Va., November 23, 1922, less than three months ago, our delegates, in part, said:

"In order that the farmers may be enabled to control their own credit it is imperative that they institute their own banking system, through which that credit can be utilized and converted into bank credit. Therefore we recommend that cooperative agricultural banks be established in every agricultural State in sufficient numbers to carry on the agricultural business of the country."

This determination of the farmers to go into banking as a means to further the business of agriculture and with it to insure prosperity to all is no more startling than was the farmers' idea for parcel post so strenuously fought by certain vested interests and now so universally accepted with no objections from any source.

Since our national convention at Lynchburg I have traveled approximately 14,000 miles, visiting farmers' meetings and conventions in over 30 States. Everywhere I found the feeling deepening in favor of cooperative banking, and, furthermore, I observed action leading toward that end. Farmers have become quite fearful that without banking facilities of their own there can be brought upon them again without warning a repetition of the terrible experience of the deflation which they have recently undergone. Only Federal legislation which is basely remedial and which frankly recognizes agriculture as of fundamental importance to the Nation will be welcomed by the thinking farmer.

Needless to say, we are in entire sympathy with your efforts to clarify the legislative mind regarding the subject of agricultural credit.

If Congress would look into the hearts and minds of the people they would often find a variance between what is lying deep and powerful beneath the surface and what is floating upon the current or washed in by the tide.

Sincerely yours,

C. S. BARRETT.

P. S.—I attach herewith a copy of the report of our committee of the National Farmers' Union as adopted at Lynchburg.

C. S. B.

In conclusion, I want to say that the farmers of the United States, in asking the Congress for an amendment like this, are asking nothing but permission to organize their own funds under their own control. They are not asking anything that would compel anybody to do anything. It is for permission merely to do something.

This is not a wild and extravagant idea. It is nothing new. It is something that is world-wide, something that has been tried out, and has been successful wherever tried. Is this Con-

gress going to deny to the 7,000,000 farmers of the United States the right to do this simple thing with their own banking organizations? I think they will not when they really understand the situation. I think when they appreciate what it means to agriculture, what it means to cooperative development, the amendment will be accepted, even by the Senator from Wisconsin, and then we will not have to have any trial about who belongs to the farm bloc.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question before he takes his seat?

Mr. BROOKHART. I am glad to yield.

Mr. REED of Pennsylvania. Several times in the course of his address the Senator has mentioned the farm bloc. I am ignorant, perhaps, but I do not know what the farm bloc is, or who it is, and I wondered if the Senator would not enlighten me as to what constitutes the farm bloc; and, if it is a group of Members of Congress, tell us who they are and what their avowed purpose is. I come from a State that is very important in agricultural production, but I do not remember receiving any invitation to meet with this farm bloc, or to cooperate with them, and I would be much obliged if the Senator would enlighten us on those things.

Mr. CARAWAY. Will the Senator from Iowa yield to me just a moment?

Mr. BROOKHART. Certainly.

Mr. CARAWAY. The Senator from Pennsylvania says he comes from an agricultural State. I recently read an advertisement published in one of the papers in his city by a farmer who wanted a man who could milk and drive a Ford.

Mr. BROOKHART. That may be a good definition of a farm blocker in Arkansas.

Mr. CARAWAY. I say, I saw that advertisement in a Pittsburgh paper.

Mr. BROOKHART. Oh, yes; in Pennsylvania.

Mr. CARAWAY. The Senator from Pennsylvania was so anxious to know what the farm bloc was, I was just showing the kind of farmers they have in Pennsylvania. I read that in an advertisement in a Pennsylvania paper.

Mr. BROOKHART. I will say to the Senator from Pennsylvania that he had better look up that farm bloc out in his State. If he does not, he might have a chance to see somebody else in the Senate some of these days, because this farm bloc means business, and there are a lot of them in Pennsylvania.

As for the members of that bloc in the Senate, I would be glad to give the Senator an invitation, as far as I can, to come into the farm bloc. I want to see everybody in the farm bloc and the labor bloc. I also belong to the soldier bloc myself, and those, together with the mothers' bloc, are the principal blocs in this country. I think there are enough in those blocs to entitle them to elect a majority of Senators and Representatives, and I think they are going to do it in the very near future. So the Senator has asked a question of a good deal of importance, and I hope he will look it up quickly and become informed upon that proposition.

Mr. REED of Pennsylvania. I suppose the Senator's words about my reelection should strike terror to my heart, but as that occurrence is some six years distant I beg leave to postpone my shivers for a few years.

I call the Senator's attention to the fact that he has not answered either of my questions, except that he has told us that he is in the farm bloc.

Mr. BROOKHART. What were the other points of the question?

Mr. REED of Pennsylvania. I would like to know who else is in the farm bloc, and I would like to know what the farm bloc is and what its avowed purpose is. From some remarks the Senator has dropped I infer that it is to promote legislation favoring the farmer. We are all in favor of that. We want the farmer to get a square deal. Does the farm bloc propose that he shall get more than a square deal? I would like to have the Senator answer those questions.

Mr. BROOKHART. As far as the members of the farm bloc are concerned, I have no roster of it and I can not name them all. I met quite a lot of them at the office of the Senator from Kansas awhile ago, and they seemed to be pretty good farm blockers.

As to the purpose of this farm bloc, 40 per cent of the people of the United States are farmers. As things are organized in the United States now, they have little voice in either its economic affairs or its political affairs. The farmer has no voice in the price he receives for his product. Farmers are the greatest capitalists in the country, taken collectively. They have around \$80,000,000,000 invested in great agricultural enterprises. They have no voice in fixing the price of the supplies they must buy for their business. Bankers fix their rates of

interest and manufacturers fix the price they must pay for their machinery.

The price he will receive for his product is being fixed by the boards of trade and the gamblers and the speculators, and he has no voice in any of that. The farmer can add in no cost of production. The farmer can add in no profit. The farmer works without assurance of any wage.

I want to say that the farm bloc means to join with the other producing labor of this country, 35 per cent more of the people of this country, and then perhaps about 15 per cent more who also earn their living by brain work, as honest a living as hand work. They, too, are in the same condition. They, too, are discriminated against by the great organizations of capital in the United States.

We see combinations of capital able to charge whatever profit they choose to charge. They never ask the farmer, they never ask the laborer, they never ask the common people of this country. They accumulate their profits in great surpluses and then declare enormous stock dividends in order to avoid the payment of their income taxes.

I want to say to the Senator from Pennsylvania that the farm bloc, the labor bloc, the common soldier bloc, and the mothers' bloc of this country mean to have equal rights and equal economic and equal political power with these other combinations, which are now able to put this overhead charge upon the people of this country with such power, both politically and economically, that it amounts to taxation without representation. Have I made myself clear?

Mr. REED of Pennsylvania. The Senator has declared in favor of equality among these various occupations; but all of us believe in that. Every member of both parties believes in equality of opportunity, equality of burdens, and equality before the law. If that is what the farm bloc represents, then, Mr. President, we will all belong to the farm bloc. Both Democrats and Republicans realize that the farmer has borne the brunt of the adjustment after the war. Both Democrats and Republicans want to help as far as legislation properly can help; and I am wondering whether the Senator does not ascribe to himself, and perhaps to some of his colleagues, a monopoly of good intentions, which are shared, in fact, by all of us. If any occupational group is protected to-day in the United States so that it is given special privileges, we are all agreed that it ought to be struck down, that that special privilege ought to be ended. I am wondering if the Senator is not describing the whole Senate when he is trying to describe his own feelings toward the farmer's present distress.

But if the Senator means that Congress, or the Senate of the United States, is to be divided up into occupational groups—groups owing allegiance to persons following particular occupations—so that we will have farmers' Senators and dentists' Senators and railroad men's Senators, and groups of that sort, then I hope the day will never come when the Senate shall become a soviet of that description. It has been tried in Russia; the experiment has been given a full trial, and it has collapsed with the collapse that is inevitable for any such effort.

Mr. BROOKHART. Let me ask the Senator a question. If he is in favor of all this equality, is he not in favor of giving the farmer a chance to organize a cooperative national bank, the same as any other banker?

Mr. REED of Pennsylvania. I am in favor of giving the farmer an equal right with any other citizen to organize any kind of a bank, of course. He has it to-day, if I correctly understand our law.

Mr. BROOKHART. Then the Senator will vote for my amendment providing for cooperative banks.

Mr. REED of Pennsylvania. I do not expect to vote for the Senator's amendment, because I think it outlines a peculiarly dangerous method of bank organization, which has been tried by the Non-Partisan League in North Dakota, if I understand their history, and in each case with failure. I might say, since the Senator has mentioned the subject, that I do not think he could get any sane man to subscribe to the capital stock of such a bank as is described in his amendment if their return is limited to the legal rate of interest in case of the success of their enterprise, and they lose their capital in case of its failure. I do not see why in the world anybody would put money in the stock of such an organization, when he can get a legal rate of interest, and get it surely, by lending money on a mortgage.

Mr. BROOKHART. I regret more than ever that our night school of cooperation has been killed by this unanimous-consent agreement. I believe the Senator is not a hopeless case, but it will take some time to explain the cooperative principle to him.

In the first place, that has not been tried in North Dakota, and I am sorry the Senator from North Dakota is not present. The only fellows who are in the way of it are the nonpartisan

league of Wall Street. They are the fellows who are not willing to give us a chance. If the Senator's observations are correct, there would be no bank organized under this law, and it would do no harm; yet I have just read a letter from one of the greatest farm leaders in the United States, a man who has talked cooperation to perhaps more people of the United States than any other man in it, a man who has been longer in it and knows what it is, and he would like to have it. Farmers everywhere would like to have it. They have a lot of money now on deposit on which they are getting only 4 per cent interest. They would gladly buy a share of stock that would yield them 6 or maybe 8 per cent. The reason there is a difference between the farm bloc and the capitalist bloc is because the farmer can not earn 3 per cent, or 2 per cent, or 1 per cent, on his investment. They want to hold him down to that rate by this system, and they are not willing even to be limited to 8 per cent in their own business, as I have provided in this amendment they shall be. They want 100 per cent, or 200 per cent, and then declare other hundred per cent stock dividends in order to avoid payment of taxes. The farmer has a complaint, and it is coming, and I do not care whether Senators call it a group or what they call it; the farmers are going to have their voice in this United States and in this Congress. I believe that it is at hand. I believe we can call them groups or what not, but we are going to elect men who will fight for the farmer principles and not raise some technical objection whenever anyone comes forward with something to do for the farmer.

Mr. KING. Mr. President, before the Senator from Iowa takes his seat may I make a further inquiry, with his permission, with respect to the question which I propounded to him some time ago when he was discussing his amendment?

As I understand the amendment of the Senator from Iowa, it is to amend the national banking law so as to permit cooperative banking associations. I suggest to the Senator now, for his consideration perhaps a little more than he has explained it upon the floor, what difficulty there would be in having the organizations effected under State laws? I am familiar more or less with the general incorporation laws and banking laws of some of the States of the Nation. I think there would be a general disposition upon the part of the States and the people within the States to permit all forms of cooperative enterprise, whether those cooperative organizations dealt with agriculture, agricultural products, the processing, sale, and distribution of the same, or with institutions that might be denominated cognate to them or entirely separate from them.

I can see no objection to a State banking law permitting farmers, laborers, or anybody for that matter, forming cooperative institutions or corporations even to deal with banking. I see no reason why men may not as well be permitted to cooperate to organize a bank and limit the amount to be paid as dividends, as to permit them to organize for the purpose of operating a gristmill or sheep herd or any other legitimate industrial enterprise.

With the power of the States which is plenary over those police and domestic questions and matters, their unlimited power to create corporations, whether for banking purposes or any purpose, why could not the States, if their laws are not sufficiently broad now, change or modify existing statutes to authorize any number of individuals to form cooperative banks under State supervision? Of course, there should be some supervision, either State or National, with respect to all banks.

Now, I think, if the Senator will pardon me, that with the interest which is felt and justly felt in agriculture, in view of the awakened feeling throughout the country that agriculture has not had a fair deal during the past two years, that any reasonable appeal which the farmers might make to the legislatures to amend their corporate laws to permit cooperative bank organizations would be met with a most hearty and ready response by the legislatures.

May I make one further observation? The amendment of the Senator provides for the localization of the resources of a large number of banks. The suggestion may be made that if the State of Iowa, say, should pass a suitable law, one in harmony with the views of the Senator from Iowa, the State of Illinois might interpose obstacles to the unification of the banks of Illinois with the banks of Iowa or other States. I repeat that in my judgment the State of Illinois and other States would modify their laws so as to permit not only the organization, in the first place, of the cooperative banks, but to permit the coordination or unification or consolidation of banks, or merging of their assets even though the assets were in other States and belonged to other corporations.

Does the Senator think, in other words, that there is any insuperable objection to a realization of his desires through

State organizations or through State banks organized under State statutes?

Mr. BROOKHART. I do. We have the same reason for having national cooperative banks that we have for any kind of national banks. Why have a national banking system at all? Why not leave it all to the States, on that theory? I am for cooperative banks in the States and under the national banking law both, and I have provided in my amendment that they can cooperate together. A State bank is permitted to affiliate with the national cooperative reserve that is provided for in my amendment. It is simply giving the farmer permission to organize on this basis if he wants to do it. Other business has a right to organize a bank the way it wants to. It is not taking any right away from other business. It is permissive throughout.

Mr. LENROOT. Mr. President, I would like to ask the Senator whether the amendment he has proposed has been indorsed by the farm bloc?

Mr. BROOKHART. It has not been presented to the farm bloc.

Mr. LENROOT. Not presented?

Mr. BROOKHART. It came up recently.

Mr. LENROOT. Is it possible such a burning issue as this, which the Senator says is the most important thing for the farmer, was not presented by him to the farm bloc?

Mr. BROOKHART. The idea was presented to the farm bloc at its first meeting and was approved even by Eugene Meyer, who appeared before that meeting. But when we came to get anything done we got the Lenroot bill, which is not a cooperative bill. Does the Senator see the difference?

Mr. LENROOT. Then if the farm bloc has not considered this burning issue, what rural-credit measure has the farm bloc agreed upon?

Mr. BROOKHART. We had too many ship subsidy farm blockers in our meeting, and we were not able to get an agreement on anything. It went to the Committee on Banking and Currency without any farm bloc approval.

Mr. LENROOT. So there are renegades even in the farm bloc?

Mr. BROOKHART. I have not presented the amendment as anything but my own amendment, which is based on what I know of cooperative banking. I have tried to explain it on its merits, and not because somebody held a caucus or a meeting and ruled it in or ruled it out.

Mr. LENROOT. The Senator then does not expect that Senators will accept an important measure of this kind as an amendment to the bill?

Mr. BROOKHART. I do.

Mr. LENROOT. The Senator does expect that?

Mr. BROOKHART. I do.

Mr. LENROOT. And yet he has not presented it to the farm bloc, which, according to him, has especially in its care the interests of the farmer?

Mr. BROOKHART. There are some Senators in that farm bloc who do not seem to be in it very deep.

Mr. FLETCHER. Mr. President—

Mr. BROOKHART. I yield to the Senator from Florida.

Mr. FLETCHER. With reference to the farm bloc, in order that the record may be kept straight, it accomplished some things before we had the benefit of the presence and service of the Senator from Iowa. I regard him as a most important acquisition to the farm bloc, but before he came to the Senate there was such a thing here designated as the farm bloc. I make no claim that the name was properly given or that the designation was entirely such as might have distinguished those who were cooperating on the other side and on this side of the Chamber in respect to measures for the benefit of the agricultural interests of the country.

I want to say to the Senator from Iowa that if it had not been for the so-called farm bloc, if it had not been for the efforts of Senators on the other side and on this side of the aisle, cooperating, not on party lines or with reference to political questions at all, but with reference to measures to meet the needs of agriculture in the country, we never would have passed during this Congress either the packer control bill or the Capper bill for marketing or the bill for the revival or extension of the life of the War Finance Corporation.

None of those things would have been accomplished if it had not been for the unrelenting energy and effort of the members of what was known as the farm bloc. That might as well be written here and now. As the old saying is, we can judge something of the pudding by the eating thereof. We have the results of that movement here in the Senate, and those results, I

submit, are sufficient answer to any slurs or aspersions attempted to be cast upon what is known as the farm bloc.

I wanted to say that so the Senator would know that back of the farm bloc, as it may or may not exist to-day—we believe that it still does exist to some extent—is a record of achievement for the benefit of agriculture which never would have been accomplished but for the cooperative efforts of those feeling that agriculture especially needed attention at the hands of Congress.

Mr. BROOKHART. I can fully indorse the statement of the Senator from Florida. The fighting members of the farm bloc like himself and like the Senator from North Dakota [Mr. LADD], and like my distinguished predecessor, former Senator Kenyon, helped to make these things possible. I am proud of the achievements of the farm bloc so far as it has gone. I think the farm bloc is going to be strengthened very materially in the Senate of the United States and in the other House of Congress. I think it is going to command a good deal of respect. It is going to stand for the rights of the farmer and bring him to a position of equality. He has not had that equality.

The sort of bloc that has been ruling in this country has been the Wall Street bloc, the United States Chamber of Commerce bloc, the railroad bloc, the coal bloc, the steel bloc. That is a sort of bloc that has had power in every department of our Government. The farmers are united now for the purpose of seeing that that power shall go. A free government can not exist with a little bunch of blocs of that kind wielding all the power under the Constitution. For that reason the farmer is a potent factor in the situation. He is thinking some on his own account. He is thinking things out from his own viewpoint. He no longer has to ask the banker what is right about credits. He figures it out for himself. He no longer has to ask any of the other enterprises. He is figuring it out in line with the rights of the great agricultural enterprise itself.

Mr. President, I yield the floor.

Mr. SMITH. Mr. President, I deplore seeing the question of the so-called farm bloc being so misunderstood as the speeches of some Senators seem to indicate. I was one of the four or five who had what I consider the honor of bringing about the organization. The first meeting was held in my office. The object that we had in view then was the object that every proper Representative of his State in part and of the Nation in part on this floor ought to have in mind—that is, fully to understand the basic principles which underlie every great industry and, so far as possible, intelligently to understand the problems and legislate accordingly. I was persuaded then, as I am persuaded now, that the most misunderstood question was and is the question of agriculture as related to the market and as related to the question of profits accruing to the producer. It was necessarily involved in the banking question.

The banking law, which was framed by the best thought we had, was designed to meet the exigencies of all commerce. Of course, the framers of the law included incidentally whatever part of agricultural products went into the commercial system, but as the years went by it became manifest that the law then framed for the accommodation of industry and commerce, under the same administration and under the same rules, did not meet and could not meet the requirements of agriculture. There were other questions, involving production and the markets of the world, which it became apparent were legitimate objects of concentration of thought on the part of those who have been intrusted with legislation. There were men then here whose environment, whose upbringing, and whose associations made them almost incapable of understanding the problem and totally incapable of appreciating it in all of its aspects. It was for the purpose of trying to find the lines along which the best development of agriculture might be assisted so far as national legislation could aid the farmer that the farm bloc was organized. It was not for the purpose of taking away from others certain legitimate rights, but it was for the purpose of defining squarely the natural lines along which agriculture might prosper and enjoy its share of the wealth that it produced. We therefore addressed ourselves to the subject, and we made headway here when there were introduced and enacted certain measures for the benefit of agriculture. We have before us this afternoon such a bill; but I invite the attention of the Senators and the public to a suggestion which after study I am convinced is almost brand new to everyone.

It has been said that it takes 12 months for the turnover of an agricultural investment, but I submit that it takes 24 months. It takes 12 months to produce an agricultural commodity, and it takes 12 months to consume the commodity

which has been produced in 12 months. Therefore the farmer has got to be financed for the 12 months which it takes him to produce, but that which he has produced in 12 months constitutes an aggregate to be consumed in the next 12 months. So, when it is said that the farmer has a turnover in 12 months, I wish anyone would cite me to any great staple agricultural product, be it grain, cotton, or wool, that is produced in 12 months and consumed in the same 12 months. So the farmer must have 24 months in order to complete the turnover on his investment.

The manufacturer, on the other hand, will produce every day an amount which is consumed probably the next day. The great absorbing public takes the finished goods, the product of the manufacturers of the country, and daily converts them into consumption, while it takes 12 months for the man in the field to produce a crop which is his finished product, and it takes the following 12 months to absorb it. Therefore when we come to legislate for the farmer and provide a credit of only 12 months, we have simply legislated to enable him to produce, to get into marketable shape an aggregate commodity which it takes the next 12 months to dispose of; and if, after he has had extended to him a 12 months' credit for the production of his crop, liquidation is then forced upon him, he will be left in worse condition than he was in originally, because he has assumed obligations in producing the crop, and when his assets shall be put into commercial form, if he is forced to sell within that 12 months the commodity which he has produced in the same 12 months, the very object for which we are now striving will have been destroyed.

Yet Senators solemnly attempt to pass a bill which proposes to utilize the instrumentality of the farm loan bank system, to put in conjunction with the farm loan bank system or the farm land bank system a commodity system, so that the farmer not only can go to the land banks and get an almost unlimited time loan on his land at a reasonable rate of interest, but we are led to believe that, using that same instrumentality, without setting up any more machinery, we can provide a department of farm-product credits.

What do we find? We have met almost ideally the farm-loan needs of the farmer; we have amortized his indebtedness with the interest and given him 30 years, so long as he pays the interest, in which to liquidate the entire loan in the form of interest. I say we have met the requirements of the land as an asset rather than as a liability in the farm land banks. Now, it is proposed to create a fund to lend the farmer on the product of the land, and a period of nine months has been written into the bill as the limit of credit which will be extended to the farmer in making, harvesting, and disposing of the crop which he produces on the land.

Mr. LENROOT. Mr. President, will the Senator from South Carolina yield to me?

Mr. SMITH. I yield.

Mr. LENROOT. There is no such provision in the bill as that which the Senator cites. A period of three years is the limit.

Mr. SMITH. As I read the modification which is found on page 17, line 3, the limit is nine months. The clause on page 16, section 3a, where the Federal reserve act is proposed to be amended, specifically provides that—

notes, drafts, and bills of exchange issued or drawn for an agricultural purpose, or based upon live stock, and have a maturity, at the time of discount, exclusive of days of grace, not exceeding nine months.

Mr. LENROOT. That is a proposition for amending the Federal reserve act.

Mr. SMITH. That is the point I am getting at.

Mr. LENROOT. But the Federal land bank may loan up to three years.

Mr. SMITH. Yes; but I am speaking about amending the Federal reserve law. In a speech which I made on the floor of the Senate a few days ago I called attention to the fact that the present Federal reserve act should be so amended as to meet the requirements of agriculture. In this bill as it has been framed, although credits based on notes, bills, and drafts for agricultural purposes may be unlimited, yet under the provision to which the Senator from Wisconsin refers the credit is limited to \$5,000,000 for each one of the banks, or \$60,000,000 in all; and if an emergency arises, \$120,000,000 more as a basis to issue debentures, and ten times their capital, or a total of about \$1,200,000,000. That is the limitation that is really imposed.

I am speaking now of provision being made by the bill to insure as unlimited credit so far as the farmers' products are concerned as has been provided when his land is used as the basis. The existing Federal reserve act, as I showed the other day, allows 30, 60, and 90 days' credit to ordinary artificial production, and the farmer has been restricted to nine months,

Mr. LENROOT. If the Senator will yield to me again, he does not mean we have restricted the farmer, but we have extended the time three months over existing law.

Mr. SMITH. That is true. The limitation has been extended three months, but the aggregate of nine months is as inadequate as the six months was. The point I wish to make is this: The Senator knows as well as I do that under the Federal reserve act commodities, actually existing wealth, become the basis of the issuance of a temporary currency based upon that wealth in order to enable the possessor of that wealth to enjoy a flexible currency and to aid him in meeting his ordinary obligations in the production and disposition of it under the usual marketing methods. So if a manufacturer carries his acceptances liquefied into Federal reserve notes. It does not jeopardize a dollar of the depositor's money; in fact, he gets an additional currency for the length of time that it takes to buy the raw material and convert it and put it upon the market. Then when the commodity shall have been disposed of in final consumption, that amount of Federal reserve notes is retired and canceled.

The farmer who produces wheat or raises cattle or cotton or wool has provided a commodity basis for the issuance of these clearing-house certificates—reserve notes—that should have a length of time to accommodate the peculiar marketing and turnover condition that confronts him. If we can issue Federal reserve notes in order to enable the different branches of industry to manufacture and put upon the market their commodities, whom would we jeopardize, what business is there that we would extract a dollar from, what deposits would we jeopardize if we should make the same provision for the products of agriculture?

Mr. CARAWAY. Mr. President, I think I can answer the Senator's question, if he will allow me to do so.

Mr. SMITH. Very well.

Mr. CARAWAY. The business of the man who expects to buy farm products for half what it cost to produce them would be disturbed if farm credit were extended until the producer could realize their worth.

Mr. SMITH. Mr. President, the Senator is right; it is just such facts as that which the Senator from Arkansas has called attention to which are causing certain acts of Congress to be viewed suspiciously in the minds of the toiling masses of this country. Some man has a fortune and has deposited it in banks and trust companies for investment purposes; under the system which we have inaugurated, under which Federal reserve notes are issued, those notes come in competition with privately owned capital, and then pressure is brought to bear to restrict the output of Federal reserve notes issued to encourage expansion and production, thus making high rates of interest possible to private capital and give to it the control of the money market. I submit to the Senate that it is a suspicious circumstance that before the Federal reserve system was three years old, although it had demonstrated its marvelous flexibility and adaptation to capitalize and liquefy the great commercial products of the country, the blighting hand of restriction was laid upon it and Federal reserve notes disappeared from circulation and the producers of wealth were restricted to those who privately owned what is known as lawful money.

Mr. CARAWAY. Mr. President, may I interrupt the Senator further?

Mr. SMITH. Certainly.

Mr. CARAWAY. The Senator asked the question, if I understood him, if adequate credit was granted to the producer of agricultural products so that he might hold and market his products in the wisest and best way, who would be hurt? Was not that the Senator's question?

Mr. SMITH. Yes.

Mr. CARAWAY. I tried to suggest that the business of the man who wanted to buy his products at half price would be destroyed to a certain extent if the farmer were given credit enough to carry him until he may sell his products himself.

Mr. SMITH. Certainly.

Mr. CARAWAY. I thought the Senator was taking issue with me.

Mr. SMITH. Oh, no. I said that it was just such questions asked in good faith and embodying a fact that have brought acts of Congress under suspicion.

The Senator from Arkansas asked whose business would be hurt. Now, where we get this matter confused is this: Upon the commodity basis, the issuance of temporary security to accommodate actual existing wealth from the time of finishing it for the market to the sale of it—we have provided in this law that there could be issued a form of currency to take

care of that period. I submit that if the farmers of this country produce cotton, wool, and foodstuffs to the value of \$1,000,000,000, and the law provides that from the date of production and harvest until the sale and distribution of it, upon its hypothecation in proper form, the farmer may be extended credit in the form of Federal reserve notes, whose money, what volume of currency, is jeopardized? The volume of currency is increased by that much, and there is where the difficulty arises. We say it is expansion. It is a temporary expansion, but a necessary temporary expansion to meet the exigencies of our industrial and productive world.

Why do you want to mulct one of the producers, the greatest individual producer in America—namely, the farmer, with his billions of production each year, necessarily forced to consume 12 months in the production, and another 12 months in the distribution thereof—why do you want to mulct him by trying to force him into the category of an artificial producer who makes a crop every day and disposes of it the next day? He has a right to complain. We say we can not tie up our commercial circulation in long-time paper. The farmer, under the Federal reserve act, produces the basis of the currency that he is asking you to grant him. He produces wealth that can be hypothecated for the issuance of a sufficient volume of currency to take care of his business. Then why restrict him to nine months? What danger is there? Why not extend his paper and allow it to become the basis of the issuance of Federal reserve notes as long as we keep the gold reserve necessary to redeem it?

During this time of deflation we had nearly a billion dollars of what was known as free gold in excess of the outstanding obligations in the form of Federal reserve notes, bank notes, and gold certificates. We had a billion dollars in excess of the 40 per cent required as against circulation, and the 35 per cent required as against deposits; and we can have the gold indefinitely, because we provide in the law that when the gold shall begin to disappear we allow them to put a certain premium on the circulation in order to create a fund to purchase the gold and bring it back, just as the Bank of England and every other banking system based upon a gold reserve does. So I challenge any man on the floor of this body to deny that if we take the Federal reserve system, put it side by side with the customs and practices of England or France or Germany, and honestly adhere to the principle of the Federal reserve law, we will have the most prosperous country on the globe. It is the best adapted to meet the exigencies of production, marketing, and sale of any system that has been devised by civilized people up to the present time; and yet it has been distorted to a point where it became an engine of the most appalling destruction.

I ask the Senator who has the bill in charge, as we are going to amend the fundamental banking and currency law, namely, the Federal reserve law, in place of putting the language that you have in section 13a, "Upon the indorsement," and so forth, "exclusive of days of grace, not exceeding nine months," why not write in "12 months"? I will guarantee that if the Senator has interviewed our board of governors—I have not talked to them, but, knowing something about the banking business and about this law, I will guarantee that there is not one of them who would hesitate between 9 months and 12 months. If he did he could not give you any reason for it; and I am informed—I have not interviewed them—by some of those who are best posted on this matter that those who have charge of our banking and currency laws say that there is no difference so far as concerns its effect upon the so-called volume of currency, or the danger of jeopardy thereto.

Mr. LENROOT. Mr. President, the Senator is evidently going upon the assumption that this nine months' paper is eligible for discount only if secured. I wish to call the Senator's attention to the fact that this extension to nine months is made utterly regardless of security. The security is effective and applies only in case it is proposed to issue Federal reserve notes upon that class of paper.

Mr. SMITH. That is the very point I am making. You require certain form of security, but if it is unsecured it has six months.

Mr. KING. It has the member bank's indorsement.

Mr. LENROOT. Oh, of course it has the member bank's indorsement. I wish to say to the Senator, as he knows, that the Capper bill provided for the securing in all cases of nine months' paper, any paper in excess of six months.

Mr. SMITH. I know, but the Senator from Wisconsin understands this law sufficiently to know that we do not jeopardize anything except the money in the hands of private individuals when we say that we can not afford to tie up the circulating medium, or jeopardize it, by long-time paper. That was eminently true under the old banking and currency law,

for the amount of currency that could be put into circulation was as rigid as a rock. The source, the basis of the issuance of that currency, was so restricted and so limited that we dared not go much beyond 90-day paper, because we might have our actual liquid money tied up in such a form that a panic would be precipitated and disaster would result; but under this Federal reserve law we can not have it, because they have the right, if the circulating medium grows insufficient, to issue to a certain per cent of its value Federal reserve notes during the time of its transformation from the raw into the finished state, or from the date of harvest until disposed of. That is the point I have tried to impress my colleagues with—that we have a flexible system; that we can meet the needs of all business without jeopardizing the volume necessary for any other business. Of course, when we begin to issue these notes, we increase the volume of currency and have a tendency to lessen the rate of interest that private individuals get for the accommodation that they heretofore have extended.

Mr. LENROOT. Mr. President, I should like to ask the Senator this question in that connection: Is currency to-day anything more than a mere convenience? In other words, what is the difference between credit and currency, so far as the great volume of transactions are concerned?

Mr. SMITH. Practically none; and we have extended the basis of credit to a point where it is ample if we will use it; that is all. The question which the Senator asks me answers itself. We have made possible the liquefying temporarily of all the commercial products of America, and yet we hesitate to give the proper time on the wealth produced by the farmer. We have failed to recognize that he is producing, under this law, the basis of the issuance of the temporary currency that will take care of his business.

Great as is the need of agriculture, so dependent is every other business upon the farmer's production, that I would hesitate, in the organized form of our commercial industrial life as it is, to grant such length of time for the tying up of capital as would jeopardize all the other forms of business.

We would have to have a distinct system to accommodate the one if by putting them all together one had to die. We would then have to provide for the life of each one separately; but under the possibility of the Federal reserve act it is flexible enough to take care of all, in that it provides that the commodity produced is the basis of the issuance of currency to represent that commodity. If the manufacturer who manufactures 30-day goods wants 30 days, his goods stand for the 30 days, because within the 30 days he has disposed of them and retired the note for the 30 days; if he wants 60 days, then 60 days; but the money that is advanced to him upon the value of his goods is the money based upon the goods that he manufactures, and by the same token why can you not do the same thing for agriculture? Whom do you jeopardize? What volume of currency do you restrict?

Mr. President, I wish some Senator would explain what difficulty would be occasioned to the commercial world by writing into the bill a provision that the producer of wealth that it takes 12 months to produce and 12 months to dispose of should have a 12 months' credit.

It is just such problems as these that called the farm bloc together. I am sure that there is not a Senator here who is uncharitable enough to believe that a majority on this side and on the other side, if they understood the problem thoroughly, would not unite to help solve the problem. I should hate to think that any Senator on this floor would be so bound up in a desire that the little class he might represent should profiteer upon others at the expense of the others that he would not vote for a broad principle that would deal fairly with all.

Mr. President, in view of the fact that I have stated, which no Senator on the floor can contradict, that the agriculturists of this country who produce the basis of credit are entitled to the issuance of that credit for the length of time it takes them to produce and dispose thereof, I am going to move to amend the bill on page 17, line 4, after the word "exceeding," by substituting "12" in place of "9."

Mr. LENROOT. I will say to the Senator that there is an amendment pending now.

Mr. SMITH. I understand that, but I am just giving notice so that it will not be necessary for me to go over this matter again.

I see, Mr. President, that the framers of this bill have added a new section. I want to ask the Senator having the bill in charge if he means that in substitution for or in modification of the second paragraph of section 13 of the Federal reserve act as it now stands?

Mr. LENROOT. What provision does the Senator refer to?

Mr. SMITH. Section 13 of the original bill, which has to do with agricultural loans. The last proviso of the second paragraph of section 13 says:

The notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding six months, exclusive of days of grace, may be discounted in an amount to be limited to a percentage of the assets of the Federal reserve bank, to be ascertained and fixed by the Federal Reserve Board.

The Senator is proposing an entirely new paragraph, known as section 13a. The Senator does not mean that that is to be in lieu of the present section 13, because he would not have put in "a" if he had meant that.

Mr. LENROOT. If the Senator will look at section 10, at the bottom of page 16, he will find that we strike out the fourth paragraph of section 13.

Mr. SMITH. I thought perhaps this amendment was in modification of the same paragraph from which I have read.

Mr. LENROOT. It is.

Mr. SMITH. But in the upper part of that second paragraph the language is as follows:

Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, any Federal reserve bank may discount notes—that is, notes, drafts and bills of exchange issued for agricultural, industrial, and commercial purposes.

That language is almost identical with section 13a as proposed, and yet the Senator does not propose to repeal any portion of section 13. Therefore, it must be in addition to section 13a, untouched.

Mr. LENROOT. I again call the Senator's attention to section 10, which strikes out paragraph 4 and inserts the language therein designated, and then a new section is added.

Mr. SMITH. That is what I mean. The Federal reserve act is to be amended by the insertion of an entirely new section, to be known as section 13a.

Mr. LENROOT. Yes.

Mr. SMITH. Is that in addition and supplementary to section 13 as it now stands?

Mr. LENROOT. It is.

Mr. SMITH. Very well. Then, at the proper time I shall offer an amendment to section 13 of the present Federal reserve act to strike out the word "six" in the proviso which I have just read—"Provided, That notes, drafts, bills, and so forth, shall have a maturity not exceeding six months"—and insert in lieu thereof "12," so that the section 13 may be harmonious in case the amendment prevails.

Mr. WADSWORTH. Mr. President, in view of the discussion which has taken place in connection with the so-called Lenroot bill, and in view of the fact that the State of New York stands fifth or sixth, according to my recollection, among all the States of the Union in agricultural production, I beg leave to present for printing in the RECORD a resolution adopted by the New York State Agricultural Society on January 17 last. It is very brief, and I would like to have it read.

The VICE PRESIDENT. The Secretary will read the resolution.

The Assistant Secretary read as follows:

Resolution adopted at the ninety-first annual meeting of the New York State Agricultural Society, January 17, 1923.

Whereas there is pending in the Congress of the United States legislation looking to the granting of funds from the National Treasury to agricultural enterprises and as an aid to farmers in various parts of the country; and

Whereas there seems to be no satisfactory evidence that ample credit facilities are not already available for those legitimately entitled thereto from sources readily available; Therefore be it

Resolved, That the New York State Agricultural Society records itself as opposed to the legislation now pending, and urges that same be not passed upon favorably by the Congress of the United States.

Mr. COUZENS obtained the floor.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Harris	Nelson	Sterling
Brookhart	Heflin	New	Sutherland
Cameron	Jones, N. Mex.	Norbeck	Swanson
Capper	Jones, Wash.	Norris	Trammell
Caraway	Kellogg	Oddie	Underwood
Couzens	Kendrick	Overman	Wadsworth
Curtis	King	Page	Walsh, Mass.
Ernst	Ladd	Pepper	Walsh, Mont.
Fernald	Lenroot	Philips	Warren
Fletcher	Lodge	Ransdell	Watson
George	McCumber	Smith	Williams
Gooding	McLean	Smoot	
Hale	McNary	Stanfield	

The VICE PRESIDENT. Fifty Senators having answered to their names, a quorum is present. The Senator from Michigan will proceed.

Mr. COUZENS. Mr. President, I would like to take a few moments of the time of the Senate with respect to the so-called Lenroot bill.

I have been informed by Senators who have been here many years that talking upon the floor accomplishes nothing. I am told that all the discussion which takes place on the floor is wasted. But, in spite of that, I am going to have the temerity to say a few words with respect to the pending bill and farm credit legislation in the hope that it may carry some weight at this particular time.

I want to draw the Senate's attention to the fact that by the passage of the so-called Capper bill, which extended the time for rediscounting the farmer's paper and also extended the time of the expiration of the life of the War Finance Corporation, everything was accomplished that was necessary to accomplish at this particular session of Congress. There is nothing provided for in the Lenroot bill that the War Finance Corporation can not do until March, 1924. I desire to point out that in a resolution introduced by the chairman of the Committee on Banking and Currency [Mr. McLEAN] it is provided that there shall be an investigation as to why a large number of State banks are not members of the Federal reserve system. It is my judgment that when that has been ascertained Congress will be in a much better position to determine what kind of agricultural credit we need than we are in a position to determine now.

Then, again, I want to find some fault with the Committee on Banking and Currency, of which I am a member. Two distinct principles were submitted to the Banking and Currency Committee—one represented by the Lenroot bill and the other represented by the Norbeck bill. The Lenroot bill, as Senators know, provides for a decentralization of the capital which the Government is to put up to finance agriculture. It provides, as Senators will remember, \$5,000,000 for each of 12 Federal land banks, with a possible increase to \$10,000,000 per bank. The Norbeck bill provides for the capital to be centralized so that it may be distributed by a board wherever agriculture may need it. At the present time, of the 12 Federal land bank districts there are districts where the money is not needed. I want to point out that there would be throughout the entire life of the measure many districts which would never need the extension of credit, as provided in the Lenroot bill. So that, I believe it is better to have the capital, which the Federal Government is to provide out of the Treasury, centralized so that it may be placed where needed by agriculture.

I am not definitely committed to the Norbeck bill, but I contend that the Committee on Banking and Currency gave no hearing and no heed to the Norbeck bill. That committee never gave any heed or consideration to the two distinct policies, one the policy of decentralizing the capital so that it goes to each district, whether it is wanted or not, and the other the system of providing centralization, so that it might be put where it is most needed by agriculture. It seems to me the Banking and Currency Committee were remiss in not properly considering both of the bills because of the two distinct principles involved in the matter of distributing credit for agriculture.

With the extension of the life of the War Finance Corporation until March, 1924, as provided in the Capper bill, agriculture would get everything that it could possibly get under the Lenroot bill. I submit that this Congress is not sufficiently informed as to the best method of providing credit for farmers. I believe that by the time the next session of Congress convenes not only will we have had the full and complete experience of the activities of the War Finance Corporation, but we also will have had the complete experience of the liquidation as to which the country has found so much fault. So I can see nothing lost to the farmer, but a great deal to be gained by Congress in delaying or postponing any legislation along the lines of either the Norbeck bill or the Lenroot bill until the next session of Congress. We will have three months after the convening of the next Congress, if there is no special session in the meantime, to determine what kind of a bill we want to pass to take the place of the War Finance Corporation act.

Mr. President, I am not sufficiently versed in parliamentary procedure to know whether it is in order or not, but I would like to submit a motion that the bill be recommitted to the Committee on Banking and Currency with instructions to study it in conjunction with the Norbeck bill or any other bill which may properly provide for the agricultural needs of the country.

Mr. LENROOT. Mr. President, does the Senator make that motion now?

Mr. COUZENS. Yes; I make the motion now.

Mr. KING. Mr. President, will the Senator yield?

Mr. COUZENS. I would like to make one more comment before I yield. The Senator from Iowa [Mr. BROOKHART] has offered an amendment providing for cooperative banking. A number of Senators have given no thought and no consideration to the matter of cooperative banking. I myself am not committed to cooperative banking, yet I think that with proper restrictions and proper regulation there is merit to the suggestion. It may be proper to incorporate a provision for cooperative banking in any new measure which is proposed to finance agriculture.

In addition, there are other amendments which will be offered from the floor by Senators which are vital to the whole credit system for agriculture. The amendment to extend the time from 9 to 12 months is a very important matter; it has a great deal of bearing on the whole situation, and yet I submit that the Committee on Banking and Currency have not considered properly whether there should be a 9 or 12 months' period of time for agricultural paper. So that with all the amendments proposed which are so vital to agriculture, nothing could possibly be lost by sending the whole matter of agricultural credits back to the Committee on Banking and Currency, together with all the amendments and everything else connected with it, in order that we may learn as to the desires and needs of agriculture, so that we may be definitely prepared to take it up at the next session of the Congress.

I now yield to the Senator from Utah.

Mr. KING. The Senator has just submitted, as I understand, a motion to recommit the bill. That motion is proper, as I understand parliamentary procedure, at this time. But I suggest to the Senator that many Senators have gone for the day in view of the unanimous-consent agreement which was entered into and which calls for a vote on Friday next. Many of them doubtless intend to speak upon the bill. The Norbeck bill has not been fully explained or at least explained to the satisfaction of all, and doubtless some will desire to discuss that further. Could not the Senator accomplish the same thing if he deferred pressing his motion until some time after 2 o'clock on Friday, at which time the various amendments suggested will be called up for consideration and for vote?

Mr. COUZENS. I have no objection to deferring action on the motion. I merely wish to give notice of it at this time.

Mr. KING. The Senator can renew his motion at that time.

Mr. WALSH of Massachusetts. The Senator from Michigan gives notice that he will present the motion on Friday.

Mr. SWANSON. Mr. President, I understood the motion was more or less accompanied with instructions to the committee. It would not be voted on anyway until Friday under the unanimous-consent agreement.

Mr. NORRIS. Mr. President, will the Senator from Michigan yield?

Mr. COUZENS. I yield.

Mr. NORRIS. I would like to call the attention of the Chair to the fact that the motion is not in order at this time, in my opinion.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The present occupant of the chair understands that under the unanimous-consent agreement the motion is not in order at this time.

Mr. LENROOT. If it is not in order now, it is not in order at any time.

Mr. COUZENS. Then I merely give notice that I am going to present the motion at the proper time.

Mr. LENROOT. A motion to recommit has preference over a motion to amend. If the motion is not in order now it will not be in order next Friday. That is the proposition I submit to the Chair, that the motion will not then be in order by reason of the unanimous-consent agreement.

Mr. LODGE. Mr. President, I should like to ask the Senator from Wisconsin if he thinks the motion to recommit is cut off by the language of the unanimous-consent agreement.

Mr. LENROOT. I will have to examine it before I express an opinion.

Mr. LODGE. My own impression is that it is not cut off by the wording of this unanimous consent.

Mr. NORRIS. Oh, no; the unanimous-consent agreement does not cut it off.

Mr. COUZENS. I should hope not. It would be a peculiar state of affairs if, under a unanimous-consent agreement, we could not present a motion to recommit a bill to the committee.

Mr. LENROOT. The precedents are unbroken that a motion to recommit is not in order when there is a unanimous-consent agreement for the final disposition of the bill.

Mr. COUZENS. I would like to have a ruling from the Chair on the question.

Mr. FLETCHER. I understood the Senator from Michigan to withdraw his motion for the present.

Mr. COUZENS. I want to have the ruling of the Chair on the matter. Is a motion to recommit to the committee in order at any time before the unanimous-consent agreement becomes operative?

Mr. WALSH of Massachusetts. As I understand, the Senator from Michigan wants a ruling from the Chair now as to whether or not he can make the motion now or, in case he so desires can he make it after 2 o'clock on Friday.

Mr. SWANSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Virginia?

Mr. COUZENS. I am trying to ascertain what is the ruling of the Chair, Mr. President.

The PRESIDING OFFICER. The Chair has ruled that the motion is not in order.

Mr. NORRIS. I wish to make a parliamentary inquiry. The motion of the Senator from Michigan, if made at that time, would be in order, would it not, after the third reading of the bill?

The PRESIDING OFFICER. The Chair will state that a recommitment would not be a final disposition of the bill, and the Senate has agreed to the final disposition of the bill on Friday.

Mr. COUZENS. At no time between now and then would a motion to recommit the bill to the committee be in order? Is that the ruling of the Chair?

The PRESIDING OFFICER. That is the ruling.

Mr. LENROOT. Mr. President, if the Senator from Michigan desires now to make the motion to recommit the bill, in order that we may now dispose of the question, I shall be very glad to ask unanimous consent that that may be done.

Mr. COUZENS. It will be entirely agreeable to me to vote now or at any time on the question of whether the Senate wishes to recommit the bill for proper study.

Mr. NORRIS. Mr. President—

Mr. LENROOT. I am willing to have that done now, but I should not wish to say what I should be willing to do later.

Mr. COUZENS. I will agree that that may be done now.

Mr. NORRIS. I should like to suggest that the unanimous-consent agreement having been made, if it is out of order—and that, I understand, is the ruling of the Chair—to make a motion to recommit after the third reading of the bill, then, for the same reason, it is out of order now. If a unanimous-consent agreement may be made now that will make the motion in order at this time, then a unanimous-consent agreement could be entered into which would make it in order after the third reading of the bill.

Mr. LENROOT. There is no doubt about that.

Mr. LODGE. There is no doubt about it.

Mr. NORRIS. I wish to suggest both to the Senate and the Senator from Michigan that the rule providing that a motion to recommit shall not be in order until the third reading of a bill has a real reason behind it. At that time all the amendments to a bill have been disposed of and Senators in voting whether they desire that the bill shall be recommitted or not will be guided to a great extent very likely by the condition in which the bill may then be. When the third reading of the pending bill comes it may be an entirely different bill from what it is now. That is the reason for the parliamentary rule. It may be that Senators who would vote against the bill would then vote for it, or it may be the other way; in other words, under the parliamentary situation if we are now called upon to vote on the motion to recommit the bill, we will vote on the motion to recommit before we know what the condition of the bill is going to be before it comes to a final vote.

Mr. LENROOT. To what parliamentary rule does the Senator from Nebraska refer to the effect that a motion to recommit is only in order after the third reading of a bill?

Mr. NORRIS. I think there is such a rule. At any rate, I think there are such precedents in the previous practice of the Senate.

Mr. LENROOT. No; it is expressly provided in the rule that the motion to recommit has a privilege over the motion to amend, and that it is in order at any time unless some agreement to the contrary shall have been made.

Mr. NORRIS. When the bill comes to a third reading is the time we ought to vote on the motion to recommit. I have never known an instance where the vote was not taken in that way. When all the amendments to the bill shall have been acted on a Senator then knows whether he favors the bill or whether he desires that it shall be recommitted; whether he desires to pass it as it then is or not.

Mr. COUZENS. Has the Senator from Wisconsin any objection to unanimous consent that we take a vote on the motion to recommit after the third reading of the bill?

Mr. LENROOT. I will decide that question when it is presented. I have no objection to the vote being taken now or to the Senator bringing up the question later. Of course, the Senator may then make his request, but I will not indicate now what I shall do.

Mr. LODGE. Mr. President, as I understand—I have not the printed unanimous-consent agreement before me—all that stands in the way of the motion to recommit is the fact that the unanimous-consent agreement provides for a final disposition of the bill and the adoption of such a motion would not be final disposition. That difficulty, however, may be met by a unanimous-consent agreement. Although I do not think there is any rule about making the motion to recommit after the third reading of a bill, certainly that motion is the motion which is always made last, for the reason which the Senator from Nebraska [Mr. NORRIS] has stated. I think that has certainly been the custom and the practice of the Senate. As I have no objection to giving unanimous consent to take a vote on the motion at any time, and, as it is presented now, I do not know why we should not vote on it now.

Mr. FLETCHER. Mr. President, is it not a fact that a motion to recommit a bill, if agreed to, is the final disposition of the bill?

Mr. LODGE. No; it has been held that it is not.

Mr. FLETCHER. It strikes me when we come to the question of the final disposition of a bill that the motion to recommit would be in order, and action on that motion, if it be agreed to, would mean the final disposition of the bill.

Mr. LODGE. That question has been argued here many times. Though I can not undertake to cite all the decisions, I know that former Vice President Marshall decided that the adoption of a motion to recommit a bill was not a final disposition of a bill. Under the unanimous-consent agreement the bill has got to come to a final disposition, and it has been held that a recommitment is not a final disposition.

Mr. NORRIS. I think it has been so held, although I am inclined to think it has been held both ways. I should like to read to the Senate a portion of the rule of the Senate. I refer to clause 2 of Rule XV. While the rule does not say, in so many words, that the motion to recommit shall be made after amendments are disposed of, it clearly leads in that direction, and, as everybody concedes, that is the most logical way to proceed. The rule reads:

2. When a bill or resolution shall have been ordered to be read a third time, it shall not be in order to propose amendments, unless by unanimous consent, but it shall be in order at any time before the passage of any bill or resolution to move its commitment.

Mr. LODGE. That is the time when the motion to recommit a bill is usually made.

Mr. NORRIS. Yes; and that is the logical time to make the motion.

Mr. LENROOT. Mr. President, if the Senator from Nebraska will look at Rule XXII he will see that a motion to commit is expressly named as being in order and privileged only ahead of a motion to amend.

Mr. LODGE. Under the terms of the unanimous-consent agreement and under the rulings, as I recall them, it seems to me that the only way to meet this situation and to allow the Senator from Michigan to have a vote on this motion is by unanimous consent, which I think ought to be given.

The PRESIDING OFFICER. Is there objection to taking a vote on the motion of the Senator from Michigan at this time?

Mr. COUZENS. Mr. President, I think there is not a quorum now present, and I doubt if we could secure the presence of a quorum at this time, because only 50 Senators answered to their names when the roll was last called. Of course, unless a quorum can be secured, we will not be able to have a vote at this time, and, I repeat, I doubt if the presence of a quorum can be secured.

The PRESIDING OFFICER. That would be determined by a call of the Senate.

Mr. COUZENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Borah	Fletcher	Jones, Wash.	McLean
Brookhart	George	Kellogg	McNary
Capper	Glass	Kendrick	Nelson
Caraway	Gooding	Ladd	New
Couzens	Hale	Lenroot	Norbeck
Curtis	Harris	Lodge	Norris
Ernst	Healin	McCumber	Oddie
Fernald	Jones, N. Mex.	McKellar	Overman

Pepper
Phipps
Polindexter
Ransdell
Reed, Pa.

Smith
Smoot
Spencer
Stanfield
Sterling

Sutherland
Swanson
Trammell
Underwood
Wadsworth

Walsh, Mass.
Walsh, Mont.
Warren
Watson

The PRESIDING OFFICER. Fifty-one Senators having answered to their names, a quorum is present.

Mr. LENROOT. Mr. President, if the Senator desires to take a vote now, I ask unanimous consent that that motion shall be in order at this time, notwithstanding the unanimous-consent agreement.

The PRESIDING OFFICER. Is there any objection?

Mr. HEFLIN. Mr. President, pending that request I do not think it is necessary to have unanimous consent. When the Senate agrees that it will vote at a certain time on a bill and all amendments thereto, that means if the bill is before the Senate at that time. If we are going to cut off all other motions that might be made except by unanimous consent we will have to state that in unanimous-consent requests hereafter.

Here is a Senator who has reached the point in the consideration of this bill where he wants to have it recommitted, in order that certain things may be put on it in the committee, and then it may be brought back. Does the Chair hold that he shall not have the right to move that it shall go back to the committee for certain purposes because that unanimous-consent arrangement has been reached in the Senate?

I do not think it is necessary to have unanimous consent to put the Senator's motion to the Senate. It seems to me that a motion to recommit a bill should be in order at any time, so that the Senate could have the opportunity to say whether or not it desired to recommit it.

Mr. LODGE. Mr. President, I dislike to differ from the Senator from Alabama; I know his parliamentary skill; but the rulings that have been made, the last one by Vice President Marshall, are to the effect that a motion to recommit can not be made when the agreement is that the bill shall go to a final disposition; and he ruled out even a motion to lay on the table, on the ground that it was not a final disposition. He said:

The Chair may be mistaken about it; that would be quite natural; but the present recollection of the Chair is that he ruled that it could not be recommitted to the committee; that that was not a final disposition at all, but the measure would simply go back to the committee and again be reported to the Senate, and that such a course was a violation of the unanimous-consent agreement. That is the Chair's recollection of the ruling he made, although he may be mistaken, and it might be well to take a moment to look it up.

The VICE PRESIDENT. The Chair finds, through the courtesy of the Senator from Michigan [Mr. TOWNSEND], that substantially the same question was ruled upon by the Chair on the 17th of October, 1914, where, under a unanimous-consent agreement, I ruled that a motion to lay the bill on the table was not in order, not being a final determination; that although it usually and ordinarily constituted a disposition of the measure, still it might be again taken from the table. The Chair sustains the point of order of the Senator from Ohio [Mr. Harding] and rules that the joint resolution can not be recommitted to the committee.

That is the last ruling, and I think there are previous rulings to the same effect.

Mr. WATSON. It could be done by unanimous consent, however.

Mr. LODGE. Certainly; that is what we are trying to get, but the Senator from Alabama contends that those rulings are wrong.

Mr. HEFLIN. My contention is that a unanimous-consent agreement is reached for the purpose of stopping debate upon a bill at a certain time.

Mr. LODGE. That is not the language of it. The language is, "to final disposition."

Mr. HEFLIN. Well, it is to vote upon the bill and all amendments thereto if it is then before the Senate; but suppose some Senator desires to have it recommitted and the Senate wants to recommit it, will we not be permitted to vote upon that question until we have debated it for two days longer, when, perhaps, we do not want to debate it for two days longer?

The VICE PRESIDENT. Is there objection to putting the motion to recommit made by the Senator from Michigan?

Mr. HEFLIN. I have no objection.

The VICE PRESIDENT. The Chair hears no objection.

Mr. LENROOT. Now I ask for the yeas and nays upon the motion.

The yeas and nays were ordered.

Mr. COUZENS. Will the Chair state the question before the roll is called?

The VICE PRESIDENT. The question is on the motion to recommit. On that question the yeas and nays have been demanded and ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.
Mr. FERNALD (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr.

JONES]. I transfer that pair to the senior Senator from Maryland [Mr. FRANCE] and will vote. I vote "nay."

Mr. KENDRICK (when his name was called). I have a general pair with the Senator from Illinois [Mr. McCORMICK]. I transfer that pair to the Senator from Texas [Mr. SHEPPARD] and will vote. I vote "nay."

Mr. PHIPPS (when his name was called). I transfer my pair with the junior Senator from South Carolina [Mr. DIAL] to the senior Senator from Connecticut [Mr. BRANDEGEE] and will vote. I vote "nay."

Mr. REED of Pennsylvania (when his name was called). I transfer my general pair with the junior Senator from Delaware [Mr. BAYARD] to the senior Senator from Iowa [Mr. CUMMINS] and will vote. I vote "nay."

Mr. SUTHERLAND (when his name was called). I transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the junior Senator from New Hampshire [Mr. KEYES] and will vote. I vote "nay."

Mr. WALSH of Montana (when his name was called). I transfer my general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN] to the Senator from Montana [Mr. MYERS] and will vote. I vote "nay."

Mr. WATSON (when his name was called). Transferring my pair with the Senator from Mississippi [Mr. WILLIAMS] to the Senator from Vermont [Mr. PAGE], I vote "nay."

The roll call was concluded.

Mr. ERNST (after having voted in the negative). I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Oklahoma [Mr. HARRELD] and will permit my vote to stand.

Mr. HARRIS. I transfer my pair with the junior Senator from New York [Mr. CALDER] to the senior Senator from Missouri [Mr. REED] and will vote. I vote "nay."

Mr. KELLOGG. I transfer my general pair with the Senator from North Carolina [Mr. SIMMONS] to the Senator from Michigan [Mr. TOWNSEND] and will vote. I vote "nay."

Mr. HALE (after having voted in the negative). I am informed that my pair, the senior Senator from Tennessee [Mr. SHIELDS], would vote as I have voted; and I will therefore allow my vote to stand.

Mr. CARAWAY (after having voted in the negative). I transfer my pair with the junior Senator from Illinois [Mr. McKINLEY] to the senior Senator from Nevada [Mr. PITTMAN], and will let my vote stand.

Mr. UNDERWOOD. I desire to announce the necessary absence of the Senator from Texas [Mr. SHEPPARD], on account of illness.

Mr. McCUMBER (after having voted in the negative). I transfer my general pair with the junior Senator from Utah [Mr. KING] to the senior Senator from Vermont [Mr. DILLINGHAM], and will allow my vote to stand.

Mr. GLASS (after having voted in the negative). I should like to explain that I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM], but I have his permission to vote if I please, and therefore I will let my vote stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD]; and

The Senator from Ohio [Mr. WILLIS] with the Senator from Ohio [Mr. POMERENE].

The result was announced—yeas 4, nays 51, as follows:

YEAS—4.

Couzens	La Follette	Norbeck	Walsh, Mass.
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NAYS—51.

Ball	Gooding	McNary	Spencer
Borah	Hale	Nelson	Stanfield
Brookhart	Harris	New	Sterling
Bursum	Heflin	Norris	Sutherland
Cameron	Jones, Wash.	Oddie	Swanson
Capper	Kellogg	Overman	Trammell
Caraway	Kendrick	Pepper	Underwood
Curtis	Ladd	Phipps	Wadsworth
Ernst	Lenroot	Poindexter	Walsh, Mont.
Fernald	Lodge	Ransdell	Warren
Fletcher	McCumber	Reed, Pa.	Watson
George	McKellar	Smith	Weller
Glass	McLean	Smoot	

NOT VOTING—41.

Ashurst	Culberson	France	Johnson
Bayard	Cummins	Frelinghuysen	Jones, N. Mex.
Brandegge	Dial	Gerry	Keyes
Broussard	Dillingham	Harrell	King
Calder	Edge	Harrison	McCormick
Coit	Elkins	Hitchcock	McKinley

Moses
Myers
Nicholson
Owen
Page

Pittman
Pomerene
Reed, Mo.
Robinson
Sheppard

Shields
Shortridge
Simmons
Stanley
Townsend

Williams
Willis

So Mr. COUZENS's motion was rejected.

Mr. TRAMMELL. Mr. President, I send to the desk certain amendments which I ask to have printed and lie upon the table. The VICE PRESIDENT. The amendments will be received, printed, and lie on the table.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT.

Mr. WARREN. Mr. President, I ask unanimous consent to call up the conference report on House bill 13696, which I submitted earlier in the day.

The VICE PRESIDENT. Without objection, the report will be read.

The reading clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 15, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, and 28.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 9, 12, 13, 14, and 34, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "\$2,139,360, and no part of this sum shall be available for the care, maintenance, protection, fuel, light, etc., for the Interstate Commerce Commission Building"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 3, 5, 6, 7, 8, 10, 16, 25, 29, 30, 31, 32, and 33.

F. E. WARREN,
REED SMOOT,
WM. J. HARRIS,

Managers on the part of the Senate.

WILL R. WOOD,
EDWARD H. WASON,
L. J. DICKINSON,
JOSEPH W. BYRNS,

Managers on the part of the House.

Mr. McKELLAR. May I ask the Senator if the conferees have agreed?

Mr. WARREN. The conferees agreed as to certain items, and there are certain items which have to go back to the House. That is why I wish to have the report considered now, so that we can adopt the part of it upon which the conferees have agreed. As I said, the other items still in disagreement will go back to the House for action.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

STANDARD FOR BUTTER.

Mr. STERLING. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate bill 3858, to define butter and to provide a standard therefor.

The VICE PRESIDENT. Is there objection?

Mr. CURTIS. With the understanding that there will be no debate, I shall not object.

Mr. STERLING. I do not think there will be any debate. It is a short bill, of nine lines, defining a standard for butter. It is a measure of great importance to the dairymen and creamery men throughout the country. They are asking for its passage.

Mr. McKELLAR. What is the nature of the bill? I did not hear the Senator's request.

Mr. STERLING. It is to define a standard of butter, the amount of butter fat or milk fat that shall be in butter.

The VICE PRESIDENT. The Secretary will read the bill.

The reading clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the food and drug act of June 30, 1906 (34 Stats. L., p. 768), "butter" shall be understood to mean the food product usually known as butter, and which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter, and containing not less than 80 per cent by weight of milk fat.

Mr. STERLING. I desire to offer an amendment to the bill.

Mr. SMOOT. I wish to ask the Senator a question before I give consent to the consideration of the bill. Does the bill mean that in every manufactory of butter in the United States there must be a man representing the Government to see that the butter tests 80 per cent?

Mr. STERLING. No; I do not think it means that at all.

Mr. McKELLAR. What is the purpose of it?

Mr. STERLING. The purpose is to fix 80 per cent as the standard as against a standard that was fixed by a joint committee which fixed 82 per cent as the amount of butter fat or milk fat that should be contained in butter. That is impracticable and unworkable, as found by the Department of Agriculture itself. Nearly all the States fix 80 per cent as the amount of butter fat necessary. This is to interpret the pure food law, as it were, and fix 80 per cent as the standard.

Mr. McKELLAR. Does the department recommend it?

Mr. STERLING. The Committee on Agriculture recommends it, and I understand that the department itself is in favor of the bill.

Mr. McKELLAR. I think if the bill provides for the overturning of a standard that has already been set up, it is important enough to be passed over for the day.

Mr. STERLING. If the Senator will just withhold the objection until I read a word or two from the report of the committee, I think he will be satisfied.

Mr. McKELLAR. I withhold the objection.

Mr. STERLING. The report states that—

These standards or requirements originate in the joint committee on definitions and standards, which committee is composed of three members of the Department of Agriculture, three members of the Association of Official Agricultural Chemists, and three members of the Association of the American Dairy, Food, and Drug Officials. Any standard proposed by this joint committee must first receive the approval of both of the associations represented on the committee before it is submitted to the Department of Agriculture. If approved by the Secretary it is then promulgated by him as a standard which the department proposes to enforce.

These standards or definitions do not have the force and effect of law, but merely serve as a guide. Failure to comply with the standard results in action being brought by the department in the proper court for violation of the food and drugs act. This requires the collection of that proof which is necessary, and which would be required to be collected whether or not a standard had been promulgated, as, for instance, proof to show the custom of the trade, the general practice of the industry, and the like.

In the enforcement of the State food and drugs acts, the State commissioner or enforcement agency in many States is authorized by law to adopt the standards of the United States Department of Agriculture.

This provision requiring 82 per cent of milk or butter fat, as I have said, has been found unworkable. I read further from the report:

This was soon found to be an impractical standard and unenforceable, being out of line with the existing custom in the trade, which is almost universally on the basis of 80 per cent butter fat.

That has been demonstrated in several States; and they are protesting against the requirement of 82 per cent butter fat, which the Secretary of Agriculture admits is impracticable.

Mr. McKELLAR. But the Secretary does not recommend the passage of the bill, nor does the Department of Agriculture recommend it?

Mr. STERLING. I think, by inference anyhow, it is very plain that they are in favor of it.

Mr. McKELLAR. I think if a commission has passed upon it and fixed 82 per cent as the test, and it is sought without referring to that committee and without the direction of the Department of Agriculture to change it, it is important enough to be looked into. My State is one of the greatest butter States in the Union, and I do not know how this bill would affect Tennessee's butter interests. If it would affect our butter interests favorably, I should support the measure; but if not, I should oppose it. Not knowing how it would affect those interests, I shall be compelled to object to the consideration of the bill this afternoon.

Mr. STERLING. If the Senator desires to object, let him object. It is a very simple bill.

Mr. McKELLAR. I object.

The VICE PRESIDENT. Objection is made.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock p. m.) the Senate, under the order previously made, took a recess until to-morrow, Thursday, February 1, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 31 (legislative day of January 29), 1923.

UNITED STATES DISTRICT JUDGE.

Charles C. Simons, of Michigan, to be United States district judge, eastern district of Michigan. (An additional position created by the act approved September 14, 1922.)

PROMOTIONS IN THE REGULAR ARMY.

QUARTERMASTER CORPS.

To be colonel.

Lieut. Col. Grayson Villard Heidt, Quartermaster Corps, from January 29, 1923.

To be lieutenant colonel.

Maj. Walter Herbert Neill, Quartermaster Corps, from January 29, 1923.

VETERINARY CORPS.

To be lieutenant colonels.

Maj. William Adalbert Sproule, Veterinary Corps, from January 27, 1923.

Maj. Walter Fraser, Veterinary Corps, from January 29, 1923.

DENTAL CORPS.

To be captain.

First Lieut. Rufus Wood Leigh, Dental Corps, from January 28, 1923.

MEDICAL ADMINISTRATIVE CORPS.

To be first lieutenant.

Second Lieut. Benjamin Ralph Luscomb, Medical Administrative Corps, from January 20, 1923.

APPOINTMENT IN THE REGULAR ARMY.

FIELD ARTILLERY.

To be major with rank from January 29, 1923.

Fred Hayes Gallup, late captain, Field Artillery, Regular Army.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 31 (legislative day of January 29), 1923.

POSTMASTERS.

ALABAMA.

Lillie C. Hays, Abbeville.

CALIFORNIA.

Daniel W. McGowan, Arcata.

Mary A. Dempsey, Colusa.

Bert W. Miller, Hilts.

Rea D. Votaw, Kingsburg.

Emerson B. Herrick, Lodi.

DELAWARE.

Frederick J. Dodson, Smyrna.

INDIANA.

William D. Moss, Marion.

Jesse E. Harvey, Markle.

MASSACHUSETTS.

Clarence E. Deane, Athol.

Joseph E. Herrick, Beverly.

Charles E. Goodhue, Ipswich.

Albert Pierce, Salem.

Robert H. Howes, Southboro.

William K. Kaynor, Springfield.

George H. Lochman, Winchester.

NEBRASKA.

Alfred W. Saville, Collegeview.

Elmer E. Gockley, Edison.

Herbert C. Wilkinson, Weeping Water.

Harry H. Jordan, Wilcox.

NEW YORK.

Etta Merritt, Brewerton.

Walter F. Hawkes, Buchanan.

Max J. Lahr, Fillmore.

George F. Yapple, Loch Sheldrake.

Henry S. Whitney, Manlius.

Charles A. Gaylord, North Tonawanda.

George W. Harris, Richmondville.

Charles C. Allen, Schuylerville.

Thomas S. Spear, Sinclairville.

Henry Neddo, Whitehall.

OKLAHOMA.

Hubbard A. Babb, Hugo.

Thomas W. Kelly, Stillwater.

George Logsdon, Taloga.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, January 31, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, our faith has been justified; Thy mercy has come to pass. Whether as a cherished anticipation or as a glad, sweet surprise, it is upon us, and we thank Thee. Some things stay only a little while, but Thou wilt never leave nor forsake us. O teach us again: Blessed are they who carry forward life's broken ministries; blessed are they who renew the light of a day that is dark; blessed are they who hold on to their better selves; blessed are they who take their places in the counsels of a great Nation to serve and to bless a land that is the providence of an infinitely wise and holy God. We pray in the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY.

The SPEAKER. This is Calendar Wednesday and the call rests with the Committee on Merchant Marine and Fisheries.

RADIO COMMUNICATION.

Mr. GREENE of Massachusetts. Mr. Speaker, I call up the bill H. R. 13773, to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes.

The SPEAKER. The gentleman from Massachusetts calls up the bill H. R. 13773. This bill is on the Union Calendar. The House will resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from Wisconsin [Mr. STAFFORD] will resume the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13773, to regulate radio communication, with Mr. STAFFORD in the chair.

The CHAIRMAN. When the committee rose on Wednesday last the gentleman from Texas [Mr. JONES] was asking recognition to offer an amendment. Before the Chair recognizes the gentleman, with his indulgence, the Chair wishes to correct a ruling which he made offhand in respect to the timeliness of points of order to provisions of bills carrying appropriations.

The Chair ruled just before the committee rose that under the language of clause 5 of Rule XXI the point of order could be made at any time. On subsequent consideration the Chair wishes to change that ruling. All rules are for the purpose of orderly procedure. If a Member of the House should be granted the privilege at any time to rise to a point of order on a provision of a bill with more than one section before it is read it would cause considerable disarrangement in the orderly consideration of bills. No rights are lost by a Member being denied the privilege to raise that point of order until the paragraph to which he wishes to make the point of order is read.

An illustration of the rather loose procedure attendant upon the strict interpretation of this rule, that it may be raised at any time, was shown in the consideration of this bill on Wednesday last. A point of order was raised to a section that was quite distant from where the Clerk was reading. The Chair, on the spur of the moment, gave a literal construction to the rule, which says that it may be raised at any time. At the request of the Chair it was temporarily withdrawn so as to give opportunity to the Chair to consider the parliamentary question, only to have it presented again, rather abruptly, a few minutes later.

The present occupant of the Chair will hold that the phrase "may be raised at any time" means that no Member loses his rights by withholding the making of the point of order when the House resolves itself into the Committee of the Whole House to consider the bill, or even when introduced. It is placed there so as to protect the Member, in order that he may raise it at the proper time, and the Chair will hold that when the committee is considering a bill by paragraphs or sections, and the bill contains a paragraph which some Member claims is violative of clause 5 of Rule XXI, to which the Chair refers, it will not be in order to raise that point of order until the section is read.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. This is an important matter, because the decision of the Chair will set aside a rule of the House, if it be followed. The point of order under clause 5 of Rule XXI is not made to any particular section of a bill. It is made to the

entire bill or resolution, because of some section, and that is the reason for the rule which provides that it may be raised at any time, because it is raised against the whole measure. The whole measure is at fault whenever any section of it attempts to appropriate money in violation of Rule XXI.

The CHAIRMAN. In reply to the objection raised by the gentleman from Texas, the Chair would state that the point of order to any paragraph or section of a bill because it contains an appropriation which the committee has no authority to report does not vitiate the entire bill. It merely destroys that part of the bill, so far as the appropriating feature is concerned. Mr. Speaker GILLET, in a ruling made at the instance of our late parliamentary leader, Mr. James R. Mann, who raised the question so as to have a ruling, decided as to the opportuneness of pressing a point of order that it was akin to points of order raised on appropriation bills, that the appropriating committee has no authority to carry legislation on an appropriation bill, and that in the consideration of appropriation bills a Member is not privileged to rise to make a point of order at any time to some subsequent provision merely because the bill carries a paragraph embodying legislation which violates the rule. The Chair follows the logic of that ruling and of the practice of the House in connection with points of order on appropriation bills which carry legislation, and so far as the present occupant of the chair is concerned he wishes to modify the ruling he made last week when this bill was under consideration, that the point of order could be raised at any time at the pleasure of the Member who wishes to raise it. Such a practice would cause confusion in the orderly procedure of the House and of the committee.

Mr. DOWELL. Mr. Chairman, it occurs to me there is a great distinction in the ruling referred to by the Chairman or the Speaker and the question in this case. This is one complete amendment. The rule is, if any part of an amendment is subject to a point of order then all the amendment is subject to the point of order; that is, it is all out of order.

The CHAIRMAN. The Chair will say, to bring this to a close, that the Chair has ruled; this is not one amendment. There are 11 sections—

Mr. DOWELL. Eleven sections, but it is offered as one amendment to a certain section and so considered by the House when it comes to amend this amendment.

The CHAIRMAN. The Chair wishes to inform the gentleman from Iowa that he is in error when he says it is one amendment offered to one section. It is several amendments offered to three sections of the existing law. There was some discussion as to that and a decision by the Chair at the last session of the committee.

Mr. BANKHEAD. Mr. Chairman, I think we ought to have regular order. The Chair has decided.

The CHAIRMAN. The Chair has ruled. The Chair recognizes the gentleman from Texas to offer an amendment.

Mr. JONES of Texas. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 6, line 7, after the word "hereby," strike out the word "authorized" and insert in lieu thereof the word "directed."

Mr. JONES of Texas. Mr. Chairman, the only place in this bill where any effort is made to curb the tendency to monopoly in this business is in this immediate paragraph, and in this paragraph the Secretary of Commerce is not directed to refuse or revoke a license when he finds companies are trying to monopolize, but he is simply authorized to do so. It seems to me that if the Secretary of Commerce finds that, in his judgment, a company is trying to secure a monopoly in this business he should be directed to say that they proceed no further. And this is not a mere idle chance that there may be a monopoly. It is readily recognized that there is a grave danger of monopoly in the business, and my information is that the American Telegraph & Telephone Co., the Western Electric Co., the Westinghouse Electric Co., and the American Radio Corporation are today endeavoring to get a monopoly in this business. The Western Electric Co. monopolizes all broadcasting telephone apparatus that are recognized by the telephone company. In other words, it manufactures the apparatus that is used in the broadcasting stations in that connection. The American Telegraph & Telephone Co. owns 100 per cent stock in the Western Electric Co. These big four companies have gone into a combination by means of which they seem to have divided the business up. The Western Electric Co. is to manufacture all broadcasting apparatus that is used in connection with telephone transmission. The other companies agree not to manufacture that. The Radio Corporation sells receiving sets, but they have agreed to sell only receiving sets that are manufactured by the Westinghouse

Electric Co. and by the General Electric Co., so they are all in cahoots. Only a short time ago the American Telegraph & Telephone Co. owned a million dollars' worth of stock in the Radio Corporation, and so much public pressure was brought to bear on them they transferred their stock, but retained a contract of such a nature that it enabled them to bar the Radio Corporation from entering the field of commercial communication within the United States.

The most important thing in connection with the proposed legislation is to try to curb monopoly in this business. We have considerable regulatory powers under the present law if they are used, but there is a grave danger of a monopoly. It is mentioned in the Popular Radio Magazine that the American Telegraph & Telephone Co. refused to furnish its wires and service for the purpose of broadcasting an entertainment from the Century Theater in New York, which has been giving radio concerts. There was talk about it all over the country, but they did not purchase the apparatus from these big four, and the American Telegraph & Telephone Co. said: "We will not let you transmit your entertainment over our wires." That is the situation with which we are confronted to-day, and with that situation prevailing does not this House think when the Secretary of Commerce, in view of the immense powers granted under this bill, finds that the companies are undertaking to monopolize the situation he should be directed to refuse or revoke—

The CHAIRMAN. The time of the gentleman has expired.

Mr. CHINDBLOM. Mr. Chairman, to my mind there would be very little difference in the effect of the language even if the amendment offered by the gentleman from Texas were adopted. But I wish to call attention to the fact that the action of the Secretary of Commerce in refusing a station license under the conditions mentioned in this paragraph is dependent upon the judgment of the Secretary of Commerce as to whether the person, company, or corporation which is the subject of the action by the Secretary is monopolizing or seeking to monopolize radio communication, directly or indirectly, through the control of the manufacture or the sale of radio apparatus or by any other means. In other words, the action of the Secretary rests within the discretion and judgment of the Secretary. Your committee does not believe under such circumstances that it is wise, from a practical standpoint or from a legislative standpoint, to incorporate a mandatory provision upon an executive officer to perform a specific act.

There can be no doubt as to what the action of the Secretary of Commerce would be when a situation arises which in his judgment is of a character to produce monopoly or monopolization. There is no doubt but that some of the things to which the gentleman from Texas has referred are threatening in the manner he has indicated. There is a tendency toward monopolization of an art of this sort, which is based so largely upon constantly occurring inventions and improvements.

However, the committee believes that, within the purposes of this legislation, within the purposes of this bill, the use of the word "authorized" is better, will probably lead to less complication and less confusion than the use of the word "directed"; and, speaking for myself, I want to say I am opposed to the proposition suggested by the gentleman from Texas.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. I will yield to my colleague on the committee.

Mr. BANKHEAD. I want to say I do not see any particular potency in the amendment offered by the gentleman from Texas [Mr. BLACK], and I hope it will be rejected, because in my opinion the word "authorized" is for these purposes tantamount to the word "directed."

Mr. CHINDBLOM. Mr. Chairman, I move that all debate on the amendment and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Illinois moves that all debate on the pending section and all amendments thereto be now closed. The question is on agreeing to that motion.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. WINGO. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Arkansas calls for a division.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. How was my motion put?

Mr. WINGO. Mr. Chairman, I object to the interruption of the proceedings in that way.

Mr. CHINDBLOM. All right.

The CHAIRMAN. The Chair is advised that the motion of the gentleman from Illinois [Mr. CHINDBLOM] did not extend

to the pending section and all amendments thereto, but to the pending amendment and amendments thereto. The Chair put it erroneously. The motion is to close debate on the pending amendment and all amendments thereto. The gentleman from Arkansas [Mr. WINGO] calls for a division.

The committee divided; and there were—ayes 36, noes 12.

Mr. WINGO. Mr. Chairman, if we are not to have a discussion, I think we ought to have a quorum.

Mr. CHINDBLOM. Mr. Chairman, I move that the committee do now rise, and on that I ask for tellers.

The CHAIRMAN. The gentleman from Illinois moves that the committee do now rise, and on that he requests tellers.

Tellers were ordered; and the Chairman appointed Mr. CHINDBLOM and Mr. WINGO to act as tellers.

The CHAIRMAN. The question is on agreeing to the motion to rise.

The committee divided; and the tellers reported—ayes 21, noes 47.

The CHAIRMAN. On this vote the ayes are 21, and the noes are 47, and the committee decides not to rise. Did the gentleman from Arkansas make the point of no quorum?

Mr. WINGO. I thought I did. I repeated it three or four times.

The CHAIRMAN. The gentleman from Arkansas makes the point that there is no quorum present.

Mr. WINGO. I suggest that the point of no quorum was made, and on that the motion to rise was made.

The CHAIRMAN. The Chair will state that the lack of a quorum is not necessarily determined by the taking of the vote by tellers.

Some Members have not passed between the tellers. The Chair will count. [After counting.] Eighty Members are present, not a quorum. The Clerk will call the roll to develop a quorum.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Faust	Lea, Calif.	Riddick
Ansorge	Fish	Lec, Ga.	Riordan
Atkeson	Fitzgerald	Lehlbach	Rose
Barkley	Free	Lineberger	Rossdale
Bixler	Fuller	Linthicum	Rucker
Blakeney	Funk	Longworth	Ryan
Bland, Ind.	Gahn	Lowrey	Sanders, N. Y.
Boies	Garner	Luhning	Scott, Mich.
Box	Glynn	Lyon	Shreve
Brand	Gould	McArthur	Slomp
Brennan	Graham, Ill.	McDuffie	Smith, Mich.
Britten	Graham, Pa.	McLaughlin, Pa.	Smithwick
Burke	Griffin	Madden	Snyder
Campbell, Pa.	Hardy, Colo.	Mead	Stiness
Cantrill	Hersey	Merritt	Stoll
Carew	Himes	Michaelson	Sweet
Carter	Hogan	Mills	Tague
Chandler, N. Y.	Huck	Montague	Taylor, Ark.
Chandler, Okla.	Hull	Moore, Ohio	Taylor, Colo.
Clark, Fla.	Jacoway	Morin	Taylor, N. J.
Classon	James	Mudd	Ten Eyck
Cockran	Jeffers, Nebr.	Nelson, Me.	Thorpe
Cooper, Ohio	Johnson, Wash.	Newton, Minn.	Tincher
Coughlin	Jones, Pa.	Newton, Mo.	Treadway
Crisp	Kahn	O'Brien	Tyson
Dallinger	Kearns	Osborne	Volk
Davis, Minn.	Keller	Overstreet	Volstead
Davis, Tenn.	Kelley, Mich.	Park, Ga.	Ward, N. Y.
Dempsy	Ketcham	Perkins	Wheeler
Denison	Kindred	Perlman	Williams, Tex.
Dominick	King	Petersen	Winslow
Drane	Kirkpatrick	Rainey, Ala.	Wise
Drewry	Kitchin	Rainey, Ill.	Wood, Ind.
Dunbar	Klecza	Reber	Woodyard
Dunn	Knight	Reed, N. Y.	Wright
Dyer	Kunz	Reed, W. Va.	Wurzbach
Evans	Langley		Yates

The committee rose; and the Speaker having resumed the chair, Mr. STAFFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13773) to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes, found itself without a quorum, whereupon he caused the roll to be called, when 279 Members, a quorum, answered to their names; and he handed in the names of the absentees to be entered on the Journal and RECORD.

The SPEAKER. The committee will resume its session.

Accordingly the committee resumed its session, with Mr. STAFFORD in the chair.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. JONES].

The question being taken, and the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, I have another amendment.

The CHAIRMAN. The gentleman from Texas offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 8, line 25, after the word "interest," insert the following: "Or whenever the Secretary of Commerce shall find that in his judgment any person or corporation is monopolizing or seeking to monopolize radio communication directly or indirectly through the control of the manufacture or sale of radio apparatus or by other means."

Mr. JONES of Texas. Mr. Chairman and gentlemen of the House, I think the committee should accept this amendment, and in that connection I want to call your attention to the fact that on page 6, where the Secretary of Commerce is authorized to refuse a station license to any person or corporation seeking to obtain a monopoly, that limitation simply applies to refusing a license. Now, over here is this other paragraph, to which I have offered an amendment, is the place where authority is granted to revoke a license.

Mr. BANKHEAD. Will the gentleman yield for a question for information?

Mr. JONES of Texas. Yes; I will be glad to yield to the gentleman when I have finished this brief statement. I have followed the language of the committee on the question of refusing a license. I have also made it apply to the authority of the Secretary to cancel a license, if one has already been issued.

Mr. BANKHEAD. That was the information I was seeking.

Mr. JONES of Texas. That is exactly what I tried to do. At the only place in the bill where the question of monopoly is treated you have authorized the Secretary of Commerce to refuse a station license to a company or corporation which is seeking to obtain a monopoly. Over here in a subsequent paragraph you authorize the Secretary of Commerce under certain conditions to cancel a license already issued. I am seeking to give the Secretary the same right to cancel a license already issued to a company or corporation in the event of monopoly. I think the committee should accept that amendment, because a company after it has gotten its license is more likely to obtain a monopoly than it is to obtain a monopoly before it secures the license. The committee recognizes in its report the danger of monopoly in connection with this matter.

Mr. WHITE of Maine. Will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. WHITE of Maine. Unless somebody desires to discuss the amendment further, I think I am authorized to say that the committee are agreeable to accepting it.

Mr. JONES of Texas. Then I have nothing further to say on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. JONES].

The question being taken, the amendment was agreed to.

Mr. ROACH. Mr. Chairman, a parliamentary inquiry. At what point in the bill did the Clerk stop reading when we last had it under consideration?

Mr. STAFFORD. The Clerk is reading at line 15, page 9.

Mr. ROACH. Mr. Chairman, I want to offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROACH: On page 4, after the word "act," in line 20—

Mr. BANKHEAD. Mr. Chairman, a point of order.

Mr. ROACH. Let the amendment be reported, and then the gentleman can make his point of order.

Mr. BANKHEAD. The reading has proceeded far enough to show on its face that it is subject to a point of order. Perhaps the gentleman can make it in order at some other place.

Mr. ROACH. I suggest that the amendment be reported and then the gentleman can make his point of order.

The CHAIRMAN. Is there objection to the amendment being reported reserving all points of order?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ROACH: On page 4, after the word "act," in line 20, add the following: "Any person, company, or corporation affected by any decision, order, rule, or regulation made or issued by the Secretary of Commerce under the provisions of this act may have such decision, rule, order, or regulation reviewed by the advisory board created by this act by filing with the Secretary of Commerce a written request for such review with an assignment of the reasons therefor. Said advisory board is hereby given power to make such review, and by a majority vote of said board to confirm, modify, or reverse the action of the Secretary of Commerce with respect to any such decision, order, rule, or regulation, and it shall thereupon immediately certify the results of such review to the Secretary of Commerce, which shall stand as the decision in any such case."

Mr. BANKHEAD. A point of order.

Mr. WHITE of Maine. I reserve a point of order against the amendment.

Mr. BANKHEAD. I make the point of order that we have passed the section to which this amendment is offered.

The CHAIRMAN. The point of order is sustained.

Mr. ROACH. I should like to be heard briefly on the point of order.

The CHAIRMAN. The Chair will reserve his decision for a few minutes.

Mr. ROACH. I appreciate that we could not return to a section already passed in the bill except by unanimous consent. I think, however, the amendment I have offered is particularly pertinent at the point where I have offered it, and I believe it is in order, for the reason that this bill if properly construed consists of only one section, and that is section 1; or, to say the least of the matter, section 1 of the bill does not properly end until you reach the end of line 16, at page 11 of the bill. In other words, I present this amendment believing that it is in order for the reason that section 1 does not end until at the end of line 16, page 11, notwithstanding the fact that the committee reporting the bill have numbered it as they have. In other words, it is improperly numbered. A section of a bill must be complete in itself and contain, as it were, an independent subject matter. It is clear from the reading of this bill that it is improperly numbered by sections. The rule, as I understand it, provides that appropriation bills shall be read by paragraphs and that all other bills shall be read by sections. That means, to my mind, that if the Chair should judicially determine that this bill has only one section, then this amendment is in order, and the point of order should be overruled, and it is my contention that this puts the matter up to the Chair, and that the Chair should judicially determine whether this bill is improperly numbered by the committee reporting it and whether the entire bill is one section.

The CHAIRMAN. The Chair wishes to state for the benefit of the gentleman from Missouri and the committee that when this bill was last under consideration the question was raised whether the bill was one section or whether it was 11 sections. Technically it is one section. There is no rule, as the Chair has stated, providing that appropriation bills and revenue bills should be considered by paragraphs. It is a mere practice of the House, based upon the fundamental idea that what is best for orderly procedure should be followed, and recently that ruling has been extended to include omnibus lighthouse bills at the suggestion of the gentleman from Illinois, Mr. Mann. The Chair held at the last session that it would be best for the orderly consideration of this bill that the usual practice be followed by considering it by sections, and so ruled. The Chair does not care in this particular instance to reverse his ruling of last week, and sustains the point of order.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. Now, Mr. Chairman, there is no desire upon the part of anyone to delay consideration of the bill. Here is a point that is worrying a good many of us who have tried to study this bill, yet handicapped by lack of technical information. Frankly, I have relied for all the information I have on a gentleman who, I think, is qualified to judge the merits of the bill and of the dangers which threaten radio communication at the present time. I am afraid the paragraph on page 6, lines 7 to 16, is not sufficient, and I am afraid the provisions of it will not reach the thing that now threatens a real monopoly of communication. I think it is unfortunate that the committee took the position it would oppose the amendment of the gentleman from Texas. In other words, I do not believe you ought to give to the Secretary any discretion to grant a license to men whom the Secretary himself might come to the conclusion were trying to monopolize communication. That would authorize him to do a thing which, according to his own judgment, would be unconscionable and wrong. Now, here is where the trouble comes in reference to the question of trying to reach it merely by either withholding or revoking a license. We will take for illustration those who are now seeking—and they are working indirectly in conjunction with those who have apparatus for sale—take, for illustration, those who have the control of copyright music as one illustration. My information is that there is now a working agreement—a gentleman's agreement, or whatever you call it—under which there is going to be this kind of demand made upon broadcasting stations throughout the country, and that is that before the station, say, in my city of Fort Smith would be permitted to take some local musician, some lady there who in her home now without any question is singing for friends a piece of copyright music—no question has ever been raised before that she should be permitted to play the score upon the piano and with her melodious voice entertain her friends with singing the words of something which was copyrighted, but the suggestion is now being made that if she were to go down

to a radio broadcasting station and seek to do that, that before that broadcasting station would do that, or permit her to do that, they would have to pay to the holders of that copyright an exorbitant fee. Now, gentlemen—

Mr. CHINDBLOM. Will the gentleman yield?

Mr. WINGO. I will.

Mr. CHINDBLOM. Does not the gentleman think that would be a question altogether within the purview of the law relating to copyrights, and that if any rights have been acquired under the copyrights we could not now legislate so as to affect these rights?

Mr. WINGO. Well, now, if the gentleman would eliminate the last expression, I think I would agree. That is the answer I made to a friend of mine who presented that theory to me. I said, of course, if that question comes up as to the rights of a person under the copyright law that law had been judicially determined; but here is the point: Even though they may not have any rights under the copyright law to make such an exaction, yet by some kind of working arrangement with those who sell the instruments or apparatus you get yourself in an attitude where they get a complete monopoly along the line suggested, and you could not get any protection by appealing to the courts and saying that under the copyright law you are not permitted to do this; but if you went into court I think the gentleman will agree—this is my information—that no court has determined whether or not communication of a radio character comes within the provisions of these statutes affecting monopolies in restraint of trade. It is an unsettled question. The gentleman will appreciate the difficulty. I am not here just to criticize the committee, but I want to urge upon the committee before they pass this bill to see if they can not prevent this threatened evil other than by the two provisions that are conceded are the only two in the bill—

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. I will ask for five additional minutes; I may not need that much time.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. So that we will not be in the attitude of waiting until a monopoly is built up here before we then undertake to regulate and cut out its evils. Now, I have great confidence in the gentleman from Maine, who is in charge of this bill. I have talked about this matter and showed some telegrams I have received. The only object I had in discussing this matter was to urge upon the committee the recognition of the fact that there is now a practical movement backed by big capital, which will mean, in the judgment of one man, a toll of about \$20,000,000 a year, which will be levied in such a way that it will make it absolutely impossible to maintain a broadcasting station with unlimited facilities in other than 15 or 20 of the great cities of this Nation; and you do not want to do that. I hope the gentleman can find some provision in this bill that will check that present movement in its incipency, and not wait until it becomes an accomplished fact and then compel us to muddle along for several years trying to regulate a monopoly which we should prevent now at its inception.

Mr. ROACH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. ROACH: Page 9, after the word "revocation," in line 15, add the following: "Any person, company, or corporation affected by any decision, order, rule, or regulation, made or issued by the Secretary of Commerce under the provisions of this act, may have such decision, rule, order, or regulation reviewed by the advisory board created by this act by filing with the Secretary of Commerce a written request for such review, with an assignment of the reasons therefor. Said advisory board is hereby given power to make such review and by a majority vote of said board to confirm, modify, or revert the action of the Secretary of Commerce with respect to any such decision, order, rule, or regulation, and it shall thereupon immediately certify the results of such review to the Secretary of Commerce, which shall stand as the decision in any such case."

Mr. CHINDBLOM. Mr. Chairman, I make the point of order that the amendment is not germane at this place in the consideration of the bill.

The CHAIRMAN. The Chair will hear the gentleman on the point of order.

Mr. CHINDBLOM. Mr. Chairman, section 5, on page 13, provides for the organization of an advisory committee. Until that section has been passed upon there is no advisory committee, and we certainly would have an anomalous situation if we should now agree upon an amendment which would give powers to an advisory committee, and when we reach section 5 that section should go out of the bill.

The CHAIRMAN. The Chair is inclined to think that the point of order is well taken.

Mr. ROACH. Mr. Chairman, I concede the gentleman's point of order to be well taken for the present, and I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROACH. I shall offer the amendment when we reach section 5.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word in order to call the attention of the gentleman from Missouri to the fact that the advisory committee takes no action in this matter. It merely makes suggestions. He would have to reach the action of the Secretary of Commerce himself.

Mr. ROACH. Mr. Chairman, by this amendment the advisory committee is given authority to take action on review from decisions of the Secretary or any rule or regulation he may make under the provisions of this bill. That is the purpose of it. When this bill was last under consideration the committee voted down the amendment to give the courts jurisdiction. Here is an arbitrary power placed in the hands of one man to control this great radio enterprise.

Mr. BLANTON. I am with the gentleman in having a proper court review, but I do not think he would reach it in the way he suggests.

Mr. ROACH. This gives the advisory committee the power of review.

Mr. BLANTON. I call the attention of the gentleman to the fact that I have understood it is the intention of the chairman to strike that entire paragraph out of the bill.

Mr. CHINDBLOM. Oh, not the advisory committee; only that which relates to the payment.

Mr. BLANTON. Oh, then I was mistaken in that.

Mr. ROACH. It will be my purpose to put it back in, if it should be stricken out.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 9, line 15, after the word "revocation," insert: "From any order of the Secretary of Commerce refusing, suspending, or revoking a license or permit, the person or corporation whose license or permit is refused or revoked or suspended shall have the right to appeal to a court of competent jurisdiction or review, which court shall have the power to affirm, modify, or revoke said order: *Provided*, The order of the Secretary of Commerce in refusing, suspending, or revoking such license or permit shall not be suspended pending final action by such court."

Mr. CHINDBLOM. Mr. Chairman, I make the point of order, and in making the point I concede that the present occupant of the chair has heretofore said that the change of a single word in an amendment renders the amendment in order. I do not think that ought to be the established practice. This same matter was practically disposed of a week ago.

Mr. ROACH. But it was to a different section of the bill that this amendment was offered when we considered the bill last week, and not to this section.

Mr. JONES of Texas. This amendment covers the whole field of revoking licenses. The other was limited.

Mr. CHINDBLOM. If the Chair adheres to the view previously expressed that the change of a single word renders it in order, I shall not press this point of order, but otherwise I would like to show that substantially the same amendment was acted upon a week ago when this bill was under consideration.

The CHAIRMAN. The gentleman from Illinois is crediting the present occupant of the chair with a decision that he has not been heretofore advised of. The present occupant of the chair does not recall ever having made such a ruling, but has taken occasion on the floor to argue the very position that the gentleman from Illinois has now stated.

Mr. CHINDBLOM. Then, I beg the Chair's pardon. My recollection is at fault. I do remember that the Chair cited a decision from ex-Speaker Clark to the effect that the change of a single word rendered an amendment in order. My memory is very badly at fault if it was not this present occupant of the chair.

The CHAIRMAN. The Chair will ask the gentleman offering the amendment if this amendment was substantially offered to a prior section in the consideration of this bill?

Mr. JONES of Texas. I will state that it was not. A portion of the amendment covered in this amendment was covered in the previous amendment, but there was no question in the other amendment about the suspension of a license or the granting of a license. It was a mere question of refusing or revoking a license. This also applies to another section granting

further power of revocation on the part of the Secretary of Commerce.

The CHAIRMAN. Will the gentleman acquaint the Chair with the difference in phraseology between this and the prior section?

Mr. JONES of Texas. Under the previous amendment there was no question raised about the suspension of licenses. I will call the attention of the Chair to the paragraph that we have under consideration on the next page, page 11 of the bill:

An operator's license shall be in such form as the Secretary of Commerce shall prescribe, and may be suspended by him for a period not exceeding two years.

That begins on page 10 of the bill. That is the paragraph under consideration. No reference was made in my previous amendment to the question of suspending licenses. That is one phase of the question.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. ROACH. I believe the gentleman is in error there. I have the gentleman's former amendment before me.

The CHAIRMAN. Will the gentleman from Missouri please cite the page of the RECORD?

Mr. ROACH. It is on page 2352. Here is the enactment as offered by the gentleman from Texas, as printed in the RECORD:

Provided, That from any action of the Secretary of Commerce in refusing or revoking a license, the person whose license is revoked or refused shall have the right to appeal to a court of competent jurisdiction—

And so forth.

Mr. JONES of Texas. It does not say anything about suspending a license.

Mr. ROACH. The amendment further provides—
which court shall have the power to confirm, modify, or reverse the decision of the Secretary, but the decision of the Secretary of Commerce shall not be suspended pending the decision of such court.

Mr. JONES of Texas. The amendment which the gentleman has read bears out the very point I was making, that the amendment says nothing about suspending a license. On page 10 of the bill the Secretary of Commerce is given authority to suspend licenses for a period of two years. Now, that is one difference in the amendment. If the Chair wants to hear another, I will give him another.

The CHAIRMAN. Unless the gentleman from Texas can cite to the Chair some ruling which will hold that this amendment is in order, the Chair will rule—

Mr. JONES of Texas. If the Chair will let me call his further attention—I do not know whether the Chair was listening or not—I will say the other amendment did not refer to suspending licenses at all. I call the Chair's attention to the bottom of page 10, where it is provided—

An operator's license shall be in such form as the Secretary of Commerce shall prescribe, and may be suspended by him for a period not exceeding two years.

That suspension is an entirely different thing. That language is at the bottom of page 10 of the bill:

An operator's license shall be in such form as the Secretary of Commerce shall prescribe, and may be suspended by him for a period not exceeding two years—

And it gives the grounds for that suspension. Now, the suspension for two years is an entirely different thing from revoking or refusing a license. The previous amendment simply referred to the refusing or revoking of a license. This amendment covers not only the refusing and revoking but also the suspension. That is involved in this paragraph at the bottom of page 10.

The CHAIRMAN. What prevented the gentleman from including the word "suspension" when offering his amendment under the previous section?

Mr. JONES of Texas. We had not reached that point then. We had read down to section 4.

The CHAIRMAN. No; you have only read to section 3 on page 9.

Mr. JONES of Texas. However, that may be, the principle is the same. The amendment is different, and part of it is germane to the section.

I want to call the attention of the Chair to this other proposition: In the first paragraph, where the amendment was offered before, it was a general provision with reference to granting and revoking licenses. Under section (f), on page 8, there are a number of different grounds granted to the Secretary which were not included under the first section.

Mr. SANDERS of Indiana. Mr. Chairman, let me talk a while.

The CHAIRMAN. The Chair will hear from the gentleman from Indiana who, the Chair understands, entertains a different idea from that of the present occupant of the chair.

Mr. SANDERS of Indiana. Mr. Chairman, as I understand it, the gentleman from Texas [Mr. JONES] offered an amendment on page 4 which contained very similar language to the present amendment, but was different in some slight respects. The committee voted it down. Now the amendment is offered on page 9 to another subsection, and a point of order is made that the amendment is not in order. The gentleman who has made the point of order has not indicated what rule of the House or of the committee such a proposition violates.

I just want the Chair to notice the position that such course would place the committee or the House in if the Chair should hold that the amendment is not in order because substantially that kind of an amendment was offered before. It would put the committee and the House in this situation: If we had read section 4 of a bill and some gentleman on the floor should offer an amendment to that section or that subdivision and the committee should determine that it ought to be voted down because it ought to go somewhere else in the bill—it might be appropriate in either place, but in the view of the Committee of the Whole it would be more appropriate under section 8—then if we are to establish, Mr. Chairman, the proposition that the Chair can hold an amendment out of order, offered to a subsequent section, because the committee has voted it down on a prior section, that lets the Chair arbitrarily decide that the committee has no right to choose where it shall place an amendment.

If such a proposition were to be held to be the rule of this House, it would take out of the Committee of the Whole and of the House the power that the committee has and that the House has to determine the order of legislation. Suppose an amendment is offered by the gentleman from Texas [Mr. JONES] to section 4, but the committee wants to strike out section 4 altogether. The committee votes down Mr. JONES's amendment and votes out section 4. Then suppose at section 6 the committee wants to embody the amendment in the bill. If the Chair should hold the amendment out of order, because it is substantially the same thing that was rejected by the committee before, offered at a former place in the bill, it would rob the committee of the right to put it in at any time.

In addition to that, Mr. Chairman, Mr. Speaker Clark, in a very well-considered decision, held specifically that when an amendment is offered and somebody offers another amendment, which is a change of one word, the Chair can not determine, as a matter of law and as a matter of rule, that the same thing has been passed upon. It is for the committee to determine the value and meaning of the legislative words used by the committee.

Mr. CHINDBLOM. Mr. Chairman, a moment ago I apologized to the Chair for having misquoted him as having made substantially the statement which the gentleman from Indiana [Mr. SANDERS] just quoted from ex-Speaker Clark. I find that I was in error. On January 23 of this year a situation arose in which I made the same point of order, and the matter was then determined by another occupant of the chair.

Mr. BUTLER. Was it the gentleman from Iowa [Mr. TOWNER]?

Mr. CHINDBLOM. No; it was the gentleman from Oregon [Mr. McARTHUR].

The CHAIRMAN. The Chair is ready to rule. A distinction should be made in passing upon the question whether the same provision has been acted upon heretofore, as to whether the amendment has been voted up or voted down. If it has been voted into the bill and then it is offered again, with a slight modification by the addition of a word or two or a phrase or clause, that would not entitle it to be held in order for the reason that the subject matter was under consideration and opportunity had been given to offer and have adopted any germane amendment. But where an amendment is voted down, as in this case, and it is again proposed with a modification which makes it different from the form in which it was offered before, the Chair holds that it is within the province of the Member to offer the amendment in the changed form. Therefore the Chair overrules the point of order.

Mr. McARTHUR. That is a righteous decision.

Mr. JONES of Texas. Mr. Chairman, I am very much in earnest in offering this amendment. It protects all the activities of the Secretary of Commerce. It provides that if a man has his business condemned or his license revoked, and he thinks he has been wronged by that action on the part of the Secretary of Commerce, he may go into the courts to have the matter adjudicated. It further protects the activities of the Secretary of Commerce by providing that his orders shall remain in full force and effect until final action by the courts.

Gentlemen of the House, one of the proudest things in connection with the institutions of this country is the fact that we have always given even the humblest citizen the right to his day in court. I have always thought that one of the chief glories of the Constitution is the fact that you can not take the shirt from the back of the ragged street urchin without either securing the lad's consent or giving him compensation for the rags. But under the terms of this bill the say of Mr. Hoover is final, and even though a man may have his station nearly completed and may have devoted years of study to the mastery of his business, his property rights and his life business may be confiscated and destroyed without any right of review by or appeal to the courts. Gentlemen of the House, that is a monstrous proposition. It runs counter to all our traditions and all our history. An appeal was allowed in the packers bill, the grain futures bill, and in all of the other important measures by the terms of which tremendous power has been placed in the hands of one bureau or one man. Thus for the first time in all the glorious history of this country we are asked to surrender this great principle. I have great confidence in the judgment of this House, and I appeal to the sober second thought and fine intelligence of this body of representative men. I appeal to a principle that is older than this Government in behalf of one of the most highly prized rights of the Anglo-Saxon race, the right to a man's day in court. I appeal to you in behalf of the man far away in the interior of this country who has trusted you as his Representative to protect him in his liberty of action and his property rights. Will you deny him his privilege of asking that his right be passed upon by an impartial tribunal? This is a broad, big country, and I—

Mr. ROACH. Mr. Chairman, I am heartily in favor of the gentleman's amendment or some similar amendment, and if the gentleman will permit me I will make this observation, that it not only makes the decision of the Secretary of Commerce final in the matter, but it is final as to a subject that is in its infancy, undeveloped, scarcely understood by anyone at this time.

Mr. JONES of Texas. I am glad the gentleman makes that suggestion. This is a subject that is in its infancy. A lot of people are interested in it, and of course in the confusion that arises some men are going to make mistakes. Sometimes they are going to violate regulations; and if a man has spent a lot of money in getting facilities ready, what harm can there be in giving that man his day in court before his property rights are destroyed? Why, gentlemen, that is one of the things that has made this country what it is. It is one of the distinctive things of the American Government and the American people, that they have always seen that if a man is wronged he has his right to go into court and have the question adjudicated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, I trust that the committee will not adopt the amendment proposed by the gentleman from Texas [Mr. JONES]. I was not here last Wednesday when we had this bill up for discussion, but I understand—in fact, I read in the RECORD—that this identical proposition was raised on another feature of the bill and at that time it was the judgment of the committee that it should not be agreed to. I think the committee was right in reaching that conclusion at that time after a full and fair consideration of the merits of this proposition. This is only an opportunity which the gentleman from Texas is seeking to bring this identical question before the committee again.

I want to say to the members of the Committee of the Whole that your subcommittee on radio, of which I had the honor to be a member, as well as the full committee, gave this entire subject of the amendment of the law of 1912 a very full and very free consideration. We considered this question in the committee, of the propriety of incorporating a right to appeal from the decision of the Secretary, and our judgment, based upon what we believed to be sound reason, was that it was an unwise provision to insert.

The gentleman from Texas [Mr. JONES] made a pathetic appeal and referred to the boy and his ragged jacket and to the old Anglo-Saxon tradition of a man having his day in court. That principle is not violated here with reference to this matter of executive regulation. It is no new thing in the laws of the country to clothe executive officials, especially members of the Cabinet, with plenary power to fix rules and regulations governing some specific branch of the Government's business, and that is what is done here.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. I can not at this time; I will in a moment if I get through. I fear if the gentleman's amendment be in-

corporated into the law which we are now seeking to write that the advantage and benefit of it would not be sought by those whom the gentleman from Texas is apparently seeking to protect, but, on the contrary, that it would give the powerful, the wanton, and the willful violators of the spirit and purpose of the law an advantage, although the Secretary after fair investigation had reached the conclusion that they were violators of the law, engaging in a monopoly, and should issue an order revoking their license after a fair opportunity to prepare their case. It would give them an advantage by which they could gain an indefinite time in which to continue in violation of the law itself until the slow and tedious processes of the courts should be fought out to final decision. Mr. Hoover is not a member of my party. I am in no wise responsible for his elevation to his present exalted station in public life, but from the man's character and achievements in the past, I do have a profound confidence, certainly in his integrity and honesty, as well as in his ability; and the very nature of the situation with which we were confronted made it necessary for us to confer upon one man some absolute and plenary power in order to regulate this situation and get it out of the dissatisfaction and confusion in which it is now, of which the whole country is complaining, amateurs as well as professional operators of these radio outfits. We believe that the Secretary will conscientiously, intelligently, wisely administer the powers with which he is clothed in this bill, and if he sees fit on fair consideration to revoke a license of a man who has willfully disobeyed the law or the regulations which have been suggested by a conference composed of those who are interested in all fields of this art, then the matter should rest; and there is nowhere else to correct it, unless you diversify the matter and scatter it somewhere, and then, certainly, we would have a continuation of this same confusion from which we are suffering. I do not think any substantial right would be denied any corporation or citizen under this provision. I believe they would be fairly and equitably administered by the present Secretary or any other Secretary who should be exalted to that distinguished position of trust and honor in our Government. I think it is very unwise to give these recalcitrant violators of the regulations and the law an opportunity to drag out their misfeasance in the tedious processes of the courts; and I hope, in line with many other regulations not subject to review in the exercise of executive discretion, that this power will be vested in the Secretary, and that this amendment will be rejected by the committee.

Mr. WHITE of Maine. Mr. Chairman, I move to strike out the last word. I find myself in complete harmony with the views expressed by the gentleman from Alabama [Mr. BANKHEAD]. I think the adoption of this amendment would be a grievous mistake, because its adoption will undo practically everything that the committee has sought to do and would make possible again the conditions which the committee think it absolutely necessary to cure in the public interest. This right to operate radio stations, transmit these messages, send this energy out in the air, is not an absolute right in the citizen of the United States, to be exercised by him without leave or control by any governmental body. At most it is a qualified right, to be exercised under the rules and conditions Congress lays down. We undertake here to lay down the rules, and we create in this legislation the body to determine the application of those rules to the facts in every case. We do create a court, and that court is the Secretary of Commerce, clothed with plenary powers to consider facts, to pass on the merits, and then to render a decision according to the public interests.

What is the situation that we are undertaking to correct? I can illustrate it by a specific case. There was a concern over in New York which obtained a license away back in May, 1920. It was found in the operation of that station that it interfered with communications between ships at sea, between ship and shore, and it was complained of by a number of people. It was complained of by the postal authorities, by the naval authorities, by numerous private users, and by the press of the country, located in New York. Ultimately the question came up to the Secretary as to whether he should revoke that license. For weeks and weeks and month after month that matter had been kept in the air. That station continued to operate in violation of the interests of the public, endangering every day it operated the lives of people at sea on the Atlantic coast. Finally the Secretary of Commerce issued an order revoking that license, and then the holder of that license came into court, petitioned for a mandamus directing the Secretary of Commerce to issue to him a license, and a court finally issued the order of mandamus to the Secretary of Commerce directing him to issue a license to that station, which had flagrantly violated the rights of the Nation and of the people of the country.

Mr. JONES of Texas. But that case is now on appeal, is it not?

Mr. WHITE of Maine. Yes; it has not been finally decided; but that decision has been rendered by a court of competent jurisdiction, and this condition has been going on for well-nigh two years. The committee recognizes that if there is to be any semblance of order brought out of this chaos there must be a decision of these questions, and a decision speedily, and we have created as a tribunal which is to determine these matters the Secretary of Commerce, who knows about it better than any other governmental agency.

Mr. JONES of Texas. Does the gentleman know of any other bill of importance that has ever been passed by this body, except in time of war, where tremendous powers are placed in the hands of any one man, where the right of appeal to a court has not been given?

Mr. WHITE of Maine. Oh, we never give a right of appeal from the exercise of discretion upon the part of an official of the Government.

Mr. JONES of Texas. Oh, the Federal Trade Commission and all these other matters that have regulative powers are all made subject to a provision of that kind.

Now, let me make another suggestion concerning this matter: I say to the members of this committee there has not been a single user of radio except one of the great interests, an interest that you men are complaining against, who has come before this committee and urged a review of the decisions of the Secretary by the courts. Every small user, every amateur, all the other users of radio are content to leave the decision in this matter to the Secretary of Commerce, and it is only this one great interest which came before us and urged that there may be an appeal to the court.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CHINDBLOM. Mr. Chairman, I want to begin where my colleague from Maine left off. I want to say to this committee that right this very day the gentleman representing the particular organization to which the gentleman from Maine [Mr. WHITE] referred is the man who has been going around to your offices talking to you on this subject and complaining about this bill.

Mr. BLANTON. There has been no man coming to my office.

Mr. CHINDBLOM. No; but some of you gentlemen know where he has been. Now, Mr. Chairman, it is very easy to make a pathetic plea about a man getting a day in court. This bill, so far as the revocation of licenses is concerned, gives a man his day in court. Many people have a mistaken idea that a day in court means getting a right to appeal. The fact is that the common law required nothing but one trial. A writ of error or a prayer for an appeal never was a fundamental right. It is merely a right granted by statute. A hearing before a court of competent jurisdiction is all our institutions have ever considered absolutely necessary for the granting of that which we sometimes call a day in court.

Mr. JONES of Texas. Will the gentleman yield for a suggestion?

Mr. CHINDBLOM. On this subject?

Mr. JONES of Texas. Does not the gentleman recognize the fact that my amendment gives him the right to one trial in a court of competent jurisdiction and you are denying it?

Mr. CHINDBLOM. Why, this section provides a hearing before the Secretary of Commerce before a license is revoked—

Mr. JONES of Texas. But not before a court.

Mr. CHINDBLOM. It does not have to be before a court.

Mr. JONES of Texas. But the gentleman was talking about a court.

Mr. CHINDBLOM. In this case the Secretary of Commerce is the court. We do not have to call him a judge. We do not have to designate him by any particular name. He is empowered under the act to take testimony; he is directed to take testimony and ascertain the facts and act upon an ascertainment of the facts.

Mr. SANDERS of Indiana. If the gentleman will permit, in levee and ditch proceedings frequently a board passes both upon the question of condemnation and the question of damages and no right of appeal has been given, and —

Mr. WILLIAMSON. I want to call attention also to the fact that in cases involving the proving up of land, proceedings are held before the Secretary of the Interior without appeal.

Mr. CHINDBLOM. And actions under the navigation laws are not subject to review by the court. Why, Mr. Chairman, the position of the gentleman from Texas [Mr. JONES] is most anomalous. He started this morning by complaining that this

bill did not give ample protection against monopolies. He now proposes a procedure which is going further than anything I can conceive of to assist those who would monopolize the use of the air. You give them the right to an appeal to the courts. You let them go into a nisi prius or trial court and then a court of appeals and then to the Supreme Court of the United States, running the gamut of all possible judicial proceedings, and you are taking the very best step possible to maintain them in their monopoly. That is the one thing this committee has wanted to avoid.

Mr. BUTLER. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BUTLER. An act of Congress provides that under certain conditions a pension may be granted to a soldier who served in the Army?

Mr. CHINDBLOM. Yes.

Mr. BUTLER. Suppose the pension is taken away from him, is there an appeal?

Mr. CHINDBLOM. No.

Mr. BUTLER. Who has the right to do that, the commissioner?

Mr. CHINDBLOM. The Commissioner of Pensions.

Mr. JONES of Texas. The Secretary of the Interior.

Mr. CHINDBLOM. He has an appeal to the Secretary of the Interior.

Mr. BUTLER. But not to a court?

Mr. CHINDBLOM. Not to a court.

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. That affects only that one particular soldier's rights. But the rights of all the individuals of the United States are affected if they have no redress in court—

Mr. CHINDBLOM. Does the gentleman mean to say that all the people of the United States are going into court seeking redress? Why, the converse is true. This amendment will not provide any redress for all the people of the United States or for the general public, but it will provide redress only for the individual owners and operators of radio communication.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I am sorry to see the disposition shown on the part of the committee to rush this bill through just as it was framed without giving a proper day in court to aggrieved parties. It is my opinion that above every other question radio transmission is going to do more to solve the marketing problem of our farmers than anything else now promising hope to them.

Now, as I mentioned the other day, in the State where I live, Texas, we have an agricultural experiment station. There could arise this kind of a situation there: It could perfect a marketing system for farmers with radio transmission, advising them of markets where they could sell their products. That might be run in an intrastate manner so that it might not interfere in any way whatever with interstate control. Yet the Secretary of Commerce here in Washington, under the terms of this bill, could say that it constituted interference with the national control. He could, in passing upon the license question, after our agricultural experiment station had procured a license under this very provision, suspend that license for two years without giving our State authorities a hearing in court—an arbitrary transaction.

Let me say this, that eventually the Secretary of Agriculture, through a perfected Bureau of Markets, is going to furnish the farmers with a most valuable service, through radio transmission, telling them where markets may be found for the sale of their products. The Secretary of Agriculture now is using only four broadcasting stations in the United States. He is not operating them; they are not operated by him but for him. Yet this bill excepts only such stations as are owned and operated by the Government. It does not except stations that are operated for the Government. These four transmitting stations now are all operated on behalf of the Department of Agriculture, are operated, not by it, but for it. Yet their licenses could be suspended and the great work of furnishing information as to the markets of the country to the farmers throughout this land could be stopped arbitrarily.

Mr. WHITE of Maine. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. WHITE of Maine. Under this bill the Secretary of Commerce would have authority to establish priorities, and the recommendation of the conference is that the first right shall be to the Government station for the distribution of just such matter as the gentleman from Texas is now concerned in.

Mr. BLANTON. Yes; but to-morrow he might change his mind. We do not want to put this power absolutely in the

hands of any one man. It should be reviewable. Why should it not be reviewed in the courts?

My friend from Illinois [Mr. CHINDBLOM] talked about the day in court, meaning before the Secretary of Commerce. A day in court is presumed to be before a legal tribunal. Is the Secretary of Commerce a lawyer? Is he familiar with the legal rights of individuals as they should be administered in the courthouses of the land? No. So how could a man have a day in court? Not a day in a justice's court, where the justice of the peace is not a lawyer, but a day in court where there is a judge to administer the law of the land, to see that a man's legal rights are protected.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. Does the gentleman conceive of any administrative function that under his theory should not be placed for review before a court?

Mr. BLANTON. Oh, this is one of the biggest questions of the day. It is a question of transmitting intelligence from one community to another. It is the question of transmitting by radio, which is greater than the telegraph or the telephone. Would you bring in here a law that would place under the control of one man all the telegraph and telephone systems of the country without redress in court? No. This is a new question. The gentlemen of this committee want to get this bill through as they have written it. They do not want to accept an amendment from anybody, no matter how meritorious it may be.

Mr. ABERNETHY. Mr. Chairman, I have been making a study of this matter as well as I could in the brief time of a week. I am going to support this bill without the present amendment if the committee votes down the amendment. But, seriously, I want to bring to the attention of the committee a few ideas with reference to this amendment. I can not see any very serious objection to the amendment offered by the gentleman from Texas [Mr. JONES], because it leaves the order of the Secretary of Commerce in force and effect until final decision of the courts.

Now, I would like very much if the amendment of the gentleman from Texas [Mr. JONES] should stay in the bill. But, as I say, I have determined to support the bill whether it is in or not, because I feel that there should be regulation of radio.

And in that connection I desire the unanimous consent of the committee here to have inserted in my remarks a telegram and letters which I have received from gentlemen in my district who are interested in this bill and who desire me to favor the bill.

I say I shall favor the bill whether this amendment is put in or not, but I really think it would be more in accordance with the general idea of the fundamental form of our Government if we would give a man a right in court. While I have great respect for the Secretary of Commerce and I do not believe we can put this authority in better hands at the present time—

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. CHINDBLOM. Has the gentleman received any appeals from users of radio, people interested in the manufacture or operation of radio, asking for this particular amendment?

Mr. ABERNETHY. I have not.

Mr. CHINDBLOM. I thought not.

Mr. ABERNETHY. I say I am going to support the committee's bill as they have reported it, whether the amendment is adopted or not, but I am going to vote for the amendment of the gentleman from Texas, because I believe it is based on correct principles.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to extend his remarks in the Record by incorporating certain letters and telegram received by him. Is there objection?

There was no objection.

Following are the letters and telegram referred to:

NEWBERN, N. C., January 30, 1923.

HON. C. L. ABERNETHY,
House of Representatives, Washington, D. C.:

I most earnestly urge you to vote for the White bill, H. R. 13773, when it comes up for action. It is a good bill and will go a long way in relieving present congestion and chaotic conditions in the radio game.

With sincere personal regards,

ALBERT W. PARKER.

RICHLANDS, N. C., January 28, 1923.

MR. CHAS. L. ABERNETHY,
Washington, D. C.

MY DEAR MR. ABERNETHY: I have your letter in regard to the proposed radio legislation: you failed to inclose the debate and report on the bill. But you state that you want my letter by Wednesday, so I am writing you. I am sorry I did not get this report.

But as the matter stands it is up to Congress to do something along this line. It is too big a question and too many people are affected to not do so.

It has been conservatively estimated that there are over a million and a half receiving radio sets in the country. Every set represents a home, and these homes have invited guests every night. So picture in your mind the number of people this legislation will reach.

Here is an instance I will relate to you: There are several hundred receiving sets in the city of Wilmington. When the revenue cutter *Modock* is there they are greatly interfered with—in fact, drowned out, so to speak—from the wireless of this boat transmitting, and it is claimed over one-half to two-thirds of this work could be sent by land wire and in this way give these people in Wilmington relief; but they do not do it. The Navy claims a nearly absolute monopoly on this business, holding the large transmitting stations to a low meter band.

We want this thing so regulated so the hundreds of thousands of listeners can receive the entertainment without this useless interference from the amateur sending stations and the naval stations.

Somebody might claim to raise the meter band would cause the now owners of receiving apparatus a hardship. Not at all. The only thing they would have to do would be to place a coil in the line, only five minutes' work, and at a cost of not exceeding \$5.

Before this year is gone I expect to have the pleasure of listening to you in Washington over the radio. What do you say to that?

Here is the situation now: Here is a long seat; the Navy says "You boys can have only one little end, you can only sit so far, we have all the rest of the seat. If you have trouble in sitting comfortably, why just sit on each others lap; we don't care, it's not bothering us." Really that is about the way things are now. We want more seat, Charlie. Get me?

I am voicing the sentiments of at least 5,000,000 people.

With my kindest regards, I am, respectfully yours,

A. M. MCCUISTON.

JANUARY 30, 1923.

HON. CHARLES L. ABERNETHY,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: I have read with much interest the letter of Dr. A. M. McCuiston to you relative to the pending radio bill.

I find myself very much in sympathy with the doctor's criticism of present conditions. In my opinion, some of the departments of the Government have been absolutely selfish in their own use of the radio. They have taken to themselves whatever wave lengths they saw fit and have operated in utter disregard of the rights of the listening public and of other transmitting stations. In the present situation there is no restraint upon them.

The pending bill does not go to the extent I personally would have it, but it does hold out some promise of bettered conditions. As you know from your study of the matter, paragraph D of section 1 provides that Government stations, except on board naval and other Government vessels while at sea, when transmitting any messages other than messages relating to Government business must conform to such rules and regulations designed to prevent interference as the Secretary of Commerce may prescribe. It is hoped and believed that this paragraph of the bill will do much to relieve from such unwarranted transmitting by vessels as Doctor McCuiston specifically complains of.

Under existing law, because of conditions which you well understand, practically all broadcasting is limited to the wave lengths between 300 and 600 meters. By existing law the wave lengths between 600 and 1,600 meters are reserved for naval and military purposes. The pending bill repeals this allocation to these Army and Navy stations of this band between 600 and 1,600 meters and makes it possible to utilize them for broadcasting and other private uses.

It is believed that if broadcasting stations are permitted to utilize wave lengths above 600 meters that it will greatly relieve the present situation and vastly improve the service.

It may take some little time to readjust transmitting and receiving sets to these longer wave lengths, but it is entirely practicable to do so. This is directly in line with Doctor McCuiston's suggestion.

I should be very glad to have the benefit of any further suggestions that the doctor may make to you in the future on this subject.

With assurances of regards I am, yours very truly,

WALLACE H. WHITE, JR.

Mr. EDMONDS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania that all debate on this section and all amendments thereto do now close?

Mr. BARBOUR. A parliamentary inquiry, Mr. Chairman. What is the section referred to?

The CHAIRMAN. Section 2. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment.

Mr. JONES of Texas. I ask that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 9, line 15, after "revocation" insert "from any order of the Secretary of Commerce refusing, suspending, or revoking a license or permit the person or corporation whose license or permit is refused or revoked or suspended shall have the right to appeal to a court of competent jurisdiction for review, which court shall have the power to affirm, modify, or revoke such order: *Provided*, The order of the Secretary of Commerce in refusing, suspending, or revoking such license or permit shall not be suspended pending final action by such court."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas, which has just been read.

The question being taken, the amendment was rejected.

The Clerk read as follows:

SEC. 3. A. The actual operation of all transmitting apparatus in any radio station for which a station license is required by this act shall be carried on only by a person holding an operator's license issued hereunder. No person shall operate any such apparatus in such station except under and in accordance with an operator's license issued to him by the Secretary of Commerce.

B. The Secretary of Commerce, in his discretion, may grant special temporary operators' licenses to operators of radio apparatus under such regulations, in such form and under such conditions as he may prescribe, whenever an emergency arises requiring prompt employment of such an operator.

C. An operator's license shall be issued by the Secretary of Commerce in response to a written application therefor, addressed to him, which shall set forth (a) the name, age, and address of the applicant; (b) the date and place of birth; (c) the country of which he is a citizen, and, if a naturalized citizen of the United States, the date and place of naturalization; (d) the previous experience of the applicant in operating radio apparatus; and (e) such other facts or information as may be required by the Secretary of Commerce. Every application shall be signed by the applicant under oath or affirmation.

D. An operator's license shall be issued only to a person who, in the judgment of the Secretary of Commerce, is proficient in the use and operation of radio apparatus and in the transmission and reception of radiograms by telegraphy and telephony. Except in an emergency found by the Secretary of Commerce to exist, an operator's license shall not be granted to any alien, nor shall such a license be granted to a representative of a foreign government.

E. An operator's license shall be in such form as the Secretary of Commerce shall prescribe and may be suspended by him for a period not exceeding two years upon proof sufficient to satisfy him that the licensee (a) has violated any provision of any act or treaty binding on the United States which the Secretary of Commerce is authorized by this act to administer, or of any regulation made by the Secretary under any such act or treaty; or (b) has failed to compel compliance therewith by any unlicensed person under his supervision; or (c) has failed to carry out the lawful orders of the master of the vessel on which he is employed; or (d) has willfully damaged or permitted apparatus to be damaged; or (e) has transmitted superfluous signals or signals containing profane or obscene words or language.

F. A license may be revoked by the Secretary of Commerce upon proof sufficient to satisfy him that the licensee was at the date his license was granted to him, or is at the time of revocation, ineligible or unfit for a license.

Mr. BARBOUR. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN (Mr. RAMSEYER). The gentleman from California offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BARBOUR: Page 10, line 19, strike out the period and insert a semicolon and the words: "Provided, That operators engaged in the emergency operation of radio telephones used solely in the private business of any person, company, or corporation as incidental to such business shall not be required to be proficient in the transmission and reception of radiograms by telegraphy."

Mr. BARBOUR. Mr. Chairman, I offer this amendment for the reason that I think the requirements specified in paragraph D on page 10 are too strict to cover all cases. Paragraph D provides as follows:

An operator's license shall be issued only to a person who, in the judgment of the Secretary of Commerce, is proficient in the use and operation of radio apparatus and in the transmission and reception of radiograms by telegraphy and telephony.

I will state that I had a talk with the author of the bill yesterday and suggested to him that the bill be amended by permitting operators of radiotelephones in private business to have licenses issued to them without the requirement that they be proficient in radiotelegraphy. The author of the bill stated to me a very good reason why that should not be permitted in all cases, so I have limited my amendment to emergency cases. The particular enterprises that I have in mind are the power companies of the West. Those of you who are familiar with the operations of our power companies in that section know that a large part of our power is hydroelectric and is developed back in the high mountains. They string their telephone lines along on the power poles back to their substations in the mountains. Frequently storms occur in those sections. Lightning will strike a wire, ice and sleet will form, or one of the power lines will become broken and hang across the telephone line, breaking it down. If the power lines are down, the service which the company is able to give is seriously interfered with. These companies have installed radio broadcasting machines and are using them in these emergencies to communicate with their substations back in the mountains. It is only in cases of this kind that my amendment would apply—to the emergency use of radiotelephones by private companies or persons in their private business. The amendment simply provides that operators of radiophones in such cases shall not be required to be proficient in radiotelegraphy.

Mr. BUTLER. I should like to ask the gentleman a question.

Mr. BARBOUR. I yield to the gentleman from Pennsylvania.

Mr. BUTLER. I notice that subsection D says that an operator's license shall be issued only to a person who, in the judgment of the Secretary of Commerce, is proficient in the use and operation of radio apparatus.

Mr. BARBOUR. Yes.

Mr. BUTLER. Does that require any special instruction before he is able to use it?

Mr. BARBOUR. I think it does.

Mr. BUTLER. I have no knowledge at all of radio. I have an apparatus in my house where I am receiving.

Mr. BARBOUR. If you are only receiving you are not required to have an operator's license.

Mr. BUTLER. Let us see. It says:

Proficient in the use and operation of radio apparatus and in the transmission and reception of radiograms by telegraphy and telephony.

Mr. BARBOUR. Yes.

Mr. BUTLER. The gentleman knows what he is talking about, and I am not informed on this subject.

Mr. BARBOUR. If you are merely operating a receiving set you are not required to have a license.

Mr. BUTLER. Why is the word "reception" in there?

Mr. BARBOUR. I do not know, unless it applies to telegraphy.

Mr. WHITE of Maine. Will the gentleman yield?

Mr. BARBOUR. I yield to the gentleman from Maine.

Mr. WHITE of Maine. The bill does not contemplate that there shall be any license required of a person who is only receiving. That is, you may have in your home a receiving set and you may hear all you please or as little as you are able to without any license from anybody.

Mr. BUTLER. And, therefore, it would not interfere with the privilege I have in mind, of a person having a receiving set in his home?

Mr. WHITE of Maine. No.

Mr. BUTLER. I wondered why they used the word "reception," and whether it refers to the whole bill or not.

Mr. WILLIAMSON. Does that amendment obviate the necessity of these companies getting a license from the Secretary of Commerce?

Mr. BARBOUR. No; it provides that the operators or licensees shall not be required to be proficient in telegraphy where they are using private phone outfits only in cases of emergency.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BARBOUR. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARBOUR. During that time I shall ask the Clerk to read an excerpt from an article which recently appeared in the Journal of Electricity bearing upon this very subject, covering my amendment.

The CHAIRMAN. Without objection the Clerk will read.

There was no objection, and the Clerk read as follows:

[From the Journal of Electricity.]

REGULATIONS HAMPERING USE OF RADIO BY POWER COMPANIES.

One of the most useful applications to which the radiotelephone has been adapted is for purposes of emergency communication of load dispatchers in generating stations in case of failure of pole line telephones. Western power companies are all alive to the possibilities of the radiotelephone for emergency-system dispatching; and when conditions are right and the way is clear, considerable use will undoubtedly be made of this method of communication.

Were it not for certain existing Government radio regulations, the problems relating to radiotelephone operators or operating personnel would be quite simple. While there is no particular difficulty attached to the procuring of station licenses or the allotment of wave lengths for this class of communication which comes under the limited commercial classification, the operator's requirements are somewhat stringent, being originally intended for operators of radiotelegraph stations.

Proficiency in the telegraph code is required, as well as an examination in both theory and application of radiotelegraph apparatus, before an operating license can be secured. The imposition of these requirements on a telephone operator does not seem warranted, and it would seem that a revision of the requirements is advisable. The suggestion has been made that the private use of the radiotelephone for emergency dispatching on power systems could very well be handled by licensing one competent engineer to have complete supervision over the licensed stations of his particular system.

It is to be hoped that in the interest of public service some provision will be made to permit the more general use of the radiotelephone for dispatching purposes, as well as for communication with remotely situated construction camps.

Mr. BARBOUR. Mr. Chairman, I will state that my amendment would simply in case of emergency permit these power companies or any other companies operating a similar business, or any business wherein radiotelephones are used, to have the broadcasting apparatus operated by a man who is not necessarily proficient in telegraphy, which has nothing to do with the operation of a radiotelephone.

Mr. WHITE of Maine. Mr. Chairman, I rise in opposition to the amendment. I have no quarrel with the gentleman's purpose, but I think the effect of his amendment might be very

harmful. Of course, it does not make much difference what the purpose of the originator of a message is. We are concerned with the effect of that message when it gets into the ether. This particular provision was put in the bill out of a regard for safety of life and property at sea. That was the primary purpose of it. If you are familiar at all with the international conventions, with the act of 1912 and the regulations thereunder, you will know that there are various provisions requiring operators to listen in at specified times for S O S messages from ships at sea. Here is the situation: At the power company which the gentleman from California [Mr. BARBOUR] has in mind, the minute it starts its message out into the ether it has no control over where it is going; it has no control over what it is to interfere with. The conference originally thought, and the committee agreed, that it was absolutely essential if other provisions of the law were to be observed with respect to listening in and stopping the sending of other messages when S O S messages come in, that the station transmitting messages must be also able to listen in and hear distress signals, whether they come by telephone or by the Morse code, so that the station may obey other provisions of the law designed to promote safety at sea. If the sender of this power company is not able to listen, to hear, and to understand messages coming both by telegraph and telephone, then he can not meet the other provisions of law designed to promote safety at sea.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. WILLIAMSON. I assume that the Secretary of Commerce could allocate wave lengths to these different stations. What difference does it make whether the man at an emergency station could understand an S O S or not? He would not be able to help in any event. Could they not give him wave lengths that would not interfere?

Mr. WHITE of Maine. Let me illustrate what I have in mind. The particular instance I shall now relate was told to me by a distinguished Member of the House within a very few short hours. A couple of boys got an amateur license for transmitting. They were told that their instrument would carry only 30 miles. They learned the S O S signals of the Morse code, and, thinking they were far inland, away from the coast, and that it would do no harm, they began to transmit the S O S signal with their amateur instrument.

The S O S message was heard by a station many miles away. It was relayed to the coast, and three or four or five destroyers traversed the coast for a number of hours looking for the senders of that S O S message. It might just as well have been a bona fide S O S message as one sent out frivolously by some boys, and it is absolutely vital that all people transmitting may hear and understand these messages.

Mr. WILLIAMSON. It seems to me hardly conceivable that a man stationed at a point in the interior, at an emergency station, would send out that kind of a message.

Mr. WHITE of Maine. It does not make any difference what the character of his message may be, it may interfere with a bona fide S O S message, or a bona fide S O S message may be coming in, and if he does not stop transmitting he may prevent the reception of it by the station for which it was intended.

Mr. WILLIAMSON. Even though using different wave lengths?

Mr. WHITE of Maine. Yes; within limits.

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. BARBOUR. I would like to have the gentleman tell me whether a radio telephone operator, for instance, in one of these stores in Washington—

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. BARBOUR. Mr. Chairman, I ask unanimous consent that his time be extended for two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARBOUR. Suppose an operator were operating a radio telephone in one of these stores in Washington that gives concerts and sends out radiograms. Would he be able to hear, would he have the necessary apparatus, or would his apparatus convey to him a distress message sent out by a ship at sea?

Mr. WHITE of Maine. Yes; and in any event he ought to, because he can directly interfere with all S O S messages at sea all along this coast, and that is the purpose of this provision, and of a subsequent provision in the bill, to make sure that a station transmitting, whether by telegraph or telephone, is so equipped that it can hear S O S messages and stop transmitting.

Mr. BARBOUR. When he is broadcasting is he also listening?

Mr. WHITE of Maine. He must be listening, he must have an operator listening in so that he may stop his transmitting in order to comply with the provisions of the law in order that S O S messages may be effective.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. JONES of Texas. I offer the following amendment: Page 10, line 25, strike out the words "two years" and insert "one year."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 10, line 25, strike out the words "two years" and insert in lieu thereof "one year."

Mr. JONES of Texas. Mr. Chairman, I was surprised beyond expression at the view which some of the committee, and especially some of the lawyers on the committee, took in reference to the amendment relating to the right of a man to have his day in court. My amendment simply provided if a man had his license refused or had his license canceled he should have the right to have it reviewed by a court of competent jurisdiction, and in the meantime that the Secretary's orders should remain in full force and effect. Now if I had said if he violated a regulation of the department, that would have been a different proposition. The instances which the gentleman cited were instances in which regulations had been violated. Of course, that should be a matter for the discretion of the Secretary. In the grain futures bill the Secretary of agriculture is permitted to make general regulations, and there is no appeal from those regulations; but if peradventure the Secretary should say that the grain exchanges shall close, that bill gives the right on the part of the grain exchanges to go into court and challenge the Secretary's order. Likewise in the packers' bill the regulations are purely in the discretion of the Secretary of Agriculture. The Secretary of Agriculture in no place is given power absolutely to say the packers shall not operate. When he says that, the bill provides the packer may go into a court—go into an impartial tribunal where every man is supposed to meet on a common level—and have his rights adjudicated. In other words, it was the purpose of the provisions that we put in those two bills to see that we did not confiscate a man's property or right to do business without the privilege of being heard in court. The Secretary of the Interior simply on the violation of a little regulation as, for instance, the transmission of superfluous signals, may say that a man who has devoted his life to the radio business may not have the right to pursue his occupation for a period of two years. Not only that; if you turn over to section 4, page 11, it reads:

After the approval of this act the construction of a station for which a license is required by this act shall not be begun—

Mr. CHINDBLOM. Mr. Chairman, I make the point of order that that section has not been read.

Mr. JONES of Texas (reading)—

Nor shall the construction of a station already begun be continued—

If the gentleman desires to make that point, I shall make the point of no quorum.

Mr. HICKS. The gentleman is only reading that for information; it is part of his argument.

The CHAIRMAN. Does the gentleman from Illinois make the point of order?

Mr. CHINDBLOM. I withdraw the point of order.

Mr. JONES of Texas (reading)—

Nor shall the construction of a station already begun be continued until after a permit for its construction has been granted by the Secretary of Commerce upon written application therefor.

Here may be a bunch of four or five men who have gone in together, forming an organization, perhaps a little corporation or a partnership, and they have spent \$100,000 and have their station nearly completed, yet we are putting the power in the hands of the Secretary of Commerce to say they shall not complete that station and shall not send out a message and there is no appeal. By that very act, if the Secretary of Commerce in his busy operation should be imposed on or if some clerk should make a mistake, the men or corporation would have their rights confiscated without the right of review by a court.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Texas. I ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

Mr. KNUTSON. What is the gentleman's request?

The CHAIRMAN. The gentleman asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. KNUTSON. I shall object to any more extensions after the gentleman has finished.

The CHAIRMAN. The gentleman from Texas has the floor and he has been granted an extension of five minutes.

Mr. KNUTSON. I shall object to any further extension.

Mr. JONES of Texas. Gentlemen of the committee, I would not make an effort to say that if some regulation might be violated a man should have the right to carry up matters in court. That is a different proposition altogether, but there are men all over this broad, big country who have put money into this thing. There are men all over this country who have devoted years of study to a mastery of the radio business. Now you are placing in the hands of the Secretary of Commerce the right to say to that man who has spent years of his life in the mastery of the business, "You shall no longer conduct the business of your choice. You shall not have the right to go to any court to have my edict reviewed. I am settling this matter fully and finally." That is the matter that you placed in the hands of the Secretary of Commerce, who is already a busy man and who can not perform the functions of a court and in many instances may not even be a lawyer.

I understand the present Secretary of Commerce is not a judge; he is not capable of passing on the legal rights of a man or a set of men. Here is a proposition that means confiscation and ruin to a man if it should be imposed upon him. I again suggest that the illustration that the gentleman gave of the Bureau of Navigation was purely a question of regulation, not the destruction of a man's business. I purposely limited the amendment which I offered before to the simple question of refusing or revoking a license to a person to operate and refusing a license to a station to operate. Surely, if a man has a station in which he may have invested \$5,000 or \$100,000, and some man who is in the position of Secretary of Commerce should make an error or commit a wrong, that man should have the right to appeal to a court of competent jurisdiction. We may not always in the future have in the office of Secretary of Commerce a man who is so wise and so dependable as the one we have now. We do not know. But a man should have the right to appeal to a court of competent jurisdiction which would determine his rights in accordance with the rules and regulations based upon the procedure in a court. Gentlemen, law is based on reason. It is based on human experience. It is the result of centuries of effort on the part of the brightest men whom the race has produced to produce legal rules of procedure that will deal justice between man and man, and that right should be given to a man under these circumstances.

Now, in view of the fact that the committee has voted down my amendment, I am offering an amendment to the effect that if an operator shall violate one of these provisions, the Secretary may suspend him for only one year, instead of two years. Here might be a man who violated some regulation laid down in this paragraph, and the Secretary decides to suspend him for an indefinite period. I think, in view of the fact that you are putting the determination finally in the hands of the Secretary of Commerce, one year would be a reasonable time for the limit of suspension.

Mr. CHINDBLOM. Mr. Chairman, in view of the fact that debate has already spread over the next section, I move that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. JONES].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. A. After the approval of this act the construction of a station for which a license is required by this act shall not be begun, nor shall the construction of a station already begun be continued until after a permit for its construction has been granted by the Secretary of Commerce upon written application therefor. This application shall set forth such facts as the Secretary of Commerce by regulation may prescribe as to the citizenship, character, and the financial, technical, and other ability of the applicant to construct and operate the station, the ownership and location of the proposed station and of the station or stations with which it is proposed to communicate, the wave length or wave lengths desired to be used, the hours of the day or other periods of time during which it is proposed to operate the station, the purpose for which the station is to be used, the type of transmitting apparatus to be used, the power to be used, the date upon which the

station is expected to be completed and in operation, and such other information as the Secretary of Commerce may require. Such application shall be signed by the applicant under oath or affirmation.

B. Such permit for construction shall show specifically the earliest and latest dates between which the actual operation of such station is expected to begin and shall provide that said permit will be automatically forfeited if the station is not ready for operation within the time specified, unless prevented by strikes, riots, acts of God, or other causes not under the control of the grantee. The rights granted under any such permit shall not be assigned, or otherwise transferred to any person, persons, company, or corporation, without the approval of the Secretary of Commerce: *Provided*, That a permit for construction shall not be required for Government stations or for private stations as provided for in section 4, fifteenth regulation, of the act of August 13, 1912. The granting of this permit to construct a station as herein required shall not of itself be construed to impose any duty or obligation upon the Secretary to issue a license for the operation of such station.

Mr. TILSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Connecticut moves to strike out the last word.

Mr. TILSON. I do so for the purpose of propounding a unanimous-consent request. I called the attention of the committee the other day to the fact that there is a real difficulty in regard to the numbering of the sections of this bill. It can not be entirely adjusted until we reach the last paragraph, but there are certain changes that ought to be made here, which reach back to the very beginning of the bill. I therefore ask unanimous consent that for the purpose of properly numbering the sections, or, if necessary, changing the numbering of the sections of the bill, we be permitted to return to any part of the bill that has been read without losing the right to do so. I have gone into this matter with the enrolling clerk and with the gentleman from Maine [Mr. WHITE], and I think we have contrived a plan whereby we arrange the section numbers as they should be.

Mr. BANKHEAD. I wish to inquire of the gentleman if the gentleman has gone over the matter with the ranking Members of the majority?

Mr. TILSON. Yes; with the gentleman from Maine [Mr. WHITE] and with the enrolling clerk.

Mr. BLANTON. Why not ask unanimous consent that the Clerk be authorized to number the sections in accordance with the established precedents?

Mr. TILSON. It would not be in order until the last section is reached, unless by unanimous consent.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent that at the conclusion of the reading of the bill it shall be in order to return to any section or any part of the bill for the purpose of offering amendments only as to the numbering thereof.

Mr. CHINDBLOM. Mr. Chairman, as the gentleman from Connecticut has very kindly given this matter his personal attention, why should it not be done now?

Mr. BLANTON. It can be done now, and should be.

Mr. TILSON. I will avail of the opportunity suggested by the gentleman from Illinois, and will send to the Clerk's desk a unanimous-consent request that we be permitted to rearrange the numbering of the section, if necessary, or at least correctly numbering the sections of the bill, and for that purpose to return to the earlier portions of the bill.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent to offer amendments to change the numbering of the sections, and for that purpose to return to the prior portions of the bill. Is there objection?

Mr. ROACH. Reserving the right to object, I will not object, because I can see that the bill is improperly numbered by sections, and that is the point I made a moment ago, and that reason justifies me, in my opinion, in offering an amendment.

Mr. TILSON. As the Chairman has said, it is technically all one section, and that was not the intention of the authors of the bill.

Mr. BLANTON. Mr. Chairman, I ask by way of amending the gentleman's request that the Clerk be authorized to change the numbering of the sections of the bill in accordance with the agreement reached by the gentleman from Connecticut [Mr. TILSON] and the gentleman from Maine [Mr. WHITE], which is in accordance with the precedents.

The CHAIRMAN. Does the gentleman from Connecticut accept the substitute motion of the gentleman from Texas?

Mr. TILSON. I do not. I think the amendment I have prepared will settle it.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

Mr. TOWNER. Reserving the right to object, Mr. Chairman, I would like to ask the gentleman from Connecticut if action taken now would not possibly make it necessary to take subse-

quent action regarding subsequent paragraphs? Would it not be better to wait until the whole bill is completed, so that it can all be done at one time?

Mr. TILSON. It will not change anything except the quotation marks throughout the bill, except in the last paragraph where it refers to repealing of certain sections. I am offering two amendments, one now, by unanimous consent, to clear up all of the bill except the last section. The other will be offered to the last section when we reach it. That will straighten out the entire matter.

Mr. JONES of Texas. Reserving the right to object, how much time will it take?

Mr. TILSON. About one minute, if the gentleman from Texas will allow us to proceed.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The clerk will report the proposed amendment.

The Clerk read as follows:

Amendment offered by Mr. TILSON: Page 1, after line 2, after the word "assembled" strike out the amendment heretofore inserted. Also strike out "Section 1" in line 7, and the quotation marks before each paragraph of the bill.

Mr. SANDERS of Indiana. Mr. Chairman, I wonder if the gentleman from Connecticut [Mr. TILSON] will not modify his amendment by inserting "the words" before "Section 1"?

Mr. TILSON. That is the purpose of the amendment. The words "Section 1" are in quotation marks. Gentlemen, that will do what we are attempting to do, except as to the last paragraph, which will receive proper attention when reached.

Mr. SANDERS of Indiana. I was not asking merely that it be in quotation marks.

Mr. TILSON. The words "Section 1" in quotation marks should come out, and the quotation marks at the beginning of the paragraphs all the way through the bill should come out. That is what my amendment accomplishes.

Mr. CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The question being taken, the amendment was agreed to.

Mr. JONES of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: On page 13, line 1, after the figures "1912," strike out the remainder of the paragraph.

Mr. JONES of Texas. Mr. Chairman, I should like to ask the chairman of the committee in charge of this bill if he thinks it would be quite right to authorize a man or a company to construct a station and then say that there would not be any obligation on his part to consider that fact in passing on whether to grant a license to operate that station. Does that seem fair?

Mr. WHITE of Maine. I think the language is right as it now is. The man is in a better condition with this provision adopted than he is under existing law. The situation is this: A man might be granted a permit to construct a station—

Mr. JONES of Texas. Yes. Let us assume that that is done.

Mr. WHITE of Maine. Let us assume that that is done. Then, between the time of that permit and the completion of that station and the time for the consideration of his case the man might have violated all manner of rules and regulations and provisions, and it might be apparent to everybody that it was absolutely undesirable and improper that he should have a license. We want to determine the question as of that time, and we might not want to permit him to proceed.

Mr. JONES of Texas. To strike out this provision will not prevent the Secretary from determining it as of that time. All that I am trying to do is to strike out that provision which says:

The granting of this permit to construct a station as herein required shall not of itself be construed to impose any duty or obligation upon the Secretary to issue a license for the operation of such station.

That language can go out and the Secretary still has full power to license or revoke, and I can not see any good purpose to be served in having such language follow the provision which authorizes the Secretary to grant the power to construct. Here you turn around and say that that fact shall not be construed as any obligation. You can strike that out and the Secretary will still have his full power of passing on the merits of the case.

Mr. WHITE of Maine. I may say for the information of the gentleman that that was put in there by the committee, and the words "of itself" in line 2 were put in at the request of people who now have stations.

Mr. JONES of Texas. Why do they want the provision in there at all? Do they want to keep somebody else from building stations?

Mr. WHITE of Maine. The situation is just this—of course, this whole paragraph is intended to relieve the Secretary from undue and what we consider improper pressure. As the situation now is, a man or a group of men—

Mr. JONES of Texas. It is to give further rights to the Secretary. It is not to protect the radio man but to protect the Secretary.

Mr. WHITE of Maine. It is to protect the public. As the situation now is, any corporation may go ahead and spend an indefinite amount of money in the erection of a station, in the assembling of the physical part of the plant, and in the assembling of its technical body of employees—

Mr. JONES of Texas. And then—

Mr. WHITE of Maine. I should like to finish my statement.

Mr. JONES of Texas. I do not want the gentleman to take all my time. The very statement of the gentleman is to the effect that here may be a man who has built his plant, has constructed it under a permit from the Secretary of Commerce; and yet the gentleman wants not only to give the full power in the hands of the Secretary but to say that the granting of that permit to build shall not impose any obligation or duty whatever to consider that fact in connection with granting a license to operate. It does seem to me that if the Secretary under these broad powers has given a company or a man notice that they may go ahead, that he may construct a station, that ought to be some persuasive argument, to say the least, that he should be granted a license to operate that station. Here is the point I am making—that if you do not give them that leeway, you certainly will put this in the hands of those people who have already tried to get control of the situation, and who have already constructed stations; because with that provision in the law no man is going to put any more money into a proposition of this kind if even when he builds a station under a permit he can not have any assurance that he will be permitted to operate.

May I suggest in this connection that there are very serious doubts as to the constitutionality of certain powers conferred in this bill. There is no doubt of the power of Congress to regulate interstate commerce, but that does not authorize legislation that would destroy that commerce or business. There is a distinction in legislation forbidding interstate shipments of liquors and narcotics—businesses that have inherent vices—and in prohibiting interstate business that is in its nature and essence legitimate. Here are broad powers in the exercise of which the Secretary might, if he saw fit, refuse any or all licenses and permits, and thus totally destroy all interstate activities in radio broadcasting. This, it seems to me, goes beyond the mere question of regulation.

Mr. EDMONDS. If a man could get a license to build a station anywhere he pleased, what would prevent one of these big corporations from seizing all the available localities and taking out permits and keeping them perpetually in their control?

Mr. JONES of Texas. The Secretary is given broad powers in other places of the bill to control who shall have a permit and who shall have a license; but here is the proposition: Here are the four big companies I mentioned awhile ago, which have a practical monopoly of this situation at the present time, apparently. You are putting a provision in the bill by the terms of which no man will dare enter into a business of this kind, no banker will dare advance money to a man who desires to go into the business, because, even though he does all he can, even though he goes down to the Secretary of Commerce and gets permission to construct this building, that fact is not persuasive, according to the language of the bill, on the Secretary of Commerce; but he can go ahead and say that it does not make any difference whatever. In fact, he is instructed to say that.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. BURTNESS. If the gentleman's amendment be adopted, would it as a matter of fact change the situation any?

Mr. JONES of Texas. Yes; it would leave the persuasive facts in this way: Suppose you gave me permission to construct a building. You are in control. I go ahead and construct it. If there are no instructions to you under the terms of the bill not to consider that fact when I go to get my license, you will be persuaded to some extent by the fact that you have licensed me; but now they instruct the Secretary that the granting of a permit to construct a station shall not of itself be construed to impose any duty at all. The fact that he may have constructed a station does not impose any duty whatever to consider that.

Mr. WHITE of Maine. Mr. Chairman, I rise in opposition to the amendment. This general provision was inserted in the bill, as I undertook to say a moment ago, in order to prevent ill-considered and unwise and unrestrained construction. As the law now is, any group of persons, any corporation, may proceed to erect a station wheresoever they see fit; they may spend an unlimited amount of money in the construction of the station itself; they may put into it the physical apparatus essential for the operation of a station, gather together their technical force, and then after having spent anywhere from \$1,000 to \$1,000,000 they can come down here to the Secretary of Commerce and say, "Here is what we have done; we have spent this money; we are ruined unless you give us this license," and they can practically force the hand of the Secretary of Commerce to grant a license. This provision is put in here so that there shall be some preliminary check, as I said, on ill-considered construction and so that in the first instance they may not go ahead and make these expenditures and get the Secretary into a position where he must as a matter of course yield to their importunities for a license. We recognize that the Secretary might grant a permit for a license, the station might be constructed, and then intervening events may happen which would make it impossible or improper for the Secretary to act further in the matter, and we simply put in this last clause as a saving clause so that there would be no presumption of obligation resting on the Secretary to go further in the matter, unless he then thought it was proper to issue the license, and that is all this does.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. MOORE of Virginia. I am supporting the bill, and my view is the same the gentleman entertains, so far as the question of appeal is concerned. Aside from the particular point to which the gentleman has just referred I call the attention of the gentleman to the provision in subsection (b), on page 12, to the effect that if the construction of the plant is not completed within the date specified automatically the permit shall expire, except in certain contingencies.

Mr. WHITE of Maine. Yes.

Mr. MOORE of Virginia. It seems to me that is a very drastic provision, and that the Secretary himself would wish to have a more liberal provision, one which would permit him to extend the time for construction in cases which in his opinion would justify him in doing so.

Mr. WHITE of Maine. The purpose of the committee was this: We did not want these permits kicking around underfoot indefinitely. We wanted them to have a definite life, and so we incorporated this provision in the bill. I think the situation may be met by a new application and a new permit.

Mr. MOORE of Virginia. Looking at the provision, the difficulty is that a man gets a permit, and, exceeding the time a little bit, is in default through causes which may have been technically within his control and yet not actually within his control, and he forfeits his permit automatically. He has to start over again.

Mr. WHITE of Maine. That is the provision; and we think he will be taken care of in the first instance by setting the last date far enough ahead into the future.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. BURTNESS. If I understand it, the gentleman's contention is that even with the language as the committee has carried it, and especially with the words "of itself," the fact of granting a permit would still be a persuasive argument in favor of granting a license, and that the only purpose is that it shall not be conclusive.

Mr. WHITE of Maine. Absolutely; and we assume that where a permit has been granted and there has been no radical change in the situation that the license will follow as a matter of course. But we do recognize that there may be a change in the situation of the parties or a change in the art or some other circumstance that would make it absolutely improper for the license to be granted.

Mr. BURTNESS. Of course, if the words were omitted, I presume that the situation would not be conclusive.

Mr. WHITE of Maine. No; but we are putting these in out of an abundance of caution.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Maine. Yes.

Mr. CHINDBLOM. If we now drop out this provision, it might be argued that the House disagreed with the purpose of these lines and intended that the Secretary of Commerce should feel some obligation to grant a license, and I think that would be dangerous.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. JONES of Texas. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JONES of Texas. Mr. Chairman, it seems to me that this is of very great importance. If the position of the gentleman from Maine [Mr. WHITE] is correct, then you do not need the language, because the Secretary would have all that power without the language which I offer to strike out. Under the terms as written, we are practically instructing the Secretary of Commerce that even though he may have issued a permit to construct a station or a building, that that fact shall not be considered by him in determining whether he will permit its operation.

Mr. WHITE of Maine. Not at all.

Mr. JONES of Texas. That is the practical meaning of the language. If you strike out this language he still has all the powers to grant or refuse the license or permit that he now has, but after you authorize him to control licenses and permits you put this provision in the bill:

The granting of this permit to construct a station as herein required shall not of itself be construed to impose any duty or obligation upon the Secretary to issue a license for the operation of such station.

With that provision in the bill no new concern can afford to go into the radio business. The American Telegraph & Telephone Co., through its arrangement with the General Electric, the Westinghouse Co., and the Radio Corporation are trying to get control of this situation. No doubt they would like a law so worded that nobody else would engage in the business. If we put in a provision to the effect that if a man builds a station with a permit from the Secretary of Commerce that fact shall not be considered in his favor in passing on the question of licensing him, there is not anybody who will go into the business. A man would be a fool, a consummate fool, if he put money into a radio corporation or plant or into any kind of a station if he knew he would operate under a law which instructed the Secretary of Commerce that the fact that he had constructed a plant with the permission of the Secretary of Commerce should not militate in his favor. It is a monstrous proposition, it seems to me. Of course you can not get money unless you have credit. What institution would advance money on such uncertainties?

Mr. CHINDBLOM. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Virginia: After the word "unless," in line 18, page 12, strike out the remainder of line 18 and all of line 19 to the end of the sentence and insert: "prevented by causes which in the opinion of the Secretary justify him in extending the time."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 5. An advisory committee is hereby established to whom the Secretary of Commerce shall refer for examination and report such matters as he may deem proper relating to: (a) The administration or changes in the laws, regulations, and treaties of the United States relating to radio communication; (b) the study of the scientific problems involved in radio communication, with the view of furthering its development; (c) the scientific progress in radio communication and use of radio communication.

The advisory committee shall consist of 15 members, of whom one shall be designated by the Secretary of State, one by the Secretary of the Treasury, one by the Secretary of War, one by the Secretary of the Navy, one by the Secretary of Agriculture, one by the Postmaster General, one by the Secretary of Commerce, and one by the chairman of the United States Shipping Board, to represent these departments, respectively, and seven members of recognized attainment in radio communication not otherwise employed in the Government service, to be designated by the Secretary of Commerce.

The necessary expenses of the members of the committee in going to, returning from, and while attending meetings of the committee, including clerical expenses and supplies, together with a per diem of \$25 to each of the six members not otherwise employed in the Government service, for attendance at the meetings, shall be paid from the appropriation made to the Department of Commerce for this purpose.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph on the top of page 14, for the reason, indirectly, it is an appropriation in direct conflict with section 5 of Rule XXI of this House—

The CHAIRMAN. The Chair will state that if there was an appropriation existing for this character of activity it would be a very close question, indeed, whether the paragraph would

not be violative of the rule forbidding any appropriations to be reported on a bill from a legislative committee. But as this advisory committee is a new institution entirely, for which no appropriation could have been carried heretofore, the Chair has no difficulty whatever in holding that it is not subject to the objection raised by the gentleman from Texas. If there had been in existence an advisory committee and an appropriation carried in existing law from which this fund could be paid, then it would be an indirect appropriation; but as there is no advisory committee existing and no appropriation available at the present time for that purpose it will require a distinctive appropriation to entitle these persons to their per diem as provided in this paragraph—

Mr. BLANTON. The Chair has not heard me. I am sure the Chair will let me finish.

The CHAIRMAN. The Chair may not allow the gentleman to finish but will accord a respectful hearing to the gentleman if the gentleman so desires.

Mr. BLANTON. I would like to be heard for a moment further.

The CHAIRMAN. The Chair will be glad to hear the gentleman further.

Mr. HICKS. Did the Chair render his decision?

Mr. BLANTON. The Secretary of Commerce now grants radio licenses; the Secretary of Commerce now has an advisory committee on the radio question; the Secretary of Commerce has an appropriation from which he pays that advisory committee.

The CHAIRMAN. Will the gentleman call the attention of the Chair to the appropriation which authorizes the Secretary of Commerce to pay any advisory committee?

Mr. BLANTON. He is paying it out of a lump-sum appropriation now granted in the appropriation bill making appropriations for the present fiscal year for the Department of Commerce. Now I want to call the attention of the Chair to the language. It does not say appropriations "to be made" for this department, something which would be an authorization in the future, but it says appropriation "made" to the Department of Commerce for this purpose, which is in the past tense, something which has been already done, an appropriation that is in existence, not something that is in the future, which makes it an indirect appropriation; and I call the attention of the Chair to this, that it involves a broader question than this particular bill. There is another bill to come from this committee that is in the same identical fix that makes an indirect appropriation of \$50,000 out of money that is now in a revolving fund, and I want to submit to the Chair that his decision goes further than this bill and should have careful consideration.

The CHAIRMAN. The Chair would be inclined to hold that it would be subject to the rule prohibiting appropriations being carried on a legislative bill if there was an appropriation now existing authorizing the expenditure of this fund. But as this is a new activity that has not been heretofore authorized by law, the Chair concludes that there is no such appropriation, and therefore overrules the point of order.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

Mr. WHITE of Maine. Mr. Chairman, I move to strike out the word "six" at the end of line 4, on page 14, and insert the word "seven." That is a clerical error.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maine.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Maine: Page 14, line 4, at the end of the line, strike out the word "six" and insert in lieu thereof the word "seven."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maine.

The amendment was agreed to.

Mr. TILSON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Connecticut.

The Clerk read as follows:

Amendment offered by Mr. TILSON: Page 14, line 3, after the word "committee," strike out all the remainder of line 3, all of lines 4 and 5, and all of line 6 down to and including the word "meetings."

Mr. TILSON. Mr. Chairman, this amendment simply cuts out the provision for clerical expenses, supplies, and the per diem of \$25 each to seven members not otherwise employed in the Government service, and leaves in the provision for the payment of the necessary expenses of the committee in going to and returning from and while attending the meetings. It seems to me that this is fair, and that we ought to pay such expenses.

Mr. BLANTON. I suggest to the gentleman from Maine that he accept that.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. ROACH. Mr. Chairman, I have an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. ROACH: Strike out all of section 5 down to and including the word "to" in line 8, page 13, and in lieu thereof insert the following: "An advisory committee is hereby established. Said advisory committee is hereby given full power and authority to review any decision, order, rule, or regulation made or issued by the Secretary of Commerce under the provisions of this act upon the written request so to do of any person, company, or corporation affected thereby, and upon such review the said advisory committee is hereby given full power and authority to confirm, modify, or reverse the action of the Secretary of Commerce with respect to any such decision, order, rule, or regulation. It shall be the duty of the Secretary of Commerce when any such review is requested in writing to immediately refer to said advisory committee the decision, rule, or regulation made or issued upon which a review is requested. Said advisory committee shall have full power and authority to and then shall immediately make such review and certify the results thereof to the Secretary of Commerce, and the decision therein made by said advisory committee shall be final. The Secretary of Commerce shall also refer to said advisory committee for examination and report such matters as he may deem proper relating to."

Mr. ROACH. Mr. Chairman and gentlemen of the committee, I am going to take only a moment of the committee's time in discussing this amendment. I want to say to the committee that I am for this legislation, and I shall be for it whether this amendment is adopted or not but I want to call the attention of the committee to the fact that we are dealing now with legislation that covers a great, big subject and affects a multitude of people—subject that is just in its infancy, undeveloped—and yet we are placing in the hands of one man arbitrary power and control over that vast subject, the subject of radio throughout the United States and its control.

Attention has been called to a recent act of this Congress, known as the packers' bill, subjecting the five great packing concerns of this country to regulation, supervision, and control, and that the right of appeal was granted in that instance. That is true. But here we have a subject affecting 110,000,000 people of this country, and we are placing the final decision of all questions relating to that subject—a new and undeveloped subject—in the hands of one man, with absolutely no appeal or review from any decision that he might render or any rule or regulation that he might issue affecting this matter. I believe that is going too far.

It seems to me that if the committee was willing to have an advisory committee as provided in this bill, and intrust to its consideration certain matters which are authorized to be referred to the committee for its consideration, they would likewise be willing for the committee to review and consider decisions, rules, and regulations made by the Secretary of Commerce, because no harm can certainly be done by it, as under the terms of the bill they are to be men who are informed on the subject that we are now legislating upon, and of which we ourselves know but very little, and I doubt if the Secretary of Commerce knows much more about it than we do.

Mr. BUTLER. Mr. Chairman, will it annoy the gentleman for me to ask him a question?

Mr. ROACH. No; not at all.

Mr. BUTLER. Under the amendment offered by the gentleman from Connecticut [Mr. TILSON] no compensation is allowed to these men, although they might sit all the time. The committee has agreed to pay them their expenses.

Mr. ROACH. If we have an advisory committee, and it has proper functions and powers, it will take cognizance of all this subject. The bill so provides. It seems to me there are certain matters that the Secretary of Commerce should refer to the committee from time to time. I am leaving that in the bill, namely, that the Secretary shall refer to this committee the study of scientific problems involved in radio communication, with a view to its further development; scientific progress in radio communication and its use, and so forth.

This particularly fits and qualifies the advisory committee to go into the question of any decision that the Secretary of Commerce may render. This particularly fits and qualifies the advisory committee to pass upon the wisdom of any rule or regulation that the Secretary of Commerce may issue, because they are studying the subject from a scientific standpoint. They are men who are qualified to study the subject to begin with, and they are peculiarly fitted and qualified to say whether the decision or rule or regulation issued by the Secretary of Commerce is a wise one. Here is a subject that covers the

air of the United States, that affects 110,000,000 people. New conditions are constantly arising. Developments are being made in this subject every day. Yet we are looking into the future and saying that this one man, who knows no more about it perhaps than we know, shall be allowed to make a final decision, and that his decision, whether arbitrary or not, shall be conclusive. It has been my experience and observation that when final and arbitrary power is placed in the hands of one man it is a mistake, no matter who that man is, and I am not willing to do that.

Mr. BANKHEAD. Will the gentleman yield?

Mr. ROACH. I yield to the gentleman from Alabama.

Mr. BANKHEAD. Under the gentleman's amendment, would any of these members of the advisory committee be appointed by the Secretary himself?

Mr. ROACH. Yes; one member is to be appointed by the Secretary. Here are the members of the advisory committee, as now provided for in the bill. They are set forth in the bill, one to be appointed by the Secretary of State, one by the Secretary of the Treasury, one by the Secretary of War, one by the Secretary of the Navy, one by the Secretary of Agriculture, one by the Postmaster General, one by the Secretary of Commerce, and one by the chairman of the United States Shipping Board.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. ROACH. These departments are all now operating great radio stations, and the men to be named on the advisory committee are peculiarly qualified to pass upon the wisdom of the decisions of the Secretary.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WHITE of Maine. Mr. Chairman, I rise in opposition to the amendment. It proposes an advisory committee of 15 men. I submit to the members of this House that if we give to that body of 15 men the power to review every action of the Secretary of Commerce, then we will never see anything done. It is absolutely necessary that there shall be action, and speedy action—I have said this over and over again—if we are to bring order out of the intolerable condition that exists to-day; and if every act of the Secretary must be reviewed by 15 men, who may have to be brought here from all sections of the country, then you will get nothing done.

Mr. ROACH. Will the gentleman yield?

Mr. WHITE of Maine. I yield to the gentleman from Missouri.

Mr. ROACH. This only requires the act of the Secretary from which an appeal is taken to be reviewed by the advisory committee.

Mr. BUTLER. But they will have to sit all the time. You can not get anybody to serve.

Mr. ROACH. I do not assume that every act of the Secretary is subject to review by this board, unless it is requested by the party affected.

Mr. WHITE of Maine. I move that all debate on this section and all amendments thereto close in two minutes.

The CHAIRMAN. The gentleman from Maine moves that all debate on this section and all amendments thereto close in two minutes. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Chairman, I think that the committee on reflection will agree with me that if it had been decided to be advisable to have any board of review or appellate jurisdiction in matters of the discretion of the Secretary, it certainly would have been infinitely better to have had an appeal to the courts of the country rather than to this nondescript, nonjudicial organization that is proposed here by the amendment of the gentleman from Missouri [Mr. ROACH]. No machinery is provided; no rules and regulations or provisions are made for this organization, and in view of the apparent judgment of the committee already expressed to have no review I think it would be particularly unwise to grant that power of review to such an organization as is here proposed. I hope the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. ROACH].

The amendment was rejected.

The Clerk read as follows:

Sec. 6. Radio telephone stations, the signals of which can interfere with ship communication, are required to keep a licensed radio operator, of a class to be determined by the Secretary of Commerce, listening in on the wave length designated for distress signals during the entire period the transmitter of such station is in operation.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word. I do this for the purpose of saying just a word, and I think I am through when I have finished these remarks.

I am very anxious, as every one of us is, to see the radio business developed as rapidly as possible and as freely as possible. It seems to me that gentlemen have rushed into legislation in the hope of curing a situation by legislation that is not curable in that manner. Under the law as we have it to-day we have a licensing system, so that any person or company desiring to engage in the business under the act of 1912 must secure a license. Under the powers granted in that bill, in section 2, every license shall be in such form and under such regulations as the Secretaries of Commerce and Labor may make. They can regulate the wave lengths and make any other regulations they see fit, and revoke the license of anybody who violates those regulations. They have issued a hundred pages of regulations. Now, the trouble has not been a matter of legislation. They have more power now in the hands of the Secretaries of Commerce and Labor than they are exercising. The trouble with this situation has been the confusion that has arisen over the tremendous growth of this business. This business has just gotten top-heavy by virtue of its tremendous growth. You can not clear up this confusion simply by passing a lot of legislation, especially when it is in line with powers heretofore that are not even now being exercised in full by the departments now in power.

Mr. BANKHEAD. In view of the universal protests that we are receiving from all the people of the country who are interested in this matter, is the gentleman content—

Mr. JONES of Texas. Not at all.

Mr. BANKHEAD. Wait a moment until I ask my question. Is the gentleman content that this Congress, and possibly the next Congress, shall sit supinely by and make no effort to correct it by legislation, but that we shall wait until we have the ultimate last word in radio legislation?

Mr. JONES of Texas. If the gentleman had been here the other day, he would have seen most clearly that that is not what I want to do. But we have legislation now giving more power than they are exercising. The committee, in their report, confess that this bill does not cover the situation; that they have not the facts by which they can cover the field; that they must bring in a makeshift measure here in the closing days of Congress, when it can not be given thorough consideration. When you once get a bill through which, according to its terms, will practically permit monopoly, then it is going to be hard to secure legislation of a proper kind. What I advocated the other day was that we let this go over until the next session, and in the meantime get all the facts we can which will enable us to handle the bill in a reasonable way, and in a way that will clear up this confusion. You are not going to clear up the confusion that has arisen under one bill by simply passing another bill which more or less elaborates what you have in the first bill, and, in addition thereto, has more strings around it and will tend to make confusion worse. Of course, I do not want the confusion to continue, but I want legislation passed here after the facts are fully developed.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. BUTLER. Does not the gentleman think that this gives human life greater security?

Mr. JONES of Texas. Oh, I do not think any such question as that is involved here. Here is the trouble with this measure. Under several sections I have read you are tending to discourage anybody from investing anything in the radio business. You are going to blanket it around in such a way that a man can not afford to engage in this business; an independent concern can not, and, at the same time, you have a measure that I do not believe will clear up the confusion, but will simply further the efforts of some of those trying to get control of the situation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto do now close.

The CHAIRMAN. Is there objection?

There was no objection.

EXCHANGE OF PROPERTY.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record by printing therein a proposed amendment to a bill which is to be considered to-morrow, the amendment being prepared by the committee, to be offered as a committee amendment, of which there has been no print.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to extend his remarks in the Record in the manner indicated. Is there objection?

Mr. BLANTON. Mr. Chairman, is that something that can be done in Committee of the Whole? Should not that be done in the House? I have no objection to it myself.

The CHAIRMAN. The Chair would state that just as a Member may proceed out of order in debate in Committee of the Whole, so may he extend his remarks out of order, by unanimous consent. Is there objection?

There was no objection.

Mr. HAWLEY. Mr. Chairman, the following is a committee amendment to section 202, subdivision (c), paragraph (1), intended to be offered to H. R. 13774 in lieu of lines 6, 7, 8, and 9, on page 1.

The part printed in 8-point type is the existing law; the part printed in small capitals is the amendment proposed to the existing law, and is submitted for the convenience of the Members.

"(1) When any such property, held for investment or for productive use in trade or business (not including stock in trade or other property held primarily for sale, AND IN THE CASE OF PROPERTY HELD FOR INVESTMENT, NOT INCLUDING STOCKS, BONDS, NOTES, CHOSES IN ACTION, CERTIFICATES OF TRUST OR BENEFICIAL INTEREST, OR OTHER SECURITIES OR EVIDENCES OF INDEBTEDNESS OR INTEREST), is exchanged for property of a like kind or use."

RADIO COMMUNICATION.

The Clerk read as follows:

SEC. 9. That the Secretary of Commerce is hereby authorized and directed to charge, and through the imposition of stamp taxes on applications, licenses, or other documents, or in other appropriate manner, to collect the fees specified in the schedule following. The Secretary shall collect said fees through the collectors of customs or other officers designated by him, and he may make such regulations as may be necessary to carry out the provisions of this section.

SCHEDULE OF FEES TO BE COLLECTED FOR TRANSMITTING STATIONS AND OPERATORS' LICENSES.

For transoceanic radio station license, \$300 per annum; for commercial land station license, other than transoceanic, 1 kilowatt transmitter input or less, \$50 per annum; and for each kilowatt or fraction thereof, \$5 per annum; for ship station license, \$25 per annum; for experiment station license, \$25 per annum; for technical and training school station license, \$15 per annum; for special amateur station license, \$10 per annum; for general and restricted amateur station license, \$2.50 per annum; for commercial extra first-class operator's license, \$2.50 per annum; for commercial first-class operator's license, \$1.50 per annum; for commercial second-class operator's license, \$1 per annum; for commercial cargo grade operator's license, 50 cents per annum; for experiment and instruction grade operator's license, \$1 per annum; for amateur first-grade operator's license, 50 cents per annum; for amateur second-grade operator's license, 50 cents per annum; for commercial extra first-class radio operator's examination for license, \$2.50 for each examination; for commercial first-class radio operator's examination for license, \$2 for each examination; for commercial second-class radio operator's examination for license, \$1.50 for each examination; for commercial cargo grade radio operator's examination for license, \$1 for each examination; for experiment and instruction grade radio operator's examination for license, \$1 for each examination; for amateur first-grade radio operator's examination for license, \$1 for each examination; for amateur second-grade radio operator's examination for license, 50 cents for each examination.

In the event that other classes of station and operators' licenses or other examinations shall hereafter be prescribed in any lawful manner, the Secretary of Commerce is hereby authorized and directed to charge and collect in the same manner as herein provided fees for such new classes of licenses and of examinations, which fees shall be substantially of the amount herein specified for the license and examination nearest in character and purpose to the new license or examination so prescribed.

For failure to pay at the time and in the manner specified by the Secretary of Commerce any of the above fees the Secretary of Commerce is authorized to refuse to issue such licenses; or, if issued, to suspend or revoke the same, as he may deem proper.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. We will pass this bill, I presume, in about 5 or 10 minutes, but before it passes I think we ought to wipe away a few of the cobwebs that our friends have interwoven into the argument. It has been suggested here that because certain ordinary Members of Congress who have sought to take part in this debate have insisted that there should be a court review for aggrieved parties where licenses have been revoked, denied, or suspended, they were operating in conjunction with certain big corporations simply because the corporations were the only ones to ask for that relief. Who else has had a chance to ask for the relief? Who among the thousands of amateurs—

Mr. CHINDBLOM. Does the gentleman want an answer to that question?

Mr. BLANTON. In just a minute—who among the thousands of amateurs in the State of Texas have had an opportunity to appear before the committee and ask for any such relief. I yield to the gentleman.

Mr. CHINDBLOM. The amateurs are represented before the committee by the heads of their organizations.

Mr. BLANTON. Oh, the gentleman's mind immediately goes to organizations. There are thousands and thousands of amateurs who have no connection whatever with any organization.

It is the great unorganized mass in the United States that I try to speak for here day after day, men who are not connected with any organization at all.

Mr. WHITE of Maine. Does the gentleman know how many amateurs there are and how many of them are in this organization which appeared before the committee?

Mr. BLANTON. I do not.

Mr. WHITE of Maine. I thought not.

Mr. BLANTON. But I know this: I know there are amateurs in Maine, that there are amateurs in Illinois, who are not represented by any organization and who are not represented when certain members of an organization appear before the committee.

Mr. KNUTSON. Does the gentleman contend that the committee should hear some sixteen or eighteen thousand of these people?

Mr. BLANTON. No; but that does not keep a Member of Congress from speaking for them.

Mr. KNUTSON. Oh, I realize they have lots of votes.

Mr. BLANTON. Oh, whenever one speaks of anything in the presence of the gentleman from Minnesota [Mr. KNUTSON] his mind immediately reverts to the question of votes. There is something besides votes to be thought of. I never think of votes. The votes in my district take care of themselves, and we ought to get our minds away from that subject.

The point I am trying to make is that there is a large number of unorganized citizens in the United States who are interested in the subject, who are going to have their rights taken away from them by this bill, and they will have to sneak up here to the Secretary of Commerce every time they want to turn around, and will then have no recourse to the courts in appealing from his decisions, which might be arbitrary.

Mr. BANKHEAD. Mr. Chairman, the gentleman from Texas [Mr. JONES] on several occasions during the course of this debate has, in a measure at least, reflected upon the character of consideration our committee gave this bill by asserting that we had rushed in here with a piece of ill-advised and makeshift legislation. I do not resent that on my own account because I am a member of the committee; but, lest his statement might find lodgment somewhere and leave a wrong impression, I think it is due to the committee and the membership of it, and especially to the subcommittee, to say that this whole question of revision of radio laws was first suggested by the President of the United States. He requested the Secretary of Commerce to call a conference of those who are interested in this great problem and who are seeking to remedy the present intolerable situation. That conference met in Washington, sat for a number of days. The personnel of that conference represented every possible element of public interest in this great activity, and they made recommendations to the Secretary of Commerce with reference to an amendment to the existing law of 1912. Instead of giving hasty consideration to this question, our committee held rather exhaustive hearings, to which all men in the country who are interested in this problem were invited to give their suggestions and to make their criticisms of the proposed bill—a bill, mark you, which had found its origin in the recommendations of these interested and public-spirited citizens who met in public conference held under the auspices of the Secretary of Commerce.

After we had given these hearings, after all parties had had the right to be heard, the subcommittee gave consideration to the framing up of this bill. It was subsequently ratified by the full committee; so that, instead of being subject to criticism of my friend from Texas, it seems to me that, taking the usual course of fair and conservative consideration, the committee, acting unanimously, desiring only to serve the public all over the country, have brought in a bill which, in our judgment, will in a measure remedy but not, of course, necessarily solve all the perplexing problems involved in this radio business.

Mr. JONES of Texas. Will the gentleman yield?

Mr. BANKHEAD. For a brief question.

Mr. JONES of Texas. If I left the impression the committee did not try to get the facts—

Mr. BANKHEAD. The gentleman did not only leave the impression but my friend made the charge—

Mr. JONES of Texas. Here is what I tried to say, and the committee itself in its report said, that the facts had not fully developed, that this was a growing business and had not been fully developed—

Mr. BANKHEAD. Does not the gentleman think the committee should be commended for its candor in that statement?

Mr. JONES of Texas. I certainly do; but they should not have presented a bill of this character in the closing days unless they had all the facts—

Mr. BANKHEAD. The closing days, when legislation is necessary, are as good days as any in which to pass such a measure.

Mr. KNUTSON. Will the gentleman yield?

Mr. BANKHEAD. I will.

Mr. KNUTSON. This measure is more or less technical. I am sure the committee drafted it after having given months of hearings. Now, would it not be dangerous to try to change the main features of this bill by amendments offered by men who merely had read the bill and who had practically no knowledge of what it contained?

Mr. BANKHEAD. In answer I will say to the gentleman I think the committee has shown pretty fair judgment in declining to accept amendments which were proposed. Now, just this: I am not usually given to indulge in flattery, but I know my friend the genial and able gentleman from Maine [Mr. WHITE], will accept what I am going to say. I feel that when a man in the public service here, on whichever side of the aisle he may be, has demonstrated by his toil and by his faithfulness and by his ability that he has wrought a real constructive service to his country that acknowledgement of it should properly be made, and I feel sure that I voice the sentiment of this side of the House, especially those who are much interested in this question, when I say that the country, I feel, is indebted to the gentleman from Maine, chairman of this subcommittee, for the fine attention [applause] that he has given to this subject and to this bill, which in a measurable degree at least reflects his zeal and his good judgment in reference to this legislation. [Applause.]

Mr. TILSON. Mr. Chairman, I move to strike out the last two words. Mr. Chairman, I wish to supplement what the gentleman from Alabama [Mr. BANKHEAD] has just said regarding the perhaps unintentional reflection made by the gentleman from Texas [Mr. JONES] in regard to this bill. It seems to me that if there ever was a bill brought into this House that had the right kind of consideration, this bill has had it. These gentlemen do not pretend to have arrived at the very last word on radio. Who has? It is greatly to their credit that they have candidly admitted that there is much yet to be learned on the subject. Who among us know more about it? With an earnestness and an industry most commendable this committee has gone to work. Both the majority and minority members, it has made no difference, have worked hand in hand and they have brought in a bill that reflects the very greatest credit upon all members of that committee who had any hand in the preparation of the bill. In addition to this the minority members have come into the House and here on the floor have helped to put this bill through against any opposition that might be brought against it. It seems to me, Mr. Chairman, that instead of being hasty legislation it has been very well advised. So far as its consideration has been concerned we have spent almost two entire days on it, although it is a short bill. Very few of its provisions have been contested at all. In fact, there have been only a few very minor matters that have been even suggested, after two whole days of debate, and none of these have commended themselves to the better judgment of the Committee of the Whole. It seems to me that the members of the Committee on Merchant Marine and Fisheries, and especially of the subcommittee in charge of this bill are entitled to the most sincere congratulation of every Member of this House for the fine work they have done on this bill.

Mr. CHINDBLOM. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in three minutes.

Mr. KNUTSON. We are having too much talk altogether.

The CHAIRMAN. Let the Chair state the motion of the gentleman from Illinois. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in three minutes.

The question was taken, and the motion was agreed to.

Mr. JONES of Texas. Mr. Chairman, I just want to rise in view of some things that have been stated. I do not think there is anyone who has more regard for the committee which reported this bill or for their efforts than I have. If in the heat of debate I said anything that reflected upon their activity, I assure them now it was not intentional, and the reference I made to hasty legislation was not intended to convey the impression that the committee did not prepare or did not go into the facts, but I used the word "hasty" in the sense that all the facts of the business have not developed to a point where legislation could be complete; that the facts were now in confusion, that the business was growing at a tremendous rate, and—

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. I regret I have not the time; otherwise I would yield. The business is growing at a tremendous rate, and I thought it was hasty to present legislation at this time. I am sure that the members of this committee, who are always earnest and hard working, gave thorough consideration to the measure, and found out all the facts that were obtainable and available at the present time, and have presented a bill that was perhaps the best that could be presented under the facts that are known at the present time. The point I was making was that in view of the tremendous growth and interest in this country of this new art the facts would probably clarify by the next session and a more complete bill could be presented by this committee, which I think is as well qualified as any committee in the House to do that work.

The CHAIRMAN. The gentleman's time has expired. The pro forma amendment will be withdrawn. The Clerk will read. The Clerk read as follows:

Sec. 10. Wherever the words "naval and military stations" appear in the act to regulate radio communication, approved August 13, 1912, said words "naval and military" shall be stricken out and the word "Government" substituted in place thereof.

Mr. WHITE of Maine. Mr. Chairman, I offer an amendment on page 18, line 4.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maine.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Maine: Page 18, line 4, after the word "stations," insert "and naval or military stations."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maine.

The amendment was agreed to.

Mr. WHITE of Maine. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maine.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Maine: Page 18, line 6, at the beginning of the line, insert "and naval or military."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maine.

The amendment was agreed to.

Mr. WHITE of Maine. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maine.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Maine: Page 18, line 6, after the word "Government," insert "owned or operated."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maine.

The amendment was agreed to.

Mr. CHINDBLOM. Mr. Chairman, there is a matter of correction of a word in line 6, page 18, to strike out the word "word" and insert in lieu thereof the word "words."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 18, line 6, strike out the word "word" and insert in lieu thereof the word "words."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 11. All acts or parts of acts in conflict with this act are hereby repealed.

Mr. TILSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TILSON: Page 18, lines 8 and 9, strike out all of section 11 and insert the following: "Sec. 11. Sections 1, 2, and 3 of an act to regulate radio communication, approved August 13, 1912, and all other acts or parts of acts in conflict with this act, are hereby repealed."

Mr. TILSON. Mr. Chairman, this completes what I undertook to do earlier in the consideration of the bill so far as correcting the numbering of the sections is concerned.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

Mr. TILSON. Now, Mr. Chairman, there remains the question of interior quotes. As printed, all the sections of the bill appear in quotation marks, as if quoted from some other act. As a matter of fact, except sections 1, 2, and 3, they were not

quoted from any other act. All the exterior quotation marks have been eliminated. It seems to me that the enrolling clerk should be authorized to put the proper quotation marks on the quotations actually made as the bill now stands. In other words, those are not now interior quotations and therefore should be inclosed within double quotes.

I ask unanimous consent that the Clerk be authorized to make the proper corrections in punctuation, so far as the quotation marks are concerned.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent that the Clerk be authorized to make the proper punctuation, so far as quotation marks are concerned only, throughout the bill. Is there objection?

There was no objection.

Mr. GREENE of Massachusetts. Mr. Chairman, I move that the committee do now rise and report the bill and amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The CHAIRMAN. The gentleman from Massachusetts moves that the committee rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. STAFFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13773) to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. GREENE of Massachusetts. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The SPEAKER. The gentleman moves the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

Mr. JONES of Texas. Mr. Speaker, will this bill be the first thing in order to-morrow, after the previous question is ordered, if a demand is made for the reading of the engrossed copy of the bill?

The SPEAKER. The Chair thinks so; yes.

Mr. JONES of Texas. I have a motion to recommit.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time.

Mr. JONES of Texas. Mr. Speaker, I wish to offer a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. JONES of Texas moves to recommit the bill to the Committee on the Merchant Marine and Fisheries with the instruction to report the same back to the House forthwith with the following amendment: Page 9, line 15, after the word "revocation," insert a new paragraph as follows:

"From any order of the Secretary of Commerce refusing, suspending, or revoking a license or permit, the person or corporation whose license or permit is refused, suspended, or revoked shall have the right to appeal to a court of competent jurisdiction for review, which court shall have the power to affirm, modify, or revoke such order: *Provided*, The order of the Secretary of Commerce in refusing, suspending, or revoking such license or permit shall not be suspended pending final action by such court."

Mr. GREENE of Massachusetts. I move the previous question on the motion to recommit.

The SPEAKER. The gentleman from Massachusetts moves the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit. The question being taken, the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill. The bill was passed.

On motion of Mr. GREENE of Massachusetts, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. GREENE of Massachusetts. We have two other bills from the Committee on the Merchant Marine and Fisheries.

The SPEAKER. The gentleman can call up any bill that he desires.

FUEL STATION, VIRGIN ISLANDS.

Mr. GREENE of Massachusetts. I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1771.

The SPEAKER. The gentleman calls up S. 1771, which the Clerk will report by title.

The Clerk read the title of the bill (S. 1771) to authorize the United States, through the United States Shipping Board, to acquire a site on Hazzell Island, St. Thomas, Virgin Islands, for a fuel and fuel-oil station and fresh-water reservoir for Shipping Board and other merchant vessels, as well as United States naval vessels, and for other purposes.

Mr. GREENE of Massachusetts. The bill is on the Union Calendar.

Mr. BLANTON. Mr. Speaker, I make the point of order that this bill contains a paragraph which is in violation of clause 5 of Rule XXI, in that it makes an indirect appropriation of money.

The SPEAKER. Of course, the only question is whether an appropriation out of the funds of the Shipping Board is an appropriation within the meaning of the rule.

Mr. EDMONDS. Mr. Speaker, this is not an appropriation out of the funds of the Shipping Board, but it is a direction to the Shipping Board to use certain funds already appropriated to the board for the purpose of acquiring the site of an oil-fuel station on the Virgin Islands. In the first place, I should like to call the attention of the Speaker to the fact that this is a Senate bill.

The SPEAKER. Does the gentleman state that the appropriation has already been made?

Mr. EDMONDS. A revolving fund for the operation of ships has been placed in the hands of the Shipping Board by Congress. This bill allows them to take a certain sum of money out of that revolving fund to purchase a fuel station on the Virgin Islands. It authorizes them to utilize the money for that purpose. It is an authorization to them.

The contention is that there would be a question as to the use of the appropriation for the purchase or permanent acquisition of a piece of ground. Not knowing themselves as to whether they have authority to utilize this money already appropriated for the purpose of buying a piece of ground, they came before Congress with this bill; and we are giving them the authority.

The SPEAKER. If the money has already been appropriated for that purpose it does not require any more legislation.

Mr. EDMONDS. It has been appropriated for operating ships; and the question in their minds is whether they can use that money, appropriated for the operation of ships, for the purchase or permanent acquisition of a piece of ground.

The SPEAKER. If it is already appropriated for the purchase of this ground, then this is unnecessary; and if it has not been appropriated, then why is not this an appropriation?

Mr. DOWELL. A reappropriation.

Mr. EDMONDS. There seems to be confusion in the minds of the Shipping Board as to whether they have the power to authorize the use of the money for the purchase of ground.

The SPEAKER. It seems to the Chair at first blush that we are facing this alternative: The gentleman says there is confusion. If the money has already been appropriated, this legislation is not necessary. If it has not been appropriated, why is not this an appropriation, and therefore against the rule? The Chair does not know whether it has been appropriated or not. The gentleman seems to think nobody knows.

Mr. EDMONDS. To my mind, the establishment of fuel stations around the world is a necessary part of the operation of a ship.

Mr. BLANTON. Will the Chair hear me a moment?

Mr. MADDEN. Mr. Speaker—

Mr. EDMONDS. I agree with the Chair, but the Treasury Department do not agree with the Chair. They think it is necessary to have some further authorization.

Mr. MADDEN. The Shipping Board have a fuel station there now, and all they want to do is to buy the station which they already have.

Mr. EDMONDS. That is true.

Mr. MADDEN. There is no money authorized by that law. They have been before our committee trying to get authority to buy the land, and we would not give it to them.

The SPEAKER. Does the gentleman from Illinois mean that his committee would not give it to them because they had no right to it?

Mr. MADDEN. Yes; and, besides that, we did not think they ought to buy this land. They have land there now.

The SPEAKER. Unless some one desires to argue the question further, the Chair sustains the point of order.

Mr. CHINDBLOM. One inquiry, Mr. Speaker. My impression is that the rule to which reference is now made applies as well to Senate bills which have been reported by a House committee as to House bills.

The SPEAKER. Certainly.

Mr. CHINDBLOM. If that is so, I have no suggestion to make.

Mr. KNUTSON. As I understand it, the money has already been appropriated, a lump sum, for the operation of the Shipping Board.

Mr. BLANTON. Yes; but not to buy land with.

Mr. KNUTSON. This would be an authorization to the Shipping Board to purchase land which they have leased.

The SPEAKER. The Chair thinks that would be an appropriation.

Mr. CHINDBLOM. Has the Chair ruled?

The SPEAKER. The Chair sustains the point of order.

ABOLITION OF CERTAIN OFFICES—STEAMBOAT INSPECTION SERVICE.

Mr. GREENE of Massachusetts. Mr. Speaker, I call up the bill (H. R. 12368) to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., and the office of one supervising inspector, Steamboat Inspection Service.

The SPEAKER. The gentleman from Massachusetts calls up the bill H. R. 12368. This bill is on the Union Calendar.

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole. I do not think it will provoke any debate whatever.

Mr. BLANTON. There will be some debate upon it. The gentleman is mistaken about that.

Mr. CHINDBLOM. Very well.

The SPEAKER. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the consideration of this bill, and the gentleman from Wisconsin [Mr. STAFFORD] will resume the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12368, with Mr. STAFFORD in the chair.

The Clerk reported the title of the bill.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield such time as he desires to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Chairman and gentlemen of the House, the title of this bill explains its purpose. It is a bill to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., and the office of one supervising inspector in the Steamboat Inspection Service. I dare say that it is rather unusual for the House to be requested to pass a bill abolishing offices and officers, but that is actually what is occurring in this instance, and the committee has reported the bill upon the recommendation of the Secretary of Commerce as well as of the President of the United States.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. If that is all there is to the bill there would be no objection from anyone, but by reason of the various paragraphs of the bill I for one want to be sure that that is all there is to it.

Mr. CHINDBLOM. I will say to the gentleman that this bill is an exact reproduction of the present law, with the changes which I have stated, that these two inspection districts are omitted and this one supervising inspector is dropped from the present law.

Mr. BLANTON. These provisions here, that in a number of collection districts named, covering part of page 2 and most of page 3, there shall be one inspector of hulls and one inspector of boilers, are all in the present law.

Mr. CHINDBLOM. That is correct. There is no change in existing law at all, except as I have stated.

Mr. BANKHEAD. Mr. Chairman, if the gentleman will yield for a moment, it will be necessary for me to retire from the Chamber before we dispose of this bill, in all probability. Speaking for the minority, I would say that this is a unanimous report from the committee. I took the matter up, as far as Apalachicola was concerned, with the Representative of that district, Mr. SMITHWICK, who informed me that he had made careful investigation of the facts and that the bill ought to be passed, as far as that district is concerned. Of course, I can not speak for the Vermont office. It seems to be a matter

of economy, and I hope there will be no trouble about passing the bill.

Mr. BLANTON. On page 4 of the bill, in lines 6 and 7, there is a provision that each local inspector shall receive \$2,100 a year. Is that any change from the present law?

Mr. CHINDBLOM. That is the present law.

Mr. BLANTON. There is no change in the matter of salary?

Mr. CHINDBLOM. None whatever.

Mr. BLANTON. Then the only change in the present law in this entire bill is the abolishing of these two districts mentioned and of one supervising inspector.

Mr. CHINDBLOM. Those are the only changes. We thought it better to reenact the present law than merely to strike out certain words of it.

Mr. BLANTON. So far as I am concerned, the chairman may move to rise at any time.

Mr. CHINDBLOM. I want to make this further statement: The enactment of this legislation will bring about a saving of \$4,200 per year for the salaries of two local inspectors and \$3,450 per year for the salary of one supervising inspector, besides the incidental expenses of maintaining the offices of the two collection districts. The Department of Commerce and the Steamboat Inspection Service have advised the committee that these offices and officers can be abolished without impairment of the service.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. CHINDBLOM. I do.

Mr. GREENE of Vermont. Burlington, Vt., happens to be in my district, or I happen to be representing the district in which Burlington, Vt., is situated—perhaps that is a better way to put it.

Mr. CHINDBLOM. Perhaps the committee should apologize for not conferring with the gentleman, but we understood there was no objection.

Mr. GREENE of Vermont. Will the gentleman be kind enough to have the RECORD show in his remarks somewhere some reference to the reason why the activity at Burlington should cease? It might satisfy some people not presently informed about it, because up to within a very short time they were more or less active there, as I understand it.

Mr. CHINDBLOM. I read from a letter dated August 29, 1922, addressed to myself, from Mr. D. N. Hoover, deputy supervising inspector general, Steamboat Inspection Service, on page 2 of the report of the committee, as follows:

In the Burlington, Vt., district there were inspected only 20 vessels, with a total gross tonnage of 3,825, and there were licensed only 27 men, of whom only 11 were examined, 16 being operators of motor vessels not requiring examination.

Then the letter goes on to say:

In the case of both of these districts it may be stated, first, with reference to Apalachicola, Fla., that no hardship was worked to the incumbents of the positions as local inspectors, because one was placed as an assistant inspector of hulls at Galveston, Tex., and the other was placed as an assistant inspector of boilers at Mobile, Ala.; and in the case of the Burlington office, the positions there were entirely vacant, the position of local inspector of boilers being made vacant by the retirement of Mr. Andrew I. Goodhue, and the position of local inspector of hulls being made vacant by the death of Capt. Charles A. Potter, so that no personal hardship was worked in either instance.

No "deserving" gentlemen, whether such personally, politically, or officially, have lost their positions.

Mr. GREENE of Vermont. May I suggest to the gentleman, that as a further confirmation of his always intelligent remarks on subjects like this, the fact is that this gentleman, Mr. Goodhue, consenting by his resignation to this economy of Government, is the father-in-law of the Vice President of the United States. [Applause.] The administration is behind this in more ways than one.

Mr. CHINDBLOM. Here is a letter, set out in the report, from the President, dated Washington, August 8, 1922, and addressed to the gentleman from Massachusetts [Mr. GREENE]:

THE WHITE HOUSE,
Washington, August 8, 1922.

Hon. WILLIAM S. GREENE,
Chairman Committee on the Merchant Marine and Fisheries,
House of Representatives.

MY DEAR CONGRESSMAN GREENE: I am inclosing herewith a bill submitted to me by the Department of Commerce, with the recommendation of that department that it be enacted by the Congress. The bill abolishes two steamboat-inspection offices, one at Apalachicola, Fla., and the other at Burlington, Vt., and abolishes the office of one supervising inspector located under the existing statutes at Pittsburgh. This office, however, is now vacant, and there are no incumbents in any of the offices which it is proposed to abolish. I am very glad to recommend the enactment to the favorable consideration of Congress. It is quite in line with abolishing needless offices and confirming the program of economy.

Very truly yours,

WARREN G. HARDING.

Mr. SEARS. Will the gentleman yield?

Mr. CHINDBLOM. I will.

Mr. SEARS. Was a similar letter written to my colleague from Florida; I do not see it in the report.

Mr. CHINDBLOM. I do not know; maybe it was. Mr. BANKHEAD, of Alabama, stated a little while ago that he conferred with Mr. SMITHWICK, who was familiar with this bill and was agreeable to the passage of the bill.

The CHAIRMAN. No gentleman desiring recognition, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 4404 of the Revised Statutes of the United States, as amended by the act of Congress approved July 2, 1918, be, and is hereby, amended by striking out the word "eleven" in the first line of the section and substituting therefor the word "ten," so that the section as amended shall read as follows:

"Sec. 4404. There shall be 10 supervising inspectors, who shall be appointed by the President, by and with the advice and consent of the Senate. Each of them shall be selected for his knowledge, skill, and practical experience in the uses of steam for navigation, and shall be a competent judge of the character and qualities of steam vessels and of all parts of the machinery employed in steaming. Each supervising inspector shall be entitled to a salary of \$3,450 a year, and his actual necessary traveling expenses while traveling on official business assigned him by competent authority, together with his actual and reasonable expenses for transportation of instruments, which shall be certified and sworn to under such instructions as shall be given by the Secretary of Commerce."

Sec. 2. That the first paragraph of section 4414 of the Revised Statutes of the United States, as amended by the act of Congress approved July 2, 1918, be, and is hereby, amended by striking out the words "Apalachicola, Fla.," and "and Burlington, Vt.," and by inserting the word "and" immediately before the words "Point Pleasant," so that the said paragraph as amended shall read as follows:

"Sec. 4414. There shall be in each of the following collection districts, namely, the districts of Philadelphia, Pa.; San Francisco, Calif.; New London, Conn.; Baltimore, Md.; Detroit, Mich.; Chicago, Ill.; Bangor, Me.; New Haven, Conn.; Michigan, Mich.; Milwaukee, Wis.; Willamette, Oreg.; Puget Sound, Wash.; Savannah, Ga.; Pittsburgh, Pa.; Oswego, N. Y.; Charleston, S. C.; Duluth, Minn.; Superior, Mich.; Galveston, Tex.; Mobile, Ala.; Providence, R. I.; and in each of the following ports: New York, N. Y.; Jacksonville, Fla.; Tampa, Fla.; Portland, Me.; Boston, Mass.; Buffalo, N. Y.; Cleveland, Ohio; Toledo, Ohio; Norfolk, Va.; Evansville, Ind.; Dubuque, Iowa; Louisville, Ky.; Albany, N. Y.; Cincinnati, Ohio; Memphis, Tenn.; Nashville, Tenn.; St. Louis, Mo.; Port Huron, Mich.; New Orleans, La.; Los Angeles, Calif.; Juneau, Alaska; St. Michael, Alaska; and Point Pleasant, W. Va.; Honolulu, Hawaii; and San Juan, P. R.; one inspector of hulls and one inspector of boilers."

Sec. 3. That the seventh paragraph of section 4414 of the Revised Statutes of the United States, as amended by the act of Congress approved July 2, 1918, be, and is hereby, amended by striking out the words "and Apalachicola, Fla.," and "Burlington, Vt.," and by inserting the word "and" immediately before the word "Bangor," so that the said paragraph as amended shall read as follows:

"For the districts of Pittsburgh, Pa.; New Haven, Conn.; Savannah, Ga.; Charleston, S. C.; Galveston, Tex.; New London, Conn.; Superior, Mich.; and Bangor, Me.; and the ports of Dubuque, Iowa; Toledo, Ohio; Evansville, Ind.; Memphis, Tenn.; Nashville, Tenn.; Point Pleasant, W. Va.; Jacksonville, Fla.; Tampa, Fla.; Louisville, Ky.; and Cincinnati, Ohio; at the rate of \$2,100 per year for each local inspector."

Mr. GREENE of Massachusetts. Mr. Chairman, I move that the committee do now rise and report the bill to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. STAFFORD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 12368 had directed him to report the same back without amendment, with the recommendation that the bill do pass.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. GREENE of Massachusetts, a motion to reconsider the vote by which the bill was passed was laid on the table.

ENROLLED BILL SIGNED.

Under clause 2, Rule XXIV, the Committee on Enrolled Bills reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 6294. An act promoting civilization and self-support among the Indians of the Mescalero Reservation in New Mexico.

The SPEAKER announced his signature to enrolled joint resolutions and bill of the following titles:

S. J. Res. 79. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic;

S. J. Res. 12. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic; and

S. 472. An act for the relief of William B. Lancaster.

LEAVE OF ABSENCE.

By unanimous consent, Mr. Box was granted leave of absence for three days, on account of personal illness.

ADJOURNMENT.

The SPEAKER. Has the Committee on the Merchant Marine and Fisheries any further business?

Mr. GREENE of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 23 minutes p. m.) the House adjourned to meet to-morrow, Thursday, February 1, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

935. A letter from the president of the Capital Traction Co., transmitting a report of receipts and disbursements of the Capital Traction Co. for the year 1922; to the Committee on the District of Columbia.

936. A letter from the president of the Georgetown Gas Light Co., transmitting a detailed statement of the business of the Georgetown Gas Light Co., together with a list of stockholders, for the year ended December 31, 1922; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GREENE of Vermont: Committee on Military Affairs. S. 4036. An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department; without amendment (Rept. No. 1484). Referred to the House Calendar.

Mr. MAPES: Committee on Interstate and Foreign Commerce. H. R. 13032. A bill to authorize the sale of the Montreat River Lighthouse Reservation, Mich., to the Gogebic County Board of the American Legion, Bessemer, Mich.; with amendments (Rept. No. 1485). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on the Public Lands. S. 3702. An act providing for the acquirement by the United States of privately owned lands situated within certain townships in the Lincoln National Forest, in the State of New Mexico, by exchanging therefor lands on the public domain also within such State; without amendment (Rept. No. 1486). Referred to the Committee of the Whole House on the state of the Union.

Mr. HULL: Committee on Military Affairs. S. 3332. An act to provide for a grant to the city of Boise, in the State of Idaho, of the use of a certain part of the Boise Barracks Military Reservation under certain conditions; without amendment (Rept. No. 1493). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUTLER: Committee on Naval Affairs. H. R. 14069. A bill to increase the efficiency of the United States Navy, and for other purposes; without amendment (Rept. No. 1494). Referred to the Committee of the Whole House on the state of the Union.

Mr. HICKS: Committee on Naval Affairs. H. R. 14086. A bill authorizing the acquisition of certain sites for naval aviation stations; without amendment (Rept. No. 1495). Referred to the Committee of the Whole House on the state of the Union.

Mr. GOODYKOONTZ: Committee on the Judiciary. H. R. 13927. A bill for the establishment of a United States Industrial Home for Women at Mount Weather, Va.; without amendment (Rept. No. 1496). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SINNOTT: Committee on the Public Lands. H. R. 10041. A bill for the relief of certain ex-service men; without amendment (Rept. No. 1487). Referred to the Committee on the Whole House.

Mr. BURTNESS: Committee on the Public Lands. H. R. 6577. A bill authorizing the conveyance of certain land in the State of South Dakota to the Robert E. Kelley Post No. 79, American Legion, South Dakota; with an amendment (Rept. No. 1488). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 8871. A bill for the relief of Richard Andrews; with an amendment (Rept. No. 1489). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 1227. A bill for the relief of Frank G. Emmes; with an amendment (Rept. No. 1490). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 14091. A bill for the relief of the Compagnie Francaise des Cables Telegraphiques; without amendment (Rept. No. 1491). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. S. 2294. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Alaska Commercial Co., a corporation, and the amount expended by it from November 5, 1920, to April 18, 1921, in repairing and rebuilding the wharf belonging to said company at Dutch Harbor, Alaska, which wharf was damaged and partially destroyed on or about November 5, 1920, through collision therewith of the United States steamship *Saturn*, United States Navy, and to render judgment therefor; with amendments (Rept. No. 1492). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ALMON: A bill (H. R. 14110) to amend the tariff act of 1922; to the Committee on Ways and Means.

By Mr. LAMPERT: A bill (H. R. 14111) to amend the patent and trade-mark laws, and for other purposes; to the Committee on Patents.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 14112) to repeal the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 14113) to repeal the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. KAHN: A bill (H. R. 14114) to amend the proviso touching qualification as aircraft pilot or observer in section 13a of the national defense act, as amended; to the Committee on Military Affairs.

Also, a bill (H. R. 14115) to amend the national defense act approved June 13, 1916, as amended by the act of June 4, 1920, relating to retirement, and for other purposes; to the Committee on Military Affairs.

By Mr. ZIHLMAN: A bill (H. R. 14116) to control the possession, sale, and use of pistols and revolvers in the District of Columbia, to provide penalties, and for other purposes; to the Committee on the District of Columbia.

By Mr. WYANT: A bill (H. R. 14117) to provide for the acquisition of a site and the erection of a post-office building in the borough of Scottdale, Westmoreland County, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. ROUSE: A bill (H. R. 14118) to amend an act entitled "An act to reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis," approved June 5, 1920, as amended June 19, 1922, providing for leaves of absence; to the Committee on the Post Office and Post Roads.

By Mr. BUTLER: A bill (H. R. 14119) to repeal section 1481 of the Revised Statutes; to the Committee on Naval Affairs.

By Mr. CHRISTOPHERSON: A bill (H. R. 14120) to limit and fix the time within which suits may be brought or rights asserted in court arising out of the provisions of subdivision 3 of section 302 of the soldiers and sailors' civil relief act approved March 18, 1913, being chapter 20, volume 40, General Statutes of the United States; to the Committee on the Judiciary.

By Mr. GARRETT of Tennessee: A resolution (H. J. Res. 429) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. PORTER: A resolution (H. J. Res. 430) requesting the President to urge upon the governments of certain nations the immediate necessity of limiting the production of habit-forming narcotic drugs and the raw materials from which they are made to the amount actually required for strictly medicinal and scientific purposes; to the Committee on Foreign Affairs.

By Mr. RAMSEYER: Memorial of the Legislature of the State of Iowa urging certain amendments to the Federal farm loan act; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Iowa relative to the valuation of railroads; to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH: Memorial of the Legislature of the State of Oregon urging that Congress submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE: A bill (H. R. 14121) granting an increase of pension to Patterson Reese; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 14122) granting a pension to Charles Fuhr; to the Committee on Pensions.

Also, a bill (H. R. 14123) granting an increase of pension to William C. McCally; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14124) granting a pension to Leota Dell Sharp; to the Committee on Invalid Pensions.

By Mr. FAIRCHILD: A bill (H. R. 14125) for the relief of Michael J. Leo; to the Committee on Claims.

By Mr. FOSTER: A bill (H. R. 14126) granting a pension to Mary Jane Elson; to the Committee on Invalid Pensions.

By Mr. KELLER: A bill (H. R. 14127) for the relief of John Adolph Danielson; to the Committee on Naval Affairs.

By Mr. LANGLEY: A bill (H. R. 14128) granting an increase of pension to John P. Arnett; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 14129) granting a pension to Calvin E. Champlin; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 14130) granting an increase of pension to Sarah Brown; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 14131) granting a pension to Joseph W. Storer; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7119. By the SPEAKER (by request): Petition of the District of Columbia Congress of Mothers and Parent-Teachers Associations, Washington, D. C., favoring the enactment into law of the teacher's salary bill and the compulsory education bill; to the Committee on the District of Columbia.

7120. By Mr. CULLEN: Petition of Illinois Manufacturers' Association, opposing the cancellation of any of the debts owed to the United States by European countries; to the Committee on Foreign Affairs.

7121. Also, petition of Alfred E. Smith, Governor of the State of New York, favoring a Senate bill amending the national banking act; to the Committee on Banking and Currency.

7122. By Mr. HICKEY: Petition signed by Mr. C. A. Faherty and others, of Notre Dame, Ind., in support of the resolution pending before Congress to provide food supplies for the people of the famine regions of the German and Austrian Republics; to the Committee on Foreign Affairs.

7123. Also, petition of A. G. Fischer and others, of Michigan City, Ind., asking that sufficient food supplies be furnished by the United States Government for the immediate use of people in the famine regions of the German and Austrian Republics; to the Committee on Foreign Affairs.

7124. Also, petition from Rev. J. M. Scherer and other citizens, of South Bend, Ind., asking the United States Government to provide for the purchase of sufficient food supplies for the immediate use of people in the famine-stricken regions of the German and Austrian Republics; to the Committee on Foreign Affairs.

7125. Also, petition by Women's Missionary Society and Women's Literary Society, of Winona Lake, Ind., against the passage by the House of Senate bill 3855; to the Committee on Indian Affairs.

7126. By Mr. KETCHAM: Petition of 71 citizens of Sturgis, Mich., favoring purchase of food supplies for starving people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7127. By Mr. KISSEL: Petition of Civil Employees' Association of the World War Veterans of the State of New York (Inc.), New York City, N. Y., urging the members of the House Military Affairs Committee to report the Bursum bill, S. 1565; to the Committee on Military Affairs.

7128. By Mr. MacGREGOR: Petition of the Chicago Turn Gemeinde, urging that the President of the United States be requested to intervene with France in its occupation of Germany and take such steps as will produce normal conditions again; to the Committee on Foreign Affairs.

7129. Also, petition of the city council of Buffalo, N. Y., favoring the immediate enactment of Senate bill 3695 or House bill 11939, the latter, however, so amended as to validate, or permit the validation of, taxes already levied; to the Committee on Banking and Currency.

7130. Also, petition of citizens of the forty-first congressional district of New York, urging that aid be granted to the indigent people of Germany and Austria; to the Committee on Foreign Affairs.

7131. Also, petition of the National Protective Life Association, East Side Legion 899, favoring aid being extended to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7132. By Mr. McLAUGHLIN of Michigan: Petition of members of the Rural Letter Carriers' Association of Wexford County, Mich., favoring the adoption of House bill 13297 relative to the salaries and extra allowance for maintenance of equipment of rural carriers; to the Committee on the Post Office and Post Roads.

7133. Also, petition of 94 citizens of Michigan, favoring the extension of aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7134. By Mr. NEWTON of Minnesota: Petition of Hall Hardware Co., of Minneapolis, and other residents of Minnesota, petitioning the Congress for removal of ammunition-tax provision from internal revenue act; to the Committee on Ways and Means.

SENATE.

THURSDAY, February 1, 1923.

(Legislative day of Monday, January 29, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE WASHINGTON RAILWAY & ELECTRIC CO.

Mr. BALL. Mr. President, the junior Senator from Tennessee [Mr. McKELLAR], in discussing an amendment to the District of Columbia appropriation bill a few days ago, made some statements relative to the Washington Railway & Electric Co. and their fares. I have a communication from the president of the company which I ask may be read.

The VICE PRESIDENT. The Secretary will report the communication.

The communication was read as follows:

WASHINGTON RAILWAY & ELECTRIC CO.,
Washington, D. C., January 29, 1923.

Hon. L. HEISLER BALL,
United States Senate, Washington, D. C.

MY DEAR SENATOR: With reference to the discussions that have recently taken place on the floor of the Senate with regard to 5-cent car fare and tickets at the rate of six for 25 cents, I thought you might be interested to know that our expenses within the District of Columbia, without any interest charges or return upon investment, amounted during the year 1922 to 6.26 cents per pay passenger, divided as follows:

	Cents.
Maintenance way and structures	1.35
Maintenance equipment	.73
Power	.57
Conducting transportation	2.33
General and miscellaneous	.78
Taxes	.47
Miscellaneous items	.03
Total	6.26

With an 8-cent fare and tickets at the rate of six for 40 cents, the average fare per pay passenger is slightly less than 7 cents, leaving, as you see, a very small margin for return upon investment, and, of course, establishing beyond peradventure that any reduction in fare under existing conditions is out of the question, much less a return to the pre-war rates of fare. Wages, coal, and substantially all materials and supplies cost us about 100 per cent more than before the war.

Noting that the Senators from Tennessee and Alabama have been outspoken in their criticism of existing conditions, you might be interested to know that in the four largest cities in Tennessee and the two largest in Alabama the fares are as follows:

TENNESSEE.

Nashville: Fare, 7 cents straight; wages, 38 cents to 48 cents per hour.

Memphis: Fare, 7 cents straight; wages, 38 to 48 cents per hour.

Chattanooga: Fare, 7 cents straight; wages, 41 cents to 46 cents per hour.

Knoxville: Fare, 6 cents straight; wages 41 to 47 cents per hour.

WASHINGTON.

Fare, 8 cents straight, six tokens for 40 cents; wages, 51 cents to 61 cents per hour.

ALABAMA.

Birmingham: Fare, 8 cents cash, 15 tickets \$1, transfer charge 2 cents; wages, 40 cents to 50 cents per hour.

Mobile: Fare, 8 cents cash, ticket rate 7 cents, transfer charge 1 cent; wages, 39 cents to 46 cents per hour.

All of the above cities have overhead trolley construction, whereas we have underground construction, which, as you know, costs two or three times as much to construct and maintain, and besides have a wage scale for trainmen from 51 cents to 56 cents per hour.

I am also taking the liberty of forwarding you a copy of our report to stockholders for the year 1922.

Would like to ask if you think any other Senators would be interested in receiving the above information or report?

Sincerely yours,

W. F. HAM, President.

DEPARTMENTAL USE OF AUTOMOBILES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Navy, in response to Senate Resolution 399, agreed to January 6, 1923, reporting relative to the number and cost of maintenance of passenger-carrying automobiles in use by the Navy Department and the Marine Corps, which was ordered to lie on the table.

WASHINGTON GAS LIGHT CO.

The VICE PRESIDENT laid before the Senate a communication from the vice president of the Washington Gas Light Co., transmitting, pursuant to law, a detailed statement of the business of the company for the year ended December 31, 1922, together with a list of its stockholders, which was referred to the Committee on the District of Columbia.

POTOMAC ELECTRIC POWER CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Potomac Electric Power Co., transmitting, pursuant to law, the report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

WASHINGTON RAILWAY & ELECTRIC CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Washington Railway & Electric Co., transmitting, pursuant to law, the report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

WASHINGTON INTERURBAN RAILROAD CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Washington Interurban Railroad Co., transmitting, pursuant to law, the report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

CITY & SUBURBAN RAILWAY OF WASHINGTON.

The VICE PRESIDENT laid before the Senate a communication from the president of the City & Suburban Railway of Washington, transmitting, pursuant to law, the report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

GEORGETOWN & TENNALLYTOWN RAILWAY CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Georgetown & Tennallytown Railway Co., transmitting, pursuant to law, the report of the company for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

WASHINGTON & OLD DOMINION RAILWAY.

The VICE PRESIDENT laid before the Senate a communication from the president of the Washington & Old Dominion Railway, stating that the annual report, as required by law, of the railway for the year 1922 is delayed owing to the illness of the treasurer, but that it will be submitted at the earliest possible moment, which was referred to the Committee on the District of Columbia.

PETITIONS.

Mr. ROBINSON presented petitions of sundry citizens of Scranton, Coal Hill, and Hartman, all in the State of Arkansas, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Appropriations.

Mr. NELSON presented a resolution of the Parent-Teacher Association of the school of East Lake, Ga., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

ELEPHANT BUTTE IRRIGATION DISTRICT.

Mr. McNARY, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 4232) authorizing the Secretary of the Interior to enter into a contract with the Elephant Butte irrigation district of New Mexico and the El Paso County improvement district No. 1 of Texas for the carrying out of the provisions of the convention between the United States and Mexico, proclaimed January 16, 1907, and providing compensation therefor, reported it with amendments and submitted a report (No. 1080) thereon.

ACCOUNTS OF ARMY DISBURSING OFFICERS.

Mr. WADSWORTH. The bill (H. R. 11528) to allow credits in the accounts of certain disbursing officers of the Army of the United States has been referred to the Committee on Mil-

tary Affairs. I think the unbroken custom of the Senate has been that a bill of this character should be referred to the Committee on Claims. I therefore, out of order, ask unanimous consent that the Committee on Military Affairs be discharged from the further consideration of the bill and that it be referred to the Committee on Claims.

The PRESIDING OFFICER (Mr. BROOKHART in the chair). Without objection, it is so ordered.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on January 31, 1923, they presented to the President of the United States the following enrolled bills and joint resolutions:

- S. 472. An act for the relief of William B. Lancaster;
- S. 841. An act for the relief of Elizabeth Marsh Watkins;
- S. 1690. An act to correct the naval record of John Sullivan;
- S. 1945. An act to reimburse the Navajo Timber Co., of Delaware, for a deposit made to cover the purchase of timber;
- S. 2210. An act for the relief of Lucy Paradis;
- S. 2556. An act for the relief of Edwin Gantner;
- S. 2719. An act to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.;
- S. 4309. An act to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish a Hawaiian homes commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921;
- S. J. Res. 12. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic; and
- S. J. Res. 79. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to take over and dispose of 5,000 tons of sugar imported from the Argentine Republic.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 4455) granting an increase of pension to Mary L. Grovener (with accompanying papers); to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 4456) to provide for the establishment and maintenance of a forest experiment station in cooperation with the University of Tennessee, Knoxville, Tenn.; to the Committee on Agriculture and Forestry.

By Mr. RANSDELL:

A bill (S. 4457) for the relief of Joseph William Hanley; to the Committee on Claims.

By Mr. FRELINGHUYSEN:

A bill (S. 4458) for the relief of Joy Bright Little; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 4459) for the relief of Allan MacRossie, jr.; to the Committee on Claims.

By Mr. NORRIS:

A bill (S. 4460) for the relief of Moses Y. Starbuck; to the Committee on Civil Service.

By Mr. MCKINLEY:

A bill (S. 4461) authorizing a preliminary examination of the Illinois River; and

A bill (S. 4462) to continue the improvement of the Mississippi River and for the control of its floods; to the Committee on Commerce.

By Mr. SPENCER:

A bill (S. 4463) to authorize the erection of a memorial monument or fountain as a gift to the people of the United States by the Henry B. F. Macfarland Memorial Committee; to the Committee on the Library.

JURISDICTION OF THE COURT OF CLAIMS.

Mr. SHIELDS submitted an amendment intended to be proposed by him to the bill (S. 2228) to amend certain sections of the Judicial Code relating to the Court of Claims, which was ordered to lie on the table and to be printed.

RURAL-CREDIT FACILITIES.

Mr. HARRIS, Mr. SMITH, and Mr. ROBINSON submitted amendments intended to be proposed by them to the bill (S. 4287) to provide credit facilities for the agricultural and live-

stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. TRAMMELL submitted two amendments intended to be proposed by him to the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENTS TO WAR DEPARTMENT APPROPRIATION BILL.

Mr. STERLING submitted an amendment proposing to strike from the bill the additional proviso that hereafter civilians employed in the hostess and library services and paid from the appropriation for military post exchanges may be appointed by the Secretary of War without reference to civil-service rules and regulations, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

Mr. SPENCER submitted an amendment providing that hereafter the Engineer officer in charge of public buildings and grounds shall, during the term of his office, have the rank, pay, and allowance of a brigadier general, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

RATES OF TAXATION ON EARNED AND UNEARNED INCOME.

Mr. HARRIS. Mr. President, when the revenue bill was before the Senate I offered an amendment providing a difference in the rate of taxation on earned and unearned incomes. A man who labors to earn an income which barely supports his family should not be taxed as much as one whose income is from bonds and rents and who does not have to labor. I desire to place in the RECORD at this time a letter from the committee of manufacturers and merchants on Federal taxation in regard to the matter.

I want to quote Theodore Roosevelt, who, in the Century Magazine of October, 1913, said:

We believe in a heavily graded income tax that discriminates sharply in favor of the earned as compared with the unearned incomes.

William G. McAdoo, Secretary of the Treasury at the time the income tax law was put into force, said:

The time has arrived when earned incomes should be distinguished from the unearned and taxed at a lower rate.

I realize we can do nothing about the matter at this session, but at the next session of Congress I shall offer some measure of relief in the hope that something may be done.

I ask that the letter to which I have referred may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE OF MANUFACTURERS AND
MERCHANTS ON FEDERAL TAXATION (INC.),
Chicago.

QUESTION: SHOULD EARNED INCOMES BE TAXED AT THE SAME RATE AS UNEARNED INCOMES?

DEAR SENATOR HARRIS: This organization believes that the time has come when, in addition to the graduated feature of our present income tax, a distinction must be made between incomes that are earned and incomes that are unearned, and the earned incomes taxed at a lower rate than the unearned.

We believe that unless this is done the whole industrial organism will eventually go on the rocks.

It is now clear that our present income tax, which makes no distinction between the two kinds of incomes, but which taxes both earned and unearned at the same rate, produces three very grave results:

- (1) It penalizes the "producers" and rewards the "nonproducers."
- (2) It subtracts from the purchasing power of the large majority, decreases the market and cripples business and industry.
- (3) It tends to concentrate wealth instead of distributing it.

That the income tax law as it now stands penalizes the "producers" and rewards the "nonproducers" is clear, because it taxes the earnings of the farmer, the earnings of the laborer, the earnings of the merchant, manufacturer, lumberman, mine operator, and professional man—in short, the earnings of all "workers," dollar for dollar, as heavily as it taxes the incomes of those who render no service in return—such as the receivers of our ever-increasing rents of ground, annuities, royalties of natural resources, and interest on stocks and bonds based upon the rich gifts of nature.

That our present income tax also cripples business and industry is evident, because, falling heavily as it does upon all laboring, agricultural, commercial, industrial, and professional classes, it cuts down the purchasing power of the vast majority of our consumers and thereby diminishes the market for all goods produced.

Finally, that our present income tax tends to concentrate wealth instead of distributing it is true, because its effect is to impoverish those who are already poor and to enrich still more those who are already rich.

Earned incomes are not the basis of "big fortunes"; the unearned incomes are. By overtaxing our farming, lumbering, mining, merchandizing, manufacturing, and professional classes, therefore, the

present law tends to discourage production and to cut down still further the already insufficient incomes of these various classes.

On the other hand, by undertaxing the beneficiaries of monopoly and special privilege—the receivers of ground rents, royalties, and interest on stocks and bonds based upon the free gifts of nature, the present law tends to foster monopoly, stimulate the spread of vast estates, and add still more to the overgrown fortunes of a favored few.

We repeat, therefore, the time has come when, in our opinion, the present income tax law should be so amended as to distinguish between incomes that are earned and incomes that are unearned, and the earned incomes taxed at a very substantially lower rate than the unearned.

We believe that this is not only desirable but absolutely necessary if social and economic prosperity is to continue.

We believe that such an amendment will furnish both directly and indirectly an immense relief to the now overburdened agricultural, laboring, business, and professional classes of the Nation, and, moreover, that it will meet with the overwhelming approval of the American electorate.

Will you be so kind as to let us hear from you on the attached sheet whether or not you are in harmony with the idea expressed above? Self-addressed and stamped envelope is inclosed for your convenience.

Very cordially yours,

COMMITTEE OF MANUFACTURERS AND
MERCHANTS ON FEDERAL TAXATION (INC.).
OTTO CULLMAN, Chairman.

Theodore Roosevelt says (Century Magazine, October, 1913): "We believe in a heavily graded income tax that discriminates sharply in favor of the earned as compared with the unearned incomes."

William G. McAdoo says (speech at Newton, Kans., 1921): "The time has arrived when earned incomes should be distinguished from the unearned and taxed at a lower rate."

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhulse, its enrolling clerk, announced that the House had passed the bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act, as amended by the act of June 3, 1922, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 12368. An act to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., and the office of one supervising inspector, Steamboat Inspection Service; and

H. R. 13773. An act to amend an act to regulate radio communication, approved August 13, 1912, and for other purposes.

HOUSE BILL REFERRED.

The bill (H. R. 12368) to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., and the office of one supervising inspector, Steamboat Inspection Service, was read twice by its title and referred to the Committee on Commerce.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. McCUMBER. Mr. President, I shall vote for this bill, because I believe that in some sections of the country by giving to agricultural paper a greater degree of liquidity it will assist some few would-be borrowers.

But I do not want my vote to be taken as an indication that I have any confidence that the bill will materially help those agricultural sections that most badly need help. And who are they who need the assisting arm of the Government to-day? The cotton grower is receiving a price for his cotton very much above the pre-war value. The corn raiser is receiving a good price for his corn. No one can complain of the price received for wool, sheep, cattle, or hogs. The main trouble that is besetting these classes which I have mentioned to-day is the heavy increase in the cost of labor in production and the still greater increase in the cost of the land on which the crops are produced and the cattle fed. The greatest sufferers, however, of the agricultural class are those whose location or situation compels them to continue the raising of wheat, oats, barley, rye, and similar small grains. The prices received by the producers of these crops are less than pre-war prices, while the cost of production and transportation has more than doubled, and the taxes levied upon producing lands have trebled.

Under the impetus of war values for farm products the prices of all lands soared to the skies. Farms were sold and resold at inflated values and mortgages given for the purchase price. To-day the product, after paying the cost of producing, will not pay the interest on the investment. The farmer cries out against this. We answer, "We will make it easier for you to borrow money." He replies, "What is the use of my borrowing when my crop will not pay the interest on what I now

owe?" That is the real situation in my State, and I think generally in the Northwest. That is also true in many other sections of the country. There is money enough in my State to-day to take care of all the borrowing demand provided the farmers can give safe security.

I have here a statement of the condition of a small bank in that section of the country where there have been several crop failures. It is a small bank, and it is to the proportion of deposits carried to the amount of loans made that I especially call attention. I notice that the individual deposits are \$133,749.43; time-certificate deposits are \$70,295.92, making a total of \$204,044.35.

Now, turning to the resource side of the ledger we find: Loans and discounts, \$87,327; other stocks and bonds, \$16,866.24, or a total investment of \$104,193.66 in the shape of loans and stocks and bonds owned.

In other words, the loanable fund of the bank is just double what is actually loaned out. The balance lies idle. What is the cause of this? Banks would like to have every cent they have in deposits, within the line of reasonable safety, to be employed. It is not employed in this case because either there is no demand or else there is no safe farm paper that can be secured; and what I mean by "safe" is paper that will be paid when it becomes due.

That there is no safe farm paper can be shown from another statement which I received from the same section from a splendid farmer, a hard worker, honest and conscientious. He owns a half section of land, on which there is a mortgage of only \$2,500. This statement shows, although he has not paid any interest on this mortgage since 1918, sometimes on account of failure of crop, that even this year with a full crop he is unable to pay any interest on his mortgage. This may be interesting to those who want to know the real condition of the farmer, for whom we are to legislate. He had to purchase seed for his crop, and the following are the main items of his expenses:

Seed rye	\$100.00
Seed wheat	275.00
Interest on notes given therefor	25.00
Twine	60.00
Hauling grain	55.00
Binder extras	23.85
Threshing	397.88
Taxes	469.00
Total	1,405.73

He reserved for seed wheat 300 bushels; for seed rye 100 bushels. The balance of the wheat which he raised, 1,342 bushels, he sold for 82 cents per bushel, receiving \$1,100.41. The balance of the rye, 1,012 bushels, he sold for 46 cents per bushel, receiving \$465.62. The total received was \$1,562.95. His principal items of expense totaled \$1,405.73, which left a balance of \$160.20.

Now, this balance must pay for the grocery bills, doctor bills, and clothing for quite a large family for a whole year, and yet he has not paid one penny on the interest on his mortgage indebtedness.

Now, when this good farmer shows such a condition when he raised a fair crop, is it any wonder that the banker must say to him: "I can't see how you can make ends meet." Is it any wonder that this farmer says: "I don't want to borrow any money; I have borrowed all I can afford to borrow. What I want is a price for my product that will enable me to pay these enormous expenses." This bill, Mr. President, will not help that farmer any; no other bill before the Congress is going to help him.

The other day, in a somewhat more lengthy address, I presented what I believe to be the farmer's remedy, and his only remedy. I diagnosed the cause of his trouble. The value of his products, although much increased in some lines above pre-war prices, when the value of his land is taken into consideration, the added taxes, and the enormous added cost of labor, is disjointed and not properly related in reference to the prices which he must pay for the commodities which he purchases.

Mr. President, on a building being erected in Philadelphia, which I think was finished a short time ago, I am informed that plasterers received \$33 a day. Allowing 300 days for a working year, that would amount to \$9,900 per year. While this, of course, is above the normal, nevertheless the wages range from \$16 to \$24 per day in our great cities for this kind of labor. Now, all kinds of business is done, not under the open sky, but in buildings. Products are manufactured in buildings. People must live in homes or in the stalls of apartment houses. On account of excessive prices of real estate in the cities, nearly all of these buildings are

erected on foundations of gold. The public must pay the price in rentals. The clerk, the great mass of human beings in the country who must earn their daily bread, are being ground to death because of the combinations of labor on one hand and of capital on the other. Whenever we have had a great railway strike, the question has never presented itself, What ought the public to pay for freight, but how much can the public still stand and live? Wages have been increased and freights have been increased with no consideration except for the interests of the railroad operators on one hand and railway employees on the other. The public that must pay the freight have never been given a fair hearing. I recall that in the coal strike during President Roosevelt's administration the striking miners insisted that there was nothing whatever to prevent the operators from paying the additional demand of the strikers. They stated that a mere additional charge of 50 cents per ton would fully compensate the operators for the added cost of production. The coal strike was settled along that basis. Many subsequent strikes have taken place and each time have been settled upon the same basis, until to-day we are paying \$18 per ton for coal that is scarcely fit to burn in our furnaces.

Learned Senators tell us the remedy is a coalition between the farmer and the laborer. I can imagine the response the farmer would receive if the price of his product was raised to correspond with the added cost of our city labor.

Mr. President, there is just one remedy. The remedy is in the hands of the farmer, if he only knew how to organize and how to make use of it. He does not know how to go about doing it. The field seems too varied and too large for him. What he needs is some kind of a nation-wide law under which he can begin and consummate his organization. That nation-wide law should be a law providing for cooperative selling. Now, mere cooperative selling will not alone meet the farmer's requirements. Back of the power to cooperate in selling his products, back of the joint selling of his product, must be the power to cooperate in the joint holding of his product until he can get his own price for it. He must meet force with force. He must meet all of the combinations against his interest with a combination for his interest. He must say to the laborers who want his assistance, and whose compensation is from \$8 to \$30 a day, and which added compensation increases the cost of everything on earth he purchases, "You can not have a bushel of my wheat, a pound of my beef, a bale of my cotton, until you are willing to pay me a sum that will allow me a compensation that will equal your own, until I can live just as well as you live, until I can pay my debts and the interest on my mortgages."

Mr. President, I again call attention to the fact that there has been introduced such a bill for a comprehensive system of cooperative selling of all farm products, a bill that will allow the farmer to do just what all others have done—strike against the inequality, the wrong and injustice he has suffered, until that inequality has been righted. The remedy is in his own hands to a certain extent. We can assist him, however, in placing the remedy in his hands more effectively by enacting the right kind of a law. It is no answer to say that he can perfect that organization without any general law. He could have formed farmers' banks and rural-credits organizations without any general law, but he never formed them until we passed a law under which he could organize. He will never have a system of complete and satisfactory cooperative marketing and cooperative withholding of products from the market for a just and fair price until he has a general law under which he can operate. Congress can pass thousands of laws for rural credits, but they are not going to meet the situation—they will only scratch the surface.

The only other remedy that has been proposed here is that of the Government purchasing the farmer's products, but even that proposed remedy will fix no price for his commodities and will not overcome the law of supply and demand. In the end such a course would be far worse for the country as a whole than the disease from which we are now suffering. Cooperative selling and, above all, cooperative and combined withholding from the market alone can cure the evil from which agriculture is suffering.

That is the only plan which will equalize the great difference between the earning power, the wage power, the standard of living in the cities, and the low wage and the low standard of living in the rural districts.

Mr. BROOKHART. Mr. President, before the Senator takes his seat will he permit me to ask him a question?

Mr. McCUMBER. Certainly.

Mr. BROOKHART. I think the Senator has stated quite fairly the situation of the farmer; but he leaves the intimation

that the laboring man is getting about \$9,900 a year, because some plasterer or persons engaged in other forms of labor receive \$33 a day in Philadelphia. Is that a fair illustration of the condition of the laboring man at this time?

Mr. McCUMBER. No; I said that it was not; but I stated that the cost of labor engaged in the construction of buildings is enormous as compared with other kinds of labor, and that these extremely high wages are responsible for high rents and high cost of production of the things which the farmer must purchase. In this city alone but a short time ago on a building being erected \$24 a day was being paid to plasterers; in the city of New York the rate is over \$16 a day; and in Chicago it is about the same. Those rates of wage are so disproportionate and increase the price of rents and everything that is produced and must be produced in those buildings to such an extent that it disjoins the proper relation between conditions in the country and those of the city.

Mr. BROOKHART. Has the Senator information as to how many days on an average a plasterer is able to work in the United States?

Mr. McCUMBER. In Washington, in this part of the country, he is able to work all the time. In the far northern States, in my section of the country, not very much plastering is done in the wintertime; but there are not any plasterers there. They are in the great cities, where they can receive these large, these excessive wages.

Mr. BROOKHART. The Senator has no accurate information as to what the actual average employment of plasterers is throughout the United States?

Mr. McCUMBER. I have no accurate information as to what it is in some sections. I say in the city of Washington it lasts the year round. That is true probably in the city of New York, in the city of Philadelphia, and in most of the States until you get into Minnesota and probably northern New York and the smaller States of the Union, where, instead of remaining in the wintertime, perhaps, many of them go to the larger cities.

Mr. BROOKHART. Yes; but I have been in Washington when the plasterers were all idle, too. Now, let me submit this proposition: We have just developed in the Standard Oil hearings that the Standard Oil Co. of Indiana, which had the biggest profits and the biggest stock dividends and everything else, paid its 13,000 employees who got less than \$5,000 a year an average of \$1,080 a year. Would the Senator consider that an excessive wage to be paid to those men?

Mr. McCUMBER. No, Mr. President; on the contrary, I am not discussing that class at all. I am discussing those that are connected with the building trades, whose high wages increase the cost of production of everything that is done inside of those buildings, and increase rents. Does not the Senator understand that when, in building a hotel here, \$24 a day is paid for a plasterer, the guests of that hotel will have to pay the bill? The Senator understands that there are thousands of workers, thousands of girls and young men here in the city who are not receiving proper nourishment because they must pay out most of their salary for a little room in which they can shelter themselves from the cold. The wrong is against those breadwinners and every one of these people that the Senator is talking about. There is an improper correlation between the several classes of labor in the United States, whereby the great mass of the people are being held by the throat as between—and I stated this before—the combination of capital on the one side, and the combination of the building trades on the other side.

Mr. BROOKHART. I observed that the Senator included capital in that combination. I was glad to note that; but the Senator gave no instances to illustrate how much capital was taking as compared to labor.

Mr. McCUMBER. I have given those instances a great many times, and I have mentioned a great many times the fact that the farmer is suffering from a combination which has gradually increased the cost of producing everything that the farmer must purchase, while as a rule he is getting no additional price for the thing which they produce.

Mr. BROOKHART. To me, the unfair part of the Senator's proposition is that he does not deal in the averages of what labor is getting. On the whole, if he will look it up, I think in hardly any line, outside at least of the building line, would he even criticize the wages paid.

Mr. McCUMBER. No; on the contrary, I say that there is a great middle class—and I stated that to-day—of breadwinners, including other classes of laborers, and the American people are all breadwinners, who suffer from the excessive cost of buildings and consequent costs of houses and rentals. Many are merely clerks who are not receiving even

the wage the Senator mentions. They are laboring in and they have to live in the cities. They have to pay these big rents, and it is an awful imposition upon them. They are obliged to a great extent to live on canned goods, which they must purchase to save the expense of going to a restaurant and paying for meals there. It is an imposition upon them. What we most need in this country is a readjustment of wages and profits of all kinds to the end that every class, including our farmers, may have a just remuneration for his toll. At the present time the farmer is the great sufferer in this maladjustment of earnings, brought about by combinations which year after year has widened the breach between rural and urban populations, and, as I see it, the only remedy for the farmer is to meet combinations with countercombinations.

Mr. BROOKHART. The farmer does not stop at these high-priced hotels or these high-priced buildings.

Mr. McCUMBER. No, indeed; he does not.

Mr. BROOKHART. He stays away from them.

Mr. McCUMBER. Indeed, he does. He does not stop at them; but indirectly he suffers because of those high prices, because, in the general balancing of the scale, all of them must be paid by some one, and the burden always seems to be loaded upon the agricultural section of the country.

Mr. BROOKHART. The Senator mentioned the coal business; but the coal miners on an average do not get as much wages in a year as do the Standard Oil employees, and they have to live the year around.

Mr. McCUMBER. The earnings of the coal miners who have been striking, and who are laboring only three or four or five days out of a week, naturally are not as great as they would be if they were laboring for such a price that all the important mines could be opened up and produce and sell coal so that the rest of us could purchase it at a living price.

Mr. BROOKHART. But the plan of the operators is to keep enough miners on hand so that when the peak of the business comes they can fill the cars without storing or anything of that kind. The result is that during three or four months of the year they have employment for labor, and the rest of the time they get only two or three days' work a week, and the operators will only allow them two or three days' work.

Mr. McCUMBER. That is the reason why I have stated that the interest of the public has always been lost sight of. The question determined in each settlement is, How much can the operators make and how much can they pay employees and still maintain their profits? And so the public pays the bill, whatever it is. That seems to be the situation.

Mr. BROOKHART. One more proposition and I will desist. The joint commission of Congress found that the farmer gets only 37 cents out of the dollar that the laboring man pays for his product, and the laboring men claim that they get only 35 cents out of the dollar which the farmer pays for the products of labor. If those things are true, does it not indicate that the distribution both ways is what is taxing both labor and the farmer in the United States?

Mr. McCUMBER. That is true. There is not any question about the faultiness of our distribution system; but if I take the average retailer in the cities, outside of a few great department stores, I can not find that he is making any great profit. If you will look at the rents he has to pay, you will find that they are enormous. Take a man dealing in meat products. He has a little corner where he has to turn over his capital about three times a month to pay the rent alone. That is the trouble; it is these high rents, this high cost of living in the cities, that has been so disproportionate as compared with what the farmer receives for his product.

Mr. BROOKHART. Yes; but does not this exorbitant cost of distribution increase the expenses of the laboring man, and make higher wages necessary for him to live at all?

Mr. McCUMBER. Certainly; and so when one class of people get \$30 a day for erecting a house, it means that every other laborer who must either buy or rent that house has to pay that extra rental, even though he may not receive for his labor a price that would justify such high rentals.

Mr. CARAWAY. Mr. President, I shall be very brief.

I have read the measure before the Senate, which is to be voted upon to-morrow. I am sure it will be helpful to agriculture. I do not think it has gone as far as the Congress might have gone to meet the situation. Inasmuch as the farmers have insisted, year in and year out, that they were entitled to some financial redress of grievances and that their credit system was not adapted to their needs, I had thought that when Congress should finally recognize that they were correct in this contention it would try to give the farmers the system that they, the farmers themselves, believe would meet their situation, unless the Congress should decide first that the farmers seek an un-

fair advantage over other classes of American citizens or else that the farmer is so ignorant that he does not know what it is that he needs. I feel certain that one or the other of those theories actuated the framers of this measure—that they thought the farmer asked more than he was entitled to receive or else that he was too ignorant to know what his needs are and what the remedy for those needs is. It is to be regretted that the framers of this legislation had not more knowledge of the farmer's needs and more sympathy with his wishes.

There are good features about the bill. It does not go, I take it, as far as the Congress could have gone and been absolutely fair to other classes of American citizens. I believe that the Congress will go further in the years that are to come; and hoping, at least, that that will be true, I shall vote for the measure when the opportunity is presented. There are some provisions of the measure that I wish particularly to commend, and I shall discuss those first, and offer one or two amendments later.

In the first place, I think the Congress did wisely to recognize that personal credits were as essential to agricultural production as land credits, and therefore that it is important to give the farmer these credits without weighting them down with taxation; in other words, to give him a tax-exempt evidence of indebtedness, so that he might procure reasonably cheap money. I am tempted to discuss that feature of the matter, Mr. President, because in to-day's paper is a renewal of the attack by the Secretary of the Treasury on tax-exempt bonds. It seems to be the idea of the Secretary, and evidently the idea of the administration, as recorded in a proposed constitutional amendment which passed the House recently, that you can create wealth by taxation; that if any resources escape taxes it diminishes the wealth of the country by reason of the fact that it is tax exempt. The argument is put forth, Mr. President, that certain wealth is escaping taxation; that if you could tax the credit of the State, the credit of the county, the credit of the municipality, you would create wealth. As strange as that idea seems, Mr. President, I am convinced that the Secretary of the Treasury, great financier though he be, entertained that view: That if you could lay your hands upon the credits of the States, counties, and municipalities, and all their activities, you could create wealth. The impression seems to exist that if a thing is taxed, if you can collect money from the people under a taxing scheme, the whole people are that much richer.

The proposed amendment to the Constitution, which, of course, has nothing to do with this measure except incidentally as it affects tax-exempt securities, was presented upon the theory that if you would permit the Federal Government to tax the credit of the State through all its various organizations, and in return give the State the right to tax securities of the United States, the people would be richer, when, as a matter of fact, everyone knows, and the Secretary of the Treasury ought to know as well as anyone else, that the Government has not a dollar of its own; that whatever it has within its keeping is what it has taken from somebody else; that it never created a dollar and can not create one; that wealth must be created by the brawn and sweat of individuals. Whatever the Government may have it must take from the people, and they have correspondingly less.

Strange to say, intelligent people, patriotic people, have been misled by this propaganda that has swept over the country that wealth is escaping taxation by reason of tax-exempt securities. Wealth does not escape taxation in that way. It finds much more profitable means of tax dodging. It is so elementary that anyone ought to be able to see that granting the State the right to tax Federal bonds would not produce any benefit to the State, because the very people who tax the Federal bonds must be taxed to raise the money to pay the increased interest which the Federal bonds draw. In other words, it is a taxation of one by himself for the benefit of himself, when all of us know that it costs considerable money to levy and collect a tax. Therefore, the man who enjoys this advantage which the Secretary this morning so insists on must tax himself for the privilege. He does not create a dollar. He can not be the richer by reason of the privilege, but must be the poorer by reason of the cost of assessing and collecting and distributing.

That feature of the bill which allows these banks to issue tax-exempt securities I heartily indorse. It would be a travesty not to have included that provision. I want to answer an insinuation which arose from a question asked by the Senator from Pennsylvania [Mr. REED] yesterday, when he wanted to know, in effect, what the farm bloc was and who were the members of the farm bloc and, incidentally, what a farmer is, for I think that was the question in the back of his mind. He was afraid some kind of legislation was about to slip through the Senate that would be of advantage to the farmer, when the

"steel" producers in Pennsylvania, however you may spell the word, did not share the larger returns.

To start with, these "farmers" who live in the cities might as well recognize now, as well as any other time, that eventually the farmer must sell his products for enough to meet the cost of production. They might as well know that the cost of production is enhanced by the rate of interest the farmer must pay for the credit he must have to enable him to produce. Therefore, whenever the farmer is finally compensated for the thing he produces, the cost of his credit must be added, and since everybody must eat, however his profits may be derived from some other occupation, everybody is concerned in the cost of production of the things we eat. Wherever, therefore, you cheapen the cost of production of farm products, it eventually will be reflected in the cheaper cost of living to all other classes of people. They thus obtain equal benefits with the farmer, because the benefit is distributed throughout the entire population through the diminishing of the cost of production of that thing which everybody must consume. Therefore, those Senators who feel so apprehensive that steel and railroads and special interests may be discriminated against by reason of some kind of legislation for the farmers may take heart and remember that if the farmers produce at less cost they will eat at less cost.

I want to suggest an amendment, and I shall later offer it. On page 6 of the measure, in the first paragraph, which commences on page 5, there is a provision that notes given for agricultural purposes are not subject to rediscount if the rate of interest is in excess of $1\frac{1}{2}$ per cent. I suggest that there should be an amendment at that point providing that if a bonus or anything of value is given to procure the loan the paper shall not be subject to rediscount. It sometimes happens, where rates of interest are fixed, to require the borrower to pay a bonus in order to procure the loan. I imagine all of us are acquainted with the practice. I know I have, and very recently. Therefore, in order to make the bill do what the proponents of it wish, I should like to make it read that the paper shall not be subject to rediscount if the rate of interest is in excess of $1\frac{1}{2}$ per cent of the prevailing rate of discount on commercial paper or if the banks have required a bonus from the borrower. Otherwise the provision of itself is without any effect.

Mr. LENROOT. Will the Senator yield?

Mr. CARAWAY. I yield.

Mr. LENROOT. I quite appreciate the point the Senator makes. I want to call his attention, however, to the difficulty in the administration of the bill in the form in which he presents it. It would prohibit any land bank from making any discount if there be any bonus or commission; but how is that to be determined? Those things are always secret, as the Senator knows.

Mr. CARAWAY. I concede the difficulty. In many cases it might be impossible ever to ascertain that fact.

Mr. LENROOT. The point is that, it being impossible to ascertain it, in order to be sure that they would not violate the law the banks would refuse to discount in many cases where they wanted to. I want to make this suggestion to the Senator, which occurred to me yesterday in thinking this over, that it would be feasible, I think, to require that no discount should be made unless there should be an affidavit accompanying the application.

Mr. CARAWAY. I should not object to that.

Mr. LENROOT. If the Senator will prepare his amendment in that form, I shall have no criticism of it; but I think the Senator sees the point.

Mr. CARAWAY. I see the Senator's position. I was not aware that the Senator was in the Chamber, and I wish to call his attention to another provision which I should like to have him consider.

Mr. SMITH. Before the Senator calls attention to that; he spoke a moment ago of $1\frac{1}{2}$ per cent. He means $1\frac{1}{2}$ per cent in excess of the rate fixed.

Mr. CARAWAY. Yes. I realize that my statement was rather a loose way of expressing the idea I had in mind.

Mr. SMITH. Those who were trying to follow the Senator might get the impression—

Mr. CARAWAY. That the rate of interest was $1\frac{1}{2}$ per cent?

Mr. SMITH. Yes.

Mr. CARAWAY. May I call the attention of the Senator from Wisconsin to a provision on page 7, in the second paragraph, where it reads:

If at any time the capital stock provided for in the first paragraph of this section shall be found by the Federal Farm Loan Board to be insufficient to enable any farm credits department in a Federal land bank to meet the credit needs of the agricultural and livestock industries in its district, intended to be served by the facilities provided under Title II of this act, such capital shall, upon applica-

tion of the Federal Farm Loan Board, if approved by the President of the United States, be increased by an amount not to exceed \$5,000,000.

The thing I had in mind was this, that under the provisions of the bill it seems that you must take into consideration the whole system—the 12 regional banks. It might be that in New England, we will say, there is not much demand for these farm credits, while in Wisconsin or Minnesota or down in my section of the country there might be great demand. That being true as between the two, there might be no demand for an increase of capital. What I would like to see, if possible, is the insertion of a provision to enable the President to increase the capital stock of the bank in the particular region where it might be required, without being required to increase the capital stock of a regional bank where there was no demand for an increase of credits.

Mr. LENROOT. Is not that what the bill does now?

Mr. CARAWAY. I am a little bit doubtful about it.

Mr. LENROOT. That is certainly the intention. If there is any question about it, I should be very glad to have it cleared up.

Mr. CARAWAY. The intention was to make that possible?

Mr. LENROOT. Yes.

Mr. CARAWAY. I am glad to know that. I thought there was some doubt about it.

Mr. LENROOT. That is the intention. There may be one district where \$5,000,000 is ample, and another district where it is not, and it may be increased in the one district.

Mr. CARAWAY. Without the President being compelled to increase in the other. That was the idea I had in mind.

Mr. LENROOT. It is clear, I think.

Mr. CARAWAY. I thought the language was not clear on that point. These are the only amendments I intended to suggest.

I shall now discuss briefly the amendment suggested on yesterday by the Senator from South Carolina [Mr. SMITH] with reference to increasing the length of time commodity paper might be rediscounted in the Federal reserve system. The law now provides that it may be rediscounted up to six months. The amendment, as it appears in the bill, purposes to make it nine months. The amendment suggested by the Senator from South Carolina was to change it from 9 months to 12 months. I wanted, by a simple statement, to support the suggested amendment of the Senator from South Carolina.

I am not as familiar with the growing of grain and the livestock industry as most Senators who had to do with the framing of this measure, I dare say. I am very familiar, in a modest way, with the production of cotton and its marketing. To give us a nine months' credit is to deny us credit altogether. It does not do one much good to have a credit extended to him to produce something and have it withdrawn before he can market it. In other words, it frequently happens that it is an invitation to ruin. If you give a man credit to produce an article and demand payment of the obligation before he may market that product in an orderly way, you invite his destruction.

It can not hurt anyone; it will help many; and therefore I hope the amendment of the Senator from South Carolina increasing the time from 9 months to 12 months will be adopted.

Mr. TRAMMELL. Mr. President, I present two amendments to the pending measure, which I ask may be printed and lie on the table.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The amendments will be received, printed, and lie on the table.

Mr. FLETCHER. Mr. President, referring to the bill under consideration and to some of the suggested amendments, I desire to submit a few observations. I shall begin with reference to the amendment offered by the Senator from Iowa [Mr. BROOKHART].

His amendment involves a very considerable undertaking. He offers an amendment which means the establishment of a system of cooperative banks. Now, I have always been a sincere friend of the cooperative idea. I believe in it fully, especially with reference to marketing and, so far as possible, cooperation in the matter of acquiring supplies, and purposes of that kind; for instance, as cooperative societies for the purchase of fertilizer and machinery. But I have never had occasion to work out any plan in my own mind looking to a financial scheme based upon that principle.

My disposition is to be favorable to the idea, but I regret that the Senator from Iowa did not offer the matter before we reached this stage in the consideration of the bill. I wish it might have been feasible for him to have proposed it earlier in the session, so as to have it take its usual course by being referred either to the Committee on Agriculture and Forestry or to the Committee on Banking and Currency or to some

committee which would have given careful consideration to it, had hearings upon it, thoroughly investigated the whole subject, and had expert advice also as to the phraseology and the language to be employed to meet the views intended to be carried into execution by the proposed legislation.

Up to this time I have not had the opportunity to consider thoroughly all the details of the proposed amendment and to arrive at a conclusion as to whether it would be wise to support it as an amendment to the pending bill or not. As I said, my inclination would be to favor the idea, and if the matter assumed shape so that we could be fully confident that it would accomplish what the intention and purpose apparently is, I might support it. But we might make a very serious mistake.

The whole matter of banking is a delicate subject, as it is an important subject. It is rather technical in many of its details, especially when we attempt to express in statutory form the precise plan and system which we are endeavoring to put into effect. If we should undertake here to provide a scheme and a system that would prove to be unworkable, it would be a futile thing to do. If it should be workable and we found afterwards that it was not scientific and not economically sound in any respect, however much we might have endeavored to make it so, we would have committed an error and might thus do very great harm instead of good. I would be glad if we had a little more time and opportunity to consider thoroughly all the details of the proposal. I propose even yet to give further thought and study to it, so that when the time comes we may be able to vote more intelligently upon it.

Mr. BROOKHART. Mr. President—

Mr. FLETCHER. As it is now, I feel that we would be rather voting in the dark on the question, because I confess I do not quite thoroughly understand it, and I have not had the opportunity yet, up to this time, to digest it and work it out in my own mind. I yield to the Senator from Iowa.

Mr. BROOKHART. I will state to the Senator from Florida that the amendment interferes with none of the provisions of the present banking laws. On the contrary, it is safeguarded by the national banking act, which would protect this kind of an organization. It involves no new idea whatever except the cooperative idea.

Mr. FLETCHER. May I inquire of the Senator just how the cooperative idea is intended to be put into operation under his amendment?

Mr. BROOKHART. Under the national bank laws generally as they now exist, with the same supervision. All through the proposition it is to remain under the control of the national bank act. The national bank act is made applicable to this proposition.

Mr. LENROOT. What does the Senator from Iowa say about capitalization?

Mr. BROOKHART. The capitalization in the cooperative bank?

Mr. LENROOT. Yes.

Mr. BROOKHART. It often has no capital at all. The amendment which I have proposed provides for a capitalization with a minimum of \$15,000.

Mr. LENROOT. That is contrary to the present banking law.

Mr. BROOKHART. It modifies it to that extent; but at every point where it is modified it is mentioned specifically in the amendment. The general law applies to it.

Mr. FLETCHER. I shall consider the matter further. I am not taking a position for or against it at present. I am simply referring in this general way to the subject, intending to convey the idea that it is a very important subject and one that is more or less technical and involves really what I would consider a very considerable task in framing precisely the language in order to establish a new plan of that sort, new in all important respects.

Now, with particular reference to the bill before us, I may be pardoned a personal allusion just to this extent. I do not claim to be a farmer. However, I grew up on a farm. I went through all the stages of farm work from the planting of the crops, harvesting the various crops, splitting rails, building fences, digging ditches, hauling, ginning, packing, and all the various activities with which the farmer has to do.

I was on a farm until I was 21 years of age, except the months I was at school. I began work on the farm when I was 6 years of age. I remember very distinctly the first work I undertook. In those days we had a man who would lay off a furrow for corn, and then we had a boy follow and drop the corn in the furrow. Then we had another man to cover it with a double-shovel plow, straddling the furrow behind the boy, covering the corn. As I said, beginning at that point I proceeded through all the toil and labor and struggle that the

average farmer has to go through. Incidentally, I am satisfied this work, beginning as early as it did, never did me any harm. It may be this experience which preserves my calm and withholds my indignation when I hear repeated the alleged horrors of child labor. So I know something from actual experience about the farmer's difficulties, his tasks, and his returns. I know from actual observation respecting the neighbors and those engaged in agriculture in that portion of Georgia where I then lived. What I am saying is not based upon mere theory, but what the actual conditions were as I found them and as I went through them.

I said then in those days that if the time ever came when I could be of any service to the farmers of the country, it would afford me the highest gratification to be able to render that service. I feel as sincerely that way to-day as I did when I was actually engaged in that occupation. I have always felt that way; not that I am opposed to any measure which looks to the general welfare of the entire people of the whole country; not that I am disposed to confine my energies solely to benefiting the farmers of the country; not that I am centering upon one particular industry in the effort to do what I can to serve the interests of that industry as against any other; but because I feel and have always felt that agriculture lies at the very foundation of all our prosperity, and that in order to build wisely and well we should first build the foundation secure and lasting and upon that foundation construct whatever we feel ought to be constructed for the whole country; in other words, not to begin to build at the top, not to put up a superstructure by legislative enactment or otherwise that will be founded upon sand or upon insecure and unsubstantial ground-work, but, beginning with the foundation, to build upon that foundation and proceed with the other developments. I conceive that to legislate to properly serve and promote a healthy, sound agriculture, upon which all people must depend for their food and their clothes, is the wise course to pursue. For that reason our primary concern is with this basic industry.

I believe that we can not revive business until we first revive agriculture. Therefore, it is important, it seems to me, to look first to this foundation; not, as I have said, sacrificing other things at all. In all the work which I have had to do and in all my relations with the farm bloc, if you please, I and they have never insisted that other things must be neglected or that other subjects be put to one side or that other measures of general good to the whole country must not be considered, but, on the other hand, we have cheerfully assisted in everything that was considered to be wise and proper and helpful, at the same time keeping in view the importance of this great industry.

The Senator from Pennsylvania [Mr. REED] on yesterday desired to know something about the membership of the farm bloc. I have not endeavored to keep in mind such details, but I find in the Congressional Digest of January, on page 112, a list of names which purports to be the membership of the farm bloc. Hence one reason for making the allusion I have as to my own experience is by way of showing, perhaps, some qualifications for membership in that cooperative effort on the part of certain Members of this body. However, I need not dwell upon that. Their work speaks for itself. Others have sought to claim credit for what that "bloc" accomplished in the last Congress in spite of their criticism and opposition.

Based upon my own observation and experience with reference to farming, I believe that one of the chief difficulties with which the farmer has to contend is that usually he is obliged in these days and has been all along to purchase the things he needs on time. That statement applies to the purchase of his supplies, beginning with his fertilizer and continuing clear through the year, even the supplies for his tenants and for all the labor. Everything that is needed on the farm, whether he actually works it himself or rents it out to others, to whom he must furnish the necessary supplies, including those essential to cultivating the farm and harvesting the crop and all that sort of thing, is ordinarily bought on time. That means he must pay for them 10, 15, and 25 per cent more than he would pay if he were able to buy them for cash. The problem then is to furnish facilities by which the farmer—and I am talking now particularly with reference to the small farmer—can have cash so that he may purchase on a cash basis what he needs throughout the year while cultivating and harvesting his crop and before putting it on the market, and thus save to him the enormous burden of time charges which extends through the whole of the 12 months while he is producing, harvesting, and marketing his crop.

I do not mean to say that the retail merchant profiteers at the expense of the farmer. The retail merchant when he sells on time must go without his money until the crop is ready for

market. When he furnishes supplies to the farmer he knows that his only chance of getting his money for them is from what the farmer produces from the soil, and he runs some risk of a crop failure, of breakdown somewhere, of mismanagement or losses or misfortunes, or what not, and he is without his money during this time. So he has to go to the bank and borrow money in order to finance his business. Therefore we can not properly find fault with the merchant for charging the borrower, under those circumstances, what might be called an extra high profit on the credits which he extends to the farmer. At the same time, that 10 or 15 or 25 or more per cent additional in the cost of everything the farmer must have in order to produce his crop is a tremendous burden to him.

I do not know of any industry in the country that could have stood the high interest rates and the high cost of all supplies pyramided by these charges for time credits except agriculture, and it has been depressed on that account.

The idea is—and that is one purpose intended to be reached by this bill, I think—to afford a facility whereby the farmer can get cash with which he may purchase his supplies and save the enormous expense which is attached to their cost now by reason of having to purchase upon time. Hence it seems to me important that we should in this bill somewhere and somehow limit the rate of interest which can be charged the borrower when he obtains accommodation through the Federal land bank.

The limitation now, as I see it, is simply the State rate of interest. The State rate of interest is more than the farmer ought to pay in these circumstances. The Federal land banks have been established to meet his needs in a broad and general way. They afford a system that is peculiarly adapted to the industry of agriculture, and by reason of the fact that the system is superintended by the Government through its proper officers and the securities supporting the bond issues are passed upon by Government agents and must be ample fully to protect the bond issues, which are exempt from all taxes, the farmer is benefited by the low rate of interest which the bonds bear. In the farm loan act we have provided that the borrower shall not be called upon to pay in excess of 1 per cent more than the rate of interest which the bonds bear, and we say that rate shall not exceed $5\frac{1}{2}$ per cent, so that if the bonds, the proceeds of which are loaned to individual borrowers under the law, bear a rate of interest of $4\frac{1}{2}$ per cent, then the borrower can not be called upon to pay more than $5\frac{1}{2}$ per cent for the money which he obtains. That 1 per cent leeway was intended to cover the cost of administration; but, as a matter of fact, we find that the cost of administering the system is not over one-half of 1 per cent and, consequently, the farmer, when the bonds sell at a rate of $4\frac{1}{2}$ per cent, ought to get his money at 5 per cent. We have so provided in the farm loan act which has reference to mortgage loans; but there is no provision in this bill limiting the rate of interest which the debentures shall bear.

The thought throughout this bill and the Capper bill, which we have passed, is that the State rate shall control and govern. The State rate is too high. It is proposed to provide here a system for the benefit of agriculture, for the benefit of those who produce the Nation's food, and it ought to afford them a rate of interest based on the securities which they offer which would be advantageous to them. We are not giving them any great advantage when we say that after the system shall be inaugurated they must still pay the same rate of interest which they would pay if they were to go now to any bank in the respective States and obtain accommodation.

Mr. SMITH. Mr. President—

Mr. FLETCHER. I yield to the Senator from South Carolina.

Mr. SMITH. Did I understand the Senator to say that the rate of interest that these bonds and debentures may bear is left to the exigencies of the public as they may bid on them?

Mr. FLETCHER. Precisely. No limitation as to the interest they shall bear is fixed in this bill; and I am going to propose an amendment—the Senator from Wisconsin does not appear to be here now—on page 4, line 8, after the word "Board," to strike out the period and insert the words "not exceeding 6 per cent per annum," so that if amended it will read:

Rates of interest or discount charged by the Federal land banks upon such loans and discounts shall be subject to the approval of the Federal Farm Loan Board, not exceeding 6 per cent per annum.

Unless you do that, you have no limitation at all; and where does the farmer get any benefit from establishing a financial system here, issuing debentures under the supervision of the Government, with Government capital back of it—you are putting up \$5,000,000 for each of these banks—and yet leaving these debentures wide open, to be offered at any rate of interest

at which the Farm Loan Board may see fit to offer them, and require the borrower to pay not exceeding $1\frac{1}{2}$ per cent more than the discount rate of the Federal land bank, as mentioned on page 6, without the consent of the Farm Loan Board. Suppose the debentures bear 7 per cent, where is there benefit to the borrowers of the proceeds? Where is there any special benefit to the farmer if he has to pay on the money which he obtains through this system, furnishing the security which he is obliged to furnish, the same rate of interest that the banks charge in their commercial transactions?

Mr. SMITH. Does not the Senator think 6 per cent is high?

Mr. FLETCHER. I grant that 6 per cent is high. I merely put it at that because if I made it less there would be more objection to it, possibly. As it is now, the rate may be anything within the usury laws of the State.

Mr. SMITH. Mr. President, I suggest to the Senator that as these bonds and debentures are made nontaxable, it seems to me they would be taken up readily at 5 per cent.

Mr. FLETCHER. I should think so. The farm-loan bonds are selling readily at $4\frac{1}{2}$ per cent, and I see no reason why these debentures should not sell at 5 per cent; but, as I say, 6 per cent is merely suggested at this place as the rate of interest or discount charged by the bank. I think there ought to be some limitation there.

Mr. SMITH. The wording of the Senator's proposed amendment is that it shall not exceed 6 per cent.

Mr. FLETCHER. Yes; "not exceeding 6 per cent."

Upon some investigation it appears that 10 States now allow 12 per cent by contract, 23 States up to 10 per cent, and 33 States up to 8 per cent; so that in 10 States the rate might be as high as 12 per cent, and in 23 States as high as 10 per cent, and in 33 States as high as 8 per cent under this bill. I submit that if you are exempting from taxation these debentures and providing this system for the benefit, as you claim, of agriculture—and that is the purpose of it—then you are not benefiting the farmer unless you give him this accommodation at a rate of interest which he can reasonably meet; and I think you should set that out in the law, as we have done in the farm loan act. The farm loan act expressly provides that the banks shall not charge a borrower exceeding 1 per cent above the rate which the bonds bear; and here why not limit the rate at which these debentures shall be issued and then say that the farmer shall not pay over $1\frac{1}{2}$ per cent—I think it ought to be 1 per cent instead of $1\frac{1}{2}$ —above the rediscount rate as provided on page 6 of the bill? That is the thing we are trying to reach here—the accommodation of the farmer upon terms and at a rate of interest which his industry will warrant and justify and can stand. If we do not accomplish that we have gotten nowhere under this system.

The fact is that the system is going to be cumbersome, no matter how it is administered. Its success is going to depend upon its administration. If these departments of the Federal land banks do not function properly, efficiently, and promptly, they will do no good at all to agriculture. The real need here is a local need. For instance, take the Columbia bank district, composed of North Carolina, South Carolina, Georgia, and Florida. A farmer needing this accommodation—personal loans—may live seven or eight hundred miles from the Columbia bank. He needs to borrow some money for the purpose of avoiding these excessive charges, as I have indicated, on supplies where otherwise he would have to buy them on time, and when he buys them he wants cash. This system is supposed to provide a means for his obtaining cash, so that he can go and purchase for cash these things that he needs to produce his crop. That is one of the purposes of it. Living seven or eight hundred miles away from the bank at Columbia, S. C., he has to make his application and send it up there to be considered, and they refer it down to an appraiser, and that appraiser is two or three weeks in getting around to look over the security. Two or three weeks more elapse before the application is considered by the bank, and perhaps two or three weeks more elapse before he hears from his application. That is not going to meet the situation at all. A farmer is not only engaged in toiling and struggling behind the dangerous end of a mule but he is engaged in a business. You must treat him somewhat as a business man, because his occupation is a business occupation in the broad sense of the term. He wants to know what accommodation he is going to get, and he wants to know it promptly. He can not afford to sit and wait for weeks and weeks and weeks for it to be decided whether or not he is to have any accommodation at all, and, if so, perhaps only a part of what he has applied for. He has to make his arrangements.

That is one great drawback to this whole scheme here. You have not arranged it so that he can have his needs promptly considered and so that the facilities will be adapted to the

local demand; and in the final analysis I do not believe you will find that this system is going to be of any vast benefit to the farmers of the country. Those living right in the vicinity of the bank, where they can have their matters looked after just as others might who go to the towns in the counties where they live and have their business attended to, will be accommodated, perhaps, to some extent; but in the case of the farmers living some distance from the bank, two or three hundred miles, from that to seven or eight hundred miles away, having to pass their applications on and have them referred and wait on appraisers and wait on this, that, and the other, the system is not going to be attractive or useful to them. They will want to go to the town near which they live, and go to their banker or their merchant, and know the same day what they are able to accomplish in the way of financial accommodations, or at least within a very few days; so that even under the most favorable circumstances, when this system is put in operation, what it will supply probably will be the communities immediately adjacent to the town or city in which the bank is located, and I am afraid they will not reach out to the wider areas extending some distance away from the location of the Federal land bank. In order to be efficacious it must meet those two prime necessities—promptness and adaptation to local needs.

It has been pointed out by the Secretary of the Treasury, in discussing this bill, that only a fraction of agricultural re-discounts could be handled, because there are only \$60,000,000 provided as capital, with a possible addition of \$60,000,000 more, whereas the indebtedness on farm property in the country amounts to \$12,000,000,000; the mortgages outstanding now amount to \$7,000,000,000, and the bank loans to farmers amounts to \$3,750,000,000, and the private personal loans to farmers amount to \$1,250,000,000; so that at most here you have a capital of \$120,000,000 to endeavor to meet the urgent needs of the farmers. It is wholly inadequate, in the first place. It will, I hope, accomplish some good; but, as I see it, it will be beneficial mainly to those who will be immediately adjacent to and in touch with the Federal land banks. There are only 12 of those throughout the whole country, and there will be farmers living some distance away from them who, I think, will be very greatly disappointed when it comes to putting into operation the system provided in this bill.

There are other items in the bill to which I wanted to draw attention. The Senator from Wisconsin said that on page 7 he proposed to offer an amendment—I am not advised whether he has done so or not—dealing, as I understood, with the question of the meaning of the word "solely" where the bill says, "the surplus earnings of such department shall be applied solely to meet obligations and losses." I think that clause ought to be cleared up, so that it may be made perfectly plain that this capital can be used in financing the operation, in actually making the discount. There should be inserted after the word "solely" the words "to extend credit facilities as provided under Title II of this act and."

There are a few verbal changes which I will suggest as we go along, but at present I need not dwell upon them, since the Senator in charge of the bill does not seem to be present. I want, however, to insist that we must, in my judgment, in order to make this bill approach the benefit we are hoping to accomplish under it, fix some limit of the interest which these debentures shall bear.

I am inclined to think that the amendment which I have suggested on page 4 should be inserted so as to make it read:

Rates of interest or discount charged by the Federal land banks upon such loans and discounts shall be subject to the approval of the Federal Farm Loan Board, not exceeding 6 per cent per annum.

And on page 5, at the end of line 12, to insert, "not exceeding 5 per cent per annum," so as to read:

Rates of interest upon debentures and other such obligations issued under this subdivision shall, subject to the approval of the Federal Farm Loan Board, be fixed by the Federal land bank making the issue, not exceeding 5 per cent per annum.

That is the rate I had in mind in the discussion with the Senator from South Carolina, and I think that is where he intended to have the 5 per cent apply. In other words, the rates upon debentures should not exceed 5 per cent, and the rate of interest or discount should not exceed 6 per cent.

I will offer those amendments when they are in order, and submit them for the consideration of the Senate. That is all I care to say on the subject at this time.

PRICE OF COTTON AND FINANCIAL CONDITION OF FARMERS.

Mr. HEFLIN. Mr. President, I want to call to the attention of the Senate a report appearing in the Washington Post this morning from the Cotton Exchange of New York yesterday,

where a bear raid was made upon the market and the price of cotton broke several dollars a bale. I read:

NEW YORK, January 31.—The market opened barely steady at a decline of 18 to 30 points in response to relatively easy Liverpool cables, reports of a less active demand for cotton goods in Manchester, unsettled foreign exchange rates, and nervousness over foreign political affairs.

Those are some of the reasons given for the break in the price of cotton yesterday. With the shortest cotton crop except one that we have produced in many, many years, with a cotton famine threatening the world by June of this year, when cotton may be bringing 50 cents a pound, and probably can not be obtained at all by July, these market manipulators are combining to hold the price down until the last pound of cotton is taken away from the producer, the man who invested his money and who toiled through the year 1922 to produce it, with some of his debts still hanging over him. They are manipulating the market so as to get the cotton away from him so that they can hold it until the price goes up to 35 cents, maybe 40 cents, and they will make \$50 a bale. What good will it do the farmer to see cotton selling at 40 cents when he has been forced to throw his cotton upon the market at a price below the cost of production? That is what happened with more than half of the crop of 1922. More than half of the crop of last year has been disposed of at a price below the cost of production.

I am in receipt of a letter from the commissioner of agriculture of the State of Texas, the biggest cotton-growing State in the Union. He gives it as his judgment that it cost 26 cents a pound to produce the cotton crop of 1922. Think of that; two-thirds of the crop sold below that figure, and to-day the price is about 27½ cents a pound. The farmer is getting just \$7.50 a bale more than it cost him to produce; he is making 5 bales where he used to make 15, and he has planted 40 acres where he used to plant 18, in the boll-weevil infected area. He has to cultivate more land, as the yield is smaller per acre than formerly. The cost of production is greater, and after he has gone through the year battling with the boll weevil, buying fertilizer to put on his land, paying a good price for labor, and all that, he comes up in the market place at the end of the year and receives for his entire crop a price which yields him less than \$50 profit on his one-horse cotton crop. Senators, the cotton farmers of the South can not continue this business under such conditions. They must have a living profit or they must go out of the business of producing cotton.

I want to read what a little cotton paper, called the Cotton Planter, published at Montgomery, Ala., has to say upon this subject. I read:

In August, 1918, cotton sold at 38.20 cents a pound, basis middling, in New York. This was at the rate of \$191 a bale. But during the same month the same grade brought only 29.70, which is \$148.50 a bale. The farmer who sold—who probably had to sell—on the day the latter price ruled lost exactly \$42.50 on every bale.

In the next month—that is, September, 1918—the price again reached 38.20, and two months later was down to 27.75. In three months the difference in price amounted to \$52.25 a bale.

The difference in this instance on 1 bale of cotton in three month's time was greater than the one-horse farmer of 1922 made as a profit on his whole crop of 5 bales. Was there ever such a dangerous and destructive fluctuation in a product? I read further:

The following February the same cotton was quoted at 25 cents flat and five months later at 36.60 cents. A bale worth \$125 in February was worth \$191 five months before and \$183 five months later.

Middling cotton in New York was worth 14.10 cents a pound in February, 1917. That is \$70.50 a bale. Six months later it was worth 27.85 cents, which is \$139.25. The difference is \$68.75.

Mr. President, Senators may notice that it lacked only \$1.75 of being just exactly twice as much. I continue the reading:

In September, 1919, cotton sold for 28.45 cents—\$142.25 a bale. In less than 30 days it sold for \$192.75 a bale. Within another 30 days it sold for \$201 a bale. Three months later it was worth only \$187.55 a bale, and within 30 days was quoted at \$216.25 a bale.

In July, 1920, when middling was officially quoted at 43.75, buyers were frantically offering 45 cents, which is \$225 a bale. A month later nobody would buy when the price was 31.75, or \$158.75 a bale. Thirty days more and it was quoted at 25.50, or \$127.50; another month and it was 20.50, or \$102.50; then next month it was 15.50, or \$77.50, and three months later it was 11.20, or \$56 a bale.

There is no excuse for such swings in price. No set of men in the world except the patient southern farmer, slow to change, would stand for it.

Where, pray, is the manufacturer who would run a plant producing a commodity which was likely to sell for \$191 on one day and only \$148.50 on another day during the same month, his cost of production being unchanged?

That is the situation the cotton farmer is up against. Now, I want to read other reasons for the break in the price of cotton yesterday.

Listen to this:

Reports of further good rains in the South were considered a factor on the decline.

Think of that! I want to bring these remarks I am making to-day to the attention of the Federal Trade Commission. The resolution we passed through this body yesterday has teeth in it. There is going to be an investigation, and in the speech I am now making I call upon every Member of this body from the cotton-growing States and every Member in the other branch of Congress from the cotton-growing States to make any suggestions that they think will help the Federal Trade Commission in the investigation of the conduct of the New York and New Orleans Cotton Exchanges. Certain things have got to stop. They must stop, or these exchanges are doomed. The cotton industry of the United States can not stand such fluctuations in prices. It can not stand such manipulation. It ought not to stand such manipulation, and it will not stand it.

Mr. President, something has got to be done to prevent losses to those who produce that which helps to clothe the world. The cotton speculators of the country, backed by certain spinners here and abroad, go in and bear the market and beat down the price when they are ready to buy a little of the raw material for the spinning interests. Then in a few days the price will go up again a little, and then when they get ready for another supply of cotton they go on the exchanges and put out a report that there has been rain in the cotton-producing section, and that is stated to be a reason for the break in the price of cotton three months before planting time. It is the most ridiculous thing I have every heard.

I want to comment briefly on rain. What a blessing it is. How helpful and indispensable it is. But the rain all over the Cotton Belt to-day does not amount to the popping of my finger in its effect upon the cotton crop of this year which will be planted in April and early in May. We do not begin to plant cotton until April, and they are solemnly talking about showers in the Cotton Belt being reasons for breaking the price of cotton already in existence, using the fact that there has been rain in the South as an excuse for breaking down the price of the farmer's product. It is very ridiculous. Think of rain in January being an excuse for breaking the price of cotton already in existence. These are some of the flimsy excuses that are given out by speculators as to why the price should go down. The business of the cotton producer must be delivered from such a situation. If they will not comply with the law, they must be closed.

Listen to this one:

Liverpool also reported southern hedge selling during the day.

Now, what do you think of that, Senators? Liverpool, England, reporting to New York that there was hedge selling in Alabama, South Carolina, and Texas. Is it not strange that in New York somebody could not have said that the news came there that there was hedge selling in the South? Why go such a roundabout way to put out the propaganda? Nobody sent out that report but New York. It was hatched in New York. That report was written right in the cotton exchange in New York. No cable ever brought that statement from Liverpool. That is another one of the ridiculous things we come across in the manipulation of the exchanges in the United States. How ridiculous that a Liverpool cablegram should bring the intelligence to the New York Cotton Exchange in the United States that hedge selling is being indulged in in my State and in the other Southern States. Mr. President, they must think the reading public of the United States knows very little about the cotton business.

Here is another one:

Situation got little better in the afternoon. Market firmer during the middle of the day on the report that the British Government would agree to the Anglo-American debt-funding proposal.

Now, is not that refreshing? How sweet it is to hear that about Great Britain's proposal that she was able to put over on the American commissioners, postponing the payment of the debt until two generations come and go before it is paid, at 3 per cent and 3½ per cent, while the farmers of the United States pay anywhere, have paid, from 15 to 20 per cent and up to 87½ per cent in my State. Great Britain is to get her money at an interest rate of 3 and 3½ per cent, while here on the cotton exchange the price is "firmed up" because of the British acceptance of the American proposal. Is it not a magnificent piece of diplomacy for Great Britain that our commissioners were able to put over such a fine deal? Sixty-two years, two generations and a little more, before the debt will be paid, and that is given as an excuse for giving the farmer 30 cents a bale more than they were giving him two hours before that intelligence reached the exchange.

Who is doing this work, Mr. President? How are the exchanges being run? I want to submit this information, and I shall then send a copy of my remarks to the Federal Trade Commission. Who is handling the exchange? Is the law of supply and demand permitted to operate? Is the scarcity of cotton permitted to make itself felt upon the exchange? No. If the law of supply and demand controlled, the price of cotton to-day would be from 50 to 75 cents a pound.

The law of supply and demand is suspended under the raid of these bear gamblers, backed by certain spinners here and abroad. Is the exchange being manipulated so as to enable certain interests to hold the price down?

Let me read another headline from New York:

Special to the Washington Post. New York, January 28—

This was printed in the Washington Post of January 29, 1923—

Fluctuations are of no significance.

Here is the important statement:

Steady hands are operating on exchange to prevent any new wild booms.

There it is. But what will they do to the fellow who wrote that when they find out who he is? He told the secret. He let the thing out.

"Steady hands are operating on exchange!" Selling short, maybe, and manipulating the market so as to prevent the farmer from getting the price warranted by the law of supply and demand. The law of supply and demand would say, "Give him 30 and 35 cents and more. He has not got much cotton. He has debts still hanging over him from the deflation of 1920. Let him have the good price. He is entitled to it. His crop is short. The cotton supply is small and the world demand is great. Get out of the way and let him have the price warranted by supply and demand." But no. Who constitutes the steady hands? Certain spinners here and abroad. The speculator here manipulates the market so that he can get the cotton, and then a little later on when the price goes to 35 cents, it being to-day about 27 cents, he will have made about \$40 a bale in two or three months' time. The farmer can stand off and look at it, and say, "If I had been permitted to hold my cotton and keep it off the market, I would have had that \$40 a bale additional"; which on a little 10-bale crop would have amounted to \$400, a nice little sum for him. And God knows he needs it. But does he get it? Oh, no! He must be aided in holding his cotton until the price will yield a profit.

I have received some letters from commissioners of agriculture telling me about the debts left on the farmers by the deflation of 1920. Here is one from the State of Mississippi:

In order for the farmer to get a living profit, cotton has to bring from 30 to 50 cents.

He said further:

I should say it would take from two to five years for the farmers to recover completely from their losses following the deflation period of 1920 and 1921.

Mr. President, this is a serious thing with our people. The debt is still hanging over the farmer and the commissioner of agriculture says it will take from two to five years to get out from under the debts left on him or unloaded on him by the deflation policy in 1920 and 1921.

The commissioner of agriculture of the State of South Carolina wrote:

In answer to your question: In order to give the farmer a fair profit, cotton should now be selling for from 30 to 35 cents a pound.

You ask how long it would take the farmers of my State to finish paying the debt caused by the deflation of 1920? Under the present condition a great many of them will never be able to pay their debts brought on by deflation. So long as the monetary system of the United States is controlled as it is, I see no real hope for the farmer.

This mournful note comes from one of the hitherto greatest cotton-producing States in the Union—South Carolina. While we are figuring on the debts of foreign governments at an interest rate of 3 per cent and giving them 62 years in which to pay, the commissioner of agriculture of one of the great cotton States writes that unless the situation is changed very materially there is no hope for the cotton farmers of the United States.

The North Carolina commissioner of agriculture, speaking of deflation, said:

Many of the farmers were hopelessly broke and many others will be years recovering from the effects of deflation of 1920 and 1921.

Mr. President, I simply wanted to bring these suggestions to the attention of the Senate this morning.

Mr. President, I wish to read the headlines of another article appearing in the Washington Post of this morning, as follows:

Buying of implements shows farm prosperity.

No wonder that makes the present occupant of the chair [Mr. BROOKHART] smile. He is a friend of the farmer and comes from a State which is in dire financial distress right now. The headlines continue.

Buying of implements shows farm prosperity. Sales in December reported as double those in same month in 1921.

Mr. President, those of us who know the condition of the farmers of the United States look with pity upon those who print such headlines. They are not true. The farmers of the United States have never, in my recollection, been as hard pressed financially as they are to-day. Of course, they have to buy implements. Those they have had are worn out. They have to buy new implements and when they go deeper into debt in buying them the propagandists come out and say "The country is prosperous, the farmer has gone to buying more tools to work with." That is the sort of propaganda we have going on, and yet it has been said 25 cents a pound for cotton is enough when it costs that much and a little more to produce it.

The cotton and grain farmers have got to have a stronger regulatory hand laid against the hand of the speculating marauders of the East. The farmer has got to have some steady influence that will help make the price of his product more stable. Nearly everyone else, when he goes into business, knows what the year's work is going to bring.

The man who goes to work for wages as a rule knows, for he has a contract. The great manufacturers know. They contract in the spring of the year to sell their goods to be delivered in the fall at a certain price. They know they are going to get that figure. That is a certainty. That enables them to carry on their business. But the farmer goes in, hoping and praying that he will have a fair chance. While he is walking down the cool, moist furrow of his field, "solemn and reflective," as the former Senator from Georgia, Mr. Watson, once said, thinking of his business and how he is going to manage to come out on top, here comes a scheme into operation to fleece him, to take from him the commodity which he is producing. When he is forced in the market place to sell his products at unprofitable prices he goes back home with an empty wagon and an empty purse to a disappointed wife and disappointed children, to whom he promised to bring gifts, wearing apparel, shoes, hats, and clothes, that he is unable to furnish because of the low price which he receives for his produce. Senators, this situation has got to change.

Mr. President, something has got to be done, and I expect from time to time to contribute to the discussion of this important subject. These exchanges have got to be regulated; they have got to be made to reflect the law of supply and demand, or they have got to be put out of business. There is one of two courses open for them: They will obey the law as it is upon the statute books, or they will find the law so tight that they can not move. The cotton industry has got to live and prosper, and if the exchanges could be regulated so that they would help to distribute the cotton crop, so that they would respond to the law of supply and demand, I should have no objection to them; but I am not in favor of the exchanges if they are to be run to the hurt and injury of the cotton producer. As between these institutions, as to which one shall survive, I am for the cotton-producing industry; I am for sounding the death knell of the exchange, if that be necessary, to give to the cotton producer a fair price and a good profit. Let the Federal Trade Commission, under the resolution which was reported by the committee of which I am a member and which we passed on yesterday, go to the bottom of the subject. The exchanges can put their houses in order or prepare to go out of business. That is all I have to say on the subject this morning.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. SMOOT. I ask the Chair to lay before the Senate the amendments of the House to Senate bill 4390.

The PRESIDING OFFICER (Mr. BROOKHART in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act, as amended by the act of June 3, 1922, which were, on page 2, line 2, to strike out the word "now" and, on the same page and line, after the word "construction," to insert "prior to June 3, 1922."

Mr. SMOOT. I move that the Senate concur in the House amendments.

Mr. FLETCHER. I understand that an amendment takes care of the branch bank at Jacksonville.

Mr. SMOOT. It takes care of the Jacksonville branch-bank building which was started prior to the time fixed.

Mr. ROBINSON. That is my understanding; and there is another amendment striking out the word "now," which was surplusage. I think both amendments should be concurred in.

Mr. SMOOT. I agree with the Senator, and I have so moved.

The PRESIDING OFFICER. Without objection, the amendments of the House are concurred in.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. LENROOT obtained the floor.

Mr. FERNALD. Mr. President, will the Senator from Wisconsin yield to me?

Mr. LENROOT. I yield.

Mr. FERNALD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	George	McCumber	Reed, Pa.
Bayard	Glass	McKellar	Robinson
Borah	Harrell	McKinley	Smith
Brookhart	Harris	McNary	Spencer
Broussard	Heflin	Nelson	Sterling
Cameron	Hitchcock	New	Sutherland
Capper	Johnson	Nicholson	Swanson
Caraway	Jones, N. Mex.	Norris	Trammell
Couzens	Jones, Wash.	Oddie	Underwood
Culberson	Kellogg	Page	Wadsworth
Ernst	Kendrick	Pepper	Walsh, Mass.
Fernald	Lenroot	Pittman	Willis.
Fletcher	Lodge	Pomerene	
Frelinghuysen	McCormick	Ransdell	

Mr. BROOKHART. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Senate on account of hearings before the Committee on Manufactures.

The VICE PRESIDENT. Fifty-four Senators having answered to their names, a quorum of the Senate is present. The question is on the amendment offered by the Senator from Iowa [Mr. BROOKHART].

Mr. LENROOT. Mr. President, I desire to address myself to the pending amendment offered by the Senator from Iowa, but more particularly, perhaps, to the general subject to which it relates and concerning which he addressed the Senate yesterday.

I do not know how many Senators may have had the opportunity to examine the amendment, or have done so whether they had the opportunity or not. I am going to be very greatly interested, Mr. President, when a roll call is had upon the amendment to ascertain how many Senators there shall be who will vote in favor of a proposition of this kind, so important, so far-reaching; a proposition that has not been considered by any committee of the Senate and one which has not been indorsed by any farm organization or any other organization, so far as I know, but for which the Senator from Iowa himself acknowledges he alone stands sponsor. Nevertheless, he said that he expected the Senate, or at least he hoped the Senate would adopt it; and yet the Senator from Iowa has complained that there has not been given sufficient time for the consideration of the provisions of the pending bill, although it has been considered by two committees, by the farm bloc, and has been before Senators for several weeks, if not months.

I am not going to undertake to address myself at any length to the provisions of the amendment, because I can not assume, Mr. President, that Senators are willing to act affirmatively upon such a subject as this without full consideration. I only wish to say in passing that on its face it affords privileges to the class of people who come under it that are not afforded to any other class of people in the United States under our banking laws; that it creates a Federal reserve bank for the special use and benefit of the class of people to whom its provisions are directed, and that, too, in one short paragraph, the full effect of which no one can foresee.

Mr. President, I am in sympathy with cooperative organizations, and it may surprise some Senators to know, after listening to the speech of the Senator from Iowa, that the bill that is now before us expressly provides that the paper of cooperative banks shall have the same privileges as the paper of any other kind of a bank. This bill, however, seeks to establish under national charter a system of cooperative banks; and it seems to me that when the Senate comes to consider that question seriously, if the present law is not sufficient to authorize and permit it, the easy and the simple thing to do would be to amend the present law in the particulars that prevent the full functioning of a cooperative bank exactly as any other bank functions. More than that the farmers have not the right to ask; and here is a curious circumstance, Mr. President:

Some of the friends of the farmer are always denouncing special privilege, and yet we almost always find those same alleged friends of the farmer asking for the farmer special privilege that they would deny to anybody else. Mr. President, special privilege in itself may be to the public benefit. Generally it is to the public injury; yet there are times when conditions and circumstances are such that a special privilege to this class or that class may be to the public benefit. For instance, the pending bill before us, reported by the committee, confers a special privilege for the benefit of the farmers in that it has the Government furnish \$60,000,000 of capital, and, under certain circumstances, an additional \$60,000,000, or, in all, \$120,000,000 capital for the organization of personal-credit departments in farm land banks for the benefit of the farmers of the United States. That is a privilege that we do not extend to any other kind of a bank, and I think it is entirely proper; and I merely wish to say that those who denounce special privilege always in general terms and then every day come and ask for some special privilege in behalf of those whom they pretend to represent are not very consistent in doing so.

Mr. President, that is all I am going to say about this amendment. Senators, of course, will vote as they see fit upon it; but I do want to say a word with reference to the general subject of cooperation.

Mr. BROOKHART. Mr. President—

Mr. LENROOT. I yield.

Mr. BROOKHART. The Senator says the paper of cooperative banks has the same privilege under this law as the paper of other banks. Since there are no cooperative banks, what advantage is that to the farmer?

Mr. LENROOT. I understood that the Cleveland bank is in fact, whatever its form may be, a cooperative bank, organized by the brotherhood of railway employees.

Mr. BROOKHART. That is a labor cooperative.

Mr. LENROOT. Well, it is a cooperative bank. If a labor cooperative can do it, a farmers' cooperative can do it.

Mr. BROOKHART. That bank is operating under cooperative by-laws by special agreement with its stockholders. It is organized under the regular national banking act.

Mr. LENROOT. Certainly. That is what I said.

Mr. BROOKHART. I had a letter from the organizer of that bank this morning indorsing my bill.

Mr. LENROOT. Well, supposing he has—what of it?

Mr. BROOKHART. He wants the privilege of organizing a cooperative bank, the same as any other folks have the privilege of organizing a corporation bank.

Mr. LENROOT. He has that privilege now—the same privilege that anybody else has of organizing a bank.

Mr. BROOKHART. He has not.

Mr. LENROOT. He is now asking for some special privilege for himself or those whom he represents, is he?

Mr. BROOKHART. The amendment that I offered, if the Senator will notice, is not confined to farmers or laborers or anybody else. Anybody can organize a cooperative banking concern. There is no special privilege asked in it in that way.

Mr. LENROOT. Is it or not confined to producers?

Mr. BROOKHART. It says:

Provided, That associations for carrying on the business of banking under this title may be formed by any number of natural persons, not less in any case than 200.

Mr. LENROOT. And who may be members of the cooperative organization?

Mr. BROOKHART. There is no limitation on it, as I remember.

Mr. LENROOT. Perhaps it is one of the other bills in which it was limited to producers.

Mr. BROOKHART. I think the Senator was in error on that. Now, the Senator suggested that if we wanted cooperative banks, the way to get them was to amend the banking law itself. That is exactly what this amendment proposes to do. It does not propose to change the national banking system. It simply puts the cooperative banks under the national banking act.

Mr. LENROOT. Mr. President, the Senator knows that this amendment of his relates to stock subscription, and they must have capital stock. He does provide that this kind of a corporation shall have a privilege that no other bank has, in that the minimum capital is very much less than in the case of any other kind of a bank. He also knows that the difficulty, if there be any, of organizing through stock subscription under the present law, as this amendment provides that stock must be taken, is with regard to the distribution of earnings to stockholders, depositors, and borrowers. Some simple amendment might be made to the present national banking act that would obviate that difficulty, if difficulty it be, without amending the law so as to give a special privilege, a special exemption, to one class of people organizing banks under the law.

Mr. BROOKHART. But those are the provisions that make it cooperative. Without that it would not be cooperative. Those are the things necessary to make it cooperative.

Mr. LENROOT. Can not 200 persons subscribe to stock in a national bank now and become stockholders in it?

Mr. BROOKHART. Yes; but that would be a corporation, and not a cooperative.

Mr. LENROOT. What is the difference?

Mr. BROOKHART. The difference is that in the cooperative you limit the earnings of the capital, to start with. The next is, one man one vote, regardless of the amount of capital he owns; and the third is, the earnings are distributed to the depositors and the borrowers.

Mr. LENROOT. That is the chief thing of course, as the Senator knows—the distribution of earnings—and our present national banking laws could very easily be amended so as to give to officers of national banks the privilege of distributing the excess earnings in that way if they saw fit. The Senator knows that.

Mr. BROOKHART. If the Senator will prepare that simple amendment, I will accept it.

Mr. LENROOT. The Senator from Wisconsin is not cumbering up this farm credit legislation with legislation that has no place upon this bill and that may tend to defeat it. I happen to be a friend of rural credit legislation.

Mr. President, the Senator from Iowa yesterday again charged, as I understood him, that there had been delay in the consideration of this bill, and so much delay that I do not know whether he said it ought to go over until the next session or not, but, at any rate, that other propositions should have further consideration. The only reference to the farm bloc in this debate, so far as I am concerned, arose over the fact that the other day the Senator from South Dakota [Mr. NORBECK] charged that somebody had delayed this legislation, and implied that I at least was one of the parties responsible for doing so, and that it had now become so late in the session that adequate consideration could not be given to that important question. In reply, I stated that if there was delay anywhere with reference to this farm credit legislation the responsibility was with the farm bloc, and I related the exact facts with reference to it.

Mr. President, I do not happen to be a member of the farm bloc. I have not criticized it in any way. I have stated the facts with reference to it; and, to remind the Senator from Iowa, I will state them again.

It is over a year ago that this legislation was introduced. It is nearly a year ago that I asked the Banking and Currency Committee to appoint a subcommittee to consider it. It is nearly a year ago that I argued this bill before the subcommittee. Shortly thereafter members of the farm bloc informed me that the farm bloc was considering this matter of credit legislation, and asked me not to press this legislation until the farm bloc could have an opportunity to examine, investigate, and consider not only the bill that I had introduced but other bills upon the same subject. I, having great respect for the farm bloc, acquiesced and agreed to the request. It was not very long after that before I was invited by the chairman of the farm bloc to appear before it and address myself to the provisions of the bill which I had introduced. I did so. I remained after my remarks were over. The Senator from North Carolina [Mr. SIMMONS] addressed the farm bloc. I think the Senator from South Dakota [Mr. NORBECK] did so. Anyway several Senators spoke, and I was informed that at that meeting a committee was appointed to consider all rural credit legislation that had been proposed. I inquired many times, and each time I learned that that committee had not made a report to the farm bloc. They did make a report in December. I again was invited to appear and be present at a meeting of the farm bloc when the committee had made its report, and I was informed that the farm bloc could not agree among themselves upon any measure relating to rural credits. That being so, I pressed to the fullest extent of my power the consideration of this bill.

The Committee on Banking and Currency immediately commenced hearings upon it, and I do not think anyone who was present can charge that committee with any delay for a single moment. The Senator from Michigan [Mr. COUZENS] sits before me, and he knows how they sat day after day in continuous session until they disposed of the bill.

So, I repeat, if there is any delay in this rural credit legislation, the farm bloc are responsible for the delay; but I do not criticize the farm bloc for that. I have not criticized them in any way with respect to this or any other matter. The farm bloc have done many good things, but it is not necessary in defense of the farm bloc to attempt to give them credit for things for which they were not responsible.

Mr. BROOKHART. Mr. President, my principal complaint in the matter was that the Senator from Wisconsin was fili-

bustering the bill through too fast, to get back onto ship subsidy.

Mr. LENROOT. Again the Senator from Iowa, while pretending to be a friend of the farmer, may be willing to delay this legislation so that the farmer will not get any benefit from it. I am not.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. WADSWORTH. Is it not a fact that if this legislation were unduly delayed it would be quite impossible to pass it through the House of Representatives before March 4?

Mr. LENROOT. I have stated that, and I have also stated that the farmers are commencing to prepare for their crops; and I should suppose that anyone who really wanted to help the farmers, rather than have political issues to talk to them about, would be interested in getting through at the earliest possible moment legislation for their relief.

Mr. WADSWORTH. In other words, every day is vital.

Mr. LENROOT. Every single day is vital, of course.

Mr. President, I stated that it is no criticism upon the farm bloc to show that they had not done all of the things that the Senator from Iowa attempted to give them credit for; and upon this very subject of cooperative organization among farmers—the Senator from Iowa may not know, because he was not here—with reference to the cooperative marketing bill that we passed at the last session, I think even the Senator from Iowa, loath as he is to admit that anything is good that is done for the farmer unless it bears his name or that of some of his close associates, will admit that that bill, passed at the last session of Congress, was of the very greatest value to the farmer, and if cooperative organization was to succeed in the future it was absolutely necessary that that legislation should pass. The Senator from Iowa may not know that that bill was sleeping the sleep of death, never to be resurrected so far as the farm bloc was concerned, until two Members of this body, neither of whom was a member of the farm bloc, got it resurrected, called a meeting with the chairman of the farm bloc, asked representatives of different farm organizations to meet with them, and agreed upon a bill that was put through and is a law today, but which would not have been upon the statute books if Senators had been willing to let it rest there as the members of the farm bloc at that time seemed to be willing it should.

Remember, Mr. President, I am not criticizing members of the farm bloc; I am simply saying that the Senator from Iowa should not attempt to give them credit for things they will not take credit for themselves. They have done good things. I think they were responsible, in very large degree, for the packers bill, for the grain futures bill, and for some other legislation. Another piece of legislation the Senator from Iowa attempted to give them credit for was the law enlarging the powers of the War Finance Corporation, which I think every Senator, unless he be the Senator from Iowa, will admit saved thousands of farmers of the United States from going into bankruptcy. I do not know whether the Senator from Iowa is willing to admit that or not. But what are the facts concerning that measure? The farm bloc indorsed a bill which could not have passed this body, that could not have passed the House, because it would have put the Government into the business of buying and selling farm products, and some gentlemen seem to have the idea that there is a very simple way to restore prosperity in the United States, and that is to have the Government buy everything that is produced at a high price, and then sell it to the consumer at a low price, and everybody will be happy. That was the status of that bill.

There were some other Senators who were not members of the farm bloc—

Mr. POMERENE. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. POMERENE. The Senator has just referred to the purchase by the Government of large quantities of farm products for the purpose of improving the prices. Let me remind the Senator that during the period of the war large quantities of wool were bought, and were held in warehouses. Those large purchases were made in part by the Government and in part by private enterprise, and then the very moment the Government sought to sell the wool it had, and at one time placed \$85,000,000 worth of wool on the market, the natural effect was to depress the price of wool in the hands of the farmers; and that would be the effect of legislation of that kind.

Mr. LENROOT. The difficulties the Senator speaks of are easily met. The Senator forgets that most of the gentlemen who urged that kind of a proposition were also of the opinion

that the Government should in such case continue to buy at a high price.

Mr. POMERENE. And hold the goods, without limit.

Mr. LENROOT. Oh, yes; I was on the point of saying that there were some Members of this body who believed that the farmers should have some relief in the emergency which then existed, and Senators who had no connection with the farm bloc drafted the legislation which is now upon the statute books enlarging the powers of the War Finance Corporation, which, it is admitted, was of very great benefit to the farmers of the United States.

I merely make these statements to correct the RECORD, and to assure the Senator from Iowa that, notwithstanding his own skepticism upon the subject, there are some friends of the farmer in this body who have not the honor to belong to the farm bloc, and there are some friends of the farmer who try to be helpful in constructive legislation, and do not think it necessary, on the stump and on this floor, to be constantly parading their friendship for the farmer.

I want now to refer to just one other thing that has to do with this general subject of cooperative organization. I believe, with the Senator from Iowa, that the solution of most of the economic troubles which confront the farmer lies in cooperation, cooperative marketing and cooperative buying; and may I say to the Senator from Iowa that the farmers have learned more in the last five years with reference to that subject than they had learned in 50 years previous to that time. There was one lesson the farmer had to learn with reference to cooperative marketing and cooperative buying, and that was that if it was to be a success, they could not simply regard the management of it as a white-collar job which anyone could fill, but if it was to be a success there must be efficient management, and they must be willing to pay for efficient management just the same as a private business would pay. They are learning that, and wherever they have learned it cooperative marketing is a success and has a future before it.

But let us see for a moment what kind of a future the Senator from Iowa has in mind for cooperative marketing. This is not my idea. The Senator from Iowa and I are as far apart as the poles upon the subject of farmers' cooperative associations, or consumers' cooperative associations, because the aims and purposes of the Senator from Iowa in the full development of cooperative associations are not one whit different from the aims and purposes of Soviet Russia, and Lenin and Trotski. He has a right to advocate his ideas, of course. Any Senator has a right to; but it is interesting to know just what the ultimate aim and purpose is.

I would not make that statement concerning the Senator from Iowa, of course, even though he has the right to take that position, were it not for the fact that he very frankly stated his position not long ago. I do not think he has stated it on the floor of the Senate yet, but a very short time ago, in a speech in New York City, he very frankly set forth just what his idea of the future and purpose of cooperative organizations was, and I want to quote a paragraph of that speech, made last week, I think, before the Council of Foreign Relations of New York City. I will quote just one paragraph. He said:

I want to make this council a specific proposition. I say to you it is within your power to lead this movement—

Having discussed the cooperative movement—

to a speedy and world-wide success. Under the Constitution Congress regulates commerce with foreign nations and among the States. If this council would ask Congress to require that all business in interstate and foreign commerce shall be transacted under a Federal charter; that the terms of the charter shall be the Rochdale cooperative system of producers and consumers; that all antitrust laws be repealed as soon as this is effected; every farmer, every laboring man, and every soldier would join in that request.

Think of that, Mr. President. He undertakes to speak for every farmer, every laboring man, and every soldier, in the request that Congress pass legislation providing that no one shall engage in interstate commerce in the United States unless he has a Federal charter, and the Federal charter shall provide that they must be members of a consumers and producers' association, otherwise the privilege of interstate commerce shall be denied them. I challenge the Senator from Iowa to point out any distinction between the doctrine of Soviet Russia in its beginning and the proposition he now advances. There is a distinction to-day, because Lenin himself would not think of advocating such a proposition as the Senator from Iowa asked that body in New York the other night to request Congress to enact.

Then, in making that request, the Senator from Iowa seemed to forget for the time being that there is a little instrument

in writing, not very long, which it does not take very long to read, but which has been in existence something like 146 years, which happens to be known as the Constitution of the United States, and the Senator from Iowa seems to have forgotten that the Constitution of the United States prohibits the passage of any such legislation as he asked the Farmers' Council to request Congress to enact.

Mr. BROOKHART. Mr. President, I would like to inquire what section and article of the Constitution of the United States prohibits the Congress from regulating commerce among the States, and also foreign commerce.

Mr. LENROOT. I am very glad the Senator asked that question, because I should be very sorry to think that the Senator from Iowa would make such propositions as he does if he knew what the constitutional provisions were as construed by the Supreme Court. Yet I am surprised. The Senator is a lawyer. The Senator must know—surely the Senator from Iowa can not be ignorant of the fact—that Congress has no power to deny the privileges of interstate commerce to one class of persons and say they shall be granted to another. According to the doctrine of the Senator from Iowa, Congress could say that no one who had red hair should engage in interstate commerce, that only those who did not have red hair might do so. Does the Senator think that kind of a regulation would be valid?

Mr. BROOKHART. I should like to ask the Senator what class of our people would be prohibited from entering into interstate commerce under the Rochdale cooperative system of producers and consumers?

Mr. LENROOT. The class of men who love liberty in the United States, who are not prohibited by the Constitution or by law from joining or refraining from joining any organization. The class that would be prohibited from engaging in interstate commerce, under the Senator's suggestion, is the citizen of America who would say, "I am an American citizen, but I do not care to join a cooperative consumers or producers' society." Have I answered the Senator?

Mr. President, I thought it well worth while to take a little of the time of the Senate in setting before the Senate what the aims and purposes of the Senator from Iowa seem to be in the development of cooperative organizations.

I repeat, I doubt if there are any who do not believe in cooperative organization, who do not believe that cooperative organization will do more for the farmer than any kind of legislation can possibly do. But, Mr. President, I hope the time has come—no, I will retract that. I will say I hope there is not another Senator and not a Member of the other House who holds the idea that the Senator from Iowa apparently does—that not another Senator could be found who would say "We will by law compel you to join one of these associations, under penalty, if you do not, of denying to you the privileges of interstate commerce."

Mr. President, there are many attacks upon the Constitution these days. The Constitution, I think, should be amended in some particulars. But when doctrines like these are propounded by a Senator of the United States I say, Thank God for the Constitution.

Mr. KELLOGG. Mr. President, will the Senator from Wisconsin yield? I wish to ask him a question.

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LENROOT. I yield.

Mr. KELLOGG. I invite the Senator's attention and also the attention of the Banking and Currency Committee to one clause of the amendment offered by the Senator from Iowa upon which the Senator from Wisconsin has not commented—at least I did not hear him—and that is section 15, which provides as follows:

And it is provided further that after 1,000 cooperative national banks have been organized they may establish a cooperative reserve of their own and become members thereof by subscribing for capital stock therein equal to 5 per cent of their own capital stock.

Then it provides that—

Such cooperative reserve bank may also admit as members cooperative State banks organized substantially upon the same plan as cooperative national banks.

Now, under that language, I take it, we are to have two Federal reserve systems in the country independent of each other. Everybody knows the object of the Federal reserve system. It has a great influence not only upon the rates of discount and credits to be given member banks, but upon the amount and flexibility of the currency of the United States on which business is done. Are we to have an unlimited right to establish another reserve system, apparently without any

limitations whatever? I should like to hear the Senator comment on the proposition.

Mr. LENROOT. I had referred to it. I did not care to go into it at any length because I think it must be readily seen by any Senator who would take the trouble to examine the amendment, and particularly that section, that if any plan of cooperative banking is to be set up as a part of the national system, the provision would have to be very carefully worked out and drawn. But may I say that I suppose what the Senator from Iowa had in mind, although it is not expressed, is that this would be merely an additional Federal reserve bank. I suppose that is what it is. I do not know. But if it is a Federal reserve bank, the Senator from Iowa has perhaps forgotten that provision of the Federal banking law which would permit the Federal Reserve Board to order the transfer of funds from that cooperative bank and put them in the vile commercial banks he speaks of.

Mr. KELLOGG. The language, on its face, I suggest to the Senator from Wisconsin, seems to establish an independent Federal reserve system. It does not say it is a part of the Federal reserve system we now have, or subject to the control of the Federal Reserve Board.

Mr. LENROOT. It does not, except that the Senator from Iowa has provided that the provisions of the Federal reserve act and the national bank law shall apply in so far as they are applicable.

Mr. KELLOGG. So far as not inconsistent with his amendment; but the language of the amendment is that the cooperative banks shall establish for themselves a cooperative reserve of their own—not a Federal reserve, but a separate reserve of their own.

Mr. LENROOT. I would like to say to the Senator from Minnesota that when the Senator from Iowa has had more time to reflect upon it and reintroduces the amendment at the next session, as I expect he will, I am very sure he will very radically revise it himself.

Mr. BROOKHART. Mr. President, I regret more than ever that the Senator from Wisconsin [Mr. LENROOT] withdrew his demand for a night session. I see more than ever the need of a cooperative school here in the Senate of the United States, especially among the standpatters.

First, I want to refer to the cooperative reserve proposition. We have two reserve systems in the United States right now. It has been stated over and again in this Chamber that something more than 8,000 banks are now eligible to the Federal reserve system and not in it. Where are they doing their reserve business? They are making their own reserve right now. They are selecting their own reserve bank and doing business with it as they please. Yet here comes a howl from Minnesota that it sounds like Lenin and Trotsky, echoing the other howl from Wisconsin. I think most of the people of Wisconsin are on Lenin and Trotsky's side, judging from the way they are voting up there lately, if that is the theory of it.

Mr. LENROOT. Mr. President—

Mr. BROOKHART. I think the Senator will learn, when he goes back to the people in Wisconsin, that they know what a cooperative bank is and that they know what cooperation in interstate commerce means. I yield to the Senator from Wisconsin.

Mr. LENROOT. The people of Wisconsin have perhaps much to answer for, but the people of Wisconsin thus far, radical as they may have been, have never even dreamed of such a proposition as that proposed by the Senator from Iowa.

Mr. BROOKHART. We will discuss that proposition a little later. I agree that the people of Wisconsin have much to answer for. Perhaps the chief of those things is the junior Senator from Wisconsin.

But in any event I want to explain the situation a little. We will hold a little bit of the school right now. I am ready to face any American on the proposition of the right to organize cooperative societies. I said to the leaders of finance in Wall Street, to that council of foreign relations, the biggest leaders up there, "If you would come to Congress and ask this regulation of interstate commerce, the farmers, the laborers, and the soldiers would join you," and they would do so. I so said to them that I did not expect them to come, because they are not ready to yield the profit system which they have fastened on interstate commerce and which enables them to take such enormous profits without the consent of the people of the United States and to declare such enormous dividends to avoid the payment of taxes.

Now, would Congress have the right to provide a Federal charter for the transaction of interstate commerce? I know of no lawyer who ever disputed that fact. The farmer himself

knows better than that. He does not have to ask a lawyer, because the Constitution says that Congress shall regulate commerce among the States and also foreign commerce. If Congress provided that those engaged in interstate commerce should take out a Federal charter it would be constitutional. No one would dispute it. If Congress then further provided that they had to earn 200 per cent on their capital, the Senator from Wisconsin would never dispute the constitutionality of that sort of provision in the charter. But if Congress would provide that those profits should be restricted by the cooperative principle, then it would be bolshevism and anarchy, as has been stated by the junior Senator from Wisconsin.

Oh, we need a little bit of education on some of these ideas. The farmers and laboring men and soldiers of the country are wakening up to them and are talking of this proposition. I have not the slightest doubt of the power of Congress to enact such a law. I have not the slightest doubt that the most reactionary court in the country would hold it constitutional, because the plain terms of the Constitution say that Congress shall regulate foreign commerce and commerce among the States.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. BROOKHART. I asked for the section or article that is violated and the Senator from Wisconsin got eloquent, leaned back on his dignity, and shot off some hot air, but he never stated it. I now yield to the Senator from Wisconsin.

Mr. LENROOT. I will say to the Senator that if he will read the decision in the child-labor case, rendered in a case involving the first child labor law, he will not thereafter, because he is a lawyer, repeat the statement he has just made.

Mr. BROOKHART. I know something about that, too. That was a proposition that we could not invade the States with the interstate commerce clause. I am only talking about interstate commerce.

Mr. LENROOT. That was interstate commerce. We attempted in that law—and I had something to do with it—to deny the privilege of interstate commerce in order to protect the child labor within the State, but the Supreme Court of the United States held that Congress had no power to do that thing under the interstate commerce clause of the Constitution.

Mr. BROOKHART. To do certain acts wholly within the State, which they held were not within interstate commerce. I have not proposed anywhere that there be included any provision that was not interstate commerce. I understand that distinction perfectly well. No; there is always a reactionary always ready to find some reason to halt the advance. He is always ready to cite the Constitution, if that will do; if not, then he cites something else. He never sees the light of progress. He never sees the interest of the common man. That is the trouble. That is the reason why we are going to pass farm legislation that amounts to nothing for the farmer.

Now, the little simple amendment which I have proposed to the pending bill does not force anything on anybody. It does not attempt even to do the things that I asked the big financiers of New York to support. It gives a permissive right to organize a simple cooperative bank. There are thousands and tens of thousands of them organized and in successful operation in the world right now, organized every time by the common, plain people of the different countries. They are serving the needs of the agricultural people in every country where they are in operation. But the Senator, who does not belong to the farm bloc, who speaks for the banker bloc, the Wall Street bloc, the United States Chamber of Commerce bloc, and all those blocs, is opposed to giving to this great class of our people, the 7,000,000 farmers, the 6,000,000 laboring men, the several other millions of brain workers who earn their living in the country by brain work, authority to form an organization that would enable them to organize their own little savings under their own control, to be used for their own benefit. No; he wants to continue a system which by the structure of its organization takes those little savings, piles them up ultimately in the big Wall Street banks, and leaves in the hands of a few men the economic power that goes with the control of all that vast capital.

I do not know in how many wars he served. I do not know how many times he has volunteered to defend his flag, but the Senator comes back and intimates against the man who is willing to stand for these people against him and against Wall Street or any other crowd that that man belongs with Lenin and Trotsky. All right; I do not care. I have been called those names ten thousand times. That is the reason I carried every county but five in my State. The common people of this country have got past all of that stuff. I was told when I first came down here that I would have to face a conspiracy of this kind of charges, and it has appeared to-day

on the floor of the Senate of the United States. I am ready to face it here or anywhere else.

I say that the men who are trying to subvert the Constitution of the United States are this same combination of capitalists who recognize no rights of the common man, who ignore and care for nothing except to take exorbitant profits at the expense of the farmer and laborer and the common man of this country.

I did not come to the Senate to represent those men and those combinations. I came to fight them, and I will be here doing it as long as I have breath to do it. I think this is a Government of the people, by the people, and for the people. I think the Republican Party, to which I belong, is the party of that idea, and if it has strayed away under the leadership of the ideas advocated by the Senator from Wisconsin I am ready to fight to bring it back. It came back in Iowa, and it came back in Wisconsin. No longer by calling names, no longer by denouncing somebody, can the thoughtful people of the United States be turned from the real question at issue.

Vote down this amendment if you wish and say to the farmers and the laboring people and the common people, "You shall not have an organization within which to mobilize your own little savings; we propose to take those savings and handle them for you whether you wish it or not"—do that if you like, but I will be here fighting it at the next session of Congress. There will be a somewhat different tone of voice in the Senate at the next session, and it may be we shall fare better.

Mr. LENROOT. Mr. President, I am going to say merely a word with reference to the remarks of the Senator from Iowa. I wish to read but a line of the bill as reported by the committee, as originally introduced by me, and as I am asking the Senate to pass it to-day. As to those who shall have the privileges of the bill, it covers—

any national bank, State bank, trust company, rural credit corporation, incorporated live-stock loan or farm credit company, savings institution—

Now, note—

cooperative bank, or cooperative credit or marketing association of agricultural producers.

Mr. BROOKHART. Mr. President—

Mr. LENROOT. The Senator from Iowa is so careless in his statement of fact that I do not care to go further with that.

Mr. BROOKHART. Mr. President, I wish to concede, as I have stated all the time, that the Senator's bill recognizes the belligerency of a cooperative association, but that is all.

Mr. LENROOT. No.

Mr. BROOKHART. The bill recognizes that there is such a thing and that business will be transacted with it, but that is all.

Mr. LENROOT. The Senator said I was trying in this bill to prevent the organization of cooperative banks and insisted on taking the money away from them.

Mr. BROOKHART. I still say that it does not create such a bank or provide any way of creating it.

Mr. LENROOT. It does create such banks. They may be created just as many thousands of State banks to-day are created. It is State banks mostly that will be affected by the bill. In any State, with the permission of the State government, cooperative banks may be organized, and when organized this bill gives cooperative banks the benefit of its provisions. The Senator knows that, and yet he made the statement he did a few moments ago.

Mr. BROOKHART. I know this bill as it was originally prepared did not authorize the organization of any cooperative bank or of any other cooperative society.

Mr. LENROOT. No; nor of any other kind of bank.

Mr. BROOKHART. It proposes to transact business with them; that is all. That amounts to but very little. I am willing, however, to give credit to the bill for that; it helps that much; but this whole proposition is worthy as well as one little corner of it.

Mr. President, I desire at this time to withdraw the amendment to the pending bill providing for cooperative banking, but give notice that I shall offer it again before the final vote is taken.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. TRAMMELL. Mr. President, I concede that the measure before us indicates at least some response to the demand of the great agricultural interests of the country that Congress enact laws governing the financial system that will be suitable to conditions surrounding that great industry. I do not feel that the measure in its present form is entirely void of helpful provisions. It is, to a large extent, copied after the act reviv-

ing the War Finance Corporation, and placing within it certain authority and power to make loans in order to assist in carrying on our agricultural industries.

In some localities of our country the pending measure will extend additional relief to that already provided by the War Finance Corporation act under which we are operating at the present time. In other localities, considering the character of the agricultural industries within those sections, the measure will afford no greater relief than, and probably not so much relief as, is now enjoyed under the existing law governing the administration of the War Finance Corporation.

I have thought as I read over this bill that the members of the committee, however good may have been their intentions, were familiar only with that portion of our country in which staple agricultural commodities are produced. They do not seem to take into account to any marked extent the vast domain in this country in which the production of perishables constitute agriculture in a major proportion at least. In localities where the production of staple commodities constitute principally the agricultural industry it is provided that upon the indorsement of a bank credit may be obtained from the farm-loan banks. It is also provided that credit may be obtained upon security based upon chattel mortgages or warehouse receipts upon those staple products from the farm-loan banks, provided the farmer utilizes the banks in the country as the intermediary or the underwriter, for it is necessary, in order for any farmer to have his security used, provided it is not the security of a cooperative association, for that security, before it is eligible for an advance or a discount in a farm-loan bank, to bear the indorsement of the bank from which the loan is negotiated. It is provided, however, that farm organizations, farm-loan associations, or marketing associations composed of farmers engaged in the production of staple products, may transact business directly with the farm-loan banks. The restriction provided by the use of the words "staple agricultural products" precludes from the advantage of any direct negotiation with the farm-loan banks the farmers of any section of the country engaged in the production of perishables, because the privilege is not extended to the farmers, even when cooperating in an association, to secure advances from the farm-loan banks, except in the event that they are engaged in the production of staple agricultural products. In consequence, this measure absolutely precludes the thousands and the millions of the farmers and growers in this country who are engaged in the production of perishable commodities from the privilege of obtaining advances or discounts from the farm-loan banks directly.

This class of our farmers are expected to go into their local banks, arrange for loans with their local banks, and then the local bank, if it sees proper to do so, may, with its indorsement, use that security for the purpose of obtaining a rediscount or an advance from the farm-loan bank under the provisions of this measure. In consequence, this bill provides no further relief whatever for the fruit grower or the truck farmer of my State and other States than is provided for him under the existing law governing the operations of the War Finance Corporation.

Mr. President, I come from one of the most thrifty and progressive and, from the standpoint of the investor, as well as from many other viewpoints, one of the most attractive States in the Union; yet within my State the citrus-fruit industry, the truck-farming operations, and agricultural endeavors of similar character constitute in a major proportion, at least, its agriculture. In the northern part, which is a most excellent farming section, we produce staples very largely—cotton, corn, and crops of that character—and this extends into the central part to quite an extent; but in a considerable portion of my State agriculture centers very largely around the production of citrus fruits and the production of perishables. This bill applies to staple farm products. Of course, I should like very much to have that character of agriculture included under the head of the term "staple farm products," but, as I understand, it was not the purpose and intention of the committee, in putting that restriction upon the security, that it should include perishable products. The intention was rather that it should be restricted to nonperishable products.

There is a way whereby those engaged in the fruit industries and in truck farming can have an opportunity to obtain advances and loans just the same as those engaged in the so-called staple agricultural activities—that is, to make eligible for loans and for advances from the farm-loan banks securities that are based upon mortgages upon real property. In order to try to correct this objectionable feature of the measure as it exists at present, I have proposed an amendment making a mortgage upon real property used for producing and in connection with producing agricultural crops eligible as a security for

advances and for rediscount purposes. There is no better class of security than that. The committee, when it wrote into the bill that mortgages upon cattle should be acceptable, recognized the policy of accepting mortgages and collateral of that character. As a matter of fact, I think that in the mind of the average financier or person who is well informed upon the question of securities the soil upon which the crop is produced and the buildings and improvements located upon a farm would be recognized as certainly as staple and as dependable security as a mortgage upon cattle or live stock.

I do not want to question anybody's motives, and I do not question them; but when I read this bill I am impressed that those who drafted the bill were thinking about wheat, were thinking about corn, they had to think about cotton, and then the cattle people of the West said, "Why, we must have some provision under which we can receive the benefits of this bill for our cattle industry," so in a number of instances they specifically wrote into the measure that these privileges should be extended to live stock, and that a chattel mortgage upon live stock should be eligible for advances and for discount purposes; but it seems that nobody happened to think about the man who, with his apple orchard or his orange grove or his truck farm, may require some financial assistance. It seems that nobody was there looking after the interests of those engaged in this character of agriculture. Certainly the man engaged in fruit production and in vegetable production should be afforded the same opportunity and privilege of obtaining credits for the planting, the production, the harvesting, and the marketing of his crops as those engaged in the production of staple agricultural products, provided, of course, that he can furnish ample and safe security. This he can do. This can be easily accomplished by having him furnish, if he sees fit to do it—and he should have that privilege—a mortgage upon his real estate; and there is no better security.

Under the provisions of this bill a farmers' organization or association whose members are engaged in the production of agricultural products of a staple character can go to the farm-loan bank and obtain money without any collateral other than the notes of the association, as I recall, just so they say that the money was advanced or is being used in carrying on staple farming. The farmer has to belong to an association, however, to enjoy that privilege. On the other hand, under the provisions of the bill an association of which a fruit grower in my State is a member who has property worth probably \$25,000, requiring for the purpose of fertilizing, working, and caring for his grove and the production of a season's crop perhaps \$2,500, has absolutely no privilege to apply to a farm-loan bank and obtain loans, even though that grower is willing to give a mortgage upon his property for \$2,500, and his property is worth \$25,000.

I do not think a proposed system that denies this privilege to a great class of those engaged in the agriculture of our country fully meets the situation and the requirements. What is this farmer to do? His only remedy is to go to his bank. He knocks at the door of the bank and says, "I want to borrow \$2,500. My next crop probably will amount to four or five thousand dollars, but I need money to buy fertilizer; I need money for spraying; I need money for plowing and hoeing, and so on. I want to borrow \$2,500."

If the bank sees fit to loan him the \$2,500, then as soon as his obligation gets into the hands of the bank it constitutes a collateral upon which the bank, with its indorsement, can negotiate an advance or can negotiate for a rediscount with the farm-loan bank or with the Federal reserve bank. It just facilitates matters a little as far as the banking facilities are concerned, and aids the banker, and the farmer indirectly obtains some benefit; but that is not all. You deny this great class of our people engaged in agriculture the privilege of negotiating directly, either through associations or otherwise, with the farm-loan bank.

Of course, I appreciate, and the farmers of my section appreciate, the privilege of a bank having the opportunity, as it now has—it already has that opportunity under the present war finance law—of taking the farmers' security and of using it for the purpose of reinforcing the funds of the bank. That necessarily, especially in times of stress, gives the bank more funds with which to operate. It not only helps the farmer in that way, although his benefits have to come by a circuitous route, but it helps to strengthen and to fortify the bank, and it gives the bank greater latitude in meeting the commercial demands upon it. So I am heartily in sympathy with that provision of the law as it now exists; and when the War Finance Corporation bill was pending here it was my pleasure to suggest and have adopted one or two amendments to that bill, which extended or enlarged the scope of the banks in the ac-

ceptance of securities that would be considered eligible for rediscount purposes; but the contention I make is that the law ought to go a little further and make it possible for an association of growers engaged in truck farming or an association of growers engaged in citrus-fruit production to have the same privilege to go to the farm-loan bank and obtain advances in the form of loans that the farmers and the growers engaged in staple-crop production in an association may have. Coming from a section where this is to a great extent the character of farming that is engaged in, I resent the discrimination against the citrus-fruit producer and against those engaged in vegetable production; and what I say in regard to my own State will apply to other States where they produce apples, peaches, grapes, and other perishables.

Take the condition in the State of California. In California, in a very large part of the State, those engaged in agriculture will have absolutely no privileges under this bill except to carry on their transactions through their local banks. Their exchanges, their cooperative organizations and associations, are absolutely barred from any direct transactions with the farm-loan banks under the provisions of this bill, although those engaged in the production of grain or wheat—their neighbors, if it should happen that they are their neighbors—through their organizations can ask for loans, and under the law their securities would be eligible for loans.

My criticism and complaint is that the bill has discriminated against those who are engaged in the production of perishables, and there is no occasion and no reason why that discrimination should exist. I suggest the remedy to correct that discrimination by proposing that a mortgage upon real property used for producing and in connection with the production of agricultural products shall be made eligible as a collateral along with the other character of securities enumerated in the measure. This bill does not go so very much further than the Federal reserve law at the present time on the question of making eligible for rediscount farmers' securities.

Under the present Federal reserve law notes based upon advances for agricultural purposes, which are made payable within six months, are eligible for rediscount by the Federal reserve banks. That is the law at the present time. What does the pending bill propose? The pending bill proposes that if warehouse receipts are appended, or there is a chattel mortgage upon staple agricultural products, then the security will be acceptable if it is not made payable for a period of not exceeding nine months, but unless the security furnished to obtain a loan for agricultural purposes is secured by warehouse receipts, by chattel mortgage upon staple agricultural products, or upon cattle—and provisions making cattle good security are always put into such bills, and I am glad of it—unless that condition exists, then the securities are not eligible; they are not eligible under the provisions amending the Federal reserve law for rediscount purposes, and certainly are not eligible for the bank to use upon which to obtain the issuance of Federal reserve bank notes. It is provided that if this character of securities has with it a mortgage or a warehouse receipt, or a chattel mortgage upon live stock, then it is eligible for a period of not exceeding nine months and can be used as a basis for obtaining the issuance of Federal reserve bank notes.

I propose an amendment, now on the desk, adding another clause, to the effect that a mortgage upon real estate used for the producing, or in connection with the producing, of agricultural products shall come within the same class of securities. If we adopt that, then we will extend a credit to those engaged in the production of perishable products, and it will in no wise jeopardize the stability of our financial institutions or impair the usefulness of the system, but, on the contrary, it will help to stabilize the securities, in so far as advances to the fruit grower or to the truck farmer are concerned, and it will help to stabilize and to make more useful the system of credits proposed. Without it, we have not provided ample relief to those engaged in the production of perishable products.

We can gain a little idea from comparisons in discussing this question of the stability of credits. Just think of the provision of the Federal reserve bank law dealing with what may be ordinarily termed "commercial" paper. Under the present law all that is necessary is for the bank to pass upon the security offered in connection with ordinary commercial transactions, and that security, when accepted by the bank and offered by the bank, is eligible for rediscount, provided it is for a period of not over 90 days, in certain transactions, and six months in transactions affecting agriculture. Those securities at present under the Federal reserve bank law are eligible for rediscount and constitute security upon which Federal reserve bank notes

may be issued, and no mortgage or warehouse receipt is required. But when you come to consider the financial needs of agriculture some say that you are departing from safe financial paths whenever you say that even a mortgage upon real property for advances or loans made to carry on agriculture is not secure and should not be made eligible for rediscount at your farm loan bank.

I am at a loss to understand why it is that if this character of security is good for six months, even to be used for the purpose of obtaining an issuance of Federal reserve notes, which, of course, are money, the next day afterwards, or seven months, or eight months, or nine months afterwards, the same security is not stable and should not be recognized. That is what the pending bill means, however.

A fruit grower or truck farmer can go to the bank, without this bill becoming a law, and can borrow \$1,000 for six months, if the bank is willing to lend it to him. He does not have to give a mortgage. His note for the \$1,000, payable in six months, in the hands of the bank is eligible under the existing law for rediscount purposes with the Federal reserve bank. It is also eligible as security upon which the bank may obtain an issue of Federal reserve bank notes. If that security is stable for six months, then I can see no logical reason why the farmer should have no privilege of having it used for the interval between six months and nine months, as is prohibited by the bill now pending.

This bill denies to him nine months' credit unless he gives warehouse receipts or chattel mortgages upon staple products or live stock. But where he is engaged in the production of nonperishables he is barred against a nine months' loan, even upon a mortgage.

It is plain this bill extends to him no benefits or privileges which he does not enjoy under the existing law, and I agree with the Senator from South Carolina that the time should be extended to 12 months as the maximum limitation upon loans instead of limited to nine months, as now provided in this bill. No system is provided which will accommodate itself to the needs of agriculture when loans are limited to nine months. Every farmer will agree with my statement. Many farmers desire loans for 12 months. Some of them might borrow two or three months before it is absolutely necessary; but the farmer does not want to go along, groping in the dark for two or three or four months, not knowing whether he is going to have money to carry on his farm operations or not; and a great majority of the farmers try to make their financial arrangements, where they have not means of their own with which to operate, at the beginning of the planting season. Yet, under this bill they are restricted to nine months.

I could not help noticing a difference when it came to the question of writing a clause in the bill to take care of bills of lading, bills of exchange, drafts, and securities of that character, based upon exports and imports, used in foreign trade. The period is six months in the case of that class of paper on a character of business that is constantly going on, day in and day out, and in which they should have several turnovers in six months, you might say. Yet they give them a credit of six months and make their paper eligible, but want to restrict the farmer's paper to nine months when in all reason he needs credit for a longer period. If that character of paper is entitled to six months' credit, then a farmer is certainly entitled to 12 months' credit. I am heartily in favor of the amendment offered by the Senator from South Carolina [Mr. SMITH] and feel that it should be adopted. If we do not adopt it, we will not be meeting the needs of agriculture; we will not be endeavoring to our uttermost to establish a system of finance that will be applicable to the status and condition of the farmer, and why should we not do so? I have not heard anybody upon this floor give a good, sound, logical reason why we should fail in doing our duty by America's millions of farmers.

I think the farmers of this country—call their friends "blocs" or whatever you want to call them—are entitled to make some suggestions and give some advice and counsel regarding what they need in their industry, and I do not think there is any reason why their friends should be criticized because they stand up and try to bring about legislation which will meet the demands of the industry in which they are engaged. I find others representing the railroads—the big corporations and the big interests of the country. To what bloc do they belong?

Mr. SMITH. Mr. President, if the Senator from Florida will allow me, if the notes secured by the things the farmer produces in the form of staple agricultural products are eligible as the basis for the issuance of Federal reserve notes, why should the farmer not be entitled to a lifetime for those Federal reserve notes commensurate with the peculiar character of his business,

in view of the fact that he produces the commodities upon which the currency can be issued?

Mr. TRAMMELL. He produces the commodities, and whatever prosperity we enjoy in this country comes first through the industry and the labor and toil of the man who tills the soil. He is the creator in the development of wealth, and without him we could have no prosperity, we could have no industries in which others could engage and accumulate and make their fortunes and others obtain a livelihood.

It is a very peculiar thing that the farmer has been neglected so long. I do not say that we should do anything for the farmer but treat him fairly and justly. Give him a fair deal is all I ask. A few years ago if one talked about doing justice by the farmer, there was always a cry of paternalism, and even yet some would ignore the rights of those who produce the food and the raiment for the more than a hundred million citizens of the Republic.

My position is that we should formulate a financial system that would meet the conditions surrounding the farmer's business, just the same as we do when we come to deal with the commercial or manufacturing interests of the country. I have found that the commercial and manufacturing interests of the country and the bankers to a large extent usually get what they want in the way of legislation. Legislation to a very large extent is written in accordance with their suggestions. In dealing with the transportation companies of the United States the railroad law, which a majority of Congress passed in 1920, met very largely with their approbation. They were busy looking after the situation and finally had a law enacted that met to a very large extent their wishes. I am proud to say I voted against this law.

At that time when it came to the question of providing financial assistance, there was no restriction, no suggestion that the railroads should not have more than \$1,000,000 for each road or \$2,000,000 for each road, and that the money should be used only for the purpose of meeting losses.

The Congress very beneficently extended loans to the railroads of the country out of the Public Treasury amounting to something like \$700,000,000 or \$800,000,000, and yet some people do not want us to provide for, say, \$120,000,000, \$150,000,000, or \$200,000,000 of credit—not providing the money, but merely providing the credit—to make secure a banking system for the purpose of aiding the agriculture of the country. No one offered any criticism particularly about loaning the railroads of the country \$700,000,000 or \$800,000,000 based upon collateral that was not as good collateral and not as good security as that which would be furnished by the average farmer of the country when negotiating a loan.

I have proposed an amendment to the provision providing that \$5,000,000 shall be authorized for each of the farm loan banks. I have proposed that it be amended to increase the amount to \$15,000,000 for each bank. My idea is to fix a liberal latitude or margin in the amount. The capital stock is not to be paid for by the Government except as the money is needed, therefore if we fix it at \$15,000,000 instead of \$5,000,000, and the bank only needs \$5,000,000, the Government would not be called upon to finance to the extent of more than the amount needed. On the other hand, if under the provisions of the bill there should be a demand for \$12,000,000 by a given bank, and if we have restricted the capitalization, so far as the Government taking stock in it is concerned, to \$5,000,000, then the bank would be absolutely unable to meet the demands and requirements upon it which have been authorized under the bill. So I have proposed an amendment providing that the capital which is to be secured for it by the Government shall be \$15,000,000.

Mr. President, I approve of the purpose and the object of a system to provide farm credit. For many years I have advocated a revision of our banking laws looking to the expanding and enlarging of our banking system to such an extent that it would accommodate the agricultural interests of the country just the same as it has accommodated and facilitated the commerce of the country. I do not feel that the pending measure has gone as far as the conditions of agriculture require, but half a loaf is better than none at all. I realize that even in its present form the bill will accomplish a limited amount of good. For that reason, while I have criticized and suggested improving several of the provisions of the bill, it is my purpose to support the measure on account of the limited benefit that will result to our agricultural interests. But I think there is no reason why the bill should not be perfected so as to meet the conditions of those who are engaged in the production of perishable products when ample security can be given.

I trust that Senators will seriously consider the point I have raised upon this particular feature of the bill. If we

leave it unamended, the fruit growers and truck farmers will be barred absolutely from any opportunity to get credit, through a cooperative association or any organization of their own, directly from a farm-loan bank. They would be left exclusively to the facilities afforded them through the local bank and could only obtain such indirect benefit under the provisions of the bill as might come to them through their local bank.

Mr. President, I have no criticism to make of our banks in general. I think that the banks of the country, considering the demands upon them—I know in my State it is true—have displayed a spirit of cooperation and sympathy to a very large extent for agriculture, and within all reason most of them have tried to assist agriculture by giving the necessary credits. I do not anticipate that under the bill there would be any disposition other than that of cooperation and assistance toward agriculture on the part of local banks in Florida. But it does seem, if we are trying to establish a system to furnish farm credits, that we should not leave without the provisions of that system a very large and necessary class of those engaged in agriculture, and that we should not deny them, when they are in associations and cooperating, the privilege of furnishing their credits to the farm-loan banks.

I have proposed not only the amendment which I sent to the desk on yesterday but several others to-day, with the hope that they may be adopted and that we will give to all engaged in the agricultural industry, whether producers of perishable or nonperishable products, the same fair and just consideration.

RAILROAD RATES.

Mr. CAPPER. Mr. President, I desire to present for the consideration of Senators this joint resolution of the houses of the Kansas Legislature, now in session:

Whereas the Interstate Commerce Commission in its various decisions has construed the transportation act as enlarging its jurisdiction over questions involving intrastate rates, fares, and charges, and has recognized as the controlling element in such decisions the revenue needs of the carriers in a particular group without particularization or definiteness as to the extent of discrimination between persons, companies, firms, corporations, or localities, which was the extent of its jurisdiction prior to the transportation act, as evidenced by court decisions: Now therefore be it

Resolved by the Legislature of the State of Kansas, That we urge our Senators and Members of Congress to use their influence and best endeavor to have the transportation act amended, restricting the jurisdiction of the Interstate Commerce Commission over matters involving intrastate rates, fares, and charges to that exercised under the interstate commerce act and prior to the passage of the transportation act.

Resolved further, That we urge our Senators and Members of Congress and all other Members of the Congress of the United States to support Senate bill 1150, introduced by Senator CAPPER, and House bill 7947, introduced by Representative HOCH, which bills provide for the amendment of the transportation act and limit the power of the Interstate Commerce Commission over matters involving intrastate rates, fares, and charges to that formerly exercised by that body prior to the passage of the transportation act.

I also desire to present a resolution adopted by the Kansas-Missouri Hardware and Implement Dealers' Association, Kansas City, Kans., January 18, 1923:

Resolved, That freight rates on farm products should be reduced to pre-war levels, and increased credits and lower rates of interest would enable the farmer to refund his indebtedness, liquidate his losses, and finally pay out.

I am aware, Mr. President, that it is unlikely that this Congress will be able to turn its attention to the transportation problem. I am also aware, Mr. President, as everyone in the least advised as to our domestic economic situation must be, that the next Congress must not only consider the transportation question but must find a solution for it in the interest of the whole people. In my opinion transportation will be the big question before the Sixty-eighth Congress. The present high plane of transportation rates is an embargo on the prosperity of a vast majority of our people.

Mr. President, railroads rank second to agriculture in the industrial procession of the United States. A small second at that. Both outrank manufacturing. Railroads and manufacturers prosper. Agriculture fights for its life.

In 1922 railway net operating incomes increased \$145,000,000. Operating expenses decreased nearly \$140,000,000. Julius H. Parmelee, director of the bureau of railway economics, is authority for this statement. Forty railroad systems show earnings in excess of the 6 per cent fair-return standard fixed by the transportation act. The Interstate Commerce Commission, responding to a resolution of inquiry introduced by me, so reports.

Last year the people of the United States paid the railroads \$5,500,000,000. This is almost twice as much as the National Government cost them.

As for the manufacturers and corporations, the flood of stock dividends, the usual cash dividends, and the more than a few extra dividends prove their prosperity.

During this time and for more than two years and a half the farming industry, biggest industry of all, has been fighting for existence. It has been producing, usually, at a loss, sometimes at almost a total loss, selling at next to pre-war prices, and paying higher-than-war freight tolls to reach its markets.

In some quarters we are blamed for insisting that the tail has been wagging the dog long enough; that freight rate reductions not only are necessary to get agriculture on its feet but that the roads can not longer afford to refuse rate reductions in the interest of general prosperity. We are also blamed for insisting that we can not have fair and equitable rate making until section 15a, the rate-making clause in the Cummins-Esch Act, is repealed. Yet this is absolutely the case.

Mr. President, I am not a railroad baiter. I want the roads to prosper and to obtain a fair return on their capital. But I know they are endangering their own welfare and the country's so long as they delay these reductions. Some one must keep this truth before Congress and must talk plain talk about it.

My recent remarks in this Chamber on rate reduction and the repeal of the rate-making clause brought a storm of criticism from that section of the press which holds a brief for the railroads—the railroad magazines and a few of the big city papers. While these criticize, excessive rates are driving farmers to the wall. These unjust rates stand between the farmer and his markets, between the farmers and the only means a majority of them have for obtaining ready money. Knowing this, the American Farm Bureau Federation said at its recent annual convention in Chicago:

We demand the further reduction of freight rates until they shall be brought into proper working relation to the purchasing power of farm crops.

One of these critics, the New York Commercial, attempts to show that a substantial reduction of rates would benefit farmers to the extent of only 1 per cent of their expenses.

A farmer's returns come from what he gets for his output. This is what militates so viciously against him now. When freight charges alone take 10 to 20 per cent from gross prices, which scarcely meet the cost of production, no sort of juggling with figures can soften the blow. Freight charges do this and often more on long hauls. The farmer more often than not is a long-haul shipper. Kansas, for instance, produces more than a bushel of wheat for every man, woman, and child in the United States. The price the Kansas wheat raiser gets for his wheat delivered is the market price at destination less the freight he has paid. What is left is what he gets for his grain. Often he does not get the cost of production.

It costs a farmer twice as much to ship a carload of apples as it does a coal operator to ship a carload of coal the same distance. The farmer receives for his apples less than the cost of production, while consumers in cities pay 10 cents each for the fruit.

Here is a commission man's table showing what the apple and potato grower get out of the selling price of their crop and how much more the railroads charge for shipping it. Figures also are given for coal. It is a highly instructive table:

Commodities.	Received per ton.	By producer.		By railroad.	
			Per cent.		Per cent.
Apples.....	\$33.00	\$15.00	45.5	\$18.00	54.5
Potatoes.....	22.00	10.00	45.45	12.00	54.55
Coal.....	11.25	5.50	48.8	5.75	51.2

Prominent among those who have taken issue with my position on this vital question of transportation and the need of rate reduction is W. B. Storey, president of the Santa Fe. In a letter to me taking exception to my remarks in the Senate a few weeks ago on this question, Mr. Storey suggests that heavy traffic does not necessarily imply heavy earnings. Mr. Storey's letter was given to the Associated Press and was widely published. In this letter Mr. Storey goes on to say:

You speak of enormous business being done by the railroads and suggest that they divide their prosperity with the farmer. * * * I can say definitely that if 4 per cent is all that can be earned in a year of heavy business like this the railroads will necessarily have to postpone still further the day when they can furnish adequate facilities to move the farm products of the country.

In my remarks a few weeks ago I cited a number of roads in the same class as the 40 since reported by the Interstate Commerce Commission that were earning more than their regular dividends. The Wall Street Journal of December 14 announced that the Michigan Central had declared an additional dividend of 6 per cent and its regular semiannual dividend of 4 per cent.

This road declared dividends of 14 per cent net for 1922, compared with 6 per cent for 1921, although that year it earned 41.23 per cent net on its capital stock.

Regular dividends of 7 per cent annually are being paid by the Great Northern Railway. I learn from a circular advertising an issue of gold bonds by this company that in no year during the last 10 has this road's income been less than twice the charges, and that it has averaged about 2½ times all charges. As stated, its income from its Burlington holdings includes only the cash dividends received on the company's holdings of Chicago, Burlington & Quincy stock, "although the Burlington's earnings were more than 50 per cent in excess of the dividends paid."

The income of the Southern Pacific is reported to have averaged more than twice all charges for the last 10 years and to have amounted to 2.24 times the charges in 1921. In the year 1922 the net railway operating income of this road was nearly \$10,000,000 greater than in its highly prosperous preceding year.

The Delaware, Lackawanna & Western has paid dividends of 20 per cent or more for many years, and is still paying them.

In addition to the 40 or more railroads reported by the Interstate Commerce Commission as earning more than the 6 per cent fair-return rate, the big Pennsylvania system, Wall Street reports, will show earnings for 1922 in excess of 6 per cent on its capital stock, exclusive of a special dividend of 20 per cent declared by the Pennsylvania Co. in December, amounting to \$16,000,000. The Pennsylvania was included among the roads whose returns did not show any excess earnings based on claimed valuation in the recent report of the Interstate Commerce Commission to the Senate.

Another road, the Richmond, Fredericksburg & Potomac, declares a 100 per cent "dividend obligation," a form of stock dividend.

The roads have done the biggest year's business in their history despite the high rates. Business could pass these costs on. The farmer could not. He had to suffer. The number of cars loaded with all commodities other than coal during 1922 was the greatest in railroad history, exceeding by 16 per cent the total for 1921 and surpassing by 3½ per cent that for 1920. This statement is made by the car-service division of the American Railway Association.

The roads handled 36,265,178 cars of revenue freight other than coal, compared with 31,347,816 in 1921, and 35,036,022 cars in 1920, hitherto the biggest year's business ever done by the railroads.

Loading of agricultural products also was the heaviest on record. Two million four hundred and sixty-seven thousand three hundred and fifty-eight cars were loaded with grain and grain products alone. This is an increase of 7.61 per cent over 1921 and 34 per cent over 1920.

Live-stock loadings for 1922 were 1,637,923 cars, which is 9.42 per cent more than 1921 and 5.44 per cent over 1920.

In shipments of merchandise and miscellaneous freight 1922 established a new record, with a total of 27,143,591 cars. This is an increase of 3,297,193 cars over 1921 and of 1,619,674 cars more than 1920.

The five months' mine strike cut coal tonnage to 93 per cent of the year before—a good showing for the roads. Their revenue coal shipments totaled 7,448,341 cars for the year. This effort of the railroads to meet the needs of the country for coal during the time the autumn grain movement was on cost the farmer dearly.

Although in normal years freight traffic on railroads shows a marked decline after October 15, the roads did a record-breaking business all fall. And for the month of December, 1922, as reported by the car-service division, the loading of all classes of revenue freight, including coal, was the greatest for that month in railroad history, and exceeded by nearly 25 per cent the total for December, 1921. Coal loadings for the month showed an increase of 46.2 per cent over December, 1921, while merchandise and miscellaneous freight increased nearly 14 per cent. This followed the heaviest November traffic in railroad history.

President Storey criticizes my reference to the rapid growth of the Santa Fe's surplus, saying I did not say "this surplus was not cash, but had been put into enlargements and into additional lines of equipment."

What I did say was that the Santa Fe in 1921 put \$4,000,000 more out of that year's earnings into maintenance of the system and its equipment than was actually spent in operating the road, and still had earnings after deducting all charges, taxes, and interest, of 13 per cent on the common stock. I also said that in seven or eight years the Santa Fe had trebled its surplus, after regular dividend payments, notwithstanding its prodigious expenditures for upkeep. For 1922 it

looks as if the Santa Fe will have put \$100,000,000 out of earnings into upkeep alone, besides paying its dividends and adding a neat sum to its surplus.

Mr. President, since Mr. Storey is disposed to take exception to my previous remarks about excessive maintenance expenditures by his road, a splendid system, one of the best equipped and most efficiently managed railways in the country, let us examine briefly these maintenance charges. The facts I present are taken from the records of the Interstate Commerce Commission and from the records of the Public Utilities Commission of the State of Kansas. Mr. Storey nor any railway advocate or apologist can impugn the record obtained by these public fact-finding agencies. These commissions have but two sources of information. These are railroad records and books of account and the testimony of railway officials. During the first nine months of 1922 the Santa Fe spent 53.48 per cent of its entire total operating expense on maintenance. In the like period of the years 1914, 1915, 1916, and 1917 it spent 47.35 per cent on maintenance. The Santa Fe is and was at all times during the period under review one of the best managed and efficiently operated systems in the country. The conclusion is logical that this increase in maintenance is a cover for excessive earnings. The Santa Fe frankly says it has no intention of paying the Government a cent of these excess profits. It says that the part of the Cummins-Esch Act which requires such payment is unconstitutional. The provision of the act which enables the roads to mulct the farmer and the shipper of excessive toll that make these excess profits possible is, of course, entirely constitutional—good law, and above all else good business—for the railroads. These maintenance figures showing the increase in such charges by Mr. Storey's road lead to the conclusion that the Santa Fe is determined to play safe and defeat a possible court decision upholding the provision of the Cummins-Esch Act that requires payment to the Government of half the excess above the fair-return standard. It plays safe by charging these excesses to maintenance. In an illuminating address on January 11 before the Kansas State Board of Agriculture, Clyde M. Reed, chairman of the Kansas Public Utilities Commission, discussing the need of reduced transportation charges and particularly this question of maintenance, confirmed everything I have claimed as to the increased earnings of the carriers and the conditions which justify a material reduction in rates. He said:

The most prominent example of abnormal and extraordinary, not to say unreasonable and extravagant, maintenance expenditures among the western roads was on the Atchison, Topeka & Santa Fe. During the first nine months of 1922 the Santa Fe spent 53.48 per cent of the total operating expenses on maintenance, as compared with 42.82 per cent during the same period in 1921, and as compared with 47.35 per cent during the years 1914, 1915, 1916, and 1917. The Santa Fe has been for many years a well-managed and well-maintained railroad. The simple fact is that at this time its earnings are so great that it is hiding them in every conceivable manner as against the danger of possible recapture by the Government under the provisions of the Esch-Cummins bill. The Santa Fe Railway very frankly states that it has no intention of giving in any portion of its earnings to the Government. There is no secret made of its intention. It believes and claims that that provision of the law is unconstitutional. Of course, all of the provisions which are in its favor are constitutional. This provision happens to be in favor of the public, and measures in favor of the public are more frequently "unconstitutional" than those which are not. The Santa Fe, however, is taking no chances. When the Government finally gets around to trying out the question of excess earnings there "won't be no excess earnings" on the Santa Fe any more than there was to be a core in the little boy's apple.

This is not a new experience for the Santa Fe Railroad. In 1920 it charged \$11,000,000 more against operating expenses for "maintenance" than it spent. The 1920 figures, month by month, as represented by the Santa Fe Railroad to the Interstate Commerce Commission were as follows:

January	\$1,678,004	July	\$2,638,157
February	1,996,378	August	9,846,123
March	2,743,980	September	3,795,041
April	2,682,650	October	3,795,040
May	2,715,320	November	3,795,040
June	2,700,185	December	3,795,041

One has only to look at those figures to understand that something is wrong. When you bear in mind that August, 1920, was the last month of the Government guaranty, and this was not a so-called but an actual guaranty, the motive of the railroad becomes apparent.

It may be in accordance with railroad ethics to make such outrageous charges under a Government guaranty, but it leaves the impression upon the average citizen that something is radically wrong.

Some of the roads, Mr. President, are spending so much for improvements that the charge is made they are "silver plating" their properties. For instance, the Union Pacific spent \$45,000,000 last year and will spend \$20,000,000 this year for equipment and improvements alone. This year 27 roads are to spend more than \$350,000,000 on these two items. The New York Central will expend \$83,000,000.

Mr. President, I am not criticizing such expenditures. The point is simply this, that whether these large earnings are put

back into the system or invested in securities or deposited in cash they are earnings none the less, and they are excessive earnings. If the surplus is invested in "enlargements and additional lines and equipment," the surplus then participates in producing still more earnings.

Not a dollar of these excess earnings above the 6 per cent fair-return standard, netted by probably 60 railway systems under the rate clause of the Cummins-Esch law, has been paid to the Government. This law expressly provides that half of the excess above 6 per cent must be paid into the Federal Treasury for the benefit of the weaker roads.

Commenting on that part of my remarks in which I specifically mentioned a number of roads that were handsomely exceeding their dividend requirements, the New York Herald says the roads have not earned even 4 per cent under the so-called guaranty.

The Herald refers to the earnings of all the roads, which under the valuation fixed by the Interstate Commerce Commission show a net return of 4.05 for the old year. The commission itself says that 40 railroads have reported earnings in excess of the 6 per cent fair-return standard, and intimates when actual valuation of all the roads is arrived at the number may be larger. The commission also says that not one of the 40 big roads, nor a number of the smaller roads whose earnings are in excess of the fair-return standard, have paid any of this surplus to the Government. This is required by the law to equalize the returns of the poorer roads.

Mr. SMITH. Mr. President—

The PRESIDING OFFICER (Mr. FRELINGHUYSEN in the chair). Does the Senator from Kansas yield to the Senator from South Carolina?

Mr. CAPPER. I do.

Mr. SMITH. Has the Senator a tabulation showing the total mileage of the 40 roads which have earned in excess of the 6 per cent?

Mr. CAPPER. No; I have not that information, I will say to the Senator from South Carolina. The Interstate Commerce Commission submitted to the Senate about two weeks ago a very interesting report as to the excess earnings of the railroads and the failure of the carriers, even though it is three years since that provision of the law became effective, to make any return to the Government under the fair-return standard.

Mr. SMITH. I have not seen the report to which the Senator refers. Does it give the names of the roads that have made excess earnings?

Mr. CAPPER. It does. The report has been printed as a Senate document, and the Senator from South Carolina will find it exceedingly illuminating upon this subject.

Mr. SMITH. I am sorry the Senator did not incorporate at the point where he has discussed the subject the total per cent of railroad mileage operated by the 40 roads which have earned in excess of 6 per cent. Those who have the privilege of reading his remarks naturally will want to know what per cent of the total railroad mileage in this country was earning that rate.

Mr. CAPPER. The trouble is the Interstate Commerce Commission made a report only as to those roads for which it has completed the valuation figures. The other information is still to be obtained. It states, however, that there are at least 40 roads which have earned in excess of 6 per cent and have failed to make return to the Government.

Mr. SMITH. I do not recall the exact provision of the law, and will ask the Senator whether it requires that the valuation of the roads shall be completed before the estimate of earnings shall be made public?

Mr. CAPPER. The law says that the Interstate Commerce Commission shall take into consideration the valuation fixed by that body.

Mr. SMITH. I thought, perhaps, that was true, and that would cause some delay in the case of some roads the valuation of which has not as yet been completed by the commission. I believe the Senator said that the Interstate Commerce Commission indicates that it may appear that other roads, in addition to the 40 reported, have also exceeded the 6 per cent?

Mr. CAPPER. The report of the commission does indicate that fact. It is but a partial showing. None the less it serves conclusively to sustain my contention that freight rates are excessive and can be reduced in the larger interest of the roads themselves and the country at large, and the great agricultural industry in particular. The commission reported only on roads which it has tentatively valued under the valuation act. Among these it makes plain that 40 roads have made earnings in excess

of the fair-return standard. Of these but 12 are class 1 roads. These 12, according to the commission's report, show excess earnings of more than \$15,000,000. The really big roads of the country, Mr. President, are not included in the report. The amount due the Government will be increased many times when we get the reports of the big roads, like the Santa Fe, the Burlington, the Union Pacific, and the Lackawanna.

This is a frank confession that the farmers of the great productive regions of the United States, taking into consideration the prices received by them, are heavily overcharged for transportation. It is an admission that the entire agricultural, prosperity making area of this country is under the blight of excessive and, in many cases, prohibitive freight rates. These regions are compelled to pay this excessive toll to overpaid, highly prosperous railway systems, so that the much less important, poorly conducted, or inefficiently managed roads may be sustained in their inefficiency.

Some few of the smaller roads have paid a paltry \$42,000 into the Treasury under this clause of the act. These payments came from some of the smaller roads, roads which apparently are not equipped with legal departments to tell them this part of the law is unconstitutional. In the main this provision of the law is openly violated and nothing is done about it.

The repeal of section 15a of the Cummins-Esch Act, says another one of my newspaper critics, would remove the limitation of railroad profits. We have just seen how this section of the transportation act utterly fails to limit profits and how completely it works to an exactly opposite end.

Mr. President, the vice of section 15a lies in the fact that it attempts to provide a fixed return to be earned upon the aggregate value of all railroad properties, good, bad, and indifferent. Virtually this valuation is based upon the present cost of reproducing the lines. The result is that no matter how worthless a road may be, it is considered entitled to earn 5½ per cent on what it would now cost to rebuild it. For example, the Atlanta, Birmingham & Atlantic, now passing through its second receivership in less than 10 years, can not earn its operating expenses; but the Interstate Commerce Commission announces a tentative valuation of \$25,000,000 for this road. Under section 15a that \$25,000,000 is added to the valuation on which the public must pay a return in the shape of freight rates. This means that all the southern roads in that rate group are permitted to charge rates based on their own value, plus the \$25,000,000 valuation put on this worthless road.

This road was built, as many other such roads were built, for speculation and stock jobbing. So that these worthless roads may earn what they never have been able to earn and never will be able to earn, the Interstate Commerce Commission in several instances has refused the requests of prosperous roads to lower their rates.

The railways are entitled to credit for economies they have effected during the past year or two, but still further saving can be made. Reports to the Interstate Commerce Commission show that five railroad executives are receiving a combined salary of \$424,670, or an average of \$84,934 each per year. I believe these salaries are too high.

Depriving the State railway commissions of virtually all control over State rates has led to increasing State rates which already were giving a State's carriers an ample return to a higher figure, so that they might earn dividends for several lame-duck, stock-jobbed roads in another State.

In most instances these "lame-duck" roads are notorious for their financial failure. In some cases they were originally built to serve some mining or lumbering areas, and the mines have been worked out and the regions denuded of saw timber, and the traffic now originating in the territory served is inadequate to provide profitable operation of the roads. To care for these roads the rest of the country must endure rate extortion. Then, as we have seen, these strong, profitable carriers refuse to give any part of these surplus earnings to the Government for the support of these "lame-duck" roads.

This rate-making farce is proving costly to the country. It places an embargo on free movement of the products of the Nation's greatest producing industry. Thousands upon thousands of acres of crops have rotted, instead of being added to and increasing the country's prosperity. Neither can an Interstate Commerce Commission immured in Washington, and completely out of touch with State and local conditions, by any possibility act promptly or fairly on the innumerable rate problems constantly arising in 48 States. It is swamped with work at this moment, with no possibility of adjudicating a hundredth part of the transportation questions continually arising.

Mr. President, section 15a of the Cummins-Esch Act has proved a dangerous and impossible makeshift. The sooner we repeal it and give State railroad commissions more control over

intrastate rates and coordinate power to adjust such rates fairly, the better it will be for the roads and for the country. It will end most of these excessive rates and make possible the return of prosperity.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act; and for other purposes.

Mr. SWANSON. Mr. President, I desire to offer an amendment to the bill.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 7, line 20, after the word "increased," it is proposed to strike out "by an amount not to exceed \$5,000,000"; and on page 8, line 2, after the word "capital," it is proposed to insert the following:

Provided, That the subscriptions to such additional capital on behalf of the United States shall at no time exceed in the aggregate to all said banks \$60,000,000, and no farm-loan bank shall receive an increase in capital of more than \$10,000,000.

Mr. SWANSON. Mr. President, the purpose sought to be accomplished by this amendment is this:

Under the pending bill, \$5,000,000 capital is required for each bank. That is made imperative. Then there is an additional fund of \$5,000,000 which under certain conditions can be subscribed to its capital stock. That additional \$5,000,000 will not be needed in some sections. I doubt whether in four or five of the sections the increase will be asked for. This amendment is to allow the money to be subscribed in the sections of the country where it is needed for agricultural purposes, and the amendment would permit the banks in some of the districts in the agricultural sections of the West and South to have a capital stock of \$15,000,000 out of this fund.

Mr. SMITH. Mr. President, the Senator provides in his amendment that out of this practical reserve fund, as we may call it, a bank, instead of having a maximum of \$10,000,000 capital stock, as the law now provides, may in an emergency go as high as \$15,000,000?

Mr. SWANSON. That is correct. I understand that the junior Senator from Wisconsin is willing to accept the amendment.

Mr. LENROOT. Yes, Mr. President. As I understand the amendment, it leaves the maximum increased subscription exactly as it is in the bill; but under the bill no single bank could receive an increase of more than \$5,000,000. The effect of this amendment is to make the total possible capitalization of a land bank \$15,000,000, in the discretion of the Farm Loan Board and the President of the United States; but in no event can the total subscription exceed the amount now named in the bill.

Mr. SWANSON. That is true. That is the purpose of the amendment.

Mr. GLASS. Mr. President, did the Senator from Wisconsin exactly state the case?

Mr. LENROOT. As I understood it, I have. If I have been misinformed, I may not have done so.

Mr. GLASS. As I understand, the bill as reported authorizes an increase in the capital of these divisions of the land banks aggregating \$60,000,000, which is apportioned in the bill \$5,000,000 to each bank. The amendment proposed by my colleague is designed to mobilize the entire \$60,000,000, so that as much as \$10,000,000 in addition to the original capital may be apportioned to any one of these banks which requires that fund for its purposes.

Mr. LENROOT. That is true; but the entire \$60,000,000 additional does not need to be subscribed at all.

Mr. GLASS. No. It may be, for example, that a land bank at Springfield, Mass., would not need a dollar of the fund, and that a land bank somewhere else in the agricultural districts of the country would need, say, \$10,000,000 additional; so that the bank where the need is greatest might get this \$10,000,000 in addition to its \$5,000,000 of capital, making \$15,000,000.

Mr. LENROOT. So I understand it. That is the way I thought I stated it.

Mr. SWANSON. That is what the amendment accomplishes. I understand that the Senator accepts it.

Mr. LENROOT. Yes; I have no objection to it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. SMITH. Mr. President, I shall not ask for a vote on these amendments this afternoon; but I offer the amendments which I send to the desk, one to the present Federal reserve

act, to be incorporated in this bill—it is an amendment to this bill, and the place is indicated—and also an amendment to the text of the present bill, in the last paragraph. I ask that they be printed and lie on the table, because I want to take them up, if possible, when we come to vote on the amendments, as I presume we will do to-morrow, and repeat what I said in my talk of yesterday. I think it is a mere gesture to talk about nine months, because, if it is necessary to have a pole 10 feet long to knock down a persimmon, an 8-foot pole is just as ineffectual as a 1-foot pole would be. If you do not get the persimmon, you have no use for the pole.

The VICE PRESIDENT. The amendments will be printed and lie on the table.

WAR DEBT OF GREAT BRITAIN TO THE UNITED STATES.

Mr. McKELLAR. Mr. President, this morning for the first time, I believe, an exact statement was published as to the proposed terms of the debt-funding transaction:

First. Interest on the debt from the time the loans were made in 1917 up to the present time to be reduced from 5 to 4½ per cent, the minimum rate prescribed under the debt-funding act.

Second. Interest on the principal and accrued interest due at this time for the first 10 years shall be 3 per cent and thereafter 3½ per cent until the debt is liquidated.

Third. Interest shall be paid each year as it accrues on the full amount of the debt remaining due.

Fourth. Annual payments shall be made on the principal, beginning at \$20,000,000 to \$25,000,000 a year and increasing in amount every three to five years, so that the entire debt will be liquidated in 60 years.

Mr. President, assuming that this debt is \$4,700,000,000, as is commonly reported—and it is about that amount—it will be remembered that we now hold obligations of Great Britain for the entire indebtedness, bearing 5 per cent interest. Mr. Baldwin on his return home said that this was a double-riveted obligation, or words to that effect. The interest on that at 5 per cent, by a simple calculation, is \$235,000,000 per year. The Congress has already made a proposition—and, by the way, it is the only proposition that has been made or could be made—permitting its reduction from 5 per cent to 4½ per cent, which is giving to Great Britain \$35,250,000 a year, assuming the debt to run without payments on account of the principal.

That is absolutely right and fair, because in our original contract with Great Britain we agreed that the interest rate to be charged Great Britain would be exactly the same interest rate this Government had to pay for the money it borrowed; and of course no fault can be found with reducing it to 4½ per cent, the average amount we have to pay. Congress has done that, and this is the only proposal Congress has made.

I now call attention to the fact that the yearly interest rate on the entire indebtedness, at 4½ per cent, is \$199,750,000 per year. At 3½ per cent, after the 10 years, it amounts to \$164,500,000 a year. Assuming that the principal debt runs along, therefore, we will be taxing the American people, after 10 years, \$35,250,000 a year for the benefit of Great Britain if this proposal goes through. For the first 10 years, when the debt bears only 3 per cent, it brings \$141,000,000, and therefore we are taxing the American people during the first 10 years the sum of \$58,750,000 a year for the benefit of Great Britain. In other words, we are to-day paying, on this identical indebtedness, \$199,750,000, and during the first 10 years we will receive from Great Britain only \$141,000,000 per year on it, a difference of \$58,750,000 per year against the United States.

I want to know whether we, as representatives of the American people, have the right to give this bonus, to give this annual subsidy, to Great Britain, assuming that the principal is not paid—and anyone can see that the proposal in that regard is exceedingly indefinite—and whether we ought to tax the American people to the extent of \$58,750,000 a year for the next 10 years for that purpose. Then I want to know whether we ought to tax the American people after that time to the extent of \$35,250,000 a year for the remaining 52 years for the benefit of Great Britain, and especially when we now have a contract with them providing for 5 per cent interest and when we agreed in the act under which we borrowed this money that Great Britain should pay an average of 4½ per cent interest, that being the average rate at which we borrowed. I am assuming all along that the principal debt will not be paid in the meantime.

There is a suggestion in the fourth paragraph of this proposed settlement that some of the principal will be paid as time goes on; but assuming that none is paid and that the bonds run 62 years, we will be taxing the American people during that entire period in these enormous sums—\$58,750,000 a year for the first 10 years, and thereafter \$35,250,000 a year for the

remainder of the period—in order to make up the difference between what we pay and what is received from Great Britain. Of course, if payments are made on the principal, the interest payments will be proportionately reduced.

We went to war and won our independence on taxation far less onerous than that. We are not represented in the British Parliament, but under this agreement we are indirectly allowing the British Government to tax the American people in these enormous sums yearly, and I say taxing them, because everybody knows that the obligations we hold from Great Britain to-day are absolutely good. They are as good as wheat, as good as any nation's obligation. British bonds are selling around par, and there is no reason why this debt can not be collected in the future, and it will be collected.

As I said before, I have no desire whatever that we should collect any greater rate than that we originally agreed to charge Great Britain for the money. In the act of Congress under which we loaned the money to her we agreed that we would not ask more than we had to pay for it ourselves. Surely she can not object to that. We have been liberal with her in reducing it \$35,350,000 a year, namely, from 5 per cent to 4½ per cent, even after she has given us 5 per cent paper. Some say she is not able to pay it. Of course, we all know she is. Some say that this is a good settlement. If she is going to back out of a 5 per cent interest rate, and if she is not willing to pay 4½ per cent, how do we know she is going to pay the 3 per cent when the time rolls around, or 3½ per cent? If she repudiates a part of it, do we not know that if she has an opportunity she will repudiate more than that? I do not believe she will repudiate any of it.

It is said over in Great Britain that our commission made this proposition. Our commission had no such authority. They went into that conference under terms of an act of Congress. They knew exactly that they had to remain within those terms in order to reach a settlement, and they had no authority to make such a proposition as this, and no authority but this Congress has the right to make any proposition. The only proposition that has been made to Great Britain is the proposition made by Congress itself, and that is to fix the rate of interest at 4½ per cent, just exactly what we pay for the money.

Mr. LENROOT. I do not want to enter into a discussion of that proposition, whatever it may be, although I think the Senator will find that the commission has never made any proposition—

Mr. McKELLAR. I sincerely hope our commission did not make that proposition. As the Senator knows, I have been trying day after day to get a statement from the commission as to what they have done. If they have not made this proposition, they ought to tell the American people that they have not made it. I hope they have not made it. They should not have made it. My judgment is that it came from Great Britain. But the American people have a right to know. Our five commissioners are not dumb men. They are all able to express themselves. They all know what took place there, and I think they ought to come forward and give us the facts about it. There has been too much secrecy in the negotiations.

Mr. LENROOT. Mr. President, the Senator of course knows that nothing can be done without action by Congress.

Mr. McKELLAR. Of course.

Mr. LENROOT. And the Senator of course knows that when the matter comes to Congress full information will come with it, and does not the Senator think that will be the time to discuss that part of it?

Mr. McKELLAR. No; I do not for this reason: That propaganda is being spread around now; propaganda went out from this city last night that the Congress was going to agree to this proposed settlement. I do not know whether the Congress is going to agree to this proposed settlement or not. I think it will be some time before this Congress will agree to any such settlement.

Mr. LENROOT. That was not what I wished to interrupt for. I wanted to ask the Senator whether he would make the same demands upon France and upon Belgium and upon the other countries of Europe?

Mr. McKELLAR. Indeed, I think the settlements ought to be precisely the same for all nations borrowing from us.

Mr. LENROOT. How does the Senator propose to enforce the collection of the claims against those countries?

Mr. McKELLAR. We can not enforce collection, but Great Britain will certainly pay.

Mr. LENROOT. Does the Senator say that because he thinks Great Britain is more honorable than the other nations?

Mr. McKELLAR. No; Great Britain is able to pay now, and has so stated time and again.

Mr. LENROOT. Then does the Senator think that neither France nor any other country is able to pay anything?

Mr. McKELLAR. I am inclined to think they are able to pay and will pay. I make no distinction between our former allies. We ought to make exactly the same terms with France and Belgium and the other countries that we make with Great Britain; but the indebtedness of Great Britain is more important, because the settlement is imminent as between us and Great Britain, and in addition to that, Great Britain is now paying the interest on her indebtedness.

Mr. LENROOT. Does the Senator then take the position, with reference to the other countries of Europe, that he would prefer to make a demand of 4½ per cent and get nothing or adjust the difference and get money?

Mr. McKELLAR. There is no question about that at all, for the reason that their obligations to us now bear 5 per cent, and they are paying it.

Mr. LENROOT. What countries are paying 5 per cent?

Mr. McKELLAR. Great Britain.

Mr. LENROOT. What other countries?

Mr. McKELLAR. None; but it does not make any difference about the settlements of the others; Great Britain is paying hers.

Mr. LENROOT. Then, the Senator thinks no other countries can pay anything?

Mr. McKELLAR. I imagine that other countries can do it.

Mr. LENROOT. Why are they not doing it?

Mr. McKELLAR. I do not know. The Senator is just as able to explain that as I am. I do not know whether they have been requested. I understand our present administration, of which the Senator is part, has never made a request on any other Government for payment.

Mr. LENROOT. The Senator well understands that it was the previous administration which gave them three years' time without the payment of any interest, does he not?

Mr. McKELLAR. I do not know that. That has been a matter in dispute, and I do not know whether it is so or not. It should not have done it if it did. I will join the Senator on that proposition. In this connection, I want to read a statement that has just been given out, so the newspaper men tell me, by the British Embassy. I read it as it was handed to me:

The British Embassy requests publicity for the following statement with regard to the interview reported in the press as having been granted by Mr. Stanley Baldwin, the Chancellor of the Exchequer, at Southampton on his arrival there last week:

Telegraphic inquiries made by this embassy in London show "that Mr. Baldwin did not grant any interview to any representative of the press."

"On arrival he was surrounded, however, by ten or a dozen reporters, who asked innumerable questions, to some of which Mr. Baldwin replied informally. The impression which his answers created in the mind of the editor of an important London daily newspaper is indicated by the following editorial comment:

"The Chancellor of the Exchequer has made a statement to the press about his debt-funding mission to the United States. We do not disagree with his argument, although it makes him look more like an American emissary than a British chancellor. If he would do as much to explain the British position to America as he is doing to explain the American position to Britain he might then be a useful public servant."

"The remarks attributed to Mr. Baldwin in certain organs of the American press—that the debt had got on the nerves of the American people and that Congress would not be willing to eat its own legislation—are without discoverable foundation."

"Mr. Baldwin neither criticized nor aspersed any section of the American people. On the contrary, he sought to express his great appreciation of the kindness and courtesy which were extended to him throughout his recent visit to this country."

I have read the statement. If any public man talks to newspaper reporters on one of the most important subjects in all the world to-day and does not know that he is giving out a statement, that man needs psychiatric attention. I see no difference between giving out a statement calling Americans of the West "hog raisers" and "ignorant of international debt questions," and calling all western Senators "politicians," and saying the same thing informally. It is worse to say it informally, because it conveys just what the speaker really thinks. No doubt now Mr. Baldwin wishes he had given out a "statement," and in such "statement" concealed his real views. The explanation merely emphasizes the original statement given out by Mr. Baldwin. So much for that.

Mr. WADSWORTH. Mr. President—

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from New York?

Mr. McKELLAR. I yield.

Mr. WADSWORTH. I was going to ask the Senator earlier in his remarks whether he understood that the average rate of interest to be paid on the United States debt would be 4½ per cent until the maturity of the debt.

Mr. McKELLAR. That is, as fixed by Congress?

Mr. WADSWORTH. No; will the average rate of interest paid on the bonds of the American Government run about 4½ per cent for the entire period?

Mr. McKELLAR. The Senator wants to know whether, in future funding transactions, it may not be possible for the American Government to fund its present obligations, which average 4½ per cent, at a lower rate of interest. Is that the question?

Mr. WADSWORTH. That was one of the first questions I had to ask.

Mr. McKELLAR. I wish to say this in answer to that: That if we are able to do it, we should at the same time, in the same measure, reduce the rate of interest on the British obligations. We ought to be absolutely fair to our British friends. We ought to see to it that they get the money on exactly the same terms the American Government gets it, and I for one would be willing to have a provision in the contract to the effect that whenever at any time this Government is enabled to fund its bonds at a lower rate of interest, the British Government should have the advantage of that lower rate of interest on the bonds given us.

I am glad the Senator asked the question, because I had intended to say that in the course of what I have had to say this afternoon about the matter.

Mr. WADSWORTH. May I ask the Senator another question?

Mr. McKELLAR. Certainly.

Mr. WADSWORTH. Is our average rate of interest to-day 4½ per cent?

Mr. McKELLAR. I only say that I have had it so stated to me by a number of men in whom I have great confidence. My distinct recollection is that the Senator from Utah [Mr. Smoot], who is an expert in such matters, told me that the average rate of interest was 4½ per cent and that was the reason why it was fixed at that amount in the act.

Mr. LENROOT. The Senator from Virginia [Mr. Glass] could no doubt tell us.

Mr. WADSWORTH. I have not given the matter my personal attention, but my recollection is that a very large part of the bonded indebtedness of the United States Government brings 3½ per cent interest, and how the general average could be 4½ per cent passes my comprehension.

Mr. McKELLAR. The Senator will remember that nearly a billion dollars of the \$4,700,000,000 was loaned to Great Britain after the war was over. It came in part from Victory bonds, as I recall. I think they have been refunded now, but taking the entire bonded debt from which we secured the money, part of it was gotten at 3½ per cent, part at 3¾ per cent, part at 4 per cent, part at 4½ per cent, I think a part at 4¾ per cent, and a part at 4½ per cent. I think some of the Victory obligations were even as high as 4½ per cent. I will not be positive about it, but I am positive about the fact that the bonded indebtedness caused by the war ran from 3½ per cent minimum to 4½ per cent maximum.

Mr. WADSWORTH. I do not mean to interrupt the Senator unduly, but I think he will have to revise his figures on the average rate of interest, and they will be revised downward.

Mr. McKELLAR. If that is correct, Great Britain ought to have the advantage of it. She ought not to be charged one sou more than the amount which the money costs the American people. But my proposition is that the American people ought not to be taxed an additional sum to pay the difference between the rates that we have to pay and that which Great Britain has to pay.

Mr. JONES of New Mexico. Mr. President—

Mr. McKELLAR. I yield to the Senator for a question, but I am anxious to get through.

Mr. JONES of New Mexico. I have no question to ask. I simply wanted to state my recollection of the rate of interest which our obligations bear.

Mr. McKELLAR. I shall be very glad to have the Senator do it. I have not looked it up. I am taking the newspaper statements made about it and the statement made to me by the Senator from Utah [Mr. Smoot], who is very accurate about such matters.

Mr. JONES of New Mexico. The first liberty bonds issued were tax exempt and they were floated at 3½ per cent. The next Liberty loan bore 4½ per cent with the privilege that if the Government should at a subsequent period issue bonds bearing a higher rate of interest, the purchasers of the second Liberty loan should have the right to exchange them, and most of the second Liberty loan bonds have been exchanged for 4½ per cent bonds. I think there is no doubt that the rate of interest may well be said to be not less than 4½ per cent

now, with the exception of the first Liberty loan, which is tax exempt and which bears 3½ per cent.

Mr. McKELLAR. I am quite confident in my own mind that the Senator from New Mexico is correct about it. But it is easily ascertainable and whatever the amount may be, whether it is 4 or less than 4 or more than 4 per cent, we ought to see to it that Great Britain pays us no more and no less than the amount the American Government had to pay.

Lest we forget, Mr. President, I want to quote from a recent political work written by a newspaper reporter here in Washington, by the name of Arthur Wallace Dunn. The book is in two volumes and is called "From Harrison to Harding." Mr. Dunn is evidently a Republican, and he writes from the Republican viewpoint, but it is a most delightful and entertaining book. If Senators have not read it, I suggest to them that they will pass some very pleasant and profitable hours if they will read Mr. Dunn's book in connection with the history of the recent affairs in this country. They will hardly be able to lay it down after they have started to read it.

I want to quote from pages 277 to 279 of Mr. Dunn's book very briefly, reflecting light on the particular subject as to whether we are doing the right thing by Great Britain:

About the middle of June, 1915—

Wrote Mr. Dunn—

our people learned that Great Britain had been making use of our commerce had been detained. We had been restricted from dealing with neutral countries in noncontraband articles. By orders in council Great Britain was making or unmaking international law as best suited her designs. Goods which United States merchants were not permitted to deliver in Holland, Sweden, and Denmark were sent from Great Britain, and British merchants were making large profits.

Besides rifling our mails Great Britain had been making use of our flag, hoisting it over merchant ships in order to deceive enemy ships and thus escape capture or destruction. The seizure of American ships and their detention, while mails, not only to Germany but neutral nations as well, were opened and their contents disclosed became a regular practice. American merchants began to complain that their trade secrets were thus obtained and that their customers were being taken away and turned over to British merchants. By July 18, 1915, it was shown that more than 2,000 American ships had been seized and taken into British ports.

Notes of protest were sent on several occasions, but in every case, whether concerning the seizure of ships or concerning the mails, Great Britain rejected the demands of the United States and maintained that all her acts were a war necessity.

"Dollar chasers."

Just like they are now hissing the American flag in the theaters in London, just like they are now calling Americans "money sharks" because we are not willing to reduce the rate of interest to less than Great Britain has ever paid in her history and less than was ever paid in the history of any nation in the time of war.

Dollar chasers was what Americans were called in the British and Canadian press, because objection was made to the interference with the neutral rights of American citizens engaged in legitimate commerce. Every act which was against Germany was loudly applauded and every demand upon England was denounced.

By the middle of September American cargoes valued at \$15,000,000 had been confiscated. Meanwhile Great Britain was successfully floating a loan in this country and raising \$500,000,000 to pay for the war supplies furnished by citizens of the United States.

The manner in which Great Britain outraged our commercial rights was notorious. She stopped our ships and confiscated their cargoes; she blacklisted our business men and arrogantly supervised our trade with the world, particularly in South America. Altogether it seemed that our grievances against Great Britain were almost as great as those against Germany, but while the English captured and confiscated American property the Germans destroyed not only American property but also American lives.

Mr. WADSWORTH. Mr. President—

Mr. McKELLAR. I yield to the Senator from New York.

Mr. WADSWORTH. Does the Senator believe all that? The Senator has advised other Senators to read the book. It all has a very familiar tone. It is the exact language and the exact kind of sermon that was preached to the United States by every pro-German. It is the same old story. The thing was hashed out time and time again.

Mr. McKELLAR. Does the Senator deny that Great Britain did any such thing?

Mr. WADSWORTH. To no such extent as described in that book.

Mr. McKELLAR. Does the Senator deny that Great Britain took thousands of our ships?

Mr. WADSWORTH. To no such extent as described in that book. The confiscation did not occur.

Mr. McKELLAR. I am giving what is in the book.

Mr. WADSWORTH. The Senator is giving what the man Dunn said, and that is an old story.

Mr. McKELLAR. It is a historical volume. Of course, I do not vouch for its accuracy. I merely submit it to the Senate.

Mr. WADSWORTH. I advise Mr. Dunn and the Senator from Tennessee to read the letters of Mr. Page, late ambassador to London, on that very point.

Mr. McKELLAR. It looks sometimes as if when our ambassadors get to London they rapidly become more British than they are American. I refer especially to the present ambassador. I think his views are to-day largely more British than they are American.

Mr. GLASS. May I inquire of the Senator from Tennessee whether he is under the impression that Great Britain is going to repudiate her indebtedness to the United States?

Mr. McKELLAR. I have not the slightest idea Great Britain will repudiate her debt. What I am asking is that the American Congress shall not tax the American people to pay a portion of the interest on the debt of Great Britain.

Mr. GLASS. If the American Congress should conclude to do that, which I do not think the American Congress will do, does that form any basis for a rather severe, if not savage, attack upon Great Britain?

Mr. McKELLAR. I say that when it comes to the statements that are being publicly made that this Congress is going to ratify before the 4th of March, without proper deliberation and consideration, as it seems to me, a proposal that we do not yet know whence it came or whether it came from Great Britain or from our own commission, a proposal wholly beyond the proposal that was made by Congress by act duly passed—when I see statements like that coming out in the press of the country, propaganda everywhere that the American people ought to tax themselves somewhere between \$35,000,000 and \$68,000,000 a year rather indefinitely to pay difference in interest charged, I think it is time for somebody to speak up for American rights.

Mr. GLASS. If the Congress should do that, and any criticism might properly lie against that process, it seems to me the criticism should be directed at Congress and not against Great Britain.

Mr. McKELLAR. Congress has not yet done that thing.

Mr. GLASS. Therefore, I wonder why the Senator should make a savage attack on Great Britain.

Mr. McKELLAR. I have made no savage attack on Great Britain. I have spoken about this matter for the reason that the emissary from Great Britain to this country has made a most savage attack upon this body and the Members of it.

Mr. GLASS. I do not so construe what he said. I think what he said might have been more diplomatically said, but I do not think it might have been more truthfully said.

Mr. McKELLAR. It was very much more savage than anything I have said. What I have said is backed up by reports given to the press from time to time and by what we all know to be the facts. I believe Baldwin's statement wholly incorrect.

Mr. GLASS. When it comes to casting up accounts and contrasting matters of indebtedness, I feel that there is a good deal to be said on the other side of the question. I had two boys on the firing lines in France, and I can not exactly repress a feeling of indebtedness to Great Britain that she buried about 1,500,000 of her sons to save the lives of my boys and other American boys. In short, the British fought three years for civilization before we took our place beside them in identically the same cause.

Mr. FRELINGHUYSEN. Mr. President, will the Senator yield?

Mr. McKELLAR. Certainly.

Mr. FRELINGHUYSEN. Of course, the Senator has informed himself on the transaction. Does he know whether the present rate of interest, which is 5 per cent, as I believe he stated, is added to the principal in the negotiations?

Mr. McKELLAR. My understanding is that the accrued interest is to be calculated and added at the rate of 4½ per cent in the proposal.

Mr. FRELINGHUYSEN. Under the present obligation?

Mr. McKELLAR. No; instead of the present obligation, which bears 5 per cent. They are going to calculate the present principal with interest at 4½ per cent up to the date of settlement and add that to the principal.

Mr. FRELINGHUYSEN. The Senator understands, does he not, that this, of course, would be subject to the approval of Congress?

Mr. McKELLAR. Oh, yes.

Mr. FRELINGHUYSEN. Congress will have the final say?

Mr. McKELLAR. Yes; and that is exactly why I am drawing it to the attention of Congress now. I do not think that Congress ought to permit the proposed settlement or any settlement such as we have understood would be made to be effected.

Mr. FRELINGHUYSEN. It is to be brought before Congress for final settlement in proper manner, is it not?

Mr. McKELLAR. I suppose so. The Senator from New Jersey may be on the inside and he can give us some information.

Mr. FRELINGHUYSEN. I am not on the inside.

Mr. McKELLAR. The Debt Funding Commission has been in existence for some time; it has been engaged in attempting to fund this indebtedness for some time. I have tried in every way possible to get some expression from the commission as to what has been going on, but they have made no statement. So I do not know what the commission has done. The only news that we get about the settlement comes from London.

Mr. FRELINGHUYSEN. I am not on the inside; but the Senator from Tennessee professes to know all about this transaction. He has stated that England intends to repudiate some part of her debt. Does the Senator believe that England in the proposition submitted intends to repudiate or has repudiated any of her just debts? She has honorably come here trying to settle them.

Mr. McKELLAR. Oh, Mr. President, the Senator misunderstood me entirely. He did not hear me say anything of the kind.

Mr. FRELINGHUYSEN. The Senator did not say that?

Mr. McKELLAR. Of course I did not say anything of the kind.

Mr. FRELINGHUYSEN. I am very glad to hear the Senator's denial.

Mr. McKELLAR. The Senator from New Jersey is merely mistaken about my having said anything of the kind. I said that I believed Great Britain would settle her indebtedness. She is a debt-paying nation; she can not continue to be the great nation she is unless she continues to pay her debts, and she will pay them. I have, however, said that Congress has already, of its own motion, remitted three-fourths of 1 per cent from the obligations which we held—\$35,250,000 a year on the debt as it stands.

Mr. FRELINGHUYSEN. I think if the Senator from Tennessee will review what he has said he will find that he did state that England would repudiate her just indebtedness, or was trying to do so.

Mr. McKELLAR. Of course, if I said that, I must have been dreaming, and I am not dreaming about this matter. If I find I have made such a statement I certainly shall make the correction, and I will let the Senator know about it, because I never intended to make any such statement.

I have since examined the stenographer's report and find I made no such statement. Indeed, I said exactly the contrary.

I do not believe that Great Britain intends to repudiate her indebtedness, but I think she is trying to make the best trade possible, and if she can get the American Congress to assume a part of her obligations and to devote the sum of \$58,750,000 a year for 10 years and \$35,250,000 a year for 52 years to aid her in paying off her indebtedness, of course she is going to do it. It would be to her interest to do it, for she wants to make the best trade she can.

Mr. GLASS. Mr. President, does the Senator from Tennessee think it would be exactly fair savagely to assail Great Britain if the Congress should do that? What evil thing has Great Britain done to provoke this bitter criticism? She has not sought to escape the payment of a dollar of her honorable indebtedness to this Nation. She has held her head high in peace, just as she carried her arms gallantly in triumph in war. I do not appreciate or relish these constant attacks upon the people who were in concert with us against a common enemy.

Mr. McKELLAR. Of course, I am sorry that the Senator can not relish them, but that is not my fault, one way or the other. What I am trying to do is to give the American view of it.

Mr. GLASS. As I think, Mr. President, the Senator is not giving the American view of it.

Mr. McKELLAR. I think I am. I know I am. I know no other view than the American view.

Mr. GLASS. I think the Senator is presenting a view that is hostile to the people with whom we fought the war in concert.

Mr. McKELLAR. Oh, Mr. President, remarks like that are unworthy of the Senator from Virginia.

Mr. GLASS. The Senator is savagely assailing Great Britain merely because he apprehends that the Congress of the United States may cancel a part of the interest charge against that nation. Great Britain is no suppliant; she has not asked Congress to cancel anything. Great Britain is going to pay her indebtedness in dollars, just as she paid her obligation in blood

for the cause which we assume at one time to be our cause, but which now we seem to have forgotten.

Mr. McKELLAR. No; we have not forgotten anything of the kind. Of course, it is unworthy of the Senator from Virginia to talk about my expressions being pro-German or my being pro-German. The Senator knows that I have no pro-German feeling of any kind and never have had. The Senator understands that, I am sure, and I regret that he was willing to make any such statement.

Mr. GLASS. Of course, I know the Senator from Tennessee has not been pro-German; the more am I distressed that he now has been betrayed into unfriendly criticism of our former ally in the war. What has Great Britain done to invite this sort of comment?

Mr. McKELLAR. Great Britain has sent a commission—

Mr. GLASS. From the first she has stated her purpose to pay her indebtedness to the United States. Of course, she has sent a commission here to make as reasonable terms as may be made. Is there any offense in that? The commission came at our invitation. And is the Senator going to blame Britain if the Congress of the United States shall make terms more reasonable than the Senator from Tennessee thinks ought to be made?

Mr. McKELLAR. Let me ask the Senator a question.

Mr. GLASS. It seems to me the criticism ought to be directed against the Congress of the United States and not against Great Britain.

Mr. McKELLAR. Let me ask the Senator this question: Under the Senator's administration of the Treasury Department, did he not take the obligations of Great Britain at 5 per cent?

Mr. GLASS. Oh, yes.

Mr. McKELLAR. Do not the very obligations which the Senator as Secretary of the Treasury took measure the indebtedness of Great Britain to us?

Now, when she sends a commission over to us to secure better terms than those which her obligations already allow, why is not that seeking to get out of paying in part her indebtedness to this country?

Mr. GLASS. As a matter of fact, Mr. President, the moral obligation of Great Britain to this country under the text of the Liberty loan acts was to pay us no higher rate of interest than the charge at which we floated our indebtedness from the proceeds of which we made this loan; and the Senator himself has said that the Congress of the United States has reduced that rate from 5 to 4½ per cent.

Mr. McKELLAR. In absolute accord with the act of Congress under which this money was borrowed, and that is all I maintain—I want a settlement under these acts of Congress.

Mr. GLASS. If the Senator—

Mr. McKELLAR. Just a moment. I maintain that that is the measure of the obligation of Great Britain to us, and that if Great Britain asks for a different measurement now she is asking to repudiate in part the interest which she has already agreed to pay and for which we hold her obligations.

Mr. GLASS. Mr. President, Great Britain is not proposing to repudiate one farthing of her indebtedness to the United States. Great Britain, following the example of the United States, designated a commission to take these matters under advisement and to reach terms of adjustment.

Mr. McKELLAR. Within certain limitations but, according to reports from London, our commission have disregarded the limitations that were fixed by Congress.

Mr. GLASS. Then why does not the Senator assail our commission instead of assailing Great Britain. The Senator has revived all the pre-war bitterness by putting in the RECORD the very pro-German stuff that was disseminated in this country to keep us from going in on the side of Britain and France and Belgium. He is reviving the talk about the "ravages of our commerce on the seas" and the interruption by Great Britain of our business activities with central Europe.

Mr. McKELLAR. Yes; and I know our commerce was ravaged. Everybody knows it was done. No one can deny it.

Mr. GLASS. What has that got to do with the debt question any more than the fact that our commerce was also ravaged by Germany and our women and children drowned in the seas?

Mr. FRELINGHUYSEN. Mr. President—

Mr. McKELLAR. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. In regard to England's seizure of contraband vessels, I happen to know something about it; I have some familiarity with marine insurance, and I merely wish to say that wherever England seized vessels as contraband or interfered with commerce she took those vessels into the admiralty courts; the cases were duly tried, and England, I

know, has been extremely fair in her settlement where she did not seize the vessels in accord with international and admiralty law.

Mr. McKELLAR. Yes; but she never thought that she was doing anything that was not in accord with international and admiralty law. She absolutely disregarded our rights on the seas.

Mr. LENROOT. Mr. President, I should like to ask the Senator why it is that he condemns so severely the nation that offers to adjust and pay its indebtedness and has no word of condemnation for other nations that have like obligations and that neither offer to settle or to pay?

Mr. McKELLAR. It ought to be obvious to anybody in the world. This is the only settlement just now before the American people or before the Congress. When we come to other settlements, then they may be discussed. When the Senator's administration brings before us other settlements, as it ought to do, then we will discuss those settlements.

Mr. LENROOT. Then, would the Senator be content, in the case of England, if she paid nothing and remained silent? Would he have no word of criticism then? Why does he not criticize those nations that have paid nothing?

Mr. McKELLAR. On the contrary, the Senator knows that ever since 1919 I have been vigorously and actively seeking to get some settlement with the foreign governments that owe us money. It is no new thing with me. I am just as much in favor of collecting the indebtedness due us from other nations as I am of collecting from Great Britain. They owe us money, and they ought to fund it according to the terms of Congress to pay the interest. The only difference is that the question of the British indebtedness is now before the American people and before the American Congress. Whenever a proposed settlement of the indebtedness of other nations comes before us, that will be discussed, too.

Mr. LENROOT. The Senator condemns a nation because they offer to settle and pay, but the Senator has no word of condemnation of a nation that does not offer to pay a dollar on a just debt.

Mr. McKELLAR. The Republican administration announced a day or two ago that they had not asked and would not ask the other nations to pay a dollar at the present time.

Mr. LENROOT. In view of the Senator's attitude, I should like to ask him another question.

Mr. McKELLAR. I yield.

Mr. LENROOT. An amendment is pending, and more of them will be offered, to the bill now under consideration extending further credits to foreign governments—in one case, a maximum of \$250,000,000 for the purchase of cotton and other agricultural products. In view of the Senator's attitude, I assume he is against all of those measures.

Mr. McKELLAR. I am against them, absolutely.

Mr. LENROOT. I am glad to know that.

Mr. GLASS. Mr. President, if the Senator will allow me, not only are there measures pending here proposing to loan \$250,000,000 to various nations but there is a bill pending, upon which a hearing is being seriously had, to loan, not Great Britain or France or Italy, whose troops fought with our troops in the war, but to loan to Germany \$1,000,000,000 of the taxpayers' money of the United States.

Mr. McKELLAR. Yes; and I am just as much opposed to that, and more so, than I am opposed to any of the others. I am opposed to lending any more money to Europe. It is high time they were paying back what they borrowed, and thus help relieve us of our heavy burden of taxation.

Mr. GLASS. Nobody has heard the Senator get up here and say anything unkind about Germany when it is proposed to loan her \$1,000,000,000 of the taxpayers' money.

Mr. McKELLAR. The Senator probably has not been in the Chamber, for it has been only a very short time since I got up here and made a very severe criticism about the failure of Germany to pay the charges for maintaining our troops over there as she agreed to do. I have brought that question up on the floor time and time again. I can not help it if the Senator from Virginia has not been present and has not heard what I said.

Mr. GLASS. Oh, well, if the Senator from Virginia was not present he was occupied with more serious matters somewhere else.

Mr. McKELLAR. I am quite sure of that.

Mr. GLASS. He was transacting the business of the Senate in committee.

Mr. President, I hate to lose poise; but I confess to some degree of irritation at certain things that have happened recently in this Chamber. I wish I might hear one kind word said of the people who we joined, rather belatedly some think,

in winning the World War. Instead we are treated day in and day out to "poor Germany" this and "poor Germany" that, and told how the people of Germany are suffering, as if no other people are suffering.

Mr. McKELLAR. Mr. President, the Senator will certainly do me the justice to say that he never heard me utter any such sentiments.

Mr. GLASS. I regret very much to have heard my friend and colleague assail this afternoon, as I conceive without proper warrant, our great ally in the recent war and undertake to prejudice the Congress and people of the United States against Great Britain because when, with her back to the wall she was fighting for civilization, for our cause as well as for her own, she interrupted momentarily our commerce on the seas.

Mr. McKELLAR. Mr. President, I believe America's part in the war was just as honorable as that of Great Britain, and that we helped Britain far more than Britain helped us. Speaking about the soldiers, I recall that it has been but a short time ago when a measure for the relief of our own soldiers was before the Senate, and that measure, costing as much as it would, would not have cost as much as the proposed subsidy to Great Britain if this proposed trade goes through; and yet my recollection is that some of us—not I, because I was very much in favor of it, but quite a number of us—voted against the measure in favor of the soldiers. It does seem to me that we ought to be willing to treat the soldiers of our own war as fairly as we are willing to treat the soldiers of Great Britain or the Government of Great Britain; and I, for one, would infinitely prefer to vote for a bonus for our own soldiers, many of whom have been without employment, rather than to vote this bonus or subsidy for Great Britain at this time.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LENROOT. The bills to which I referred—I did not have in mind the one to which the Senator from Virginia referred, that is pending in committee—the bills to which I referred that propose to extend further credits to Europe upon the credit of foreign governments have been reported, and are on the calendar of the Senate, and I have not heard the Senator from Tennessee denounce any of those bills.

Mr. McKELLAR. Mr. President, if the Senator will just listen whenever they come up, he will find the Senator from Tennessee not only denouncing them but voting against them. I am absolutely opposed to them. I do not think any other credits ought to be given to European countries until they begin to pay us, at any rate.

Mr. LENROOT. I am very glad to hear it.

Mr. McKELLAR. And I shall certainly vote against them; and, if it will do the Senator any good, though I do not like to talk much, I will certainly make speeches against them, and in the same emphatic way that I am making a speech against giving this enormous subsidy to Great Britain.

Mr. LENROOT. I merely wanted to ask the Senator if I was incorrect in my recollection—and he will correct me if I am—if he did not vote to take up the Norris bill, which provided for that very thing, as against the rural credit bill?

Mr. McKELLAR. The Norris bill? I can not say, Mr. President.

Mr. LENROOT. I may be wrong in my recollection upon that subject.

Mr. McKELLAR. I think the Senator is wrong, but I should have to look at the record myself to see. I do not recall what the facts were with reference to it. I have no independent recollection about my vote on that proposal.

Mr. GLASS. Mr. President, just a word.

The Senator from Tennessee very obviously made a reference a while ago to my attitude on the soldiers' bonus. I have never made any concealment of my feeling on that subject. I was against the soldiers' bonus. I always will be against it. I was against it upon economic considerations, and against it upon sentimental considerations. I do not think the Federal Treasury could bear the tax at this time; I do not think that the tax-burdened people of the country should be subjected to that additional exaction.

I do not think the financial, commercial, and industrial interests of the country should be distressed by embarkation on any such economic policy. Moreover, I am against having the patriotic services of American boys computed in dollars and cents and so commercialized as that hereafter when we may have to fight a war for the protection of civilization we may have to stop and inquire what it is going to cost in dollars and cents.

As to voting any subsidy for Great Britain, that is a figment of the Senator's imagination. Great Britain is too proud a nation to suggest to the United States or any other nation the

idea of voting her a subsidy. She has not asked for a subsidy. There is no proposition pending to vote her a subsidy of any description. She has simply appointed a debt commission, at our invitation, to discuss the adjustment of her indebtedness to the United States, with statements from her responsible statesmen that she proposes to pay the last dollar of it.

What I fail to understand, what seems most singular to me, is that at this stage of the proceedings any Senator should feel called upon to stand in his place and raspingly criticize this nation that was our ally, this nation whose Navy protected us from the ravages of the enemy for the preliminary months of the war in which we were engaged, and whose million and a half dead soldiers died in the very cause that we made our own.

Yes; I am not a little exasperated that we seem so soon to have forgotten the men and nations with whom we were associated in the war as to direct all our thought and all our generous sentiment to aiding and helping those who a little while ago were trying to destroy our civilization. All our criticisms seem now directed against those with whom we were comrades in arms.

Mr. McKELLAR. Mr. President, it is quite as exasperating to me that the people of Great Britain and the Government of Great Britain have so soon forgotten the great help that this Nation was to her, not only in saving civilization but in saving her empire. She may be too proud to ask for concessions on this debt, but she is making powerful efforts to obtain them just the same.

Mr. GLASS. In what sense has she forgotten our help, and in what manner is she seeking to evade her financial obligations?

Mr. McKELLAR. By sending her commission over here to get terms of settlement less than those to which she had agreed.

Mr. GLASS. How does the Senator know that?

Mr. McKELLAR. I judge it by the fact that the commission has been over here and by the statements given out in the newspapers on both sides.

Mr. GLASS. Does not the Senator know perfectly well that the loan of this country to Great Britain is now in such shape as that it can not be paid but must be funded under the terms of the act?

Mr. McKELLAR. Quite the contrary; Great Britain is already making her interest payments on the loan, and under the terms of the act for which the Senator voted; but this proposal is to disregard the terms of that act, and it is of that that I am complaining.

Mr. GLASS. Whose proposal is it to disregard the terms of the act?

Mr. McKELLAR. The British commission says that it is the American commission's proposal.

Mr. GLASS. Then why not assail the American commission? Why assail the British commission?

Mr. McKELLAR. I do not understand why the Senator can not see that my criticisms have been just as much against the American commission for having proposed it, if they did propose it, as against Great Britain for having accepted it. I have criticized that commission. I have been on my feet almost daily criticizing the commission for not giving the American people the facts about it.

Mr. GLASS. Does the Senator seriously think that Great Britain would dishonor herself, or any one of our allies would dishonor herself, if she should accept terms of adjustment more favorable than those originally proposed?

Mr. McKELLAR. Mr. President, I can not say that, of course.

Mr. GLASS. That is what the Senator did say.

Mr. McKELLAR. No; here is what I say: That that commission has been over here in secret session with a commission appointed by this Government for the past several weeks, a month or more, and we find that the result is that the terms laid down by the Congress, which were in accordance with the terms under which this money was borrowed from us, have been disregarded, according to the newspapers; and I am addressing myself to that.

Mr. GLASS. Disregarded by whom, may I ask the Senator?

Mr. McKELLAR. Disregarded both by the British Government, who borrowed the money, and by the commission which is acting for the American Government.

Mr. GLASS. Does the Senator seriously think that the British commission ought not to accept terms proposed by the American commission that are less onerous than the original terms of the loan?

Mr. McKELLAR. Of course I do. If the British commission knows anything about the American Government, it knows that

the members of the American commission have no authority whatsoever to make such a proposal; that the members of the American commission are limited by law and by their oaths of office to carrying out the statute of the United States already passed. They are governed by that statute.

Mr. GLASS. Oh, Mr. President, I understand that, of course, and therefore, being limited and being required to report back to Congress, and Congress itself having to act finally upon the proposition, I wonder why the Senator should abuse Great Britain for sending a commission over here at our own invitation to confer with a commission appointed by Congress.

Mr. McKELLAR. I do not know whether the Senator caught what I intended to convey, or not, but my purpose was to say this in unmistakable language: If this proposed settlement is as the newspapers give it, the members of the American commission have violated the law under which they were appointed. The British commission ought to know that the American commission had not any right to make such a proposal, and I doubt very much whether they have made such a proposal. I will never believe it until they come forward here and say they have made such a proposal.

Mr. GLASS. But the Senator has premised everything he said upon the assumption that the thing had been done.

Mr. McKELLAR. Oh, no; the proposal has no doubt been made by somebody, and somebody has accepted it in some way. There is no doubt in the world but that a tentative agreement has been entered into between these two commissions, which tentative agreement is at war with the act of Congress under which our commission was appointed; and I am opposed to Congress agreeing to any proposal different from what we originally agreed to.

Mr. GLASS. Mr. President, I think I now clearly understand what the Senator from Tennessee intended.

Mr. McKELLAR. I am sorry I have been unable to make myself plain. I thought I was able to make myself plain.

Mr. GLASS. Well, it was my fault; it was my stupidity, but—

Mr. McKELLAR. No; quite the contrary. It was my fault in not expressing myself clearly.

Mr. GLASS. I have now reached the conclusion that the Senator from Tennessee thinks that because our American Debt Commission is supposed to have proposed a different settlement of these foreign debts from that which the Congress had in mind, therefore it is expedient to twist the lion's tail.

Mr. McKELLAR. Oh, well, if the Senator wants to indulge in that kind of statement, that is entirely all right. It is not what I said at all.

Mr. LENROOT and Mr. HEFLIN addressed the Chair.

Mr. McKELLAR. I yield to the Senator from Wisconsin.

Mr. LENROOT. As I understand the Senator's viewpoint, his criticism is that England entered into a solemn contract, as did the others, to pay 5 per cent, and now they should not, according to his view, make any proposition different from that?

Mr. McKELLAR. Oh, no; the Senator did not understand me that way at all—could not have done so; it is absolutely impossible.

Mr. LENROOT. It was the sacredness of the obligation to which the Senator referred.

Mr. McKELLAR. This is what I said; I said that Great Britain borrowed this money under the terms of an act of Congress which provided that Great Britain should pay the same rate of interest which the American Government had to pay for the money, and that any reduction in that rate was a violation of the contract which Great Britain made.

Mr. LENROOT. That was not the contract.

Mr. McKELLAR. Oh, yes; it was. It was the original contract. I don't know when, why, or how she gave us the 5 per cent obligations, but it is a fact she gave them to us and we now hold them.

Mr. LENROOT. The contract was to pay 5 per cent, was it not?

Mr. McKELLAR. That was subsequently entered into.

Mr. LENROOT. That is the existing contract, is it not?

Mr. McKELLAR. That is the existing contract.

Mr. LENROOT. Now, the Senator complains over any proposal to modify that contract?

Mr. McKELLAR. Oh, no. I have never complained that the Congress was wrong in fixing the rate the same as we had to pay. I voted for that act.

Mr. LENROOT. What is it the Senator complains of?

Mr. McKELLAR. I voted for the measure, and so did the Senator, voluntarily, to make the interest agreement conform precisely, or as nearly as possible, to the original agreement under which the money was borrowed.

Mr. LENROOT. Then it was the Congress which first proposed, not only to England but all the other European countries, that their existing contracts be modified?

Mr. McKELLAR. Yes.

Mr. LENROOT. And the Senator complains that the United States itself, proposing to modify an existing contract, is subject to this severe attack, if they suggest that there be a different modification than that proposed by our Government?

Mr. McKELLAR. Yes; because Congress has solemnly gone on record setting out the limitations under which the American commission could act. The commission had no power or authority to make a different proposal to the British commission.

Mr. LENROOT. I know; but can they not address their proposals to this Government, which includes Congress?

Mr. McKELLAR. They can, but they are so silent about it that it does not look like we will ever get it from them.

Mr. LENROOT. Has anyone ever proposed that the Debt Commission shall accept this proposal and violate the act of Congress?

Mr. McKELLAR. The English commission affirm, over on the other side, when they get back, that the American commission had made this proposal, which is beyond any authority which it had.

Mr. LENROOT. Does the Senator think the American Debt Commission proposes, without action of Congress, to carry out the proposal that is in question?

Mr. McKELLAR. Being absolutely in the dark, being absolutely unable to get any expression from the members of the American Debt Commission, I can not tell the Senator what the American Debt Commission proposes.

Mr. LENROOT. Does not the Senator know that no action can be taken without action by Congress?

Mr. McKELLAR. I imagine not, though I do not know what action may be attempted.

Mr. LENROOT. The Senator does not know? I did not want to do the Senator any injustice with reference to his record on the vote to which I have referred, and I want to clear that up. I find that the record on the motion to take up the Norris bill shows that the Senator was present but did not vote; that he was paired, and stated, in announcing his pair, "I have a pair with the Senator from Indiana [Mr. New]. I do not see him in the Chamber, so I withhold my vote." But the Senator did not state what his position was.

Mr. McKELLAR. I do not recall now what my position was. I do not know whether I would have voted for it or against it. Probably that was why I did not express myself. I do not remember just exactly what the issue at stake at that particular time was, but I was quite confident I had not voted as the Senator stated.

Mr. HEFLIN. Mr. President, I am not going to enter into a discussion of this debt settlement proposition. It is evident to my mind that there were a good many people in the Congress who intended to cancel all this indebtedness, and this partial arrangement they have made, I think, came from the British Government. It is suggested in the newspapers that they have accepted a proposition made by us. I think it is a proposition they made themselves, for 3 per cent and $3\frac{1}{2}$ per cent, with nearly three-fourths of a century to pay the money. Two generations will come and go before that debt is wiped out.

The Senator from Tennessee has stirred up a hornet's nest by his protest against taxing the American people and giving to Great Britain or any other foreign country, when sixty-odd million of the American people are in distress to-day. Some people may not know that, but that is the truth.

Mr. McKELLAR. Mr. President, I suppose the Senator saw yesterday that two prominent American diplomats, some time ago, made a proposal at a banquet at No. 10 Downing Street to settle this debt at from 2 to $2\frac{1}{2}$ per cent; that the British people felt greatly outraged that the word of those two diplomats had not been carried out by the American Government, and that they were very greatly disappointed because it had not been carried out. I asked the names of those diplomats, but I could not get them; that is, I have not been able to get them. But I find in an editorial in a good Republican paper, by the way, as I understand it, the Waukegan Daily Sun—

Mr. WADSWORTH. Where is Waukegan?

Mr. McKELLAR. In Illinois. I will read from the editorial. Waukegan is out there where Mr. Baldwin says the people are all "hog raisers." I will read what he says about this first commission:

It was reported from abroad that at a London tea party Taft and Harvey promised Bonar Law that the United States would give a refunding period of some sixty-odd years at an interest rate of $2\frac{1}{2}$ per cent. This means a gift of billions of dollars. In regard to international debts, Taft and Harvey represent none other than themselves

personally. However, if they attempted to defeat the debt refunding act they are sworn to enforce, Harvey should be recalled by Harding, and Taft is open to impeachment charges if upon investigation Congress finds an international conspiracy to defy and defeat the will of Congress.

Mr. WADSWORTH. Has the Senator ever asked Chief Justice Taft whether there was any truth in that?

Mr. McKELLAR. No.

Mr. WADSWORTH. Why does he not?

Mr. McKELLAR. I had no idea who it was. I stated in my speech here the other day that I had no idea who the diplomats were.

Mr. WADSWORTH. Just a moment ago the Senator said he had been trying to find out who those two diplomats were.

Mr. McKELLAR. Yes.

Mr. WADSWORTH. Yet one of the men named could be found in the Supreme Court Chamber, which is about 150 feet away, and the Senator could find out at any time if he had the courage to ask him.

Mr. McKELLAR. There was no question of courage, I assure you. I never saw the paper giving names until to-day.

Mr. HEFLIN. Mr. President, I want to ask the Senator a question. Was that before Chief Justice Taft made a visit to London last summer?

Mr. McKELLAR. I am just reading from the newspaper.

Mr. LODGE. Will not the Senator kindly tell us who the thinker is who makes that admirable statement?

Mr. McKELLAR. W. J. Smith is the editor of the paper—the Waukegan Daily Sun, of Waukegan, Ill.

Mr. LODGE. A newspaper I am afraid I never heard of.

Mr. McKELLAR. Perhaps so; and yet there are some people out West and some newspapers.

Mr. LODGE. There are.

Mr. McKELLAR. Quite a number out there, who, perhaps, have something to think occasionally and to say about international affairs.

Mr. HEFLIN. They at least have votes out there.

Mr. McKELLAR. I am so informed.

Mr. HEFLIN. Does the Senator know what Chief Justice Taft went to London for last year?

Mr. McKELLAR. I have no knowledge on the subject at all, and did not even know he was there, and knew nothing in the world about it, except what I saw in this paper.

Mr. HEFLIN. He made a trip over there.

Mr. McKELLAR. I say that if Mr. Taft and Mr. Harvey made any such proposition as that to the British Government, they did it purely as individuals; they did not bind anybody, and could not bind anybody, and should not bind anybody.

Mr. HEFLIN. Mr. President, I hope I may be permitted to submit a few observations myself. Mr. Taft, before he was appointed Chief Justice, I believe, went to London. I do not know what he went for, but he went over there since the election of 1920. Several newspaper editors of the United States went over there, too, last year. I do not know what they went for. I have heard that some of them were interested in debt cancellation. I think that is true.

Mr. WADSWORTH. May I ask the Senator what reason he has for thinking that is true?

Mr. HEFLIN. I think it is true for several reasons, one because I have heard it talked about the Capitol, and I believe it is true.

Mr. WADSWORTH. Is that all the ground the Senator has?

Mr. HEFLIN. Because I believe it is true?

Mr. WADSWORTH. The Senator has heard it "talked."

Mr. HEFLIN. I do not have to tell the Senator in detail all the reasons I have for it. I make the statement. I think it is true.

Mr. WADSWORTH. Then the Senator is responsible for the statement itself?

Mr. HEFLIN. I am responsible for the statement I made.

Mr. WADSWORTH. All right.

Mr. HEFLIN. I think the Senator represents a State that has a good many obligations owing to it by Great Britain and by other foreign countries, which it would like to collect and could quickly collect if this whole debt could be canceled. I think the propaganda is in Wall Street to cancel the whole thing, and the Senator represents in part the State in which Wall Street is located. I never saw a covey of birds so flushed as the Senator from Tennessee seemed to flush them this afternoon. He was talking for the American people. He is trying to represent this Government here in the Senate and not Great Britain. There are some of us here who do that, and we are going to continue to do it. We are going to have a house cleaning on the other side of the Chamber and a little on this side next year, and bring people here who speak for the American people and not for Great Britain or any other foreign power, when the

issue is whether America's side shall be presented or Great Britain's or some other country's side shall be presented.

I want to treat Great Britain fairly. I am the friend of the mother country. I am glad that her soldiers fought side by side with our soldiers, but it has been said, and one would think that there is a great deal of truth in it, that England possesses the greatest diplomats in the world. England knows how to handle things in a diplomatic way for her special good and general welfare, and it is her business to look out for that just as it is our business and the business of the Chief Executive of our country and the business of the diplomats of our country to handle the situation to the very best interest of the American people. While I am a friend of Great Britain, I am on the side of my own country in this matter.

I want to treat Great Britain fairly, but I want this money paid to the American people. It belongs to them. I speak for a part of the country which has a farming population nine-tenths of whom are under mortgage to-day, bound hand and foot to pay debts unloaded on them by the deflation of 1920 and 1921, carried on by the Republican Party, promised in its national platform in 1920 and promised by the Republican President in his acceptance speech, and carried out under Republican direction without the protest of a single leading Republican in either branch of Congress. This Government does not belong to the greedy special interests in this country. You can always tell, though, when you step on the toes of those interests. You can spot them. Ah, they come to the rescue.

Oh, Mr. President, we are not offending Great Britain. Stanley Baldwin, the Englishman, can go back and reflect upon the intelligence of the great grain-growing West, from whose broad plains came a million American boys to fight and die on foreign soil for Great Britain's liberty and the liberty of the world. None of these Senators here criticized him. They do not say anything against him. The Senator from Tennessee took him to task, and properly so, and now, when a Senator in this body speaks for his own country, for the debt-ridden, tax-burdened people of America, he is taken severely to task for what some call arraigning Great Britain. He comes from Tennessee, the great State of Old Hickory Jackson. We need more of his kind in this body, who will talk for his own country when his own country's rights are involved.

Mr. McKELLAR. Not only did Baldwin reflect upon the people of the West but he reflected upon the Senators from the West.

Mr. HEFLIN. Certainly.

Mr. McKELLAR. I have invited them to respond as to what they thought about his reflections upon them and they are silent.

Mr. HEFLIN. There have been a good many couriers to London, doubtless, who went out from New York. They said, I imagine, "We think we can handle this foreign indebtedness all right. We can probably get the whole debt canceled." I think a promise was made by the Republican Party leaders in 1920 that these debts would be canceled. I have a suspicion of that sort. I think there is ground for it.

Mr. WADSWORTH. Has the Senator as much ground for that assertion as he had for the assertion that Judge Taft went over there on a private mission to cancel the debts?

Mr. HEFLIN. Does the Senator deny that Judge Taft went over there?

Mr. WADSWORTH. Not that he went over there; no.

Mr. HEFLIN. The Senator admits that Judge Taft went over there?

Mr. WADSWORTH. Yes.

Mr. HEFLIN. Does the Senator admit that he [Mr. WADSWORTH] represents Wall Street?

Mr. WADSWORTH. No.

Mr. HEFLIN. Then, I have no further questions for the Senator just now.

Mr. President, of course I have my opinion about whether he does or not. The Senator said he does not, and I must accept his statement. But I want to get back to the issue here.

I am satisfied that over there in those nice little secret circles in London they have said, "We think we can arrange debt cancellation. Get us in power, and maybe we can wipe out the whole debt. Good! Fill 'em up again." When they got over here they found some Democrats here with backbone and some few Republicans, and some in the House, who took the American view of the thing and put some restrictions around the commission on our part, although it was a partisan commission. They could not go the limit, as they probably thought they would be able to go. They were disappointed. I think when they got in secret council over here that probably our

commissioners told them, "We would like to do this or that, but our hands are tied. We would like to cancel the whole thing, so far as we are concerned, but let us not say anything about that. Our hands are tied. It may be we can get additional powers." One of them came up here one day and said on the floor of the Senate they would have to have additional powers.

Now Great Britain has gone back, having brought down the interest rate from 5 per cent to 3 and 3½ per cent. The farmers of the United States are paying to-day 5 and 6 per cent to lift the mortgage from the roofs where their wives and children dwell. But you have provided for Great Britain 3 per cent and 3½ per cent, with 62 years' time in which to pay it. The baby born to-day will be 62 years old when it is paid under your plan. So they went back and jumped on the United States. Wall Street is a very nice spot in their minds. They do not like the western country or the western crowd. They raise hogs and sell beeves, they tell us. Thank God they have intelligence and votes, and they can use them and did use them right effectively in the last election. Next year there is going to be a perfect cyclone. Some of the Senators I see over yonder—the places that know them now will know them no more forever. The cyclone is going to take them up and sweep them out. We are going to have a whole-hearted American sentiment expressed in this Chamber. The time should come when an American who would preach American doctrine will not be arraigned for assailing Great Britain for simply asking that Great Britain pay the debt due us, and that she be not allowed to obtain money here at interest rates below those which the people who are supporting this Government with their substance in time of peace and fighting for its preservation in time of war have to pay. That is what we have—3 and 3½ per cent to a foreign nation, 5 and 6 per cent to our own people who pay the taxes and fight for the Government in the hour of its peril.

Is the Senator who protests against such as that to be criticized and condemned in this Chamber?

In the debate the bonus question has been brought up, and it has been said that the soldiers were commercializing their patriotism and that we have to pay them for their valor, and that when we come to have another war we will have to figure up how much it will cost.

Mr. President, I do not ever expect to permit any Senator in this body—I do not care whether he calls himself a Democrat or whether he is a Republican—to insult the soldiers of America who have asked for adjusted compensation by saying that they are putting a price on their patriotism, commercializing it, when they ask for simple justice at the hands of the Government they love and for which they were willing to die.

Mr. GLASS. Mr. President, if the Senator from Alabama has reference to me—has he?

Mr. HEFLIN. I have reference to part of the statement I heard the Senator make.

Mr. GLASS. I did not say the soldiers wanted to commercialize themselves. What I tried to say was that the politicians wanted to commercialize them.

Mr. McKELLAR. There is a good big body in both Houses that must plead guilty to Mr. Baldwin's statement that they were politicians. As I recall, there are more than two-thirds of the Members of the House and lacking but two or three of being two-thirds of the Senate, and before another session of Congress rolls around there will be more than two-thirds of both bodies in favor of doing the right thing for the soldiers, and a bill will pass, the President to the contrary notwithstanding.

Mr. HEFLIN. Oh, Mr. President, as to the politicians seeking to commercialize the soldier, let me say if I had to take my choice between playing politics and defending the mistreated, neglected, and sometimes starving soldier who had nowhere to lay his head, no decent clothes to wear, nothing with which to feed his body, or vote to give to the profiteers \$450,000,000 a year, as was done here, and exempt the big income-tax payers \$90,000,000 a year, as was done here, and give to the ship subsidy \$50,000,000 a year, as is proposed here, I would take my stand on the side of the soldier of my country and demand simple justice for him.

Mr. LENROOT. Mr. President—

Mr. HEFLIN. The Senator who votes for adjusted compensation is the friend of the soldier. The Senator who voted to call the soldier to the colors and then permitted him to go to the battle front and come back and be discharged in a land panic stricken, industrially and commercially dead, labor unemployed and roaming the streets, and that poor fellow with no

place to eat or sleep—do you say that those who want to help him are trying to commercialize him? No; that is not the situation at all. It is indifference and ingratitude on the part of some to the soldier who offered his life, his all, for his country.

Mr. LENROOT. The Senator knows that I supported the bonus bill and took the attitude that the soldier should be awarded a very generous bonus. I would like to ask the Senator how much his State of Alabama has paid in the way of a bonus to the hungry, starving soldiers of the State of Alabama?

Mr. HEFLIN. I do not know.

Mr. LENROOT. Oh, surely the Senator knows.

Mr. HEFLIN. No; I do not know, and, Mr. President, that is not a question for the State. No State in the Union ought to be burdened as a State to pay this debt to a soldier who fought in the Union Army to fight on foreign soil. That is a national question and in no sense a State question.

Mr. LENROOT. Mr. President—

Mr. HEFLIN. Every State government that has done it did it because the Republican Party here at the Capitol refused in the National Congress to provide a dollar of adjusted compensation for the boys. It was tax the State or starve. That is why the States did it; not because they wanted to do it. They did it because the national Republican Party refused to do it and these boys were about to starve.

Mr. LENROOT. But the State of Alabama did not. The State of Alabama preferred to let them starve, according to the Senator from Alabama.

Mr. HEFLIN. Not at all. In the State of Alabama our people took them in and fed them and cared for those who needed aid somehow, but in the Senator's State and in some other States in the North where there are large cities there is where they suffered. I have helped some of them here out of my own pocket.

Mr. WADSWORTH. The Senator on more than one occasion has seemed to delight in saying something about the North and the East. He has brought in sectional questions. He has undertaken to tell us something about the State of New York and a certain portion of that State. Does the Senator recollect the fact that the State of New York, by a majority of 500,000, in popular referendum voted a bond issue of \$40,000,000 for the veterans?

Mr. HEFLIN. I am glad to hear it. That is very much to the credit of New York.

Mr. WADSWORTH. Where was Alabama when that was being done?

Mr. HEFLIN. Being robbed by New York! [Laughter.] The big speculators, financiers of New York City, robbed the people of my State through deflation in one year of \$103,000,000 on the Alabama cotton crop of 1920. Talk about where we were! We were trying to keep from starving ourselves under Republican deflation.

Mr. LENROOT. Is that why the State of Alabama let her soldiers starve?

Mr. HEFLIN. The State of Alabama has not let her soldiers starve. The people of Alabama want justice for the American soldier. The State of Alabama knows that this is a national question. When the people of Alabama give anything to the soldier they give it to him quietly and say nothing about it, but every time you give him a dollar you stand on the housetop and crow like a rooster. [Laughter.]

Mr. WADSWORTH. Does the Senator know what year it was that the people of New York made that decision for the soldier?

Mr. HEFLIN. No.

Mr. WADSWORTH. The Senator is light-hearted and reckless somewhat in his statements. He said, just by way of crawling out of the corner—

Mr. HEFLIN. I am painstaking and accurate enough to tell the truth about the State of New York.

Mr. WADSWORTH. I understand what the truth is. The Senator does not have to endeavor to enlighten me about the truth.

Mr. HEFLIN. Under deflation it took \$1,625,000,000 from the cotton-growing States on one cotton crop in 1920.

Mr. WADSWORTH. The Senator probably does not know, as he knows nothing about what the people of New York have done, in spite of his reckless statements—

Mr. HEFLIN. I have not time to yield for a defense of that conduct of New York in my time. If the Senator wants to ask a question—

Mr. WADSWORTH. I have asked a question, and the Senator could not answer it. I asked when it was the people of New York voted on that referendum?

Mr. HEFLIN. I do not know and I do not care.

Mr. WADSWORTH. But it has something to do with the Senator's rejoinder that the people of New York had taken money from Alabama.

Mr. HEFLIN. That is no uncommon thing.

Mr. WADSWORTH. As a matter of fact, at that time the people of Alabama were immensely prosperous, with the highest cotton prices probably ever known.

Mr. HEFLIN. When was it you did that?

Mr. WADSWORTH. In 1920.

Mr. HEFLIN. Why, that is the year they robbed us in Alabama of \$103,000,000 on the cotton crop. [Laughter.]

No, Mr. President, I can see these upstanding men now, as brave and patriotic as ever drew the breath of life. I see them going away with that flag. I see them going out upon the seas, and I see them coming back, but I see them forgotten by some Senators just a little while after they return. But I have not seen the profiteers forgotten. I have not seen those who fed upon the Government in the hour of its distress forgotten, and I have not heard them arraigned by anybody who fights the soldiers' bonus.

I stood for adjusted compensation. I am for them because it is right, it is just, it is honest to be for them. When I hear talk about commercializing patriotism, and the soldier being played upon by politicians, I intend to resent it and I do resent it.

Now, Mr. President, that is about all I care to say this evening.

Mr. WADSWORTH. Mr. President—

Mr. HEFLIN. I merely wanted to go on record as saying a word in behalf of some of the statements of my friend, the Senator from Tennessee [Mr. McKellar]—I did not hear all of his speech—and to speak for the American people somewhat about a debt that is due to them. Does Wall Street want to collect her money from Great Britain and have this whole debt held up until she can collect it? She did have it held up, it seems, until she collected \$1,700,000,000 from France and Great Britain. Does she want to have this debt held up for 62 years so she can go on undisturbed and collect the other money due her from the various countries? I am here to represent the people, to represent in part my State; I am not here to represent the bond sharks, the big financiers of Wall Street. I want the American people to have a fair deal. This is not a court where men are employed—

Mr. LODGE. Mr. President—

Mr. HEFLIN. I do not—

Mr. LODGE. I rise to a question of order.

The VICE PRESIDENT. The Senator will state the point of order.

Mr. LODGE. I make the point of order that no Senator has a right to charge other Senators with representing bond sharks and gamblers.

Mr. HEFLIN. I made no such charge.

Mr. LODGE. The Senator just made it by inference.

Mr. HEFLIN. Not at all. I mentioned bond sharks in New York, the bond sharks and financiers of Wall Street.

Mr. LODGE. But the Senator contrasted the rest of the Senate with himself naturally.

Mr. HEFLIN. Let the notes be read.

Mr. WADSWORTH. I ask that the reporter's notes be read.

Mr. HEFLIN. I made no such statement.

The VICE PRESIDENT. The notes will be read.

The Official Reporter read as follows:

I am here to represent the people, to represent in part my State; I am not here to represent the bond sharks, the big financiers of Wall Street.

Mr. LODGE. That is a direct reference to other Senators, of course.

Mr. HEFLIN. Mr. President—

Mr. WADSWORTH. It was an inference.

Mr. HEFLIN. I said I was not representing them here; that I was going to speak for the people.

Mr. LENROOT. And what about the other Senators?

Mr. HEFLIN. I did not say anything about other Senators. The Senator from Massachusetts will next make a point of order against what he imagines. That is all his present point of order is founded on. I did not make the charge—

Mr. GLASS. Mr. President—

Mr. LODGE. I thought the Senator would stand by what he said.

Mr. HEFLIN. Yes. The notes show what I said, and just what I said I do stand by.

Mr. LODGE. Of course, that means that the other Senators here do not represent the American people—

Mr. HEFLIN. I did not say that.

Mr. LODGE. But do represent the bond sharks of Wall Street. It is perfectly clear.

Mr. HEFLIN. I did not say that. The Senator can not put words in my mouth. He can think what he pleases, and I can think what I please.

Mr. LODGE. But I can put them in the RECORD.

Mr. HEFLIN. The Senator can put them in the RECORD, but he can not change what I think or what I say.

Mr. WADSWORTH. Mr. President, will the Senator from Alabama yield?

Mr. HEFLIN. I yield.

Mr. WADSWORTH. The Senator said a little while back that the Chief Justice of the United States represented Wall Street?

Mr. HEFLIN. No; I did not.

Mr. LENROOT. I appeal to the RECORD.

Mr. HEFLIN. Let the RECORD be read, but I did not say that.

Mr. WADSWORTH. The statement was made 20 minutes or so ago.

Mr. LENROOT. I think it ought to be read.

Mr. LODGE. I also think the notes should be read.

Mr. WADSWORTH. The matter is so serious that I insist that it be ascertained whether or not the Senator from Alabama asserted upon the floor of the United States Senate that the Chief Justice of the United States represented Wall Street.

Mr. HEFLIN. The Senator from Alabama did not say any such thing, and there is no one else in the Senate except the Senator from New York and one or two other Republicans who think so.

The VICE PRESIDENT. Let the RECORD be brought in.

Mr. HEFLIN. Bring it in. I said "when he went to London"; and he went to London before he was Chief Justice, I think.

Mr. MOSES. No; he did not; he went as Chief Justice.

Mr. WADSWORTH. Yes; he went as Chief Justice.

Mr. HEFLIN. Did he?

Mr. MOSES. He went as Chief Justice to deliver some lectures on our political system.

Mr. HEFLIN. That makes it still stronger.

Mr. WADSWORTH. Again the Senator has offended.

Mr. LENROOT. Mr. President, the Senator from Alabama should take his seat until this matter is determined.

Mr. HEFLIN. While it is being determined, I will proceed.

Mr. WADSWORTH. No.

Mr. LENROOT. I ask that the Senator be required to take his seat.

The VICE PRESIDENT. The Senator from Alabama has been called to order.

Mr. WADSWORTH. The Senator from Alabama has been called to order and under the rule he has to take his seat. Mr. President, I ask that the Reporter may read the remarks referred to.

Mr. HEFLIN. I will take my seat and will proceed when the Senator is through.

Mr. WADSWORTH. No debate is in order.

Mr. HEFLIN. And then I will proceed at length.

Mr. ROBINSON. Mr. President, I did not hear any statement made by the Senator from Alabama with reference to the Chief Justice of the Supreme Court of the United States. I heard the statement made by the Senator from Alabama, which was quoted a moment ago from the notes, and I maintain that, under the rule of the Senate, it did not charge or impute to any Senator unworthy motives or conduct. In order to come within the rule of the Senate it is necessary that the Senator called to order shall use language which directly or indirectly imputes "to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator." The language of the Senator from Alabama read by the Reporter and for which he has been called to order was substantially, "I do not represent bond sharks or gamblers." It would be an infringement of the freedom of debate for the Presiding Officer of this body to hold that a declaration of that character imputes an unworthy motive or misconduct to another Senator.

It may be true that in the manner of expression, in the general attitude of the Senator from Alabama, in the subconscious mind of Senators that implication is justified, but the Chair in determining points of order made in the Senate must determine the question from the language employed by the Senator called to order.

Mr. LODGE. Mr. President, if the Senator will allow me, I think before deciding upon the matter the Senator ought to read the whole context of and connection in which the statement of the Senator from Alabama was made.

Mr. ROBINSON. The Senator from Massachusetts would not be so unkind as to require me to read the entire speech of the Senator from Alabama.

Mr. LODGE. I did not intend that. I intended merely that the whole statement from the notes of the Reporter should be read.

Mr. ROBINSON. The Senator from Massachusetts would not, in justice, impose any such obligation upon the Presiding Officer. When a Senator objects to language employed by another Senator upon this floor he specifies the language to which he objects and he calls the Senator to order for the employment of that language. That is exactly what occurred a few moments ago.

The Senator from Massachusetts and the Senator from New York jointly objected to a statement made by the Senator from Alabama as violative of the rules of the Senate governing debate in this body. The language employed does not impute to any Senator conduct or motive unworthy of a Senator. If it be held that implications or inferences arrived at by Senators from the general context of a speech delivered by a Senator warrant the conclusion that there is in the mind of the Senator something that he has not expressed obnoxious to the rule, freedom of debate will be destroyed.

Mr. LODGE. If the Senator will allow me, far be it from me to suggest that he shall read the whole speech; that I would not willingly inflict on anybody; but I wanted read the whole of what the Reporter read, because that shows the meaning, in my judgment.

Mr. ROBINSON. Mr. President, the Senator has not made a point of order against the language except that already read by the Reporter. I do not know what other utterances may be in the speech of the Senator from Alabama which may give offense to the Senator from Massachusetts or to other Senators, but my discussion is, of course, confined to the point of order raised.

Mr. LODGE. Mr. President, the words that I objected to were read by the Reporter. The Senator from Arkansas has only stated a part of them.

Mr. ROBINSON. The Senator can repeat them in his own language.

Mr. LODGE. I do not want to repeat them, but I want them read from the notes of the Reporter.

Mr. ROBINSON. The Reporter has read the statement once, although I have no objection to having it read again.

Mr. LODGE. I think the whole sentence and context ought to be understood.

Mr. ROBINSON. Very well.

Mr. LODGE. The Senator from Arkansas only quoted a few words which were detached from the statement.

Mr. ROBINSON. I quoted, as I think, the substance of the language employed by the Senator from Alabama, as read by the Reporter. What is the language read by the Reporter that has not been quoted which the Senator thinks brings the statement within the rule of the Senate?

Mr. LODGE. The Reporter may read the words which he previously read, from which the Senator from Arkansas partly quoted.

The VICE PRESIDENT. The notes will be read as soon as the Reporter can return to the Chamber.

Mr. LODGE. The Senator from Alabama said, "I do not represent the bond sharks and gamblers." Of course, I do not think anybody does, certainly not the Senator from Alabama. That statement by itself is of minor consequence.

Mr. ROBINSON. What is the remainder of the language?

Mr. LODGE. The remainder of the language was, "I represent the American people"—I do not remember all of it—pointing to Senators generally.

Mr. ROBINSON. Very well, Mr. President.

Mr. LODGE. I think the inference was plain, and that the Senator from Arkansas agrees with me.

Mr. ROBINSON. If a Senator can not assert on this floor that he represents the American people, it has come to a pitiable state in the progress of debate in the American Congress.

Mr. LODGE. Although it is a large representation, still I have no objection to that statement standing alone. It is a combination of the two sentences to which I object and the way in which they were uttered.

Mr. ROBINSON. Very well. Mr. President, then, the statement objected to, as the Senator from Massachusetts remembers it, is, "I do not represent bond sharks and gamblers; I represent the American people."

Mr. LODGE. No; that is not it. I want the words read as they were uttered, not as the Senator from Arkansas or I may repeat them from memory.

Mr. McKELLAR. Let them be read.

Mr. ROBINSON. I have just quoted the language as the Senator from Massachusetts remembers it.

Mr. LODGE. I ask that it be read—

Mr. ROBINSON. Very well; let it be read again and again.

Mr. LODGE. Not as I remember it.

The VICE PRESIDENT. The Reporter will read the language.

The Official Reporter read as follows:

I am here to represent the people, to represent in part my State. I am not here to represent the bond sharks, the big financiers of Wall Street.

Mr. ROBINSON. That is a perfectly legitimate statement. If the Senator from Alabama said anything about his State at all and made any contrary statement he would not long represent a constituency from Alabama or anywhere else. I repeat that the language under the rules of the Senate is not obnoxious.

In this connection let me point out the fact that during the course of this debate, while the Senator from Alabama presumably was proceeding in order, for no Senator had called him to order, a Senator upon the other side made a remark which provoked language from the Senator from Alabama that more nearly transgressed the rule than the language objected to by the Senator from Massachusetts and the Senator from New York. The Senator from Wisconsin, describing the action of the State which he so ably represents, touching the subject of the bonus, inquired derisively as to what action Alabama had taken. If implication and inferences render statements by Senators obnoxious to the rule, then it would appear that the question of the Senator from Wisconsin, and the words of the Senator from New York, for that matter, in the language that he used in the same connection, reflected upon the State of Alabama. The references to New York by the Senator from Alabama and to the latter State by the Senator from New York and the Senator from Wisconsin, however, were not objected to.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. LENROOT. Let us see about the analogy. Would the Senator say, if it were charged by a Senator that another Senator did represent the bond sharks of Wall Street, that it would be out of order or not?

Mr. ROBINSON. I think, if the intention were to impute unworthy conduct or misconduct, it would be out of order.

Mr. LENROOT. Then a statement, if it had been made directly, that the Senator from New York, for instance, represented the bond sharks of Wall Street would have been out of order.

Mr. ROBINSON. I think so.

Mr. LENROOT. I am sure if would. Then, with reference to the question I asked, namely, "Where did Alabama stand?" if the answer had been that Alabama had not voted a bonus, does the Senator think that would have been a reflection on the State of Alabama?

Mr. ROBINSON. I think it is entirely true, Mr. President, that the inquiry of the Senator from Wisconsin was provoked by the discussion between the Senator from Alabama and the Senator from New York. It is not my province to pass judgment upon either the allusion to New York or the reference to Alabama, although both might well have been omitted. The point I am making is that the language for which the Senator from Alabama was called to order, under the plain rule of the Senate and the common-sense construction that must be given to the rule of the Senate, is not obnoxious. Perhaps I might also add that in debates of this character Senators by interruption frequently provoke one another to statements that are not proper within the strict letter of the rule; but as to the particular statement objected to, the point of order made by the Senator from Massachusetts does not lie. The Senator from Alabama had a right to use the language that he did employ. He did not impute unworthy motives or misconduct to any Senator; the effect of his words was to vindicate his own motives and conduct.

The VICE PRESIDENT. The Chair is ready to rule.

Mr. LENROOT rose.

The VICE PRESIDENT. Does the Senator from Wisconsin desire to address the Chair?

Mr. LENROOT. I was merely going to suggest to the Senator from Massachusetts that he withdraw the point of order and let us go on.

Mr. ROBINSON. I think the Chair might just as well rule, inasmuch as the point of order has been made and the Chair is ready to rule.

The VICE PRESIDENT. The Chair is ready to rule.

The language of the rule is that—

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

If it were merely the words spoken by the Senator, the Chair would be inclined to rule that no such imputation was intended; but with the context, the attitude, and the expression that went with them, the Chair is of the opinion that they did contain an imputation to other Senators unworthy and unbecoming, and that the words were not in order.

Mr. ROBINSON. Mr. President, I respectfully appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the ruling of the Chair stand as the judgment of the Senate?

Mr. ROBINSON. I shall have to have the yeas and nays on that—

Mr. HEFLIN. I call for the yeas and nays.

Mr. ROBINSON. Unless the Senator from Massachusetts desires—

Mr. LODGE. I was just going to move to lay the appeal on the table.

Mr. ROBINSON. I suggest, then, the absence of a quorum, if the Senator wants to do that.

Mr. LODGE. I make that motion.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, it is so late that I was going to suggest that we want a short executive session, and we might have an executive session and let this question go over and vote on it in the morning.

Mr. LODGE. It is too late now.

Mr. ROBINSON. We can vacate the proceedings.

Mr. CURTIS. By unanimous consent, we can vacate the proceedings. There will be a quorum present in the morning. I ask unanimous consent that the proceedings under the quorum call be vacated, that the Senate may proceed to the consideration of executive business.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 6 o'clock and 38 minutes p. m.) the Senate took a recess until to-morrow, Friday, February 2, 1923, at 11 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 1 (legislative day of January 29), 1923.

RECEIVER OF PUBLIC MONEYS.

Raymond B. Lewis to be receiver of public moneys at Bozeman, Mont.

POSTMASTERS.

ALABAMA.

Arnold R. Woodham, Opp.

KANSAS.

Winifred Hamilton, Solomon.

MINNESOTA.

Thomas R. Ohmstad, Cannon Falls.

NORTH DAKOTA.

William R. Jordan, Luverne.

Carl E. Knutson, Portland.

PENNSYLVANIA.

James C. Whitby, Bryn Mawr.

George R. Fleming, Haverford.

Robert H. Stickler, Lansford.

Samuel F. Williams, Le Raysville.

William E. Housel, Lewisburg.

John C. Sullivan, Ogontz.

William M. O. Edwards, Pencoed.

Edgar Matthews, Royersford.

WEST VIRGINIA.

Ralph L. Teter, Belington.

HOUSE OF REPRESENTATIVES.

THURSDAY, February 1, 1923.

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, the Father of us all, so long as time shall last Thou art the refuge for all minds that think and for all hearts that feel. O richly endow us with faith and gratitude. Set us out to-day upon our errands with Thy blessing, and may all tasks be borne with patience and wisdom. Ever impress us with the high value of time and privilege, and may we trust Thee and not be afraid, for the best is yet to be. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment bill of the following title:

H. R. 11731. An act to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4404. An act authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes. The committee of conference have not agreed upon amendments Nos. 3, 5, 6, 7, 8, 10, 16, 25, 29, 30, 31, 32, and 33.

The message also announced that the Senate had concurred in the amendment of the House to the bill (S. 472) for the relief of William B. Lancaster.

INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT.

Mr. WOOD of Indiana, from the Committee on Appropriations, presented for printing under the rule a conference report (H. Rept. 1497) and accompanying statement on the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

AMENDMENT OF THE FEDERAL RESERVE ACT.

Mr. McFADDEN. Mr. Speaker, by direction of the Committee on Banking and Currency, I ask that there be taken from the Speaker's table the Senate bill 4390.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table Senate bill 4390, a similar House bill having been reported from the House committee before the Senate bill was received from the Senate. The Clerk will report the bill.

The Clerk read as follows:

A bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922.
Be it enacted, etc., That the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922, is amended to read as follows:

"No Federal reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any branch bank building of any kind or character, or to authorize the erection of any such building, if the cost of the building proper, exclusive of the cost of the vaults, permanent equipment, furnishings, and fixtures, is in excess of \$250,000: *Provided*, That nothing herein shall apply to any building now under construction."

The SPEAKER. The gentleman from Pennsylvania is recognized.

Mr. McFADDEN. Mr. Speaker, the gentleman from Florida [Mr. SEARS], I believe, wants to amend this bill.

Mr. SEARS. Yes.

Mr. McFADDEN. I yield to the gentleman from Florida for the purpose of offering his amendment.

Mr. SEARS. Mr. Speaker, I move to amend, on page 2, line 2, by striking out the word "now" and after the word "construction" inserting the words "prior to June 3, 1922."

In that connection I would like to state that—

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SEARS: Amend page 2, line 2, after the word "building," by striking out the word "now" and after the word "construction," in the same line, inserting the words "prior to June 3, 1922."

Mr. SEARS. Mr. Speaker, I simply desire to say to the Members of the House that when this bill passed the Senate Senator FLETCHER asked the question whether this bill took care of the branch bank at Jacksonville, Fla. He was assured that it did, but it seems the department has some doubt about the question. I have gone over the matter carefully with the chairman of the committee [Mr. McFADDEN] and also with the ranking Democratic Member [Mr. WINGO], and they have agreed to this amendment in order that there may be no doubt about Jacksonville being provided for.

Mr. SNELL. Will the gentleman tell us what this does?

Mr. SEARS. This simply allows the branch bank at Jacksonville to come in under the Senate bill which we are now considering.

Mr. SNELL. What does it do?

Mr. SEARS. This allows the bank to expend not exceeding \$250,000 on the building.

Mr. SNELL. How much additional do they intend spending?

Mr. SEARS. I have not the figures, but my recollection is the building, office fixtures, vault, and so forth, will not cost more than \$375,000, which I assure the gentleman is very reasonable. Plans and specifications have already been agreed upon and the cost estimated.

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. SEARS. Yes.

Mr. WINGO. The amendment of the gentleman from Florida means the same thing as the language of the bill; but here is the reason why we thought best to have him offer the amendment: We are rewriting a provision of the present statute; we make no change on the matter covered by his amendment. The proviso is now in the existing law. But one member of the Federal Reserve Board can not catch the point that this bill does not change that provision at all, and we are afraid some question might arise from a wrong technical construction. It means the same thing as the present language, but it will satisfy the viewpoint of one member of the board.

Mr. SNELL. I understand there is a limitation now on the cost of any branch-bank building.

Mr. WINGO. Yes. Under the present law the limit is \$250,000, but it does not exclude vaults and permanent fixtures and equipment.

Mr. SNELL. That is the amount that could be expended on one of these branch banks?

Mr. WINGO. Yes. This bill leaves the amount identically the same, but it is the interpretation of the board that it would include the permanent vaults and fixtures as a part of the building. The original idea was that the building itself should not cost over \$250,000 without a specific act of Congress in each case. This construes it to mean that the building proper should not exceed that amount. This puts in the language, "exclusive of the cost of the vaults, permanent equipment, furnishings, and fixtures."

Mr. SNELL. In some buildings those fixtures might be very expensive.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. SEARS. Yes; for the purpose of asking a question.

Mr. STAFFORD. I do not intend to offer an amendment or take the floor away from the gentleman who has the floor now. Will the gentleman from Arkansas [Mr. WINGO] or the gentleman from Pennsylvania [Mr. McFADDEN] inform the House how many buildings are now in course of construction to which this amendment applies?

Mr. WINGO. The only one that I recall would be just the starting of the Jacksonville building. The building at Detroit, the building at Salt Lake, the building at Little Rock, and the branch-bank building of Jacksonville that it is contemplated will be erected in the immediate future—as soon as this bill is passed.

Mr. SNELL. Why is not Jacksonville in the same class as the others?

Mr. WINGO. It is.

Mr. SEARS. To be frank with my colleague, I will say they have started the excavation there, and the department said they might construe that as having begun work. If this bill passes without amendment, Jacksonville is out.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. SEARS. Yes.

Mr. GARNER. I understand from the gentleman from Arkansas that this proposed amendment does not increase the

opportunity to spend money for erecting bank buildings. I am inclined to think that it does.

Mr. SNELL. That is the part I can not get clear.

Mr. GARNER. You can build a \$500,000 vault and build a \$250,000 house around it.

Mr. SNELL. What do they usually put into these vaults and fixtures?

Mr. GARNER. I do not think the bank should spend too much money, part of it what I consider the people's money, in building buildings. Under this condition could they not build a \$500,000 vault and a \$250,000 building around it?

Mr. WINGO. Yes; if they wanted to do that, but I do not think the gentleman will deny that if there is anybody who has been insisting on economy in these things it has been myself. I will tell you why I am for this. I think this will save the bank some money. I think if you permit them to come in with popgun bills, of which there are three pending in our committee now, they will spend twice as much before they get through, because if you allow every branch a special authorization to build a building, with the Congressman from that district coming and asking for it, I believe it will mean that not only will the time of the House be taken up, but these banks will spend more than they will under the general limitation provided by this bill. That is the reason why I want a general limitation.

Mr. SNELL. Why not put the limitation upon the amount they may spend for vaults and physical equipment?

Mr. WINGO. Because it is physically impossible to determine the amount of the cost of the vaults and the basements in buildings that might be erected in different parts of the country with different ground and different vault requirements.

Mr. SNELL. I understand that, but ought you not to put on a limit, so that they could not put a \$500,000 vault in a \$250,000 building?

Mr. WINGO. I have heard no proposition to build a \$500,000 vault.

Mr. PARKS of Arkansas. Will the gentleman yield?

Mr. WINGO. I have not control of the floor. The gentleman from Florida has the floor.

Mr. PARKS of Arkansas. I want to put a question to the gentleman who just made that statement.

Mr. SEARS. Mr. Speaker, this is simply a question of whether or not Jacksonville shall be permitted to come in under the same provisions as other branch banks. If my amendment is adopted, then the Federal Reserve Board, I am satisfied, will provide or authorize the Jacksonville building, as both the House and Senate have indicated it was their desire this should be done. This is shown by the fact that last year Senator FLETCHER secured the passage of a resolution authorizing the expenditure of \$400,000 by the branch of Jacksonville, but we have been unable to reach this resolution, and the bill now before us is a compromise, and is entirely satisfactory if my amendment is adopted.

My colleagues, Jacksonville is a thriving, rapidly growing, and progressive city, with a population of about 150,000. This branch bank must take care of the State of Florida and also Cuba.

The directors are safe, sane, and conservative. They could have built a costly building before the law of 1922 limiting the cost was passed, but then labor was high and the price of material was almost if not prohibitory, and they would not do so. Now, I am satisfied my colleagues will not punish them for being conservative. To erect a building for a sum less than provided in this bill will be false economy, for the building will barely be completed before they will need and must have a larger and better building and better facilities for handling the business.

I am satisfied the Federal Reserve Board, broad-minded and farsighted business men that they are, will appreciate the requirements of Jacksonville and will permit them to construct the building which will meet the requirements and which Congress has said they find is absolutely necessary.

Mr. McFADDEN. The gentleman's amendment is entirely satisfactory to the committee, and I hope it will be adopted.

Mr. MADDEN. Will the gentleman yield to me five minutes?

Mr. McFADDEN. I ask for a vote first on the amendment.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PARKS of Arkansas. Will the gentleman yield to me to offer an amendment?

Mr. McFADDEN. I have promised to yield to the gentleman from Illinois [Mr. MADDEN].

Mr. PARKS of Arkansas. Just so I am not cut off. I would like to offer an amendment.

Mr. McFADDEN. I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, I think we ought to have a pretty fair understanding about the Federal reserve bank system. It was never intended that the Federal reserve banks of the United States were going to make a lot of money, but they have made fabulous profits, and they have invested fabulous sums of money in buildings out of those profits. Instead of amending bills to authorize them to put up buildings whenever and wherever they want to put them up, we should amend the law to limit the amount that they may earn. That is what we ought to do. [Applause.] That is what should have been done long since. Every time the banks show an excess amount of earnings they should be compelled to reduce the rediscount rate so as to keep their earnings within reason and thereby give to the borrowing public of the country an opportunity to get money at cheaper rates than they have been able to get it. [Applause.] The purpose of the creation of the Federal reserve system was to facilitate the transaction of the business of the country and to furnish credit at the least possible cost. Now, what do we find? We find that the Federal reserve system has been allowed to earn unlimited profits, to the very great disadvantage of the country, and it ought not to be permitted to continue to do that longer. The business people of the United States have gone through a serious period. They have had to struggle to make both ends meet, but the cost of money has continued to keep up, and the Federal reserve system has been allowed to make profits that are unjustifiable. They have invested these profits in monumental buildings which they are using in many cases for other purposes than those of banking. Now, since we have not had the foresight or the vision to enact legislation which will enable the business people of the country to borrow money on reasonable terms, the question arises whether we are still going to adhere to the policy that is permitting excessive profits to be made by the Federal reserve system, or whether we have sufficient patriotism to see not only the present but the future needs of the country. Every time the banks charge higher interest rates those increased rates are reflected in the cost of transacting business, and it should be our business to do everything that legislation can do to prevent the continuation of what I believe to be a very unjust practice. [Applause.]

Mr. McFADDEN. I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Speaker, I am much gratified to have the gentleman from Illinois [Mr. MADDEN] express himself so strongly in favor of the view which I have long held, namely, that the affairs of the Federal reserve bank should be handled from the standpoint of service instead of profit. The gentleman is correct. The original intention was that they should be banks of service and not banks of profit. I have been charged as the author of the original limitation of a 6 per cent dividend that they might earn. I will say to the House that the situation is such now that I do not think there is going to be the enormous profit in the future that some gentlemen think. If the gentleman has an amendment to the Federal reserve act that he can get by the administration leaders, I assure him he will have the hearty cooperation of myself and the other Democratic members of the committee, and some of the Republican members. That is neither here nor there, however. We are not now undertaking to do what some gentlemen think we are. I think gentlemen will remember that the thing that precipitated the law which we are amending to-day was extravagant expenditures in Chicago, New York, and elsewhere for these buildings. I condemned it then and I condemn it now. I do not say it boastfully, but those who differ with me have bitterly accused me of being responsible for this restrictive statute which you are about to amend. That is, we took away from the Federal Reserve Board the right to fix the cost of buildings whenever they wish to expend above \$250,000. Congress having taken that discretion away from the board, then the duty devolves upon Congress to exercise that discretion and meet the responsibility, does it not? Has Congress done that? Ever since that was enacted there has been some contention about it, and we find that in the instance of some of these branch banks the \$250,000 limitation, as ruled by the attorney of the board, will not permit them to erect a building that is necessary, if you include the vaults and the fixtures. The attorney for the board holds that they are a part of the limitation. All on earth this does is to exclude the cost of the permanent vaults and fixtures from the limitation of \$250,000. I will tell you why I have agreed to this compromise. I know that one of these branch banks, which is powerful in this House, will have back of it one of the strongest blocs in this House, and I believe that if you do not make this

correction in the general limitation there will be a logrolling process in the next House that will cause branch bank buildings to be erected all over this country at at least twice the sum that is fixed in the limit in this bill. I believe it is an economy proposition, because we simply meet the one objection that is raised and we still hold the building proper down to \$250,000. There is a difference in the cost of vault requirements.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. WINGO. I yield to the gentleman from Illinois.

Mr. MADDEN. I think the limitation is all right. I think the legislation which limited the amount which should be put into a building was beneficent, but while we are going on with this we ought to think about the other thing and pass proper legislation.

Mr. WINGO. I will say to the gentleman that we are working on that. We have that very question pending in hearings on a bill, and probably some legislation along that line may be reported in some of these bills that amend the Federal reserve act.

Mr. PARKS of Arkansas. May I ask the gentleman when it will be reported? We have had two years on it, have we not?

Mr. WINGO. On what?

Mr. PARKS of Arkansas. On what the gentleman is talking about.

Mr. WINGO. No; the bill I referred to just passed the Senate the other day.

Mr. PARKS of Arkansas. Oh, I am talking about the principle; I am not talking about the bill.

Mr. WINGO. Of course, my colleague ought to be familiar with what I have been doing along that line. I have been abused enough in my State for the fight I have made to limit extravagant expenditures by these banks, and I have agreed to the pending bill for the sole reason that I am convinced it will prevent larger sums in specific building bills for each branch passed separately.

Mr. SNELL. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. McFADDEN. Yes.

Mr. SNELL. Can the gentleman give me any information as to when he expects to call up the validating tax proposition conference report?

Mr. McFADDEN. The conferees have been working diligently on that proposition. The gentleman realizes what a complex problem it is. The conferees are making considerable headway. We had hoped to get the matter before the House to-day, and I regret exceedingly that it has not been possible to do so. I believe that within a few days the conferees will complete their work and report an agreement to the House.

Mr. SNELL. The gentleman will not call it before the first of next week?

Mr. McFADDEN. I would think that it will be physically impossible to call it up before that time.

Mr. SNELL. I would like to have an understanding that we could have a reasonable notice before it will be called up.

Mr. McFADDEN. I shall be very glad to cooperate with the gentleman in that respect and to see that sufficient notice is given so that those interested may be here when the report is called up.

Mr. PARKS of Arkansas. Mr. Speaker, will the gentleman yield to me to offer an amendment to a section of the bill and to offer a new section?

Mr. McFADDEN. I shall be very glad to yield to the gentleman to make an explanation, but I do not want to lose the floor.

Mr. PARKS of Arkansas. I have never seen explanations yet cut very much ice here. It is an amendment that I desire to offer.

Mr. McFADDEN. The gentleman has not consulted me concerning his amendment, and I do not know what he proposes, and we are anxious to expedite the passage of this measure.

Mr. PARKS of Arkansas. All I want to know is whether the gentleman will or will not.

Mr. McFADDEN. The gentleman is opposed to the passage of the bill, as I understand it.

Mr. PARKS of Arkansas. Then the gentleman understands something that I have not said, as far as that is concerned.

Mr. McFADDEN. Is the gentleman in favor of the bill?

Mr. PARKS of Arkansas. I want to offer an amendment to the present bill, and I want to offer a new section to it. All I want to do is to get an answer to my question. I have no way of having the gentleman do it.

Mr. McFADDEN. The gentleman is aware of the parliamentary situation. If I yield to the gentleman to offer an amendment I lose the floor.

Mr. PARKS of Arkansas. I do not want the floor.

Mr. McFADDEN. I am willing that the gentleman shall discuss his amendment.

Mr. PARKS of Arkansas. That is not what I want to do. I do not want to fire blank out in the air. All I want to do is to offer an amendment to strike out one word in the bill, and then I want to offer a new section to the bill. I do not want to discuss it. I am not playing to the galleries, and I have no disposition to do that.

Mr. McFADDEN. I regret that I can not yield to the gentleman for an amendment. I would have been very glad to discuss the matter with the gentleman had he come to me and given me an opportunity, but in the absence of any information in respect to his amendment I do not feel that I can yield to him for that purpose.

Mr. PARKS of Arkansas. I have trotted around here like a poor boy at a cash auction for a good while, trying to find out what you are going to do about this. Nobody told me that the gentleman was going to take up this matter to-day, except what I found from the Record. I realize that I ought to have gone to the gentleman, but I went to him so much that I did not want to worry him any more.

Mr. CHINBLUM. I do not think that anybody was notified.

Mr. BEGG. Mr. Speaker, I would like to ask the gentleman from Pennsylvania as to the interpretation of the language. The bill provides—

If the cost of the building proper, exclusive of the vaults, permanent equipment, furnishings, and fixtures is in excess of \$250,000.

Mr. McFADDEN. Yes; the cost of the building proper shall not exceed \$250,000.

Mr. BEGG. Will it be interpreted that the four walls are the cost of the building?

Mr. McFADDEN. Not exclusively. It will include the foundation and building proper. We interpret that the intention of the Congress was to limit "lavish expenditure" for bank buildings.

Mr. BEGG. Well, do the inside fixtures represent the excess of \$250,000?

Mr. McFADDEN. Yes.

Mr. BEGG. One further question. Is it not entirely possible to raise the limit of cost of these buildings four or five hundred thousand dollars?

Mr. McFADDEN. Well, I hardly think so. What we are trying to do is to put on the brakes but at the same time to permit adequate banking quarters without extravagance.

Mr. BEGG. I am in sympathy with the gentleman's idea, but I am fearful that he is taking the brakes off.

Mr. McFADDEN. I do not believe so. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 35 minutes remaining.

Mr. McFADDEN. I yield two minutes to the gentleman from New Jersey [Mr. APPLEBY].

Mr. APPLEBY. Mr. Speaker and Members of the House of Representatives, as a member of the Banking and Currency Committee I favor the amendment now before this body. Prior to the adoption of the bill limiting the costs of branch Federal reserve bank buildings the sky was the limit for such buildings. I want to concur in the statement of Mr. MADDEN that the Federal reserve system has been earning too much money and, in my opinion, returning too little to the stockholders of the Federal reserve banks. To remedy that situation, last July I introduced an amendment to the Federal reserve act, calling for a 50-50 division of the net profits of the system, this equal division to be paid in addition to the 6 per cent now received by the member banks.

When you take into consideration that banks who are now members of the Federal reserve system in the various cities and towns are the only people who ever put any actual money in the Federal reserve system, they are entitled to more than \$6,000,000 dividends out of the \$60,000,000 earned by the Federal reserve system in 1921.

I further believe that the rates of rediscounting can be further reduced as suggested by Mr. MADDEN.

I am hopeful that my bill will become incorporated in the Capper bill. Hearings upon both bills are now being held by the Committee on Banking and Currency. Should the measure be reported to the House I will present facts and figures to show that a more equitable division of the net profits should be made between the Federal reserve system and the individual stockholders of that system.

I thank you. [Applause.]

Mr. PARKS of Arkansas. Mr. Speaker—

Mr. McFADDEN. I move the previous question on the bill and amendment.

Mr. PARKS of Arkansas. Mr. Speaker, I make the point of order of no quorum.

The SPEAKER. The gentleman from Pennsylvania moves the previous question on the bill and amendment, and the gentleman from Arkansas makes the point of order there is no quorum present. It is clear there is no quorum present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Frear	Knight	Riddick
Anderson	Free	Kopp	Rodenberg
Ansorge	Fuller	Kreider	Rose
Anthony	Funk	Kunz	Rossdale
Atkeson	Gahn	Langley	Rucker
Barkley	Glynn	Larsen, Ga.	Ryan
Benham	Goodykoontz	Layton	Sanders, N. Y.
Bixler	Gould	Lehlbach	Scott, Mich.
Bland, Ind.	Graham, Pa.	Lyon	Scott, Tenn.
Boies	Griest	McLaughlin, Pa.	Shreve
Box	Hawes	Mead	Sisson
Brand	Hays	Merritt	Slemp
Brennan	Herrick	Michaelson	Smith, Mich.
Britten	Himes	Mills	Stiness
Burke	Hogan	Mudd	Stoll
Cantrill	Huck	Newton, Minn.	Sweet
Carew	Hull	O'Brien	Tague
Chandler, N. Y.	Hutchinson	Olpp	Taylor, Ark.
Classon	James	Osborne	Taylor, Colo.
Clouse	Johnson, Miss.	Overstreet	Taylor, N. J.
Connolly, Pa.	Johnson, S. Dak.	Park, Ga.	Ten Eyck
Copley	Johnson, Wash.	Perkins	Thorpe
Davis, Minn.	Jones, Pa.	Pou	Tillman
Dempsey	Kahn	Purnell	Voigt
Drane	Keller	Rainey, Ala.	Volk
Drewry	Kiess	Rainey, Ill.	Ward, N. Y.
Dunbar	Kindred	Ramseyer	Wheeler
Dunn	King	Ransley	Wielow
Dyer	Kirkpatrick	Reber	Wise
Echols	Kitchin	Reed, N. Y.	Wood, Ind.
Fitzgerald	Kiecza	Reed, W. Va.	Woodyard

The SPEAKER. Three hundred and three Members have answered to their names. A quorum is present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

CONTESTED-ELECTION CASE OF GOLOMBIEWSKI V. RAINEY.

Mr. LUCE. Mr. Speaker, I present a privileged report from the Committee on Elections No. 2.

The SPEAKER. The Clerk will report it by title.

The Clerk read as follows:

Mr. LUCE, from the Committee on Elections No. 2, submitted a report on the contested-election case of John Golombiewski v. John W. Rainey from the fourth congressional district of the State of Illinois. (Rept. No. 1500.)

The SPEAKER. Referred to the House Calendar.

RESIGNATION FROM COMMITTEE OF CONFERENCE.

Mr. JOHNSON of Kentucky. Mr. Speaker, several days ago when the time came for the appointment of conferees on the legislative appropriation bill the name of the gentleman from Massachusetts [Mr. GALLIVAN] was suggested by the Speaker for one of those positions. At that time the gentleman from Massachusetts was ill and in consequence absent from the House. Because of that fact I was put on in his place. As the gentleman has now sufficiently recovered to be present and as the conferees have never met, I wish to resign for the purpose that he may be put on in my stead.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] resigns as a conferee on the legislative bill, and the Chair appoints the gentleman from Massachusetts [Mr. GALLIVAN] in his place.

AMENDMENT OF THE FEDERAL RESERVE ACT.

The gentleman from Pennsylvania moves the previous question on the bill and amendment to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read the third time; was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. PARKS of Arkansas. Mr. Speaker, I desire to offer a motion to recommit.

The Clerk read as follows:

Mr. PARKS of Arkansas moves to recommit to the Committee on Banking and Currency with instructions to report back to the House with the following amendment:

"No Federal reserve bank shall have authority to enter into a contract or contracts for the erection of any branch bank building of

any kind or character, or to authorize the erection of any such building if the cost of the building proper, exclusive of furnishings and fixtures, is in excess of \$250,000: *Provided*, That nothing herein shall apply to buildings now under construction: *And provided further*, That no Federal reserve bank shall have authority to enter into any contract or contracts for the erection of buildings for its head offices or principal banks the total cost of which shall exceed 15 per cent of its capital stock and surplus."

Mr. WINGO. Mr. Speaker, I make the point of order—

Mr. McFADDEN. Mr. Speaker, I make a point of order against the motion to recommit.

In the first place, this is a Senate bill, and not a House bill, and in the second place—

The SPEAKER. Why does that make any difference?

Mr. WINGO. It is not a motion to commit but to recommit.

Mr. McFADDEN. And in addition, Mr. Speaker, it would change the whole basis from a fixed basis to a percentage basis and might mean under such conditions the expenditure of a million or two million dollars on a branch bank building.

The SPEAKER. It does not seem to the Chair that that would be the case.

Mr. WINGO. Here is the situation, Mr. Speaker, that I think the Chair has not yet grasped: Here is a Senate bill on the Speaker's table. The motion of the gentleman from Arkansas [Mr. PARKS] is to recommit it to a committee that has never had it. He does not offer a motion to refer it to that committee. The procedure is clear by which you can handle a Senate bill on the Speaker's table when it comes up.

Now let us get down to the merits of the amendment. There are two ways by which you can handle this question of limitation. The gentleman raises the very question now that has caused all the confusion. Those of us who have been opposed to extravagant expenditures have fought the percentage basis. Now, the rule in the pending bill is a uniform rule, applying to all buildings, with a fixed limit in dollars. The gentleman in addition includes an ingeniously drawn provision that affects that. This says that no building for a head office—this bill covers the branch offices, I mean the pending bill—shall be authorized to cost exceeding 15 per cent of the bank's capital stock. That changes the basis of existing law, which does not have the percentage basis in it, for this reason: Suppose you put it on a percentage basis. It would mean that one bank would have a building that could cost twice what another would cost. Which basis of limitation will you use? One is a strict uniform limitation, applying equally to all buildings. The other is a percentage basis, which would destroy uniformity, which is the object of the bill, and permit one bank to erect a building at one cost, which might be excessive, and another bank at another cost.

The SPEAKER. The Chair thinks that the last part of the gentleman's point of order is well taken and sustains the point of order.

Mr. BLANTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill with the following amendment: Page 1, line 10, after the word "proper" strike out the following: "exclusive of the cost of the vaults, permanent equipment, furnishings, and fixtures."

Mr. WINGO. Mr. Speaker, I make the point of order that that is the negative of the bill. That is the only new law in the bill. I assure the gentleman from Texas that that is true. That is the object of the bill.

Mr. BLANTON. But there is now allowed furnishings and fixtures in the present law. This changes the present law to that extent.

Mr. WINGO. No. The present law does not mention that.

Mr. BLANTON. Is the present law confined to the sum of \$250,000?

Mr. WINGO. Yes.

Mr. BLANTON. I reoffer my amendment, Mr. Speaker: On page 1, line 10, strike out the words "the cost of the vaults."

Mr. PARKS of Arkansas. Now you have got it. That is the very thing.

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill to the Committee on Banking and Currency with instructions to report the same back forthwith, with the following amendment: Page 1, line 10, strike out the words "the cost of the vaults."

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER. The gentleman from Kansas moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to recommit the bill to the Committee on Banking and Currency.

The question was taken, and the Speaker announced that the "noes" appeared to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 4, noes 150.

Mr. BLANTON. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Texas objects to the vote on the ground that there is no quorum present. The Chair will count. [After counting.] Two hundred and twenty-three Members; a quorum is present. The "noes" have it. The motion to recommit is rejected. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the "ayes" seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Texas asks for a division.

The House divided; and there were—ayes 180, noes 7.

So the bill was passed.

On motion of Mr. McFADDEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CREDITS AND REFUNDS.

Mr. GREEN of Iowa. Mr. Speaker, I move to take up the bill (H. R. 13775) to amend the revenue act of 1921 in respect to credits and refunds; and pending that, I would like to ask the gentleman from Texas [Mr. GARNER] as to his wishes in regard to the allotment of time. I do not know whether the gentleman from Texas understood the bill I made a motion on.

Mr. GARNER. I did not. I understand it is in regard to exchanges. I thought the gentleman was going to call up the bill with respect to credits and refunds.

Mr. GREEN of Iowa. Yes. It is the bill (H. R. 13775) to amend the revenue act with respect to credits and refunds. There are a number of Members who want a little time on this bill. It is a very simple bill. I shall not need very much time for debate myself. I will ask the gentleman if he will agree on 30 minutes to a side?

Mr. GARNER. Is this what is known as the refunding bill?

Mr. GREEN of Iowa. The gentleman has in mind, perhaps, the amendment to the sinking fund act. It is not that. It is the one for refunding claims on taxes.

Mr. GARNER. What time does the gentleman suggest?

Mr. GREEN of Iowa. About 30 minutes on a side.

Mr. GARNER. All right.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the general debate on this bill be limited to 30 minutes on a side. Is there objection?

Mr. PARKS of Arkansas. I object.

The SPEAKER. The question is on the motion of the gentleman from Iowa that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13775.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. MADDEN] will take the chair. [Applause.]

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13775) to amend the revenue act of 1921 in respect to credits and refunds, with Mr. MADDEN in the chair.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. GREEN of Iowa. I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, there is no occasion at this time to make any reference to the merits of the conditions which brought on the great coal strike of last summer. The fact remains that as a result of it there has been a tremendous shortage of coal all during the present winter. Undoubtedly the Members of the House are well aware of the method of distribution. The Pennsylvania Fuel Commission rated 60 per cent possible delivery to all customers based on the amount of fuel which they received during the past so-called coal year. The commission has been endeavoring to proceed upon that basis during the time that the coal has been mined since the conclusion of the strike. I think on the whole

the mining industry has lived up to that percentage very well, because there have been very large supplies both of bituminous and anthracite coal mined during the past few months. The difficulty is that in the stress of weather we have recently been having in New England 60 per cent is not sufficient to prevent great suffering. But if that 60 per cent can be maintained we must in some way provide for the difference and get along until the emergency passes.

During the past few weeks I have had considerable to do with the Federal Fuel Distributor, both Mr. Spens and his successor, Mr. Wadleigh, and I want to take this occasion to say that I have never come in contact with Government officials more anxious to fill their respective positions and to accomplish the purpose for which they held those positions than have these two gentlemen. They have shown a disposition continuously to cooperate to relieve suffering. I have had numerous communications from my section of Massachusetts in reference to the shortage of the 60 per cent, and where information has been furnished me relative to the dealers who supplied customers previously and the number of cars that may have been shipped by those dealers, the Fuel Distributor here has been most anxious to see that the quantities go forward to keep up the 60 per cent. So I want to commend these gentlemen for their efforts in our behalf in this very serious time.

It seems to me all we can expect to do during the present winter is to avoid this very serious suffering, but we have a duty to perform in looking to the future to see that such a condition as now exists, particularly in New England this winter, should not be possible of repetition in the future. I do not stand for Government ownership, but I do believe in very strict control over such a great necessity as coal by the Government in order that there shall not be excessive prices, that the quantity shall be sufficient for our needs, and that the quality shall be properly regulated. I think the Government can go that far and that we ought to go that far.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. Does the gentleman think we ought to fix the price of coal?

Mr. TREADWAY. In that connection I would say that I have great hopes of the result of the efforts of the Fact Finding Commission appointed last fall by the President under authority of Congress. The chairman of that board is a very eminent engineer and inventor, John Hays Hammond, and associated with him is such a distinguished citizen as our former Vice President Marshall. I look to see the recommendations that that commission may make in its final report a basis on which we can legislate. As to whether or not it shall include the point to which the gentleman refers, I would prefer to await the report of that body before making my decision. Such high prices as to-day exist must be overcome, either by price fixing or direct control by some authoritative body. Present conditions require positive action.

The whole country is interested, and while our efforts at the present time are for a day-to-day supply, our next move must be to secure some permanent solution of this most grave problem.

Mr. ANDREWS of Nebraska. Will the gentleman from Massachusetts yield?

Mr. TREADWAY. I yield to the gentleman from Nebraska.

Mr. ANDREWS of Nebraska. Does not the gentleman think we ought to do something to bring down the exorbitant price of coal?

Mr. TREADWAY. I absolutely agree with the gentleman, but on that point we must consider this fact: Last autumn there was made a so-called fair price, ranging from \$8 to \$12.50 per ton at the mine for anthracite coal. In my remarks I am referring almost entirely to anthracite, because that is what we need in our country. The freight rate from the mining section to my home town is \$4.54 a ton. Consequently if the fair price for the coal that is being shipped to us in Massachusetts as established by this impartial commission is \$12.50 a ton and you add \$4.54 to that as the freight rate, the price of coal at the present time among the dealers with whom I am familiar, I am glad to say, is not exorbitant and there is no profiteering in that particular section.

Mr. ANDREWS of Nebraska. Could we not do something in reference to bringing down freight rates if the Interstate Commerce Commission does not?

Mr. TREADWAY. Yes; and we can also do something to bring down the rates which are established as a fair price for the coal at the mine. In my opinion, that is where the basic trouble lies, and I strongly hope, as I say, that the Fact Finding Commission will give us information of very great value for future legislation. Their report ought to be so compre-

hensive that Congress can readily enact legislation that will materially reduce prices.

Mr. ANDREWS of Nebraska. Do not the mine price and the railroad rate together make this exorbitant charge?

Mr. TREADWAY. Certainly. There is nothing else that I know of. Of course, the price at the mine must include the necessary overhead in addition to the actual cost of mining.

Mr. BANKHEAD. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Alabama.

Mr. BANKHEAD. Did not the gentleman in his investigation come to the conclusion that the inadequate car supply was one of the big features in this problem, and that the other was the failure of foreign lines to return their car supplies to the companies who own them where the fuel is produced?

Mr. TREADWAY. I think both suggestions of the gentleman from Alabama are undoubtedly correct as to a part of the difficulty.

Mr. BANKHEAD. In my opinion, those factors constitute the prime difficulty in the whole situation, and if the gentleman can evolve some system of legislation by which that difficulty can be corrected, he will be a great public benefactor.

Mr. TREADWAY. Undoubtedly that subject will be covered by the Fact Finding Commission. I have had some occasion to consult with them and they are deeply interested in the subject. They realize the importance of the position that they are holding and the need for thorough inquiry into the subject.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield three minutes more to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, the difficulty is that the question is so tremendously intricate and there are so many different features involved that the people must exercise some patience. We can not accomplish this tremendous task overnight. We must have this inquiry made in proper manner, and the extent to which it goes will, of course, necessitate the consumption of considerable time.

Mr. BANKHEAD. In line with what I said, I think it is proper to state that the coal mines in my district are idle at the present time, from one-third to one-half of the actual producing time, absolutely because we can not get cars.

Mr. ROGERS. If the gentleman will permit, the price of anthracite at the mines is \$8.50. The price that we are paying in my part of the world is \$18 to \$22 a ton. I think the spread there indicates profiteering; and Mr. Wadleigh, whom the gentleman has very properly quoted, has admitted in writing to me that there is profiteering. Does not the gentleman think we ought to get after the coal profiteers and deal with that situation?

Mr. TREADWAY. I do. I thoroughly believe in what the gentleman says, and will gladly join in any efforts that can be made to reach profiteers, but I hold in my hand a statement which will correct my colleague to a certain extent. He says that the price of anthracite at the mine is \$8.50. I have a complete list of all of the fair prices issued by Mr. Wadleigh, ranging from \$8.50 to \$12.50, and I should be very glad to insert it in the Record, if desired.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. SANDERS of Indiana. The gentleman's colleague has stated that there has been profiteering in coal, and that the people of his district have to pay exorbitant prices for coal. The people in Indiana, in the coal regions, are complaining bitterly about the high prices paid for shoes. Has the gentleman made any investigation in respect to that?

Mr. TREADWAY. I can not go into that at this time, although possibly the profiteering in shoes may result from local dealers in the gentleman's section taking unfair advantage of his constituents.

The emergency fuel administrator in Massachusetts has recently sent out a statement, which I have in my hand, to the effect that the anthracite conditions are greatly improving in Massachusetts. I do not get any evidence of that, nor do I think my colleague [Mr. ROGERS] does. I think we are short all of the time, and it ought not to be represented to the people that conditions are improving.

Mr. ROGERS. The conditions are getting worse.

Mr. TREADWAY. One difficulty I have had is to get the necessary information from the dealers in coal at home on which to base efforts to cooperate with the Federal Fuel Distributor here.

Mr. CLAGUE. Can the gentleman give us any information when the Coal Commission will report?

Mr. TREADWAY. It has made one preliminary report already. I know nothing about any future report. The report deals largely with bituminous coal, which is not of as much interest to us in New England as is anthracite.

Extracts from the circular letter of the emergency fuel administrator in Massachusetts, to which I have referred, are as follows:

To all local emergency fuel distributors:

That the position throughout our Commonwealth as respects receipt of anthracite coal has been improving and continues to improve from week to week is best indicated by the following table. . . .

Our position, we feel confident, is better than many other anthracite-consuming States, and as good as any, and for this the public at large are to be strongly commended. . . .

With the anthracite position as we see it to-day in our Commonwealth plus the large amount of bituminous coal and other substitutes within our borders, so far as the fuel situation is concerned, there should be no unnecessary suffering.

The entire communication is very optimistic. The other side, directly from the people, is shown in an item appearing in the Pittsfield (Mass.) Eagle under date of January 30, which I insert herewith:

COAL SHORT IN THE CITY, SITUATION SERIOUS—EMERGENCY AS BAD AS IN WAR TIME, DISTRIBUTOR SAYS—ECONOMY IN USE URGED.

That the fuel situation in Pittsfield is as bad as it was in war time was asserted to-day by Simon England, acting fuel distributor.

Somehow or other, possibly because now and then a householder sees a ton of coal delivered at the house of his neighbor, the impression is abroad that there is an endless supply of hard coal in the city. The fact is that there are only a few carloads of the large sizes, he says, and some of the dealers have none at all. It may be only a question of time when the city will have to go on a soft-coal basis.

There is soft coal in Pittsfield, plenty of it, but numerous disadvantages and discomforts attend its use. A great many persons have something to do except to tend furnace all the time. But it is better than nothing—better than freezing. Mr. England urges that people who have hard coal should exercise the utmost economy in its use—make what they have go as far as they can. For four days past there have been no shipments of hard coal into the city and the outlook for the receipt of any considerable quantity is not great. Cooperation in making the limited quantity of hard coal go as far as it will is urged by the distributor.

Steps are being taken in an effort to ease the situation, which at the best is very bad. Meantime, everyone who has a pound of coal is asked to husband it as if it were treasure from Tutankhamen's tomb. It may not be necessary to ask persons who have their supply in to share, though this expedient has been suggested in cases of fuel shortages in the past.

Ashes should be sifted and the bits of salvaged coal used over again. Some householders are able to keep their furnaces going all day "just on cinders." Emergency requests are flowing in every day in ever-increasing volume and there are many distressing cases.

Yesterday I telegraphed to Mr. England asking if the article was correct, and this morning I received the following reply:

PITTSFIELD, MASS., February 1, 1923.

Hon. ALLEN T. TREADWAY,
Washington, D. C.:

Article in Tuesday's Eagle is correct and situation serious in Pittsfield. We have about three days' supply anthracite on hand. Your offer to assist is certainly appreciated by the people of Pittsfield. Will wire you at earliest possible moment the numbers of cars en route.

SIMON ENGLAND,
Emergency Fuel Administrator.

This information has already been communicated to Mr. Wadleigh, who assures me of prompt action through his office.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the Federal reserve banking system was one of the greatest legislative gifts given to the American people under the Wilson administration, for under it there will never be another financial panic. Yet there are growing evils now connected with it that must be controlled. These abuses form about the liveliest question there is in every district of the United States to-day, for there is very much complaint concerning the lavish expenditure of its money in wasteful extravagance by the Federal reserve banks. It was said that this money comes from the national banks. It comes out of the pockets of the borrowing people of the country. Mention was made of a Federal reserve bank bloc. If our inaction concerning these banks continues as it has been, and these abuses are not corrected, there will be another kind of bloc in the Congress before very many days.

On June 3 of this year we passed an amendment to the act limiting the cost of branch bank buildings to \$250,000. That amendment had hardly gotten cold before these Federal banks have forced another amendment through this House to-day. Through a misapprehension of the facts, I imagine many Members voted for it, thinking it was a restriction rather than an enlargement, which it is. What does it say concerning the amendment passed on June 3? It now excludes the cost of vaults, it excludes the cost of permanent equipment, it excludes the cost of furnishing, it excludes the cost of fixtures. In addition to the \$250,000 for the building proper there could

be expended several hundred thousand dollars more for vaults, permanent improvements, furnishings, and fixtures. It is just one more enlargement of that restricted amendment that we passed on June 3.

The membership of this House could not get a chance to be heard on the proposition. The great Committee on Banking and Currency moved the previous question after yielding 10 or 15 or 20 minutes, possibly, in debate, and thereby closed the mouth of every Member of this House and gave us no chance to discuss the matter. That is just the way that every single amendment concerning the power of the Federal reserve banks is passed through this House. The time ought soon to come when this committee brings its measures upon this floor, when it will see fit to give the membership of the House a chance to properly consider, discuss, and dissect and understand the provisions of the proposed legislation, so that they may find out whether they are voting to restrict or enlarge the powers now possessed. At home in my district the people are waking up on this proposition. The immense profits which are being made by this system, which are being distributed in big salaries and in the elaborately extravagant fixtures, furnishings, and buildings are not in accordance with the desire of the people generally over the United States. They are waking up on the proposition. You are going to hear from them in Republican as well as Democratic districts, because it is not a partisan question. It is a question concerning which the people of this country are vitally interested. They have a right to have their representatives on this floor heard when these measures are passed day after day.

Mr. GREEN of Iowa. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. LINEBERGER].

The CHAIRMAN. As the Chair has the time, the gentleman from Iowa has only 12 minutes remaining.

Mr. GARNER. Mr. Chairman, we did not have a unanimous-consent agreement. Objection was made to that. Under the rules the gentleman from Iowa will have an hour.

The CHAIRMAN. The Chair has been assuming that the time was equally divided.

Mr. GREEN of Iowa. No; I control the time entirely, with the understanding that I shall give the gentleman from Texas what time he desires.

Mr. LINEBERGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LINEBERGER. Mr. Chairman, the Ruhr Valley situation, which I am going to discuss here to-day, is one which has been very much before the public mind, not only of this country but of Europe and the entire world, for the last several weeks. The executive committee of the American Legion—representing a fair cross section of the men who fought—recently adopted a resolution embodying, in my opinion, the sentiments of 90 per cent of those who met our late enemies, the Germans, on the battle fields of France, and I desire to read into the Record, for the information of the House and of the country, the resolution to which I have referred:

Resolution passed by the national executive committee, American Legion, at Indianapolis, Ind., U. S. A., January 15-16, 1923.

Whereas the Peace Conference following the World War and participated in by representatives of the majority of the nations of the earth, including the United States, determined, among other things, that Germany should pay certain reparations; and

Whereas on April 27, 1921, the Reparation Commission in execution of article 233 of the peace treaty fixed the total amount of reparations due from Germany to all the Allies at 132,000,000,000 gold marks, which Germany, on May 11, 1921, accepted unconditionally, and France by agreement of the Allies was to receive 52 per cent of all reparations awarded, including certain deliveries of coal, lumber, and other payment in kind; and

Whereas within a short time after the acceptance of the reparations award Germany fell in arrears in the payment of money and in the delivery of material as provided by the treaty, and the people of Germany began to send out of the country gold, securities, and other forms of wealth and to seriously impair if not wreck the whole German financial system for the purpose of avoiding payment, and by evasion, trickery, and sundry devices sought to deprive France of the awards made by the Peace Conference and accepted by Germany, was on January 10, 1923, in default in the delivery of coal and lumber; and

Whereas for the purpose of securing compliance with the terms of the peace treaty France has now occupied certain territory in the Ruhr Valley; Therefore be it

Resolved by the national executive committee of the American Legion in session in the city of Indianapolis, United States of America, this 15th day of January, 1923, That the action of France in so occupying said territory was and is justified; that she is endeavoring by the only effective means to collect a debt which the majority of the nations of the earth have decreed she is justly and properly entitled to; that we approve her course in the premises and wish her success to the end that the wrongs endured and the damages suffered by her may to some extent be compensated, the fruits of victory enjoyed, and the war stay won; be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, to the presiding officers of the Senate and

House of Representatives, and to the French ambassador at Washington.

Whereas the youth of America in 1917 and 1918 offered all they had to bring peace, justice, and happiness to the world, and in that effort cooperated with their stricken allies; and

Whereas, the lives and health of thousands of American boys were given to that holy cause; and

Whereas the peoples of the world are now torn and bleeding from the effects of the war and the consequent fears, distrusts, hates, and misunderstandings; and

Whereas the ex-service men of America still long to restore to the world peace, justice, and happiness, the things for which they fought and their comrades died; and

Whereas there remains in the heart of every ex-service man the memory of friendship and common service with our allies and also a desire to be generous to a defeated foe: Now, therefore be it

Resolved, That the national executive committee of the American Legion assembled at Indianapolis, Ind., expresses its hope that the cause of justice and world tranquility for which their comrades' lives were sacrificed may continue to the good of our great country, and we respectfully request our Government to lend its aid as its good judgment may dictate to abate the world's crisis and assist in the establishment of peace on earth and good will to men.

Now, in this question of the so-called Ruhr invasion, I recognize the fact that this House as such is not charged with the control of our foreign affairs. I recognize that those powers are primarily vested in the Executive, who, in consultation with the upper House or Senate, must make all decisions. Notwithstanding that fact, however, Mr. Chairman, the Members of this House are deeply and vitally interested in all questions which affect international justice and the peace of the world. About 10 days ago, I believe, on January 20, the gentleman from New York [Mr. LONDON], who from time to time makes very interesting talks here on matters affecting government and politics, from a Socialist's standpoint, arose on the floor of this House to discuss this same situation. At that time the gentleman from Texas [Mr. GARNER] asked the gentleman from New York this question:

Mr. GARNER. The gentleman said that this country ought to do something. What would the gentleman have this country do?

Mr. LONDON. I would have the American Congress express in kind but solemn words the desire that the invaded territory be evacuated. I would ask that the President be instructed to mediate. I would urge the convocation of an international economic conference. I believe that, in the name of the joint sacrifices made by the United States in the war, France owes a respectful hearing to the American Congress. Because France relied for sustenance in her distress on Czarism, it was not Czarism that saved her; it was the American democracy that finally saved her.

Now, gentlemen, I do not deny the latter part of the gentleman's statement. It was the American Republic, backed by the American people, which finally threw its weight to the side of the Allies, which gained the final victory, and for that reason if for no other America is vitally interested in seeing that the war stays won. [Applause.] I know the Ruhr area very well, almost as well as I know the section around Washington. I have been there on sundry occasions, both as an American soldier and as a civilian, and just a little over a year ago I was in the Ruhr Valley from Bochum through Essen to Ruhrort, as well as in other large industrial towns in that area. It can be truly said that the Ruhr Valley is the heart of German industry, and if Germany is to pay the reparations to which she is committed and for which France and her allies have suffered it is to be expected that they will largely be extracted from this territory. Now, what is the situation? Four years after the war we find that the Germans have paid the French less than \$2,000,000,000 gold on reparation. We find that the French Government has spent almost eight billion in the reconstruction of their devastated Provinces, and the work is far from completed, all of which, or practically all, has been raised by internal taxation within the French Republic, after four years of war in which they were bled white in men and resources. Let it be remembered that France lost the flower of her manhood—1,500,000 in round numbers—and that her fairest and richest Provinces were plundered, wrecked, and ravaged from Belfort, near the Swiss border, to the sea. This does not take into account her wounded and mutilated, the human wreckage of a war which Germany and not France had provoked. "On n'oubliera pas"—One can not forget. [Applause.]

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. LINEBERGER. Briefly.

Mr. COOPER of Wisconsin. The gentleman said that Germany had already paid 2,000,000,000 in gold. Did the gentleman mean in gold?

Mr. LINEBERGER. I mean in gold dollars. I am speaking in dollars. I have translated the amount into dollars.

Mr. COOPER of Wisconsin. Does the gentleman mean those were paid in gold marks, in the actual gold?

Mr. LINEBERGER. No; I did not mean they were actually paid in gold marks. Most of this has been paid in kind, as the gentleman well knows; coal and various other commodities are included.

Mr. COOPER of Wisconsin. Three hundred and fifty thousand cattle and hogs and 150,000 cars, and much other property more than two years ago.

Mr. LINEBERGER. But she is still far from reconstituting the loss which she imposed upon France by her four years' invasion. The reparations obligations have been reduced several times and are now 132,000,000,000 gold marks, or about 31,500,000,000 American dollars, for all the Allies. This is a reduction of over two-thirds of the original amount, and still Germany tries to evade. France only gets about half of the reparations.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. LINEBERGER. Briefly.

Mr. SANDERS of Indiana. I will say when the gentleman used the term "gold dollars" he meant the equivalent in gold marks?

Mr. LINEBERGER. Yes; the gold mark is worth about 24 cents. Now, the gentleman from New York not only delivered an address here on the floor of this House but he is quite active elsewhere. He is certainly within his privileges, if he sees fit, in making addresses elsewhere, and I said he was quite active, and I quote from the Washington Times of January 29, 1923, which says:

MEYER LONDON, Socialist Congressman from New York, will speak at a meeting of the club to-night on the invasion of Ruhr—

Which news item referred to an address which he delivered before the Washington Y. M. C. A. on that date.

In Europe last year I was quite surprised to find that the addresses in Congress of the gentleman from New York, for whom personally the Members of this body have nothing but sympathetic regard although they differ vitally with the theories which he advocates, were translated into German and into Russian, and that they were used as propaganda from Berlin to Moscow, and I have no doubt but that the address which he recently delivered on the Ruhr, delivered from the floor of this House will go out ultimately in similar form, and I do not desire that people in this country or in France, Germany, Russia, or elsewhere in Europe shall for one moment believe that there is any considerable body of American Congressmen who adhere to or who concur with the ideas presented by the gentleman from New York on the Ruhr situation. [Applause.] I want to say to you gentleman, that the large industrialists of to-day in the Ruhr were the leading imperialists of yesterday and they are still imperialistic and monarchistic at heart. As I have been able to judge them from my conversation and contact with them in Europe should they succeed in evading their reparations obligations and thereby cause the French effort in the Ruhr to end in failure, I have no doubt but that their prestige would be so enhanced with the German people and with the German Government, that a reversion to a monarchy with very chauvinistic inclinations, would ensue in the very near future.

It shows me that we may have every reason to be interested in a larger sense in this proposition; at least, in its final outcome. However, I do not want to be misunderstood or misquoted and I want to say that I am indeed proud that our administration—and I do not speak of the administration as a Republican administration or in any partisan sense—the administration which has handled the foreign affairs of this country for the whole American people has taken the attitude which it has taken, to wit, hands off. We should take no action whatever which could be interpreted by our late enemies, with whom we are now at peace, to encourage them in any manner whatsoever in the belief that we will assist them in avoiding their obligations. For we will not do so. Of this I am sure. I am also of the opinion that we should take no attitude whatever to encourage or discourage France. Hers is a peculiar problem and she understands best in what direction her vital interests lie. Her old comrades in arms follow the outcome with sympathetic interest, but the American Government, at peace with both nations to the controversy, is pursuing a course which meets with the approval of its citizens, no matter what their personal judgment or sentiment may be as to the merits of the issues at stake. [Applause.] Unhindered, let our old friend and ally, France, go her way, and if she can collect the money, so far as I am concerned, I say, "Bon voyage, and good luck." [Applause.]

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. LINEBERGER. I prefer not to yield. I have only a short time left. If France can collect her just and lawful debt of Germany, Americans and all others who believe in justice as an immutable foundational of principle in the universe should rejoice, according to my way of thinking, at least; and I want to place in the RECORD an editorial from the January 29, 1923,

issue of the New York Times which reflects a view which should not be disregarded in shaping our present or future attitude in this matter. The editorial is as follows:

WHERE OUR SOLDIERS STAND.

[From the New York Times, Monday, January 29, 1923.]

While cautious statesmanship is neutral or antagonistic as regards the occupation of the Ruhr by France to compel Germany to make a reparation settlement, the American soldier is declaring himself as one entitled to be heard. He thinks about the economic campaign of the French just as he fought in battle, and he speaks out in the spirit of the brave old alliance. A few days ago Col. Alvin M. Owsley, national commander of the American Legion, in an address at Atlantic City, reminded his hearers in the Morris Guards Armory that France was trying to collect the debt that public opinion in America at the time of the Paris conference decided should be paid. He might have added that France was willing to take less than the terms of the bond. Did the American soldiers who fought in France, and by their might and valor brought about the victory, condemn the occupation of the Ruhr? The Legion commander answered for them, and it may be assumed that he knew their sentiments:

"I announce to America that the heart and hand of the American Legion remain with the French Republic."

It is significant that this positive utterance "aroused storms of applause." Colonel Owsley then declared: "The trouble is that the enemy has not heard from America since we left the fields of battle." That feeling seems to be spreading through the country, in the sense that men think Germany should be made to pay France to the limit of ability. The seizure of the Ruhr is an attachment of the goods of the debtor. It can be dissolved only by a bona fide agreement to settle and by prompt payments on account. Another soldier, greatly honored and esteemed, Maj. Gen. John F. O'Ryan, of the Twenty-seventh New York Division, has also come out strongly for France. In a talk to the National Guard Association of New York he used this plain language:

"The manner in which the facts are at times misrepresented and obscured tends to lead the unthinking and the unstable to shift their loyalty from the cause of France, which was our cause, to the cause of political expediency or of business opportunity."

It was General O'Ryan's deliberate opinion that, pay what they might, the Germans could never expiate the crimes they committed against liberty and painfully accumulated property in the four years of war, and that they could never make amends for the anguish and suffering they had caused the world. The following were timely words:

"In considering the present policy of France it is well to remind ourselves what some persons are beginning to forget, namely, that the destruction was not wholly a by-product of the waging of battle. Very largely the ruin of French industry and agriculture was the result of a fiendish policy of deliberate and scientific destruction which literally tore the property to pieces. We saw these things with our own eyes."

France herself has expended billions of francs in the work of reconstruction; Germany comparatively little, in spite of her solemn engagements. France is not trying to wring an indemnity from Germany but to make collections under the name of reparations to save herself from ruin. That the German armies endeavored to wreck France industrially during the war is a historic fact. Judging from the context, General O'Ryan seems to have been speaking for the ex-service men and for the whole country when he said:

"In the present phase of the struggle our help is equally needed and our responsibility would seem to be equally great. Whether we are in complete or partial accord with all that France is doing, whether we are barren of sympathy for Germany, or would forgive and forget, the truth is that our active participation is essential at this time."

Since France took over the Ruhr the German Government has lived in hope of enlisting the moral influence of America to defeat the purpose of the French. The moral influence of the American soldiers it has not reckoned with, but that influence will evidently be thrown into the scale on the side of France. The war will not have been finally won until Germany is held to the reparation debt, admits the claim, and puts her back into the work of clearing it off.

Her defense of civilization during those four dark years, when she was practically bled white, at least entitles her to some sympathetic consideration. [Applause.] The quiet serenity, the moderate attitude, the admirable efficiency with which France has proceeded to her unwelcome task has been the admiration of all who appreciate the obstacles with which she is confronted. I know it is fashionable just now to say bitter things about France, but the ex-service men who met the Germans on the battle fields of France do not care to be fashionable.

Germany says she can not pay for the ruin she has wrought, but meantime her profiteers and munition makers are rolling up their billions. France says collect from these men. Germany says she can not do it. France says very well I will help you. That is what the occupation of the Ruhr Basin means. It is not an invasion of Germany. It is the serving of a writ on Stinnes, Thyssen, Krupp von Bohlen, and others of their kind. It is dangerous, but every emergency measure involves danger. America prays for a peaceful result.

France has waited four years, taxing its people four times as much as Germany taxed its people.

So far it is evident, however, that the French have carried out their plans with efficiency and quietness and with a sort of determined serenity. They have placed their troops in positions of strategic advantage without flaunting their military forces. It is reported that the French are concerned to discover the extent and obstinacy of the German passive resistance. There has been little or no violence. Within the first week the only casualties reported were not the result of attacks,

primarily, by Germans upon the French, but of riots between two German factions which the French soldiers had to bring to an end. Up to January 23 the casualties apparently have been less than have occurred in many a raid of American prohibition officials upon moonshiners or bootleggers.

If Europe is short of coal, it is not the fault of the French who occupy the Ruhr, but it is the fault of the Germans who deliberately put out of business the coal region of Lens, besides destroying industrial machinery of enormous value.

People who are saying that France is going to get nothing out of this adventure in the Ruhr Valley have failed to indicate how much France was getting out of the alternative she has been trying for the last four years.

In conclusion, I want to sum up the situation as I see it. It has been clear that if the damage were not thus repaired, France and not Germany would lose the war.

Yet it has been equally patent for many months that Germany was not paying and did not mean to pay for the damage she had done, and that if the Allies had laid upon German shoulders a burden beyond German capacity, it was equally plain that the Germans were prepared to avoid and evade all burden so far as it was humanly possible. It was also manifest that the Germans relied upon the United States and upon Great Britain to prevent the French from collecting war reparations.

So far France has expended \$8,000,000,000 upon her devastations and war pensions and Germany has paid her not over a quarter of this amount. It will be necessary for France to expend several more billions upon her reconstruction before she can house the people who are still living in temporary shacks or barracks after four years of peace.

In this situation, what is the position of France? If Germany does not pay eventually, French taxpayers will be burdened with a debt of some ten or twelve billions growing out of German devastations and the care of French soldiers crippled and mutilated during the war. Germany, by contrast, has no devastations, and if she escapes paying reparations will, in addition, avoid a foreign debt, while France remains bound to pay some seven billions to her allies of the war for loans.

The treaty of Versailles provided that France should be reimbursed for her losses of civilian property, for the destruction due to German invasion and occupation, and in addition for the costs of war pensions. I am going to discuss this whole aspect in a moment, but now I desire to make clear one fact. The choice for France was not, as seems in America to be assumed, between reasonable payment—that is, German payment of sums which might be regarded as possible—and a sterile insistence upon sums out of the question. The choice of France was between the occupation of German territory, which is richly productive, with the possibility of collecting something, and a continuation of the present situation, where practically nothing is paid by Germany.

It is a profound mistake to argue that France was presented with an alternative and that she chose the less advantageous course. No proposal was made to France either by Great Britain or the United States, much less by Germany, which would give her even the slightest assurance of receiving sums which were in any sense adequate, while falling within the four corners of German capacity.

It is more likely, I believe, that French occupation may lead the Germans, and particularly the industrial and financial magnates, to back down and force their Government to make reasonable proposals accompanied by satisfactory guarantees. In that case the French occupation may be terminated without great delay and with no real material loss. This is what the French themselves hope for and profess to expect.

Undoubtedly this might have been the outcome had the United States not wavered in interest and had the British loyally supported French policy. But the American and British courses have manifestly encouraged the German to resist rather than to pay. And it seems to me, on the whole, not very likely that there will be any satisfactory German proposal, and, therefore, that we are in for a long French occupation, but it is not France's fault—the fault lies elsewhere in Europe.

The trouble is that some Americans and the British actions have manifestly encouraged the Germans to resist and to refrain from making any such proposals. And it would seem that, for the moment at least, Germany will continue this policy of passive resistance. As for an international conference, it would consider only the question of German payments, for the French will not now consent to leave the Ruhr until Germany provides the necessary guarantees for future reparations payments.

To those who are not familiar with, or who have forgotten, what France suffered at the hands of a victorious Germany in

1871 I would recommend that they read "La dernière classe" (The Last Class) and "Mon Village" (My Village), both classics of their kind.

I remind you of the sacred declaration of the Alsatian and Lorraine deputies at Bordeaux at the moment when Alsace and Lorraine were torn from the bleeding side of France and ruthlessly annexed to monarchical Germany.

The oath which they took, thank God, has been vindicated and the impassioned words then spoken will ring down through the centuries. These words which are immortal to every patriotic Frenchman, are as follows:

Nous jurons, tant pour nous que pour nos enfants et leur descendants de revendiquer éternellement le droit des Alsaciens et des Lorrains de rester membres de la Nation française.

Which freely translated says—

We pledge, not only for ourselves but for our children and their descendants, to revindicate for all time the right of the Alsaciens and the Lorrains to remain members of the French nation.

Forty-seven years later this pledge was revindicated, and the great French nation, sober and temperate in victory as in defeat, has won its right to live its own life without forever shuddering in the shadow of German militarism and German aggression. [Applause.]

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from Iowa [Mr. GREEN] is recognized.

Mr. GREEN of Iowa. Mr. Chairman, I ask to be notified at the expiration of 10 minutes.

The CHAIRMAN. Very well.

Mr. GREEN of Iowa. Mr. Chairman, I shall confine my remarks entirely to the bill which is before the House. This bill and some others which will follow it are all bills which are recommended by the Treasury Department. They are designed primarily to aid in the collection of the revenues, and some of them are very important in the way of increasing the revenues of the Government.

The particular bill that we have now before us is partly, and perhaps mostly, in the interest of the taxpayers, although to a certain extent it is in the interest of the Treasury. I think, Mr. Chairman, that the explanation given in the letter of the Secretary of the Treasury, which is found in the report, is as good as any that can be made, and I will ask that the Clerk read it in my time.

The Clerk read as follows:

TREASURY DEPARTMENT,
Washington, January 13, 1923.

HON. WILLIAM R. GREEN,

Acting Chairman, Committee on Ways and Means,
House of Representatives.

MY DEAR MR. GREEN: I have your letter of January 12, requesting any comments that I may care to offer with reference to a bill (H. R. 13775) to amend the revenue act of 1921 in respect to credits and refunds.

The proposed bill amends section 252 of the revenue act of 1921 in two respects: First, by providing that a refund or credit of income, war-profits or excess-profits taxes may be made if claim therefor is filed by the taxpayer within one year from the time the tax was paid even though not filed within five years from the time the return was due, and second, by providing that where a tax is erroneously or illegally collected from a withholding agent the refund shall be made to the withholding agent unless the amount of such tax was actually withheld by the withholding agent.

Section 252 of the revenue act of 1921 provides that no credit or refund of income, war-profits or excess-profits taxes shall be allowed after five years from the date when the return was due unless before the expiration of such five years a claim therefor is filed by the taxpayer. Section 3228 of the Revised Statutes, as amended by section 1315 of the revenue act of 1921, provides that a claim for the refunding or crediting of any internal-revenue tax erroneously or illegally collected must be presented to the Commissioner of Internal Revenue within four years after the payment of such tax. The present ruling of the Treasury Department is that section 252 of the revenue act of 1921 and section 3228 of the Revised Statutes should be read together, and that a refund or credit of income, war-profits or excess-profits taxes erroneously or illegally collected may be made if claim therefor was filed within four years after the tax was paid although not within five years after the return was due. The necessity for a provision allowing the filing of a claim within a given period after the tax is paid, even though not within five years after the return was due, is apparent. In the case of an additional assessment of income, war-profits or excess-profits taxes after the expiration of the five-year period from the time when the return was due, which is permissible in cases where the taxpayer has waived his rights under the statute of limitations, such assessment would be final when made and the taxpayer would be barred from filing a claim for refund even to form the basis for a suit at law for the recovery of the taxes paid. The existing ruling of the Treasury Department, allowing a taxpayer to file a claim within four years after the tax is paid even though not within the five-year period after the return was due, is of very doubtful legality, and consequently it is deemed advisable to clarify the situation by means of legislation, and provide unequivocally that a claim for refund or credit may be considered by the department if filed within a given period after the tax was paid even though not within five years from the time the return was due.

For the reasons stated above I approve the proposed bill amending the revenue act of 1921 both as to form and as to substance.

Yours very truly,

A. W. MELLON, Secretary.

Mr. GREEN of Iowa. Mr. Chairman, the committee will see from the reading of this letter that this bill applies only to claims for refund that are made more than five years after the taxes become due. That is, in other words, so far as anything that the Treasury has before it at the present time the bill applies only to taxes for the year 1917 that became due in 1918, as to which the five-year limitation is now running against the Government and also running against the taxpayers. Now, there are some of those claims that are still unsettled.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BURTNESS. Can the gentleman give us any plausible explanation as to why these claims for 1917 are still unsettled, and why there is such a vast number of them as there appears to be?

Mr. GREEN of Iowa. My understanding is that there is no very great number at the present time. They have nearly finished auditing those for 1917.

Mr. BURTNESS. I take it for granted that the gentleman has about as many inquiries as the usual Member of Congress has, as to claims arising out of that very year, from his constituents. I understood it is quite a general experience of Members of Congress at this time to have many inquiries about the taxes of 1917.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. In a moment. I have had some inquiries, and I presume the gentleman from North Dakota has had some; but that is only a small proportion of the great number that have been before the department.

I said that most of these claims are now audited. Some of them have been only audited recently, and for that reason they have not yet been settled. The situation is now in this form: A taxpayer, upon the audit being made, claims that the Government is still taxing him too much. Thereupon the Government says, "If you will waive the statute of limitations, we will examine your claim." The taxpayer, as a rule, consents, and then after the expiration of five years the Treasury officials say to him, "We have concluded your claim is not good; you must pay up at once." The taxpayer has then let the five-year limitation expire and he has no resource except under this ruling of the Treasury, which the Secretary of the Treasury says is of very doubtful legality. I do not think it is. My own opinion is that there is no foundation in the law for allowing the taxpayer four years further after the payment of the claim. But unless the Treasury so held, he would have no opportunity to contest what might be an illegal assessment. He would be compelled to pay at once or submit to execution and penalties, and have no chance of correction.

We think this would not be fair to the taxpayer. On the other hand, we think the present ruling of the Treasury puts the Treasury itself in a bad situation, because it gives the taxpayer four years after the five-year limitation in which to make a claim, and the matter might be prolonged in that way 9 or 10 years, which would be a bad thing for the Government.

Now I yield to the gentleman from Michigan.

Mr. WOODRUFF. The gentleman has covered what I wanted to ask him about.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LINTHICUM. We have amended the law extending the limit five years, which would include 1917, would it not?

Mr. GREEN of Iowa. Yes.

Mr. LINTHICUM. Would this preclude a man who filed his claim before 1920?

Mr. GREEN of Iowa. No; nor would it help him. He would have a year, I will say to the gentleman, after the time he paid, as long as the claim comes up within the five-year period. This will not alter the situation. If it goes beyond the five-year period, he will have a year from the time he pays in which to make his claim, which the committee thought was sufficient.

Mr. LINTHICUM. For example, a man's taxes are being re-audited for 1917, and perhaps he will be found to owe more than were reported for 1917.

Mr. GREEN of Iowa. Yes.

Mr. LINTHICUM. It may be that he has some set-off, some claim for a refund for that year. Will he be able to procure that refund for 1917 under this act?

Mr. GREEN of Iowa. That is one of the important features of the act, that it permits such an application to be made, and one of the main purposes of the act was to give him a year within which to do that thing.

Mr. LINTHICUM. After the reaudit has been made, then he has an additional year in which to file his claim, as I understand.

Mr. GREEN of Iowa. He is given a year from the time that he makes the payment. When the reaudit is made the Treasury will call upon him to settle up, but he will still have another year to ask for a refund.

Mr. LINTHICUM. He has already paid the taxes he thought he owed for 1917, and then the Government finds that he owes more taxes.

Mr. GREEN of Iowa. Yes.

Mr. LINTHICUM. And he finds that he is entitled to some refund. Will he have a year after that additional payment in which to file his claim?

Mr. GREEN of Iowa. He will, so far as that payment is concerned. That is one of the main purposes of the bill.

Mr. BURTNESS. Is not this a correct statement of the situation? He will have an additional year in which to file a claim for a refund of the additional amount which he pays at the behest of the Internal Revenue Department; but if the taxpayer believes that the payment he had already made was larger than it should have been he will not get an additional year in which to file a claim for refund of that portion which he had previously paid, erroneously in his contention. In other words, is not the situation simply this, that if prior to March 15 the department in auditing the 1917 returns finds that the taxpayer is owing \$1,000 and it makes a demand for that amount, and the taxpayer in turn pays that \$1,000 on the 1917 return, then under this bill he will have a year in which to file a claim for a refund of the \$1,000; but if the taxpayer on verifying his return—checking it over, and so forth—finds that the auditor is wrong, at least as the taxpayer thinks, to the extent of \$1,500 against him, he can not file a claim for the refund of that \$1,500.

Mr. GREEN of Iowa. If the payment is made within the five-year period, or a year before the expiration of the five-year period, this act will not help him any. It will not put him in any worse situation, but it will not help him any. He will have until the expiration of the five-year period in which to make his claim.

Mr. BURTNESS. The present situation is this, that if the department finds immediately prior to March 15 that the taxpayer should have paid a certain amount more than he did pay on the 1917 return, then without this legislation he has no recourse whatsoever, because he can not file a claim for a refund after the five-year period is over, and that is over on March 15.

Mr. GREEN of Iowa. The gentleman is correct.

Mr. BURTNESS. So in that case he is entirely up against it, and this legislation will give him relief in so far as the extra amount demanded by the department prior to March 15 is concerned, but will not give him any relief under the conditions referred to by the gentleman from Maryland [Mr. LINTHICUM], where the taxpayer thinks he had paid too much for 1917.

Mr. GREEN of Iowa. The committee did not see any reason why he should not file his claim within the five years, and so we did not think he needed any relief.

Mr. LINTHICUM. How much time have I remaining?

The CHAIRMAN. Thirteen minutes.

Mr. GREEN of Iowa. I yield to the gentleman from Texas [Mr. GARNER] 10 minutes, or as much of that time as he may desire.

Mr. GARNER. Mr. Chairman, some gentlemen have asked me questions that bring to my mind a very important matter. There has been a great deal of criticism of the Treasury Department—and I am not certain that it is not just criticism—for the reason that they have not got their income and excess profits tax adjustments more nearly up to date. One of my colleagues asked me why we did not adopt an amendment requiring them to make the adjustment within one year after payment of the tax. One reason is because it would be physically impossible. Another reason is that the adjustments for the taxable year of 1917 are based upon the values of 1917, and the department has just recently got those values in shape. The officials say they can adjust these taxes very fast after they once get the valuation. I can understand that for the adjustment of the income tax and the excess-profit tax especially it is absolutely essential that the department should have the valuation basis to go upon, and they say they are going to bring them up to date. I asked the Assistant Secretary of the Treasury why he did not ask Congress for enough money to put 5,000 or 10,000 men to work, or whatever number were necessary, and he said he could not utilize them with any degree of economy on account of the fact that he had not obtained the valuation basis upon which to adjust them. So much for the apparent neglect of the Treasury Department.

This bill contains only these two propositions. One is that the taxpayer this month is undertaking to settle his adjustment for 1917. The Treasury Department is not satisfied to close the

matter in a hurried manner without complete information, and the taxpayer is not satisfied. So the Treasury Department says, "If you will waive your rights we will give you another hearing and look into this matter." The taxpayer says, "All right." The Treasury Department says, "If you do not waive your rights we are going to assess you \$100,000 or \$1,000,000, as the case may be, with the right to present a claim later for a refund." Now, this amendment gives the taxpayer a year to come in and make his claim. If he paid under protest now he would possibly be barred on the 15th of March of this year, under a strict construction of the law.

Mr. STAFFORD. Mr. Chairman, I have an impression that as far as the 1917 returns are concerned, if the Treasury Department had not made any reassessment prior to March 15, 1921, the department was barred from making any further levy. Some time ago—about two years ago—the Treasury Department sent around to all corporations blank forms requesting the taxpayer to waive the statute of limitations which would expire March 15 of that year. This bill, as I understand, will give the department the right to make a levy regardless of that.

Mr. GARNER. That is correct.

Mr. CHINDBLOM. If the gentleman will allow me, the statute of limitations will expire the 1st of March, 1923, for 1917.

Mr. STAFFORD. There was one return as to which the statute of limitations expired on March 15, and the department sent around blank forms asking the corporations to waive that. After that the department could only recover the tax they claimed through the courts and not by levy.

Mr. GARNER. First they were barred on the 1st of March, and we extended it to the 15th of March. Let me say to my friends on both sides of the House that this is a question of claims against the Government for erroneous taxes, taxes collected illegally, a contest as to how much the taxpayer should pay.

I do not believe that the membership of the Congress understands this situation with reference to the power that is in one man's hands. The Secretary of the Treasury literally commands hundreds of millions of dollars—money in his hands subject to his own discretion. I do not want to say that I believe for a moment that the Secretary of the Treasury would abuse that power. I do not think he would. The present Secretary of the Treasury is a man who would not abuse that privilege in any way. Nevertheless there has been considerable criticism about so much power resting in one man's hands. I know that Members of the House and members of the Ways and Means Committee are criticising the Treasury Department now, and we have asked for data for the purpose of ascertaining how much was remitted to certain corporations and individuals in this country. For instance, gentlemen will remember the other day seeing in the newspaper an account where Cudahy & Co. had recovered something like \$2,000,000 of taxes erroneously paid. It is said that some taxpayer down in North Carolina has collected a very large amount.

All these matters, of course, are of rumor and are of a general nature. However, there ought to be created in the Treasury Department a sort of court to take the place of the present arrangement. As I understand the present arrangement, it is if a man has paid taxes erroneously or if taxes have been collected from him that ought not to have been collected he presents his claim to the Treasury Department. The Treasury Department then refers it through the Internal Revenue Bureau to a board composed of either seven or nine men, I forget which. It is true that they are high-class, well-informed gentlemen, so far as I know. That board hears the counsel representing the individual taxpayer or the corporation or the taxpayer himself without counsel, and there is a representative of the Internal Revenue Bureau present. They thrash the matter out and come to a conclusion as to how much additional tax shall be assessed or how much shall be refunded, as the case may be. That is a good arrangement, but it so happens that these young men who compose the appeal board do not stay there long. They go out and announce that they are going to practice law in Wall Street, in Chicago, or at some other place.

Mr. STAFFORD. Mostly in Washington.

Mr. GARNER. And a great many in Washington. One of them came to my desk to-day and announced that he was going to practice law in New York. What we need to handle claims arising out of about three billion dollars worth of taxes a year is a permanent court, which will have responsibility, and if necessary the tenure of office should be for a long term of years; and then, before this court, let matters between the taxpayers and the Government be adjusted. I am not sure that such a court should not have original jurisdiction with appeal direct to the Supreme Court. I mention this for the

purpose of calling the attention of the Judiciary Committee to the advisability of having hearings on the problem with a view to presenting such legislation as will fit this pressing need. I do not want to provide the court through the Committee on Ways and Means. I would rather have the Judiciary Committee do that. However, if something is not done within a month or two after the next Congress meets I hope to call the matter to the attention of the House and to the Committee on Ways and Means with a view of establishing a permanent arrangement in the Treasury Department to settle these differences between the taxpayer and the Government.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. MOORE of Virginia. How does the gentleman suppose the amount of claims in a year of the character he is discussing now compares with the claims that go before the Customs Court?

Mr. GARNER. The amount of claims before the Court of Customs Appeals is insignificant compared with the claims I have mentioned, and yet we have a very important Court of Customs Appeals. I think it is very essential that we have such a court, and I think something of the kind ought to be done here. I am not one of those to pay attention to rumors here or there with reference to some one having had remitted \$300,000, or some sum, this much or that much, through influence. One hears things of that kind all of the time. I do know that the present arrangement is not suitable for permanent retention. My friend from Iowa [Mr. GREEN] may say, "Why did not the Democrats do that when they enacted the original law?" When the original law was passed providing for an income tax nobody ever dreamed that we would have the enormous tax now being collected, and during the war we had little time in which to create permanent machinery. The time has come now, however, when there ought to be something done to solve the problem. The present arrangement is unsatisfactory, in my opinion. We do not want to put it into the power of one man, I do not care how honest he may be, to remit a million dollars of back taxes to any man or corporation. That is too much power to put into the hands of any one man, whether he be a Democrat or a Republican. There ought to be a court of seven or nine men, whose position should be permanent—men of the highest type that we can get. I rose to call this to the attention of the committee in connection with this amendment proposing to give additional time within which one can make claims against the Government.

Mr. STAFFORD. Do the hearings before the Committee on Ways and Means disclose the status of the Bureau of Internal Revenue in respect to returns for back years?

Mr. GARNER. I do not think they do. My recollection is that in discussing that matter it was at an informal meeting of the committee.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired; and the Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That section 252 of the revenue act of 1921 is amended to read as follows:

"SEC. 252. That if, upon examination of any return of income made pursuant to this act, the act of August 5, 1909, entitled 'An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes,' the act of October 3, 1913, entitled 'An act to reduce tariff duties and to provide revenue for the Government, and for other purposes,' the revenue act of 1916, as amended, the revenue act of 1917, or the revenue act of 1918, it appears that an amount of income, war-profits or excess-profits tax has been paid in excess of that properly due, then, notwithstanding the provisions of section 3228 of the Revised Statutes, the amount of the excess shall be credited against any income, war-profits or excess-profits taxes, or installment thereof, then due from the taxpayer under any other return, and any balance of such excess shall be immediately refunded to the taxpayer: *Provided*, That no such credit or refund shall be allowed or made after five years from the date when the return was due, unless before the expiration of such five years a claim therefor is filed by the taxpayer, or unless before the expiration of one year from the time the tax was paid a claim therefor is filed by the taxpayer: *Provided further*, That if upon examination of any return of income made pursuant to the revenue act of 1917, the revenue act of 1918, or this act, the invested capital of a taxpayer is decreased by the commissioner, and such decrease is due to the fact that the taxpayer failed to take adequate deductions in previous years, with the result that an amount of income tax in excess of that properly due was paid in any previous year or years, then, notwithstanding any other provision of law and regardless of the expiration of such 5-year period, the amount of such excess shall, without the filing of any claim therefor, be credited or refunded as provided in this section: *And provided further*, That nothing in this section shall be construed to bar from allowance claims for refund filed prior to the passage of the revenue act of 1918 under subdivision (a) of section 14 of the revenue act of 1916, or filed prior to the passage of this act under section 252 of the revenue act of 1918.

"Where a tax has been paid under the provisions of section 221 or 237 in excess of that properly due, any refund or credit made

under the provisions of this section or section 3228 of the Revised Statutes shall be made to the withholding agent unless the amount of such tax was actually withheld by the withholding agent."

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word. The last clause of the bill has not been explained. It relates to cases where the tax is paid by a withholding agent, and it appears that the withholding agent has paid the Government too much. There is an ambiguity in the law so that it is very uncertain as to whom this amount erroneously collected should be refunded. The Treasury Department is uncertain what to do with the money in cases of this kind. My own view of the law as it stands now is that it provides that it shall be paid both to the withholding agent and to the man whom we call the taxpayer, although he was not really the taxpayer at all. The bill applies only to cases where the withholding agent under his contract was obliged to pay the taxes, and subsequently it has been found that the tax assessed was not due at all. Consequently the man whom we call the taxpayer is not out of pocket, he has lost nothing, he is charged with nothing, and yet the question arises under the law whether the money does not have to go back to him, and then the withholding agent must try to get the money back from him, if he ever gets the money back at all. This is simply for the purpose of clarifying the law in that respect, and under this paragraph in such cases it would be paid to the withholding agent.

Mr. TILSON. Could this be made to apply to this state of affairs? Certain bonds were issued with tax-free covenant clauses and the gentleman knows—

Mr. GREEN of Iowa. Yes.

Mr. TILSON. When our income tax was first fixed at 2 per cent of the normal income, it was then provided that where the tax-free covenant was taken care of by the debtor—that is, the person who issued the bonds—he should pay the tax to the Government, and that the bondholder should receive the full amount of his interest.

Now, the normal rate is 4 per cent. If the gentleman has any tax-free Government bonds he will find when he goes to get credit he gets a credit of 2 per cent, but he has to pay to the Government 4 per cent. The one who issued the bonds agreed to pay the tax. As the law stands now he pays only 2 per cent and the gentlemen who were fortunate enough to hold bonds have to pay 4 per cent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TILSON. I ask unanimous consent that the gentleman have five additional minutes.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent that the time of the gentleman from Iowa be extended five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. The gentleman will remember the law only requires the obligor to hold 2 per cent.

Mr. TILSON. That is correct, but if the one who issued the bonds agreed to pay all the taxes—in other words, if he issued all his bonds with a tax-free covenant clause—the bondholder must pay 4 per cent, and yet he gets only credit of 2 per cent on his income.

Mr. GREEN of Iowa. It is between the party who issued the bonds and the bondholder.

Mr. TILSON. It is between them, but it seems to me that it is an injustice to that extent.

Mr. GREEN of Iowa. Well, it is a case as to which I am not prepared to express an opinion, except to say the Government has nothing to do with that, and this bill, of course, does not affect it.

Mr. TILSON. If the debtor promised to pay the entire tax which is now 4 per cent and pays to the Government only 2 per cent, then the debtor has failed to keep his covenant with the bondholder.

Mr. GREEN of Iowa. He would be only keeping his agreement.

Mr. BURTNESS. Mr. Chairman, I desire to offer an amendment. Page 2, line 9, strike out the word "immediately."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BURTNESS: Page 2, line 9, strike out the word "immediately."

Mr. BURTNESS. Mr. Chairman, I have offered this amendment solely for the reason that I believe the word "immediately," included in the present law and also carried in the bill we are now considering, means nothing for the reason that I do not believe that any member of the Internal Revenue Department—at least, if we are to judge of their understanding by their action—knows the meaning of the word "immediately." If that is the case and if they can not be taught the meaning of the word, what is the use of continuing it in the

law? I think we are all familiar with the way in which these proceedings are handled now. When an audit is finally made, if they find the taxpayer is entitled to a refund he is advised thereof, and the practice has been that he is invited to file a claim for refund. The taxpayer files that claim and he believes that the money coming to him will be paid him in the course of a few weeks, for the Government has conceded it has been wrongfully withheld from the taxpayer. Well, the claim is filed; the taxpayer waits for several months, but hears nothing. He then writes the bureau, and about two or three months after that time the taxpayer gets a letter advising that investigations are being made as to whether he is owing anything on later returns. After some delay the taxpayer writes another letter, and the reply comes back something like this—that in a subsequent year an additional assessment has been made against him for a certain amount, or some installment is past due. Then the taxpayer looks up his records and finds he has in fact paid the additional assessment or the amount that may have been due, that it was paid by him long before, and so the matter dillydallies along with more correspondence for perhaps two or three or four years, and the money all of that time is being held by the Government. It therefore seems to me that if we eliminate the word "immediately" from the law we can not hurt the law, and the taxpayer will have just as good a chance for getting his money which belongs to him this side of the Styx with this word eliminated as he has now.

Mr. GARNER. Will the gentleman yield?

Mr. BURTNESS. I will.

Mr. GARNER. The gentleman should add other letters there that the Treasury Department writes, and one of them is that Congress has not appropriated the money to pay the claim. Then he ought to have cited another letter which he ought to read to his constituents, that this Republican administration and Republican Congress refuses to appropriate money when there is not a word of truth in it.

Mr. BURTNESS. Oh, yes; there are many letters I could have added, but could not for lack of time; but the gentleman from Texas knows most of these letters come after a period of years during which time the Democrats were in control, and that the Democratic administration had three or four years in which to complete—

Mr. GARNER. It is claimed that it is because a Republican Congress declines to make the appropriation—

Mr. BURTNESS. I realize that a letter always comes referring to lack of appropriations, and that is usually the last letter to the taxpayer, but before that letter ever reaches him he is vexed with three or four which I had not time to detail at all.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Certainly.

Mr. GREEN of Iowa. The gentleman might have called attention to other matters of which he is probably unaware. One is that recently the administration has made an important change with reference to the rule of the Democratic administration; and on December 16 the rule was established that where it was claimed that the department found that there was a refund due, it was not necessary to file a claim for refund, but it should be repaid immediately and forthwith.

Mr. BURTNESS. In that respect I thank goodness, the administration, or anybody having to do with the ruling that they are finally able to do away with the foolish and ridiculous rule that where a man has a valid claim conceded and audited to be such by the Government that he must file a claim for refund. It seems to me when he has already—

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, I ask for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURTNESS. All that should be necessary, it seems to me, is that the refund should be made when ascertainment of overpayment is made, without the necessity of the man filing any claim for refund. The taxpayer should get his money. Another thing that I might supplement to the statement of the gentleman from Iowa is this: That possibly some of the pivotal points in the bureau, held so long by leading members of the Democratic Party, might some day be changed with value to the taxpayers.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. BANKHEAD. I remember a distinguished Senator once offered a facetious bone-dry amendment in the Senate of the

United States, and it was adopted. The gentleman's amendment here might for some reason be adopted, and I am afraid he might get into trouble if we took him at his word. [Laughter.]

Mr. BURTNESS. The House will have to take care of that. The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] is recognized.

Mr. GREEN of Iowa. Mr. Chairman, I think the gentleman's amendment is offered more in a facetious sense than seriously.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Dakota.

The question was taken, and the amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise and report the bill back to the House without amendment, with the recommendation that it do pass.

The CHAIRMAN. The gentleman from Iowa moves that the committee do now rise and report the bill back to the House with the recommendation that it do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13775) to amend the revenue act of 1921 in respect to credits and refunds, had directed him to report the same back to the House without amendment, with the recommendation that it do pass.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. Without objection, House bill 13878, for which this bill was substituted this morning, will be laid on the table.

There was no objection.

EXCHANGE OF PROPERTY.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13774) to amend the revenue act of 1921 in respect to exchanges of property; and, pending that motion, I will ask the gentleman from Texas if we can agree as to time?

Mr. GARNER. Is that the exchange bill?

Mr. GREEN of Iowa. Yes.

Mr. GARNER. How would 20 minutes or 30 minutes on a side do?

Mr. GREEN of Iowa. I think we ought to have 30 minutes, at least, on a side.

Mr. GARNER. Is that the bill to which the gentleman from Michigan [Mr. FORDNEY] is going to offer an amendment?

Mr. GREEN of Iowa. Yes; this is the bill to which the gentleman from Michigan is going to offer an amendment.

Mr. GARNER. Let us have 30 minutes to a side; not exceeding 30 minutes.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the general debate shall not exceed one hour, one half to be controlled by the gentleman from Texas [Mr. GARNER] and the other half by himself. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Iowa, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13774.

The motion was agreed to.

The SPEAKER. The gentleman from New York [Mr. HUSTED] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13774) to amend the revenue act of 1921 in respect to exchanges of property, with Mr. HUSTED in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13774, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13774) to amend the revenue act of 1921 in respect to exchanges of property.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LITTLE].

The CHAIRMAN. The gentleman from Kansas is recognized for 10 minutes.

Mr. LITTLE. Mr. Chairman, under date of April 10, 1921, the Hon. W. C. Herron, "attorney," "for the Attorney General," wrote the chairman of the House Committee on Revision of the Laws that he had made careful examination of all of the sections of H. R. 12 which relate in any way to criminal law or criminal procedure, and had found "no errors or omissions." February 5, 1921, Attorney General Palmer wrote with regard to that material that "there is no criticism to offer on behalf of this department." You will see that two administrations have given to the criminal code and criminal procedure in H. R. 12 their approval and a clean bill of health. There is no room for criticism of any portion of the law which comes to the attention of the Department of Justice. That feature of the bill is perfect. On March 4, 1921, and in other letters, and to me personally, Judge Jacob Trieber, of the United States District Court of Arkansas, a very distinguished lawyer and law writer, has given similar approval to that part of H. R. 12 which refers to the judiciary. Probably no bill ever presented to the House has received a more thorough indorsement from the highest sources than these parts of H. R. 12.

In the early days of the work on this bill the War Department made a thorough study of it and pointed out two errors, which we corrected, and discovered in their own collection of their laws 27 sections omitted, which they were glad to have. In January, 1921, a young gentleman offered quite a number of criticisms, which were so thoroughly disposed of by the revisers that Secretary of War Baker withdrew them and wrote a full and complete indorsement of the bill and gave it his highest approval.

Here is a letter I received from a judge in Arkansas:

UNITED STATES DISTRICT JUDGE'S CHAMBERS,
EASTERN DISTRICT OF ARKANSAS,
Little Rock, Ark., March 24, 1921.

MY DEAR MR. LITTLE:

I am going over your act as I find time, but confining myself solely to the title of the judiciary. I can not express my admiration for this work. People, especially the bench and bar, owe you a debt of gratitude which can never be repaid. How you found time with your other congressional duties to do this work I am unable to understand. I have read in the CONGRESSIONAL RECORD your remarks when you presented your report on the act, and also the remarks made by other Members of the House, which show that your work is being appreciated by the Members who have examined it. You are entirely too modest in claiming credit for your work.

I hope that some day in the near future I may have the pleasure of meeting you in person, that I may express to you my admiration for this work.

With very highest regards, I am,
Yours sincerely,

JACOB TRIEBER,
United States District Judge.

I call attention to letters from Attorney General Palmer and from Mr. W. C. Herron, of the present Attorney General's office, Mr. Taft's brother-in-law. I ask that the Clerk read them.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. MOORE of Virginia. I am almost as much interested in the bill as my friend is. I will ask him if he has ascertained whether there is any prospect at all of action at the other end of the Capitol?

Mr. LITTLE. I think there is. I will find out.

The CHAIRMAN. The Clerk will read the letters indicated. The Clerk read as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., February 5, 1921.

HON. JOSIAH O. WOLCOTT,
United States Senate, Washington, D. C.

MY DEAR SENATOR:

In reply I beg to advise you that the only portions of this bill submitted to this department were section 965 to section 1612 relating to the judiciary, and section 503 to section 551 relating to the Department of Justice.

So far as such portion of the bill is concerned there is no criticism to offer on behalf of this department.

Respectfully,
A. MITCHELL PALMER,
Attorney General.

Mr. LITTLE. Mr. Chairman, I will ask the Clerk also to read the next one.

The Clerk read as follows:

DEPARTMENT OF JUSTICE,
Washington, D. C., August 10, 1921.

HON. E. C. LITTLE,
Chairman, Committee on Revision of Laws, House of Representatives.

DEAR SIR: I have the honor to acknowledge receipt of your letter of August 1, sending a copy of H. R. 12, to establish a code of laws of

the United States, and asking me to look over it and advise you of any views I may have in regard to it.

The sections which seem to relate in any way to the criminal law or criminal procedure have been carefully examined, and, so far as it is possible to discover from such an examination, no errors or omissions have been noted.

Respectfully,

W. C. HERRON, *Attorney*
(For the Attorney General).

Mr. BRIGGS. Will the gentleman yield for a question?

Mr. LITTLE. I yield to the gentleman from Texas.

Mr. BRIGGS. Has not the gentleman also received indorsements from the great publishing houses, like the West Publishing Co. and the Edgar Thompson Publishing Co.?

Mr. LITTLE. Very fine ones. I am going to present to-day a series of department indorsements. I will ask the Clerk to read the letter from Secretary of War Baker.

The Clerk read as follows:

WAR DEPARTMENT,
Washington, January 21, 1921.

HON. EDWARD C. LITTLE,
House of Representatives, Washington, D. C.

MY DEAR MR. LITTLE: I have received your letter of January 19 and am delighted to have the marked copies of committee reports which you inclosed. Senator Carpenter's speech, to which you direct my attention, of course correctly states the answer to the difficulty always raised in the enactment of a great piece of codifying legislation. If we wait until perfection is achieved and the possibility of error removed, we never get the code. In the meantime, practicing lawyers, judges, and district attorneys all over the United States are making vastly many more errors by reason of the fact that they have to rely upon an uncoded mass of legislative enactment, through which it is impossible, even with the greatest industry, to trace out the existing state of law.

Cordially yours,

NEWTON D. BAKER, *Secretary of War.*

Mr. LITTLE. Herewith I present a letter of April 7, 1922, from Hon. Edwin S. Booth, Solicitor of the Department of the Interior. This letter presents thoroughly and clearly the approval of that department of H. R. 12 and the reasons why every sound lawyer wishes the bill to be passed at the earliest possible moment.

The Clerk read as follows:

SOLICITOR OF INTERIOR SAYS CODE SHOULD PASS WITHOUT AMENDMENT.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, April 7, 1922.

HON. EDWARD C. LITTLE,
Committee on Revision of Laws, House of Representatives,
Washington, D. C.

MY DEAR MR. LITTLE: I am in receipt of your letter of the 5th instant, requesting my views in relation to H. R. 12. This proposed bill has been before the department for some time, and I think with very few exceptions no objection has been made thereto.

As I understand the proposed legislation, it is merely a compilation of the present existing laws and does not purport to contain new legislation. I have not gone over the matter with the idea of suggesting corrections for the reason that in my opinion it is very advisable that the present laws be consolidated and brought into some one volume where they will be easy of access. As it is at the present time, many enactments of Congress are contained in different volumes and, as you appreciate, may sometimes be very easily overlooked. I am of the opinion that if Congress will enact the proposed bill and thus get into a workable condition the present existing laws, that the future Congresses can then make such amendments as may be deemed proper in a much more satisfactory manner.

I trust you will pardon a few personal observations in relation to this character of legislation. It happened to be my privilege to be chairman of the legislative committee of Montana on two different occasions when the question of codification, consolidation, and revision of the then existing laws was before the legislative assembly. I found that it was impractical and almost impossible to undertake to make amendments and to get the legislative assembly to approve them, and in both instances our committee recommended, and the legislative assembly pursued, this course and adopted the report of the committee appointed to compile the existing laws without amendments, leaving to the succeeding legislative assemblies the corrections that might seem best. This method we found so satisfactory that at the last work of the assembly in compiling the laws of Montana we adopted the same course. For these reasons I am strongly of the opinion that H. R. 12 should be passed without any amendment other than those which the committee itself might report, and thus get into some practicable workable shape the present existing laws covering the several matters of public concern. Believing as I do, I am not making any suggestions of proposed amendments and hope and trust that this legislation will pass at an early date, as it will, in my judgment, be of incalculable value to all concerned.

Very truly yours,

EDWIN S. BOOTH, *Solicitor.*

In the spring of 1922 the Department of Agriculture was asked whether it had any further suggestions, although it had long since carefully canvassed the bill and its suggestions had been accepted wherever they were necessary. They made some further suggestions, which were disposed of, as will be seen by the following letter from the Secretary of Agriculture. As you will see by reading the Secretary's letter, here is another absolute indorsement of the correctness of the bill from another department. I ask the Clerk to read it.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, April 18, 1922.

HON. RICHARD P. ERNST,
United States Senate.

MY DEAR SENATOR ERNST:

In a conference between Colonel LITTLE and the solicitor of the department yesterday the department's report to you of December 16 last was carefully gone over, resulting in Colonel Little's concurrence in my suggestions with reference to the following sections of the bill: 837, 4866, 5055, 5051, 5061, 5249, 5258, 5282, 5299, 5300, 5320, 6677, 7187, 7323, 7326, 8868, 9489, 9497, 10326, and 3344.

I understand that Colonel LITTLE will take up with you the necessary action to effect the changes in the above-stated sections suggested by the department.

The remaining sections of the bill upon which I reported to you may stand as they appear in the bill.

The department realizes very keenly the enormous task involved in the preparation of this bill, and the only wonder is that it is so generally free from errors and omissions. It is also realized, as Colonel LITTLE suggests, that it is practically impossible to enact a bill of this kind which will be perfect in every respect. That result seems never to have been accomplished in any revision of the laws which has ever yet been undertaken. It seems to me that it is better to have a consolidation of the laws with a few errors which can be corrected by supplemental legislation when discovered than to delay the consolidation indefinitely, striving for perfection which it is more than probable never could be attained.

Very respectfully,

HENRY C. WALLACE, *Secretary.*

THE CHAIRMAN. The time of the gentleman has expired.
Mr. LITTLE. Will the gentleman give me five minutes more?

Mr. GREEN of Iowa. Will the gentleman from Texas yield to the gentleman from Kansas five minutes?

Mr. GARNER. I have 30 minutes, have I not?

Mr. GREEN of Iowa. Yes.

Mr. GARNER. I yield to the gentleman from Kansas five minutes.

Mr. LITTLE. I thank the gentleman from Texas. In the years of the work on this bill the State Department has made and seen accepted quite a number of its suggestions, and in November, 1922, they were asked by another committee whether they had any objections to make and the recipient got the idea or expressed the opinion that the Secretary had taken exception to the law set out by H. R. 12 with regard to ambassadors. Accordingly, I present herewith a letter of January 27, 1923, from the Secretary of State which clears up that. You will notice that in the letter he says that on December 7, 1922, when he sent to Senator ERNST a memorandum prepared when H. R. 9389 was under discussion in 1920, he said that he had advised the Senator on December 7, 1922, that "the department at that time had no additional suggestions to offer concerning the sections covered by that memorandum." This memorandum is the subject of his letter, and as it was in reference to the bill in the Sixty-sixth Congress, of course it had long since been disposed of, and on December 7, 1922, the department had "no additional suggestions." Here's another clearance paper for H. R. 12 from another department with which I present a brief letter from the chairman of the House committee addressed to the Secretary of State in reply.

I will ask the Clerk to read the letter from Secretary Hughes and my reply.

The Clerk read as follows:

DEPARTMENT OF STATE,
Washington, January 27, 1923.

MY DEAR MR. LITTLE: I have the honor to acknowledge the receipt of your letter of January 23, 1923, in which you state that in a communication dated November 22, 1922, to which no written reply has been received, you advised the department of the attitude of the House Committee on Revision of the Laws regarding certain suggestions which the department had made concerning sections 3214, 3221, and 3222 of bill H. R. 12, and that you understood that the department concurred in the view of the committee. You add that Senator ERNST, chairman of the Senate Committee on Revision of the Laws, has informed you of the receipt from the department of a communication criticizing sections 3221 and 3222 of the bill, and inclose a statement of the law as understood by your committee, concerning which you desire the department's comments.

I beg to inform you that in response to a communication dated November 10, 1922, from Senator ERNST, requesting that the department give to the Senate Committee on Revision of the Laws the benefit of any suggestions it might desire to make concerning bill H. R. 12, the department on December 7, 1922, stated that at the time bill H. R. 9389 was receiving the consideration of the House committee a memorandum had been prepared in response to a request from you containing brief comments on certain sections of the bill. A copy of the memorandum was transmitted to Senator ERNST for the information of the Senate committee, and he was advised that the department at that time had no additional suggestions to offer concerning the sections covered by that memorandum.

It is observed that the title of H. R. 12 is "A bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919." At the time the department's memorandum was prepared it was assumed that it was within the scope of the work of your committee in revising the laws of the United States to make all the changes suggested in the memorandum. In any event it was thought desirable to give your committee the benefit of such suggestions as occurred to the department with re-

spect to the sections covered by the memorandum. The question, however, whether the scope of the work of the committee in revising the laws of the United States would permit the adoption of the suggestions which the department made concerning sections 3221 and 3222 of the bill (none was made respecting section 3214) is obviously a matter for determination by the committee, concerning which I would not feel free to express an opinion.

I have noted your statement that after the bill becomes a law you intend to suggest to the department that an amendment be prepared for the purpose of correcting such inaccuracies as may appear.

I am, my dear Mr. LITTLE,
Very sincerely yours,

CHARLES E. HUGHES.

JANUARY 28, 1923.

Hon. CHARLES E. HUGHES,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: Replying to your favor of the 27th answering my letter of the 23d, I note that on December 7, 1922, the department, in response to a communication from Senator ERNST dated November 10, 1922, sent him "a copy of a memorandum" and stated that "at the time H. R. 9389 was receiving consideration in the House a memorandum had been prepared in response to a request from the Chairman of the House Committee on Revision containing brief comments on certain sections of that bill" and "that the department had no additional suggestions to offer concerning the sections covered by that memorandum."

I write to inquire whether you will kindly send me a copy of the memorandum that you forwarded him December 7, with the date thereof. H. R. 9389 passed the House December 20, 1920, and the memoranda with regard to that were long since utilized.

I note your remark that you say, "I have noted your statement that after the bill becomes a law you intend to suggest to the department that an amendment be prepared for the purpose of correcting such inaccuracies as may appear." I presume you refer to my letter of April 11, 1922, in which I said, "Our plan is simply to prepare a bill that contains the present law without any change whatever. This bill is now the law, and if it passes the Senate it becomes a law, and we will then have something to begin with, doing away with the past confusion. Our committee will then bring in a bill suggesting some changes correcting what appear to be errors in the present law." I was not referring to inaccuracies in our bill but the errors in the present law, such perhaps as may exist with regard to these ministers and ambassadors, but which are errors by Congress—not in this bill.

Before the old Revised Statutes were fully printed a bill was passed correcting 34 mistakes in it, and two years later a bill was enacted which corrected 242 imperfections in the old Revised Statutes. In my bill to establish a code I have supplied 60 omissions in the Revised Statutes which still remain. If we adhere to the precedent set by the Revised Statutes people, we will, as you suggest, introduce a bill to correct our mistakes if any there be. I suppose we ought to adhere to that precedent, should we not? Our book is three times as large as was theirs, and if we adhered to their percentage of mistakes we would have over a thousand to correct, and with all the nervous assistance of young gentlemen admitted to the bar here and there and people who want us to omit the law to make easy their social duties we have been only able to locate 66 instead of over a thousand. I am glad you feel that what the committee did was just what it should have done.

Very sincerely yours,

E. C. LITTLE.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LITTLE. May I have two minutes more?

Mr. GREEN of Iowa. I yield to the gentleman two minutes more.

Mr. LITTLE. I wish the Clerk to read a letter from John Wigmore. I might say that I have a letter from John Davis, president of the American Bar Association, expressing the earnest hope that this bill will pass.

The Clerk read as follows:

JANUARY 15, 1923.

Hon. RICHARD P. ERNST,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: I have been very hopeful that the Senate would proceed to the prompt enactment of the new United States Code, passed by the House a year ago last April. During the past year I have used the copy of it in preparing a new edition of my Treatise on Evidence, and have been through every page of the work and find it entirely satisfactory.

For 20 months it has lain in the hands of your committee. Is there any reason that you care to give explaining the delay?

Very truly yours,

(Signed) JOHN H. WIGMORE.

Mr. LITTLE. Mr. Wigmore is the greatest law writer in the world. I asked the gentleman who received that letter about it, and his reply was that Mr. Wigmore never had read it; that he could not have done it; that he was a damned liar. [Laughter.] I just leave that with you. If I had the time, I would like to express my views on that.

I present here a letter of December 18, 1922, from the Solicitor of the Department of Labor, which makes it clear that the department and the House committee have fully agreed on the bill and the department has no criticisms:

DEPARTMENT OF LABOR,
OFFICE OF THE SOLICITOR,
Washington, December 18, 1922.

Hon. EDWARD C. LITTLE, M. C.,
United States House of Representatives, Washington, D. C.

MY DEAR MR. LITTLE:

In the report of this office of December 12, 1922, to the Secretary of Labor in re H. R. 12, this office has stated to the Secretary that Senator ERNST may be advised that all the changes suggested by the report of this office of April 1, 1921, in re H. R. 9389 have been taken care of in H. R. 12, with the exception of a few, and as to

these you have in a conference with a representative of this office recently stated that you would offer an amendment to the present bill to take care of these suggested changes, and that, therefore, there are no suggestions as to changes in H. R. 12 to be made to Senator ERNST.

Very truly yours,

THEODORE G. RISLEY, Solicitor.

The beginning of our suggestions from the Treasury came in the form of insisting that we should reprint the executed law which authorized them to issue something like a billion dollars' worth of Liberty bonds. Their criticism was somewhat severe. As they had issued the bonds and could not issue another billion, the committee decided to avoid complications by not reenacting the law which was executed and done for. The fear of the Secretary that this would injure the legality of a billion dollars of bonds seemed to be without ground, and after explaining it to him the Secretary did not think it was practical to give me the name of his attorney. Subsequent correspondence with that department was very helpful and harmonious, and we know of no suggestions of error from that department since that time, and as far as we have learned they have no criticisms to offer. All suggestions which the revisers and the committee found correct were followed, and with the approval of the department, as far as we can learn.

Under date of April 12, 1922, the committee received a letter from the Hon. D. H. Blair, Commissioner of Internal Revenue, which I tender herewith, in which he answers our letter of inquiry as to whether he had any suggestions. He called attention to the fact that there had been much change in the internal revenue law since March 4, 1919, which is the date up to which this bill goes, and gives us to understand he had no suggestions, except that if the committee should decide to endeavor to bring the bill up past March 4, 1919, he would be very glad to assist in that work. The letter is as follows:

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, April 12, 1922.

Hon. EDWARD C. LITTLE,
House of Representatives.

MY DEAR CONGRESSMAN: Receipt is acknowledged of your letter of April 5, 1922, addressed to the Solicitor of Internal Revenue, requesting any suggestions which he may have to offer with respect to H. R. 12, which passed the House of Representatives on May 16, 1921.

The solicitor has been requested to review the codification in a detailed manner in order that you may have the benefit of any suggestions or criticisms which may be offered. You will understand that the revenue act of 1921, which was enacted subsequent to the passage by the House of Representatives of the bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919, made some very material changes in the assessment, collection, and refunding of taxes for prior years and the bringing of suits or other proceedings by or against taxpayers. In fact, the changes are so vital and far-reaching that many sections of your proposed code have been practically superseded. In view of the fact that the codification proposed attempts only to cover laws enacted prior to March 4, 1919, you may not be interested in the new and vital changes, but in the event it is your desire to make your codification more comprehensive, I should be pleased to render you any assistance which may be deemed advisable in connection therewith.

Sincerely,

D. H. BLAIR, Commissioner.

In the spring of 1922, prior to the passage of H. R. 12, the committee inquired of the Department of Commerce for suggestions. That department called our attention to one section only to which they suggested some change. As the revisers had given it particular attention, they thought it was right as it was and is. However, the solicitor showed such an earnest and sincere interest in the proposed legislation, and his department was so familiar, of course, with the law under that head, that the committee told him that if the Department of Commerce would prepare that one section just as they felt the law was, and state that that was the law, the committee would accept that amendment and urge the Senate committee to adopt it, providing it was not seriously wide of the mark in our judgment. They did not see fit to accept our suggestion and have offered no further criticism.

In the spring of 1921, in response to our inquiry, Postmaster General Burleson said a few slight errors had been found, and a correction would be tendered. I present herewith his letter and a letter of January 21, 1923. I received from the acting solicitor a dozen or so suggestions made by the Post Office Department November 25, 1922, which for the most part had all been long since presented to the House committee and passed on. The criticisms they suggested with regard to H. R. 9389 were carefully studied and all the proper corrections made in H. R. 12, so that after personal conference with the solicitor's department, many months ago, I was assured that their part of the work was entirely satisfactory, and they had no further criticisms to offer. Evidently some other lawyer remade a few of them in November, and I call your attention to the situation with regard to them, having gone into detail, that you may see just exactly what the criticisms are which confront us in January, 1923, on a bill which passed

the House December 20, 1920, more than three years ago. If there should be among them some suggestions which are valuable and correct, it is to be hoped that the committee now in charge of the bill is quite competent to make them. I should think that it would require probably 24 hours' work to make the examination if one were unaccustomed to the work. The gentleman to whom it was assigned by the House committee on this 1st day of February, 1923, was compelled to put in 45 minutes' careful analysis of that work.

The letters of the Post Office Department are as follows:

POST OFFICE DEPARTMENT,
Washington, February 8, 1921.

HON. JOSIAH O. WOLCOTT,
United States Senate, Washington, D. C.

MY DEAR SENATOR WOLCOTT: Replying to your letter of February 2, asking for any criticism I may care to make on the bill (H. R. 9389) to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919, which bill appears to have passed the House and is now in the Senate for consideration. I beg to state that some months ago a copy of the first 335 pages of the bill was received in this department and referred to the solicitor for examination. At that time a complete copy was requested, but it does not appear that it has been received.

The solicitor reports that a few slight errors have been found in the sections of the advance part relating to the Post Office Department, a list of which will be included in a report on the complete bill, if these errors are found in the bill as passed by the House.

A copy of the complete bill has again been requested, and as soon as it is received a prompt examination and report will be made on such sections as relate to the Postal Service and the Post Office Department.

Respectfully,

A. S. BURLISON,
Postmaster General.

All prior suggestions made by the Post Office Department were incorporated in H. R. 12. Copies of both bills—H. R. 9389 and H. R. 12—were sent to the department. The delay in getting them was due to the fact that young gentlemen down there neglected to let anybody know that they were received. Several months after H. R. 12 passed the House I visited the solicitor's office and he and his assistants informed me that they had no further suggestions to make. However, I have just received—January 31, 1923—the following letter:

POST OFFICE DEPARTMENT, OFFICE OF THE SOLICITOR,
Washington, January 31, 1923.

HON. EDWARD C. LITTLE,
Chairman Committee on Revision of Laws,
House of Representatives, Washington, D. C.

MY DEAR MR. LITTLE: Referring to your telephonic inquiry of yesterday, I take pleasure in transmitting herewith a copy of a letter dated November 25, 1922, addressed to Hon. RICHARD P. ERNST, chairman of the Senate Committee on Revision of the Laws, by the Postmaster General making certain suggestions respecting H. R. 12, a bill "to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919."

Sincerely yours,

H. J. DONNELLY, Acting Solicitor.

This letter suggests that they have again called attention to about a dozen former suggestions on which we had, as I was informed, fully agreed. In order to avoid delay, I shall just discuss them and you can get an idea of the importance of criticisms which for 20 months delayed the big bill.

In section 6304 they say the word "bonds" should be changed to "bond"; in 6466, the footnote should be 29 S. instead of 19 S.; and a comma should be omitted in 6518. Possibly they are right. If the committee in charge will employ a young lady with a lead pencil, I should think they would be able to meet that emergency and dispose of it immediately. The footnote is no part of the law, and if there was not a footnote in the book it would be just as good law as the Statutes at Large are now. It is hoped that the book will not be delayed 20 months longer on such criticisms.

The department again calls attention to the criticism they offered on section 10385, of which they asked that it be canceled. Well, we canceled it. They suggested that they expected us to substitute a quotation from the Thirty-eighth Statutes, page 195, and do not find it. Well, it is there in section 9692. They suggest that section 3789 of the Revised Statutes is absent. That section has long since been repealed and disposed of by the printing laws now in existence, which are found in the book. The section number is cited in the sections which immediately supersede it, so that a lawyer may know that the new section grew out of that.

The department suggests that they regard sections 5969, 6531, 6653, and 6695 as superseded by others which are in The Code. The reason they were placed in the code is because they were not superseded by the others. There was no repeal and no conflict whatever. In some of them it might be suggested that there is partially a slight duplication, but the publication of both has been essential to every one of them.

The department suggested that the word "officer" has been omitted in 3330; that the word "second" should be inserted instead of "first," in section 6433; that the word "foreign"

should be omitted in 6762; and that a citation to that one should be omitted because it is quoted in full somewhere else. The application of a lead pencil for a few minutes should dispose of these suggestions if they are correctly made, and if a lawyer is employed for a few minutes he could state whether those words are as recommended. The fact that a few lines are quoted in full in another section is no reason why the citation should not be applied to 6762, and the citation is no part of the law anyway, and I do not know why they said anything about it.

Revised Statute 3789, including much other similar law, was long since repealed and passed out of use by the law on printing, which is all in this book.

Referring to section 6493, the department makes a suggestion which is due to an error very common among department men. This book is a book of permanent and general law only; no appropriation bills are included. None of the appropriation bills are permanent law or substantive law unless they say, "Hereafter it shall be the law." On page 467 of the Thirty-fourth Statutes an appropriation was made "Providing that certain persons employed on June 30 should on July 1 be appointed as inspectors of the grade of \$1,800 per year." That was a purely temporary law made as part of an appropriation. It provided that certain people should get certain raises in salary provided they were so appointed. The whole proposition passed off the map whenever that appropriation was exhausted. There is no such law. The department suggests that the law prior to that date was obsolete because of that provision in the appropriation, but it is just as existent as it ever was, and that fallacy has made much trouble for the revisers, who were compelled to adhere to the actual law.

The department suggests that Revised Statutes 3835 should be in the bill H. R. 12, telling about application of money on bonds. That has been superseded by what is now section 6394 of H. R. 12, and there is no place in the book for 3835, except as it is now in effect in 6394. The revisers gave this, as all other suggestions of the department long ago, careful attention.

Referring to our section 6542, the department calls attention to section 4 of the Thirtieth Statutes, page 444, and suggests that it should be in the bill. This Thirtieth Statute, page 444, provided that second-class matter should only be returned when postage is prepaid. Our section 6542, found in Thirty-sixth Statutes, page 306, provides that it shall be returned to the mailer and postage collected there. It, of course, does away with the act the department mentions. Merely to state this is certainly sufficient. The department agreed with us when we went over it in the first place, and their action at that time was right.

The department has the following: "37 Stat. 553, act of August 24, 1912—Collusion among bidders." They do not say why they put that there. It is found in section 5742 of H. R. 12. I expect they wanted to give us a compliment for our care in putting it in. If they have overlooked it, I am sorry. After having worked over it 22 months with great care it is a little trying to have to go over it again because somebody did not find it the second time after he had agreed to it once.

The department calls attention to three lines on page 555 of the Thirty-seventh Statutes and a paragraph on the next page, concerning which they make no suggestion, but what they probably mean to say is that it is not in the book. After three years of time I do not personally recall whether that is somewhere else in the book or whether for some reason it was omitted. The department at the time agreed with the committee on whatever was done. If there is a mistake, here is an excellent opportunity for some other committee besides ours to do 25 or 30 minutes' work and make the correction. If it should develop on a few minutes' examination that it should be in and is not, some other committee can show their desire to be helpful to the bench and the bar by adding it to sections 6697 and 6698 of the Code. It would be a great pleasure to the House Committee on Revision of the Laws, which has taken care of more than 10,000 of these sections, if somebody else would help us on one. I earnestly hope that the bill will not be delayed another two years in order to accomplish that 30 minutes of work. If the department has discovered an error in the work to which we invited their attention three years ago, I thank them very much for the assiduous care they have given to the great topic, and am only sorry that we did not receive their suggestion long since.

In my previous speeches of January 20 and January 26, found on pages 2083, 2507, 2508, and 2509, I have discussed at some length the attitude of the Department of the Navy, which began with their letter of May 25, 1920, when the then Secretary of the Navy said that he "was not in a position to assign any members of its personnel exclusively to the task of making said examination and report," and added, "A lack of

time and personnel qualified for the task which could be detailed for such work precludes the possibility of undertaking it at this time." As they then proceeded by admitting that there were 70 sections of the law as shown in the bill which they had never heard of, as they continued by devoting most of their attention to the headlines of the sections, which are no part of the law and which the revisers were amply competent to write, as they concluded by demanding that we omit certain portions of the law made by Congress for the reasons shown in the letter of May 25 and in the letter a year later of March 1, 1921, as follows:

The clause in the act of October 6, 1917, was the subject of the fullest consideration by the experts in both the War and Navy Departments, including the General Staff and the War Council, with the result that the two departments agreed that this provision could not be put into effect and concurred in recommendations to Congress that it be repealed. Inasmuch as the said provision could not be put into effect, its repeal would serve no purpose other than to eliminate it from the statutes, thereby preventing confusion which it might cause in the minds of those not familiar with the subject. Whether repealed or not, the fact would be that it was not in effect and could not be put into effect and therefore could not be regarded as a provision of law which was in effect in 1919—

the revisers were forced to the conclusion that the Secretary was quite right when he spoke of their "lack of personnel qualified for the task." This personnel still have, I understand, 96 criticisms of the Navy Department's part of the bill in the hands of the other committee. The revisers have prepared 96 thorough discussions of the 96 suggestions. If some other committee will study the criticisms and the answers this committee has made, they ought to be able to decide which is right. I should think a day or two's work would fully dispose of the whole matter, and if they wish to make 96 amendments to the law as presented by our committee, that is their privilege and that is what they are instituted for, and if there is something to correct, why do they not correct it. I should not like to feel that they would idle away two years on a work of this vast importance and for which there is a general and insistent demand from the bench and the bar all over this country. If there is a mistake in it, fix it; that is what you are paid for and that is your duty. I insert the following letters on this subject:

UNITED STATES SENATE,
COMMITTEE ON PUBLIC LANDS,
May 23, 1920.

Hon. E. C. LITTLE,
House of Representatives, Washington, D. C.

DEAR MR. LITTLE: I am in receipt of your letter of May 20, 1920, inclosing copies of two letters received by you concerning your bill to codify the laws from justices of the Supreme Court. I thank you for sending me copies of the letters. I congratulate you upon your splendid work so far accomplished by you.

Yours truly,

REED SMOOT.

1301 CLIFTON STREET,
Washington, D. C., May 10, 1920.

Hon. E. C. LITTLE,
House of Representatives, Washington, D. C.

DEAR SIR: I have your favor of the 29th ultimo and have just received a copy of your bill for the revision of the statutes of the United States. So far as opportunity has offered, I have examined it, and it seems to me that the work is well and thoroughly done. Thanking you for the favor, I am,

Very truly yours,

WILLIAM R. DAY.

THE CONNECTICUT,
Washington, D. C., May 14, 1920.

Hon. E. C. LITTLE, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: I have received the calendar print of the Laws of the United States, and thank you very much for the same. The amount of research and industry which you exhibit in your bill is wonderful.

Respectfully yours,

JOSEPH McKENNA.

LOUISVILLE, KY., January 9, 1923.

Hon. RICHARD P. ERNST,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I regretted very much not seeing you again while we were in Washington, but circumstances did not seem to favor our plan of dropping in on us on your way to the Capitol the morning after I saw you. I regret that such was the case, but know how busy you are and how likely you are to be diverted from one thing to another under the necessity of the situation.

The one thing which I desire to bring to your attention was the effort now being made to revise the statutes of the United States and to have the code of laws published as promptly as possible. I wanted to talk to you about this because of its importance to the United States courts and especially to the judges. I need not remind you of the enormous size and number of volumes which have accumulated since the last revision and the trouble the courts have in looking through all of them for possible enactments. It is because of this situation that I venture to bring this matter to your attention and to ask, if it be possible, that you will facilitate the enactment of proper laws. My attention has been directed to you in the matter because I saw in the newspapers that one of your committees was the one which had the matter under consideration for action.

Hoping that you are well, and that the new year will bring you blessings, I am

Very cordially yours,

WALTER EVANS.

COMMITTEE ON APPROPRIATIONS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 26, 1921.

Hon. EDWARD C. LITTLE,
House of Representatives, Washington, D. C.

DEAR MR. LITTLE: During the recent vacation I took occasion to examine very carefully your codification of the United States Statutes. I did this with a special interest as a lawyer and as a member of the Judiciary Committee of Congress. I want to say to you that I am very familiar with codification work, having done a lot of it myself. I have never seen it as well done as you did it. I believe you have rendered a very great service not only to the professional bar but to every man who wants to know what his rights and what his duties are under United States law, and I have the honor to subscribe myself

Your obedient servant,

JAMES W. HUSTED.

COMMITTEE ON NAVAL AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 15, 1921.

Col. EDWARD C. LITTLE, M. C.,
House Office Building, Washington, D. C.

MY DEAR COLONEL: I have just taken the opportunity of looking through the new codification of the Federal laws, which is now pending before Congress and which, without doubt, will shortly be passed by both Houses and signed by the President.

I am astounded at the amount of work that has been involved in this great undertaking of revising, harmonizing, and systematizing the laws of our country. Without in any way reflecting upon the other members of the commission, I know that practically all of this work has been done by yourself. From my experience as a lawyer and a judge on the bench, I know it is impossible to praise too highly the great work you have done. It is the most important piece of legislation that has come before Congress in many a year, and I would rather go down to posterity as the author of this great work than to be known as the author of any bill that has passed Congress in the last five years.

Allow me to congratulate you on the magnificent work you have so well accomplished.

Very truly yours,

PHIL D. SWING.

STETSON, JENNINGS & RUSSELL,
New York, January 31, 1923.

Hon. EDWARD C. LITTLE,
House of Representatives, Washington, D. C.

MY DEAR MR. LITTLE: Your letter of January 10 reached my office while I was absent attending the midwinter meeting of the executive committee of the American Bar Association. Since my return a few days ago I have been hoping that I might have time to make the critical inspection of the bill which you suggest, but with the pressure of other matters it is quite clear that I shall not be able to do so in time to make my views of any service to you during the present session of Congress. There can be no question on the part of anyone that such a recodification is urgently necessary, and it will be a great pity if Congress adjourns without putting its stamp of approval upon the work. I know, of course, how difficult it is to get attention for such matters in the closing days of a busy session; but, after all, a bill of this character is distinctly a work for committees rather than for either House as a whole, and the general body, I should think, would be willing to adopt with a minimum of discussion a bill which comes to it with a favorable report.

Believe me, very sincerely yours,

JOHN W. DAVIS.

Mr. LITTLE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting therein some further letters that I have, to which I direct attention.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from West Virginia [Mr. GOODYKOONTZ].

Mr. GOODYKOONTZ. Mr. Chairman, the Washington Post of Monday, January 15, carried an article of unusual interest, which was to the effect that it had been learned that Mr. Isadore B. Dockweiler, Democratic national committeeman from California, had been in Washington procuring a mailing list of members of the American Legion, and that it was assumed that the mailing list was desired for the circulation of a "bonus-tariff" speech alleged to have been delivered by Mr. W. Gibbs McAdoo at Fullerton, Calif., on Armistice Day, and which had been printed in the CONGRESSIONAL RECORD, and was therefore available for circulation without postage. The same article that was printed in the Washington Post, a journal of wide reputation and responsibility, also, as I am informed, went over the wires of the Universal News Service, presumably to the large American dailies that depend upon that service. Furthermore, the Washington Evening Star exhibited on its front page a cartoon representing Mr. William J. Bryan and Mr. James M. Cox, and in the hands of each of them the news report to which allusion has been made, and upon their faces a look of astonishment and disgust.

In view of the wide publicity given this serious charge, I assumed that the same would be met by a vigorous denial upon the part of the Legion officials. Subsequently in the House of Representatives I took occasion to read into the RECORD the news article aforementioned, and at the time observed that Congress in the act which chartered the Legion had in the sixth paragraph thereof said:

That the organization shall be nonpolitical, and as an organization shall not promote the candidacy of any person seeking public office.

I might also have mentioned the fact that by a further clause thereof Congress expressly reserved the right to revoke the

charter at any time it saw fit. This, of course, Congress would not do unless it were convinced that the Legion, as an organization, was being used as an instrument of political warfare or engaged in promoting the candidacy of some person for public office. Individuals, members of the Legion, act in political matters with perfect freedom, just as other members of society have the right, and as is their duty to act and do. If the principal officers of the Legion were permitted to exert pressure, using the corporate name of the Legion as a lever, in order to advance the political pretensions of men for nomination or for election to public office, then this would not be fair to other members of the Legion, for it may be assumed that within the ranks of the Legion, it having over a million members, there are to be found men of almost every shade of political opinion.

I further said on the floor of this Chamber at the time mentioned, that the officers of the Legion owed it to the country and to the great body of patriotic men belonging to the Legion to come forward and deny or admit the truthfulness of the charge so published against them. My object in thus directing public attention to the matter was to provoke a statement which would develop the facts, thereby to give to the officers of the Legion an opportunity to exonerate themselves from blame.

I now wish to direct your attention to a dispatch widely published in the newspapers of the country to the effect that Mr. Alvin Owsley, national commander of the Legion, in a public address made at Anderson, Ind., on January 12, denied that the Legion had entered politics in circulating the bonus speech of William G. McAdoo in California, and declared that he had no information that the California department was circulating the speech, and said that—

If the distinguished statesman from West Virginia would make a good speech favoring the adjusted compensation bill the American Legion would in all likelihood give it a large circulation; that the distinguished Congressman seems unable to read the difference between loyalty to political parties and loyalty to country.

In reply to Commander Owsley's statement, I must say that I have not charged the Legion with "entering politics by circulating Mr. McAdoo's speech in California." No one has, to my knowledge, made any such charge. The original newspaper article, which I read before the House, alleged that Dockweiler, Democratic national committeeman from California, had been in Washington procuring a mailing list of members of the American Legion, and that this was being done in an attempt to mobilize World War veterans for McAdoo for President. That is the charge, published broadcast in the newspapers and, so far as my information goes, never denied. If true, it represents a bad piece of business.

The commander's statement to the effect that if I will make a "good speech" on adjusted compensation it shall have Legion circulation is surprising, in view of the fact that I have made two speeches on the subject, one in the Sixty-sixth and the other during the Sixty-seventh Congress. Whether these were "good" speeches might be a matter of dispute. If they were to be tested by the opinion of those who opposed the compensation, they might not be classified as good.

The list of Legion members has been, I understand, uniformly refused to Members of Congress for official use in mailing to ex-service men speeches, documents, and departmental rulings that should concern the soldier. I may add that I have heard not a word of complaint against the Legion for having established the rule. It would seem to have its justification in the language of the charter, which I helped to frame, and which says the organization shall be nonpolitical and forbids the doing of any act calculated "to promote the candidacy of any person for public office."

The constitution of the American Legion, as adopted by the St. Louis caucus, May 10, 1919, expressly provides:

ARTICLE III—NATURE.

While requiring that every member of the organization perform his full duty as a citizen according to his own conscience and understanding, the organization shall be absolutely nonpartisan and shall not be used for the dissemination of partisan principles or for the promotion of the candidacy of any person seeking public office or preferment.

Thus it will be seen that the founders of the Legion wisely made provision in their fundamental instrument that the Legion should never be used for partisan political purposes.

That I have been a consistent friend and supporter of soldiers' legislation the records will conclusively show. The bill to incorporate the Legion under a Federal charter had my active support in the Judiciary Committee and in the House. The wisdom of Congress in granting this charter I have never doubted, for the Legion has stood as a great bulwark against Bolshevism and as a powerful force for law and order. The only thing that could bring about its disruption and disintegration would be its entry into partisan politics in violation of the organic law of its creation and establishment.

Whether the report mentioned be true or false, I have no means of knowing, but that such report has been widely circulated and never denied I do know.

If any official of the Legion has allowed the use of the mailing list of that organization for the circulation of the McAdoo literature the members of the Legion and the public generally are entitled to be informed. If no such improper use of the mailing list has been had, then a statement to that effect will operate as a denial of the damaging report published widely in the newspapers of the country.

The commander of the Legion before he speaks publicly of the record of a Congressman ought to inform himself as to what that record is. May I quote from a speech made by me in the House as early as May 20, 1920:

WORLD WAR ADJUSTED COMPENSATION BILL.

Mr. GOODYKOONTZ. Mr. Speaker, I am for this bill without reservation or secret evasion of mind.

In the spring and summer of the year of our Lord 1917, in the hamlets, villages, and cities of this broad land the soldiers were being mustered in, leaving home, going to the war. The bands were playing and the local orators were haranguing the boys, telling them what great fellows they were. These orators, with eyes turned to heaven and swimming in tears, said: "Boys, when you come back there will be nothing too good for you. Everything is yours. We will stand by you through thick and thin."

Well, the boys sailed away, and when the war was over we found 50,000 of them were killed in battle, 50,000 more had died of disease, 100,000 additional were wounded and maimed. Many of them must suffer for life, and now, when we bring up this little bill, we find the profiteer trying to escape with the swag, moaning and groaning, and telling us that the bill is bad.

In America, "the land of the free, the home of the brave," all stand equal. All, irrespective of race or religion, are equals. No stockbroker or profiteer has a halter about my neck. [Applause.]

In the opinion of the commander this was not a good speech, but it was the best I could do—

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. Yes.

Mr. CONNALLY of Texas. Is the reason that the gentleman is complaining because they did not circulate his speech?

Mr. GOODYKOONTZ. The complaint I make is that the Legion has refused to Members of Congress the right to a list of the members of the Legion in order that they might send them copies of bills and resolutions and regulations and other matters that concern the soldier, and yet has given out a list to a politician seeking the Presidency of the United States, at the same time not doing exact justice to William J. Bryan and James M. Cox.

Mr. GREEN of Iowa. Mr. Chairman, I shall confine my remarks to the bill before the House. This bill is a very important one. It involves revenue amounting to somewhere from \$20,000,000 to \$50,000,000 a year, which is now being lost, or will be lost, to the Treasury on account of the manipulations of transactions on the stock exchange mostly, although the bill applies to some other transactions as it stands now.

The act of 1918 required that any amount which was made in the exchange of property should be assessed in the same manner as any other transaction—that is, that the property received in exchange should, for the purpose of determining gain or loss, be treated as equivalent to cash—to the amount of its fair market value. The result of this provision was both injurious to the Treasury and to the transaction of ordinary business. There were persons in business, corporations and individuals, who had a certain kind of property which they wished to exchange for similar property, to the benefit of themselves and the party with whom they made the exchange, and they would not make the exchanges as long as the law stood in this form for the reason that they would be liable to be taxed on the increase in value from 1913 up to the time of the exchange. On the other hand, the Treasury also lost, because any person who actually had a loss in property held by him could sell it at the loss and get that credited in having his income tax assessed. By reason of these matters, when the act of 1921 was passed, a provision was inserted in it to this effect—paragraph 1, subdivision (c), section 202:

For the purposes of this title, on an exchange of property, real, personal, or mixed, for any other such property, no gain or loss shall be recognized unless the property received in exchange has a readily realizable value; but even if the property received in exchange has a readily realizable value, no gain or loss shall be recognized—

(1) When any such property held for investment or for productive use in trade or business (not including stock in trade held primarily for sale) is exchanged for property of a like kind or use.

In inserting this provision Congress went too far in an attempt to rectify the conditions which were produced by the act of 1918. The door was open for anyone who had a large profit in stock to exchange it for other stock and receive the amount of his profit in cash, without accounting for that profit to the Government or paying any taxes thereon. The letter of the

Secretary of the Treasury which accompanies the bill explains very clearly the purpose of the bill and the evil which it seeks to correct, and I will ask the Clerk to read it in my time.

The CHAIRMAN. Without objection, the Clerk will read the letter.

The Clerk read as follows:

TREASURY DEPARTMENT,
Washington, January 13, 1923.

HON. WILLIAM R. GREEN,
Acting Chairman Committee on Ways and Means,
House of Representatives.

MY DEAR MR. GREEN: I have your letter of January 12, 1923, requesting any comment that I may care to offer with respect to a bill, H. R. 13774, "To amend the revenue act of 1921 in respect to exchanges of property."

The proposed bill amends the existing revenue law and eliminates the provision which allows the exchange free from tax of stock for other stock and bonds for other bonds, except where any such exchange of securities is made in connection with the reorganization, consolidation, or merger of one or more corporations. It further amends the existing law to provide that where a person receives money in connection with an exchange which would otherwise be tax free, the amount of the money so received shall be taxable to the extent that it represents an actual gain. In connection with this matter it is stated in the Annual Report of the Secretary of the Treasury for the fiscal year ended June 30, 1922, that:

"The revenue act of 1921 provides, in section 202, for the exchange of property held for investment for other property of a like kind without the realization of taxable income. Under this section a taxpayer who purchases a bond of \$1,000 which appreciates in value may exchange that bond for another bond of the value of \$1,000, together with \$100 in cash (the \$100 in cash representing the increase in the value of the bond while held by the taxpayer), without the realization of taxable income. This provision of the act is being widely abused. Many brokers, investment houses, and bond houses have established exchange departments and are advertising that they will exchange securities for their customers in such a manner as to result in no taxable gain. Under this section, therefore, taxpayers owning securities which have appreciated in value are exchanging them for other securities and at the same time receiving a cash consideration without the realization of taxable income, but if the securities have fallen in value since acquisition will sell them and in computing net income deduct the amount of the loss on the sale. This result is manifestly unfair and destructive of the revenues. The Treasury accordingly urges that the law be amended so as to limit the cases in which securities may be exchanged for other securities without the realization of taxable income to those cases where the exchange is in connection with the reorganization, consolidation, or merger of one or more corporations."

In accordance with this recommendation made in the annual report, I approve the proposed bill as to both form and substance and earnestly urge that this bill, amending the revenue act of 1921, be promptly adopted.

Yours very truly,

A. W. MELLON, Secretary.

Mr. GREEN of Iowa. Mr. Chairman, as the law now stands, the Treasury, to use the common expression of the day, is beaten both coming and going. If those gentlemen trading on the stock exchange have a loss in stock they have bought, they sell it and get an allowance for the loss on their income taxes, but if they have a gain instead of selling they make an exchange for other property, get the difference in money, and go "scott free" from paying any taxes, although they have realized their profit and got it in cash. The purpose of the bill is to prevent this kind of manipulation and the consequent evasion of taxes.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. DAVIS of Tennessee. Can the gentleman from Iowa tell us why it is that the Committee on Ways and Means has not reported out a bill to reach the profits paid out in stock dividends?

Mr. GREEN of Iowa. The gentleman will perhaps remember some two years ago I introduced a bill for that purpose.

Mr. DAVIS of Tennessee. Yes; I understand the gentleman was for a proposition of that kind, and since that time there has been, according to press reports, about \$2,000,000,000 of profits paid out in stock dividends for the specific purpose of escaping taxation, and it has escaped taxation. I want to know why it is that the Committee on Ways and Means does not recognize the situation and report out a bill to reach that enormous amount escaping taxation.

Mr. BLANTON. The Secretary has not made that recommendation.

Mr. FORDNEY. I will say to the gentleman that the members of the Ways and Means Committee do not agree with the gentleman that a stock dividend is profit, that is why.

Mr. DAVIS of Tennessee. That is the reason it has not been reported out; that a majority of the committee were like the gentleman from Michigan, and I am very glad to have him make such a frank statement.

Mr. GARNER. I want to say in behalf of the gentleman from Iowa that his intentions are good but his execution is not very effective, and he has not been able to accomplish what he would like to accomplish in that particular as the gentleman from Michigan kind of overrides him, as it were.

Mr. FORDNEY. The gentleman from Michigan respects the decisions of the Supreme Court, and the Supreme Court has said that stock dividends are not incomes. Is that enough for the gentleman?

Mr. DAVIS of Tennessee. Yes; and that is the reason I think we ought to change the law so that it can be reached in some other way. It can be done all right.

Mr. GARNER. Let me ask the chairman, if I may, if it would not be a good idea to give the Supreme Court another guess, since it stood only five to four; I am willing to let it guess again.

Mr. GREEN of Iowa. That is not necessary; there is another way—

Mr. GARNER. I know, but even I am willing to let them guess at it once more on the direct question as to whether stock dividends are capital or profit.

Mr. FORDNEY. The gentleman from Texas understands me always generally to stand by the majority.

Mr. GARNER. When the majority goes the way of the gentleman from Michigan.

Mr. FORDNEY. When I do not I will declare myself a Bolshevik, which I am not.

Mr. GARNER. Will the gentleman from Iowa yield?

Mr. GREEN of Iowa. I hope the gentleman will pardon me; I will not have time to finish my remarks on the bill itself, and this discussion is entirely extraneous.

The Members will perceive that the bill still preserves the principle in reference to exchanges of productive property of the same use, but it takes from the list of property which may be exchanged without a gain or loss being recognized all property held for investment, which would include stocks and bonds. The last part of the bill further provides that in cases of reorganization of corporations—

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. May I have two or three minutes more?

Mr. GARNER. I yield the gentleman two minutes.

The CHAIRMAN. The gentleman is recognized for two additional minutes.

Mr. GREEN of Iowa. The last part of the bill provides that in case of exchanges of stock in reorganization of corporations that only the amount of the other property of a readily realizable value received in addition or as "boot" shall be taxed as gain. The reason for this is in the reorganization, where we simply have an exchange of stock of one for another, unless they get some cash or other property "to boot," as the common expression is, the gain has not been realized, and there is no change in the situation except in the method of carrying on the business. I think there is no objection to the main features of the bill, although the gentleman from Michigan may desire to offer an amendment.

Mr. GARNER. Mr. Chairman, I want to call the attention of the members of the committee to the general purposes of this bill, just in a word. This bill is to keep New York brokerage houses from making exchanges of bonds and stocks at the last of the year and thereby cheating the Government out of from \$30,000,000 to \$100,000,000 a year, according to the estimate.

It is a very technical provision. I do not know whether it is true or not, but I have heard a gentleman say that the expert in charge at the Treasury Department remarked that it took him three hours to understand it after it had been drawn by experts to meet that particular situation. So you must understand just how difficult it is for the members of the committee or yourselves to understand the particular provisions of the bill. But remember this, that this bill would not ever need to have been passed if the Republicans had followed Democratic precedents. Democrats do not leave these kinds of loopholes in the laws they enact. [Applause.] Only Republicans do that. [Laughter.] The act of 1918 guarded against all that difficulty. But some shrewd gentleman—not a member of the committee of course, but some shrewd expert—can always get his hand into the arrangements under a Republican administration and all its legislation, whether it be tariff or internal revenue.

The gentleman from Michigan [Mr. FORDNEY] says he is always with the majority. I want to call his attention to the fact that in this instance he is not. This committee made up this bill. It is perfect in form, perfect in substance. The Treasury Department says so in so many words, indorsing it in form and in substance. But the gentleman from Michigan was not here then. He was out in the West. Somebody discovered this bill and discovered that they were likely to get some coal and lumber lands in exchange, and immediately the gentleman from Michigan comes back to Washington post haste; and it

seems there were some wise men that came with him, or at least behind him, and, lo and behold, you will have an opportunity in a few minutes, when this bill is read under the five-minute rule, to vote for an amendment.

And what is the object of the amendment? The object of the amendment is not to change the law as it is now interpreted by the Treasury Department. I think the gentleman from Michigan will agree that it is not to change the law as it is drawn in this bill, for I held that up to Mr. GILBERT and asked him if that would not be the exact law in this bill, and he said it would. But the gentleman from Michigan [Mr. FORDNEY] is going to tell you that he is not willing that the ruling of the Treasury Department shall continue as it is, for he is afraid that a change will be made and that some other Secretary of the Treasury or some other Commissioner of Internal Revenue will change the law, and so he wants to put in an amendment so as to protect, as he says, the conditions existing in the West. What is the result of the change he proposes to make? Let us analyze it for just a moment. My friend from Michigan used an illustration which I thought was not a very happy one. Nevertheless it is an illustration. Under the laws of the country at the present time the Interior Department is exchanging lumber lands in the West with private individuals in order that these alternate sections may be blocked up and the land thereby become more valuable. There is no limitation on the Secretary of the Interior. It is in his discretion. For instance, he feels kindly, we will say, toward Mr. COLLIER, and he wants to favor him. I do not say he would do that, but I say if he knew the genial disposition and the good heart of the gentleman from Mississippi he would favor him all he could. Anyway, he makes an exchange of lands with Mr. COLLIER. Mr. COLLIER takes one of the Interior Department sections of land and in return the Department of the Interior takes one of Mr. COLLIER's sections of land, and in doing so Mr. COLLIER gains to the extent of \$20,000. You say there is no tax to be paid.

I agree that under the interpretation of the law at the present time that there is no tax to be paid. But is there any reason why you should not let the Secretary of the Treasury look into it as well as the Secretary of the Interior? They are both Republican executive officers, under the Republican administration. Why not allow two Secretaries to look into the transaction as well as one?

The gentleman from Michigan was not willing to do that. The gentleman from Michigan cost this Government \$400,000,000 by insisting upon this identical section. If you will turn to the revenue act of 1918 and the revenue act of 1921 and make a comparison, and turn to the identical page, you will find that this is the valuation clause and the exchange clause in the internal revenue act of 1921 that the gentleman from Michigan and myself have quarreled so much about; and I said on the floor of the House then, and I repeat now, that the enactment of that legislation which he insisted upon and which he honestly believed was to the best interests of the country and believed to be honest legislation—I say it to his credit—has cost this Government not less than \$400,000,000 in the exchange of these properties.

Now, Mr. Chairman, you may say it is desirable to pass this bill, and it is desirable to pass it in this form. But if the amendment that will be suggested by the gentleman from Michigan is adopted, it will only put into the law the present interpretation of the statute, as I understand it. At least, that is the statement of Mr. GILBERT.

But I call your attention to the fact that the Secretary of the Treasury has said that this is perfect in substance and in form, and I call your attention to the further fact that the entire committee unanimously, Democrats and Republicans, reported this out, after we had had three different meetings with the Treasury officials. I believe it was three, was it not, I will ask the gentleman from Iowa [Mr. GREEN]? Yes; three. The gentleman from Michigan [Mr. FORDNEY], as I tell you, came back, reversed the decision, opposed the amendment, and the committee authorized a halt.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GARNER. I yield to the gentleman.

Mr. GREEN of Iowa. The gentleman and I agree in saying that the Treasury Department would make no different application of the law, so far as the illustration that he gave is concerned, but that would not apply to some other matters.

Mr. GARNER. I am in perfect agreement with the gentleman from Iowa, and here is a situation that you Republicans ought to stop—you, the gentleman from New York [Mr. CROWTHER], included. Now, that the glove situation is over, I think you ought to make an appeal to your intellect and conscience, outside of the personal interest in the district which you represent.

Mr. CROWTHER. The gentleman from Texas poses as having all the intellect, so what chance is there for the rest of us? [Laughter.]

Mr. GARNER. The gentleman from Iowa [Mr. GREEN] does not believe this amendment ought to be adopted. Other Republican Members do not believe it ought to be adopted, but it will be adopted, and that is the criticism I have against Mr. GREEN. His intentions are good, and if you labor with him long enough his ideas will be all right, but he does not stand firm enough. He will not stand; that is what is the matter with him.

Mr. GREEN of Iowa. I will at least always stand for what I say and the record I make. I do not take my speeches out of the RECORD like the gentleman from Texas. [Laughter.]

Mr. GARNER. I know. If the gentleman from Iowa would only stand up on the floor of the House as well as he does in the RECORD and maintain his position with his party as well as he puts his speeches in the RECORD, the country would be better off. I have said that on the floor of the House before, and I repeat it now. The gentleman from Iowa has been acting chairman of the Ways and Means Committee. He reports this bill as acting chairman. He gets letters from the Secretary of the Treasury as acting chairman, but he does not act when it comes to asserting his power with reference to his own judgment, because, if he had done so, he would have told Mr. FORDNEY where he got off with reference to this amendment.

If I had been acting chairman of the Ways and Means Committee and the chairman had come back to me and said he wanted to offer this amendment, I would have said: "This is a unanimous report. This has been indorsed in form or substance by the Treasury Department. Now you come back and suggest this amendment, and here is where you are making a mistake, and here is where you get off." That is what I would say to him. Mr. GREEN will not do that. Maybe he follows the better course. Maybe that is better party harmony. When we passed the bonus bill, for instance, I heard him say on the floor of the House that in conference he intended to see that some of the things he was talking about became the law. Well, those things did not become the law. When the gentleman takes his hand off of a bill in this House and lets it go over to the Senate, the gentleman from Iowa does not know exactly in what shape it is coming back with the proposed amendment of the gentleman from Michigan as a part of the bill.

Mr. GREEN of Iowa. That is not my fault.

Mr. GARNER. Oh, no; it may not be the gentleman's fault, but it is the gentleman's fault that he adopts this amendment.

Mr. FORDNEY. Oh, no.

Mr. GARNER. The gentleman from Michigan knows that if the gentleman from Iowa had asserted his power—

Mr. FORDNEY. He did assert his power and he did vote against the adoption of the amendment, but the majority voted for it, and as a gentleman and a good Republican he acquiesces in the action of the majority of his own party.

Mr. GARNER. That is what I say. The result is that the gentleman from Iowa does not get what he wants, because the gentleman from Michigan [Mr. FORDNEY] undertakes to attend to things for him. He not only attends to him in the committee but he attends to him on the floor of the House.

That is what I complain of. His intentions are good, his ideas are good if he has plenty of opportunity to look into them, but his execution is not what it should be.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GARNER. I yield to the gentleman from Iowa.

Mr. GREEN of Iowa. If my friend wants to be fair, he would say that I have had more to do with this revenue legislation than anyone else, although I sometimes got overruled by the committee.

Mr. GARNER. Yes; as a usual thing I say I find myself in accord with the gentleman from Iowa, and as a usual thing I find the gentleman from Iowa in the minority of the Republicans on the committee.

Mr. GREEN of Iowa. Oh, no; the committee generally agrees with me.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That paragraph (1) of subdivision (c) of section 202 of the revenue act of 1921 is amended, to take effect January 1, 1923, to read as follows:

"(1) When any such property held for productive use in trade or business (not including stock in trade or other property held primarily for sale) is exchanged for property of a like use."

Mr. FORDNEY. Mr. Chairman, I wish to offer a committee amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 1, strike out the matter in lines 6, 7, 8, and 9 and insert in lieu thereof the following:

(1) When any such property held for investment, or for productive use in trade or business (not including stock in trade or other property held primarily for sale, and in the case of property held for investment, not including stock, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidence of indebtedness or interest), is exchanged for property of a like kind or use."

Mr. FORDNEY. Mr. Chairman and gentlemen of the House, my good friend from Texas [Mr. GARNER] always exaggerates. He is a big ear of corn in a little shuck. I am very fond of him. He is a dear, good fellow. We differ sometimes, and it is an honest difference of opinion. But as to this particular amendment, gentlemen, permit me to say that Mr. GARNER does my beloved friend from Iowa [Mr. GREEN] a great injustice, in my opinion. I was absent from the city when this bill was reported out by the committee, and on my return here I discovered—upon the best legal advice that I could get, I am not a lawyer—that the bill as reported is uncertain and ambiguous as to its real meaning. I called the Secretary of the Treasury and asked him if I were not correct. He called into his presence the Assistant Secretary of the Treasury, Mr. Gilbert, a very estimable gentleman, and, after considering the suggestion made by me, decided that I was correct. I have here a letter from the Secretary stating that the Treasury Department has no objection to the amendment which I submit to the committee, which was prepared by the Treasury Department and has been adopted by a majority vote of the committee.

Mr. GREEN of Iowa and some other gentlemen of the committee did not agree to the amendment, but all acknowledged that its adoption would make plain the fact that no change to certain provisions of existing law was intended by the bill as it was originally presented to the committee and reported before this amendment was agreed to. I am very much in favor of the bill. It should be enacted into law soon to enable the Treasury Department to collect taxes that by an evasion of the law by certain people it is now losing.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. GARNER. Why did the gentleman from Michigan so draw the law as to let these people escape from taxation?

Mr. FORDNEY. Oh, the gentleman from Texas is wrong, and, as a lawyer, he ought to know that he is wrong. The bill does not permit anybody legally to escape the payment of taxes. They escape by hook or crook by an evasion of the law. We are now trying by this bill to make it possible for the Treasury Department to collect every dollar of taxes it is entitled to.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. MADDEN. I wish the gentleman would tell us in a few words just exactly what it does do.

Mr. FORDNEY. If two corporations or individuals are exchanging land, to bunch up property or consolidate their holdings, to get it together where it is more valuable to both, and there is no profit made by either, then there shall be no tax. For instance, suppose up in Pennsylvania a man owns some coal lands in a certain township, a few scattered pieces, but in an adjoining township he owns the major portion of the coal lands. Suppose there is another party willing to exchange holdings for the purpose of better grouping both interests.

They exchange these lands in order to group up and make them more valuable to both. Where no profit is shown by this exchange, I want the law to be clear that there shall be no taxes due, and that is all this amendment does, and that is what existing law does.

Mr. MADDEN. What does the bill do?

Mr. FORDNEY. Through a propaganda, as explained by the Secretary of the Treasury in his letter, which will go into the Record, securities are being exchanged, not on the boards of trade but by brokers, where profits are derived, but on which profits the Treasury Department is unable to collect taxes, because of misrepresentation and violation of the law. However, if a loss is to be sustained, instead of exchanging through the brokers in a private office, they go onto the board of trade and there take the loss, and then use that loss in making out their tax statement and get the benefit of the loss; and this bill is to correct that practice.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. What about this sort of a case? Suppose a citizen had a lot of stocks and he did not want to pay the tax, and he sold the stocks to-day and bought them back tomorrow in order to avoid the tax. Does this bill correct that?

Mr. FORDNEY. I am not certain as to such a case, but he can no longer, through a stock broker, make such exchanges without paying a tax where a profit has been made. That is what the bill is intended to correct. It is to catch those transactions which are now escaping taxation through exchanges in a private office through brokers in the way the gentleman speaks of.

Mr. STAFFORD. Will the gentleman explain what tax would be paid to this exchange of lands if the gentleman's amendment was not adopted?

Mr. FORDNEY. The Treasury Department says that they did not intend to draw the bill to make such exchanges of property taxable, but they admit it might be so construed, and if so, then the parties making the exchange, even though no profit has been made, if the internal revenue commissioner should so rule, must pay a tax, or go into court and fight the matter out. My good friend from Texas [Mr. GARNER] a few moments ago, in discussing House bill 13775, said that he was opposed to giving any one man such great power as that to which he referred. That is exactly what this bill will do, if you do not adopt this amendment. It will give more power to the Commissioner of Internal Revenue. Where persons exchange property with profit to neither he may insist that a profit was made and compel the payment of a tax. If one property is more valuable than the other, when that property is converted into money, then the profit shall pay a tax, but the amendment will not call upon the party making the exchange to pay the tax on a profit until that profit has been obtained.

Mr. MADDEN. Suppose he never sells the property. Suppose, for example, the gentleman from Michigan owns a piece of property and I own two pieces of property. The gentleman's piece is worth more than my two pieces. Suppose we traded them, and on the face of the record show that we traded them even, whereas as a matter of fact money passed between us to make up the difference.

Mr. FORDNEY. Then the profit is taxable.

Mr. MADDEN. But who knows about that?

Mr. FORDNEY. Oh, if you attempt to evade the law; if you make a profit and do not pay the tax, that is fraud, and the law forbids frauds. If a profit is made by one or the other, the law provides that the profit shall pay a tax, but if two pieces of property are exchanged, city property, farms, coal property or timber property and there is no profit made, then no tax shall be paid and this amendment makes that point clear.

Mr. SEARS. Mr. Chairman, as I understand the gentleman just now he stated in answer to the question of the gentleman from Illinois that you could not sell stock at the low price now and then buy it back and avoid the tax. I call the gentleman's attention to the fact that recently I have read of many cases where they issued large amounts of stock and declared dividends, in one case as high as 900 per cent. Does this law stop that?

Mr. FORDNEY. This law is supposed to correct existing law in the exchange of personal property and collect taxes where profit is made—but does not deal with stock dividends—that is an entirely different matter—

Mr. SEARS. Perhaps the gentleman did not understand the question.

Mr. FORDNEY. At all events, if it is fraud, fraud can be always corrected.

Mr. SEARS. Now, the issuing of stock—

Mr. FORDNEY. Perhaps I did not get the gentleman's question fully.

Mr. SEARS. Now they are increasing the capital stock and issuing stock dividends in some cases up to 300 per cent.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FORDNEY. I am sorry that I have not more time.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more; this is an important matter, and he claims to know more about his amendment than anybody else.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the time of the gentleman from Michigan be extended five minutes. Is there objection. [After a pause.] The Chair hears none.

Mr. BLANTON. May I ask the gentleman a question?

Mr. FORDNEY. Yes.

Mr. BLANTON. Suppose there is an exchange of properties, and the properties themselves are of equal value before the ex-

change, but after the exchange it enhances the respective properties of the parties making the exchange \$100,000 apiece?

Mr. FORDNEY. Yes.

Mr. BLANTON. Suppose the parties allege that there has been no profit to either of them. Will the amendment of the gentleman prevent the reaching of the profits in those properties?

Mr. FORDNEY. It does not. Whenever either piece of property so exchanged is converted into money, then that profit will be taxed.

Mr. BLANTON. Must be.

Mr. FORDNEY. Absolutely, and there is no escape from it.

Mr. ARENTZ. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. ARENTZ. For instance, I own a piece of land in Iowa—corn land, worth \$200 an acre—or I will say a woman does. A man owns a piece in Texas, in the Panhandle, worth \$5 an acre. He comes along to this woman and says, "I have 320 acres of land in the Panhandle section"—does not state what it is worth—"which I will exchange for 160 acres of your corn land." This woman thinks it possible they might strike oil down there, and makes the exchange; and she gives 160 acres, worth \$200 an acre, for 320 acres of land in the Panhandle district, worth \$5 an acre. He does not pay one cent—

Mr. FORDNEY. If the gentleman thinks that anybody is darn fool enough to give away \$200 land for \$5 land—

Mr. ARENTZ. I have seen—

Mr. FORDNEY. I do not want to argue the question. Pardon me, my friend, I did not mean to be sarcastic, but I want to say this much: In the exchange of property it is supposed that fair value will be given, one with the other. Now, I do not want to place it in the power of the Commissioner of Internal Revenue to say one man has made a profit when he insists he has not, and make him pay taxes on supposed profit until he has converted that property into money. That is the point. Gentlemen, the only purpose of the amendment is to prevent the tax upon exchange of property where there is no profit made. If there is a bonus paid, if there is additional money paid in exchange, that money is taxable under the provisions of the amendment. This amendment is recommended by the Treasury Department, gentlemen, and I hope the amendment is agreed to.

Mr. BLANTON. Will the gentleman yield? Suppose the properties are not converted into money; then will the profits from the enhanced value be reached by taxation?

Mr. FORDNEY. That is existing law; but I do not want anybody to pay taxes if no profit is made.

Mr. BLANTON. But if you make the exchange and reap \$100,000 profits thereby, you ought to pay the tax.

Mr. FORDNEY. Yes; and under the law you have to pay it. This will not relieve you in any way from the payment of such tax in that respect.

Mr. GREEN of Iowa. Mr. Chairman, I think a sufficient answer to what the gentleman from Texas has said as to how much I have accomplished before the committee is to call attention to the fact that these Treasury bills have been referred to me, and that even under his own administration, when they wanted something done with nonpolitical matters in that committee, they appealed to the "gentleman from Iowa" to take care of the Treasury bills. I did take care of them and they went through, as these bills are going through.

Mr. GARNER. I agree with the gentleman, and I said in the beginning that the gentleman had been very valuable, and under his supervision he reported out these five bills and they are all good legislation. The only thing I regret is that the gentleman from Michigan came back and kicked him out. [Laughter.]

Mr. GREEN of Iowa. Mr. Chairman, I do not care to reply to that. This bill is altogether too important to be laughed at, because it means, as the gentleman from Texas stated in one of his various remarks that happened to be correct, that about \$50,000,000 will be lost to the Treasury of the United States if it is not passed. The Treasury has already sustained large losses. The stockbrokers and dealers on the stock exchange are advertising that they can make these exchanges in such a manner that no tax will result, and practically no taxes will be collected on account of profits made in stock deals unless this bill becomes a law.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. STAFFORD. Will the gentleman give his views as to the pending committee amendment, so that the committee may have them in determining whether or not this amendment should be adopted?

Mr. GREEN of Iowa. I will answer the gentleman, going back to the very beginning. I fear that the members of the committee may have gotten an incorrect notion of the present law and of the amendment.

Under the present law neither gain nor loss is recognized on exchanges of property of like kind or use with the exception of stock in trade held for sale. Consequently there is no profit to be assessed or loss to be deducted thereon under the present law. The effect of the amendment offered by the gentleman from Michigan [Mr. FORDNEY] would be merely to add to this exception stocks, bonds, and choses of action. The bill goes further and would make exchanges of all property not held for production use taxable the same as if the property had been sold. The reason I was not in favor of the amendment was this, that it restored the words "for investment" after the word "property." Now, property that is held purely for speculative purposes is held for investment, and consequently the amendment would take out of the operation of the bill property held purely for speculative purposes. I believe that on exchange of such property the ordinary rule should apply, whether it be city lots.

My own view of the case as it stands now is this: This bill must go over to the Senate in the last days of the session. If it is adopted there, it will have to go through practically by unanimous consent. The amount of transactions which would be included by the bill as it stands, over what would be included under the amendment offered by the gentleman from Michigan, is probably not very large, and the loss of revenue which it would cause would not be very great; whereas if this bill did not pass at all there would be an immense loss to the Treasury. Therefore, I would rather have this bill passed in its present form than not to pass at all.

Mr. FORDNEY. Will the gentleman allow me to read two or three paragraphs in his time, so that the House may understand what the existing law is?

Mr. GREEN of Iowa. Yes.

Mr. FORDNEY. The existing law, paragraph (c), page 6 of the comparison of the acts, reads:

(c) For the purpose of this title, on an exchange of property, real, personal, or mixed, for any other such property, no gain or loss shall be recognized unless the property received in exchange has a readily realizable market value; but even if the property received in exchange has a readily realizable market value, no gain or loss shall be recognized.

That is the existing law. I want to make it plain that we are not changing that law. That is all.

Mr. GREEN of Iowa. Of course, we do not change that part of the law, either under the bill as it stands or as it would be amended by the gentleman from Michigan [Mr. FORDNEY].

Mr. GARNER. Mr. Chairman, will the gentleman yield in that connection?

Mr. GREEN of Iowa. Yes.

Mr. GARNER. I want to call the attention of the committee to the fact that there never was a more intelligent report made to Congress than the one the gentleman from Iowa [Mr. GREEN] has made on this bill. It points out not only what is the existing law but what the changes are.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. May I have five minutes more?

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. GARNER. If any gentleman will get this report he will find the law as it is and the law as it will be if this bill becomes a law as reported. He will see exactly what the changes are. I think that ought always to be done when a law is changed.

Mr. GREEN of Iowa. I want to say further in reference to the statement made by the gentleman from Texas [Mr. GARNER] that even as the law now stands it would bring in more revenue than the law of 1918, because people would not make these exchanges under the act of 1918 and be taxed for profit; but if there was a loss they would make the exchange or sell the property. Then they got the benefit of the allowance for the loss. This could be done under the act of 1918, passed by a Democratic administration. It was the intention of the Republicans in passing the law of 1921 both to facilitate business and also to bring in revenue to the Government from the profits on the sales that would be made of capital assets.

Another feature of this bill relates to "other property," either money, cash, or some other property that is received in what we commonly call "boot" in a trade of such property as is specified in the paragraph amended by section 1 of the bill.

The even exchange of these properties, neither under the present law nor under the bill as it is proposed, would be taxable, because when people make a straight exchange they do not give any boot one way or the other, and in that case it is presumed that neither has realized any profit in the transaction. They simply get property that they can handle or use otherwise to better advantage. But the provisions of the law as it stands has enabled stock speculators to effect an immense profit, and then, simply by an exchange and taking something as boot, realize on their profits without paying any tax to the Treasury.

Mr. HAWLEY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oregon moves to strike out the last word.

Mr. HAWLEY. Mr. Chairman, the purpose of this legislation in the last section of the bill, on page 2, is to tax the actual cash profits on exchanges of stocks and bonds, choses in action, or other securities, or certificates of indebtedness or interest—to tax the actual gain when any amount has been paid in such exchange in cash by one party to the other. Whenever stocks, bonds, or other obligations named are exchanged and money passes in the transaction the gain will be taxed. It is not now taxed.

Now, the amendment proposed to the first part of the bill is to accomplish the same purpose in the exchanges of property. Under the present law if John Doe exchanges a piece of property with Richard Roe and no money consideration is given by either no tax is paid until the one party or the other sells the property received by him in the exchange. These exchanges are confined to exchanges of properties of like kind or use.

When the property is realized upon the Treasury Department ascertains the value of the property as of March 1, 1913, which he gave in exchange, and subtracts that from the amount he received for the property he had just sold, and upon the difference between these two amounts he pays a tax. That is, it applies the same rule to exchanges of real property by taxing only the realized gain, when the gain has been realized, which we propose to do for stocks, bonds, and the other obligations named in the second section of the bill under consideration. The amendment in the first section of the bill as it now reads omits some words from the present law. It leaves out the words "for investment or" and the words "kind or." The omission of these words limits the exchanges that will not be taxed until the property is realized upon to property held for productive use. The Treasury Department found upon examination that it is often difficult to determine whether a piece of property taken in exchange will be held for productive use or for investment. For instance, a man has a mill. He exchanges some property. He obtains some timber which he intends to manufacture into lumber. His mill burns down. He has not the funds to rebuild. Then he must hold the land he receives in exchange as an investment, at least for a time. The Treasury suggests that if the words cited are stricken from the law then the Treasury must ascertain whether an estimated gain had been made, and assess a tax upon such estimated profit, even though no money had been paid as part of the consideration in the transaction. The amendment offered by the gentleman from Michigan [Mr. FORDNEY] restores the language of the existing law, and add in the parentheses certain words excluding from the operation of this paragraph the kinds of property named in the second section of the bill, which is new legislation. We propose to relieve the taxpayers from paying taxes on transactions which may really result in a loss. John Doe and Richard Roe may have made an exchange, and Richard Roe may have been considered to have made a profit at the time the transaction was consummated. If when he sells the property received in the exchange he sells it for less than the value as of March 1, 1913, of the property he gave in exchange he really suffers a loss. If we retain the present law exchanges of property will be taxable only when the property is realized upon in whole or in part, and then to the extent of the profits made, and the taxes will be duly collected upon all profits, actual and realized, obtained from exchanges of property.

If we leave out of the law the words cited, the Treasury Department will be compelled to investigate every exchange to determine whether any profit has been made by either party or not, and if they find that any estimated profit has been made by either party they must assess the tax, providing it is also considered that the exchange was made for purposes of investment and not for productive use. How can the questions so raised be decided except by continuous litigation, which will accomplish no good purpose not accomplished by the law as it now stands?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the time of the gentleman from Oregon be extended five minutes. Is there objection?

There was no objection.

Mr. STEVENSON. Will the gentleman yield?

Mr. HAWLEY. May I conclude this one statement? The Treasury officials will be compelled to investigate all exchanges, because no official of the Treasury would feel himself warranted in omitting to make an investigation and collect any possible tax. He might be held to have been derelict in his duty. Now, it may be that when John Doe and Richard Roe exchanged property John Doe was considered to have made a gain, whereas really he made a loss when he sold the property received in exchange for less than the value of the property as of March 1, 1913, which he gave in the exchange.

Mr. STEVENSON. The gentleman is right at the point where I want to ask my question. If John Doe made a loss, then Richard Roe must have made a gain. Did not one of them make a gain if the other one was compelled to make a loss?

Mr. HAWLEY. No one making a gain in exchange of properties will finally escape taxation. He will be taxed when he realizes upon the property in whole or in part. The exchanges are limited to exchanges of properties of like kind or use.

Mr. STEVENSON. But that may never happen. Suppose they go on swapping with somebody else? Suppose Roe, after he makes his gain, swaps it to somebody else? When are you going to determine whether a loss is made?

Mr. HAWLEY. Under the present law a gain is made and becomes taxable when a man sells the property that he has received in exchange for more than the property he gave in exchange was worth on March 1, 1913. That gain is an actual fact, and should be and is taxed. It is not a supposed gain where eventually it may happen that the transaction really resulted in a loss.

Mr. STEVENSON. But suppose instead of selling it he swaps it again, where are you going to locate your gain? Suppose he never sells? He may bequeath it to his heirs.

Mr. HAWLEY. You can conceive of an endless chain under any circumstances, I suppose; but we are dealing with a practical situation where property is being exchanged and afterwards sold for cash. It is difficult to conceive of such an endless line of exchanges in which a money consideration would not be a part of the exchange at any time.

Mr. STAFFORD. Are there not cases where the owners of large real-estate interests are trying to evade taxation by exchanging and holding it for years and years?

Mr. HAWLEY. That would be a difficult question to answer, since it would require an examination of each exchange to ascertain whether any money was given as part of the consideration. It is difficult to imagine a series of transactions extending over a period of years in which the property was so evenly valued that no money consideration was at any time necessary to adjust the differences.

There is a further factor of importance, and that is that the exchanges must be between properties of like kind or use.

Mr. STAFFORD. Exchanging it with holding corporations. I can see how taxation might be avoided entirely in the case instanced by the gentleman from South Carolina by keeping on exchanging and exchanging instead of receiving cash.

Mr. HAWLEY. The gentleman knows that there are always persons who strive to evade the law and take wise counsel in order to do it.

Mr. STAFFORD. They try to evade taxation.

Mr. HAWLEY. I do not think the situation that the gentleman cites could possibly arise, because sometime such property would be realized on, in whole or in part, or some cash consideration be a part of the exchange, and when either of these things occur a settlement is made and taxes or profits collected.

Mr. STAFFORD. Not necessarily; it could be handed down to a holding corporation.

Mr. HAWLEY. But whenever it was sold, in whole or in part, or any cash received in a transaction, a settlement would be made and taxes due collected.

Mr. STAFFORD. I should think you might permit them to exchange in one instance, but compel them to pay taxes on the determined valuation when exchanged in the second and following instances.

Mr. FORDNEY. When the attention of the Treasury Department was called to the ambiguity of the bill as reported the Assistant Secretary of the Treasury came up before the committee and recommended this amendment.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. GREEN of Iowa. In answer to what the gentleman from South Carolina said, any person who has a tract of real estate which has gone up in value has undoubtedly made a profit, but we do not tax him on that profit until he sells it. In the same way we preserve this principle through the law—that we do not tax him on the property exchanged unless he receives money or some other property of readily realizable value, so that he has actually realized his profit.

Mr. STAFFORD. If he receives other property, you do not tax him; it is only when he receives money that he is liable to be taxed.

Mr. GREEN of Iowa. If other property has been received by him to boot, he is taxed.

Mr. STAFFORD. That contradicts the statement of the gentleman from Oregon [Mr. HAWLEY].

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GARNER. Mr. Chairman, I rise in opposition to the pro forma amendment. I want to ask the gentleman from Oregon a question. The gentleman from Michigan [Mr. FORDNEY] said that upon reconsideration of this matter the Treasury Department came to a certain conclusion. Then the gentleman from Michigan said that after the Treasury's attention had been called to the ambiguity of the language it came to a certain other conclusion. The Treasury Department has been administering this law since the act of 1921. It has made two annual reports. In these annual reports it points out this defect. The bill was considered, was prepared in the Treasury Department, was sent to the committee, and was introduced by the gentleman from Iowa [Mr. GREEN]. We had hearings on the bill. This same Assistant Secretary of the Treasury was before the committee. We referred the bill to the Treasury Department, and the Secretary, Mr. Mellon, wrote a letter in which he said in form and substance that it was all right. When did they come to this reconsideration and what brought it about?

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes. I know the gentleman from Michigan can tell us.

Mr. FORDNEY. Oh, the gentleman does not know anything of the kind. Here is a letter from the Secretary of the Treasury, dated the 25th, where he discovered the error in the first bill, which the gentleman helped to report out. The gentleman always makes a mistake of that kind until I help to correct him, and I did it in this case. I called the attention of the Secretary to the fact that there was an error, and he saw it. He saw the light of day before the gentleman did. Here is his letter.

Mr. GARNER. Mr. Chairman, I have got the information. I understand now when this reconsideration came about, when this wisdom came into the Treasury Department and Mr. Mellon was convinced. It was when the gentleman from Michigan [Mr. FORDNEY] visited the Department of the Treasury and pointed this error out to him.

Mr. FORDNEY. Oh, let me read the letter to the gentleman.

Mr. GARNER. Oh, no; I have Mr. Mellon's letter here.

Mr. FORDNEY. The gentleman has not got the last one?

Mr. GARNER. Oh, I have the new letter.

Mr. FORDNEY. Then get right on the bill. The gentleman is wrong.

Mr. GARNER. That is a question for the House to determine. I merely wanted to call the attention of the House to the fact that this wise Treasury Department—and I believe it is wise in many respects, and is a wise administration of the Treasury Department—has gone along for two years urging Congress to stop up this gap, pointing out to the Congress that they had framed a bill which would reach the matter, and then when the gentleman from Michigan [Mr. FORDNEY] visited the department he had an interview with the Secretary of the Treasury, it seems, who then writes a letter and says that he was mistaken, that the gentleman from Michigan had come up and told him wherein he was mistaken; therefore he recommends this amendment. Now, mark this statement. This is the first time that I have ever heard of a department of this Government saying, first, that a bill is perfect in form and substance, and then within 10 days writing a letter saying that an amendment is necessary. The department actually considered the matter for more than two years, actually had a hearing before the committee three times, after the Assistant Secretary had been there and prepared the bill. Then the Secretary of the Treasury writes a letter saying that it is perfect in form and substance, then the gentleman from Michigan

[Mr. FORDNEY] visits the department, and the Secretary of the Treasury writes another letter saying that he was mistaken, that there is an error, and that therefore they need this amendment.

Mr. HAWLEY. Mr. Chairman, the gentleman from Texas [Mr. GARNER] will recall that during the hearings on the bill, with the exception of probably two or three lines, all of the time was devoted to the second part of the bill, and no question was raised upon the first part. The committee obtained no information relative to the proposed changes in that, no question having been raised. A question was raised later as to whether the proposed change in the first part of the bill was for the best interests of the country, and that question was submitted to the Treasury Department. The Treasury thereupon reported that the present language in the law, with the insertion of the additional language provided in the amendment offered by the committee to make it harmonize with the provisions of the second section, should be substituted in lieu of the matter now in the bill.

Mr. CONNALLY of Texas. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for five minutes out of order.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for five minutes out of order.

Mr. GOODYKOONTZ. On what subject?

Mr. CONNALLY of Texas. Principally upon the subject referred to in the speech of the gentleman from West Virginia a little while ago.

Mr. GOODYKOONTZ. I shall not object if I can have five minutes in which to reply.

Mr. CONNALLY of Texas. But the gentleman has already made his speech.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Chairman, the gentleman from West Virginia [Mr. GOODYKOONTZ] some time ago rose on this floor and quoted a newspaper report from the Washington Post, in this city, in which it was stated that a gentleman from Los Angeles was in the city, and that it was understood he was trying to get a list of the American Legion members for the purpose of sending out through the mails a speech, according to the gentleman from West Virginia, quoting from the Post, of Mr. McAdoo in favor of a tariff soldiers' bonus.

Mr. GOODYKOONTZ. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Not out of five minutes; the gentleman has had his say.

Mr. GOODYKOONTZ. I said, according to the newspaper interview. I want the gentleman to quote me correctly.

Mr. CONNALLY of Texas. Here is the statement. I have got it here. Here is what the gentleman said, quoting a paper; the paper did not charge it as a fact, but it said it was understood that was the case. So the gentleman from West Virginia made his speech attacking the Legion national commander, not by name, although he said the national Legion executive officers.

Mr. GOODYKOONTZ. Will the gentleman yield?

Mr. CONNALLY of Texas. Not now; the gentleman has had his day.

Mr. GOODYKOONTZ. The gentleman ought not to charge that I attacked the Legion when I merely called upon it for a categorical affirmation or denial. Deal fairly with me this afternoon.

Mr. CONNALLY of Texas. What is that?

Mr. GOODYKOONTZ. I said, deal fairly and do not impute to me words that I never uttered.

Mr. CONNALLY of Texas. There is no intention of misrepresenting the gentleman. If the gentleman will sit down a minute, he may have the occasion later to get mad.

Mr. GOODYKOONTZ. I will be here.

Mr. CONNALLY of Texas. Here is what he said. He said if this charge were true that the Legion ought to deny it. The national commander a few days later gave out an interview and did deny it; he said the Legion did not circulate the speech of Mr. McAdoo, and National Commander Owsley, a gentleman from my State, said he had no knowledge that anybody connected with the Legion in California was doing so. The gentleman from West Virginia gets upon the floor this afternoon again and makes another speech. He makes one speech that is taken down by the reporters and has the reporters kill the speech he actually made on the floor, and hands in to the reporters what I now hold in my hand—the speech to be published. I agree with the gentleman from West Virginia that the Legion as such ought not to be used to promote partisan politics. I agree that politicians ought not to try to use the

Legion for selfish political purposes. I agree with him that if anybody in the Legion gives out a list of the membership for the use of politicians that it is to be condemned, and I commend to a degree that part of what the gentleman from West Virginia says in that speech which is to be printed, which he did not deliver in its entirety. Now, he concludes.

Mr. McARTHUR. Is it an illustrated speech?

Mr. CONNALLY of Texas. Illustrated in a way. Here is what he says. He quotes the commander of the Legion in which the commander of the Legion said that if the gentleman from West Virginia would make a good speech in favor of the bonus the Legion might circulate that.

The gentleman from West Virginia observes that he has already made two good speeches in favor of the bonus and the Legion has not circulated either one of them. Listen to how he concludes:

The commander of the Legion before he speaks publicly of the record of a Congressman ought to inform himself as to what that record is. May I quote from a speech made by me in the House as early as May, 1920?

And so he appends to his remarks a printed copy, copied from the CONGRESSIONAL RECORD, of a speech in favor of the bonus made by the gentleman from West Virginia, and it is a good speech. He says that the Legion commander says that if he made a good speech he would circulate it. But when I turn over this card upon which this speech by this gentleman—who thinks that no one ought to use the Legion for political purposes, no one ought to use the name of a Legion member in connection with politics—when I read here this eloquent speech and then look over on the reverse side I see the handsome face of the gentleman from West Virginia [WELLS GOODYKOONTZ], candidate for reelection to Congress. [Laughter and applause.] Turning over on the other side I find these words at the head of it: "Hon. WELLS GOODYKOONTZ, M. C., in the House of Representatives, on the World War adjusted compensation bill." Down at the bottom I find the language:

In America, the land of the free, the home of the brave, all stand equal. All, irrespective of race or religion, are equal, no stockbroker or profiteer has a halter about my neck.

Now, gentlemen, if the gentleman from West Virginia does not believe his position or my position on the bonus ought to be used for political purposes by Legion men, why has the gentleman circulated in his district the handsome photograph on this card and on the reverse side his speech on the bonus? There is nothing in it about any other kind of legislation. Was that meant for the purpose of circulating among those opposed to the bonus? Was that for the purpose of circulating among the profiteers and the stockbrokers who had halters around the necks of those who did not agree with the gentleman from West Virginia on that subject? Oh, the gentleman from West Virginia means only that he does not believe in anybody using the Legion for political purposes except himself. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on agreeing to the amendment offered by the gentleman from Michigan [Mr. FORDNEY].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk resumed and concluded the reading of the bill.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13774) to amend the revenue act of 1921 in respect to exchange of property, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. GREEN of Iowa. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The SPEAKER. The gentleman from Iowa moves the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the "ayes" appeared to have it.

Mr. BLANTON. Mr. Speaker, may we have a division on that?

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 32, noes 29.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. SEARS. Mr. Speaker, I ask unanimous consent to extend and revise my remarks made this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

SINKING FUND.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13827) relating to the sinking fund for bonds and notes of the United States.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13827. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from New York [Mr. HUSTED] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13827, with Mr. HUSTED in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13827, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13827) relating to the sinking fund for bonds and notes of the United States.

Be it enacted, etc., That subdivision (a) of section 6 of the Victory Liberty loan act is amended by inserting before the period at the end of the first sentence a comma and the following words: "and of bonds and notes thereafter issued, under any of such acts or under any of such acts as amended, for refunding purposes."

The CHAIRMAN. The Clerk will report the bill for amendment unless somebody desires to debate it.

* Mr. GREEN of Iowa. Mr. Chairman, I ask that the Clerk read.

Mr. GARNER. Mr. Chairman, if the gentleman does not care to take time for debate, I will ask for recognition. I am trying to get the gentleman to understand that he ought at least to give us some information as to what we shall take up and what is the understanding as to the division of time in debate. The gentleman does not seem to appreciate that there are two sides to these questions. I thought the gentleman was going to take up the Hudspeth bill, because I know we do not have time to take up a matter of this importance this afternoon.

Mr. GREEN of Iowa. If the gentleman desires, I will move that the committee do now rise.

Mr. GARNER. The gentleman will remember, and the members of the committee will remember, that in reference to this sinking fund bill there was quite a controversy in the committee.

Mr. GREEN of Iowa. I am perfectly willing to move that the committee do now rise.

Mr. GARNER. I think the gentleman ought to, because he can not expect to dispose of that bill this afternoon.

Mr. GREEN of Iowa. Mr. Chairman, in view of the controversy, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Iowa moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13827) relating to the sinking fund for bonds and notes of the United States, had come to no resolution thereon.

PERMITTING ENTRY OF DOMESTIC ANIMALS.

Mr. HAWLEY. Mr. Speaker, I call up House Joint Resolution 422, by direction of the Committee on Ways and Means, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Oregon calls up House Joint Resolution 422 and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 422) permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries.

Resolved, etc. That despite the provisions of the third paragraph of paragraph 1506 of Title II of the tariff act of 1922, horses, mules, asses, cattle, sheep, goats, and other domestic animals, which heretofore have strayed across the boundary line into any foreign country, or been driven across such boundary line by the owner for temporary pasturage purposes only, or which may so stray or be driven before March 1, 1923, shall, together with their offspring, be admitted free of duty, under regulations to be prescribed by the Secretary of the Treasury, if brought back to the United States within 12 months from the time they so strayed or were driven.

Mr. HAWLEY. Mr. Speaker, this joint resolution simply extends the time in the present emergency in the Southwest during which stock can be taken across the border into Mexico for pasturage purposes and brought back into the United States without the payment of duties. There has been a continued drought in the Southwest, extending over a period of months, and the cattle, sheep, horses, and other domestic animals are in serious need of food. They can obtain suitable pasturage in Mexico. The Mexicans require that leases be taken out for the period of 12 months. Even if rains come soon in that section and the grass begins to grow again, it should not be pastured for a time, that it may have time to obtain a vigorous growth. The Treasury Department recommends the passage of the bill and urges the emergency as a reason for it. The War Finance Corporation in a letter of January 25, 1923, states that not only the owners of the cattle and other stock are interested but that banks have loaned considerable money on this stock, which will be endangered if the animals are not provided with pasturage.

Mr. HUDSPETH. Will the gentleman yield to me just a moment?

Mr. HAWLEY. I yield to the gentleman five minutes.

Mr. HUDSPETH. Mr. Speaker and gentlemen of the House, this is an extremely important measure to the live-stock producer of the Southwest, especially to the cattle and sheep men of New Mexico and a portion of western Texas. I am especially lending my plea for those who have undergone a most disastrous drought in New Mexico. That splendid State has no spokesman on this floor at the present time. The mouth of Nestor Montoya, their faithful representative, was closed in death about three weeks ago. Owing to the range being denuded of grass, on account of this drought in New Mexico and a small portion of my district hundreds of cattlemen were forced to move their homes into Mexico, where sustenance could be obtained. They were compelled to execute a lease from the Mexican landowners for a period of 12 months. Under the bill that bears the name of my good friend from Michigan [Mr. FORDNEY], cattle and other live stock driven or straying across the line in a foreign country must be brought back within eight months or pay full duty.

Gentlemen, the cattlemen who have their herds in Mexico have met with too many reverses in the last three years to stand this duty. My bill, which you are now considering, provides for the return, duty free, of all live stock taken into Mexico in recent months—for 12 months from March 1, 1923. It is the duty of this House to pass this bill at once. When you do it you extend relief to as sturdy, as honest, and as patriotic a class of men as ever blessed this country with their presence and made it better by their having been a part of it.

I called on the Secretary of the Treasury, Mr. Mellon, and he readily indorsed it. I am attaching a letter as a part of my remarks from Hon. Eugene Meyer, chairman War Finance Corporation, to Mr. FORDNEY, strongly indorsing this measure, and the Ways and Means Committee has passed it and with a unanimous report.

The letter is as follows:

WAR FINANCE CORPORATION,
THE TREASURY BUILDING,
Washington, D. C., January 25, 1923.

Hon. J. W. FORDNEY,
Chairman Committee on Ways and Means,
House of Representatives, Washington, D. C.

DEAR MR. FORDNEY: The attention of the directors of the War Finance Corporation has been called to House Joint Resolution 422, introduced by Mr. HUDSPETH, and I am writing to you at their request to express the hope that the resolution will receive favorable consideration.

The resolution proposes to amend the third paragraph of paragraph 1506 of the tariff act of 1922 by extending temporarily from 8 to 12 months the period within which domestic animals may be returned to the United States duty free from a foreign country to which they have been driven for temporary pasturage purposes. A serious drought developed during the summer and fall of 1922 in the southern portion of New Mexico, and the situation became so acute that there was grave danger, on account of the lack of feed and water, of the loss of a considerable number of cattle pledged to the War Finance Corporation as security for some of its loans. It became necessary in order

to save the cattle to move them out of the drought-stricken area to adjoining States and to sections of Mexico, where adequate feed and water were available, and the board of directors of the War Finance Corporation consented to the removal of the cattle by the loan company through which the loans were made.

We are advised that if the best results are to be secured from such movement the cattle should remain in Mexico for more than the eight months' period within which they may under existing law be returned duty free, and it would be a serious hardship if the owners of the cattle were compelled to pay an import duty upon them. The directors of the War Finance Corporation understand that the Secretary of the Treasury has already expressed the opinion that the adoption of the joint resolution would be desirable, and they concur in this view.

Very truly yours,

EUGENE MEYER, Jr., Managing Director.

I shall not consume your time further, as I wish to get it to the other side, where I trust it will pass before March 4, the close of this session. [Applause.]

Mr. HAWLEY. I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry, if the gentleman will permit. When a bill which should have been considered in Committee of the Whole House on the state of the Union is being considered in the House in lieu thereof, does not the five-minute rule apply?

The SPEAKER. It does.

Mr. BLANTON. Mr. Speaker, the distinguished gentleman from West Virginia [Mr. GOODYKOONTZ], when he understands the facts of a case, is one of the fairest men in this House. If he ever gets wrong it is only because of a misapprehension of the facts. His whole remarks concerning the attitude of the American Legion commander were based upon a misapprehension of the facts. If it had not been for that, there would have been no stricture here at all. If he knew the present commander of the American Legion—Col. Alvin M. Owsley—as well as some of the rest of us know him, he would have no complaint to make, because the present commander of the American Legion is one of the finest and fairest men in the world and will see to it as long as he holds that position that no improper use is made of the American Legion affairs. I am one of those in the House who are admirers of the gentleman from West Virginia [Mr. GOODYKOONTZ], and I am also a great admirer of the gentleman from Texas [Mr. CONNALLY], with whom he had the stricture. If these two men just understood each other a little better there would have been no stricture. It is just a misunderstanding all around.

Now, so far as the names of the members of the American Legion are concerned, they are obtainable for proper purposes. It has no secret list. In the 64 newspapers that are published in my district I have noticed from time to time the names of the various members belonging to the different local posts in my district. They make no secret of them. If they made a secret of their membership, from my knowledge of the distinguished gentleman from West Virginia [Mr. GOODYKOONTZ], who is as fair a man now as he was when he was a distinguished jurist in his State—if they should make a secret of their membership, the gentleman from West Virginia would be the first man here in the House to object to it. They make no secret of it. If the list is obtainable by one man, it is accessible to all. I just wanted to say this because I think there has been a misunderstanding between two of our Members here, both splendid gentlemen.

Mr. GOODYKOONTZ. Will the gentleman yield?

Mr. BLANTON. If I have the time, I yield.

Mr. GOODYKOONTZ. I want to say to the distinguished gentleman from Texas that while I spoke extemporaneously and substituted a manuscript, I am satisfied that I said almost precisely what was in the manuscript, and whenever Members who are interested in the subject have read that speech they will discover that I have not made the slightest charge against Commander Owsley. I merely charged that this newspaper report sent out by the Universal Press and published broadcast in this country has never been denied. On yesterday I spoke in conversation with the commander from Pennsylvania, Col. Joe Thompson. I asked him about Commander Owsley, and he said that Commander Owsley is one of the finest men from the South. All I want to do is to protect this Legion that I have helped to create from its charter all the way down.

Mr. BLANTON. My colleague from Texas [Mr. CONNALLY] is a member of it himself. He was in the service. He wore the uniform. And the distinguished gentleman from West Virginia [Mr. GOODYKOONTZ] may rest assured of the fact that just as long as Col. Alvin M. Owsley is national commander of the American Legion he never need fear that there will be anything wrong about the transactions of that organization.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed. On motion of Mr. HAWLEY, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4404. An act authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.; to the Committee on Military Affairs.

ORDER OF BUSINESS.

Mr. GREEN of Iowa. Mr. Speaker, I will ask the gentleman from Texas [Mr. GARNER] if we can not agree upon time with reference to the refunding bill? I was under a misapprehension, or the gentleman is surely aware that I would not have called it up.

Mr. GARNER. How much time does the gentleman suggest?

Mr. GREEN of Iowa. How much time would the gentleman from Texas like to have?

Mr. GARNER. I think we had better have an hour on a side on that proposition.

Mr. GREEN of Iowa. Very well, then, Mr. Speaker.

Mr. GARNER. Not exceeding an hour on a side.

Mr. GREEN of Iowa. I will ask unanimous consent that the general debate on H. R. 13827 be limited to not exceeding one hour on a side, one-half to be controlled by the gentleman from Texas [Mr. GARNER] and one-half by myself.

The SPEAKER. Does the gentleman move that the House resolve itself into the Committee of the Whole House on the state of the Union?

Mr. GREEN of Iowa. I think the gentleman from Texas wishes to have the House adjourn.

Mr. GARNER. Yes; I think that will be better.

The SPEAKER. The gentleman from Iowa asks unanimous consent that when the House resolves itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13827, there be not to exceed two hours of general debate, half the time to be controlled by himself and half by the gentleman from Texas [Mr. GARNER]. Is there objection?

Mr. STAFFORD. Does "not exceeding" mean that a Member may use only one minute of the time if he so desires?

The SPEAKER. The Chair thinks so. Is there objection?

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted—

To Mr. FUNK, for three days, on account of illness.

To Mr. CLARKE of New York, for four days, on account of business in his beloved hills.

ADJOURNMENT.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until Friday, February 2, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

937. A letter from the president of the Washington Railway & Electric Co., transmitting a report of the Washington Interurban Railroad Co. for the year ended December 31, 1922; to the Committee on the District of Columbia.

938. A letter from the president of the Washington Railway & Electric Co., transmitting a report of the City & Suburban Railway of Washington for the year ended December 31, 1922; to the Committee on the District of Columbia.

939. A letter from the president of the Washington Railway & Electric Co., transmitting a report of the Georgetown & Tenallytown Railway Co. for the year ended December 31, 1922; to the Committee on the District of Columbia.

940. A letter from the president of the Potomac Electric Power Co., transmitting a report of the Potomac Electric Power Co. for the year ended December 31, 1922; to the Committee on the District of Columbia.

941. A letter from the president of the Washington Railway & Electric Co., transmitting a report of the Washington Railway & Electric Co. for the year ended December 31, 1922; to the Committee on the District of Columbia.

942. A letter from the vice president of the Washington Gas Light Co., transmitting a detailed statement of the business

of the Washington Gas Light Co., with a list of its stockholders, for the year ended December 31, 1922; to the Committee on the District of Columbia.

943. A letter from the president of the Washington & Old Dominion Railway, transmitting a notice of the company's failure to transmit the annual report due to-day owing to the illness of the treasurer of the Washington & Old Dominion Railway; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FOSTER: Committee on the Judiciary. H. R. 13430. A bill to amend section 370 of the Revised Statutes of the United States; without amendment (Rept. No. 1498). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREENE of Vermont: Committee on Military Affairs. H. R. 13326. A bill in reference to a national military park at Yorktown, Va.; with an amendment (Rept. No. 1499). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. S. 3345. An act changing the name of Keokuk Street, in the county of Washington, D. C., to Military Road; without amendment (Rept. No. 1501). Referred to the House Calendar.

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 14002. A bill to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes; without amendment (Rept. No. 1502). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the District of Columbia. S. 2822. An act to regulate the practice of optometry in the District of Columbia; without amendment (Rept. No. 1503). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. R. 14087. A bill for the creation of an American battle monuments commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes; with amendments (Rept. No. 1504). Referred to the Committee of the Whole House on the state of the Union.

Mr. McKENZIE: Committee on Military Affairs. H. R. 13524. A bill to authorize the Secretary of War to sell or cause to be sold, either in whole or in two or more parts, certain tracts or parcels of real property no longer needed for military purposes, and for other purposes; with amendments (Rept. No. 1507). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho: Committee on Irrigation of Arid Lands. S. 4187. An act to extend the time for payment of charges due on reclamation projects, and for other purposes; with amendments (Rept. No. 1508). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KLECZKA: Committee on War Claims. S. 1670. An act for the relief of Buffin & Girvin; without amendment (Rept. No. 1505). Referred to the Committee of the Whole House.

Mr. KLECZKA: Committee on War Claims. S. 3609. An act for the relief of F. J. Belcher, jr., trustee for Edward Fletcher; without amendment (Rept. No. 1506). Referred to the Committee of the Whole House.

Mr. COLLINS: Committee on Public Lands. H. R. 13724. A bill for the relief of Hugh Marshall Montgomery; without amendment (Rept. No. 1509). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 6601. A bill for the relief of the Great Lakes Engineering Works; without amendment (Rept. No. 1510). Referred to the Committee of the Whole House.

ADVERSE REPORTS.

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. S. 3157. An act for the relief of John G. Sessions; adverse (Rept. No. 1511). Laid on the table.

Mr. UNDERHILL: Committee on Claims. H. R. 4667. A bill for the relief of the First National Bank of New Carlisle, Ind.; adverse (Rept. No. 1512). Laid on the table.

CHANGE OF REFERENCE.

Under clause 3 of Rule XXII, the bill (H. R. 11549) authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes, was reported from the Committee on the Public Lands and referred to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BOWERS: A bill (H. R. 14132) to authorize the purchase of the property known as the People's Bank Building, at Keyser, W. Va., for use as a Federal building; to the Committee on Public Buildings and Grounds.

By Mr. LINEBERGER: A bill (H. R. 14133) to amend paragraph (c) of section 2 of the act approved May 26, 1922, and known as the narcotic drugs import and export act, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 14134) to amend section 7 of the act of February 9, 1909, as amended January 7, 1914, and for other purposes; to the Committee on Ways and Means.

By Mr. HERSEY: A bill (H. R. 14135) to amend an act approved September 8, 1916, providing for holding sessions of the United States district court in the district of Maine, and for other purposes; to the Committee on the Judiciary.

By Mr. McCORMICK: A bill (H. R. 14136) to define the national and official language of the Government and people of the United States of America, including the Territories and dependencies thereof; to the Committee on the Judiciary.

By Mr. HERRICK: A bill (H. R. 14137) for the purchase of a site and the erection of a public building at the city of Fairview, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14138) for the erection of a public building at the city of Alva, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14139) for the purchase of a site and the erection of a public building at the city of Beaver, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14140) for the erection of a public building at the city of Newkirk, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14141) for the purchase of a site and the erection of a public building at the city of Medford, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14142) for the erection of a public building at the city of Perry, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14143) for the purchase of a site and the erection of a public building at the city of Cherokee, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. CHRISTOPHERSON: A bill (H. R. 14144) to limit and fix the time within which suits may be brought or rights asserted in court arising out of the provisions of subdivision 3 of section 302 of the soldiers and sailors' civil relief act approved March 18, 1918, being chapter 20, volume 40, General Statutes of the United States; to the Committee on the Judiciary.

By Mr. CAMPBELL of Kansas: A bill (H. R. 14145) providing for the erection of a monument to Henry B. F. Macfarland in the District of Columbia; to the Committee on the Library.

By Mr. EDMONDS: Joint resolution (H. J. Res. 431) giving the Secretary of the Treasury authority to cancel portions of the debt owed by foreign nations to the United States upon payment for the same in certain Government bonds by holders in the United States; to the Committee on Ways and Means.

By Mr. HUDSPETH: Joint resolution (H. J. Res. 432) to amend section 2 of an act entitled "An act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving the benefits of an act of Congress approved July 2, 1862, and of acts supplementary thereto, and the United States Department of Agriculture," approved May 8, 1914; to the Committee on Agriculture.

By Mr. ROGERS: Resolution (H. Res. 501) for the immediate consideration of H. R. 13880; to the Committee on Rules.

By Mr. STEENERSON: Resolution (H. Res. 502) directing the Secretary of Agriculture to transmit to the House of Representatives the reports and communications of John Lee Coulter and L. A. Fitz as to the operation of certain grain elevators; to the Committee on Agriculture.

By the SPEAKER (by request): Memorial of the Legislature of the State of Montana urging Congress to take immediate action toward the passage of such laws or law as will make possible the early completion of the Great Lakes-St. Law-

rence waterway project; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER: Memorial of the Legislature of the State of Oklahoma requesting the Congress of the United States to grant aid to the Kansas City, Mexico & Orient Railroad; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Oklahoma asking that Congress give its sympathetic consideration to a basic plan for a return to world sanity through a conference of World War powers under the leadership of the United States; to the Committee on Foreign Affairs.

By Mr. KISSEL: Memorial of the Legislature of the State of Oregon recommending that Congress submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; to the Committee on the Judiciary.

By the SPEAKER (by request): Memorial of the Legislature of the State of Oregon petitioning Congress to submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. APPLEBY: A bill (H. R. 14146) for the relief of the firm of Jones & Edwards; to the Committee on Claims.

By Mr. BENHAM: A bill (H. R. 14147) granting an increase of pension to Attison W. Johnson; to the Committee on Pensions.

By Mr. CARTER: A bill (H. R. 14148) granting an increase of pension to George A. Parnell; to the Committee on Invalid Pensions.

By Mr. CHALMERS: A bill (H. R. 14149) granting a pension to Agnes Bucher; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 14150) granting an increase of pension to Amanda J. Alford; to the Committee on Invalid Pensions.

By Mr. FAIRCHILD: A bill (H. R. 14151) for the relief of David Myerle, as executor of the last will and testament of Phineas Burgess, deceased; to the Committee on Claims.

Also, a bill (H. R. 14152) granting a pension to John Longworth; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 14153) granting a pension to Jennie Darling; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 14154) to renew and extend certain letters patent; to the Committee on Patents.

Also, a bill (H. R. 14155) granting a pension to Rebecca V. Mogle; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 14156) granting a pension to John Halpine; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14157) granting a pension to Lucy J. Popejoy; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 14158) granting an increase of pension to Margaret F. Freeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14159) granting an increase of pension to Zula A. Springer; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 14160) granting a pension to Mary Catherine Brandyberry; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 14161) granting a pension to Martha E. Banks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14162) granting an increase of pension to Marinda A. Cates; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7135. By the SPEAKER (by request): Petition of the Porto Rican workers residing in New York, approving House Joint Resolution 425, asking for an investigation of conditions in Porto Rico; to the Committee on Rules.

7136. By Mr. BARBOUR: Petition of residents of Shafter and Wasco, Calif., urging support of joint resolution providing for extension of aid to people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7137. By Mr. CHALMERS: Petition of sundry citizens of Toledo, Ohio, recommending passage of legislation extending immediate relief to the people of the German and Austrian Republics, now famine stricken owing to scant crops and money depreciation; to the Committee on Foreign Affairs.

7138. By Mr. CULLEN: Petition of Charles I. Craig, comptroller, city of New York, urging concurrence by the House of

Representatives in Senator CALDER's amendment to House bill 11939 to amend the national banking act; to the Committee on Banking and Currency.

7139. Also, petition of department of taxes and assessments, city of New York, favoring the taxation of national-bank shares; to the Committee on Banking and Currency.

7140. Also, petition of John F. Hylan, mayor of the city of New York, favoring the enactment of the bill amending the national-bank act; to the Committee on Banking and Currency.

7141. Also, petition of George P. Nicholson, corporation counsel of the city of New York, approving a Senate bill amending section 5219 of the United States Revised Statutes as to taxing national-bank shares; to the Committee on Banking and Currency.

7142. By Mr. FAIRCHILD (by request): Petition of sundry citizens of Mount Vernon, N. Y., opposing the passage of the compulsory Sunday observance bills, S. 1948, H. R. 4388, and H. R. 9753; to the Committee on the District of Columbia.

7143. By Mr. HUDSPETH: Petition of Central Labor Union, of El Paso, Tex., demanding that the United States Congress pass a law suspending immigration for a period of five years; to the Committee on Immigration and Naturalization.

7144. Also, petition of citizens of the sixteenth congressional district of Texas, favoring legislation extending aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7145. By Mr. KETCHAM: Petition of 21 citizens of Allegan, Mich., favoring the purchase of food supplies for starving people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7146. By Mr. KISSEL: Petition of the Sacramento Bee, Sacramento, Calif., favoring House bill 12169, excluding hereafter as immigrants or permanent residents all aliens ineligible to citizenship; to the Committee on Immigration and Naturalization.

7147. By Mr. PARKER of New York: Petition of Rev. Irving Rouillard, Saratoga Springs, N. Y., favoring the establishment of an embargo on coal; to the Committee on Interstate and Foreign Commerce.

7148. Also, petition of John H. Walbridge, publisher of the Daily Saratogian, Saratoga Springs, N. Y., urging the seizure of coal near that city in order to relieve the coal situation; to the Committee on Interstate and Foreign Commerce.

7149. By Mr. SPROUL: Petition of 867 residents of the third congressional district of Illinois, urging the passage of the resolution introduced in the House proposing to extend aid to the people of Austria and Germany; to the Committee on Foreign Affairs.

7150. By Mr. YOUNG: Petition of 24 residents of Ashley, N. Dak., urging that joint resolution now pending in Congress to extend immediate aid to the people of the German and Austrian Republics be passed; to the Committee on Foreign Affairs.

7151. Also, petition of 52 residents of Emmons County, urging the passage of joint resolution now pending in Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7152. Also, petition of G. J. Gramm and others, of Chaseley, N. Dak., urging the passage of joint resolution now pending in Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7153. Also, petition of a large number of residents of McIntosh County, urging the passage of joint resolution now pending in Congress to extend immediate relief to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

SENATE.

FRIDAY, February 2, 1923.

(Legislative day of Monday, January 29, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Curtis	Hale	Kendrick
Bayard	Dillingham	Harrell	Keyes
Brookhart	Ernst	Harris	King
Bursum	Fernald	Harrison	Ladd
Cameron	Fletcher	Heflin	La Follette
Capper	Frelinghuysen	Hitchcock	Lenroot
Caraway	George	Johnson	Lodge
Couzens	Glass	Jones, Wash.	McCormick
Culberson	Gooding	Kellogg	McCumber

McKellar	Norris	Robinson	Underwood
McKinley	Oddie	Shortridge	Wadsworth
McLean	Page	Smith	Walsh, Mass.
McNary	Pepper	Smoot	Walsh, Mont.
Moses	Phipps	Spencer	Warren
Nelson	Pittman	Sterling	Watson
New	Poindexter	Swanson	Weller
Nicholson	Pomerene	Townsend	Willis
Norbeck	Reed, Pa.	Trammell	

The VICE PRESIDENT. Seventy-one Senators have answered to their names. A quorum is present.

QUESTION OF ORDER.

Mr. ROBINSON. Mr. President—

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. ROBINSON. I rise for the purpose of discussing the appeal from the decision of the Chair.

The VICE PRESIDENT. The Chair understands that the Senator from Massachusetts [Mr. LODGE] made a motion to lay the appeal on the table.

Mr. ROBINSON. Mr. President, a point of order. The Senator from Massachusetts has not made a motion. He announced yesterday that he intended to do so.

Mr. LODGE. I made a motion to lay the appeal on the table, and called the attention of the Chair to it.

Mr. ROBINSON. The RECORD shows just as I stated. [After a pause.] Yes; the RECORD does show that the Senator said, "I make the motion."

Mr. LODGE. I move to lay the appeal on the table, and so notified the Chair.

Mr. ROBINSON. I ask the Chair to state the parliamentary question. If a motion to lay on the table has been made, of course, debate is not in order. The Senate, however, ought to understand the question before the Senate. Few Senators were here yesterday afternoon.

Mr. MOSES. They can readily get it by reading the RECORD.

The VICE PRESIDENT. Debate is not in order. The Chair will state the motion. The RECORD reads:

Mr. LODGE. I was just going to move to lay the appeal on the table. Mr. ROBINSON. I suggest, then, the absence of a quorum, if the Senator wants to do that.

Mr. LODGE. I make that motion.

The question is on the motion of the Senator from Massachusetts to lay on the table the appeal made by the Senator from Arkansas from the decision of the Chair.

Mr. ROBINSON. I make the point of order that the motion of the Senator from Massachusetts was not in order at the time he made it. The Senator from Arkansas had suggested the absence of a quorum, and the Senator from Massachusetts announced that he was just about to make the motion. The Senate then proceeded with a call of the Senate, which was subsequently vacated. A motion to lay on the table is not in order after the absence of a quorum has been suggested. All I want in this proposition is fairness and justice. I want the Senate to understand what it is voting upon. I do not understand that the Senator from Massachusetts, the leader of the majority, objects to the Senate understanding the question that is before it.

Mr. LODGE. I made the motion, and I do not think we ought to take the whole day, with the unanimous-consent agreement governing us, to discuss the question.

Mr. ROBINSON. The point of no quorum had been made prior to the making of the motion, and the Secretary proceeded to call the roll.

Mr. LODGE. The Senator knows that by unanimous consent all those proceedings were vacated—

Mr. ROBINSON. That is true.

Mr. LODGE. Which left it where I made it.

Mr. ROBINSON. Oh, no; that vacated the motion. The whole proceedings were vacated.

Mr. MOSES. The Vice President had not directed the Secretary to call the roll.

Mr. ROBINSON. Oh, the roll call proceeded. The Vice President—

Mr. MOSES. The RECORD does not show it.

Mr. ROBINSON. The Vice President directed the Secretary to call the roll, and the calling of the roll was proceeded with, and by request of the Senator from Kansas [Mr. CURTIS], concurred in by myself, the whole proceedings were vacated. At the time the Senator from Massachusetts sought to make the motion to lay on the table, the absence of a quorum had been suggested. Of course, the Senator could have made his motion this morning if he had gotten the floor first, but he did not take the floor. I took the floor solely for the purpose of explaining to the Senate the question that is before it. I would have concluded my explanation long before this moment if it had not been interfered with. I ask unanimous consent to proceed for five minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Arkansas will proceed for five minutes.

Mr. ROBINSON. Mr. President, I want the Senate to understand the precedent that is about to be set. During the course of the debate yesterday the Senator from Alabama [Mr. HEFLIN] was called to order by the Senator from Massachusetts [Mr. LODGE] for the use of these words:

I am here to represent the people, to represent, in part, my State; I am not here to represent the bond sharks, the big financiers of Wall Street.

The Senator was called to order and compelled to take his seat. I take the position that the language used by the Senator from Alabama did not contravene the rule of the Senate which provides that—

If any Senator, in speaking or otherwise, transgresses the rules of the Senate, the Presiding Officer shall, or any Senator may, call him to order; and when a Senator shall be called to order he shall sit down, and not proceed without leave of the Senate.

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

Clearly, Mr. President, the language of the Senator from Alabama imputed no conduct, no motive, to any other Senator. It related solely to his own motives, to his own conduct. Under every precedent of the Senate, extending over a period of 100 years, the language employed by the Senator from Alabama was permissible. As a matter of fact, the objection to his statement grows out of his oft-repeated references to certain subjects. The objection, in fact, does not arise out of the language for the use of which he was called to order. The Senator from Massachusetts, in discussing the matter yesterday, said that he did not object to the Senator from Alabama saying "I am here to represent the people, to represent, in part, my State." He also said, "I do not object to his statement that 'I am not here to represent the bond sharks, the big financiers of Wall Street.'"

The Senator from Massachusetts declared that the coupling of those two sentences constituted a direct or an indirect charge against other Senators that they represented the gamblers of Wall Street and the bond sharks, that they did not represent the people. No such inference is justified, and under the precedents of the Senate the decision of the Chair should be overruled.

If the Chair would take the trouble to consult the precedents of the Senate, which are easily available for his consideration and which are found at pages 413 and 416 of Gilfray's Precedents, he would, in my humble opinion, find that the language used by the Senator from Alabama is permissible under the rules of the Senate. If a Senator can not say, "I am here to represent the people," if he can not say, "I am not here to represent bond sharks or gamblers," then I ask Senators what is the privilege of a Senator of the United States?

Of course, some one was sensitive about the matter because of something that he thought must have been in the mind of the Senator from Alabama; but I respectfully suggest that the question of orderly debate is confined to the language employed by the Senator. If Senators will read the whole paragraph in which the words "objected to" are found, they will find that there is not the slightest implication or imputation by the Senator from Alabama. Let me read it:

Mr. HEFLIN. I merely wanted to go on record as saying a word in behalf of some of the statements of my friend, the Senator from Tennessee [Mr. McKELLAR]—I did not hear all of his speech—and to speak for the American people somewhat about a debt that is due to them. Does Wall Street want to collect her money from Great Britain and have this whole debt held up until she can collect it? She did have it held up, it seems, until she collected \$1,700,000,000 from France and Great Britain. Does she want to have this debt held up for 62 years so she can go on undisturbed and collect the other money due her from the various countries? I am here to represent the people, to represent in part my State; I am not here to represent the bond sharks, the big financiers of Wall Street. I want the American people to have a fair deal.

When the connection in which the language objected to which was used by the Senator from Alabama is considered one can not arrive at the conclusion that it constituted a charge that other Senators represented Wall Street or did not represent the people. It was a declaration that Wall Street had a motive to protect its interests; it was a declaration that the Senator from Alabama was here to represent other interests than Wall Street. However much they may dislike the arguments made by a Senator or the position taken by a Senator on any subject, if Senators write into the precedents of the Senate a decision that the representative of a sovereign State can not stand on this floor and declare that he represents or seeks to represent in part his State and does not represent interests which he thinks are obnoxious to the people of his State, then we shall

have gone a long way toward suppressing free speech in the Senate of the United States. Senators on the other side of the Chamber have the votes to establish this precedent, but I make this declaration: If they will give a little thought to this question they can not escape the conclusion that they are being moved by some other consideration than the language used by the Senator from Alabama.

The VICE PRESIDENT. The time of the Senator from Arkansas has expired.

Mr. ROBINSON. I thank the Senate for its indulgence.

Mr. CURTIS. Mr. President, I ask that the decision of the Chair may be read—

Mr. LODGE rose.

Mr. CURTIS. But if the Senator from Massachusetts wishes to say anything, I will withdraw the request.

Mr. LODGE. For the benefit of Senators who were not present when this incident occurred, I wish to read what was then said. It was as follows:

The VICE PRESIDENT. The notes will be read.

The Official Reporter read as follows:

"I am here to represent the people, to represent in part my State; I am not here to represent the bond sharks, the big financiers of Wall Street."

Mr. LODGE. That is a direct reference to other Senators, of course.

Mr. HEFLIN. Mr. President—

Mr. WADSWORTH. It was an inference.

Mr. HEFLIN. I said I was not representing them here; that I was going to speak for the people.

Mr. LENROOT. And what about the other Senators?

Mr. HEFLIN. I did not say anything about other Senators. The Senator from Massachusetts will next make a point of order against what he imagines. That is all his present point of order is founded on. I did not make the charge—

Mr. GLASS. Mr. President—

Mr. LODGE. I thought the Senator would stand by what he said.

Mr. HEFLIN. Yes. The notes show what I said, and just what I said I do stand by.

Mr. LODGE. Of course, that means that the other Senators here do not represent the American people—

Mr. HEFLIN. I did not say that.

Mr. LODGE. But do represent the bond sharks of Wall Street. It is perfectly clear.

Mr. HEFLIN. I did not say that. The Senator can not put words in my mouth. He can think what he pleases, and I can think what I please.

Mr. LODGE. But I can put them in the RECORD.

That was the question which was submitted to the Chair. The Chair ruled the words out of order. An appeal from the decision of the Chair was taken by the Senator from Arkansas [Mr. ROBINSON], and I now make my motion to lay the appeal on the table.

Mr. HEFLIN. I ask for the yeas and nays.

Mr. CURTIS. I now ask that the decision of the Chair may be read.

Mr. LODGE. The decision of the Chair may be read.

Mr. JOHNSON. Mr. President, will the Chair state exactly what it is upon which we are to vote at the moment?

Mr. LODGE. The pending question is my motion to lay the appeal from the ruling of the Chair on the table. It is the usual motion.

Mr. JOHNSON. That is, to lay the appeal on the table?

Mr. LODGE. To lay on the table the appeal of the Senator from Arkansas from the decision of the Chair.

The VICE PRESIDENT. The Secretary will read the decision of the Chair.

The reading clerk read as follows:

The VICE PRESIDENT. The Chair is ready to rule.

The language of the rule is that—

"No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator."

If it were merely the words spoken by the Senator, the Chair would be inclined to rule that no such imputation was intended; but with the context, the attitude, and the expression that went with them, the Chair is of the opinion that they did contain an imputation to other Senators unworthy and unbecoming, and that the words were not in order.

Mr. HEFLIN. Mr. President, I ask for the yeas and nays on the motion of the Senator from Massachusetts [Mr. LODGE].

The VICE PRESIDENT. Is the demand seconded?

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, there are several Senators who are not present, and I suggest the absence of a quorum in order to give those Senators an opportunity to reach the Chamber.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Couzens	France	Harris
Bayard	Culberson	Frelinghuysen	Harrison
Brookhart	Curtis	George	Hefflin
Bursum	Dillingham	Glass	Hitchcock
Cameron	Ernst	Gooding	Johnson
Capper	Fernald	Hale	Jones, Wash.
Caraway	Fletcher	Harrell	Kellogg

Kendrick	McLean	Phipps	Townsend
Keyes	McNary	Pittman	Trammell
King	Moses	Poindexter	Underwood
Ladd	Nelson	Pomerene	Wadsworth
La Follette	New	Reed, Pa.	Walsh, Mass.
Lenroot	Nicholson	Robinson	Walsh, Mont.
Lodge	Norbeck	Smith	Warren
McCormick	Norris	Smoot	Watson
McCumber	Oddie	Spencer	Weller
McKellar	Page	Sterling	Willis
McKinley	Pepper	Swanson	

Mr. HARRIS. I wish to announce that the senior Senator from North Carolina [Mr. SIMMONS], the junior Senator from North Carolina [Mr. OVERMAN], the Senator from South Carolina [Mr. DIAL], and the Senator from Texas [Mr. SHEPPARD] are detained from the Senate because of illness.

The VICE PRESIDENT. Seventy-one Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Massachusetts [Mr. LODGE] to lay on the table the appeal of the Senator from Arkansas [Mr. ROBINSON] from the decision of the Chair.

Mr. HEFLIN. I ask for the yeas and nays.

The VICE PRESIDENT. The yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. HALE (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. SHIELDS] to the senior Senator from Maryland [Mr. FRANCE], and will vote. I vote "yea."

Mr. HARRIS (when his name was called). I transfer my pair with the junior Senator from New York [Mr. CALDER] to the junior Senator from Rhode Island [Mr. GERRY], and will vote. I vote "nay."

Mr. HARRISON (when his name was called). I transfer my pair with the junior Senator from West Virginia [Mr. ELKINS] to the junior Senator from Texas [Mr. SHEPPARD], and will vote. I vote "nay."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the junior Senator from Oregon [Mr. STANFIELD], and will vote. I vote "yea."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. I transfer that pair to the senior Senator from Connecticut [Mr. BRANDEGEE], and vote "yea."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS], and will vote. I vote "yea."

Mr. SMITH (when his name was called). I transfer my general pair with the Senator from South Dakota [Mr. STERLING] to the Senator from Montana [Mr. MYERS], and will vote. I vote "nay."

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the senior Senator from Arizona [Mr. ASHURST], and will vote. I vote "nay."

Mr. WARREN (when his name was called). In the absence of my regular pair, the Senator from North Carolina [Mr. OVERMAN], and being unable to obtain a transfer, I withhold my vote. If at liberty to vote I should vote "yea."

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. I am unable to obtain a transfer. Therefore I withhold my vote. If at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. ERNST (after having voted in the affirmative). I have a general pair with the senior Senator from Kentucky [Mr. STANLEY]. He is not present, and I can not obtain a transfer. I therefore withdraw my vote.

Mr. CURTIS. I have been requested to announce that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 40, nays 28, as follows:

YEAS—40.

Ball	Harrell	McNary	Poindexter
Bursum	Jones, Wash.	Moses	Reed, Pa.
Cameron	Kellogg	Nelson	Shortridge
Couzens	Keyes	New	Smoot
Curtis	Lenroot	Nicholson	Spencer
Dillingham	Lodge	Norbeck	Sutherland
Fernald	McCormick	Oddie	Townsend
Frelinghuysen	McCumber	Page	Wadsworth
Gooding	McKinley	Pepper	Weller
Hale	McLean	Phipps	Willis

NAYS—28.

Bayard	Culberson	Harris	Johnson
Brookhart	Fletcher	Harrison	Kendrick
Capper	George	Hefflin	King
Caraway	Glass	Hitchcock	Ladd

La Follette	Pittman	Smith	Underwood
McKellar	Pomerene	Swanson	Walsh, Mass.
Norris	Robinson	Trammell	Walsh, Mont.

NOT VOTING—28.

Ashurst	Dial	Myers	Simmons
Borah	Edge	Overman	Stanfield
Brandeggee	Elkins	Owen	Stanley
Broussard	Ernst	Ransdell	Sterling
Calder	France	Reed, Mo.	Warren
Colt	Gerry	Sheppard	Watson
Cummins	Jones, N. Mex.	Shields	Williams

So the appeal from the ruling of the Chair was laid on the table.

Mr. WADSWORTH. Mr. President, in the colloquy which occurred near the close of the session yesterday I entered, for myself—speaking for myself alone at the time—a protest against one of the statements which came to my ears as I sat on the floor from the Senator from Alabama [Mr. HEFLIN] relating to the Chief Justice of the United States. In looking over the RECORD this morning to ascertain if that language could be identified and located, and in looking over the reporter's copy, I have come to the conclusion that it is rather difficult, upon reading the CONGRESSIONAL RECORD as printed, to ascertain exactly what was said or what did happen.

I have before me portions of the reporter's record. Some of the changes which have been made upon that record, most of them, are comparatively unimportant. Some are amusing.

For example, I find on page 2831, at the conclusion of a paragraph commencing with the words "Mr. HEFLIN" and ending with the phrase "you stand on the housetop and crow like a rooster," that the word "Laughter" is inserted. The word "Laughter" is inserted upon the reporter's record in the handwriting of the Senator from Alabama.

Mr. HEFLIN. And there was laughter in the Chamber and in the gallery, too, at that time.

Mr. WADSWORTH. Mr. President, part of the acerbity of the debate of yesterday arose—and I think I am fair in making this statement—from the constant attacks by inference, perhaps, sometimes directly, by the Senator from Alabama upon the people of other States, including, I may say, the poor little old State of New York.

The reporter's record shows that in one of the utterances of the Senator from Alabama there appears this sentence:

New York does so much devilment I have no time to remember anything that she does.

Now, I heard that said. The reporter heard it said. The Senator from Alabama has stricken it from the RECORD.

Mr. HEFLIN. Now, will the Senator read the rest there?

Mr. WADSWORTH. Mr. President, I decline to yield.

The VICE PRESIDENT. The Senator from Alabama has been called to order. He is not entitled to the floor.

Mr. HEFLIN. I thought that question had been disposed of, Mr. President.

The VICE PRESIDENT. It has been disposed of, and the Senator from Alabama stands called to order.

Mr. WADSWORTH. I can not yield. I have the floor.

Mr. ROBINSON. A point of order.

The VICE PRESIDENT. The Senator from New York has the floor.

Mr. ROBINSON. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state his point of order.

Mr. ROBINSON. On yesterday a point of order was made against the Senator from Alabama. He was called to order for disorderly language employed in debate. The point of order was sustained, and he was required to take his seat. Subsequently the Senator from New York [Mr. WADSWORTH] took the floor in his own right. Does the Chair hold now that the Senator from Alabama, having been disciplined, can not in an orderly way interrupt the Senator from New York, having the floor in his own right? Does the Chair hold that the Senator from Alabama can never again take the floor in the Senate of the United States because of the very extraordinary proceedings had a few moments ago, when the Senate, in violation of every precedent that has ever existed heretofore, held that the Senator from Alabama was out of order for declaring that he represented the people of Alabama and did not represent the bond sharks and gamblers of Wall Street?

I ask the Chair if it is the ruling of the Chair, the Senator from Alabama having been required to take his seat and the Senator from New York having taken the floor in his own right, that it is not in order for the Senator from Alabama to address the Chair and ask the Senator from New York to yield?

Mr. LODGE. Mr. President, does the Senator from Arkansas deny that the Senator from New York has the floor?

Mr. ROBINSON. Certainly not.

Mr. LODGE. Then he can not be interrupted, except with his own consent.

Mr. ROBINSON. Why, certainly not.

Mr. LODGE. His consent has not been given.

Mr. ROBINSON. But the Senator from Alabama—

Mr. LODGE. On the contrary, it has been refused.

Mr. ROBINSON. Oh, Mr. President, that is not the question at issue.

The VICE PRESIDENT. The Chair is ready to rule.

Mr. ROBINSON. One moment; let me state the point of order. When the Senator from Alabama addressed the Chair and asked the Senator from New York to yield, which is the custom and the proper proceeding, which he was entitled to do—

Mr. LODGE. He did not ask him to yield.

Mr. ROBINSON (continuing). The Chair voluntarily declared that the Senator from Alabama was out of order, because he had been required to take his seat. Now, you can not disabuse the minds of Senators who heard that procedure. I know what happened. The Senator from New York had the floor in his own right. The Senator from Alabama had the right under the rules of the Senate, notwithstanding the decision of the Senate that he was out of order on yesterday, to address the Chair and ask the Senator from New York to yield. The Senator from New York, of course, has the right to decline to yield, and if he refuses to do so that ends the matter; but the Chair has no right to refuse recognition to the Senator from Alabama when the Senator from Alabama rises in his place and, having addressed the Chair—

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. LENROOT. I would like to call the Senator's attention to the express terms of the rule, this same subject still being before the Senate:

And when a Senator shall be called to order he shall sit down, and not proceed without leave of the Senate.

Mr. ROBINSON. The Senator from Alabama was not proceeding. He was required to take his seat. He was denied the right to proceed. The subject then before the Senate was disposed of. The Senator from New York took the floor in his own right, and proceeded to discuss another matter after it was decided.

Mr. LENROOT. The Senator's speech is still before the Senate, and that is the subject the Senator from New York is proceeding to discuss.

Mr. ROBINSON. For that matter, the speech of the Senator from Alabama will be before the Senate for all time to come, for whatever it may be worth. Neither the Senator from Wisconsin nor any other Senator can deprive the speech of its place in the CONGRESSIONAL RECORD, except by a vote to strike it from the RECORD.

Mr. HEFLIN. Mr. President, as a Senator from the State of Alabama I address the Chair—

The VICE PRESIDENT. Does the Senator from New York yield?

Mr. WADSWORTH. I decline to yield.

The VICE PRESIDENT. The Chair is not quite certain what the point of order is which the Senator from Arkansas raises.

Mr. ROBINSON. I did not catch the observation of the Chair.

The VICE PRESIDENT. The Chair does not quite understand the point of order raised by the Senator from Arkansas. What the Chair had in mind was the fourth section of Rule XIX, to which the Senator from Wisconsin referred, and it is as follows. I read the last part of it:

Which, if granted, shall be upon motion that he be allowed to proceed in order.

Mr. ROBINSON. Mr. President, no such motion was made. The Senator from Alabama was through; he was deprived of the floor. The Senator from New York took the floor and proceeded to discuss a new topic, whereupon the Senator from Alabama rose, addressed the Chair, and asked the Senator from New York to yield; and when he did that, the Chair voluntarily announced that the Senator from Alabama would take his seat, that he was out of order because he had been denied the right to proceed, and because no motion to allow him to proceed had been made. My point is that the Senator from Alabama had the right to do what the Chair just a moment ago recognized that he had a right to do. The Chair reversed its ruling in recognizing the Senator from Alabama, and asking the Senator from New York if he yielded to the Senator from Alabama. The incident is closed.

Mr. WADSWORTH. Mr. President, I did not intend to discuss the point of order, and I did not intend to endeavor to

prevent the Chair from ruling. I am ready to proceed with my remarks.

The VICE PRESIDENT. The Senator may proceed.

Mr. WADSWORTH. I have called the attention of the Senate to the fact that the Senator from Alabama on yesterday, in the hearing of us all—and his language was taken by the reporter—made this observation:

New York does so much devilment I have no time to remember anything that she does.

That has been stricken from the reporter's record by the Senator from Alabama. Not that that is particularly important, but I simply desire to have attention called to these things in order that we may realize that it is difficult to judge from the printed Record what actually happened, unless we were here when it did happen.

On another occasion, in another paragraph, the Senator from Alabama uttered these words, in effect:

Three per cent and 3½ per cent, with 62 years time in which to pay it.

Then there is written in pencil in his handwriting:

The baby born to-day will be 62 years old when it is paid under your plan.

A remark that was never made upon the floor of the Senate. Mr. President, these are not serious, they are merely indicative; but I now call attention to the colloquy which occurred between the Senator and myself as it appears on page 2830 of the RECORD of yesterday, about two-thirds the way down, in the first column, and it was this colloquy, as it occurred upon the floor, which led me to believe that the Senator from Alabama had connected the Chief Justice of the United States with Wall Street interests. I read the stenographer's report, which, incidentally, coincides exactly with my own recollection.

Mr. WADSWORTH. Has the Senator as much ground for that assertion as he had for the assertion that Judge Taft went over there on a private mission to cancel the debts?

Mr. HEFLIN. Does the Senator deny that Judge Taft went over there?

Mr. WADSWORTH. Not that he went over there; no.

Mr. HEFLIN. The Senator admits that Judge Taft went over there?

Mr. WADSWORTH. Yes.

Mr. HEFLIN. The Senator admits he represents Wall Street?

Mr. WADSWORTH. No.

The last inquiry addressed to the Senator from New York by the Senator from Alabama which the reporter caught as reading, "The Senator admits he represents Wall Street?" has been changed to read—and the corrections are made in pencil:

Does the Senator admit that he [Mr. WADSWORTH] represents Wall Street?

Mr. President, I will not state here that the Senator from Alabama actually intended to draw the inference that the Chief Justice of the United States represented Wall Street when he went abroad on that trip. I do not charge that, but I do say, in all fairness and in all sincerity, that the language which he actually used at that time, yesterday afternoon, upon the floor of the Senate, admitted of no other interpretation. He has seen fit to correct it to the extent of avoiding such an inference. I am willing to accept that correction, but, at the same time, contend that the protest which I made upon yesterday against the language as he actually spoke it upon the floor of the Senate was a valid and warranted protest.

I have risen to make these observations in order to complete the history, as far as I may, and add what I know of it to the history of the incident of yesterday afternoon. It had been my purpose to move to expunge from the RECORD the colloquy which actually occurred yesterday on the floor of the Senate between the Senator from Alabama and myself with respect to Judge Taft, and the inference that he was allied with Wall Street. The Senator, however, has made the correction in his handwriting, in pencil, upon the reporter's notes, and as the colloquy, as corrected, appears in the printed Record, I assume it is not necessary to move to strike out that sentence.

Mr. LENROOT. Mr. President, I move that the Senator from Alabama be now allowed to proceed in order.

Mr. HEFLIN. I object.

Mr. ROBINSON. I make a point of order that that motion is not in order, the motion not being made, under the rule, when the decision of the Chair was rendered to the effect that the Senator from Alabama was not in order. The Senator from New York having taken the floor and discussed other subjects, the motion is not now in order.

Mr. HEFLIN. Mr. President, I now address the Chair in my own right as a Senator of the United States.

The VICE PRESIDENT. The Chair is ready to rule on the point of order. The Chair has always understood that when

a Senator was called to order he could not then proceed except on motion. The Chair may be mistaken about it, but that has always been the understanding of the Chair.

Mr. ROBINSON. The Chair is entirely correct, but that means to proceed at that time; it does not mean that when the Senate decides that a Senator is out of order on account of the use of disorderly words, he may never again take the floor. It means that he can not continue the address he is then making. According to every precedent in every parliamentary body on earth, when other business intervenes, the member has a right to take the floor just as if the former incident had not happened. Every Senator about me on both sides of the Chamber is nodding his head in concurrence with that conclusion.

Mr. FLETCHER. Mr. President, the rule which the Vice President has in mind is applicable to the time when the decision is made that a Senator has violated the rule.

Mr. ROBINSON. Certainly.

Mr. FLETCHER. When a Senator is called to order in the midst of his address, then he can not proceed until a motion is made that he be allowed to proceed in order.

Mr. ROBINSON. I thought I had made that clear. That is exactly what I intended to say. When the Chair holds, and the Senate sustains the Chair, that a Senator is out of order and that he must take his seat, the Senator can not proceed with that address except upon motion that he be permitted to do so; but when other business intervenes the Senator who has been required to take his seat can proceed to take the floor just the same as if no such ruling had been made.

Mr. MOSES. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. MOSES. What other business has intervened? I understood the Senator from New York to be discussing the same subject, namely, the speech of the Senator from Alabama.

Mr. ROBINSON. Oh, no; the Senator from New York discussed an entirely different question. The Senator from New York did not discuss the motion which had already been decided; he discussed other questions which he mentioned on yesterday and took the floor to deliver an address.

Mr. LENROOT and Mr. UNDERWOOD addressed the Chair.

The VICE PRESIDENT. The Chair will first hear the Senator from Wisconsin.

Mr. LENROOT. Mr. President, I was only going to say that the Senate has not considered any other subject. The speech of the Senator from Alabama is the only matter which has been considered by the Senate since the Senate acted upon the Chair's ruling. I quite agree that this can not go on indefinitely; but the Senator from New York secured the recognition of the Chair to discuss other features of the Senator's speech. The rule would mean nothing if the Senator now is allowed to proceed as a matter of right, because this is the first opportunity which has been afforded to bring the matter up. I desire to have the Senator proceed, but the same subject is still before the Senate.

Mr. UNDERWOOD. Mr. President, I want to say only one word in connection with this matter. Of course, when there are words used in debate which any Senator concludes violates the rules of the Senate, he may rise to a point of order, ask that the language be taken down, and the Senator whose language is taken down can not proceed until the matter has been disposed of, unless pending the final disposition of the point of order as to whether he is in order or not a motion is made that he may proceed in order, which is often done, and a final decision avoided. It does not bring the matter to a point.

In this case the point of order was made, and it was decided by the Chair; an appeal was taken, and a motion to lay the appeal on the table was made. A record vote has been taken, and the vote is recorded. It closed the incident. There was no other question left. To hold that because a Senator of the United States made a remark in the Senate which was not in order according to the rule of the Senate, he should not be allowed to again address the Senate unless a majority of the Senate should thereafter agree to allow him to proceed in order would enable a majority of the Senate to deprive a State of its representation on the floor of the United States Senate. It would prevent a Senator from representing his constituency. I do not understand that that power rests in the breast of a majority of the United States Senate.

It is true that if two-thirds of the Senate conclude that the position of a Senator here is such that he is not warranted in sitting here, they can expel him and allow the governor of the State to fill the vacancy; but up to that point, Mr. President, it would be an outrage, under the fundamental principle of this Government, which gives the States of the Union the right of

representation here and the right to be heard, to deprive a Senator of the right to address the Senate.

Why make so much of this incident? The Senate has voted its decision. It has declared what it thinks about this matter. It has settled the incident, which came over from yesterday. It is closed on the books of the Senate by a vote which has already been taken.

When that is done the junior Senator from Alabama is entitled to the same recognition as any other Senator and to proceed in debate or in making a motion on the floor of the Senate, so long as he proceeds within the ordinary rules of the Senate.

Mr. LODGE. Mr. President, will the Senator allow me to ask him a question?

Mr. UNDERWOOD. Certainly.

Mr. LODGE. Then, the rule being extremely explicit, I understand the Senator's theory is that the Senate having proceeded to other business, it conforms to the rule.

Mr. UNDERWOOD. It does not make any difference whether we proceeded to other business if the incident is closed.

Mr. LODGE. There is nothing in the rule about the incident being closed, or "at that time." If I may proceed, the rule says—

Mr. UNDERWOOD. The rule is not going to put in the details. The rule considers, I have no doubt, that Senators have some imagination—that it does not have to give a detailed account of everything that may happen. It certainly could not mean because a Senator is called to order that for all time he is deprived of the privilege of the floor—

Mr. LODGE. Of course not.

Mr. UNDERWOOD. Unless a majority of Senators allowed him to proceed.

Mr. LODGE. Of course not; but let me read the rule:

And when a Senator shall be called to order he shall sit down, and not proceed without leave of the Senate which, if granted, shall be upon motion that he be allowed to proceed in order.

Mr. UNDERWOOD. Undoubtedly.

Mr. LODGE. Now, one of two things is true, either taking up another subject of debate and recognizing another Senator in his own right is equivalent to the leave of the Senate, or else the motion has to be made—one of the two.

Mr. UNDERWOOD. Of course, if it occurred within the debate, within the time of the incident.

Mr. SMITH. And on the subject.

Mr. UNDERWOOD. And on the subject, and the subject was as to whether the language used by the junior Senator from Alabama was in order.

Mr. LODGE. That is the interpretation placed on it by the Senator, but it is not the rule.

Mr. UNDERWOOD. That is the only interpretation that can be put upon it.

Mr. ROBINSON. I know the rule. I asserted for myself, and I now assert for the Senator from Alabama, that the word "proceed" means exactly in this connection what it ordinarily means. When he is speaking he is stopped because he is speaking improperly; he shall not proceed; that is, he shall not continue that speech until leave has been granted. The Senator from Alabama has not asked to continue his speech; other proceedings have occurred; and he now has the right, by virtue of being a Senator, to discuss other questions and to secure recognition.

Mr. NORRIS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Nebraska.

Mr. NORRIS. It seems to me Senators lose sight of the real point in the proposition. The question involved, and that which the rule seeks to clarify was, was whether the junior Senator from Alabama was entitled to the floor. The Senate decided that he was not. It would have been in order then for some Senator to move that he be allowed to proceed in order. That motion was not made. He lost the floor. No attempt was made to give him the floor. The Senator from New York took the floor, made a speech in his own right, and the right of the Senator to proceed by virtue of the motion was never tested. It was conceded he had lost it.

Mr. ROBINSON. It is not in order now to move that he be permitted to proceed.

Mr. NORRIS. Of course not. It is all over with. He lost the floor at the time and the incident is ended. He is now just the same as any other Senator.

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

Mr. NORRIS. He has lost the floor and another Senator obtained it, and he takes his chances on ever getting it again the same as any other Senator.

The VICE PRESIDENT. The Senator from Nevada will state the parliamentary inquiry.

Mr. PITTMAN. What is the unfinished business before the Senate?

The VICE PRESIDENT. Senate bill 4287.

Mr. PITTMAN. Is the Senator from Alabama at liberty to discuss that bill without the permission of a majority of the Senate?

Mr. NORRIS. Mr. President, a parliamentary inquiry.

Mr. PITTMAN. Wait until mine is ruled on.

The VICE PRESIDENT. The Senator from Nebraska will state his parliamentary inquiry.

Mr. NORRIS. Is not the point of order made by the Senator from Arkansas against the motion of the Senator from Wisconsin the pending question? It seems to me that the Chair has not yet decided the parliamentary point.

Mr. PITTMAN. I am making the parliamentary inquiry whether the Senator from Alabama may be recognized by the Chair to discuss the pending measure without the permission of a majority of the Senate?

The VICE PRESIDENT. That is the question pending before the Senate which has not yet been decided.

Mr. CURTIS. Mr. President—

The VICE PRESIDENT. The Chair will hear the Senator from Kansas.

Mr. CURTIS. Mr. President, I have been trying several minutes to secure recognition to state that, in my opinion, the rule is very explicit. It means that the Senator could not continue with the speech that he was making. When he was called to order and sat down, and there was an appeal taken, and the appeal was laid on the table, and that ended the question. Clearly, it having been ended, the Senator has a right to speak on any other subject he pleases. Of course, he could not continue the speech that he was delivering before, if he attempted it, without the consent of a majority of the Senate. But that has been ended, other business has been transacted, and it seems to me clearly he is entitled to the floor if he wants it.

The VICE PRESIDENT. The discussion that has taken place on the floor has changed the mind of the Chair. The Chair had already stated that it had been the understanding of the Chair that the Senator could not proceed until granted that privilege by motion. That opinion has been modified, and the Chair is of the opinion that the motion made by the Senator from Wisconsin is not now in order; that the particular incident having been closed, the Senator from Alabama is again entitled to the floor.

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. The Senator from Alabama.

Mr. HEFLIN. The Senator from New York [Mr. WADSWORTH] declined to yield to me a moment ago. I was trying to state to him what I said yesterday when he asked me about New York, and I said New York had done so much devilment, and so forth. The notes show that I said I did not remember anything she did. I did not say that. I said I did not remember anything good she did. The stenographers are not to blame. There was so much laughter in the Hall at the colloquy of the Senator from New York with me that they did not catch all I said.

There was another place in the stenographers' notes which was incorrect. They had me saying to the Senator from Massachusetts that I did not care to yield, and I never said any such thing. I made no reference to the Senator from Massachusetts. I did not know what he wanted. He had a paper in his hand. I thought he was going to ask me to yield so that he could present some matter at the desk, and I was trying to finish what I was saying before I did that. I made no reference to him whatever then, but the notes show:

Mr. HEFLIN. I do not care to yield.

I did not use those words.

In response to the Senator from New York, where I said that New York had done so much devilment, I said I did not have time to remember the good things she had done.

I did make minor corrections in my speech. We do it every day here. We frequently say things in the heat of debate and when we come to revise our remarks we tone down those remarks somewhat. I made very few corrections last night—all minor ones—in the colloquy that took place between the Senator from New York and myself. When we were talking about those people going to Europe for the purpose of getting this debt canceled due to the people of the United States, talking about editors going over there, then I said that Mr. Taft went to London. I was not sure whether he was Chief Justice at that time or not. The Senator from New York asked me about my reasons for saying what I did about certain people going to Europe. I said I had my reasons for it. Then I asked him

if he denied that Mr. Taft went over there. I said, "Does the Senator deny that he went over there?" He said, "No; he did not." Then I addressed this question to the Senator—I did not say the Senator, but meaning the Senator—"Does he admit that he represents Wall Street?" And he said "No." His answer indicated that he understood me to mean himself, and then I said I would have to accept that statement if he said so. That is what I meant in that connection.

Mr. President, the precedents that have been made this morning by the Republican Party will haunt many a Senator on that side of the Chamber next year, when a new declaration of independence will be presented to the American people. Strange, indeed, a Senator in this historic Hall, being here by reason of the fact that the Continental Army, half clad and barefooted many of them, endured the cold of winter, walked over the frozen ground and left their bloody foot tracks in the snow, fought for American independence, builded this Republic, adopted the principles of the Declaration of Independence, when they wrote the Constitution of the United States that Gladstone said was the greatest civic document that ever emanated from the brain of man, was on yesterday denied the right to proceed when speaking in the interest of the American people.

Mr. President, I am glad we got a roll call on that proposition; glad that it is recorded in the RECORD. I am glad there is a judgment bar to which we can go and appeal from decisions made in this Chamber. I am glad that we can confront Senators whose names appear in the column voting to take me off the floor for saying, "I do not represent Wall Street or the gamblers and big financiers of Wall Street. I am speaking for the American people." That is the offense I have committed in this Senate Chamber, in this morning of the twentieth century, in the greatest Government in all the world, whose liberties under Republican rule are little by little and bit by bit being taken away from her.

Mr. President, when our fathers adopted the Constitution they guaranteed two things that Thomas Jefferson said would preserve its life for all time if they were preserved unfettered and untrammelled—free press and free speech.

I have referred heretofore to how our press is censored and muzzled in Washington; how a decision of the Supreme Court reprimanding the Federal Reserve Board for undertaking to crucify a State bank, trying to put it out of business, was never sent out from here or printed in the daily papers of the country. I have already referred to how the press, or a part of it, is being bought up and subsidized. We are being hurt on that line. Some of the big moneyed interests are buying great newspapers and using them in an effort to crush every man who dares to stand for the right and speak the old-time American doctrine.

And now free speech is threatened in this Chamber. A Senator dares not rise in his place and say, "I represent my State in part. I speak for the American people. I do not represent the gamblers and bond sharks of Wall Street." The Senator from Massachusetts [Mr. LODGE], leader of the Republican majority, calls me to order. The Vice President, from New England himself, sustains the point of order, and I, having committed no other offense but to declare that I was not the agent or representative of Wall Street, but was trying to speak for the American people in the settlement of a debt due to them of \$12,000,000,000, am called to order by the Senator from Massachusetts. The Republicans who cast their votes this morning to sustain that ruling are going to suffer on the hustings next year, and they are going to suffer at the polls. They ought to defeat every man who voted for such a rule.

Mr. President, the fundamental questions of liberty are involved here. This is our Government; we think it is, at least. Four millions of boys answered the call and were ready to go to the front to die for this country. They have been outraged and mistreated by some of the money changers of the Republic. The fact can not be disguised, Mr. President. There can not be taken out of my mind what I think. The roll calls of this body show where Senators stand. I do not care how progressive one of them may declare himself to be, when the show-down comes and Wall Street is attacked and the roll call is had his name appears in the column where it ought to be. The Bible says, "By their fruits ye shall know them." I am afraid the Senator from Massachusetts [Mr. LODGE] will call me down for saying that. It will get to the point where one can not now quote Scripture here during Republican rule. If it is in bad taste to ask for simple justice to the soldier who saved the life of the Nation, it is in bad taste now and an infringement of the rule, under a Vice President of the Republican Party, who stands by his own party, to say that one does not represent the corrupt interests of his country, but that he represents the people. I said I did not represent Wall Street, those gamblers and bond

sharks. I said I represented the people. That is what I am trying to do.

Here was a debt due the United States being discussed by the Senator from Tennessee [Mr. McKELLAR], and he was being taken to task for demanding that America have a fair deal in the transaction. Nothing like it was ever seen. I came to the Senator's rescue. He said that we were not in the British Parliament, but we were in the United States Senate. Why did not Senators on the other side of the Chamber call him down? Why did they not call down the Senator from Wisconsin [Mr. LENROOT] when he characterized the junior Senator from Iowa [Mr. BROOKHART] as being like Lenin, of Russia, and put him in the class with the Soviets of Russia, though he was a United States Senator? But the Vice President never batted his eye, and no Republican Senator called the Senator from Wisconsin down. The old standpatters were sitting there with their faces wreathed with smiles while the Senator from Wisconsin was delivering his tirade against the junior Senator from Iowa. Nobody called him down.

Reflections were cast upon my friend the Senator from Tennessee; it was stated that he was tainted with pro-Germanism because he was pleading for America in this debt settlement; but nobody called to order the Senator who made that reflection. When I got up and put my finger on the sore spot, as I frequently do, when I am arraigning the reprehensible conduct of the Republican Party, then I stirred them. I did put my finger on the sore spot.

Wall Street boasted in the Wall Street Journal but a few months ago that the control of the Federal reserve banking system was not in Washington, but had come back to Wall Street, where it belonged; and when I dealt Wall Street a body blow yesterday I was called to order by the Senator from Massachusetts [Mr. LONGE]. God forgive you for voting to sustain a point of order against a United States Senator coming from a sovereign State, speaking for his people, debt ridden and tax burdened, in the settlement of a debt with Great Britain, and asking that justice be done and that the farmers of America be allowed the same rate of interest that is being given to Great Britain, a foreign country. I have offended the leaders of the Republican Party and I am called to order; I am called to take my seat. I will bear these attempts at humiliation. It does not intimidate me in the least. You can not chill my ardor; you can not long halt me in the fight which I am making. I will make it so long as God gives me strength to make it in this body. I am a soldier in the service and I am trying to serve my country. I do not represent Wall Street; I do not represent the gamblers of Wall Street; I do not represent the bond sharks of Wall Street. Stop me again. That was my offense of yesterday.

No wonder the Senator from Massachusetts came over to this side of the Chamber this morning and stated to my good friend the Senator from Arkansas [Mr. ROBINSON] that if I would apologize he would drop this thing. What am I to apologize for? For fighting the battles of my people; for representing America instead of Great Britain; for holding up the ideals of my own country? Apologize! I would see them further down yonder in the hot regions than a greyhound could run in a hundred years before I would apologize. Mr. President, I know my rights in this body.

I hope in the campaign of 1924 that God will give me strength to go into the States of these Senators, and I shall take that record, assemble the people, and read it to them. I shall say, "Ladies and gentlemen, let me read to you what occurred in the United States Senate under Republican rule. We were discussing the interest rate and debt settlement with Great Britain. The Senator from Tennessee [Mr. McKELLAR] was telling the Senate that we were giving the English a smaller rate of interest than we were giving to the people in our own country—the farmers and others. I came to his rescue. I said, 'our farmers ought to have as small a rate of interest as we are giving to a foreign country. If our people could collect these debts and get this money which is due to us it would lower the tax rate and relieve us of the tax burdens.' While saying that, I said, 'Wall Street wants to cancel the debt; Wall Street would like to postpone its payment at least so that Wall Street could collect what foreign countries are owing to Wall Street.' And I said, 'I did not represent Wall Street; I did not represent those bond sharks and gamblers; I am speaking for the American people; I was fighting for you, and here is what occurred: Senator LONGE, of Massachusetts, rose and called me to order. The Vice President, a Republican, Mr. COOLIDGE, from New England, held that the point of order was well taken. I was denied the right to proceed and requested to sit down. I said I was for the people of America and against Wall Street. That was my offense. The next morning the Senate roll was called and

a majority of Republicans voted to sustain the Vice President in stopping my speech, taking me off my feet, and causing me to sit down. That is what occurred in the Republican Senate. Do you men and women want to vote for a party that will permit that? Do you men and women want to vote for a party that will suppress free speech in that fashion? Do you men and women want to vote for a party that will undertake to censure and reprimand, humiliate, intimidate, and coerce a Senator who is speaking for his own country against a foreign country? Do you? All of you who are going to vote for a proposition like that stand up." There will not be a man or woman to rise. Then I will say, "All of you who repudiate that conduct and repudiate the party that ordered it and repudiate the Senators who sustained it stand up," and they will get up in mass like receiving the benediction at church. [Laughter.] That is what will happen to you. I want the reporter's notes to show that there was laughter at that point. Let us not have any mistake about that hereafter, because I want all of those points to go in. Thank God there are people who come and sit in these galleries who are not bound and tied by any hard-and-fast condition. They know the American doctrine when they hear it. They like to see and hear Senators fight for the right.

For right is right, since God is God,
And right the day must win.

I serve notice on you that I am going to keep up the fight.

No, Mr. President; the lamented Lincoln, peace to his ashes, said on one occasion, "The crisis that I see approaching unnerves me, and I tremble for the safety of my country."

Mr. President, I regret to have to bring these things to the attention of the Senate and the country, but it is my duty to do so. There never was a time in the history of this Government when the corrupt money power of the Nation was more firmly entrenched than it is to-day. Lodged in the strongholds of the National Capital, the money power flourishes in rank luxuriance in every avenue of control in the Nation's Capital. The money power is in control of the Government. The soldiers are mistreated, disregarded, neglected, forgotten by many.

The farmers, bound up under a term of deflation, robbed, and all of their homes and farms are under mortgage. Hard times prevail among the masses of the people. All of this is the fruit of the Republican Party. A few men claim all the increase from ocean, soil, and air. Rich as Croesus, the man with a big purse is the man of power with the Republican Party. Why not tell the truth? And some Senators on the other side are going to hear from that next year. I invite the Senator from Wisconsin to the verdict rendered in his own State under the leadership of fighting Bob LA FOLLETTE, of Wisconsin. That vote means something. I am looking at one or two of them now whom I do not expect to see here any more. [Laughter.]

Talk about moving that I may proceed in order! When did the Senator from Wisconsin have the right to get up and move that I, a Senator from Alabama, after a question had been voted on, and he was one of the Senators to sustain the ruling of the Chair—when I rose he sought to halt me and humiliate me by rising and saying, "I move that the Senator from Alabama proceed in order"; but I said, "I object," for I do not have to proceed by the motion of any Senator who voted to sustain a ruling that outrages every precedent of the Senate.

Talk about my apologizing to them! I told my friend to tell Senator LONGE that I would not do it. I wanted a vote; I wanted a roll call; I would not take the world for that roll call. It is going to cut like a two-edged sword against you next year. I would just like to meet some of these gentlemen on the hustings. I should like to have one of these Senators discuss with me this matter on the stump. I would read the sentences that I used when called to order and the ruling of the Chair, and then his vote sustaining that ruling, and then ask him in the presence of the people if he thought that was Americanism and ask them there in his presence if they were with him or with me on that question.

How did the Senator from California [Mr. JOHNSON] vote? He voted with me; he voted against outraging the rules of the Senate; he voted against denying free speech to a Senator. And NORRIS, of Nebraska, and LA FOLLETTE and LADD and CAPPER and BROOKHART—these men who really stand with the progressive element—how did they vote?

[At this point words were spoken which were subsequently expunged from the RECORD by order of the Senate.]

The VICE PRESIDENT rapped with his gavel.

Mr. HEFLIN. Oh, Mr. President, I thank God that this is one place where we can have free speech, even if we have to get it by main strength and awkwardness, although we are overruled by the Republican majority of the Senate for daring to

speak the truth for the RECORD. Let the RECORD tell it. Forty thousand copies of this RECORD go out each day. We ought to send out 250,000. The more people who read it, the better off the country will be, because we can get the truth in here to-morrow when it goes over the country, and they all read it, and read the splendid, clear, and strong presentation of this situation by my able friend from Arkansas [Mr. ROBINSON]. Read what he said. Why, he said that if the Senator from Alabama did not represent the people, he would not be here long from a Southern State; that if he did represent Wall Street and the gamblers, he would not be in the Senate long from a Southern State. Then, they went on in their mad career and sustained the rape of the rule.

Oh, Mr. President, you know there is an old saying that when some people start to going wrong they just keep on going wrong, and it is just like falling down a hill; they get started to falling and rolling and they can not stop until they hit the rocks at the bottom; and that is what the poor old boss-ridden Republican Party is doing. I saw you in this Chamber stand up for profiteers. You made the soldiers get back. You voted \$450,000,000 a year out of the purse of the Government into the pockets of these pompous profiteers of the Nation. I saw you stand up and give \$90,000,000 annually to big income-tax payers. You gave that over to the mighty rich of the country, the men of all men most able to pay taxes. I saw you do that. I saw you vote \$700,000,000 to pay war contracts left over, questionable contracts, hundreds and thousands of them, and you did it without batting an eye; and then I saw you drive the soldier from the door of the Capitol with nothing to eat, no good clothes to wear, no shelter to cover his head.

I saw the Republican Party do that, and then I saw you come with a ship subsidy bill, arranging to take from the people \$50,000,000 a year. I saw you come with a proposition to practically give to the Ship Trust \$3,000,000,000 worth of ships. You are going to give them to the Ship Trust and then pay them to operate them. All these things I have seen, and more; and on yesterday I saw the Senator from Tennessee [Mr. McKEILAR]—the rock-ribbed old State of Tennessee, the home of Old Hickory Jackson, on whose soil rests the Hermitage and the tomb of Jackson, who said, "By the Eternal, the people shall rule"—I saw him rise and protest against a debt arrangement that had been made behind closed doors, when nobody in the Nation was present but Republican partisan officials, to agree to a settlement that involved nearly \$5,000,000,000 owed to the American people. The Senator from Tennessee, for protesting against certain plans, was terribly taken to task; and when I came to his rescue, replying to the Senators from Wisconsin and New York [Mr. WADSWORTH], the Senator from Massachusetts [Mr. LODGE] reached the climax when he arose to stop me from saying that I represented the people of my country and that I was not representing Wall Street.

In that connection there is one other thing I want to say this morning. The Senator from New York asked me afterwards—it was an afterthought, too; of course it was—about whether I said Taft was representing Wall Street. I never said that. I had reference to the Senator from New York, and it was done in a very pleasant way. Laughter was ringing all around here, and I said, "Does the Senator"—meaning that—"does he represent Wall Street?" He said, "No." Then I said, "I accept the Senator's statement," meaning him. Then afterwards, thinking that the other proposition of the Senator from Massachusetts was feeble, he came to his rescue with the charge that I had sinned against the Chief Justice, and he said I said that, and they sent out for the reporter; and I saw the reporter, clever gentleman that he is, come in here and talk to the Senator from New York, and I saw him shaking his head, and I could almost hear him say to the Senator from New York, "No; he never said anything like that," and they did not ask then that those notes be produced.

I said the Chief Justice, Mr. Taft, went over to London, I believe, before he was appointed Chief Justice; and the ready man on the Republican side, Senator Moses, of New Hampshire, came to the rescue. He voted to sustain the Vice President this morning. We got a verdict in his State last fall. We elected a Democratic governor up there. "Coming events cast their shadows before." He comes up next year. May the Lord have mercy on his soul! He came to the rescue and said that Taft was Chief Justice at the time he went to London.

Mr. MOSES. Mr. President—

Mr. HEFLIN. I yield to the Senator.

Mr. MOSES. Merely in the interest of historical accuracy, I do not come up next year.

Mr. HEFLIN. The Senator does not come up next year? He is fortunate, Mr. President [laughter]; but the Senator came

to the rescue of his friend from New York and he said yes, he was Chief Justice, and then I said, "That makes the case even stronger." I meant to say "makes it more interesting"; I thought I had said it, but the reporter's notes show that I said "it makes it stronger."

Now, listen: The Senator from New York arose then and addressed the Chair as a boy would a school-teacher, and he said, "Why, Mr. President, he has offended again." Think of that! A United States Senator criticizing somebody about going abroad, drawing on this floor his own conclusions about the purpose of his visit. The position of the Senator from New York is tantamount to saying that I could not say that if I thought it. I could say it if I thought it. Why could I not say it if I thought the Chief Justice was interested in that proposition? Where are the rules in this body that close the mouth of a Senator so that he can not criticize any official of the Government, and do it to the limit, in this body? Where is it?

The Senator from New York may have thought that I did not know the rule. I know enough about it to know that; and the position of the Senator from New York will not intimidate me in the future—will not have the slightest effect upon me in saying what I think about any high official in this Government when I feel it my duty to do it.

I think I have said enough this morning, Mr. President, to get the facts pretty well in the RECORD, following what my good friend from Arkansas said. I want to make this suggestion: I demanded the notes myself. Now go read the RECORD. When the Senator from Massachusetts said that I had used that language—stopped me from speaking—I called for the production of the notes. I said, "I did not say that." "Oh, yes," he said; "I heard the Senator." I said, "Read the notes; I demand the reading of the notes." I am the man who did that. That is what occurred. He stopped me from making my speech and we adjourned for the night, and then they came in here the next morning at 11 o'clock and voted, and this outrage was perpetrated, the rules raped, the Chair sustained, and a record preserved against Republican Senators that will haunt them when they rise again for reelection. Then, when the Senator from New York was assailing me and was not giving the facts as I understood them, I rose as a Senator to ask him to yield, and the Vice President, a Republican from New England, denied me the right and told me that I could not proceed. Then the Senator from Wisconsin [Mr. LENROOT] moved that I be permitted to proceed. The Senator from Arkansas [Mr. ROBINSON] objected. I objected. I wanted to keep the record straight. I want the country to know what the record is. An attempt has been made here by Republican Senators to destroy free speech in the Senate of the United States. Republicans intrusted here with commissions from sovereign States have voted to sustain the decision of the Chair that stopped a United States Senator from speaking when he was saying he did not represent Wall Street but did represent the American people.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker had appointed Mr. GALLIVAN in place of Mr. JOHNSON of Kentucky as one of the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13926) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 13774. An act to amend the revenue act of 1921 in respect to exchanges of property;

H. R. 13775. An act to amend the revenue act of 1921 in respect to credits and refunds; and

H. J. Res. 422. Joint resolution permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries.

RURAL-CREDIT FACILITIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4287) to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

Mr. HEFLIN. Mr. President, I send to the desk an amendment which I desire to be pending, to be inserted at the proper place in the bill now before the Senate.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to add, at the end of the bill, the following:

SEC. 14. That paragraph (b) of section 11 of the Federal reserve act be amended by adding after the words "Federal Reserve Board" the following:

"but in no case shall such rates of interest be in excess of 5 per cent per annum."

And wherever in said act Federal reserve banks are authorized, permitted, or required to discount the discounted paper of other Federal reserve banks, the rate of interest in no case shall be in excess of 5 per cent per annum.

The PRESIDING OFFICER (Mr. KELLOGG in the chair). The question is on the amendment of the Senator from Alabama.

Mr. ROBINSON. Mr. President, may I inquire if that is the pending amendment?

The PRESIDING OFFICER. That is the pending amendment.

Mr. LENROOT. Mr. President, may I inquire of the Senator from Alabama whether he refers to the rate of discount or the rate of interest?

Mr. HEFLIN. Rediscount. I mean the rate charged by the 12 regional reserve banks to the thousands of member banks for rediscounting their paper. I am trying to fix it so that the regional banks can not charge the member banks more than 5 per cent for rediscounting their paper.

Mr. LENROOT. The rate of interest?

Mr. HEFLIN. Yes; rediscount. For instance, a regional bank rediscounts the paper of a member bank. When a member bank comes up with its paper and applies for money the regional bank can charge 3 or 3½ or 4 or 4½ per cent, but not over 5 per cent, to the member bank.

Mr. LENROOT. Mr. President, of course if the Senate desires to permit banks to profiteer, I suppose that amendment would be perfectly in order; but I can not see anything else that it would accomplish. What do banks charge in the Senator's State?

Mr. HEFLIN. The legal rate is 8 per cent; but a member bank in Atlanta charged one of the banks in my town 8 per cent, and a national bank in north Alabama was charged 9 per cent. Now, my amendment would not permit that. The regional bank could not charge the member bank more than 5 per cent; and that would enable the member bank to loan to the farmer or the merchant, or whoever the borrower is, at a lower rate than if it had to pay 7 per cent to the regional bank for the loan.

Mr. LENROOT. Mr. President, when the bank to which the Senator has so often referred charged, as I think he said, 87½ per cent, does the Senator know what rate was charged the customers of that bank?

Mr. HEFLIN. I did not get that question.

Mr. LENROOT. Does the Senator know whether, in the case he has so often spoken of, where a bank charged, under the progressive rate of interest, 87½ per cent—

Mr. HEFLIN. Eighty-seven and one-half per cent.

Mr. LENROOT. Did the customers of that bank pay any such rate as that?

Mr. HEFLIN. I do not know what they paid.

Mr. LENROOT. Does the Senator know that in the Federal reserve districts which did not have the progressive rate of interest the rate of interest charged customers was just as high as in the districts which did have the progressive rate?

Mr. HEFLIN. I do not. That was not the case.

Mr. LENROOT. I am very much in accord with the views of the Senator that, to say the least, a very great mistake was made in having any such rates, because wherever any such rates were imposed what ought to have been done was to cut off the additional credit to the bank entirely; but my question was whether the Senator knows whether any farmer, in the State of Alabama or elsewhere, suffered by reason of that high rate.

Mr. HEFLIN. Of course they suffered, and this bank was denied funds. It could not pay the high rate, and loans were stopped. The bank had to quit loaning; it could not get the money to loan; cotton was thrown on the market and cattle were thrown on the market and financial disaster followed.

Mr. LENROOT. Does not the Senator know that in every case where any such rate was imposed the bank had had a great deal more than its share of credit, and that the entire credit ought to have been cut off from that bank?

Mr. HEFLIN. I also know that two banks in New York borrowed during that time six times more than their capital.

Mr. LENROOT. I did not catch the last remark of the Senator from Alabama.

Mr. HEFLIN. Two big institutions in New York borrowed, during that time of deflation, six times more than their capital.

Mr. SMOOT. I will say to the Senator that in this case this bank had more than six times its capital loaned and, not

only that, nearly all of its deposits, and no bank in New York ever did.

Mr. HEFLIN. That was just for a few days.

Mr. SMOOT. It was for 11 days.

Mr. HEFLIN. The fact that the bank did not fail shows there was no necessity for applying the 87½ per cent rate.

Mr. SMOOT. What the board ought to have done was to close up the bank.

Mr. HEFLIN. They closed it by the 87½ per cent rate.

Mr. SMOOT. For 11 days.

Mr. HEFLIN. It amounted, I think, to nearly 30 days.

Mr. SMOOT. Eleven days is what it amounted to.

Mr. HEFLIN. But whether it was 5 days or 11 days, it succeeded in choking the little bank down, and it would not let the little bank have the money, and the bank could not supply its customers with money, and the people of that locality suffered greatly.

Mr. POMERENE. May I ask the Senator the amounts of the loans on which 87½ per cent was paid?

Mr. HEFLIN. I do not remember the amount. I printed all the correspondence in the RECORD last July.

Mr. POMERENE. My information is that there was just one loan of \$2,000.

Mr. SMOOT. The Senator is right.

Mr. GLASS. Six hundred and ninety-one dollars; and so far from the bank being choked down, the record shows that the bank had 1,700 per cent of its basic line of credit with the Federal reserve bank—1,700 per cent—and that it had been deficient in its reserve for 11 of the 12 preceding months, the reserve required being \$9,485, and the reserve actually carried being \$86.

Mr. HEFLIN. I can not agree with those figures. I will have to have the record produced.

Mr. GLASS. That is in the record; I can produce the record.

Mr. HEFLIN. Whatever it is, the 87½ per cent charge was outrageous. Nobody can defend it, I do not care whether he is a Democrat or a Republican. Nobody can defend an 87½ per cent interest rate, and the fact that the bank did not fail shows that there was no necessity for this thing happening. It may have been a few days—that happens frequently with people in overdrawing their own bank accounts just a few days—but this was part of a drive, a deep-laid plan to shut off loans in Alabama, as well as other Southern States and Western States, in order to carry out the drive of deflation. This was a part of it, and when it succeeded this interest rate was stopped.

Mr. GLASS and Mr. COUZENS rose.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and if so, to whom?

Mr. HEFLIN. I yield briefly to the Senator from Virginia.

Mr. GLASS. Mr. President, I do not undertake to defend an 87½ per cent rate. My criticism of the Federal Reserve Board and the Government authorities in that case would be that they did not close that bank. Instead of making an 87½ per cent interest charge for a few days, my criticism of it would be that it loaned the bank seventeen times its capital and its surplus, and loaned 82 per cent of it to its president, and on notes indorsed by its president.

Mr. HEFLIN. And never lost a cent of it.

Mr. GLASS. The bank ought to have been closed, and any public official who had any appreciation of his duties and understands the banking business would have closed it.

Mr. HEFLIN. So the Senator would have had this little bank closed, which finally struggled through and did not break?

Mr. GLASS. It struggled through only because the Federal reserve bank at Atlanta loaned it seventeen times more money than it ought to have loaned it. That is the reason it struggled through.

Mr. HEFLIN. And the Senator says he would not have done it, that he would have closed it—

Mr. GLASS. Of course I would have.

Mr. HEFLIN. That reminds me of what happened once—

Mr. GLASS. If many more banks had been carried on at that rate, we would not have had many banks in this country. All of them would have gone to smash.

Mr. HEFLIN. I never heard any complaint about the big loans in New York at 6 and 7 per cent, never over 7 per cent. But the Senator from Virginia says he would have closed this little bank in Alabama. Eighty-seven and a half per cent did close it, in effect. It depends on which method you would employ.

Congressman Cushman used to be in the House, and he told this story: That a fellow had stolen a mule out there in the West, and they put a placard on his back, "This man stole a mule and we have hanged him. Beware! Profit by his ex-

ample." Then one stole a horse. They caught him out in the woods one moonlight night, and they were about to execute him. About half the crowd said, "Let's shoot him," and the other half said, "Let's hang him," and they got into a discussion as to how they would dispose of him—whether they would shoot him or hang him. Finally, one of the fellows who wanted to hang him said, "Mr. Chairman, let's get his ruthers about the matter. Let's find out what he would rather do, whether he would rather be shot or hanged." They turned to the fellow and asked him, and he said: "I am more interested than any of you, but, by golly, I can't enthuse over any one of the plans you have suggested." [Laughter in the galleries.]

So 87½ per cent stopped it. The Senator from Virginia says he would have closed it. Whichever way it went, they were either going to lynch it, with the 87½ per cent rediscount rate, or hang it by closing it according to the plan of the Senator from Virginia [Mr. GLASS]. Senators, it is easy for some here to say that a struggling little bank in my State, trying to help cotton producers and cattlemen over a very trying time, ought to have been closed, that they ought to have denied it these loans; but when the speculators, the gamblers of Wall Street—if I may say that in a Republican Senate—when the gamblers of Wall Street borrowed six times their capital to speculate in cotton and grain, and buy Liberty bonds forced out of the hands of the people, none of these champions of deflation ever opened their mouths to condemn them—not one.

Mr. COUZENS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Michigan?

Mr. HEFLIN. I yield.

Mr. COUZENS. Mr. President, the Senator from Alabama is pretty free with his language with reference to other Senators. I suggest the absence of a quorum.

Mr. HEFLIN. Mr. President, can the Senator do that?

The PRESIDING OFFICER. If the Senator yields he can call for a quorum.

Mr. HEFLIN. Very well. I will proceed, then, on the Senator when a quorum of Senators comes in. I am not quite through with him anyhow.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Harrell	McLean	Smoot
Ball	Harris	McNary	Spencer
Bayard	Harrison	Moses	Stanfield
Borah	Hefflin	Nelson	Sutherland
Brookhart	Hitchcock	New	Swanson
Bursum	Johnson	Nicholson	Townsend
Capper	Jones, Wash.	Norbeck	Trammell
Couzens	Kellogg	Norris	Underwood
Culberson	Kendrick	Oddie	Wadsworth
Curtis	King	Page	Walsh, Mass.
Fletcher	Ladd	Pepper	Walsh, Mont.
France	Lenroot	Philpps	Warren
Frelinghuysen	Lodge	Pomerene	Watson
George	McCormick	Reed, Pa.	Willis
Glass	McCumber	Robinson	
Gooding	McKellar	Shortridge	
Hale	McKinley	Smith	

The PRESIDING OFFICER (Mr. ODDIE in the chair). Sixty-five Senators having answered to their names, there is a quorum present.

Mr. HEFLIN. Mr. President—

Mr. COUZENS. Mr. President, I rise to a point of order.

Mr. HEFLIN. I had the floor.

The PRESIDING OFFICER. The Senator from Michigan rises to a point of order.

Mr. HEFLIN. I rise to a point of order.

The PRESIDING OFFICER. The Senator from Michigan has risen to a point of order. The Senator will state the point of order.

Mr. COUZENS. It is a point of personal privilege, Mr. President. The Senator from Alabama has made special reference to other Senators in the speech just made. I desire to have the reporter read the record as he has taken it down, because after the Senator from Alabama gets a chance at the record, the good Lord knows what it will read like.

Mr. HEFLIN. Mr. President—

Mr. COUZENS. I want the record as he stated it settled right now and not after he has changed the record to-night.

Mr. HEFLIN. Mr. President—

Mr. COUZENS. I want the record read as the Senator spoke it in relation to myself, of course.

Mr. HEFLIN. Mr. President, I was addressing the Senate and the Senator from Michigan asked me to yield to him and I did so.

Mr. FRELINGHUYSEN. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state the point of order.

Mr. HEFLIN. The Senator made a point of no quorum and I yielded to him.

The VICE PRESIDENT. The Senator from New Jersey has risen to a point of order and will state the point of order.

Mr. HEFLIN. He never could have taken me off the floor in that way.

The VICE PRESIDENT rapped for order.

Mr. FRELINGHUYSEN. Has not the Senator from Michigan a right to have the record read before any further reference is made in the Senate to the incident?

The VICE PRESIDENT. He has. Let the record be read.

Mr. HEFLIN. Those remarks were made 30 minutes ago or an hour ago.

The VICE PRESIDENT. The Senator from Michigan has a right to have the record read. Let it be read.

Mr. HEFLIN. I have no objection to the Senator having it read.

Mr. TRAMMELL. Mr. President, I desire to appeal from the decision of the Chair that it is in order for the record to be read at the present time.

Mr. LODGE. The Senator from Michigan rose to a point of order of special privilege, and he has a right to have the record read, as the Chair has ruled.

The VICE PRESIDENT. The Chair has so ruled.

Mr. TRAMMELL. I appeal from the decision of the Chair.

Mr. WILLIS. I move to lay the appeal on the table.

Mr. ASHURST. I beg the Senator to withhold the appeal.

Mr. UNDERWOOD. Mr. President—

The VICE PRESIDENT. The motion is not debatable.

Mr. UNDERWOOD. I hope the Senator from Florida will not insist on the appeal, because we do not want to be in the position of not sustaining my colleague, and clearly the Chair is right.

Mr. ASHURST. Undoubtedly; and I hope the appeal will be withdrawn.

Mr. TRAMMELL. I withdraw my motion, then.

The VICE PRESIDENT. The Secretary will read the stenographic record.

The Assistant Secretary read as follows:

How did the Senator from California [Mr. JOHNSON] vote? He voted with me; he voted against outraging the rules of the Senate; he voted against denying free speech to a Senator. And NORRIS, of Nebraska, and LA FOLLETTE and LADD and CAPPER and BROOKHART—these men who really stand with the progressive element—how did they vote? And how did some of the others vote who have been classifying themselves as progressives? I have been looking at them, and I doubted it all the time. I was told one of them was a progressive, but he is a millionaire many times over. I said, "Say that to me again, and say it slow"; and they said it again. I shook my head and said, "It will crop out on him; mark what I tell you; he will vote some time; when the big interests are attacked you will see him go over and take his place among the bellwethers of the standpat party."

Mr. COUZENS. Mr. President—

Mr. HEFLIN. I demand the right to proceed. There is nothing in those remarks.

Mr. COUZENS. I have the floor, I hope.

The VICE PRESIDENT. The Senator from Michigan, the Chair understands, is rising to a point of order.

Mr. HEFLIN. The notes have been read.

Mr. COUZENS. I am rising to a matter of personal privilege.

The VICE PRESIDENT. The Senator will state the personal privilege.

Mr. COUZENS. Mr. President, we went through something of this character yesterday when the Senator from Alabama made free to make reference, in the minds of Senators, to Senators from other States in which the Senator apparently imputed improper motives to Senators from other States, and it is just fresh in the minds of the Senate as to how the matter ended.

[At this point words were spoken which were subsequently expunged from the Record by order of the Senate.]

Mr. President, I want to say that I voted to sustain the Chair because I object to any Senator getting up on the floor and impugning the motives of any other Senator. I think the Chair ruled properly to sustain the point that was raised yesterday by the Senator from New York. If Senators are free to get up here and tell the galleries and the American people that the motives of a Senator from any State are to be questioned, and that they are aligned with some special interests, then we might just as well stand up here and call everybody thieves and liars. I want it understood now that the Senator from Alabama can not get up on the floor and impugn the motive of my vote to sustain the Chair as to the matter he was discussing at the time. I want the Record clear as we go along,

and not let any man in the nighttime go around and change the Record and have it read as he may choose.

I now request that the statement with reference to myself be expunged from the Record.

Mr. JOHNSON. Mr. President, I want to say that I think the remarks of the Senator from Michigan are wholly justified. I think the remarks of the Senator from Alabama were wholly unjustified. I voted as I did this morning upon the record that was presented in the CONGRESSIONAL RECORD on page 2831. I read that Record with great care. I did not think on that Record that the Senator from Alabama had transgressed the rules of the Senate or that he had indulged in the imputations that were attributed to him. Because I am so tender of the rights of any man to express himself on this floor, I voted this morning against sustaining the Chair and because the Record demonstrates, in my opinion, that there was no transgression of the rules yesterday.

In the language of the Senator from Alabama, which has been read, concerning the Senator from Michigan I believe there is transgression of the rules. I believe that the remarks were wholly unjustified and that the Senate ought not to sit supinely by and permit such remarks to be made by one Senator concerning another Senator upon this floor.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. The Senator from Nebraska.

Mr. HEFLIN. Mr. President, will the Senator from California yield?

Mr. JOHNSON. I have concluded.

The VICE PRESIDENT. The Chair has recognized the Senator from Nebraska.

Mr. HEFLIN. I want to ask the Senator from California a question.

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. NORRIS. I have no objection to yielding.

Mr. LENROOT. Mr. President, is a point of order pending?

The VICE PRESIDENT. A motion to expunge is pending.

Mr. HEFLIN. I was going to ask the Senator from California a question.

Mr. NORRIS. I yield for that purpose if the Senator from California is willing.

Mr. HEFLIN. I want to say, since the Senator from California has made the statement he has—

Mr. NORRIS. Mr. President, I do not yield for any remarks. If the Senator wants to ask the Senator from California a question I have no objection, but otherwise I prefer to say what I have to say and then let the Senator say what he has to say.

There is a part of the Record that was read at the desk that does not apply to the Senator from Michigan, and to that nobody can object; but there is some of it that did refer to the Senator from Michigan which I think was objectionable. I heard the Senator from Alabama say it. I felt like making the point of order against it then, but let it pass. The Senator from Michigan himself was here. I have heard similar things said about other Senators at other times that were just as bad, but nobody called attention to them.

But, regardless of how we may disagree at times, it seems to me that with the idea of doing any business or transacting the business of the country we must agree upon some rule, upon some regulation, by which our work shall be governed. Until we change the rules we must take them as they are. The rules provide—and I think rightly—that no Senator has the right to impute improper motives to any other Senator. If we adopt any other rule or if we do not enforce that rule God only knows what would become of us. We would never get anywhere. We would have a lot of fighting men here instead of a lot of gentlemen trying to legislate. We would become an irresponsible mob.

I have no right to criticize somebody else because he does not vote as I did. That is what the Senator from Alabama was doing this morning. I thought it was out of place when he did it. I myself thought that the Chair's ruling this morning was wrong. I voted with others to overrule the Chair—that is, I voted against laying the appeal on the table—and I have no apology to offer for that vote.

I think the Senator from Alabama, as shown by the Record, was in order, and that his words in debate were not objectionable. So at least no one can ascribe to me any idea, I think, of being partial as against the Senator from Alabama. But later this morning, after the vote had been taken, the Senator from Alabama spoke of the Senator from Michigan [Mr. COUZENS]. Before reading the record of his remarks I wish to say that while the Senator from Michigan did not vote as I voted I have just as much respect for his vote as I expect him to have for mine. I have no doubt whatever that he was con-

scientious in his vote; at least, he had a right to vote as he did, and he had a right to vote that way without anyone condemning him. I have had my motives condemned many times for votes which I have cast in the Senate, though not always here. So it may be that I am tender about that proposition, but unless we preserve the right to vote freely we shall not be doing our duty as Senators or to the American people. It is because I wish to see that right entirely and completely preserved that I have now taken the floor.

The Senator from Alabama stated—now this is the language, it seems to me, which is clearly objectionable and is a clear violation of the rules:

And how did some of the others vote who have been classing themselves as progressives? I have been looking at them, and I doubted it all the time.

That far I would not object to the language as I have read it, and I have read it because it has got to be read in order to introduce the language which I think is objectionable. The Senator from Alabama continued:

I was told one of them was a progressive, but he is a millionaire many times over. I said, "Say that to me again, and say it slow"; and they said it again. I shook my head and said, "It will crop out on him; mark what I tell you; he will vote some time."

Now, I desire Senators to listen to this language—

when the big interests are attacked you will see him go over and take his place among the bellwethers of the standpat party.

The point in that language is that it contains a clear intimation, I think, clearly expressed, that the Senator referred to is here in the interest of big business; that he will not perform his duty properly, but that he will go over to big business whenever the big interests are attacked. It is an intimation that he is a representative here of special interests. I do not believe that any Senator ought to be thus charged unless the charge is coupled with an offer to furnish the evidence to prove the statement. Then it would be all right. It seems to me, Mr. President, in the interest of orderly debate, of fair and honest consideration of matters, that the imputation of a wrongful motive to the Senator from Michigan contained in the language is unwarranted and is a violation of our rules.

I wish to say before I close that later on—the language is not before me—the Senator from Michigan interrupted the Senator from Alabama and made the point of no quorum. He also said something about the Senator from Alabama being free with language as applied to other Senators. The Senator from Alabama made another remark which standing alone I should not think anything of, but coupled with what transpired I think it means something. He said, "I am not through with the Senator yet"; in other words, that would seem to imply that in connection with what the Senator from Alabama had said about the Senator from Michigan representing big interests here he had something more to say about it.

I think it is conceded that the conduct of the Senator from Michigan in the Senate has been respectful and honorable, and that nobody has had any cause or reason whatever to say that he is not conscientiously and honestly doing his duty as he sees it. I have had great admiration for him, for his independence in doing what he thinks is right, although I have not always agreed with him. So until something does happen to justify such an imputation it seems to me it is out of place—and I want to say, Mr. President, that I regret it much more than I can express—that any Senator shall make that kind of a reference to a Member of the body whose record stands unblemished and unsullied.

Mr. TRAMMELL. Mr. President, the Senator from Michigan [Mr. COUZENS] in calling attention to the remarks of the Senator from Alabama [Mr. HEFLIN] also used some unparliamentary language, in my opinion. If the language used by the Senator from Alabama is to be expunged from the Record, then the language of the Senator from Michigan should also be expunged. Among other things the Senator from Michigan said that he wanted the record brought before the Senate before the Senator from Alabama had the opportunity to slip out in the nighttime and change that record.

The country does not quite understand the custom here, but every Senator understands it, that a Senator has the privilege of revising and altering, in a minor way, of course, his remarks. There is not a Senator on the floor who is without guilt so far as the matter of altering his speech at nighttime or any other time when he sees proper to correct it is concerned.

I do not care to have that aspersion rest upon the Senator from Alabama because he made some minor alterations in his speech. The Senator from New York [Mr. WADSWORTH] this morning, when he brought that matter to the attention of the Senate and attempted to elicit some criticism of it, did not

frankly state that it was the custom of Senators here to do that. I think that he should have then done so.

Now, Mr. President, I suggest that if the Senator from Alabama sees proper to withdraw any reference to the Senator from Michigan that the reference of the Senator from Michigan to the method of the Senator from Alabama in the matter of making some corrections in his remarks should also be expunged.

The Senator from Michigan also indulged in the statement that the Senator from Alabama played to the galleries, and so on. I think those remarks were just about as severe as were the remarks which were made by the Senator from Alabama.

What I object to, Mr. President, is the fact that there is an effort here to muzzle and halter the Senator from Alabama in making speeches, but when many other Senators indulge in really as harsh and as unparliamentary language upon the floor no Senator corrects them or makes any objection. As I see the situation, it depends upon the utterances and policies that are being advocated by the Senator as to whether or not he is to be called to order for his utterances upon the floor.

Mr. LODGE and Mr. LENROOT addressed the Chair.

The VICE PRESIDENT. Does the Senator from Florida yield?

Mr. TRAMMELL. I shall yield in a moment. Yesterday the Senator from Wisconsin used certainly more unparliamentary language in regard to the Senator from Iowa [Mr. BROOKHART] than has been used by the Senator from Alabama in regard to other Senators, but nobody said anything about it; the Senators then just laughed.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. TRAMMELL. I yield.

Mr. LENROOT. First, I wish to say that the Senator from Wisconsin used no unparliamentary language in reference to the Senator from Iowa. He ascribed neither by inference nor directly any improper motive, or anything but sincerity of motive, in what the Senator supported. The Senator from Wisconsin referred to a proposal made by the Senator from Iowa, which he himself admitted he had made, and the Senator from Wisconsin then discussed that proposal and likened it to the soviet system of Russia.

Now, the inquiry I wish to make is this: The Senator does not mean, does he, that it is the custom of Senators so to alter remarks as entirely to change their meaning?

Mr. TRAMMELL. Certainly not, Mr. President. I did not say that that was the custom. I do not think that the Senator from Alabama altered his remarks so as entirely to change their meaning. Now, since the Senator has injected that interrogatory, I should like to ask him if he did not alter his speech that he made yesterday upon this floor? Did he not make some changes or alterations in the speech which he made yesterday?

Mr. LENROOT. I did in two or three places. I will be very glad if the Senator will examine the manuscript of that speech. I want to say, however, that I do not know of any other Senator on this floor who has ever changed his speech to alter its meaning and intent.

Mr. TRAMMELL. Mr. President, so far as that is concerned, the Senator from Alabama made some little minor corrections of his speech, which is permissible under the rules, and which is indulged in and is the custom on the part of every Senator upon this floor. I make no exception whatever.

Mr. LODGE. Mr. President—

Mr. NORRIS. Will the Senator from Florida yield?

Mr. TRAMMELL. Certainly.

Mr. NORRIS. I wish to say to the Senator—and it seems to me it ought to be said by one who feels as I do about this matter—that, although I do not think that it is any defense in this case, I agree with the Senator as to the remarks of the Senator from Wisconsin [Mr. LENROOT] yesterday about the Senator from Iowa. I heard those remarks. I have not read the RECORD. Perhaps on careful examination I might change my mind, but I thought at the time that they were very much out of place. I felt then, too, that if I were doing my full duty I would object to them. It seems to me that the Senator from Wisconsin made a reference that was not justified by even the speech from which he read as the basis of the statement, and that he went clear out of his way to do that. I agree with the Senator from Florida on that point, but I should like to say that if we are always going to violate the rules because it can be proved here that they have been violated before, we might just as well abolish the rules. If the point made by the Senator from Florida had been brought before the attention of the Senate yesterday, unless on careful examination of the language I thought differently, I would have been willing to do just what I am going to do in this case. We can not any of us deny that

the rules of the Senate have often been violated; I have, in my judgment, seen them violated many times, and cruelly violated in the very respect about which we are talking; and unless we make an effort at some time to secure some correction in that kind of procedure, we will become a howling, fighting mob instead of a deliberative Senate.

Mr. LODGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Massachusetts?

Mr. TRAMMELL. Mr. President, I did not rise for the purpose of making a speech. I merely rose for the purpose of calling attention to the fact that, as I see it, there is a good deal of discrimination in the enforcement of the rule. I think that it would be probably proper for the Senator from Alabama to withdraw his remarks and also for the Senator from Michigan to withdraw his remarks in which he questions the conduct of the Senator from Alabama. I make that suggestion.

Mr. LODGE and Mr. HEFLIN addressed the Chair.

The VICE PRESIDENT. The Senator from Massachusetts.

Mr. TRAMMELL. I yield to the Senator from Alabama.

Mr. LODGE. I thought the Senator from Florida had yielded the floor.

Mr. HEFLIN. Mr. President, I have heard the suggestion of my friend from Florida [Mr. TRAMMELL], of my friend from California [Mr. JOHNSON], and of my friend from Nebraska [Mr. NORRIS]. I did not say what the motive was of any Senator; I was simply describing the situation as it appeared to me. I know but very little about the Senator from Michigan, and probably when I came to revise my speech I would, if I had discovered any personal sting in it to him, have taken it out. I objected to the Senator saying what he did about me as to changing my speech. All Senators do that, as the Senator from Florida suggests, but I am willing to withdraw my reference to the Senator from Michigan, provided he withdraws his reference to me.

Mr. LODGE. Mr. President, if I may be permitted to say one word with regard to the custom of the Senate, it is understood and it is the unwritten law that any Senator may change his own speech, but may never change what anyone else says and may never change in a colloquy his own words so as to completely affect the colloquy and thereby another Senator's remarks. I do not believe that is ever done.

Mr. HEFLIN. And it has not been done in this instance.

Mr. TRAMMELL. Mr. President, the Senator from Massachusetts has impugned the motive of the Senator from Alabama in following the precedent in making corrections of his speech, and I move that the remarks of the Senator from Massachusetts be expunged from the RECORD.

Mr. FRELINGHUYSEN. Mr. President, I rise to a point of order.

Mr. WILLIS. A point of order, Mr. President.

The VICE PRESIDENT. There is a motion already pending.

Mr. COUZENS. Mr. President—

The VICE PRESIDENT. The Senator from Michigan.

Mr. COUZENS. Mr. President, I will object to the Senator from Alabama withdrawing his remarks concerning myself and will require a vote on my motion that his remarks be expunged from the RECORD; and in connection with that, I will not withdraw my remarks concerning the RECORD being changed in the night because the Senator from Florida [Mr. TRAMMELL] says that is a custom, and a custom that has been practiced by all of the Senators, to change the RECORD after the remarks have been made upon the floor of the Senate. I want to deny that. I never changed a record, and I never will. Whatever I say on the floor of the Senate will stand as the RECORD of the Senate. I will not in the heat of passion say something, and then sneak around in the nighttime and change it to mean something else, or even change the language; and I do not propose to let any other Senator do it, so far as my record is concerned.

The VICE PRESIDENT. The question is on the motion of Senator from Michigan [Mr. COUZENS].

Mr. HEFLIN. Mr. President, am I going to be denied the right to speak while the Senator from Michigan is permitted to assail me? Have I the right to speak or have I not?

The VICE PRESIDENT. The Chair recognizes the Senator from Alabama.

Mr. HEFLIN. Mr. President, I have tried to do what was right in this matter. I will not permit the Senator from Michigan, either in this Chamber or anywhere else, to say that I change my statements in the nighttime so as to affect their meaning. I have my rights in this Chamber and out of it.

The Senator came over here, and I yielded to him—I thought he wanted to ask me a question—and he made the point of no quorum; took advantage of my yielding to him, the courtesy that I extended, to make the point of no quorum to take me

off my feet as I was speaking in the Senate. Then when the quorum was obtained the Presiding Officer recognized him and would not let me proceed. Such parliamentary procedure can not be defended.

In reference to what the Senator from California [Mr. JOHN-SON] says, that he thought probably the language I used was not altogether parliamentary, and the suggestion of my friend from Nebraska [Mr. NORRIS] and my friend from Florida [Mr. TRAMMELL] that I withdraw my reference to the Senator from Michigan, I said, in response to those suggestions, that I was willing to do that. The Senator from Florida suggests that the suggestion of the Senator from Michigan about me be withdrawn. The Senator from Michigan says he will not withdraw it.

He wants my language expunged. If my language is expunged, we will have a roll call of the Senate to see whether or not his language will be expunged. We will have another record vote on this historic and record-making day for free speech in the United States Senate.

Mr. CAPPER. Mr. President—

Mr. HEFLIN. What is the pending question, Mr. President?

The VICE PRESIDENT. The question is on the motion to expunge. The Chair was about to inquire where the Senator desired to have that begin, and where he desired to have it end.

Mr. FLETCHER. I think myself, Mr. President, it ought to be specified. The motion appears to be rather indefinite.

Mr. NORRIS. I think the motion was specific, Mr. President, as it was made. It applied to the reference that was made to the Senator from Michigan.

Mr. HARRISON. Mr. President, I desire to propose a unanimous-consent request.

The VICE PRESIDENT. The Senator from Alabama has the floor.

Mr. HEFLIN. I yield the floor.

The VICE PRESIDENT. The Chair will recognize the Senator from Kansas.

Mr. CAPPER. Mr. President, I was not on the floor last evening when the discussion took place which started this controversy. I was not here when the Vice President ruled the Senator from Alabama out of order.

Mr. HEFLIN. Mr. President, we can not hear what is going on. I want to hear at least what Senators are saying.

The VICE PRESIDENT rapped with his gavel.

Mr. CAPPER. When the question was presented to us this morning as to sustaining the ruling of the Vice President putting the Senator from Alabama off the floor, I formed the opinion on the face of the record as it appears in the CONGRESSIONAL RECORD that the remarks of the Senator from Alabama did not justify the ruling that he was out of order, so I voted against sustaining the Vice President; but the remarks addressed by the Senator from Alabama this afternoon to the Senator from Michigan, or at least his comment as to the vote cast by the Senator from Michigan, I think is an entirely different matter. I believe the Senator from Michigan was wholly warranted in taking exception to the remarks of the Senator from Alabama, and I hope his request that the remarks shall be expunged from the RECORD will prevail.

Mr. UNDERWOOD. Mr. President, my colleague has indicated that he is prepared to ask the Senate to withdraw the remarks he made against the Senator from Michigan. Of course, I do not justify the remarks that the Senator from Michigan has made in reply, although there may be some warrant for them in what my colleague said in regard to him; but that does not justify his position, and I am sure that when the Senator from Michigan has had more experience on the floor of the Senate he will realize that this is a place where difficulties among gentlemen should be settled in an amicable way, and not by trying to drive one into an unenviable position. The Senate can not proceed with business, it can not attend to the public affairs of the Nation, if we are to lug before the Senate personal disputes and settle them by votes of the Senate.

I hope my colleague will give me permission, as his friend, to act for him in this matter, and, regardless of the position of the Senator from Michigan, let his position go to the country. If he feels he is justified in what he said, let him be justified before the country. If he feels that he was justified in his remarks, let their justification stay in the RECORD; but as my colleague has indicated that he felt he was too hasty in what he said against the Senator from Michigan and has indicated, as he should in the matter, his desire to do what is right and justify himself, I ask unanimous consent of the Senate that the remarks of my colleague, in accordance with

his wishes, may be expunged from the record of the Senate now, without proceeding further in this matter.

The VICE PRESIDENT. Is there objection?

Mr. COUZENS. I object.

The VICE PRESIDENT. There is objection.

Mr. UNDERWOOD. Then I desire to make a motion, and I hope the Senate will sustain me in the motion, because I think this matter has gone as far as it can.

I move to amend the motion to expunge the remarks of my colleague from Alabama by adding to that motion that the remarks of the Senator from Michigan in reply thereto shall also be expunged from the RECORD. If that is adopted, it will eliminate the whole matter, as it should be eliminated, and as we have been anxious to do by unanimous consent.

I appeal to the Senate to sustain this position. We have public business to attend to. I do not justify Senators reflecting on each other. This is no place for that, no matter who the men are. They should have a regard for the public affairs; but I know that in the heat of debate, when men are moved by their inner feelings, the situation often runs away with them, and they do things that upon calm consideration would not be done.

We do not want to start a rough-house in the United States Senate. I want to see this incident closed; and I hope the Senate will sustain me in my amendment to the motion to exclude the remarks of the Senator from Michigan at the same time that the remarks of my colleague are excluded, and let the incident be closed.

The VICE PRESIDENT. The question is on the amendment of the Senator from Alabama.

Mr. LENROOT. Mr. President, may I suggest to the Senator from Michigan that if the remarks of the Senator from Alabama are expunged his own remarks would not be intelligible to any reader of the RECORD, and there would be nothing from which anyone could find out to what they referred. It seems to me that the way out of this is to expunge all of the colloquy.

Mr. COUZENS. Mr. President, I will concur in the amendment.

The VICE PRESIDENT. Then the question is on the motion of the Senator from Michigan [Mr. COUZENS], as amended.

Mr. TRAMMELL. I call for the yeas and nays.

Mr. UNDERWOOD. As I understand, the amendment offered by me is agreed to.

Mr. WILLIS. It is agreed to; yes.

Mr. UNDERWOOD. I do not see that there is any necessity for the yeas and nays.

Mr. ASHURST. It is too late for the yeas and nays.

The VICE PRESIDENT. The Chair understands the parliamentary situation to be that the Senator from Michigan amends his motion in accordance with the request of the Senator from Alabama.

Mr. UNDERWOOD. That is correct.

The VICE PRESIDENT. And that the question is now on the motion as amended.

The motion as amended was agreed to.

Mr. HARRISON. Mr. President, what is the pending amendment? What is before the Senate?

The VICE PRESIDENT. The amendment offered by the Senator from Alabama [Mr. HEFLIN].

Mr. FLETCHER. Mr. President, may the amendment be stated?

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to add, at the end of the bill, the following:

SEC. 14. That paragraph (b) of section 11 of the Federal reserve act be amended by adding, after the words "Federal Reserve Board," the following:

"but in no case shall such rates of interest be in excess of 5 per cent per annum."

And wherever in said act Federal reserve banks are authorized, permitted, or required to rediscount the discounted paper of other Federal reserve banks, the rate of interest in no case shall be in excess of 5 per cent per annum.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Alabama.

Mr. GLASS. Mr. President, I ask for the yeas and nays on that amendment, because if the amendment is adopted we might as well pass a joint resolution abolishing the Federal reserve banking system. It would no longer be a banking system.

Mr. HEFLIN. Mr. President, before we have a vote on the amendment I want to reply to the Senator from Virginia.

The Senator says that if we adopt this amendment, which provides that a regional bank shall not charge a member bank more than 5 per cent, we had just as well abolish the Federal reserve banking system. I do not see how that position can be sustained. This rate of interest, this rediscount rate, ran up

to 4 per cent and $4\frac{1}{2}$ per cent before this deflation drive was brought on.

I do not know of a bank in my section of the country that ever had to pay as much as 7 per cent rediscount rate before that time. The Senate adopted my amendment to the pending bill to repeal the progressive interest rate provision in the Federal reserve act. We have simply put a limitation on the rate of interest which the regional bank can charge to a member bank; and I submit that this is in the interest of legitimate business—it is in the interest of the farmer, of the merchant, of everybody engaged in any kind of business. If they have to have money and go to a member bank, the member bank has to go to the regional bank; and the regional bank should not be permitted to charge over 5 per cent. The member bank has to go back and loan that money to you or me, or somebody else. They have to make a reasonable per cent. It looks to me as if it is entirely fair. These regional banks ought not to be permitted to charge the member banks these high rates of interest.

It was said by the Senator from Oklahoma [Mr. OWEN], one of the authors of the Federal reserve banking system, one who had more to do with its constructive provisions, probably, than anybody else in either branch of Congress, that we were not creating this system for the purpose of making big money, but that we were creating it for the purpose of serving the legitimate business needs of the country and preventing panic. Now, opposition rises here to limiting the rediscount rate. Why not limit it? Have we not seen that power in the law abused by the Federal Reserve Board? Have we not seen the rate raised from $3\frac{1}{2}$ and 4 to 7 per cent and higher? We certainly have.

My purpose is to limit that rate so that the people who borrow from the member bank will not have to pay such a high rate of interest to get the money they need to carry on their business. If the regional bank charges as much as 5 per cent to the member bank, surely that is enough; then the member bank has to add something to that when it loans to the business man, whatever the business may be. I think it is fair and just that we should have a limitation on it, and I ask for a vote upon my amendment.

Mr. GLASS. Mr. President, there seems to be misconception as to what the Federal reserve banking system is. The Federal reserve banking system was never intended to be a discounting banking system in normal times. It was intended to be and is a reserve banking system. That is to say, when the normal loaning power of the 10,000 member banks of the system shall have been exhausted, which rarely occurs, then these banks may be privileged, because of their membership in the system, to resort in emergency to this reservoir of credit.

It was never intended that any member bank should essentially make a profit out of its rediscounting operations with the Federal reserve bank. The great Bank of England, which is the reserve bank of the British Empire, nearly always carries its rediscounting rate a shade above the money market, rather than many points below the money market, as has been done by our Federal reserve banking system. The same may be said of the Bank of France. They are emergency rediscounting systems.

Mr. McLEAN. Mr. President, I would like to ask the Senator from Virginia how long he thinks the system would stand up in time of stress if we fixed the discount rate at 5 per cent?

Mr. GLASS. This amendment means the wreckage of the Federal reserve banking system.

Mr. McLEAN. Instead of helping legitimate accommodations—

Mr. GLASS. It would throw everything into financial chaos and confusion. It would break down the Federal reserve banking system of the United States.

There has been a good deal said here about the necessity of member banks making a profit on rediscounts. Why should member banks be permitted to make a profit out of their rediscounting activities? That is not primarily what the system is established for. However, I want to say that the member banks do make a profit. At times the difference between the discount rate and the rediscount rate amounts to a subsidy to the member bank to make loans indiscriminately in order that it may make use of the Federal reserve bank in its rediscount operations and make inordinately high profits.

The Senator from Alabama says he wants the farmer to get the benefit of the low discount rate of these regional banks. I have heard that talk before from the professional friend of the farmer. I have in mind right now another patriot in the crusade for better rates to the poor farmer. I have in mind another friend of the farmer who stands high upon the watchtower and fills the air with his lamentations at the distressing condition of the poor farmer.

Some time ago he wrote to Senators urging them to go down to the Federal Reserve Board and bring pressure there to have the rediscount rate reduced from $4\frac{1}{2}$ per cent to 4 per cent, "in the interest of the distressed and suffering farmers" in his district. Knowing that this great "friend of the farmer" was himself a national banker, the Federal Reserve Board wired to the Federal reserve bank in his district to ascertain the extent of his rediscounts with that bank and what interest rate he was exacting of the poor, distressed farmer at home. I want to read the official record. This was the answer which came by wire:

The ——— National Bank, of which Mr. ——— is president, has rediscounted paper with us as of July 27 amounting to \$246,000. The normal or basic line of the bank would be \$44,000. We are therefore lending the bank 559 per cent of its normal line, based upon its average actual reserve, for the customary period. This average reserve for the month of July was \$17,043. The amount of the paper discounted for the bank is therefore between fourteen and fifteen times its average reserve deposits for the month of July * * *. The rate of interest which the bank is charging its customers is uniformly 8 per cent, as reported to us in connection with the paper offered.

The Mr. ——— is the gentleman who urged Senators to go down and have the rediscount rate reduced from $4\frac{1}{2}$ to 4 per cent. In other words, the bank of this fellow was borrowing from his Federal reserve bank 459 per cent more of its funds than he was properly entitled to get on his basic line, or, as the report says—

Between fourteen and fifteen times the average deposits with its reserve bank.

Was he at his bank reflecting this low $4\frac{1}{2}$ per cent rediscount rate in his loans to the poor, distressed farmers of his community? Let the record speak:

The rate of interest which this bank is charging to its customers is uniformly 8 per cent.

In other words, this professional "friend of the farmer," who wanted the farmer to "get his money cheap," was borrowing 459 per cent more than he was entitled to from his Federal reserve bank and making a profit on his distressed farmers of nearly 100 per cent! That is typical of these vehement protestors against the Federal reserve discount rate. Oh, their hearts bleed for the poor, distressed farmer at home, but when they come to loan the farmer the funds of their depositors, when they come to deal with the distressed farmer, they help him out of his distress by profiteering on him to the tune of 100 per cent!

Now it is proposed to wreck the Federal reserve banking system, to transform it from a Federal reserve system, with its assets and facilities mobilized to minister to the commerce and agriculture and industry of the country in time of momentous need, into a bank with a rigid rate of interest, which may not be exceeded, no matter what the state of the money market. Money on call in New York might be 30 per cent, as it was at the time this little bank in Abbeville exceeded its basic line by 1,700 per cent; and yet those people could come to the Federal reserve bank and rediscount their paper at 5 per cent and loan the funds on exchange at 30 per cent.

Mr. President, it is to be regretted that when a proposition of this serious import is projected, which, as I firmly believe, actually involves the wreckage of this great banking system, there are not more Senators in the Chamber to listen to an exposition of the amendment and to hear what its consequences may be.

To-day, with the rediscount rate $4\frac{1}{2}$ per cent, it is a profitable business for any bank in the State of Alabama to rediscount with the Federal reserve bank; and if it can get the sort of consideration which Alabama banks did get in 1920 and exceed their basic line all the way from 100 to 1,700 per cent, any bank in Alabama can make a handsome profit out of its rediscount dealings alone with the Federal reserve bank, because the legal rate of interest in Alabama is 8 per cent, whereas the rediscount rate of the Federal reserve bank is only $4\frac{1}{2}$ per cent. In other words, there is a net profit of $3\frac{1}{2}$ per cent on the rediscount margin of any Alabama bank with the Federal reserve bank of its district.

It never was intended on earth that a member bank should make undue profits out of its rediscount operations with its Federal reserve bank. Indeed, it never was intended, Mr. President, that the member banks should at all resort to the Federal reserve banks until they had exhausted their resources in attending to the commercial demands of their community in emergent times.

Therefore, Mr. President, I sincerely hope that, the Senate understanding the question, the amendment will be voted down.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the unanimous-consent agreement goes into effect, and the Senate now proceeds under that agreement, with the limit of five minutes upon speeches in the discussion on each amend-

ment. The question is on the amendment of the Senator from Alabama [Mr. HEFLIN].

Mr. HEFLIN. Mr. President, I just want to say a word in reply to the Senator from Virginia. The Senator thinks the adoption of the amendment would mean the destruction of the Federal reserve bank. I do not agree with him. The Federal reserve bank was instituted for the benefit of the American people. That was my purpose in helping to create it. I want it to help serve the business needs of the American people. The Senator from Virginia said the amendment would destroy the system. It would not. I can not see how any Senator can take that position. I know that the administration of the Federal reserve system during deflation destroyed property values to the extent of \$15,000,000,000 and more. I know that it destroyed the business of thousands and hundreds of thousands of people. I know that it took the farms and the homes away from thousands and tens of thousands of farmers. I know that ruin followed in the wake of the administration of that system during the deflation period. It was not run in the interest of legitimate business then.

I mean, of course, the administration of the regional banks of the Federal reserve system; thousands of the member banks were not to blame.

Mr. President, I am trying to legislate for the benefit of my State and the whole American people, if I may be permitted to say that in this Chamber. I am trying to legislate for the benefit of the people who are engaged in every kind of business in the country. I submit that when a member bank goes to a Federal reserve regional bank for money to take back home to supply the business needs of the community, 5 per cent is enough to charge. How much higher do you want them to go? If we give them authority to charge more than 5 per cent, they would charge 9 or 10 per cent, no doubt, to the member banks.

Then the member bank would have to tell the local customer, "We have to pay such and such a rate at the regional bank; that is why we have to charge you more."

Mr. GLASS. Mr. President, may I interrupt the Senator?

Mr. HEFLIN. I yield.

Mr. GLASS. Do not the banks of Alabama now charge 8 per cent when they are getting their funds from the Federal reserve bank for 4½ per cent?

Mr. HEFLIN. They are not getting their funds for 4½ per cent, all of them. I think they charge as high as 5 per cent in the Atlanta district.

Mr. GLASS. In the Atlanta district the rate is 4½ per cent; but suppose it were 5 per cent, does the Senator think a member bank should make a charge of an additional 3 per cent on a mere rediscount proposition?

Mr. HEFLIN. I do not think it ought to make more than what is fair and reasonable. I know that a national banker in north Alabama, a member bank, told me the system charged him 9 per cent. I am trying to stop such a thing as that from happening in the future. I want to put a limitation upon it of 5 per cent.

Here is a chance for Senators to vote in accordance with the best interests of the American people, the people who have business and need money to run that business. Of course the system will prosper. It will continue to prosper. But I do not ever want the regional banks to again accumulate money like they did under the high rediscount rates when they could build a bank palace in New York costing \$25,000,000 in Wall Street to the hurt and injury of the American people.

The system has got to survive, but it must be run in the interest of the American people and not in the interest of Wall Street. We may just as well get that clearly in our minds. I want the people who have to have money to get it at reasonable rates, just like they would go to get a tool to work with. They have to have the money, and if the regional bank can put the rediscount rate high, the member bank has to put its rate high in order to loan the customer at home. I am making a fight in keeping with the best interests of business all over the country.

Mr. GLASS. Does the Senator think the member bank ought to profiteer on the farmer then to the extent of 100 per cent, as I explained it a while ago?

Mr. HEFLIN. No.

Mr. GLASS. That they ought to borrow money at 4½ per cent and loan it to the poor distressed farmer at 8 per cent?

Mr. HEFLIN. I know that the lower the member bank gets the rate at the regional bank, the lower rate it will charge to the customer at home. That is common sense. That is what I am fighting for. I feel that I am right in this matter, and I ask for a roll call on my amendment.

Mr. GLASS. There is not a bank in Alabama to-day that is not charging the extreme local limit of 8 per cent, although

It is getting its money from the Federal reserve bank at 4½ per cent, and it is making profiteer's compensation on its rediscount operation.

The VICE PRESIDENT. The question is on the amendment of the Senator from Alabama.

Mr. SMITH. Mr. President, before the amendment is voted on I want to call attention to the fact that I think that Congress ought to put some limitation upon the rate of rediscount that may be charged, because we have put discretion in their hands as to the kind of paper that would be eligible for rediscount. I think every Senator will bear me out in the statement that when we were enacting the legislation and limiting the amount of profits or dividends that the stockholders in the regional banks might make, namely, 6 per cent, we were clearly convinced of the fact that we did not intend that the regional banks should make money, but that they should be the clearing house for the great circulating medium at a reasonable return for those who under the law were required to put up the capital.

There are two reasons why they have insisted upon the right to change the rate of discount. One was to discourage the volume of applications for loans that would come with an inviting low rate of discount. The other was that it did interfere with the lending of private capital. We have nothing to do in a legislative way with the use of private capital except it must comply with our usury laws. It is known that a regional bank made, under an average rate of rediscount of less than 6 per cent, something in excess of 100 per cent profit. Of course, that was extracted from the business of the country. I maintain that the governors of our regional banks and the governors of our entire Federal reserve system should see to it that the rate of discount should be predicated upon the rate that would encourage the greatest possible use of money in commerce and in the development of our country.

Fellow Senators, we must understand now as well as any other time that money is an instrumentality to encourage enterprise, thrift, and industry. It is the great means by which we can accelerate those matters. We must not fall into the habit of thinking that we must legislate for the protection of money for money's sake. I will go as far as any Senator in trying to protect and safeguard the medium of exchange known as money. We have that safeguarded in this system by which we give the board of governors and the regional bank board of governors the right to fix, in their discretion, a proper rate of rediscount. I maintain that where we have ample reserve for the purpose of doing the business of the country we ought not to charge a rate of rediscount in excess of what we would term the dividend and an accumulation of a reasonable surplus and the maintenance of it, not for the purpose of discouraging loans or for the purpose of building up an unwieldy reserve, and to pay as a franchise tax an inordinate sum into the Treasury.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. GLASS. Does my friend from South Carolina seriously think that the Federal reserve banks make money under their high rate of discount?

Mr. SMITH. Yes; I do.

Mr. GLASS. Why, as a matter of fact, the high rate of discount was intended to curtail the business of the Federal reserve bank and to reduce its earnings, and it did that. To-day there is scarcely a Federal reserve bank in the system that expects to make more than its actual expenses for the ensuing year.

The VICE PRESIDENT. The time of the Senator from South Carolina has expired.

Mr. GLASS. The money made by the Federal reserve bank was made upon the great volume of business and not by reason of the high rates. The high rates reduced the profits. It is the low rates that make the money.

Mr. SMITH. As a matter of fact it did, but the board went on in spite of the high rates and added that much to the volume of its earnings.

The VICE PRESIDENT. The question is on the amendment of the Senator from Alabama, on which the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. Being unable to obtain a transfer, I withhold my vote. If at liberty to vote, I would vote "nay."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

The roll call was concluded.

Mr. CURTIS. I desire to state that the Senator from New Jersey [Mr. EDGE] is paired on this vote with the Senator from Oklahoma [Mr. OWEN].

Mr. UNDERWOOD. I desire to state that the Senator from Mississippi [Mr. HARRISON] is necessarily absent and is paired with the Senator from West Virginia [Mr. ELKINS].

Mr. TRAMMELL (after having voted in the affirmative). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the senior Senator from Montana [Mr. MYERS] and allow my vote to stand.

Mr. ERNST. I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Maryland [Mr. FRANCE] and vote "nay."

Mr. FERNALD (after having voted in the negative). I have a general pair with the senior Senator from New Mexico [Mr. JONES], which I transfer to the senior Senator from New Hampshire [Mr. KEYES], and allow my vote to stand.

The result was announced—yeas 9, nays 64, as follows:

YEAS—9.

Brookhart	La Follette	Sheppard	Trammell
Harris	McKellar	Smith	Underwood
Heflin			

NAYS—64.

Ball	Gooding	McNary	Shields
Bayard	Hale	Nelson	Shortridge
Borah	Harrell	New	Spencer
Brandegee	Hitchcock	Nicholson	Stanfield
Broussard	Johnson	Norbeck	Sterling
Bursum	Jones, Wash.	Norris	Sutherland
Calder	Kendrick	Oddie	Swanson
Cameron	Keyes	Page	Townsend
Capper	King	Pepper	Wadsworth
Couzens	Ladd	Phipps	Walsh, Mass.
Curtis	Lenroot	Pittman	Walsh, Mont.
Ernst	Lodge	Poin Dexter	Warren
Fernald	McCormick	Pomerene	Watson
Fletcher	McCumber	Ransdell	Weller
Frelinghuysen	McKinley	Reed, Pa.	Williams
Glass	McLean	Robinson	Willis

NOT VOTING—23.

Ashurst	Dillingham	Harrison	Owen
Caraway	Edge	Jones, N. Mex.	Reed, Mo.
Colt	Elkins	Kellogg	Simmons
Culberson	France	Moses	Smoot
Cummins	George	Myers	Stanley
Dial	Gerry	Overman	

So Mr. HEFLIN's amendment was rejected.

Mr. NORBECK. Mr. President, I desire at this time to offer an amendment to the pending bill, which is in the nature of a substitute. The amendment is the so-called farmers' union measure, to which I have heretofore referred and which has been before us for a year.

The PRESIDING OFFICER (Mr. New in the chair). What is the amendment proposed by the Senator from South Dakota?

Mr. NORBECK. The amendment I propose is in the nature of a substitute for the pending bill.

The PRESIDING OFFICER. Does the Senator from South Dakota propose to strike out all after the enacting clause of the bill?

Mr. NORBECK. That is my amendment.

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Arkansas?

Mr. NORBECK. I yield.

Mr. ROBINSON. I suggest to the Senator that under the parliamentary practice it will be necessary to perfect the text of the pending bill before a substitute would be in order; otherwise, if the substitute should be agreed to, there would be no opportunity to offer amendments to the text of the pending bill.

Mr. LENROOT. Mr. President, will the Senator from South Dakota yield to me?

Mr. NORBECK. I yield.

Mr. LENROOT. The substitute will be in order; but amendments perfecting the original text will have preference. The Senator from South Dakota, however, may now offer his substitute and have it pending.

Mr. ROBINSON. I have no disposition to displace the amendment of the Senator from South Dakota.

Mr. NORBECK. Mr. President, I shall not ask that the amendment may be read. It is rather long. I think nearly every Senator is familiar with it. I shall briefly state the question which is involved.

I wish to say that it is not so much a question of whether we shall have a big fund or a small fund as it is a question of whether we shall have a practical plan in the hands of a board that is sympathetic with the idea. The objections to the so-called Lenroot bill as I see them are very brief. I object to the bill because it is proposed to put the administration of the law under a board which is not in harmony with the theory of the proposed law.

I object because the capital has been apportioned arbitrarily between 12 different districts. It is proposed under this bill, for instance, to put \$5,000,000 in the land bank districts, where the demands of agriculture have required approximately only half a million dollars. It is proposed to put ten times as much capital in some districts as is required, while in other districts, where there is a big demand, there will be an inadequate supply provided. For instance, it is proposed to go out to the Omaha land bank district, where under the stress \$50,000,000, approximately, was advanced, and say to them: "You can have the same amount made available for loans as is made available in some other district which does not need any money." A little improvement was made yesterday by the amendment offered by the Senator from Virginia [Mr. SWANSON], whereby there is a possibility of increasing the capital of some of the banks, but not in proportion to the needs of the country.

I have met this argument time and again, "Well, we really do not need it." I have heard that stated time and again by Senators here. There are 26 Senators on this floor representing States that did not borrow one dollar from the War Finance Corporation for agricultural purposes. So there are States represented by 26 Senators that do not need it at all. The Senators from those States may say: "We are not worrying about the matter at all, for we feel we have plenty of credit available." This bill fails to recognize the fact that certain sections of the country have surplus capital. The purpose of any credit legislation is to make it more easy to transfer capital to those places where there is a greater demand for it. That is what the War Finance Corporation was established for, and that is one of the things they succeeded in accomplishing.

I object to the bill because of the lack of mobility of the fund after it has been provided. I know it will be argued that this bank over here can lend money to the bank over there. It can, that is true; but it does not have to do so. Under the Federal reserve banking system that is one of the things that was made sure of, namely, that the mobility of funds should be taken care of by a central board. The Commission on Agricultural Inquiry commended that plan very much when it referred to the Federal reserve banking system. If it was commendable in connection with credit afforded the business man, why is it not a commendable thing in the case of credit for the farmer? Whatever we do, it is not so important, perhaps, that there should be very large amounts provided, but it is more important that it be easily obtainable. Farm organizations have expressed themselves fully and frankly on this matter. They have said: "Whatever you do, give us a central board, a board in sympathy with the plan, a board that will take hold of it and work it out in a satisfactory manner." The Farmers' Union stands for it, the Farm Bureau stands for it, and have asked for it time and again; but we are met with the suggestion: "You do not know what you want; we will save a little money if you will just let us do it our way."

There have been a great many changes made in the bill. I am not questioning the motive of any Senator here, and I think the Senator from Wisconsin is entitled to great credit for having tackled this question and brought it up. There was first a special committee, consisting of Senators on both sides of the Chamber. They are committed to the bill. The appeal in the speech of the Senator from Wisconsin was to the effect that men over on the Democratic side helped draft the first bill. There is an appeal to both sides of the Chamber, but the main features of the bill which they brought out and which they recommended have been thrown into the waste basket—by themselves.

The original proposition was for a million dollars capital at Omaha to fill a \$50,000,000 demand. That was all that was in the bill in the first place, but it was along the right line. I have spoken to several Senators about this matter and they reply: "You are right, NORBECK, but I was a member of the committee; I was tied up before I realized what was being done."

What I am pleading for, Senators, is not for my bill because it is my bill. We will put the name of the Senator from Wisconsin [Mr. LENROOT] at the head of the legislation; it belongs there. I am pleading with you merely for a practical plan; that is all, and I am willing to accept any reasonable amendment to the amendment I propose if it may be accepted as a substitute for the pending bill.

Mr. ROBINSON. Mr. President, I propose an amendment to the so-called Lenroot bill and ask that it may be stated by the Secretary.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 2, it is proposed to strike out lines 2 to 5, inclusive, and insert:

SECTION 1. That this act may be cited as the "Federal farm loan and credit act." The administration of the act as set forth in Title I shall be under the direction and control of the Federal Farm Loan Board hereinafter created, and the administration of the act under Title II shall be under the direction and control of the Federal Farm Credit Board hereinafter created.

It is also proposed to insert, immediately following the words "Title II," on page 2, the following:

SEC. 201. That there shall be established at the seat of government in the Department of the Treasury a bureau charged with the execution of Title II of this act and of all acts amendatory thereof, to be known as the Federal Farm Credit Bureau, under the general supervision of a Federal Farm Credit Board.

Said Federal Farm Credit Board shall consist of five members, including the Secretary of the Treasury, who shall be a member and chairman ex officio, and four members to be appointed by the President of the United States, by and with the advice and consent of the Senate. Of the four members to be appointed by the President, not more than two shall be appointed from one political party, and all four of said members shall be citizens of the United States, and shall devote their entire time to the business of the Federal Farm Credit Board; they shall receive an annual salary of \$10,000, payable monthly, together with actual necessary traveling expenses.

One of the members to be appointed by the President shall be designated by him to serve for two years, one for four years, one for six years, and one for eight years, and thereafter each member so appointed shall serve for a term of eight years, unless sooner removed for cause by the President. One of the members shall be designated by the President as the Federal credit commissioner, who shall be the active executive officer of said board. Each member of the Federal Farm Credit Board shall within 15 days after notice of his appointment take and subscribe to the oath of office.

The first meeting of the Federal Farm Credit Board shall be held in Washington as soon as may be after the passage of this act, at a date and place to be fixed by the Secretary of the Treasury.

No member of the Federal Farm Credit Board shall, during his continuance in office, be an officer or director of any other institution, association, or partnership engaged in banking or in the business of advancing loans or credits of any character. Before entering upon his duties as a member of the Federal Farm Credit Board each member shall certify under oath to the President that he is eligible under this section.

The President shall have the power, by and with the advice and consent of the Senate, to fill any vacancy occurring in the membership of the Federal Farm Credit Board. If such vacancy shall be filled during the recess of the Senate, a commission shall be granted which shall expire at the end of the next session.

The Federal Farm Credit Board shall be authorized and empowered to employ such attorneys, experts, assistants, clerks, laborers, and other employees as it may deem necessary to conduct the business of said board. All salaries and fees authorized in this section and not otherwise provided for shall be fixed in advance by said board and shall be paid in the same manner as the salaries of the Federal Farm Credit Board. All such attorneys, experts, assistants, clerks, laborers, and other employees shall be appointed without regard to the provisions of the act of January 16, 1883 (volume 22, United States Statutes at Large, page 403), the amendments thereto, or any rule or regulation made in pursuance thereof: *Provided*, That nothing herein shall prevent the President from placing said employees in the classified service.

Every Federal land bank shall semiannually submit to the Federal Farm Credit Board a schedule showing the salaries or rates of compensation paid to the officers and employees of its farm credits department.

The Federal Farm Credit Board shall annually make a full report of its operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of the Congress.

The Federal Farm Credit Board shall prescribe a form for the statement of conditions of farm credit departments in the Federal land banks under its supervision, which shall be filled out quarterly by each such farm credits department and transmitted to said board.

It shall be the duty of the Federal Farm Credit Board to prepare from time to time bulletins setting forth the principal features of this act and through the Department of Agriculture or otherwise to distribute the same, particularly to the press, to agricultural journals, and to farmers' organizations; to prepare and distribute in the same manner circulars setting forth the principles and advantages of this credit system, and the protection afforded debtors under this act; instructing farmers how to take the best advantage of the merits and advantages of debentures or bonds sold under this act; and to disseminate in its discretion information for the further instruction of farmers regarding the methods and principles by the application of which they can take the best advantage of this credit service. Said board is instructed to lay before the Congress at each session its recommendations for further appropriations to carry out said objects.

That the Federal Farm Loan Board and the Federal Farm Credit Board are hereby authorized to sit in joint session to solve problems that are of mutual necessity in carrying out provisions of both Title I and Title II of this act; and the Secretary of the Treasury is hereby empowered to call such joint session of the Federal Farm Loan Board and the Federal Farm Credit Board at his discretion, or at the request of three members of said boards.

Mr. ROBINSON. Mr. President, under the limitation of debate now applicable it will be difficult to explain this amendment in great detail. Let me say, however, that the substance of the amendment is, in contradistinction to the provisions of the pending bill which it seeks to amend, to create in Washington a separate agency to administer the provisions of this act.

The amendment proposed, instead of authorizing the administration of the act under the Farm Loan Board, creates a new board to be known as the farm credit board, with powers over intermediate credits analogous to those exercised by the

Farm Loan Board over subject matter at present under the law within the jurisdiction of the Farm Loan Board.

There are some reasons which justify or seem to make necessary this amendment.

The Federal Farm Loan Board has been functioning since the passage of the farm loan act. Its duties under the present law are entirely distinct from the duties which will be imposed by the provisions of the pending bill. The Farm Loan Board now has important functions to perform that are not closely analogous to but in many respects are widely different from the acts to be performed by the Federal supervising agency under the provisions of the Lenroot bill.

Since the agitation for intermediate rural credits began, the question has been repeatedly discussed as to what agency should administer such legislation if enacted. At first it was thought by some legislators and other students of the subject that the act should be administered by the Federal Reserve Board. That policy, however, has been abandoned as impracticable, principally for the reasons that I am urging now in justification of the pending amendment.

The Federal Farm Loan Board now has jurisdiction over long-time loans based upon lands as security. The object of the pending bill is to furnish a credit system occupying a position in a sense intermediate between commercial loans, which are for short periods, and land-bank loans, which are for long periods. The training and the experience of the Federal Farm Loan Board will make it difficult for that agency effectively to administer the intermediate credit system proposed to be created by the pending bill.

As strongly supporting the conclusion which I now urge, I cite the testimony of Mr. Lobdell, of the Farm Loan Board, who stated before the Banking and Currency Committee of the Senate that in his opinion some other agency than the Federal Farm Loan Board should be designated to administer the provisions of the Lenroot-Anderson bill if it becomes law.

His opinion, as I recall it, was to the effect that the powers and duties reposed in the Federal agency proposed to be created to supervise the execution of the act had best be vested in the Federal Reserve Board; but, as I have already stated, the advocacy of that policy has been abandoned by everyone, and the question now is whether the Senate of the United States will commit itself to the policy of adding to the present duties of the Federal Farm Loan Board tasks which are widely at variance with those which that board has been trained to perform. The board already has more duties than it can successfully execute. To impose upon the Farm Loan Board the obligation to administer this act—

The VICE PRESIDENT. The Senator's time has expired.

Mr. WALSH of Montana. Mr. President, I desire to inquire of the Senator in my own time whether, if the amendment he proposes is adopted, the local administration will still be in the Federal land banks?

Mr. ROBINSON. Yes; the local administration will be substantially as provided by the Lenroot-Anderson bill under the terms that we are now considering.

Mr. WALSH of Montana. Then let me ask the Senator if his argument will not equally apply to the directors of Federal land banks? Will not their training equally be along other lines?

Mr. ROBINSON. The argument has, of course, considerable force; but it is true, Mr. President, that the Lenroot-Anderson bill contemplates the establishment of a division in each farm-loan bank, one to take care of farm-land loans and the other to take care of farm-credit loans, and each division in the farm-land bank will have its separate agencies and administrative officers, and each of these divisions will have agencies and officers who in time, at least, will become specially informed and trained for the performance of the duties imposed by the respective acts governing them.

Mr. WALSH of Montana. Then let me ask the Senator whether this is not the situation: The Federal land bank now has its subordinates trained in the business of making loans in accordance with the provisions of the Federal land law. It will be obliged, will it not, to have subordinates whose particular business and training will be in connection with these personal-credit loans? In other words, does not exactly the same argument apply? It is true that the directors of the bank will be obliged to have agents and assistants who have skill and experience in banking of this character; but why should not the Farm Loan Board have exactly the same kind of assistants?

Mr. ROBINSON. Mr. President, the purpose of this amendment is harmonious with other provisions of the Lenroot-Anderson bill. Nobody claims that the agents and individuals who pass upon farm-land loans shall pass upon farm credit loans.

The object is to separate as widely as may be these two agencies, to intrust the credit board with the supervision of the execution of the provisions of the pending bill, to leave the powers and duties of the Federal Farm Loan Board as they now are provided for by law. Of course, it is not deemed advisable or desirable to create two separate boards of directors in the various land banks, nor is it deemed necessary; but for the purpose of making the act a success I maintain that it is advisable and desirable to place its supervision under a board especially organized for the purpose of enforcing this act, and that is the substance of my argument.

Mr. WALSH of Montana. Mr. President, it is perfectly obvious that the Federal farm credit board contemplated by this amendment must have under it assistants and a general force. The expense of maintaining the force of the organization will, of course, be in addition to the \$40,000 salary to which the members of the board will be entitled under the provisions of the amendment. That probably should not be added to the expense, because if the administration of the act is placed under the control of the Farm Loan Board the same expense, or a greater portion of that expense, will be incurred; but we would be paying \$40,000 a year, under this amendment, for the opportunity to have the administration of it in the hands of a board which is not biased or set in its views about these loans by reason of its experience in connection with farm-land loans.

I must confess I do not really see any reason whatever for the creation of a new organization, at a cost of \$40,000 a year, for the administration of this act, particularly as the loans are to be made in either case through the Federal land banks and through the directors of those Federal land banks.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. FLETCHER. Mr. President, I make the same objection to this proposal as that noted by the Senator from Montana. It seems to me it would be confusing matters here to undertake to have two boards, namely, the Farm Loan Board, and now another board, the farm credits board, supervising the operations of the same Federal land banks and their directors; not only that, but it would mean the incurring of additional expense, which it seems to me is wholly unnecessary. This system ought to be administered either through the Federal Reserve Board or through the Farm Loan Board. We have concluded that it had better be administered through the Farm Loan Board. I think that is correct, because it is so related to agriculture that it properly belongs there, and the Farm Loan Board has supervision and control over the Federal land banks, names a temporary organization, all the directors of those banks, and until some system of permanent organization has been agreed upon will name three of the directors of those banks, and I can not see but that you complicate and confuse matters, besides burdening the whole plan, with this enormous expense of an additional board. I think, therefore, that I can not support the amendment.

Mr. LENROOT. Mr. President, I only wish to emphasize what the Senator from Montana and the Senator from Florida have said. If this new bureau is organized, the only powers it can have will be with reference to restrictions and limitations provided for in the bill. Whether these banks shall be successful or not depends upon the policy of the banks. That policy will be determined by the district directors, and those directors will be under the control, not of this new board, but of the old board, and all of their officers and all of the employees will be under their management and general control.

I have gone into this; I have gone over the matter, and spent a good deal of time on it with representatives of the Farm Bureau, and while I appreciate what their motives are in this, yet they have not devised any plan, and the Senator's amendment does not give to this board which it is proposed shall be created, with five members at \$10,000 each, any real control over the credits department, or the policy that shall be pursued, but merely power to make the limitations and restrictions which are provided for in the act, and it does not seem to me that the expense would be warranted. It would lead to endless confusion in the administration of the act.

Mr. SWANSON. Mr. President, I have been very much interested in legislation for the relief of farmers in connection with rural credits, and from the inception of the legislation there was a desire on the part of the farming section that there should be an entirely separate department created, as separate as the Federal reserve system and as separate as the farm loan banks, to administer the system when created.

I can see some reason why they would desire to have a separate department administering this law. It is a new kind of credits into which we are venturing, intermediate credits, as was well said by the Senator from Arkansas, credits midway

between the short-time and long-time credits. It does seem to me that the Senator from Arkansas has in a very able way gotten rid of the objection that was urged on account of merging this with the Farm Loan Board. If the Farm Loan Board administers this law they will have subordinates, costing about as much as is provided to be spent for a board. This department will fix policies and make suggestions, and the suggestions of the central board are usually followed. The Federal reserve system has a board here which has only suggestive authority; yet everybody knows how potential it is.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Montana?

Mr. SWANSON. I have but five minutes.

Mr. WALSH of Montana. I would like to ask the Senator just this question, if he will permit it. Suppose the directors of the local bank pursue a policy that is unsatisfactory to this rural-credits board. What could they do to coerce the local directors into observing a policy which they do not want to follow?

Mr. SWANSON. It is precisely the same with the Federal reserve system. You can not coerce member banks, or regional reserve banks, but I have not yet known of a suggestion from the central board of the Federal reserve system which has not been followed. It does seem to me that the people of these 12 banks would rather deal with the head of a board than to deal with subordinates in Washington, and report any action to be taken by the Farm Loan Board. If this bill prevails, the effect will be that when these banks want to get some suggestion from Washington they will go to the subordinates of a bureau, and that subordinate will take it to the Farm Loan Board. This amendment of the Senator from Arkansas would make it possible for them to deal directly with an independent board, and it does seem to me it would not cost any more money, but it would be more efficient, and it would be administered, as far as the central board is concerned, by people who are favorable to the system. I can see no objection to it, and I can see a good deal of advantage that would accrue from having this amendment, which has been very skillfully drawn by the Senator from Arkansas, added to the bill.

The system would, under the amendment, cost nothing except for the bureau created in Washington, and this bureau will not be a bureau of subordinates but a bureau under four men, costing no more; but the local banks would then deal directly, as far as the system is then concerned, with the people who are in charge and in control, and not deal indirectly, through the bureau, with somebody else who is in control. As was well said by the Senator from Montana, I do not think that the \$40,000 could be properly charged up. They would hire four men, probably, as subordinates, to do the work that would be done by the chiefs of the bureau. I think this amendment would get rid of a great deal of objection this bill occasioned, because it is not administered by an independent body in accord with the purposes sought to be accomplished.

I understand, further, that the Farm Loan Board is not desirous of having this work. I think they appeared before the committees and implied as much.

Mr. LENROOT. They wanted the Federal Reserve Board to have it.

Mr. SWANSON. Because they thought the paper was nearer Federal reserve paper than land paper. The Federal Reserve Board do not want to administer the law. I do not know whether they expressed themselves or not, but the paper provided for it is not in accord with their paper. We are creating intermediate paper and, as the Senator from Arkansas very forcefully and strikingly said, all that is asked is that a board be created with a knowledge of that kind of paper to administer the law, and administer it successfully. I believe if we have this independent board, in sympathy with the law and in accord with it, devoting their time to it, this measure will bring great relief to the rural sections of the country. I believe this is a material amendment and ought to be adopted.

Mr. POMERENE. Mr. President, under the Federal reserve system special privileges were given to the farmer's paper when it came to rediscount; the national banking act was amended so as to permit the making of loans on real estate, and in those two respects greater advantages were given to the farmer than he had had theretofore. But those of us who had studied this problem felt that these provisions did not go far enough, so we established the Federal farm land banks for long-time credit, and I think those of us who favored that legislation have been more than gratified at the very great degree of success it has met with.

Again, we felt, at the time we had up for consideration the farm loan act, there was a necessity for further relief along the line of rural personal credits. Now we present a scheme in the form of the Lenroot bill. A few of its provisions I am not in accord with, but I think we have gone a long way forward, and I believe it will afford genuine relief. But does it not seem a little bit strange to Senators to contend that one board can not administer satisfactorily the financial needs of the farmer? Why should we say to him, "If you want to avail yourself of the form of credits which are provided for under the Federal reserve system, you shall have your securities administered by the Federal reserve system. If you want a long time loan on your real estate, you shall have your financial affairs administered by the Farm Loan Board. If you want longer personal credits, you shall have your affairs in that behalf administered by another system provided for in the amendment offered by the distinguished senior Senator from Arkansas." In other words, if we adopt this amendment, we are going to say to the farmer, "You must have your affairs financed by three different systems, or three different boards." For my part, I see no necessity for it.

I recognize the fact that when Judge Lobdell appeared before our committee he suggested that the supervision of the rural personal credits would more properly address itself to the Federal Reserve Board than to the Farm Loan Board, but this whole scheme of personal credits and farm credits addresses itself to a board that is to administer the finances of the farmer, and it seems to me that if we were to adopt this amendment, it would render "confusion worse confounded." It would add nothing, in my judgment, to the relief of the farmer, and it would embarrass him very much.

Mr. WILLIAMS. Mr. President, the entire financial and banking history of the world, if it has proven anything at all, has proven this, that a commercial banking system is one thing, and a land banking system is another, and that you can not work the two together as one. From the "Mississippi Bubble" down to now, there have been constant efforts to convert a commercial banking system, founded upon quick and live assets, into a convenient source of credit for people who want long credit, with slow assets, and whenever it has been attempted, it has been followed by the destruction of the system to which it was applied. You can start a system of rural or agricultural credits with slow assets and long credits, founded a good deal upon the same principles as a land mortgage scheme, and it can be perfectly sound and will be perfectly successful, but if you attempt to engraft that sort of a system upon an ordinary commercial bank, which at any moment may be required to call for every dollar that it has that is available in cash, you will condemn any commercial system upon which you engraft that sort of thing.

That goes back not only to the Mississippi Bubble scheme, to Law's scheme, but it goes back to the union planter's bank scheme in my own State of Mississippi which led to what was called the Mississippi repudiation, although it was not repudiation.

The two things must be kept distinct. One answers a certain purpose and the other another purpose. As the Senator from Ohio [Mr. POMERENE] said a moment ago, it will not do to say merely that the farmer wants all three. When the farmer wants one he must go to one source. When he wants another, based upon an entirely different principle, he must go to another source. When he wants the third, based upon yet another principle, he must go to a different source. It is not a question of the occupation of the man. It is a question of the collateral to be deposited and the question of the quickness or the slowness of the assets that can be converted into cash.

There is nothing more clear to any mind that has ever studied the financial history of the world than the fact that we can not engraft a land system upon a commercial banking system. We could have a land-banking system which would be perfectly safe, founded upon different principles or different security, with different foundations, but not at all identical with the other and not workable with it, and that we have attempted to supply in the farm-loan banks of the United States. We can carry that system still further if we will.

But, Mr. President, the most remarkable achievement of the last 10 years has been the foundation of the Federal bank system. There are only two things that threaten it. One is to convert its live assets into slow assets, prevent it from being a commercial banking system, and the other is to have Congress intervene every now and then to instruct the directors as to their rate of interest and as to what and how much and when they shall lend. Now, if we want to convert the Federal

reserve banking system into a board of directors to be directed from day to day by the Congress of the United States, with little half-baked financial intellects here and there who want to be able to tell them just what they ought to do and when they ought to do it and whether they ought to do it, then we might just as well damn the system now and put it out of business. A banking system directed by the Senate and by the House, or by either body, as a board of practical directors, is doomed and damned already. We can not make anything more out of it.

The VICE PRESIDENT. The time of the Senator from Mississippi has expired.

Mr. NORBECK. Mr. President, I do not want to let one point go by without calling attention to it. I listened with great interest to the argument of the distinguished Senator from Ohio [Mr. POMERENE]. He worked hard upon the committee and has been very helpful in bringing the legislation into better shape, but I can not agree with one point he made. He said it might lead to confusion if we asked the farmer to go one place for personal credit and to another board for land credit. Mr. President, the bill does not propose to lend any money to the farmer. He does not connect with this proposed plan. This is a plan to lend money to the bank, and the bank may lend it to the farmer. Therefore, there is no chance of confusion on account of separate boards.

I want to support the suggestion of the Senator from Arkansas that there should be a separate board, a board that has not the same viewpoint in this matter as the Senator from Wisconsin, a board which believes there is a real demand for a little longer time credit—from nine months to three years—a board which will carry that idea uppermost in their minds. I think it is very important, and that is one objection to putting it with the present Farm Loan Board. Commissioner Lobdell is a man for whom I have the highest respect. He is a man of great ability and wide experience, absolute frankness and honesty, but he has the same viewpoint that is held by so many commercial bankers, and that is the viewpoint to which the Senator from Wisconsin objects. Judge Lobdell stated that if it was put under their control, they would not under any circumstances make a single loan of more than nine months.

Mr. LENROOT. Oh, the Senator is mistaken. He said he would not make a single chattel loan for more than nine months.

Mr. NORBECK. Chattel loans are all we are dealing with.

Mr. LENROOT. Oh, no.

Mr. NORBECK. There are no real estate loans in the matter.

Mr. LENROOT. But to lend on chattel security is very different.

Mr. NORBECK. The Senator from Wisconsin will bear me out that practically every farmer's note has chattel security behind it.

Mr. LENROOT. Oh, no.

Mr. HITCHCOCK. Mr. President, it is admitted that it is necessary to use the 12 Federal farm-loan banks as a means of making the loans, and the only question really involved in the amendment now before the Senate is whether the Federal farm-loan banks shall have two separate bureaus here in Washington to supervise them and direct them and control them, or only one bureau. It seems to me, inasmuch as we have to use the existing banks through which the loans are to be made, that it is much to the advantage of all to have only one authority in Washington to lay down the rules and regulations under which they are to operate.

Mr. NORBECK. Mr. President, will the Senator yield?

Mr. HITCHCOCK. I will yield briefly.

Mr. NORBECK. I merely wish to say that I do not think it is confusing if we have to do it through the farm-loan bank.

Mr. HITCHCOCK. So far as the amendment to the bill is concerned, it is. I knew the Senator had another bill.

It seems to me the amendment offered by the Senator from Arkansas simply means the creation of a new lot of supervisory machinery here in Washington. The real work has to be done by the farm-loan banks. That is admitted under the bill and under the amendment. The bill as presented by the committee to the Senate provides that the Federal land banks shall create a new department to carry on a new business.

The Senator from Mississippi [Mr. WILLIAMS] makes the argument that we can not unite two classes of business in the same bank. They are going to be united whether the amendment is adopted or whether the original bill is adopted. Nor is it an unusual thing. There are to-day hundreds of national banks in the United States doing a commercial business and also lending on real estate. Not only that but there are hundreds of national banks that have established, in addition to

their ordinary commercial business, savings departments where their assets are not mobile. They are doing two classes of business under the same management. So I think that neither of the objections can apply to the original bill.

To my mind none of the criticisms and none of the arguments made in favor of the dual supervision here in Washington can stand the test of examination. The 12 Federal land banks scattered throughout the country, which must be used in this proceeding, are as a rule under the control of boards of directors composed of men who have had banking experience. Not only that but the necessities of the farm loans involve the investigation to some extent of the personal credit of the farmers who make the loans.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. HITCHCOCK. I yield.

Mr. ROBINSON. The Senator realizes that the Lenroot-Anderson bill on the subject gives an entirely separate and distinct proposition from the Federal land banks, and it is only under the proposal of the Lenroot-Anderson bill when the matters reach Washington that they are merged into the Farm Loan Board. It is a mere incident that the Federal land bank is utilized to administer the act locally.

Mr. HITCHCOCK. Mr. President, I can not yield further. The directors of the Federal land banks at the present time are selected by the Federal Farm Loan Board in Washington, and as long as they are selected by that board they are going to follow the instructions of the board. We know from experience that it is quite within the possibilities that there may be a dispute arise between the Federal Farm Loan Board, already organized to conduct the banks, and the proposed new board which the Senator from Arkansas desires to organize. What if such a dispute should arise? It would not only be an unseemly dispute but it is inevitable that the authority which would be recognized by the directors of the Federal land banks would be the authority to which they owed their appointment.

So I think it would be very inadvisable, in my opinion, to attempt to create two authorities here in Washington to direct the affairs of the 12 Federal land banks which are operating successfully and, for the most part, are in the hands of able men, and in the hands of men closely associated with agricultural credits at the present time.

Mr. CARAWAY. Mr. President, I am moved to suggest to the Senator from Nebraska that it is not at all uncommon to have divided authority. Under the Federal reserve system we have it, and in a certain measure under the Federal farm loan system we have it. If that be the only objection to the amendment, I think it has really no substantial reason to support it. There is no more relation between the personal credit which we seek to establish under the pending legislation and the Federal land bank than there is between the Federal reserve system and the Federal land banks. There is no kindred idea that underlies the two.

I want to remind the Senator from Nebraska that it is the belief of the farmers, who have sought long and constantly to have some kind of personal credit law enacted for their benefit, that it needs separate and distinct administration. They believe, and the testimony that was taken warrants the belief, I think, that the Federal land bank system is not friendly to this system. If it is adopted with their control, it is going to have to make good, if it does at all, in spite of an unsympathetic administration because they do not believe in the system.

The divided authority does not support the Senator's position. There is not any more divided authority there than there is between the Federal Reserve Board and the Comptroller of the Currency, not a bit. There is no more divided authority there than there is between the present administration of the Federal land bank system with its regional boards and its central board, and therefore I do not think that the Senator, if he stops to study it a moment, would find that that was any real objection to the proposed system. If Congress believes that the farmers ought to have redress, then they ought to give the farmer that kind of redress that he thinks he needs, unless they find that the farmer either is not entitled under the law to that redress or that he is too ignorant to know what he wants.

If we concede that he knows what he wants and that what he wants is not wrong, then we ought to give him what he wants and not give him something that he says he can not administer and which will not be administered sympathetically.

I hope Senators will bear in mind that this is a tremendous experiment; it is a big thing. There are billions of dollars of credit that must be administered. The Federal Farm Loan Board has now all that it should be required to administer. I am sure, without criticizing the board—for I think it is composed of good men—that they have not always been sym-

thetic, even in administering the present system; but they start out with the declaration that they do not sympathize with this and do not intend to follow the spirit of it. The Senator from South Dakota has called attention to the fact that Mr. Lobdell stated that if he were required to administer this system no chattel loan would be made for more than nine months. I know and every man who knows anything about the system under which the farmer must use credit knows that if credits are to be really helpful, to deny the farmer a longer credit is just as effective as to deny him any credit at all. Therefore, if we really believe that the farmers are entitled to relief, if we believe that they are honest when they ask for it, and if we believe that they have intelligence enough to know what they want, I can not understand the spirit which would make Senators want to give them something which they say they can not successfully operate and which they can not successfully use. Let us either give them what they think they can use or else postpone any legislation at all.

I sincerely hope that merely the pride of opinion will not induce Senators to deny to this very large class and, all admit, a very hard-pressed class of our citizens that kind of redress to which they think they are entitled and which they believe they want and can administer.

Mr. UNDERWOOD. Mr. President, there is very little that is new under the sun, and I think the questions involved here, although they may be new in our country, are not new in the world. Our Federal reserve system was adopted from a system of finance that had existed in Europe for more than a half century before we adopted it. The plan of a Federal land bank was found in Europe before we adopted it here. At the same time under their system they had a plan of extending personal credits to the farmer, secured, in whole or in part, by chattel mortgages. I can not pronounce the names of the systems which have been established in Europe, but with their experience they guided the ships of finance in different channels. They maintained one course for loans which were based on land and another course and another organization for loans which were based on chattels and personal obligations.

I am anxious that this system of credit, which is not new in the world, shall be established in this country. It is a system which was worked out successfully in the old conservative banking circles of Europe long before we ever entered the field. There is nothing radical in the proposition. It has been proven in the past that it is along the lines of sound business finance.

As to whether or not the system here shall be administered soundly or administered radically and unwisely is another question which is not now before the Senate. The President of the United States will be charged with the responsibility of appointing men who must administer this proposed law; but to say that the law and the system are wrong we must deny the record of the past; we must deny what we find in the financial system of Europe. With all their experience they found that it was better and wiser to work out these two loan systems in two different columns. I think the safer course is to follow the track of experience and to accept what the experience of mankind has already proven to be a safe and sound way to administer these difficult questions of finance. For that reason I shall support the amendment.

SEVERAL SENATORS. Vote!

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. KELLOGG (when his name was called). Announcing my pair with the Senator from North Carolina [Mr. SIMMONS] as on the previous vote, and being unable to obtain a transfer of that pair, I withhold my vote. If permitted to vote, I should vote "nay."

Mr. PHIPPS (when his name was called). Making the same announcement as to my pair and its transfer as on the previous vote, I vote "nay."

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Rhode Island [Mr. GERRY] and vote "nay."

Mr. WARREN (when his name was called). I have a pair with the Senator from North Carolina [Mr. OVERMAN]. As I am not able to obtain a transfer of that pair, I withhold my vote.

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS] which I transfer to the senior Senator from Utah [Mr. SMOOT] and vote "nay."

The roll call was concluded.

Mr. FERNALD (after having voted in the negative). I note that my pair, the Senator from New Mexico [Mr. JONES] has not voted. I transfer my pair with that Senator to the Senator from Illinois [Mr. McCORMICK] and allow my vote to stand.

Mr. HALE. I transfer my pair with the Senator from Tennessee [Mr. SHIELDS] to the senior Senator from Vermont [Mr. DILLINGHAM] and vote "nay."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Oklahoma [Mr. HARRELD] and vote "nay."

Mr. CURTIS. I desire to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON].

The result was announced—yeas 21, nays 53, as follows:

YEAS—21.

Ashurst	George	Myers	Swanson
Brookhart	Glass	Norbeck	Underwood
Broussard	Harris	Pittman	Walsh, Mass.
Caraway	Heflin	Robinson	
Couzens	King	Sheppard	
Culberson	McKellar	Smith	

NAYS—53.

Ball	Hale	Moses	Spencer
Bayard	Hitchcock	Nelson	Stanfield
Brandeggee	Johnson	New	Sterling
Bursum	Jones, Wash.	Nicholson	Sutherland
Calder	Kendrick	Norris	Townsend
Cameron	Keyes	Oddie	Trammell
Capper	Ladd	Page	Wadsworth
Curtis	La Follette	Pepper	Walsh, Mont.
Ernst	Lenroot	Philips	Watson
Fernald	Lodge	Poinexter	Weller
Fletcher	McCumber	Pomerene	Willis
France	McKinley	Ransdell	
Frelinghuysen	McLean	Reed, Pa.	
Gooding	McNary	Shortridge	

NOT VOTING—22.

Borah	Elkins	McCormick	Smoot
Colt	Gerry	Overman	Stanley
Cummins	Harreld	Owen	Warren
Dial	Harrison	Reed, Mo.	Williams
Dillingham	Jones, N. Mex.	Shields	
Edge	Kellogg	Simmons	

So Mr. ROBINSON'S amendment was rejected.

Mr. STERLING. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. At the end of line 8, on page 4, it is proposed to insert the following:

On the majority vote of the members of the Federal Farm Loan Board any Federal land bank shall be required to rediscount the discounted paper of any other Federal land bank at rates of interest to be fixed by the Federal Farm Loan Board, and may be required to sell debentures for that purpose.

Mr. STERLING. Mr. President, one objection made by my colleague [Mr. NORBECK] to the pending bill, the Lenroot bill, was that the discounting or rediscounting by other Federal land banks of the notes of one Federal farm land bank was simply permissive, and not required, under the terms of the bill. I appreciate that objection made by my colleague to the pending bill, and I think the bill can easily be amended; and I believe that the Senator from Wisconsin would be willing to accept an amendment framed after a provision in the Federal reserve bank act. I call attention to that provision, found in section 11 under subhead (b), which provides:

To permit or, on the affirmative vote of at least five members of the Reserve Board, to require Federal reserve banks to rediscount the discounted paper of other Federal reserve banks at rates of interest to be fixed by the Federal Reserve Board.

If the Federal Reserve Board can require or should be authorized to require the rediscount of discounted notes of the different Federal reserve banks, why should not any farm-land bank be required to rediscount the discounted notes of any other farm-land bank, the same as in the Federal reserve system?

The amendment is submitted with this in view and with this, I think, as a precedent for it.

Mr. HITCHCOCK. Mr. President, there is this great difference between the law which compels a Federal reserve bank to discount the paper of another Federal reserve bank and the amendment which the Senator has offered: In the law which requires one Federal reserve bank to discount for another it is not required to borrow money for the purpose of doing it, and it is assumed that the Federal Reserve Board will require the Federal reserve bank to discount the paper of another bank only when it has surplus funds; but the Senator's amendment goes so far as to require one farm-loan bank possibly to discount the paper of another farm-loan bank even though it has to borrow money in order to do it. That is manifestly impossible.

Mr. STERLING. It may sell debentures in order that it may raise the money for the purpose of rediscounting these discounted notes. Why should it not have that power and why should not that be the requirement, Mr. President?

Mr. GLASS. Mr. President, why should a bank be required to go in debt itself in order to relieve the necessities of another bank? That is an entirely different proposition from the Federal reserve process.

Mr. STERLING. The objection made by my colleague is that very little benefit will be conferred upon certain sections of the country under the system as it is provided in this bill; that there should be that elasticity in the system which would be covered and provided for by an amendment like this.

Mr. GLASS. Mr. President, aside from the fact that I do not think that it is at all practicable as proposed by the Senator, I will say that that feature of the system has already been taken care of by an amendment offered here yesterday by my colleague [Mr. SWANSON], which proposed to mobilize the contingent total sum of \$60,000,000 with permission to the administrative board to loan as much as \$10,000,000 of this additional amount to any one of these banks which really might need it. In other words, that amendment was intended to provide authority to the administrative board, not to subscribe necessarily \$5,000,000 additional to all of the 12 banks but to mobilize the entire additional capital of \$60,000,000, with permission to the board to make the loans where they are needed, so that one of these banks might have a capital of \$15,000,000, instead of but \$5,000,000. That, I take it, was taken care of by that amendment; and that amendment is workable, and I do not think this one is.

Mr. STERLING. Mr. President, I was not aware of the amendment now mentioned by the Senator from Virginia. It may be, and yet I can not help but think that this is workable and that it is but a reasonable requirement under the circumstances.

The VICE PRESIDENT. The time of the Senator from South Dakota has expired.

Mr. LENROOT. Mr. President, I hope the Senator will strike out the last clause of that amendment, because upon reflection it might take from one land bank the resources that it needs in the future to take care of its own customers; but wherever they do have available funds on hand that are not being utilized, I do not know of any reason why they should not be used to rediscount.

Mr. GLASS. I know, but they should not be required.

Mr. STERLING. Mr. President, acting on the suggestion of the Senator from Wisconsin, I strike out the words "and may be required to sell debentures for that purpose."

Mr. FLETCHER. Mr. President, I should like to offer an amendment to the amendment, if I can get the language of it. I want to fix the rate of interest there. I do not know whether this amendment refers to the rate of interest or not.

The VICE PRESIDENT. The Secretary will state the amendment.

The reading clerk read as follows:

On the majority vote of the members of the Federal Farm Loan Board, any Federal land bank shall be required to rediscount the discounted paper of any other Federal land bank at rates of interest to be fixed by the Federal Farm Loan Board.

Mr. FLETCHER. I move to amend by adding "not exceeding 6 per cent per annum." I think it is important to determine the rate of interest here, because there is no provision otherwise to limit it, and it ought to be limited.

I discussed that matter yesterday, and I shall not take up the time now to refer to it. These are debentures which are made tax free. The system is based upon capital furnished by the Government. The operation is in the control of Government officials, and there ought to be a limitation on the rate of interest which these obligations shall bear, and for which they may be rediscounted.

I am going to follow that with an amendment, on page 5, after line 12, to fix that rate at not exceeding 5½ per cent per annum. In other words, the debentures ought to be limited as to rate of interest to 5½ per cent or 5 per cent, I am not particular which, but one or the other—I am willing to make it 5½ per cent—and this discount should be limited to 6 per cent.

I offer that amendment.

Mr. SMITH. Mr. President, I am afraid there has been confusion in the minds of some Senators as to the similarity between a Federal reserve bank and one of these land banks in the method of obtaining their capital. I think it is very dangerous to require one of the farm-credit banks to discount the paper of the others when its resources are based entirely upon local affairs, for we might in that way make it possible

for one of these banks to absorb all of the resources of a given regional land bank, to the detriment of the people whom it is supposed to serve.

The Senator from Virginia [Mr. SWANSON] introduced yesterday an amendment to make the measure flexible to meet local conditions. In that amendment he provided that the \$60,000,000 of capital that would be allowed in addition to the primary \$60,000,000 might be apportioned according to the needs of different localities up to an amount of \$15,000,000.

That would enable them to issue debentures on that increased capital, plus the business done, and accommodate the local needs of the community. It is not on all fours with the principle involved in the Federal regional banks at all, and my opinion is that it would be very dangerous and subversive of the very object that we have, because in this we do not look for any degree of profit to accrue either from the local banks or from the cooperative societies that might utilize this money. We are setting up here an instrumentality to meet the short-time credits, so called, that are necessary for the farmers within a given community and attaching and accommodating it to the principle involved in the land-bank system, one for a 30-year period and one for not exceeding a 3-year period.

Mr. STERLING. Mr. President, is not the principle underlying each essentially the same?

Mr. SMITH. No.

Mr. STERLING. Do they not differ simply in scope, as it were?

Mr. SMITH. No. The very principle that is involved in our regional banks is to be the clearing houses for the great commerce of the country. This plan is designed to provide a system of credit, under certain conditions, for agriculture. I maintain that when agricultural interests have gotten their assets in liquid form the Federal reserve system can serve them as well as or better than any other system. There is an attempt here to take care of a certain character of paper that does not fall readily within the category of what is known as commercial paper. It is because of the radical difference of the two that we are forced to try to set up this system, and we have localized it and made the volume of business dependent upon the local assets that may be gotten; and therefore if we force one to rediscount the paper of another, it may result in its absorbing all the resources of the other.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. SMITH. Yes.

Mr. CARAWAY. It seems to me—and I want to ask the Senator the question—that this would assist the very purpose underlying the amendment offered by the Senator from Virginia [Mr. SWANSON] to enable the community whose need was most to draw upon the community whose need was less.

Mr. SMITH. Yes.

Mr. CARAWAY. If a bank located in one section of the country has a large amount of money with a small demand, and another bank in another section, having large demands made upon it, has small resources, under this proposed amendment it could call upon the other bank.

Mr. SMITH. Yes; but the danger there is this: If we had the same flexibility and the same daily shifting of the great volume of credit under one unified system that we have in the Federal reserve system, we could draw credit where there is a plethora and carry it to where there is a scarcity; but this provides a uniform basic credit, and this provides that with the remaining permissible \$60,000,000 a community may enlarge its capital stock, and upon that issue for local use certain debentures and obligations which would meet the requirements, whereas human nature being human nature, which I have not time to go into, and this law restricting the local resources as it does, an occasion might arise where a community which needs credit less will absorb the community which needs it more, and I think as the law now stands it is infinitely better than the one proposed.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. LENROOT. Mr. President, I would like to suggest to the Senator from South Dakota an amendment so as to make his amendment read:

Shall be required to rediscount out of any unemployed funds on hand.

Here is merely money that is idle, we will say, which may be used, and it may be used, but if there is a demand for it in the district, I quite agree with the Senator from South Dakota that it ought not to be taken away.

Mr. SMITH. The Senator is speaking in his own time, and I will ask him if I may propound an inquiry to him.

Mr. LENROOT. Certainly.

Mr. SMITH. Of course, we have to avoid legislating for exceptions.

Mr. LENROOT. Certainly.

Mr. SMITH. We must have a general rule, and I think the general rule involved here is that you are trying to accommodate the local situation. It is a dangerous thing to set a precedent by making it general. The exception may be one that appeals to us all, but what about the general policy that you intend to inaugurate as applying that principle?

Mr. LENROOT. I am frank to say that I think of but one land bank in the United States where there will not be a call for these loans. Perhaps the Senator from South Dakota can indicate some land bank in the United States where there is no necessity for this amount and which will not use the \$5,000,000.

Mr. SMITH. Exactly. It is a dangerous precedent.

Mr. LENROOT. Can the Senator from South Dakota indicate what banks he thinks will not employ this \$5,000,000?

Mr. SMITH. That is the danger. That is the very principle I am trying to enunciate.

Mr. LENROOT. At the same time, I am perfectly willing to provide that if they do not use the funds they may be used for rediscount purposes.

Mr. SMITH. The Senator from Wisconsin sees at a glance the danger of opening that door to all sorts of complaints, because it may be temporary. The Senator from Wisconsin must admit that the amount of surplus one of these banks may hold may be temporary, and then if they exchange their ready cash for obligations of another bank, there would arise a sudden call for this money and it would be exhausted. I think the plan we have in force now possibly is better than trying to take care of exceptions which we imagine may arise.

Mr. NORBECK. Mr. President, if we are to have the Lenroot bill, I should like to see the amendment of my colleague accepted. It would be helpful in a small way.

I have contended from the beginning that there was lack of mobility. We have met with the argument that here is \$60,000,000 of capital which you can debenture 10 to 1, which means that \$600,000,000 will be available. That seems large, in one way, but very small when you keep in mind that the total banking capital and funds of the United States are about \$50,000,000,000, or nearly a hundred times that much. But the point I have been contending for all the time is that we are not dealing at all with any such possibility as that these debentures could not and would not be sold. Who would expect a bank in one district, where there is no particular demand for money, to go and borrow for the help of another one? You would hardly expect that.

In answer to the question as to whether there are land-bank districts which do not need money, I will state that I think the experience of the last two years is a full answer to that, when in State after State and State after State they have told the War Finance Corporation, "We do not need a dollar—we do not need a dollar"; when the Senators from those States say they have only one peculiar problem, and that is to get their money out earning, that they are loaning in other States. At the same time we propose to go into the United States Treasury and take \$5,000,000 and put it into each district. You might as well start a Federal reserve bank over in the western sand hills of Nebraska. The demand would correspond.

The amendment of the Senator from Virginia was right as far as it went. It proposed to equalize things by making it possible for one land bank to have three times as much funds as another one. Is that the ratio of equalization we need, when you have the land bank up in Springfield, Mass., with \$5,000,000, and the whole demand of the district was a little over a half million right at the peak, not a single loan asked for by Maine, New Hampshire, Connecticut, Massachusetts, Rhode Island? Come down to the southern district, if you like, and take the States of New Jersey, Delaware, Pennsylvania, Maryland, and there is not a dollar asked, and yet it is said they need \$5,000,000 to be put in there. Out in the great West, the borrowing country, as I said, the Omaha land-bank district got \$50,000,000, and you say they need 15. The ratio asked is 100 to 1, and the ratio of capital you provide is 3 to 1, and you tie a string on it and do not say they can have 15, but say it is possible, if everybody agrees, it may be brought up to 15.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. FLETCHER] to the amendment offered by the Senator from South Dakota.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on the amendment offered by the Senator from South Dakota [Mr. STERLING]. The amendment was agreed to.

Mr. SMITH. Mr. President, in the pending bill the Federal reserve act is amended, in the second paragraph of section 13, which deals with actual transactions or notes, drafts, and bills of exchange issued or drawn for agricultural purposes, or based upon live-stock and commercial transactions, and the time is extended in that part of paragraph 2 to nine months. We are here setting up a system in conjunction with the Federal land banks, which has a period of 30 years, ostensibly a system to meet the peculiar needs of agriculture in the ordinary turnover of the business.

Every Senator on this floor knows that it takes 12 months to produce a commercial asset by the process of farming. Everyone has been convinced, even the proponents and drafters of this bill, that six months is inadequate to meet the needs of agriculture, and that time has been extended to nine months. Everybody knows that nine months is three months short of the requirements of agriculture, as six months is short. If it takes a pole 12 feet long to reach the fruit, 9 feet is as inadequate as 6 feet. A great many have discussed this afternoon the fact that you can not mix the commercial and agricultural features of banking. Under our Federal reserve system you can not. When we make the commodity produced the basis of the issuance of Federal reserve notes, then every dollar of farm produce becomes the basis of the issuance of circulation, and if it takes 12 months to produce it and 12 months to dispose of it, why not accommodate the farmers with 12 months' credit? It takes the manufacturer 30 days to buy the raw material, convert it into the finished goods, and meet the bills of exchange, and they have 30 days. They can have Federal reserve notes issued on 30-day, 60-day, and 90-day paper. The agricultural interests of this country produce the basis of the wealth upon which is to be issued circulation, liquid capital; and yet the farmer is denied the use of his products. Every Senator here knows that when the farmer has produced his crop and it is gathered and put into commercial form it has taken 12 months to produce it, and takes 12 months to dispose of it. Somebody holds it, somebody gets the capital upon which it is to be distributed through the 12 months.

I propose to amend, on the page indicated by my amendment, so as to change 9 months to 12 months, just giving 90 days additional, which will meet the requirements of agriculture so far as its yearly business is concerned. It is just as embarrassing to have your note renewed three months before you have the assets in the proper shape as to have to renew it in six months, and why do we come here and amend inadequately an inadequate provision? The amended inadequacy is as inadequate as the original inadequacy.

Therefore, if we are going to provide a law to meet the necessities of agriculture, and have it now set up, why mock the farmer with 9 months, when every farm organization and every man who has had experience knows that 12 months is absolutely essential? It does not jeopardize anybody's capital. The farmer can get capital based on the product he produces. It takes him 12 months to produce it. Why not give him 12 months' credit in the form of Federal reserve notes upon it? It takes him 12 months to produce, and why not take the basis of his wealth, which he has produced, and make it the basis of accommodating, as on 30-day, 60-day, and 90-day paper?

Mr. President, I believe there is not a man here, unless he objects to having the volume of currency enlarged, who would seriously object to the extended time.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). The time of the Senator from South Carolina has expired.

Mr. McLEAN. Mr. President, I must oppose this amendment. It is adding another inch to a nose that is already an inch too long. The Senate understands that the basic purpose of the Federal reserve system is to furnish an elastic currency, a currency that will automatically expand and contract to meet the needs of commerce. These notes must be short-time notes, and they must represent actual transactions; that is, they must meet the needs of the legitimate exchanges and sale of goods, and when in the fall of the year there is an unusual demand for credit the reserves of the Federal reserve system must be liquid and able to meet any demand that is required.

The minute you add a day to the time limit of these notes you add to the quantity of paper which the Federal reserve banks may hold in a time of stress, and to just that extent it tends to expand the credit and the currency of the country.

Mr. SMITH. Will the Senator yield for just a question?

Mr. McLEAN. I can not yield for a question. The Senator from South Carolina said that these notes are good, and that is true. They are secured by agricultural products. They are good; but when you permit them to be rediscounted by a Federal reserve bank—and they do not represent an actual transaction, but represent a loan for the retention of goods—you are

putting into the system investment paper, finance paper, and you can not do that without endangering the efficiency of the system in a time of stress.

Cotton is no better than a United States bond or the bond of a State or municipality. Agricultural products are good, but they are no better than a real estate mortgage. But all of that class of securities were intentionally eliminated from the securities which should have the rediscount privilege, and the minute you extend the time and let in this investment paper the man who may buy a thousand bales of cotton can go to his bank and give a note and have that note discounted, and it may be used as a basis for the issuance of Federal reserve notes, when the man who makes the loan has no idea of selling the cotton. It may be a purely speculative transaction, entirely contrary to the purposes of the Federal reserve system so far as the rediscount privilege is concerned. If the amendment of the Senator from South Carolina be agreed to, it would merely invite speculative banks to accommodate speculative middlemen, and it seems to me a very dangerous thing to do.

I know that about once in 30 years the inflationists of the country get their heads together and make up their minds that the volume of credit and currency must keep pace with prices, that prices can be offset by easy money. That was the situation in 1920, and we had a very serious lesson at that time. It seems to me that we ought to take every precaution to avoid a recurrence of the crisis that we had in 1920. The complaint that comes from the South is that when the buyers' strike was inaugurated there were not sufficient credits to carry the crops until they could be sold in an orderly market, as the term is used in the law. The trouble then was that there was too much cash.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired. The Chair will state that the Chair is advised by the clerks at the desk that there is no amendment pending.

Mr. SMITH. It is the amendment I sent to the desk. I thought I had offered it.

The PRESIDING OFFICER. The Chair is informed it was not actually offered.

Mr. SMITH. Then I offer it now.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 18, after the word "grace," in line 17, insert a new paragraph, as follows:

That the Federal reserve act, as amended, be further amended by striking out the word "six" in the proviso in the second paragraph of section 13 and inserting in lieu thereof "12," so that the proviso, as amended, shall read: "Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding 12 months, exclusive of days of grace, may be discounted in an amount to be limited to a percentage of the assets of the Federal reserve bank, to be ascertained and fixed by the Federal Reserve Board."

Amend section 13a, in line 4, page 17, by striking out "9" and inserting "12."

Mr. TRAMMELL. Mr. President, if it had not been heralded throughout the country that this was a farmers' relief measure, providing farmers' credit, then we might with some wisdom, some justice, probably, from the standpoint of the commercial bank, object to giving the farmer a credit in excess of that which he enjoys at the present time. Under the present law the securities based upon agricultural products are eligible for rediscount for a period of six months. Now, it is proposed in this measure that the restriction shall be continued except upon the condition that the borrower furnishes, in addition to the security which he has heretofore been required to furnish, a chattel mortgage upon live stock or a warehouse receipt upon nonperishable products.

Mr. LENROOT. Mr. President—

Mr. TRAMMELL. I decline to be interrupted. I only have five minutes.

The PRESIDING OFFICER. The Senator from Florida declines to yield.

Mr. TRAMMELL. The Senator can answer in his own time.

It is only proposed that the period shall be extended for three months upon condition of the furnishing of a chattel mortgage or warehouse receipt covering nonperishable products. It is proposed in the bill that he shall be given that three additional months' extension only when he furnishes that security.

As argued by the Senator from South Carolina [Mr. SMITH], anyone who is familiar with the carrying on of farming operations knows that it takes more than six months or nine months to produce the crops; that is, considering the time from the period of preparation for planting to the harvesting of the crops. We have endeavored to provide for a system of banking that accommodates commerce, generally speaking. At first it was on the idea that we could only furnish credit for 90 days. But

a certain character of commerce said, "We need more time to meet the conditions surrounding our business," and in consequence Congress amended the law and allowed them six months' credit, making their paper eligible for rediscount with a six months' limit. But when agriculture knocks at the door of Congress and asks for a system which will suit and be applicable to the conditions surrounding agriculture, then we hear the old argument that commercial banking is best suited to commercial facilities and so he shall not be granted any longer than the present six months' limit, with a possible additional three months if he deposits the collateral security to which I have referred.

Now, if the authorizing of credit for a period of 12 months instead of nine months would jeopardize the stability of the banking institutions or would interfere with the farm-loan banks, or with the Federal reserve banks not being maintained upon a safe and sound basis, then it might be suggested logically that Congress should seek some other way in which to provide a system of credit for our farmers. But I have not heard anyone yet present a logical reason that would sustain the contention that if we give a credit for 12 months to our farmers it would in any way impair the safety and the stability of our banking institutions. We provided for the stock to be secured through the farm-loan bank. We provided a system of rediscounting that could amply take care of conditions, and provide the necessary facilities. I hope the amendment will be agreed to.

Mr. LENROOT. Mr. President, it is to be regretted that the Senator from Florida should attempt to tell the Senate what the provisions of the bill are, with respect to the subject to which he has referred, without having read that provision. It is very certain the Senator from Florida could not have read the provisions in the bill which he has been discussing. He stated repeatedly that we propose to extend the eligibility of agricultural paper from six months to nine months only in case there be furnished warehouse receipts or a chattel mortgage upon live stock. If I mistake not, he repeated that at least three or four times. Let me read the language of the bill:

SEC. 13a. Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice and protest by such bank as to its own indorsement exclusively, any Federal reserve bank may discount notes, drafts, and bills of exchange issued or drawn for an agricultural purpose, or based upon live stock, and have a maturity, at the time of discount, exclusive of days of grace, not exceeding nine months.

There is not one word, Mr. President, with reference to security. There is a provision with reference to security, and what is it? Only that Federal reserve bank notes can not be issued upon any discounted paper extending beyond nine months unless it is secured. It would seem that before Senators discuss the provisions in the bill they would acquaint themselves with what the bill contains. We hear it repeated constantly that the farmer is entitled to this credit, and that there is no reason why he should not be given it. The committee thought it had gone to the limit of safety in making it nine months.

I want to repeat what I said the other day. The whole purpose of short-time paper for discount in the Federal reserve system is to keep the assets liquid and afford a protection to the depositors in the bank. It is just as much for the protection of the farmer who deposits money in a member bank as it is for the protection of the commercial man, merchant or otherwise, who deposits money in a member bank. It is believed, however, that the time can safely be extended to nine months, as the bill does, but there is no requirement, as every Senator can ascertain if he will but read the section, that nine-months paper be secured. The only time security is required is where it is attempted to issue additional currency, Federal reserve notes, upon it.

Mr. PITTMAN. Mr. President, I would like to ask the Senator from Wisconsin if he himself concedes that 12 months' paper is much more dangerous than nine months' paper?

Mr. LENROOT. Three months more, that is all.

Mr. PITTMAN. There was a time, of course, when most banks considered 90-day paper the only liquid paper. Yet they got it to six months, and they now get it to nine months. I remember when it was just as vehemently argued that no longer period than six months constituted a liquid paper as it vehemently argued that nine months would not be liquid paper. As a matter of fact, when we consider the equities of the case, is the danger in increasing it three months as great as is the danger in not allowing the security to mature? It seems to me that the greater danger is in not allowing the security to mature.

Mr. GLASS. Mr. President, I would like to submit to the Senator from South Carolina [Mr. SMITH] the suggestion that

the necessity for his amendment, even from his point of view, is more apparent than it is real. If that be true, I submit that it is not necessary at all. There has been a good deal of confusion in discussing the question of maturity and of the time for which the note is originally made out. To say that a member bank or that one of the farm loan banks may rediscount with a Federal reserve bank the notes of farmers having nine months' maturity does not at all suggest that farmers are precluded from making a note for a period of 12 months and having them discount it without any trouble whatsoever at the member bank, and for this reason: In ninety-nine cases out of one hundred, in four out of five years, the member bank in its primary discounts does not at all contemplate calling on its Federal reserve bank for a rediscount of this paper. So, far from it, the individual member bank hopes to retain that paper in its portfolio to the time of maturity, in order that it may reap the entire profit of the transaction and not in any measure share it with the Federal reserve bank. That is not true to only a limited extent but it is almost invariable. The rediscount is only made in time of stress when the primary bank has not sufficient funds to meet the requirements of its community. There is no banker doing business in normal times who does not make his discounts with the idea that he will retain that paper in his own portfolio to the date of maturity in order that he may reap the entire profit and not share it with any correspondent or rediscounting bank.

That being so, the process is this: The farmer's turnover, say, is 12 months; and he makes his note for 12 months. He takes the note to a member bank and has it readily discounted for 12 months, because the idea of the member bank is to retain the note until maturity. After three months shall have elapsed that member bank knows full well that if it should require additional funds with which to respond to the demands upon it, it may take the 12 months' note of the farmer to the Federal reserve bank and have it rediscounted, because it has reached the maturity of nine months.

Mr. CARAWAY. Mr. President, may I ask the Senator from Virginia a question?

Mr. GLASS. Yes.

Mr. CARAWAY. I am not a banker, my sole experience along that line having been to borrow and draw to the limit.

Mr. GLASS. My experience has been so, too.

Mr. CARAWAY. But here is the question: Does not the very fact that the rediscount privilege which is given to paper of not exceeding nine months require the banker always to compel the borrower to make the maturity of his note for the same length of time?

For instance, if I go to a commercial bank whose period for loaning is three months and say to the banker, "You know that I can not pay in three months," he will say, "Well, you may renew, but we can not handle paper with a longer date of maturity than three months."

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. CARAWAY. In my own time I desire to say a word further. The farmer, we will say, wishes to borrow for 12 months. The bank will say, "Make the note for nine months, and you may renew." There is, however, always a feeling of insecurity as to whether the maker of the note will, in fact, be permitted to renew. Does it not always leave the borrower with a sense of uneasiness?

If the bank really contemplates carrying loans for 12 months, what objection could there be to writing into the law that the banker may legally carry and discount 12 months' paper? These are merely practical questions which appeal to me, based upon a very large experience in trying to borrow.

Mr. GLASS. Mr. President, the practical fact is that the commercial bank which wishes to keep its assets liquid is not apt to discount paper of this description at all. Any bank which is willing to discount paper for a period of nine months, in my judgment, would be willing to rediscount it for a period of 12 months, because such paper is essentially a nonliquid loan, and the banker would rediscount it for 12 months, in my judgment, just as readily as he would rediscount it for 9 months.

Mr. CARAWAY. Mr. President—

Mr. SMITH. Why not make it for that period, then?

Mr. GLASS. Just wait a minute.

Mr. CARAWAY. I happen to have the floor, but, of course—

Mr. GLASS. I beg the Senator's pardon; I was trying to answer his question and the Senator from South Carolina propounded another question to me from his chair. I can not answer the two questions at once.

Mr. CARAWAY. Well, if the Senator does not want to answer either—

Mr. GLASS. Yes, I do; I want to answer the Senator's question. I wish to say in answer to it that I think a bank would just as readily rediscount a 12 months' note as it would a 9 months' note, because it would primarily desire to carry the discounted note in its portfolio to the date of maturity; and it would know perfectly well that at the expiration of three months, if the bank should be in stress for further funds, it could take the note to the Federal reserve bank and there rediscount it, because the note then will have reached the maturity of 9 months.

Mr. CARAWAY. The question, then, which I would again ask the Senator is—and I have more respect for the Senator's knowledge of the Federal reserve system than I have for that of anybody else in the Senate.

Mr. GLASS. It is very kind of the Senator from Arkansas to say that.

Mr. CARAWAY. If the bank would not object to 12 months' paper, then what real objection, what substantial objection, is there to giving such paper the rediscount privilege? Is it not true that wherever paper is subject to rediscount it is liquid?

Mr. GLASS. I am not saying that the reserve bank would not object to it. I am saying that the primary bank of discount would not object to it, because that bank expects to carry the paper to maturity. I have not said that the reserve bank would not object to it, because I think the Federal reserve bank would object to it, and there is very much more necessity for the reserve bank—meaning the bank that is simply carrying bank reserves for an emergency—carefully to keep its assets liquid than it is for the primary bank to do so.

Mr. CARAWAY. I think that is true, but if there is any real expectation that banks will carry 12 months' paper, I still believe, based, as I have said before, upon a rather active effort to find banks which were willing to carry paper, that a sense of security comes to the borrower if he may have his paper run for a longer time. There is always a fear, and sometimes a substantial loss. The rate of interest is, we will say, 6 per cent—in my section of the country it is often 10; I have paid that much—

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. KELLOGG. Mr. President, I hope that this amendment will not be adopted. I think the Lenroot bill goes to the limit of safety; in fact, I think it goes too far in extending the time of discounts in the case of the Federal reserve banks. I know the pressure is constant for the rediscount of longer-term paper by the Federal reserve banks; but we must remember that the Federal reserve banks are not only banks of rediscount, but they issue notes as the currency of the country, and there is nothing more dangerous than unreasonable inflation. The Federal reserve notes ought to be secured by the shortest-term paper, by the best security the banks may deposit with the Federal reserve banks. Such assets ought to be the most liquid the reserve banks have.

Some one has asked why is not a 12 months' note just as good as a 6 months' or a 9 months' note? The Senator from Wisconsin answered, and I think very aptly, when he said it is not so good by three months. Nobody would think of taking a farm mortgage running 5 or 10 or 20 years to rediscount with the Federal reserve bank as a basis of issuing temporary currency. I think one thing we ought to do is to keep the Federal reserve system a safe and conservative system for the rediscount of notes on which to base the currency of the country.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from South Carolina.

Mr. SMITH and Mr. HEFLIN called for a division.

On a division the amendment was rejected.

Mr. SMITH subsequently said: Mr. President, I wish to give notice that when the bill shall be reported to the Senate I shall ask for a record vote on my amendment.

Mr. LENROOT. The Senator will have to reoffer the amendment.

Mr. SMITH. Very well. I will reoffer it.

Mr. McLEAN. I desire to offer an amendment to the text of the bill on page 17. I send the amendment to the desk and ask that it may be read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 17, line 4, after the word "months," to strike out the colon and insert a comma and the following:

and such notes, drafts, and bills of exchange may be offered as collateral security for the issuance of Federal reserve notes under the provisions of section 16 of the Federal reserve act as amended.

Mr. McLEAN. Mr. President, the bill as it reads in the proviso admits these notes for rediscount, but they are not qualified in this bill as eligible for note issues. Section 16 of the Federal reserve act provides that collateral security offered by the notes described in section 13 shall be eligible as collateral security for notes, but this is section 13a, and unless we put in the amendment I have proposed the notes will not be qualified at all. This is an important amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Connecticut. The amendment was agreed to.

Mr. FLETCHER. I move, on page 5, at the end of line 12, to strike out the period and insert the words "not exceeding 5½ per cent per annum."

The object of that proposed amendment is to require that the debentures issued under the bill shall be issued at a rate of interest not exceeding 5½ per cent per annum; otherwise there will be no limitation as to the interest rate on the debentures.

In the farm loan act it was provided that farm loan bonds should not bear a higher rate of interest than 5 per cent. We amended that act here in order to meet the situation regarding the joint-stock land-bank bonds and made the rate 5½ per cent, but that provision expires in July, 1923, at which time we go back to the provision of the original law that farm loan bonds shall not bear a higher rate of interest than 5 per cent.

There is another provision in the farm loan act that the rate of interest charged by the bank to the borrower shall not exceed 6 per cent. The debentures under this bill are to be issued on the same basis as the farm loan bonds. They have back of them the capital put up by the Government; they have back of them the provision that they are tax-free, and I see no reason why we should not put into the law a limitation as to the rate of interest they shall bear. Unless we do, then the farmer is not going to get any real benefit out of this measure. If he will have to pay the same rate of interest when these debentures are put in circulation as he has to pay to-day if he goes to a commercial bank, namely, the State rate, he will not receive any advantage.

This measure intended to afford to him credits on a basis and upon terms that he can meet and that his industry can bear, and 5½ per cent is as high a rate as these debentures ought to be permitted to bear.

Mr. NORBECK. Mr. President—

Mr. FLETCHER. I yield to the Senator.

Mr. NORBECK. I quite agree; but I was wondering if the better way to get at that would not be to change the law so as to compel some of these men to lend their money at a low rate of interest. How otherwise will it be effective?

Mr. FLETCHER. We can limit the rate of interest that the debentures shall bear.

Mr. NORBECK. Yes; but if the money goes into other channels, then where is the farmer?

Mr. FLETCHER. He has to take his chances, of course; but if there is no limitation on the debentures, then the debentures can be issued at 7 or 8 per cent, or, in some States, 10 per cent. We have, to begin with, limited the rate on the debentures, and then there is another provision in the bill which provides that the rate of interest shall not exceed 1½ per cent of the discount rate of the Federal land bank; but that applies only to interest, and there may be other charges, commissions, and all that sort of thing, that will run the amount which the farmer must pay or the borrower must pay far in excess of any 1½ per cent above the rediscount rate of the Federal reserve bank. There ought to be in this law—just as we put in the farm loan act—a limitation as to the amount of interest that the securities issued in this way shall bear, and I think 5½ per cent is enough. That is all that we have allowed the joint-stock land banks or the farm-loan banks to charge, even in the emergency that existed last year; and we have come back, as to both banks, to 5 per cent as the basis. I think we could safely provide that these debentures shall not bear a rate of interest exceeding 5 per cent, or, to meet all possible objection to it to my mind, I have proposed that it shall be not exceeding 5½ per cent. I think unless we do that we will make a very serious mistake, and not provide the facilities to meet the needs of agriculture that we are intending to provide.

Mr. LENROOT. Mr. President, no Federal land bank and no Farm Loan Board would issue any debentures at any higher rate than is necessary to sell the debentures. That goes without saying, as a matter of course. The only effect of the Senator's amendment, it seems to me, would be that under given conditions debentures might be absolutely unsalable. There

might be a demand in certain territory for the rediscounting of this paper for the benefit of agriculture, but because of the Senator's amendment it would be impossible to assist agriculture and discount agricultural paper. I can not see any possible good to come out of the amendment. I do see possibility of great harm.

Mr. FLETCHER. Mr. President, will the Senator name some other rate? I have named $5\frac{1}{2}$ per cent. Perhaps the Senator would suggest 6 per cent. I am willing to make it that.

Mr. LENROOT. Of course, I am certain that it never would exceed 6 per cent, because they could not employ the money at a rate higher than 6 per cent and do the business; but I do not know why the Senator is not willing to trust that to the Farm Loan Board and the Federal land bank. It must be approved, and they will get money just as low as they can.

The Senator, of course, understands that these securities are not going to be as attractive, generally speaking, as farm-loan bonds. I do not expect them to sell at the same low rate of interest that farm-loan bonds will sell for. I think farm-loan bonds will sell at a less and less rate, because they are, if the system is properly managed, security of the very best class for that kind of investment capital that seeks long-term investments.

Mr. FLETCHER. That is the reason why I made it $5\frac{1}{2}$ per cent. The farm-loan bond rate is not to exceed 5 per cent.

Mr. LENROOT. But the Senator makes only one-half of 1 per cent distinction between that kind of an investment and this kind of a debenture. I am very sure that the interest of the farmer will not be subserved by this limitation, and I am very sure that no debentures will be issued under this bill at any higher rate of interest than is necessary to sell the debentures at par.

Mr. HITCHCOCK. Mr. President, I am in sympathy with this amendment. This issuance of tax-free securities is enough of an evil as it is; and in my opinion it certainly would be a serious mistake to give to these banks power to issue debentures at an unlimited rate of interest and have them enjoy the tax-free privilege.

It must be remembered that these debentures probably will be used by the banks as a secondary reserve, and there might be a disposition upon the part of the banks that would probably buy them to use their influence to have them issued at a high rate of interest. I believe, however, that inasmuch as at the present time the Federal farm loan bonds are selling on a basis of $4\frac{1}{2}$ per cent, it is safe to say that under almost any conceivable circumstances these debentures, which will be in strong demand by banks, ought to find a ready market at not over $5\frac{1}{2}$ per cent. It certainly would be a great mistake to allow these debentures to be issued at any rate of interest, without any limit, and enjoy the tax-free privilege.

Here are United States bonds that sell at par on a $4\frac{1}{2}$ per cent basis, even subject to taxation, at the present time. We are authorizing the issue of these debentures for a certain purpose, and only proposing to limit the rate of interest to $5\frac{1}{2}$ per cent. I can readily see that they will be availed of by banks, and they will find a ready market in the banking field, and many banks will desire to buy these debentures and keep them as a secondary reserve. They will always be marketable; but the Congress which is authorizing their issue on a tax-free basis ought to say what the point is at which the interest shall be limited. I believe in the end it is going to operate to give cheaper interest to the farmers. I believe it will require the banks to do their business on a closer basis.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HITCHCOCK. I yield to the Senator.

Mr. LENROOT. The Senator is aware that this bill has been bitterly attacked, and its chief point of attack has been that the debentures would not be salable at all.

Mr. HITCHCOCK. I think the testimony before the committee was all to the other effect—

Mr. LENROOT. I think so.

Mr. HITCHCOCK. That these three-year debentures would find a ready market, particularly among banks. These farm-loan bonds find no such market. We have in this country 15,000 or 18,000 State banks and something like 8,000 national banks. They are always ready to buy Government certificates; and, given the opportunity to buy these tax-free debentures which they can hold as a secondary reserve, I have not any doubt in the world that those thousands of institutions will buy them; but it seems to me that Congress, which is authorizing these tax-free debentures, owes it to the country to fix some limit above which the interest rate shall not be allowed to go. The fact that they are tax free makes them more valuable than the ordinary 7 or 8 per cent investment, and that ought to be sufficient.

Mr. GLASS. Mr. President, may I ask the Senator from Nebraska—I am not just clear in my recollection of the incident—but, as illustrating the contention that these things are usually governed by the state of the money market, is it not a fact that either by administrative act or by an amendment to the Federal farm land bank act the Farm Loan Board not so very long ago was either authorized to issue or did issue farm-loan bonds at as high a rate of interest as 6 per cent because they could not sell them otherwise?

Mr. FLETCHER. Never. They could not do it.

Mr. HITCHCOCK. I think $5\frac{1}{2}$ per cent was the limit; but there is a difference, Mr. President.

Mr. FLETCHER. We authorized the joint-stock banks to issue bonds at $5\frac{1}{2}$ per cent.

Mr. GLASS. Did they not issue a series of bonds at the limit?

Mr. HITCHCOCK. I think the power was never used.

Mr. FLETCHER. Yes; they did—5 per cent. That was the limit.

Mr. GLASS. I said I could not clearly recall.

Mr. FLETCHER. The limit was 5 per cent originally.

Mr. GLASS. But my recollection was that we added one-half of 1 per cent.

Mr. HITCHCOCK. We made the limit $5\frac{1}{2}$ per cent, but they never exercised the power.

Mr. GLASS. Because the investment market was such that they could not sell them below that.

Mr. FLETCHER. That expires next July.

Mr. GLASS. Just as was suggested awhile ago by the Senator from South Dakota [Mr. NORBECK], is it not conceivable that the investment market at times may be such that these debentures can not be sold at the limit now proposed to be put upon them? If that should happen to be the case there would be a stoppage altogether of the activities of the system. It could not get anywhere. Although farmers might be in distress and in emergent circumstances, they could not borrow anything at all if that should happen.

Mr. HITCHCOCK. Mr. President, it is possible to imagine all sorts of possibilities; but the fact is that with these 15,000 State banks and 8,000 national banks desiring securities of exactly this sort it is almost inconceivable that there would be a great impairment of the market at any time. I am very sure that a large proportion of these institutions will be in the market to buy these securities. It may be that in the future we shall find it necessary to raise the limit. While we ought to place a limit somewhere, if the time comes when it is necessary to raise the limit we can do it as we did on a former occasion with the Federal farm-loan bonds; but in that case the emergency disappeared before they exercised the power.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. LENROOT. Mr. President, I move to strike out " $5\frac{1}{2}$ " and insert "6."

The PRESIDING OFFICER. The question is upon the amendment of the Senator from Wisconsin to the amendment proposed by the Senator from Florida.

Mr. FLETCHER. Mr. President, that appears to be about the best rate we can get, and I am not disposed to contest it.

Mr. LENROOT. All right.

Mr. FLETCHER. I am willing to accept that amendment.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Florida, as modified.

The amendment, as modified, was agreed to.

Mr. LENROOT. Mr. President, I wish to offer an amendment that I failed to offer some time ago. It is with reference to the question raised by the Senator from South Dakota [Mr. NORBECK] in his minority report, wherein he took the view that the \$5,000,000 could not be used except as a guaranty fund.

While I am very clear that the language is not susceptible of that construction I am perfectly willing to remove any question concerning it; so I move, in line 7, page 7, to strike out the words "and losses, if any," so that the language shall read:

Shall be applied solely to meet obligations incurred in the operation of that department.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. HEFLIN. Mr. President, I send to the desk an amendment which I wish to offer at the proper place. The Senate has just adopted an amendment providing that the interest rate on these debentures shall not be more than 6 per cent, and I desire to offer my amendment.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed to add, at the end of the amendments heretofore agreed to, the following:

SEC. —. That paragraph (b) of section 11 of the Federal reserve act be amended by adding, after the words "Federal Reserve Board," the following: "but in no case shall such rates of interest be in excess of 6 per cent per annum."

And wherever in said act Federal reserve banks are authorized, permitted, or required to rediscount the discounted paper of other Federal reserve banks, the rate of interest in no case shall be in excess of 6 per cent per annum.

Mr. HEFLIN. Mr. President, I desire to say just a word. It does seem to me that the Senate should take into consideration the interest of thousands and hundreds of thousands and millions of people who must borrow money. These member banks throughout the country, who have to go to the Federal reserve regional banks, 12 in number, certainly will be happy if they can get money to loan to their customers at not exceeding 6 per cent. They may be able to get it for $3\frac{1}{2}$, 4, $4\frac{1}{2}$, 5, or $5\frac{1}{2}$.

Certainly there ought to be a limitation on the interest rate these regional banks can charge these 10,000 member banks. When we limit this rate of interest to 6 per cent, we enable the member banks to get the money at a low rate of interest and the ultimate borrower to get it at a lower rate of interest because of the low rate of interest charged to the regional banks or to the member banks.

I hope no Senator will oppose this amendment. The member banks all over the country would like to have the amendment adopted. It would be beneficial to all business in the United States, and surely Senators do not want to leave this proposition with no restriction on it. It just leaves it to the judgment of the Federal Reserve Board as to what it shall do under the bill as drawn. That should not be. We are putting limitations on this farm-banking proposition. Why not put a limitation on the commercial-banking proposition? I ask for a vote on my proposition.

On a division the amendment was rejected.

Mr. TRAMMELL. Mr. President, I offer the amendment, which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, line 8, after the words "live stock," add the words:

or upon notes secured by mortgages upon real estate used for and in connection with the producing of, or the producing of and marketing of, agricultural products.

Mr. TRAMMELL. Mr. President, I propose this amendment because I feel it to be very necessary and essential that a provision of this character be adopted if we are to provide any character of credit whatever to an agricultural association composed of producers of nonperishables.

The provisions of the bill I propose to amend restrict the credit to organizations or associations of farmers engaged entirely in the production of staple agricultural products. In consequence, unless the feature of the bill which I propose to amend is revised, associations of growers of perishable products, regardless of the stability of their security, will be unable to obtain loans from the Federal land banks. I see no reason why they should be discriminated against. I see no reason why credit facilities should not be afforded to associations or organizations composed of fruit growers, or those engaged in truck farming, just the same as you give credit to those engaged in staple farming.

I have proposed a class of security that will be ample, that will protect loans made through this character of association, and I am unable to see why it should be rejected, unless we want to adopt the policy of discriminating against those engaged in the production of the citrus fruits in my State, in California, and other States where the citrus-fruit industry constitutes a considerable portion of the agricultural industry, and also those engaged in the production of perishables, such as apples, peaches, grapes, potatoes in Maine, and products of other States where the agricultural classes are largely engaged in the production of perishables. I propose this in the hope that the discrimination will be removed.

Mr. GLASS. What is to become of the loan if the products perish?

Mr. TRAMMELL. If the loan is on real estate, the real estate still remains there. I ask the Senator, what becomes of the loan if the cattle on which credit is provided lie down and die? What becomes of the loan in that case? The Senator from Virginia has been sustaining the bill, and it is provided in the bill that a man may borrow on his cattle, but that he can not borrow on his real estate unless he is engaged in the production of staple agricultural products.

Mr. GLASS. He can borrow money on his real estate all the way from 3 to 32 years.

Mr. TRAMMELL. The Senator wants to confine him to the old farm loan system of long-term loans. That is what I am complaining about.

Mr. WADSWORTH. Will the Senator permit a question?

Mr. TRAMMELL. I have but a minute or two, and I do not know but that my time is up.

The PRESIDING OFFICER. The Senator from Florida declines to yield.

Mr. TRAMMELL. I have proposed a class of security which I think is staple and sound, and it is a class of security that is good. I think those engaged in the production of perishable products of this country, which are essential and constitute a considerable portion of agriculture, should be given credit through their associations.

Mr. WADSWORTH. Mr. President, perhaps the Senator will correct me if I make an error. Did I understand the Senator to say that under his amendment it is proposed to extend credit to the associations themselves as such?

Mr. TRAMMELL. Certainly, Mr. President.

Mr. WADSWORTH. The associations themselves?

Mr. TRAMMELL. The bill already provides that credit shall be extended to the associations and the cooperations, making eligible a certain character of securities. I say that we should add to that character of securities one more security. All I ask is that there be added the real estate which is used in the production of the product. I ask that that be made eligible security.

Mr. WADSWORTH. The production or the marketing?

Mr. TRAMMELL. The production and the marketing. It simply makes eligible another class of security.

Mr. POMERENE. I ask to have the amendment reported again.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, line 8, after the words "live stock," add the words:

Or upon notes secured by mortgage upon real estate used for and in connection with the production of, or the production of and marketing of, agricultural products.

Mr. LENROOT. Mr. President, just a word. Of course the distinction must be apparent to every Senator. In case a mortgage on real estate is taken, it will take anywhere from one to two years to realize upon it, while a chattel mortgage can be realized upon almost immediately in case of default.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was rejected.

Mr. HARRIS. Mr. President, I offer an amendment, and ask that it be read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 15, after line 2, insert a new section to read as follows:

SEC. 9. Paragraph (b) of section 11 of the Federal reserve act, as amended, is amended to read as follows:

(b) To permit, or, on the affirmative vote of at least five members of the Federal Reserve Board to require, Federal reserve banks to rediscount the discounted paper of other Federal reserve banks at rates of interest to be fixed by the Federal Reserve Board, and each rate so fixed shall be the same for every Federal reserve bank.

On page 15, line 3, strike out the figure "9" and insert "10."

Mr. HARRIS. Mr. President, this amendment would not change the present law except by adding to it the words "and each rate so fixed shall be the same for every Federal reserve bank." The Federal reserve bank discount rate in New York is lower than in the live-stock and farming sections where they have banks, and I want to make it uniform.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was rejected.

Mr. POMERENE. Mr. President, I send to the desk an amendment to be inserted on page 3, line 8, after the word "live stock."

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, line 8, after the words "live stock," and before the colon, insert a colon and the following proviso:

Provided, That no such loan or advance shall exceed 75 per cent of the market value of the products covered by said warehouse receipts or shipping documents, or of the live stock covered by said mortgages, and under such rules and regulations as may be prescribed by the Federal Farm Loan Board.

Mr. LENROOT. I shall be very glad to accept that amendment, so far as it is in my power to do so.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I desire to offer an amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 8, after line 8, insert a new paragraph, as follows:

For the purpose of exercising the powers conferred by this title, a Federal land bank shall establish a farm credit branch or agency in each State (except that in which the Federal land bank is located) within its Federal land bank district, if, in the opinion of the Federal Farm Loan Board, agriculture or the raising of live stock is a principal industry of such State. Farm credit branches or agencies shall be located at such place within the State as the Federal Farm Loan Board may determine.

Mr. HARRISON. May I ask the Senator from Wisconsin if he is not willing to accept this particular amendment? The amendment was discussed by the various committees which have investigated this subject, and I think it was pretty generally agreed by those committees that branches or agencies should be established in agricultural or live-stock States where the parent organization did not exist.

Mr. LENROOT. I have no objection to giving the Farm Loan Board permission to establish these agencies, if they see fit to do so, as they have the power to establish branch banks under the present law, but to compel it would simply add possibly an overhead which would mean an interest charge that would have to be paid by the farmer, and it would not be a benefit, but an injury to him.

Mr. HARRISON. I ask leave to modify my amendment by striking out "shall" and inserting "may," so as to make it permissive.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. HARRISON. I ask that it be reread as modified.

The reading clerk read as follows:

For the purpose of exercising the powers conferred by this title, a Federal land bank may establish a farm-credit branch or agency in each State (except that in which the Federal land bank is located) within its Federal land bank district, if, in the opinion of the Federal Farm Loan Board, agriculture or the raising of live stock is a principal industry of such State. Farm-credit branches or agencies shall be located at such place within the State as the Federal Farm Loan Board may determine.

Mr. HITCHCOCK. The Senator should use the word "any" instead of "each."

Mr. HARRISON. Yes; that may be better.

Mr. LENROOT. I think it would meet with the approval of the Federal Farm Loan Board if it read "that the Federal land banks may, with the approval of the Federal Farm Loan Board," and so forth.

Mr. HITCHCOCK. I would like to have the amendment read.

The PRESIDING OFFICER. The Secretary will restate the amendment as now modified.

Mr. HARRISON. It should be modified also by striking out the word "each" and inserting the word "any," as suggested by the Senator from Nebraska.

Mr. WADSWORTH. Mr. President, I ask unanimous consent that when the Senate conclude its business to-day it take a recess until to-morrow at 12 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. HEFLIN. I object.

The PRESIDING OFFICER. Objection is made.

Mr. LENROOT. Will not the Senator, in view of the fact that this is made discretionary and gives full discretion under certain circumstances, strike out the words "if, in the opinion of the Federal Farm Loan Board, agriculture or the raising of live stock"?

Mr. HARRISON. There is no need of that language now.

Mr. LENROOT. So that it would read—

For the purpose of exercising the powers conferred by this title, a Federal land bank may, with the approval of the Farm Loan Board, establish a farm-credit branch or agency in any State (except that in which a Federal land bank is located)—

And so forth.

Mr. HARRISON. That is all right.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from Mississippi as modified.

The amendment as modified was agreed to.

Mr. HARRISON. Mr. President, I desire to offer another amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, strike out lines 2 to 7, inclusive, and line 8, to and including the word "stock," and insert in lieu thereof the following:

Direct to any individual engaged in producing, or producing and marketing, staple agricultural products or live stock, or direct to any cooperative association organized under the laws of any State or of the United States and composed of such individuals, if the notes or other such obligations representing such loans or advances are secured by warehouse receipts, and/or shipping documents covering such products, and/or mortgages on live stock, or if such notes and obligations are otherwise adequately secured and the proceeds thereof are to be used in the first instance for an agricultural purpose or for the raising, breeding, fattening, or marketing of live stock.

Mr. HARRISON. Mr. President, I shall not discuss the amendment at length, because I have already discussed it briefly. It merely provides for a direct loan by the credit establishment to individuals. Senators know whether or not they favor the proposition. We have had it here before. We had it here when we were amending the War Finance Corporation act and when that measure was being discussed. We have had it here at other times. Senators know whether they want to loan direct to the individual, to cut out the overhead and interest charges of the banks, or whether they want to go the roundabout way and have him discount his paper in the banks. I am ready for a vote.

Mr. HITCHCOCK. One of the provisions of the measure is that the capital of the associations shall be raised by subscription of the banks. What inducement would the banks have to subscribe to the capital stock of the association if it was going to come into competition then with the banks?

Mr. HARRISON. Part of the money comes out of the Treasury of the United States. We provide through the system to loan money directly to associations which are organized, and I propose by the amendment not to compel the farmers to organize into associations, but when they need the money and have the security, that they can go and borrow it.

Mr. LENROOT. Where does the Senator think the money would come from to make the loans direct to farmers?

Mr. HARRISON. We provide \$5,000,000 for each of the 12 Federal districts.

Mr. LENROOT. I am sure that would be all the money that would be forthcoming if the amendment were adopted.

Mr. HARRISON. We provide further for the selling of debentures.

Mr. LENROOT. The debentures would not be salable, as the Senator must readily see, if the amendment were adopted.

Mr. HARRISON. How are we to get the money to loan to the associations? We have to get it to loan to them.

Mr. LENROOT. Because there is actual security provided there.

Mr. HARRISON. But I provide for actual securities in my amendment or the associations will not loan the money. It has to be warehouse receipts or other adequate security. Of course, it may be a note if it is perfectly good. I am just trying to take care of the farmer in the matter.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Mississippi [Mr. HARRISON]. On a division the amendment was rejected.

Mr. BROOKHART. Mr. President, I desire to offer in a modified form the amendment providing for a cooperative bank, as it was offered several days ago. There is one change I desire to make. On page 1, line 7, I have changed the figures "\$15,000" to "\$25,000."

The PRESIDING OFFICER. The amendment will be stated. The amendment was read, as follows:

On page 18, after line 22, add the following additional sections to the bill:

"SEC. 12. That section 5133 of the Revised Statutes relating to the formation of national banking associations be amended by adding thereto the following: 'Provided, That associations for carrying on the business of banking under this title may be formed by any number of natural persons, not less in any case than 200, with a capital-stock subscription of not less than \$25,000, to be known as cooperative national banks.'

"SEC. 13. That section 5134 of the Revised Statutes be amended by adding thereto the following:

"Persons uniting to form a cooperative national bank shall under their hands make an organization certificate which shall specifically state:

"First. Each and all of the five statements required for other banking associations under the section.

"Second. That each share shall be \$10 par value and each shareholder shall have one vote and no more, and the capital stock shall not vote and proxies shall not be allowed.

"Third. That the capital stock shall receive dividends not exceeding the legal interest rate in the State where the bank is located, and in no event exceeding 8 per cent per annum, and subject to the provision that the net earnings of the bank are first sufficient to pay such dividends.

"Fourth. That one-fourth of all other net earnings shall be passed to surplus until the surplus is equal to the capital stock. That the other three-fourths and thereafter all other net earnings shall be distributed to the depositors and to the borrowers from the bank who are

stockholders in proportion to the amount of interest received by the depositors and the amount of interest paid by the borrowers.

"Fifth. Upon liquidation, after payment of liabilities, the capital stock shall be redeemed at par, with dividends as before provided, and all other assets of the bank shall be distributed to the depositors and borrowers then stockholders of the bank in the same proportions provided for the distribution of dividends."

"SEC. 14. That the amount which a cooperative national bank may loan to one person or corporation shall not exceed 5 per cent of its deposits, and loans for productive purposes shall have preference, and no loans shall be made for purely speculative purposes."

"SEC. 15. That all provisions of the Federal reserve act and of the national banking act not inconsistent herewith shall be applicable to the cooperative national banks; and it is further provided that after 1,000 cooperative national banks have been organized they may establish a cooperative reserve of their own and become members thereof by subscribing for capital stock therein equal to 5 per cent of their own capital stock. Such cooperative reserve bank may also admit as members cooperative State banks organized substantially upon the same plan as cooperative national banks, and the plan of such cooperative reserve bank shall be substantially the same as cooperative national banks, except that its stockholders and members shall be only cooperative banks as herein provided."

"SEC. 16. That a tax of one-tenth of 1 per cent per annum shall be levied upon the total deposits of each cooperative national bank and paid into the Treasury of the United States, to be known as the deposit guaranty fund, and the same shall be used by the Treasurer of the United States to immediately pay depositors in the cooperative national banks the full amount of their deposits upon the liquidation of any such bank. That such tax shall cease when its accumulations amount to 3 per cent of the total deposits of all cooperative national banks and shall be automatically relieved to maintain said 3 per cent. That after a cooperative reserve is organized, as herein provided, the said tax for guaranty of depositors shall be paid to said cooperative reserve bank instead of the Treasurer of the United States, and shall be disposed of by it as herein provided."

"SEC. 17. That cooperative national banks shall use the words 'co-operative' and 'national' in their title, and no other banks shall use the word 'cooperative' except State banks which are organized upon substantially the principles as herein provided."

Mr. BROOKHART. Mr. President, I think I have said about all I desire to say upon the question of the amendment. I made the change to meet the objection of the Senator from Wisconsin [Mr. LENROOT] so that the cooperative bank would have a minimum of \$25,000 capital the same as other banks. Under the amendment we would not go into the Treasury of the United States for any money. It is not a soviet provision like the bill of the Senator from Wisconsin. It is a farmers' amendment. The capital comes from the farmers or the laboring people themselves. The management is their own. It is permissive. It gives them permission to organize a cooperative credit bank, and on that basis I think no Senator should object to giving them that right.

Mr. LENROOT. On agreeing to the amendment I demand the yeas and nays.

The yeas and nays were ordered.

Mr. NORRIS. Mr. President, I do not see why the cooperative idea can not be utilized in the banking business. I do not claim to be an expert. I know there are banks that are organized, based on a cooperative idea, that have been successful, banks without any capital stock, even, that have been very successful. The amendment makes nothing compulsory. The amendment is only permissive. If it is not workable, it can not hurt anybody. If upon attempting to work it it is found that there is something wrong with it, those who are interested in it will be asking for the perfection of it so that it will be workable.

The States have provided, several of them at least, for cooperative banks. Why is it that the Federal Government, as long as it does provide for commercial banks, should not likewise provide for cooperative banks? Instead of condemning it without a hearing, if there is something wrong with the amendment, why not perfect it in good faith? If it is not workable and any reason can be pointed out why it is not workable, it is subject to amendment right now.

It will not do any good, Mr. President, to say that those who offer a thing of this kind are Bolsheviks or that they believe in Soviet Russia or anything of that kind. That is not argument. In the end that will not accomplish any good. Either there is something in it or there is not, and we ought to pass on it, it seems to me, on the theory that if there is such a thing as the organization of a cooperative bank, those who want to go into the banking business on the cooperative idea ought to have a law prepared so they can do it. Certainly it can not do any injury. If there is anything in cooperation—and I believe there is more in that one thing perhaps than in any other thing that will help the farmer or help any other class of people—why not provide by law that the cooperative bank should be organized the same as a cooperative elevator or cooperative anything else, and permit it to be done.

Mr. GLASS. Mr. President, of course, there is a great deal more to the bill than the mere matter of cooperative banking. The Senator from Nebraska is a reasonable man. I think he is very reasonable. Let me ask him in all frankness if he

thinks that the Senate, without any investigation, without any word from the office of the Comptroller of the Currency, having supervision of all of our national banking affairs, without one word of counsel, or advice, or information from the Treasury Department, is capable of setting up an entirely new and unique banking system?

Mr. NORRIS. If the Senator desires me to answer, and he is asking his question in good faith, I wish to answer him in that way.

Mr. GLASS. I am.

Mr. NORRIS. I concede the things the Senator from Virginia has pointed out in his questions to me, and that we, perhaps, ought to have—at least I should like to have—the advice of the Comptroller of the Currency, not that I would necessarily follow it, but I should like to have all sides heard. I should like to have the Committee on Banking and Currency consider the question. But, Mr. President, the question of credit for the farmer has been before the committee for a long time. It may be they have given no consideration to this proposition. I do not know any other way now when I am confronted here with the question of voting on it than to say I believe in the cooperative idea for banking. I may be wrong; I am open to conviction; but I am confronted with the necessity here of either voting for it or against it. It seems to me those who are opposing it, if they think that there can be made out of it a system of cooperative banking, ought to do it in good faith.

Mr. GLASS. Mr. President, I do not understand that this measure has ever been before the Committee on Banking and Currency of the Senate.

Mr. NORRIS. I do not know that it has, if that is a serious objection to bringing it up, but I know of no other way to meet it than as it comes before us.

Mr. GLASS. We have no information whatsoever about it except what has been said here on the floor of the Senate. I very quickly and frankly confess that I know nothing in the world about it. I could not vote for it. I have no information on the subject at all. It apparently proposes to set up a rival Federal reserve banking system to the one already in existence. There are many things about it which I should like to know, as to which I should like to inquire. It is a new thing to me. For six years, I believe, I was chairman of the Banking and Currency Committee of the House of Representatives. As I recall, every bill which proposed any serious alteration in the existing law was then immediately referred by me either to the Comptroller of the Currency or to the Secretary of the Treasury to give us some light on the subject, to give us some information, to give us some assistance, in order to enable us to reach a conclusion; but here it is proposed to adopt an absolutely unique system, about which I know nothing on earth. If any other member of the committee does, he has an advantage of me.

So far as cooperative banking is concerned, any 10 men in the United States may now cooperate, raise \$25,000, and organize a national bank, or organize a thousand national banks if they are able to raise the capital with which to do it. There is nothing in the law against that.

I believe in cooperation among farmers; I have encouraged it all I could in my State; but I submit to the Senator from Nebraska, who is a sensible man, that we can not here upon the floor of the Senate undertake to set up, without inquiry or investigation, an absolutely unique banking system.

Mr. LENROOT. Mr. President, the Senator from Nebraska knows very well that no Senator on this floor has ever suggested in any way that the cooperative banking principle or the pending amendment was bolshevistic in any respect. On the contrary, if the Senator from Nebraska was upon the floor at the time, he knew that the Senator from Wisconsin expressed his sympathy with the general idea of cooperative banking. He not only expressed it but it is found in the pending bill and is recognized in the bill introduced by the Senator from Wisconsin and reported by the committee.

I wish to know of the Senator from Nebraska if he has studied the pending amendment; and if he is familiar with its provisions and its effect? If he would undertake to tell the Senate just what its provisions mean, I will be glad to yield to him in order to let him answer.

Mr. NORRIS. Mr. President, what does the Senator from Wisconsin desire me to answer? If he will propound his question, if I can I will answer it, and if I can not I will say so.

Mr. LENROOT. I want to know if the Senator from Nebraska is satisfied that this is a practicable, workable proposition with reference to national cooperative banking?

Mr. NORRIS. I will answer that.

Mr. LENROOT. I should be very glad if the Senator would do so. Then, while he is answering that, I shall be very glad to have him give his opinion—

The PRESIDING OFFICER. The Chair will state that he believes the Senator from Nebraska has once spoken on the pending amendment.

Mr. LENROOT. I have not spoken heretofore on the amendment.

The PRESIDING OFFICER. The Senator from Nebraska would have to answer in the time of the Senator from Wisconsin.

Mr. LENROOT. I was about to ask him, if he had the opportunity—and if he has not, I would be glad to ask unanimous consent that he have the opportunity for five minutes more—to tell the Senate his opinion as to whether this amendment proposes to set up an entirely new Federal reserve system or whether it proposes to set up an additional Federal reserve system. If the Senator has examined that feature of the amendment, I am sure that he has given consideration to the subject; but it seems to me that it is impossible to tell just what it does provide. In an important matter of this kind, is it possible that the Senator from Nebraska would ask the Senate to vote affirmatively for a provision that has never had the consideration of any committee or any considerable number of Members of the Senate?

Mr. WALSH of Montana. Mr. President, I am very deeply interested in the suggestion of permitting the organization of cooperative banks, but I should like to be more fully advised about it.

The bill to which this amendment is offered is one for the purpose of extending credit to farmers, but I do not find anything in the amendment before us that may be characterized as cooperative in any sense whatever. In the second place, I do not see that it has any reference whatever to extending credit to farmers, but any persons voluntarily may associate themselves for the purpose of organizing a bank under the provisions of the amendment. There do not seem to be any more cooperative features about it than about the existing bank law. Persons may associate themselves together without any regard to what their vocation may be and organize a bank of this character. In fact, Mr. President, I do not see—and I trust the Senator from Iowa will explain—that this amendment makes a bit of difference between the banks contemplated by it and the existing national banks except that the capital stock, as I understand from the original print of the amendment, may be \$15,000 as a minimum, with a par value of \$10, and that the voting power is limited, not in accordance with the shares of stock but each member having one vote. Otherwise it is provided that all laws applicable to existing national banks shall apply to the proposed banks. So there is another system of banks to be organized exactly the same as the existing national banks, except that the capital stock need not be greater than \$15,000, the par shall be \$10, and the voting power shall be one vote for each member. I do not understand that that is a cooperative bank at all.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I am through.

Mr. KELLOGG. I merely want to ask the Senator if he has considered the provision of the amendment which sets up a separate reserve system?

Mr. WALSH of Montana. I have examined that, and I think it needs some elucidation and more clarification. It provides;

SEC. 15. That all provisions of the Federal reserve act and of the national banking act not inconsistent herewith shall be applicable to the cooperative national banks; and it is further provided that after 1,000 cooperative national banks have been organized they may establish a cooperative reserve of their own and become members thereof by subscribing for capital stock therein equal to 5 per cent of their own capital stock.

That part of it, it seems to me, would be entirely inoperative because of the lack of the necessary provisions.

Mr. BROOKHART. Mr. President—

Mr. WALSH of Montana. If the Senator from Iowa will pardon me, I do not address myself to that particularly; but the original conception has not any reference whatever to the extension of credit to the farmers; and, in the second place, it has no cooperative features whatever.

Mr. BROOKHART. Mr. President, I will say to the Senator—

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. The Chair will observe that the Senator from Iowa has once spoken on the amendment.

Mr. BROOKHART. Mr. President, there are just three basic principles of cooperation, whether in the case of a bank or any other enterprise. The first is one man, one vote; the second is the earnings of capital are fixed the same as the wages of

labor; and the third is that all profits over and above expenses and the earnings of capital are distributed to the depositors and the borrowers in proportion to the interest received by the depositors and the interest paid by the borrowers.

Mr. McCORMICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Illinois?

Mr. McCORMICK. I have no desire to interrupt the Senator further than to ask if the rule provided by the unanimous-consent agreement is being generally enforced?

The PRESIDING OFFICER. The Chair's understanding is that the Senator from Iowa has spoken once upon this amendment. Is the Chair correct as to that?

Mr. BROOKHART. I did not speak; I announced to the Chair I would not; I merely submitted the amendment.

The PRESIDING OFFICER. The Senator from Iowa is in order, then, and may proceed for five minutes.

Mr. BROOKHART. The three principles I have stated are all there is in cooperation. It is that simple. All over the world the great cooperative enterprises, which are now the biggest business in the world, are all conducted on those three simple little principles.

Is the plan designed for the farmers? Well, the farmer and the laboring man are the ones that have organized such banks all over the world, and I do not know of anybody else that has ever organized one. Under the proposed amendment it is open to anyone to organize one.

The provisions of the national bank act are made applicable for safety purposes so that this bank will be supervised just the same as any national bank; it will not be a wildcat bank. It is true many cooperative banks are organized without any stock at all, but under the amendment provision is made for stock with a minimum of \$25,000, the same, I believe, as in the case of national banks. When stock is issued by a cooperative corporation, the only difference between it and others is that the earnings of that stock are limited; wages are fixed for capital the same as the wages are fixed for labor. That is what the amendment proposes. If the Senator from Montana knows of any single cooperative principle that has been omitted from the amendment, I will be glad to put it in. It embraces all the principles of cooperation that I know, and I have studied cooperation for many years.

Mr. HARRELD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Oklahoma?

Mr. HARRELD. I do not ask the Senator to yield; I want to speak in my own time.

Mr. NORRIS rose.

Mr. BROOKHART. Does the Senator from Nebraska desire to ask a question?

Mr. NORRIS. No; I was going to make a motion when the Senator concludes.

Mr. BROOKHART. Mr. President, I desire to say a word further as to the reserve feature. Under the amendment the reserve is cooperative, just like the other features of the proposed system. All cooperative credit systems everywhere in the world have the same kind of reserve. They simply organize the overhead which they own by their stock subscriptions; but the earnings of the stock are limited, and the surplus earnings go back to the member banks. It makes the simplest and most effective control in the world in the hands of these men.

Some have objected because of the borrowers' share in the control of the banks; but in these banks, made up of little depositors, the depositors are always more numerous than the borrowers. Furthermore, if there were not thousands of such institutions in successful operation all over the world, there might be some doubt as to the proposition; but everywhere such banks have been organized they have worked out successfully, and the borrowers and depositors get along together as cooperators and not as profiteers.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so agreed.

Mr. HARRELD. Mr. President, it is not my purpose to discuss the general field of cooperative business; it has proven a success in certain lines, but I am not yet ready to say that I am in favor of it in the banking field or opposed to it. I wish to address myself particularly to section 16 of the proposed amendment, which provides for guaranteeing bank deposits.

Bear in mind, first, that one of the chief features of the cooperative system of banking proposed by the Senator from Iowa is that the banks are not allowed to make above a certain percentage of profit, in this case limited, I believe, to 8 per cent.

All business ventures, whether in the banking line or otherwise, are dangerous undertakings in a way. I believe statistics show that 95 per cent of all business ventures fail, even where there are no limitations on the amount that can be earned by them, but if we limit the amount that can be earned by a business concern, we very materially increase that percentage, in my judgment, and there are more possibilities of failure for a business whose earnings are limited. For that reason it is very important to inquire into section 16, which provides for a guaranty.

Section 16 provides that a tax of one-tenth of 1 per cent shall be levied upon the total deposits, and so forth, for the purpose of creating a guaranty fund. Unfortunately in the State which I represent we have had some sorrow growing out of a bank-guaranty fund. The law to which I refer provided that a certain tax should be levied upon State banks to produce a fund to guarantee deposits. At the present time there is a deficit of \$8,000,000 in that fund, and in the case of the last 27 banks that have failed the depositors have not received the protection which the law of the State guaranteed them under this bank-guaranty system, and the depositors are now insisting that the State of Oklahoma itself is morally bound to pay that \$8,000,000 into the Treasury to meet the claims of the various depositors in these 27 failed banks.

If we were to adopt this amendment to this banking law, limited as it is to 8 per cent of profits, and if this guaranty fund were to fail in the years to come, I wonder if a cry would come up that the United States Government is morally bound to meet the deposits guaranteed by this fund. I have reasonable ground to believe that that cry would come to Washington under the terms of this bill. For that reason, it seems to me that it is very necessary that the most careful consideration should be given to a proposal of this sort; that it ought not to be sprung as an amendment to a bill as this is sprung on the floor of the Senate; that it ought to be introduced in the form of a bill, at least, and go to the Committee on Banking and Currency, and be given the consideration that ought to be accorded to a proposition as important as this is.

For that reason, I shall oppose the amendment.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. The Senator from Nebraska has spoken once upon this amendment. He has the privilege of speaking upon the bill for five minutes.

Mr. NORRIS. No, Mr. President; I am aware that I have spoken once on this amendment, but I did not take the floor for the purpose of speaking on this amendment. I desire to offer an amendment.

I move, Mr. President, to amend the amendment of the Senator from Iowa [Mr. BROOKHART], on page 2, line 17, after the word "depositors," by striking out the following words, being part of lines 17 and 18: "and to the borrowers." If that amendment can be stated from the desk, I will ask for recognition to speak on that motion.

The PRESIDING OFFICER. The amendment of the Senator from Nebraska to the amendment of the Senator from Iowa will be stated.

The READING CLERK. In page 2, lines 17 and 18, it is proposed to strike out the words "and to the borrowers."

Mr. NORRIS. Mr. President, I have a great deal of sympathy with some of the things that have been said, particularly by the Senator from Virginia [Mr. GLASS]. I think there is a good deal of wisdom in what he said; but, Mr. President, we are confronted here with a proposition that, in my judgment, is an effort in good faith to establish a cooperative bank.

I do not agree with the Senator from Montana [Mr. WALSH] when he says there is not anything in this proposal of a cooperative nature. It has the very fundamental principles, it seems to me, of a cooperative institution. If I had my way about it, and were drafting the bill along cooperative lines, I would try to eliminate the capital stock entirely, and provide a different system by which the banks could start. The profits of this institution, after they set aside a surplus fund and a guaranty fund, are divided among the depositors and the borrowers. In my judgment, it would be strengthened very much if the profits were divided only among the depositors. I think the bank, instead of having the provision for incorporation, would be more strictly a cooperative institution if the depositors themselves selected the president and the cashier or other officers, whatever they choose to call them, to manage the business; and certainly when depositors have a direct interest in the profits of an institution they are not going to set up a wild-cat institution. It seems to me that is a safety provision; and a fundamental principle of a cooperative institution, as everybody knows who has studied the cooperative organizations over the world, is the slogan: "One man, one vote."

We had before us some time ago Sir Horace Plunkett, who is one of the fathers of cooperation in the world. He was the originator and had more to do with cooperative societies in Ireland than any other living man, and they have made a great success of it. He confined his work, it is true, to some particular lines. He told us that he made 50 speeches in an attempt to organize cooperative creameries in Ireland before he had a single response and found anybody who would go in with him to organize a cooperative creamery. The cooperative bank will give to those who do the business of the bank the profits that there may be in the bank. I do not myself see why cooperative banks should not be as successful as cooperative creameries.

The Senator from Oklahoma [Mr. HARRELD] is objecting, apparently, to the guaranty provision here. If the Senator from Oklahoma thinks that is detrimental to the amendment, instead of condemning the whole thing he ought to make a motion to amend it by striking that out. I do not think that is detrimental. Personally, I believe that is a good provision. The Senator from Wisconsin [Mr. LENROOT] objects and asks me whether I am in favor, as this bill to a certain extent does, of setting up a separate institution here. I have never talked with the Senator from Iowa, but I presume the reason why he has done that is because if these institutions were admitted to the Federal reserve system as it stands now they would say, "We do not want anything to do with these fellows"; so he has provided that they shall stand on their own bottom; they shall go up or down according to their own business.

We have two systems now. We have, I will say to the Senator from Wisconsin, the State banks—and a great many more of them than national banks. When we set up the Federal reserve system as a Federal proposition, did anybody say, "Why, you are setting up a separate institution when the States have one of their own"?

That is true. Maybe that is objectionable. Maybe it ought to be all in one. That may be a good argument against this proposal, but it is no better argument than could be made against the Federal reserve system itself.

I have an idea that if this were added on to the bill and they commenced to work under it, some imperfections would be found in it. I think I have pointed out one in this amendment. I may be wrong about that. They say, again, that the farmers will not utilize this system. Well, I am not particular about any particular class of people utilizing it. The merchants can utilize it if they want to.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired. The question is on the amendment of the Senator from Nebraska to the amendment of the Senator from Iowa.

Mr. WALSH of Montana. Mr. President, I address myself to the amendment offered by the Senator from Nebraska [Mr. NORRIS] simply for the purpose of explaining what I meant when I said that this proposal did not provide for the organization of cooperative banks; that the cooperative principle was not here.

If I understand the cooperative principle at all, it embodies the idea that certain persons get together and deal among themselves and with themselves, and distribute the avails among themselves. The 200 persons provided here may not become depositors in the bank at all. They may take deposits from people who are not stockholders in any sense whatever. They may make loans to persons who are not stockholders at all. They do not deal among themselves, make their own deposits, and make their own loans, as a building and loan association, but they take deposits from the outside, and they make loans upon the outside. I understand that that is a violation of the cooperative principle. That is what I meant when I said that this amendment did not provide for the organization of cooperative banks.

Mr. BROOKHART. Mr. President, I desire to speak now on the amendment of the Senator from Nebraska [Mr. NORRIS].

There is no violation of the principle of cooperation in dealing with outside persons. All the cooperatives do that. They do business just the same as anybody else, so far as that is concerned.

Mr. WALSH of Montana. Mr. President, may I ask the Senator if they do not do that as merely incidental to the dealing among themselves?

Mr. BROOKHART. Incidental, and yet, perhaps, the greater volume of the Rochdale business is outside, and it is the biggest cooperative business in the world, and it is the biggest business in the world, too. There is not any other business that I know of, unless it is the business of Henry Ford, that is the equal of that managed by Mr. Thorp, the manager of the English Cooperative Wholesale. It had a banking turnover

of two and a half billion dollars in 1919, and it increased 26 per cent the first six months of 1920, and has increased every month since; so it conducts a gigantic banking business in connection with the other, all on this principle.

In reference to the amendment of the Senator from Nebraska, let me say that nobody can share in these profits unless he is a member. That is what meets, principally, the objection of the Senator from Montana. If a depositor is not a member, he does not share in this cooperative distribution of profits. If a borrower is not a member, he does not share in it. That brings all the borrowers and all the depositors into the association as members, and that is the idea of it.

The Cooperative National Bank, at Cleveland, is operating on the idea of the Senator from Nebraska all right, but all of us have agreed that it does not fully meet the cooperative principle. I have not any particular objection to the amendment, because it will serve to lower the rate on deposits, and the borrowers will get some advantage of it in the cooperative exchange, anyhow; but the real cooperative principle is the way it is figured out here, giving the distribution of the profits over what capital earns in proportion to the interest received by the depositors and in proportion to the interest paid by the borrowers.

That gives them an equal share in these profits, and that is what makes the thing cooperative; it is the division of these profits.

The more members you can get in one of these banks the better, the further reaching it will be in its cooperation. It is true that it could be organized without any capital. When capital comes in, as I said before, we immediately fix a wage for the capital, so that it is not a profiteering affair; and, having done that, it goes ahead, cooperative with capital or otherwise. Both are used in the cooperative organizations, whether in banking or in anything else.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BROOKHART. Yes.

Mr. McKELLAR. It seems to me that there is a good deal in the proposal that has been made by the Senator. It is one that ought to have very careful consideration by the Senate, and I am wondering if it has had that careful consideration. I wonder if there have been any hearings on it, or if there has been any action of the committee in regard to it. The Senator will admit that it is a new proposal.

Mr. BROOKHART. I do.

Mr. McKELLAR. It does seem to me that the Senate should have hearings on it, and there should be consideration of it by a committee, so as to get it in the form which will be best for the farmers.

Mr. BROOKHART. I will say that the only hearing on it was at the meeting of the farm-bloc people when the live-stock men of the West were here. I brought up the idea and developed it there in the cross-examination of Mr. Eugene Meyer, and he said there was no objection to it. That is as far as it went; but, to be frank, I supposed the committee understood better what I was driving at than they did, and that it was not so new as I have found it to be in the discussion here, and I did not follow it any further.

I would be very glad to have it fully investigated, so far as that is concerned. If there can be some arrangement to send this proposition to the Committee on Banking and Currency and have a hearing on it and consideration of it, I would not object to that, for I am not trying to put anything over on the Senate of the United States, notwithstanding my friend from Wisconsin.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. GLASS. In my own time I would like to say to the Senator, as one minority member of the committee, that I should be very glad to take his plan up and consider it as best I would know how; but it has not been considered.

Mr. BROOKHART. That is true.

Mr. GLASS. I have no information on the subject; and however good it may be, I could not with any degree of confidence vote for it.

Mr. McKELLAR. Mr. President, I hope the Senator will let it take the course any bill would take, because it does seem to me that a matter as important as this should have the careful scrutiny of a committee, and there should be such testimony produced before the committee that they could properly act in the premises. I hope the Senator will let it go to the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. BROOKHART. In view of the suggestion coming from the committee, I will withdraw the amendment and present it to the committee as an original bill.

Mr. LENROOT. Does the Senator from Nebraska consent? Mr. NORRIS. I suppose, technically speaking, that would require my consent. I will withdraw my motion, so that that action may be taken.

The PRESIDING OFFICER. The Senator from Nebraska consents, and the amendment is withdrawn.

Mr. CARAWAY. Mr. President, at the end of line 5, on page 6, I wish to offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 6, line 5, before the period and after the word "made," insert the following:

Or any bonus or thing of value to procure said loan has been given.

Mr. CARAWAY. Just one word. The section to which I have sought to attach the amendment provides that the paper shall not be subject to rediscount if the rate of interest it bears shall exceed by more than 1½ per cent the discount rate. I simply sought to add a provision that it should not be subject to discount where any bonus or thing of value has been given to procure the loan. I do not know how rare the practice is, but sometimes, where the rate of interest is fixed, it is the custom to require the borrower to give a bonus in order to procure the loan, and if we are trying to protect the farmer as against extortion I rather thought it ought to be required that the bank should not charge him in excess of a certain rate of interest, nor should they demand from the farmer a bonus.

The Senator from Wisconsin had a suggestion in the way of a modification of the amendment which possibly he would want to offer in lieu of the amendment. I do not know whether any extortion will be practiced under this system. I know that bonuses are sometimes demanded for loans, and it is merely to protect the borrower against the demand of a bonus that I offer the amendment.

Mr. LENROOT. Mr. President, as I stated the other day, I am in entire sympathy with what the Senator from Arkansas desires to accomplish. I wish very frankly to say that I do not believe it is practicable to accomplish it in this way, and I may also frankly say that I do not know how it can be accomplished. If this amendment were adopted, it would deprive the Federal land bank of power to discount any paper unless it first ascertained not only that the rate carried in the paper was not in excess of the rate provided in the law but that there had not been any secret bonus or commission offered. The Senator can see they would have to go into an investigation of every note offered for discount before they would be authorized under the law to discount the paper.

Mr. CARAWAY. Would not the paper be prima facie subject to rediscount, and the bank only prohibited when knowledge came to it that a bonus had been asked?

Mr. LENROOT. Certainly not under the form in which the amendment appears, because on its face it provides that no paper shall be discounted if it carries a rate in excess of 1½ per cent over the discount rate, or if there has been any bonus or secret commission. The result of that would be that it would tie the hands of the land bank in discounting paper unless it went into an actual investigation in each case to ascertain whether there was any secret commission, which, of course, would be impossible.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Arkansas [Mr. CARAWAY].

The amendment was rejected.

Mr. FLETCHER. To make a little clearer the provision on page 6, I move to insert, after the word "discount" in line 1, the words "with any Federal land bank," so that it would read:

No bank, trust company, live-stock company, or other agencies entitled to the privileges of this act shall, without the approval of the Federal Farm Loan Board, be allowed to discount with any Federal land bank any note or other obligation.

It is of course intended to apply to them.

Mr. LENROOT. I accept that amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the substitute proposed by the Senator from South Dakota [Mr. NORBECK].

Mr. NORBECK. I want to offer my amendment at this time. It is really a substitute for the pending bill. I merely wish to add to what I said this morning the statement that there have been some slight improvements made in the bill to-day, but they are very slight. We have done something more than that. We have absolutely admitted that the proposition of issuing debentures back of the capital in the proportion of 10 to 1 is not what we are trying to bring about.

The proponent of the bill suggests that we should not enforce that rule. Therefore we must frankly admit that part

of this capital will be placed where it is effective and part of it where it will not be. We have this ridiculous proposition, for instance, that we take \$5,000,000 out of the United States Treasury, we send it 500 miles to some Government clerk or a Government board, working under Uncle Sam on salaries, who say they do not need the money at all. But we say to those people, "You can lend it to another group working for Uncle Sam, another group of Government clerks, another board." There is red tape here and red tape there, and red tape at the other place, instead of our going direct to the question, as I propose in my substitute.

Mr. LENROOT. Mr. President, I shall not take any time of the Senate, except to make one observation: The whole issue between the substitute of the Senator from South Dakota and the bill before the Senate, outside of the details, which I am not going to take the time to discuss, is the centralization of the entire system, as against allocating it in different parts of the country. We had the same question before us when we were considering the Federal reserve system, when it was proposed to establish one central bank, but Congress decided in favor of the 12 regional banks. This presents the same question. Of course, if the Senate desires to establish a central bank, as against regional banks, the substitute of the Senator should be adopted.

I want to make one other observation: The Senator from South Dakota has repeatedly said he did not believe the debentures provided for in the pending bill would be salable, and yet I observed the Senator from South Dakota a few moments ago voting for the amendment offered by the Senator from Mississippi proposing that loans be made direct to farmers, which, I am frank to say, would absolutely destroy the salability of the debentures.

I want to say, too, that in the measure the Senator now asks the Senate to support he provides for the sale of the debentures to the extent of \$1,000,000, and he also provides for loans direct to farmers upon the indorsement of five other farmers, but utterly irrespective of the financial condition of any of them.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from South Dakota.

Mr. JOHNSON. I ask for the yeas and nays.

The yeas and nays were not ordered.

On a division, the amendment was rejected.

The bill was reported to the Senate as amended and the amendments were concurred in.

Mr. SMITH. Mr. President, I offer the following amendment, and I believe under the rule it can not be discussed further.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. Add at the proper place the following:

That the Federal reserve act as amended be further amended by striking out the word "six" in the proviso in the second paragraph of section 13 and inserting in lieu thereof "12," so that the proviso as amended shall read: "Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding 12 months, exclusive of days of grace, may be discounted in an amount to be limited to a percentage of the assets of the Federal reserve bank, to be ascertained and fixed by the Federal Reserve Board."

Amend section 13a, in line 4, page 17, by striking out "nine" and inserting "twelve."

Mr. SMITH. The amendment involves the question of extending the time from 9 months to 12 months. I ask for the yeas and nays on agreeing to it.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I transfer my general pair with the junior Senator from West Virginia [Mr. ELKINS] to the senior Senator from Texas [Mr. CULBERSON], and vote "yea."

Mr. KELLOGG (when his name was called). Making the same announcement as to my pair and transfer as before, I withhold my vote. If permitted to vote, I would vote "nay."

Mr. LODGE (when his name was called). I transfer my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the senior Senator from Utah [Mr. SMOOT], and vote "nay."

Mr. PHIPPS (when his name was called). Making the same announcement as on the previous vote, I vote "nay."

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Rhode Island [Mr. GERRY], and vote "yea."

Mr. WATSON (when his name was called). My general pair, the Senator from Mississippi [Mr. WILLIAMS], being absent, and being unable to obtain a transfer, I withhold my vote. If I were permitted to vote I would vote "nay."

The roll call was concluded.

Mr. REED of Pennsylvania (after having voted in the negative). I am paired with the junior Senator from Delaware [Mr. BAYARD]. I notice that Senator has not voted. I have been unable to arrange a transfer, so I withdraw my vote.

Mr. ERNST (after having voted in the negative). I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Oklahoma [Mr. HARRELD], and allow my vote to stand.

Mr. JONES of New Mexico (after having voted in the affirmative). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Missouri [Mr. REED], and permit my vote to stand.

Mr. WATSON. I find that I can transfer my pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the Senator from Michigan [Mr. TOWNSEND], which I do, and vote "nay."

Mr. REED of Pennsylvania. I find that I can transfer my pair with the junior Senator from Delaware [Mr. BAYARD] to the senior Senator from Vermont [Mr. DILLINGHAM], which I do, and vote "nay."

Mr. ERNST (after having voted in the negative). The Senator from Oklahoma [Mr. HARRELD], to whom I transferred my pair, having entered the Chamber and voted, I am compelled to withdraw my vote.

The result was announced—yeas 33, nays 36, as follows:

YEAS—33.

Ashurst	George	McNary	Standfield
Borah	Harris	Norbeck	Sterling
Brookhart	Harrison	Norris	Sutherland
Broussard	Heflin	Pittman	Swanson
Bursum	Johnson	Ransdell	Trammell
Capper	Jones, N. Mex.	Robinson	Walsh, Mont.
Caraway	La Follette	Sheppard	
Couzens	McCormick	Shields	
Fletcher	McKellar	Smith	

NAYS—36.

Ball	Hitchcock	McLean	Poindexter
Brandeggee	Jones, Wash.	Moses	Reed, Pa.
Cameron	Kendrick	Nelson	Shortridge
Curtis	Keyes	Now	Spencer
Erellinghuysen	King	Nicholson	Wadsworth
Glass	Lenroot	Oddie	Warren
Gooding	Lodge	Page	Watson
Hale	McCumber	Pepper	Weller
Harreld	McKinley	Phipps	Willis

NOT VOTING—27.

Bayard	Edge	Ladd	Smoot
Calder	Elkins	Myers	Stanley
Colt	Ernst	Overman	Townsend
Culbertson	Fernald	Owen	Underwood
Cummins	France	Pomerene	Walsh, Mass.
Dial	Gerry	Reed, Mo.	Williams
Dillingham	Kellogg	Simmons	

So Mr. SMITH's amendment was rejected.

Mr. NORBECK. Mr. President, I desire to offer another amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. Add at the proper place the following:

That when used in this act the term "person" shall be construed to mean an individual citizen of the United States, a partnership composed of such citizens, a corporation organized under the laws of the United States or of one of the component States thereof, or an association composed of such citizens, partnerships, or corporations.

SEC. 2. That the War Finance Corporation act, approved April 5, 1918, as amended, is amended by adding after section 28 of Title I thereof a new section to read as follows:

"SEC. 29. That the corporation is hereby authorized and empowered—

"(a) To purchase, without recourse against the drawer thereof, and upon such other terms not inconsistent with this act as it may determine, from any person of the United States producing or dealing in foodstuffs or wool or cotton products, or any articles manufactured therefrom in the United States, drafts or bills of exchange secured by bills of lading or other instruments in writing conveying or securing merchantable title to said foodstuffs or wool or cotton products or any articles manufactured therefrom in the United States when such drafts or bills of exchange are drawn against sales of said foodstuffs, products, or manufactured articles by any such person to a foreign buyer or buyers established and doing business in foreign countries, to be secured by proper and sufficient collateral or by the guaranty of a legally established foreign government, or by both such collateral and guaranty as may be deemed advisable in the judgment and discretion of the directors of the War Finance Corporation. No such drafts or bills of exchange or conveyance of title shall have a maturity of more than six months from the time of purchase: *Provided*, That in the discretion of the directors of the War Finance Corporation such maturity may be fixed not to exceed nine months.

"(b) To purchase, without recourse against the drawer or indorser thereof, and upon such other terms not inconsistent with this act as it may determine, from any bank, banker, or trust company of the United States, drafts or bills of exchange or conveyance of title, secured by proper and sufficient collateral or by the guaranty of a legally established foreign government, or by both such collateral and guaranty in the manner described in paragraph (a) of this section, when said bank, banker, or trust company has purchased and guaranteed drafts or bills of exchange from a person of the United States producing or dealing in foodstuffs, or wool or cotton products, or any articles manufactured therefrom in the United States, without recourse against such person.

"The said corporation shall provide for the registration with it of all contracts, bills of exchange, or conveyances of title entered into between said sellers of the United States and those foreign buyers whose purchase contracts and drafts and conveyances of title have collateral or guaranties as provided herein. Purchases of drafts or bills of exchange or conveyances of title may be made under this section at any time prior to July 1, 1924. The aggregate amount of such purchases authorized under the provisions of this section of the act shall not at any time exceed \$250,000,000.

"(c) That any provisions of the War Finance Corporation act, as amended, inconsistent with section 29 herein provided are hereby repealed."

Mr. NORBECK. Mr. President, to briefly explain the amendment, I am offering it as a rider to the farm credits measure. The bill which I have offered as an amendment was unanimously recommended by the Committee on Agriculture and Forestry and, I can assure Senators, without any mental reservation upon the part of the members who were present, and most of them were at the meeting. I think most of us were convinced by a representative of the Department of Agriculture, who had spent considerable time in Europe and who assured us that Europe would require a great deal more from us than in previous years.

I shall not go into the question of arguing it further except to leave this thought, that the hope is that by disposing of the surplus somewhere we will have a nice reaction on the market. We are trying to get the farmer's dollar out of the rut where it is. It is only worth 68 cents now, compared to the other man's dollar. We hope he may get better prices, so it can be put on a level with the other dollars.

The idea is not new. It was not new when we gave that \$10,000,000 over to Russia, or, rather, when we took it, not out of the Treasury but out of the farmer's fund, held in trust by the Treasury, and we got some splendid results. It acted as a stimulus and raised the prices.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. NORBECK. I yield.

Mr. BORAH. If the consumer or the individual at the other end of the line is unable to buy this material, how is the Senator's amendment going to help him?

Mr. NORBECK. Simply by giving him a little more time to turn over. The whole experience of business, I think, is that when a man is on a cash basis he will sell for less than when he is on a credit basis. There are people who would like to buy a little more flour or a little more bacon or use a little more cotton, but who can not quite reach it. If they had a little more time to pay they would buy more. That is the theory.

Mr. BORAH. The point that interests me is whether or not the provisions of the Senator's amendment, if put into operation, could reach the individual in Europe who needs the food. If he has not the means to buy, how could it benefit the individual?

Mr. NORBECK. The idea is to extend credit to the importer. Under the provisions of the amendment we could require the guaranty of the Government. The expert showed us that a great deal of food is still handled by the Government there, but we are not selling it on Government credit. The theory is that the dealer who is responsible shall buy, and if there is any doubt about his responsibility the War Finance Corporation could ask the indorsement of the Government on top of that.

The idea is not new. I am not going to take up the time of the Senate to discuss it. The Senate has voted on the question twice before, a year and a half ago when the Senator from Nebraska [Mr. NORRIS] brought the matter before us, but it was decided we were not ready for it, and two or three weeks ago when the Senator from Mississippi [Mr. HARRISON] offered it as an amendment to another bill and it got a larger number of votes than before. I thought possibly the Senate had reached the conclusion that it might accept the idea at this time.

Mr. LENROOT. Mr. President, I very much dislike to take any of the time of the Senate at this late hour. The Senate must remember that the proposition involves \$250,000,000 out of the Treasury of the United States. That being so, I think I am justified in taking the five minutes I am allowed.

In the first place, I want to say that it was testified before the Committee on Banking and Currency by Mr. Howard, manager of the Cotton Growers' Exchange, a cooperative organization that has to do with the marketing of the southern cotton planters, that there was no lack of foreign credits that were entitled to credit. I have not the time to read his testimony, but it is in the hearings, as the Senator from South Dakota is aware.

More particularly the amendment would in effect do this. So far as personal credits are concerned, where they are en-

titled to it they get it now, but if adopted and the authority conferred in it were carried out, it would mean that we would loan, for the benefit of foreign governments on their guaranty, \$250,000,000. Most of them are bankrupt governments which, it is said, can not pay any of the interest which is due on their indebtedness to the United States. Some of the gentlemen who are demanding that we make further loans to foreign governments are at the same time demanding that we collect every dollar they now owe us. As to governments that are not bankrupt, what would be the result? A government that is able to pay would have the benefit of this money out of the Treasury of the United States, and then use its own funds to maintain and equip its armies and buy guns with which to carry on further wars in Europe. That would be the effect of this proposed legislation.

As the Senator from Idaho [Mr. BORAH] has pointed out, it will not help the consumer over in Europe one particle. The trouble with Europe is not lack of credit on the part of importers, but the trouble with Europe is the lack of purchasing power upon the part of the individual man and woman in Europe. This amendment if adopted would not help them in any particular.

Mr. POMERENE. Mr. President, will the Senator yield to me?

Mr. LENROOT. I yield.

Mr. POMERENE. Does the Senator recall when we were having the hearings that there appeared before the Finance Committee a very prominent cotton broker from the South, who stated that he had had no difficulty whatever?

Mr. LENROOT. I just referred to that. The witness was Mr. Howard, of the Cotton Growers' Association.

So, Mr. President, the only effect of this amendment would be to hand out something from the Treasury of the United States, either upon guaranty of bankrupt governments or of governments that could not pay their present interest indebtedness to the United States, or else to governments which can do so and which will then be permitted to use their own resources for the purpose of further carrying on trouble in Europe.

Mr. STERLING. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. LENROOT. I yield.

Mr. STERLING. Under this amendment the War Finance Corporation would not be confined to the guaranty given by the Government, but it may require, and undoubtedly would require, other sufficient collateral. It seems to me that there could be no question under a wise management of the War Finance Corporation as to the sufficiency of the security.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from South Dakota.

Mr. LENROOT. On that I demand the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. NORRIS. Mr. President, we are now about to pass the pending bill. I am going to vote for it. As I have said from the very beginning, I have favored the bill; but I have always said that I believed what was expected from it was very much exaggerated and that, in my judgment, it would not accomplish very great or material good for the American farmer. Personally I have not put anything in the way of the prompt consideration and passage of the bill; but I desire to say that fundamentally we can loan money to men until, by reason of the very fact that they are able to borrow and we are able to loan, we will ruin them.

While rural credits, short-time credits, and intermediate credits are important—I realize it; I do not want to say anything detrimental to them—the great burden that is on the farmer to-day is that he is not able to pay from the product of his toil the debt that he already owes. If Congress would devote its time to an effort to seek out a market for the surplus products of America or to do away with the middlemen who live on the profits that they make from the time that the farmer's produce is put on the market until the consumer has to pay an exorbitant price for it, we should do more good for the producer and more good for the consumer than in any other way.

The middlemen who reap all of their profits upon the food products as they travel in their natural course from production to consumption are the people who are to blame to a very great extent for the high price the consumer pays and for the low price the producer receives.

This bill will not furnish a real remedy for the situation. If we would extend credit to a man who is already badly in debt

and at the same time give some reasonable assurance that when his new note matures he would have a better market, and thus save money by the operation, we would be doing him a favor. This bill does no such thing. We are not doing a kind act by extending credit, by making a man give another mortgage and another note and pay increased interest, if we are not able to assure him that upon the maturity of that note and that mortgage he will be able to get a sufficient price for his product to bring him a profit through the operation.

I am just as anxious, Mr. President, to do something for the consumer as I am for the producer. I think the bill which the Agricultural Committee reported to the Senate, which was killed a week or two ago, was the one step that went further than any other in the direction of bringing relief, not only to the producer but to the consumer. I am not criticizing the Senate for taking the action which it did, although I think it was wrong. Neither am I trying to place myself in a position where I may say, "I told you so." I am not criticizing this bill; I think it will do some good, and I bid it Godspeed for every bit of good that it will do. I have no ill will toward it or those who are backing it and who have been instrumental in overthrowing the bill that I think would have done more good. This bill will be a disappointment. The farmer needs more than anything else a market for his surplus products. This bill will not give it. You who are back of this bill killed the bill that would have done so.

The PRESIDING OFFICER. The Senator's time has expired.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read three times, the question is, Shall it pass?

Mr. LENROOT. Upon that question I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM], but he has authorized me to vote on the passage of the bill. I therefore vote "yea."

Mr. HARRISON (when his name was called). I have a general pair with the senior Senator from West Virginia [Mr. ELKINS]. I understand that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote, and vote "yea."

Mr. JONES of New Mexico (when his name was called). Making the same announcement as to the transfer of my pair as on the previous vote, I vote "yea."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. I am informed that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote, and vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I am relieved from that pair, as the Senator would vote as I intend to vote. I therefore vote "yea."

Mr. PHIPPS (when his name was called). I have been informed that my pair, the junior Senator from South Carolina [Mr. DIAL], if present, would vote as I intend to vote. I therefore feel at liberty to vote, and vote "yea."

Mr. REED of Pennsylvania (when his name was called). I transfer my general pair with the Senator from Delaware [Mr. BAYARD] to my colleague [Mr. PEPPER] and vote "yea."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT], who is absent. I understand, however, that if present he would vote as I intend to vote. I therefore am at liberty to vote, and vote "yea."

Mr. WARREN (when his name was called). My general pair, the junior Senator from North Carolina [Mr. OVERMAN], would, if present, vote as I intend to vote. I am therefore at liberty to vote, and vote "yea."

Mr. WATSON (when his name was called). I am informed that my general pair, the Senator from Mississippi [Mr. WILLIAMS], would vote as I am about to vote were he present. Therefore I feel free to vote, and vote "yea."

The roll call was concluded.

Mr. ERNST (after having voted in the affirmative). I am informed that my general pair, the senior Senator from Kentucky [Mr. STANLEY], would, if present, vote as I have already voted. I will therefore permit my vote to stand.

Mr. CURTIS. I wish to announce that the Senator from Michigan [Mr. COUZENS], the Senator from Iowa [Mr. CUMMINS], the Senator from Utah [Mr. SMOOT], the Senator from Maryland [Mr. FRANCE], and the Senator from Michigan [Mr.

TOWNSEND] are unavoidably detained from the Senate. If present, they would vote "yea."

I also desire to announce that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 69, nays 0, as follows:

YEAS—69.

Ball	Harris	McLean	Shields
Borah	Harrison	McNary	Shortridge
Brandegge	Heflin	Moses	Smith
Brookhart	Hitchcock	Nelson	Spencer
Broussard	Johnson	New	Stanfield
Burson	Jones, N. Mex.	Nicholson	Sterling
Cameron	Jones, Wash.	Norbeck	Sutherland
Capper	Kellogg	Norris	Swanson
Caraway	Kendrick	Oddie	Trammell
Curtis	Keyes	Page	Wadsworth
Ernst	King	Phipps	Walsh, Mont.
Fletcher	La Follette	Pittman	Warren
Frelinghuysen	Lenroot	Polndexter	Watson
George	Lodge	Pomerene	Weller
Glass	McCormick	Reed, Pa.	Willis
Gooding	McCumber	Robinson	
Hale	McKellar	Sheppard	
Harrell	McKinley		

NOT VOTING—27.

Ashurst	Dial	Ladd	Smoot
Bayard	Dillingham	Myers	Stanley
Calder	Edge	Overman	Townsend
Colt	Elkins	Owen	Underwood
Couzens	Fernald	Pepper	Walsh, Mass.
Culberson	France	Reed, Mo.	Williams
Cummins	Gerry	Simmons	

So the bill was passed.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

THE NATIONAL GUARD.

Mr. WADSWORTH. Mr. President, in advance of the request to take up the War Department appropriation bill which will be made to-morrow, I ask unanimous consent that there be printed in the RECORD a copy of the resolutions adopted by the National Guard Association of the United States in its annual convention at Indianapolis. The resolutions relate directly to certain problems covered in the bill. They are so interesting and, to my mind, so conclusive that I think they should be printed in the RECORD before the bill is taken up.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

NATIONAL GUARD ASSOCIATION OF THE UNITED STATES.

Indianapolis, Ind., February 1, 1923.

"Whereas Congress has by statute created the National Guard as the main dependence for the immediate use of the Nation for national defense in case of an emergency requiring the use of troops in excess of those of the Regular Army; and

"Whereas Congress by statute has required the several States to raise a definite number of troops per Representative and Senator within a given period, and has required that these troops be so organized as to create a well-balanced force available for immediate use in case of necessity; and

"Whereas the several States have in good faith and at great expense to themselves and various communities within their borders erected, altered, and leased armories and stables and raised and placed under Federal recognition definite bodies of troops in order to comply with the requirements of Congress; and

"Whereas there are at present 90 horse-drawn batteries of Artillery and 26 troops of Cavalry in the National Guard without horses; and

"Whereas past experience has demonstrated that it is impossible to maintain the interest of or properly instruct mounted organizations without an adequate number of horses; and

"Whereas the necessary amount of money has not been placed in the current appropriation bill by the House of Representatives to either furnish horses and forage or the hire of caretakers to properly equip the mounted units already organized and Federally recognized; and

"Whereas the National Guard Association believes that Congress does not desire or intend to nullify that which has already been accomplished by the States in accordance with the requirements of the acts of Congress, which will be done if the appropriation bill, as it affects the National Guard, is finally enacted into law as passed by the House of Representatives; and

"Whereas there are available in the Army, for free issue, sufficient horses to equip said organizations without additional cost other than for transportation, forage, and caretakers: Now therefore be it

"Resolved by the National Guard Association of the United States in convention assembled, That we do, in the name of the National Guard of the several States, protest against Congress requiring of the various States the organization of military units of the National Guard and the establishing of proper housing and training facilities under an implied contract to properly equip and support those organizations and then fail, after the several States have complied in good faith, to fulfill their part of said contract; and be it further

"Resolved, That we earnestly urge Congress not to nullify the efforts of the citizen soldiery and not to discourage the States and individuals in their efforts to provide an adequate force for national defense; and be it further

"Resolved, That we earnestly urge every Member of Congress, its officials, and appropriate committees to replace in the current appropriation bill the sums of money as provided for in the Budget, and which are necessary to properly equip with horses, and to care for same, the units now formed and in process of formation; and be it further

"Resolved, That a copy of these resolutions be furnished to all Members of Congress."

In connection with the above the attention of the Members of Congress is called to the fact that the Secretary of War has lately assembled a committee of a number of experienced National Guard officers to study, in conjunction with Regular Army General Staff officers, the proper allocation of troops to the National Guard in order to create a well-balanced force to supplement the present strength of the Regular Army and yet stay within the minimum requirements of national defense, taking into due account the present necessity for Federal and State economy, and that the approved report of this committee, which has been transmitted to Congress, contains the mounted organizations referred to herein.

GUY M. WILSON,
Colonel, National Guard of Michigan, President.
PROPOSED INTERNATIONAL CONFERENCE.

Mr. KING. Mr. President, I give the notice which I send to the desk and ask to have read.

The PRESIDING OFFICER. The notice will be read.

The reading clerk read as follows:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I will move to suspend paragraph 3 of Rule XVI for the purpose of offering to the Army appropriation bill (H. R. 13793) the following amendment.

At the proper place insert the following:
"That the President is authorized and requested to invite the governments with which the United States has diplomatic relations to send representatives to a conference, to be held in the city of Washington, which shall be charged with the duty of formulating and entering into a general international agreement by which armaments for war, either upon land or sea, shall be effectually reduced and limited, in the interest of the peace of nations and the relief of all nations from the burdens of inordinate and unnecessary expenditures for the provision of armaments and the preparation for war."

PETITIONS.

Mr. NELSON presented petitions, numerous signed, of sundry citizens of Minnesota, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Appropriations.

Mr. WILLIS presented a resolution adopted by members of Epsilon Chapter, National Sorority of Kappa Alpha Theta, at Columbus, Ohio, favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a resolution of the Harry E. Kern Post, American Legion, of Toledo, Ohio, indorsing the action of France in endeavoring by direct measures to secure the payment of German reparations, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Greenford, Ohio, Farmers' Institute, favoring the passage of legislation extending the service of bonded warehouses to include all food and fiber products, which from their nature must be stored, awaiting consumptive demand; also an amendment to the Federal reserve act, making it mandatory that bonded warehouse certificates be accepted as security for loans, and that loans upon warehouse certificates be made for such period as the goods against which loans are made remain in storage, which was referred to the Committee on Banking and Currency.

Mr. LADD presented a resolution adopted at the annual meeting of the Bucyrus (N. Dak.) National Farm Loan Association, at Bucyrus, N. Dak., favoring the passage of the so-called Strong bill, amending certain sections of the Federal farm loan act, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES.

Mr. NEW, from the Committee on Military Affairs, to which was referred the bill (H. R. 9316) for the relief of Robert J. Ashe, reported it without amendment and submitted a report (No. 1081) thereon.

Mr. BURSOM, from the Committee on Pensions, to which was referred the bill (H. R. 12887) granting a pension to Jacob F. Rosenberger, reported it without amendment and submitted a report (No. 1082) thereon.

Mr. SPENCER, from the Committee on Military Affairs, to which was referred the bill (S. 3742) for the relief of John H. Fesenmeyer, alias John Willis, reported it with amendments and submitted a report (No. 1083) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (S. 4216) authorizing the sale of real property no longer required for military purposes, reported it with amendments and submitted a report (No. 1084) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SUTHERLAND:

A bill (S. 4464) in reference to a national military park at Yorktown, Va.; to the Committee on Military Affairs.

By Mr. FERNALD:

A bill (S. 4465) granting a pension to Carrie E. Croxford (with accompanying papers); to the Committee on Pensions.

By Mr. HARRISON:

A bill (S. 4466) for the relief of Hugh Marshall Montgomery; to the Committee on Public Lands and Surveys.

By Mr. SPENCER:

A bill (S. 4467) granting an increase of pension to John B. Senecal; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 4468) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the settling of New Netherland, the Middle States, in 1624, by Walloons, French, and Belgian Huguenots, under the Dutch West India Co.; to the Committee on Banking and Currency.

MOBILE RIVER BRIDGE, ALABAMA.

Mr. HEFLIN. Mr. President, I ask permission to introduce a bill and let it lie on the table for the present. It is to extend the time for the construction of a bridge in my State.

The bill (S. 4469) to extend the time for the construction of a bridge or bridges and trestles over the navigable channels of the mouth of the Mobile River in the State of Alabama was read twice by its title, and, with the accompanying paper, ordered to lie on the table.

PAY OF THE FLEET NAVAL RESERVE.

Mr. CALDER submitted an amendment intended to be proposed by him to the bill (H. R. 7864) providing for sundry matters affecting the Naval Establishment, which was ordered to lie on the table and to be printed.

NEW ORLEANS TOWBOAT ASSOCIATION.

Mr. RANDELL submitted an amendment intended to be proposed by him to the bill (H. R. 11397) to authorize appropriations for the relief of certain officers of the Army of the United States, and for other purposes, which was referred to the Committee on Claims and ordered to be printed.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 2, 1923, the President approved and signed the following acts:

S. 1690. An act to correct the naval record of John Sullivan; and

S. 2719. An act to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va.

WILLIAM O. DOHERTY.

Mr. LODGE submitted the following resolution (S. Res. 430), which, with an accompanying paper, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to William O. Doherty, son of Edward W. Doherty, late a messenger acting as assistant doorkeeper of the Senate, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

INVESTIGATION OF ALASKAN FISHERIES.

Mr. CAMERON submitted the following resolution (S. Res. 431), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Whereas at a public hearing held by the Senate Committee on Commerce to consider Senate bill 3731, entitled "A bill to amend an act entitled 'An act to prevent the extermination of fur-bearing animals in Alaska,' etc., the statement was made by the Delegate from Alaska that the administration of Alaskan fisheries within the reservations created by Executive orders issued under the dates of February 17, 1922, and November 3, 1922, is dominated by commercial fishing interests and the rights of independent fishermen are disregarded by the Bureau of Fisheries of the Department of Commerce; Therefore be it

Resolved, That the Senate Committee on Commerce, or a duly authorized subcommittee thereof, is authorized to investigate the methods by which the Bureau of Fisheries of the Department of Commerce administers the Alaskan fisheries within the reservations created by Executive orders issued under the date of February 17, 1922, and November 3, 1922, with a view to ascertaining the truth of the statement made by the Delegate from Alaska with reference to the administration of such fisheries within such reservations. The committee, or subcommittee, shall make a final report of its investigations with recommendations to the Senate not later than March 1, 1923. For the purposes of this resolution the committee, or subcommittee, is authorized to sit and act at such times during the Sixty-seventh Congress and in such places within the United States, to hold such hearings, and to employ such clerical and stenographic assistants as it deems necessary. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The committee, or subcommittee, is further authorized to send for persons, books, and papers, to administer oaths, and to take testimony. The expenses of the committee, or subcommittee, shall be paid from the contingent fund of the Senate.

HOUSE BILLS AND JOINT RESOLUTION REFERRED.

The following bills and joint resolution were severally read twice by title and referred to the Committee on Finance:

H. R. 13774. An act to amend the revenue act of 1921 in respect to exchanges of property;

H. R. 13775. An act to amend the revenue act of 1921 in respect to credits and refunds; and

H. J. Res. 422. Joint resolution permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries.

AMERICAN PROPERTY INTERESTS IN ISLE OF PINES (S. DOC. NO. 295).

The PRESIDING OFFICER (Mr. POINDEXTER in the chair) laid before the Senate the following message from the President of the United States, which, with the accompanying papers, was ordered to lie on the table and to be printed:

To the Senate:

I transmit herewith a report by the Secretary of State in response to the resolution adopted by the Senate on January 4 (legislative day, January 3), 1923, requesting him to inform the Senate "how many citizens of the United States have landed or other property interests in the Isle of Pines, and the amount and value of such lands and other property owned by them."

WARREN G. HARDING.

THE WHITE HOUSE,

Washington, February 2, 1923.

RECESS.

Mr. JONES of Washington. Mr. President, pursuant to the unanimous-consent order, I move that the Senate now take a recess.

The motion was agreed to; and at 6 o'clock and 33 minutes p. m.) the Senate, under the order previously made, took a recess until to-morrow, Saturday, February 3, 1923, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, February 2, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Spera Montgomery, D. D., offered the following prayer:

In this sacred stillness, O Lord, we wait. Let Thy tenderest blessings rest upon us. By giving burdens to the shoulders, help us to believe. Thou dost give wisdom to the mind and comfort to the heart. We claim no exemption from duty, but we do ask Thy guiding presence in all efforts to build up and increase the happiness and prosperity of our country. So abide with us that we shall not be caught in the fever and tumult of the world. May we so bear the labor of this day that we shall relish the rest and the quiet of the twilight. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE LATE REPRESENTATIVE BURROUGHS.

Mr. WASON. Mr. Speaker, I ask unanimous consent for the present consideration of the following order.

The SPEAKER. The gentleman from New Hampshire asks unanimous consent for the present consideration of the following order. Is there objection?

There was no objection.

The Clerk read as follows:

Ordered, That Sunday, February 25, 1923, at 12 o'clock noon, be set apart for the addresses on the life, character, and public services of the Hon. SHERMAN E. BURROUGHS, late a Representative from the State of New Hampshire.

The order was agreed to.

ORDER OF BUSINESS.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that after the House completes the consideration of the conference report and bills that are to come up from the Committee on Ways and Means it proceed to the consideration of the unobjected bills on the Private Calendar from the point at where we left off.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that at the close of the business of the Ways and Means Committee the House proceed to the consideration of bills on the Private Calendar where we left off when it was last considered.

Mr. WOOD of Indiana. Subject to the conference report.

The SPEAKER. That will come up first.

Mr. STAFFORD. Reserving the right to object, I think the chairman is a little previous. We are going to take up a conference report which will take some time and then the Committee on Ways and Means will take up several bills, and I do not think there will be much time left for the Private Calendar.

Mr. EDMONDS. In the event that we do have time I want to take up the Private Calendar. This is the day set apart for the consideration of bills on the Private Calendar, and Members are pressing me. If it is too late, why, we will not take it up.

Mr. STAFFORD. I will make no objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

H. R. 12021 TABLED.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that the bill (H. R. 12021) to amend and supplement the merchant marine act of 1920, and for other purposes, be laid on the table. It has been superseded by the other shipping bill.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the bill H. R. 12021 be laid on the table. Is there objection?

There was no objection.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT.

Mr. WOOD of Indiana. Mr. Speaker, I call up the conference report on the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The gentleman from Indiana calls up conference report, which the Clerk will read.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 15, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, and 28.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 9, 12, 13, 14, and 34, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "\$2,139,360, and no part of this sum shall be available for the care, maintenance, protection, fuel, light, and so forth, for the Interstate Commerce Commission Building"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 3, 5, 6, 7, 8, 10, 16, 25, 29, 30, 31, 32, and 33.

WM. R. WOOD,
EDWARD H. WASON,
L. J. DICKINSON,
JOSEPH W. BYRNS,

Managers on the part of the House.

F. E. WARREN,
REED SMOOT,
WM. J. HARRIS,

Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes, submit the following statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On No. 1: Appropriates \$10,000, as proposed by the Senate, instead of \$5,000, as proposed by the House, for the improvement and maintenance of the Executive Mansion grounds.

On No. 2: Restores the language stricken out by the Senate providing that the work of preparing plans and estimates for

fireproofing the Executive Mansion shall be done by the Office of the Supervising Architect.

On No. 4: Appropriates \$20,000, as proposed by the Senate, instead of \$18,000, as proposed by the House, for traveling expenses of the Civil Service Commission.

On No. 9: Makes the appropriation of \$1,800 for printing and binding a report on the construction of the Grant Memorial immediately available, as proposed by the Senate.

On No. 11: Appropriates \$2,139,360, instead of \$2,100,000 as proposed by the House and \$2,239,360 as proposed by the Senate, for the general expenses of the Interstate Commerce Commission, and inserts the language proposed by the Senate providing that no part of this sum shall be available for the care, maintenance, etc., of the Interstate Commerce Commission Building.

On No. 12: Appropriates \$400,000, as proposed by the Senate, instead of \$350,000, as proposed by the House, for the enforcement of the acts to promote safety of employees and travelers upon railroads.

On No. 13: Appropriates \$1,250,000, as proposed by the Senate, instead of \$1,000,000, as proposed by the House, for the valuation of the property of carriers.

On No. 14: Makes the appropriation of \$3,600 for printing and binding a report on the construction of the Lincoln Memorial immediately available, as proposed by the Senate.

On No. 15: Strikes out the language proposed by the Senate authorizing the Public Buildings Commission to destroy old Government records for which there is no longer any need and which have no value from an historical point of view.

On Nos. 17, 18, 19, 20, 21, 22, 23, 24, 27, and 28, relating to the State, War, and Navy Department Buildings: Strikes out the language proposed by the Senate making available the appropriations under the office of the Superintendent of the State, War, and Navy Department Buildings for the purchase of uniforms for guards and watchmen.

On No. 26: Strikes out the language proposed by the Senate making an appropriation of \$500,000 for the construction of a national archives building.

On No. 34: Inserts the language proposed by the Senate making the appropriation for vocational rehabilitation by the United States Veterans' Bureau available for the purchase and distribution of embossed literature in Revised Braille for the use of blinded ex-service men.

The committee of conference have not agreed upon the following amendments of the Senate:

On Nos. 3, 5, 6, and 7, relating to the custody, care, maintenance, and protection of the Civil Service Commission Building.

On No. 8, relating to the destruction of paid United States Government checks by the General Accounting Office.

On No. 10, relating to the appropriation of \$99,185 for the improvement of the grounds and approaches to Perry Victory Memorial.

On No. 16, relating to the construction of a building for the National Gallery of Art, by the Regents of the Smithsonian Institution.

On No. 25, relating to an appropriation of \$1,000,000 for the installation of 15 stories of filing stacks in the Pension Office Building.

On Nos. 29, 30, 31, 32, and 33, relating to the transfer of the responsibility for the care, maintenance, and protection of the buildings occupied by the Department of Commerce, the Department of Labor, the Department of Justice, the Civil Service Commission, and the Interstate Commerce Commission, to the superintendent of the State, War, and Navy Department Buildings.

WM. R. WOOD,
EDWARD H. WASON,
L. J. DICKINSON,
JOSEPH W. BYRNS.

Managers on the part of the House.

Mr. WOOD of Indiana. Mr. Speaker, I move the adoption of the conference report.

Mr. DALLINGER. Mr. Speaker, I would like to ask the gentleman from Indiana why the amendment in regard to the archives building was not kept in; whether that building authorized in 1913 is ever going to be built; whether the Committee on Appropriations is ever going to make an appropriation to start it; and whether we have got to wait until the records of the war are destroyed?

Mr. WOOD of Indiana. Let me say to the gentleman that as far as I am individually concerned I am heartily in favor of an archives building, and have been advocating it ever since I came to Congress. However, I think it would be a mistake to agree to it on this bill. It is such character of proposals

as this that will prove in the end absolutely destructive of the Budget system. No submission was ever made of this item to the budgetary committee or to the President. That is one great objection to it. There is still a greater objection, and that is that we have had no public-building bill for 9 or 10 years. Every district in the United States is interested either directly or indirectly in a public building in these respective districts. It would not be very becoming in us to appropriate solely for a public building in Washington, that is needed, of course, but not any more needed than buildings are in many of these other places.

Mr. FESS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. I think my friend is wrong there in saying that the archives building is not more important than many requests that will come to Congress for public buildings. My fear is if we wait for that it will be another 100 years deferred.

Mr. WOOD of Indiana. I do not think so. Perhaps the attempt to put this item on this bill has served a good purpose; it has brought to the fore the necessity of an archives building, but it is an example of bad practice. In the first place, it is legislation on an appropriation bill. This character of proposal has never been authorized, or at least it is a serious question whether it has been authorized, but whether it has ever been authorized or not, it is not the time or place to carry this proposal of \$500,000 simply as a starter. When the archives building is built, we ought to know what we are doing; we ought to have some idea of the character of the building, and the limit of its cost. It is questionable whether there should not only be an archives building, but whether there should not be a building for a general accounting office also. To my mind, this item was very illy considered. In fact, it was not considered at all. It has never been considered on our side, and there were no hearings on the other side.

Mr. SNELL. Mr. Speaker, I want to say that I entirely approve of the position taken by the gentleman from Indiana in regard to this item. It is not consistent with the stand that we have taken for the last two years, bringing in a proposition of this kind that will cost \$2,500,000 without any consideration whatever. The only way to do this is to cut this out, and when the time comes bring in a bill in the regular way.

Mr. MADDEN. If the gentleman will yield, they increased the limit of cost \$1,000,000. In the authorization the limit of cost was \$1,500,000.

Mr. SNELL. I said that the proposed cost was \$2,500,000.

Mr. BYRNS of Tennessee. Mr. Speaker, I want to say that the best reason, without regard to the necessity for the building, the best reason to justify the conferees in bringing in a recession from this amendment is the fact that this building has never been authorized by law.

Mr. SNELL. It is questionable at least whether it has been authorized by law.

Mr. BYRNS of Tennessee. There was an authorization for a million and a half dollars, but this contemplated an expenditure of two and a half million dollars.

Mr. SNELL. I understand that there have been no hearings upon it, and no one knows whether it will cost two and a half million dollars or \$5,000,000. If we start on a proposition of this kind we should start in a logical and sensible way.

Mr. FESS. Mr. Speaker, I do not want to be misunderstood in the matter. I agree with the desire of the committee not to allow anything that will break down the Budget system. I am going to stay with the committee on that proposition. I regret the matter has gotten into this particular situation, but we must have an archives building to protect these public records, and it seems to me it is wicked for us to go on in this way. If we must wait until we have a public buildings bill, then it appears to me it is wholly hopeless.

Mr. WOOD of Indiana. There is one of two ways to do it. It should be either included in a public building bill or else we should make it an independent matter, standing upon its own bottom. It ought not to be brought in on an appropriation bill like this, for the reasons that I have stated.

Mr. CLARK of Florida. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. CLARK of Florida. There has been an investigation of this archives building matter for several years. The best information obtainable by our committee has been that a proper archives building would cost at least \$8,000,000, instead of \$2,500,000 or \$5,000,000. There is a crying need all over this country, in almost every city in it, for public building construction.

We have not had a public buildings bill since the 4th of March, 1913. President Taft signed the last bill. The neces-

sities of other parts of the country are just as great as they are in Washington. I am heartily in favor of an archives building and we need it, but so do we need these other buildings. It is not right for these matters to be put upon appropriation and other bills in this manner, as the gentleman from Indiana has said, and unless we intend to have legislation in its legitimate and proper way, having the proper committees function and having hearings and determining upon the necessity for things, then these other committees ought to be abolished.

Mr. DALLINGER. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. DALLINGER. Is the gentleman aware that this archives building, or the construction or acquisition of a site, was authorized by the very act to which he refers, of March 4, 1913?

Mr. CLARK of Florida. Certainly.

Mr. DALLINGER. And yet, year after year, the Committee on Appropriations has never made any appropriation to start the building.

Mr. CLARK of Florida. But there were about 146 other buildings also authorized in that bill, if I recollect correctly.

Mr. ANDREWS of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ANDREWS of Nebraska. Mr. Speaker, it occurs to me that the recognition of this proposition would strike at the very foundation of the Budget system and bring about a reversal of orderly procedure in making authorizations and appropriations for public buildings. Take, for instance, the claim that this building was authorized by the act of 1913. It is seriously debatable whether it was or not. If you examine the act of 1913 you will find that over a hundred other buildings were authorized by it. But making the necessary allowances, created because of the increased cost in the construction of buildings, we would have to appropriate about \$50,000,000 more to level that act up to the conditions of to-day. Moreover, I think the point is well taken that this archives building can not be constructed for two and a half million dollars. We ought to have a hearing that will disclose the actual measure of necessity, that will disclose the actual measure of cost for the building, and we ought to do that in the regular way and hold firmly to that course of procedure. I think the committee is correct on this proposition.

Mr. WOOD of Indiana. Mr. Speaker I wish to say also in answer to the gentleman from Massachusetts [Mr. DALLINGER] that the authorization that he is talking about provided a site. That site has been abandoned and is now occupied by another public building.

I yield two minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, I am not in discord, I am rather in accord, with what the committee is trying to do. What I am serious about is the opposition that has developed here and there incidentally to this effort to protect and preserve these valuable documents, documents that are down here in wooden buildings, which if destroyed would cost us more money in ultimate claims, of which they will be the evidence, than the whole building would cost us. When our friend from Florida [Mr. CLARK], the former chairman of the Committee on Public Buildings and Grounds, says that it will cost \$8,000,000 he probably means when it is entirely completed, which will be far in the future.

Mr. CLARK of Florida. Mr. Speaker, will the gentleman yield?

Mr. FESS. Yes.

Mr. CLARK of Florida. Legislation is pending now to give the Public Buildings Commission authority, upon the advice of certain departments, to destroy a very large quantity of old, useless, discarded documents. When that is done, if it is done, we will not need the great space that we apparently need now.

Mr. FESS. An archives building, of course, must be constructed like a library building. It must be built in such a way that you can from time to time add to it. Eight million dollars will not be required to construct it in the beginning, but when you enlarge it to satisfy all of the demands of the Government, not to-day but in the future, it probably will cost considerably more than has been estimated. Let us not procrastinate upon this thing a minute longer than is necessary. That is my only concern. I am afraid that we are just drifting here and that when destruction by fires, as in the past, comes we will simply apologize for our indefensible neglect and say that we ought to have done it but we could not. We can do it; and why do we not do it? It is our duty, and no one seriously questions the immediate relief.

Mr. MILLER. What is the apparent necessity for storing these documents in wooden buildings?

Mr. FESS. Because we have not room elsewhere.

Mr. MILLER. It occurs to me that there is room in the new Navy Building and the new War Department Building down there for millions of documents.

Mr. FESS. The corridors and underground ways down here at the Treasury Building and in other buildings are simply chock full of documents, many of them corroding because of the dampness from the pipe lines running through masses of Government documents, until it is positively a wicked, wasteful method of endangering destruction of our documents. We will authorize the expenditure of \$10,000,000 easily here upon various things of questionable character, but here is a necessity that we must meet, and yet we still procrastinate.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FESS. Yes.

Mr. BLANTON. If the gentleman will require the Veterans' Bureau to take its triplicate files and make one file of them and take them off three floors and put them on one floor in one file, there will be enough storage room down there in the Veterans' Bureau Building to provide all the room that is needed.

Mr. FESS. Well, that would not be scientific. What we want is an archives building. This is the only Government of any significance in the world that does not have it, and we ought to have it.

Mr. STAFFORD. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. STAFFORD. Mr. Speaker, the gentleman from Florida, a member of the Public Buildings Commission, has just referred to the need of having authority vested in that commission to destroy old Government records. I notice that Senate amendment No. 15 attempted to vest such authority in the Public Buildings Commission. I would like to inquire—and, of course, this is legislation—what other reason the House conferees had in insisting on not granting the Public Buildings Commission the authority which a member of the Public Buildings Commission stated should be vested in them?

Mr. WOOD of Indiana. I will say to the gentleman there were two amendments. One of the amendments we have agreed to with a proposed amendment, and the other one was because of the fact that we felt there was not ample provision made to dispose of papers which should be disposed of. We can not simply go and take these papers without some sort of supervision and destroy them. We have a committee in this House on the disposition of useless papers, and that committee perhaps is handicapped for the reason they can only go into these various departments when invited to go in there. They have no initiative themselves and that is the weakness of that business.

Mr. STAFFORD. I would like to ask the gentleman from Florida whether the Committee on Public Buildings and Grounds has given any consideration to the subject covered by Senate amendment No. 15, which grants the authority which the gentleman referred to a few minutes ago.

Mr. CLARK of Florida. I will say to the gentleman, Mr. Speaker, the gentleman knows I have been away a good deal of late, but my understanding is that this matter was considered by the Public Buildings Commission in consultation with the heads of the various bureaus and the departments.

Mr. STAFFORD. Of course, there is need of some such legislation—

Mr. CLARK of Florida. This plan was agreed upon with those gentlemen.

Mr. STAFFORD. It has not been agreed upon here because the Senate recedes.

Mr. CLARK of Florida. I understand that, but it is agreed upon between the chairman of the Public Buildings Commission, as I understand it, and the heads of the various bureaus and departments.

Mr. WOOD of Indiana. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The question was taken, and the conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Page 6, line 3, after the word "each," strike out the remainder of line 3 and all of lines 4, 5, 6, 7, and 8, and insert "telephone switch-board operator, \$720; in all, \$296,480."

Mr. WOOD of Indiana. Mr. Speaker, I ask unanimous consent that amendments 3, 5, 6, and 7 be passed temporarily until we have passed upon amendment No. 32.

Mr. SNELL. Does the gentleman intend to make an explanation later?

Mr. WOOD of Indiana. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana? [After a pause.] The Chair hears none. The Clerk will report amendment No. 8 in disagreement.

The Clerk read as follows:

Page 14, line 7, insert: (8) The General Accounting Office is hereby authorized to destroy all paid United States Government checks that have been issued three full fiscal years, after all unpaid checks have been properly listed as outstanding as now required by law. Hereafter all claims on account of checks appearing as having been paid shall be barred if not presented to the General Accounting Office within three full fiscal years after the issuance thereof.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recede and concur with an amendment, which I send to the desk.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"The General Accounting Office is hereby authorized to destroy United States Government checks that have been paid six full fiscal years, issued by the Bureau of Pensions for the payment of pensions, by the Bureau of War Risk Insurance and the United States Veterans' Bureau for the payment of military and naval compensation on account of death or disability, and checks for the payment of salaries and wages of officers and employees of the Government of the United States, after all unpaid checks have been listed as outstanding as now required by law; and all claims on account of checks of the foregoing classes appearing as having been paid shall be barred if not presented to the General Accounting Office within six full fiscal years after the date of payment."

Mr. WOOD of Indiana. I will say the difference between the amendment proposed and the proposal of the Senate is to extend the time from three to six years, and also describes the bureaus or activities to which this cancellation shall apply in order to make it more certain.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes; I will yield.

Mr. BLANTON. The naming of all these various departments of Government the six years applies to all of them, does it not?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. Before any checks shall be destroyed they must have been paid for as much as six years?

Mr. WOOD of Indiana. Yes.

The SPEAKER. The question is on the motion to recede and concur with an amendment.

The question was taken, and the motion was agreed to.

The Clerk read as follows:

Senate amendment No. 10: Page 14, line 19, insert:

"PERRY'S VICTORY MEMORIAL.

"For the Perry's Victory Memorial: For improvements of the grounds and approaches to the memorial, parking, retaining walls, facing the upper and lower plazas with tile or other suitable material, etc., \$99,185."

Mr. WOOD of Indiana. Mr. Speaker, I move that the House insist upon its disagreement to this amendment.

The SPEAKER. The gentleman from Indiana moves that the House insist upon its disagreement to this amendment.

Mr. CHALMERS. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. CHALMERS. Mr. Speaker, I hope that the gentleman from Indiana will not insist upon his motion. Here is a memorial erected under the auspices of nine States. It was turned over to the Government of the United States in 1919.

Mr. SNELL. Do I understand that the nine States paid the original cost of this memorial, or was that cost paid by the Federal Government?

Mr. CHALMERS. The Federal Government paid \$250,000.

Mr. SNELL. Did the States pay anything?

Mr. CHALMERS. Oh, yes.

Mr. SNELL. How much?

Mr. CHALMERS. A little less than \$1,000,000.

Mr. WOOD of Indiana. Eight hundred and fifty thousand dollars.

Mr. CHALMERS. Yes; \$850,000 was the cost of this memorial on Put in Bay Island, to celebrate the one hundredth anniversary of the winning of the Battle of Lake Erie by Commodore Perry; and also in honor of the campaign of Gen. William Henry Harrison, of Indiana. There are thousands of pilgrimages made annually from different parts of the country to this memorial. Now it belongs to the United States. It has been built by the patriotic citizens of nine States, and approximately \$100,000 is now needed to save the memorial. It is the largest military memorial in the world, 352 feet high, and it should be cared for by the Government. It is self-sustain-

ing. An admission fee of 25 cents is charged for adults and 10 cents for children. They made last year in gross receipts \$10,040. But the retaining wall to resist the storms of Lake Erie needs to be cared for, and this appropriation ought to be made.

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. CHALMERS. Yes.

Mr. HUSTED. Am I correct in my understanding that this appropriation is asked for not for the improvement of the grounds but for the protection of the investment?

Mr. CHALMERS. Yes; so I understand.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. CHALMERS. Yes.

Mr. MILLER. Who is in charge now, and who has authority to charge this admission fee?

Mr. CHALMERS. The memorial is under the control of a commission, the personnel of it being appointed by the President. There are no salaried positions on the commission. I see here in the House to-day the gentleman from Ohio [Mr. LONGWORTH], who is a member of the commission. This ought to be done to take care of the memorial.

Mr. STAFFORD. How often do the representatives of the different States, including the one from Wisconsin, visit this memorial and have their expenses paid?

Mr. CHALMERS. Once a year.

Mr. SNELL. I believe it should be made plain to the House, if it is so, that it is absolutely necessary to protect the property. I am not sure about it. I would feel differently in regard to it if that is so. I wish the gentleman would make that statement very plain to the Members of the House.

Mr. CHALMERS. I understand, I will say to the gentleman from New York, that this retaining wall is absolutely necessary for the protection and even the safety of the memorial itself.

Mr. SNELL. That is the important part of the whole proposition.

Mr. CHALMERS. I am not sure but that some of this money is to be expended for the beautification of the park, but I am sure that the bulk of the appropriation of \$100,000 is going to the protection of the memorial itself.

Mr. Speaker, I make the preferential motion that this amendment be concurred in.

The SPEAKER. The Chair supposes that the gentleman from Indiana [Mr. WOOD] did not yield to the gentleman for that purpose. The Chair will recognize the gentleman from Ohio at the proper time.

Mr. WOOD of Indiana. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Speaker, the Washington press, in supporting numerous legislative amendments that our friends in the other body place on almost every appropriation bill that we send over to them, gives us the assertion that if the House knocks out any of these amendments, the Senate might just as well quit trying to perform its duties; in other words, that the House has no right whatever to interfere with the Senate's activities in placing legislative items on appropriation bills.

Now, the Senate has just as much right as the House to place any kind of an appropriation upon an appropriation bill, a legitimate appropriation. The House has the right to pass appropriations authorized by law, and the Senate has the same right to pass appropriations that the law authorizes in appropriation bills. But the Senate has no more right to place big legislative items, unconsidered by legislative committees, in the way of amendments on appropriation bills than the House has, and the House has the perfect right, whenever the Senate does it, to vote them down.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. Is not that statement a little too broad? Must we not concede to the Senate the right to act within their own rules?

Mr. BLANTON. I know; but I am talking about the rules of legislation, generally speaking. Legislative bodies are presumed to have legislative committees to pass upon legislative items. That is so in all legislative bodies. The Senate has legislative committees to look after legislative items, to carefully consider legislative bills, and they ought to consider them. They have a perfect right to bring in new legislation, but when they do, it is sent to our legislative committees, and our legislative committees have the right to investigate and carefully consider them. But when the Senate assumes the right to place upon every appropriation bill that we send them—the various supply measures in every Congress—when they assume

the right to put on every kind of legislation they want to, involving millions of dollars, the House has a perfect right to vote it down, and ought to vote it down. I hope in this particular instance the motion of the gentleman from Indiana [Mr. Wood] will prevail.

Mr. WOOD of Indiana. Mr. Speaker, I do not wish it to be understood and I am sure no member of the committee wishes it to be understood that any one of us has any objection to this memorial. There is no one who appreciates more than I do—and I suppose all appreciate as much as I do—the glorious victory achieved by Perry in the Battle of Lake Erie. I wish to commend the sentiment and the generosity of those who are primarily interested in raising this beautiful monument in commemoration of that event and in memory of the man who accomplished it. But this is another case where the United States Government is being made the goat. The project for the building of this monument in its inception was of a private nature. Then it assumed State proportions and some eight or nine States contributed to its building. The original cost was approximately \$850,000. Of that sum the United States Government contributed \$250,000. After the monument was erected a deed was made deeding it to the United States, and the conveyance and the act accepting it and the representations that culminated in this act were all to the effect that it would be entirely self-sustaining, that the United States Government would not be called upon for any further contribution for upkeep. They tell us that it is self-sustaining in this, that they charge an admission to the monument which pays the ordinary expense. It also pays the expense of a pilgrimage that is made there each year by five or six representatives from these original contributing States. That, I think, is a useless expense. It seems to me that any practical business man would say that it is just that much money spent that ought to be conserved for the purpose of doing things that they are now asking the Government to do. The monument was originally located along the shore of Lake Erie on marshland. The original conception was to surround it entirely by water, so that this monument to this great event would rise up out of the water and look out on the scene where this victory was achieved. It is in marsh ground, practically a swamp. They have now changed their idea about it and they want the United States Government to fill in this ground, to build a retaining wall, and to keep the earth in place after they have filled it in.

At the time the United States Government accepted this it was not led to believe that any proposal of that kind would ever be made, and it was not then intended that it should occur. They have now some 14 or 15 acres of land deeded along with this monument, and it is a part of the national possession. They now want to make this a beauty spot by filling it in and having a landscape garden instead of being a monument rising up out of the water. It occurs to me, gentlemen, that the United States Government should not be imposed on in any such way.

Mr. LONGWORTH. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. LONGWORTH. Is there not something a little more than what has been referred to by the gentleman as to making it a beauty spot? Is it not a fact that the lake is encroaching upon the land upon which this memorial is erected, and that unless some money is spent there is danger of destroying the entire project?

Mr. WOOD of Indiana. I do not think so.

Mr. LONGWORTH. It has been so represented to me.

Mr. WOOD of Indiana. If I understand correctly the foundation was so laid that it will withstand the ravages of the water. As I say, it was proposed to build it up out of the water. Now they are trying to make it a land proposition instead of a water proposition.

Mr. LONGWORTH. If the gentleman will pardon me, of course I was not present at any of the hearings of the gentleman's subcommittee, but it was represented to me by one of the commissioners that the lake had so encroached upon the land that there was danger of destroying the foundations—

Mr. WOOD of Indiana. I do not think that is true.

Mr. LONGWORTH. And that this was absolutely necessary in order to preserve the memorial.

Mr. WOOD of Indiana. The photographs exhibited by the gentleman who made the presentation to our committee show that there is water all around it. In the high water in the spring there is water all around it, but when the hot weather comes and evaporation removes the water, then it presents an unsightly appearance, because it is a marsh, surrounded by brush and stone, which does not present a very beautiful appearance.

Mr. CHALMERS. I was told by one of the commissioners who made a personal inspection there recently that an examination had been made of the masonry and that he found that it was decomposing and that the water was playing havoc with the structure, and that unless it is protected there is danger to the structure itself. This inspection was made recently.

Mr. WOOD of Indiana. Nothing of that kind appeared in the evidence. I want to be fair, for I have no prejudice against the thing, but it occurs to me that we would have been derelict in our duty, we would have been absolutely faithless if we had recommended this thing, for there is nothing in the evidence brought out before the committee that would warrant it. Perhaps they were unfortunate in sending down here the gentleman whom they did send to present the matter. I think of all the unsatisfactory presentations I ever listened to, the one made by this man was the worst.

Mr. BYRNS of Tennessee. Does not the gentleman think that if Congress has any idea of making this appropriation it would be better to defer it until another appropriation bill can be offered, when we can have a hearing and a thorough knowledge of the facts? Because, as the gentleman states, there is nothing in the hearing to justify this appropriation.

Mr. WOOD of Indiana. That is my opinion exactly. If the facts warrant the United States in keeping up this monument we ought to do it with full knowledge of the facts. This gentleman did not present them, and did not seem to want to present them if he knew them.

Mr. HUSTED. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from New York.

Mr. HUSTED. One of the commissioners representing the State of New York came down here on this matter a year or two ago. I remember meeting him and talking with him at that time. He had no interest in the matter, of course, except to see that what was proper in the circumstances was done. He told me that the plan was not for embellishment at all, but that the foundations of this monument had been seriously affected by the action of the water of the lake, and that unless something was done, and done soon, very serious injury, if not entire destruction, of the monument might result. I agree with the gentleman that no action should be taken here when we are apparently in ignorance as to the facts. Nobody here is in a position, apparently, to speak with authority; but if that statement is true, this is a very important matter, because a large amount of money is invested there, and this monument memorializes a most important American victory. If we are not in possession of the facts, I would suggest that the committee take it up at once and inform themselves about it, so that action can be taken in the near future if it is really necessary for the protection of the structure.

Mr. WOOD of Indiana. I wish to say in answer to the gentleman from New York that there are two projects or items of expense.

The erection of the retaining wall would be the smallest item of expense, but they want to fill in all around the monument and beautify the grounds.

Mr. HUSTED. That is true, and that might be the proper way to do it. The building of the retaining wall only might be effective so far as the protection from the action of the water is concerned.

Mr. WOOD of Indiana. The building of the retaining wall would not alone remove the unsightly appearance.

Mr. HUSTED. And we would not want to do that.

Mr. WOOD of Indiana. But here is the proposition. They ought to come and put their cards on the table and not try to deceive us as to their real purpose.

Mr. HUSTED. They ought to be frank about it.

Mr. WOOD of Indiana. They ought to give some reason why they do not keep faith with the Government, inasmuch as they promised this thing would never cost the Government a cent after it was completed.

Mr. TOWNER. Of course, we have insufficient knowledge at present, but it seems to me that the statement of the gentleman from Indiana and those who have been referred to that the proposition of the monument being put out in the water is utterly impracticable. The statement is made that they are obtaining money to keep it up by charging an admission fee of 25 cents to go into it.

Mr. WOOD of Indiana. They have built a footbridge to lead to it.

Mr. TOWNER. Personally I feel that the proposition is almost self-evident and a foolish one to keep it out in the water or the marsh, and that it should be filled in and a proper wall to support it.

Mr. WOOD of Indiana. But the gentleman would be in favor of knowing what he was doing before he started on it.

Mr. TOWNER. Yes.

Mr. FESS. Mr. Speaker, this monument stands out in the water about 200 feet from the land. It is northeast of Put in Bay, placed there so it can be easily seen from the mainland. Put in Bay is quite a distance from the mainland. It was placed there so it could be seen to best advantage from the direction of the northeast of the island. It could not have been seen from advantage if put on the mainland, so it was placed in the channel, where the sea is quite choppy. Anyone who has ever gone to Put in Bay from Sandusky will find a choppy sea as they pass Marblehead. The ground is filling in between the island and the monument so that it looks badly. There is an approach to it, not only a temporary footbridge but an automobile bridge, so that automobiles can drive up to the monument and around it. It is in a position where the effect of the rough sea is quite pronounced, and there is no doubt in my mind that something has got to be done to protect it from what was unexpected when it was built at that point.

Mr. MADDEN. The act to promote the erection of this memorial, in section 3, provides as follows:

That the making of the appropriation provided for in section 1 of this act shall in no way operate, by implication or otherwise, to require the United States to incur any further debt or obligation in connection with the erection of such memorial or connection with said centennial celebration.

That is the language of the act, and the item would be subject to a point of order if it came before the House.

Mr. OLDFIELD. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. OLDFIELD. Whose idea was it that put this monument out in the water?

Mr. WOOD of Indiana. I think primarily it was the idea of the Fine Arts Commission, or the present head of it, who has a penchant for locating monuments in swamps.

Mr. STAFFORD. If the gentleman will yield, I want to say that General Grosvenor, of Ohio, when a Member of this House, was very active in getting this commission created. There are enough members from the various States, and many of them have an annual pilgrimage, which is paid out of the fund.

Mr. WOOD of Indiana. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, as a general rule I support the Subcommittee on Appropriations which has such matters as this in charge. But in this case it seems to me that the committee erred in not making this appropriation upon the evidence submitted to it. I have been a member of that commission for a number of years. I was appointed during the administration of Governor Harmon. I have never participated, as suggested by the gentleman from Wisconsin, in the annual junket.

Mr. STAFFORD. If the gentleman had, he would have had some information to give to the House. [Laughter.]

Mr. LONGWORTH. Perhaps I was negligent in not participating in the junket. I have not been there for a number of years, but it was represented to me at the time this was called up before the subcommittee that there was serious danger, unless we had the appropriation, of permanent damage occurring to this memorial. Gentlemen, of course, know the immense value of such a memorial as this, which is understood to be the second largest in the country and perhaps in the world.

Mr. MADDEN. Will the gentleman yield?

Mr. LONGWORTH. Certainly.

Mr. MADDEN. The gentleman believes in the Budget.

Mr. LONGWORTH. Yes; I believe in the Budget.

Mr. MADDEN. Does not he believe that this should have been estimated for?

Mr. LONGWORTH. Well, the Budget and even the gentleman from Illinois are apt to make mistakes in its and his great efforts and great service for economy. But it seems to me that when the very life and existence of such a memorial as this is menaced true economy would require that it be preserved in time. This memorial is situated 250 feet from the lake, and, as my colleague, Doctor Fess, says, is in a part of the lake that is very apt to be choppy. I have been told by gentlemen that the sea wall itself is disintegrating by the encroachment of the lake. If the sea wall gives way entirely, there is serious danger of damage to the foundations of this memorial.

Mr. FESS. I understand that the Budget did estimate for this appropriation.

Mr. MADDEN. Yes; I think I am mistaken about that.

Mr. FESS. Of course, it would have been subject to a point of order in the House.

Mr. LONGWORTH. That fact only increases the great regard that I have for the Budget system and its efforts toward

true economy. Evidently the Budget believes that this appropriation is in the interest of economy and the preservation of a great public work. I hope the House will recede from its disagreement to the Senate amendment.

Mr. WOOD of Indiana. Mr. Speaker, I quite appreciate the sentiment behind this thing, and it is not an easy matter for your committee to come here and oppose it, but if the committee is to serve the House, if the committee is to give the House the benefit of its judgment, when it does I do not think that judgment should be wiped out by a mere matter of sentiment. According to the statement of the gentleman from New York [Mr. HUSTED] they have been talking about this thing for three or four years, yet this is the first presentation of it, and just one man came before us. No matter how hard we worked, and we gave him a half day, yet his testimony was so unsatisfactory that there was not a man on the committee who had any faith in what he told us. It is only fair to the Congress and to the committee that we get something upon which we can base a judgment before we make a recommendation carrying such a large appropriation. Therefore I suggest that the motion to insist upon further disagreement be agreed to, and in that way we can obtain more time to get information about the facts in the matter. I will go just as far as anybody when necessity is shown for going, but until this necessity is shown I will declare against this seeming raid on the Treasury. I yield five minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker, the Perry Memorial is a great architectural achievement, symbolic of great events in our history. It is the voluntary tribute of nine of our greatest States and was presented to the Federal Government. The Federal Government contributed only \$250,000 out of a total outlay of \$850,000, and, in 1919, the United States took over the custody and control of it. An obligation rests upon us to protect it. It is imperiled by the onslaughts of the sea in the winter season. It is placed on low ground and is liable at any time to be undermined by winter storms and the ice from the lake.

The gentlemen composing the commission having charge of this monument are serving without pay; they are not calling for an appropriation for themselves. They are calling upon the people of the United States to maintain the integrity of this structure and to save it for posterity. They are asking for an appropriation to repair the sea wall, to protect it from the intrusion and erosion of the sea.

I regret that at the time of the hearing I was ill. I am a member of the committee but I was unable to be present. However, I have carefully read the hearings from page 235 to page 245 and I want to say now that the gentlemen who presented this matter to the subcommittee did not receive a fair hearing. Look at the testimony and you will find page after page filled with interjections, interruptions, and heckling. They were not given a chance. The members of the committee did not know where Put in Bay was; they did not seem to know when or where the Battle of Lake Erie was fought. They knew nothing about the great historic event which was the motive of this testimonial. They gave the men coming there, gentlemen serving without pay, no chance whatever for a fair hearing.

This is small, picayune treatment to give so great a proposition. The argument seems to be: "Well, the Government put in \$250,000 and these men should have known when they built this structure that it would be subjected to the erosion and attacks of the sea, and to damage by storm." Of course, that is lamp-post reasoning—iron lamp-post reasoning.

Mr. BYRNS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GRIFFIN. Not now. The attitude of the lamp-post is: "Here I stand at the curb—a lamp-post set by the inexorable mandate of the law. Along comes the man, the victim; he staggers and smashes his nose against the post. I might yield a little to save him—I might give way, but no, I can not. I shall not budge, I can not budge—because I am a lamp-post." Mr. Speaker, are we lamp-posts that can not budge? Must we stand as inexorable as an iron lamp-post? Now I yield to the gentleman from Tennessee.

Mr. BYRNS of Tennessee. Mr. Speaker, the gentleman has referred to this as a small, picayune matter. Conceding all that the gentleman has said, which I do not, in respect to the hearing—I was not present at the hearings, not being a member of the subcommittee—conceding that there were interjections, does the gentleman think that it is a very small matter to ask Congress at this time to appropriate \$100,000 based upon no facts, on no real genuine information upon which we can intelligently act?

Mr. GRIFFIN. Mr. Speaker, answering that, if the committee wanted to get the facts they could have gotten them. They

got sufficient facts to justify this appropriation, in my opinion, more by far than in other cases where we have appropriated much larger sums.

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. HUSTED. However much the contribution of the United States was toward the erection of this memorial, it was given to the United States and was accepted, and we have an investment there, have we not, of \$850,000?

Mr. GRIFFIN. No; the Federal Government invested \$250,000.

Mr. HUSTED. We contributed \$250,000 toward it, but nevertheless, having accepted it, we have a total investment there of \$850,000, because it all belongs to the United States.

Mr. GRIFFIN. That is correct.

Mr. HUSTED. And it is simple business judgment, just ordinary business judgment, as well as patriotic duty, to protect the investments of the Government.

Mr. GRIFFIN. I think so. Now, just a moment in answer to one question, as to how the money is to be expended. It was disclosed at the hearings that the filling and grading would cost \$24,821; the parking and shrubbery, \$15,284; retaining the sea walls, \$10,000; facing the upper plaza, \$21,360; facing the lower plaza, \$27,720. The facts are there, vouched for by men of integrity and responsibility, who are not drawing pay from the United States Government, who are acting solely and wholly as disinterested patriots.

Mr. WOOD of Indiana. Mr. Speaker, it ill becomes the gentleman from New York [Mr. GRIFFIN] to criticize the committee who were here all of the time and heard the evidence in the case, because, although the gentleman is a member of the committee, he was not present at all.

I am quite sure, with his judicial mind and temperament, had he been there and heard the facts as they were adduced and heard the questions to the gentleman who was supposed to have given the facts, he would have been with us in our unanimity in not concurring in this appropriation. I move the previous question on the item.

The previous question was ordered.

The SPEAKER. The gentleman from Ohio [Mr. CHALMERS] makes a preferential motion that the House concur in the Senate amendment. The gentleman from Indiana moves to further disagree to the Senate amendment, and the gentleman from Ohio moves that the House concur in the Senate amendment. The question is on the motion of the gentleman from Ohio.

The question was taken, and the Chair announced the yeas seemed to have it.

On a division (demanded by Mr. LONGWORTH) there were—ayes 21, yeas 52.

So the motion was rejected.

Mr. GRIFFIN. Mr. Speaker, I make the point of order that there is no quorum present, and object to the vote on that ground. I withdraw the point.

The SPEAKER. The gentleman from Indiana moves that the House further insist upon its disagreement.

The question was taken, and the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

On page 23 of the bill, after line 22 on page 23, insert:

"(16) The Regents of the Smithsonian Institution are authorized to prepare preliminary plans, to be approved by the Commission of Fine Arts, for a suitable fireproof building with granite fronts for the National Gallery of Art, including the National Portrait Gallery, and the history collections of the United States National Museum, said building to be erected when funds from gifts or bequests are in the possession of the said regents, in sections or completely on the north side of the Mall between the Natural History Building, United States National Museum, and Seventh Street, leaving a space between it and the latter of not less than 100 feet and a space of not less than 100 feet between it and Seventh Street, with its south front on a line with the south front of the said Natural History Building."

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recede and concur in this amendment with an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. WOOD of Indiana: In the matter inserted by said amendment strike out the following: "to be approved by the Commission of Fine Arts."

The SPEAKER. The question is on the motion to recede and concur with an amendment.

The question was taken, and the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 25. On page 32 of the bill, after line 14, insert: "(25) For installing 15 stories of filing stacks in the interior court of the Pension Office Building, including elevators, lighting system, and foundation, personal services, labor and materials, to be immediately available, \$1,000,000, said sum to be disbursed under the direction and supervision of the Superintendent of the State, War, and Navy Department Buildings."

Mr. WOOD of Indiana. Mr. Speaker, I move that the House insist upon its further disagreement to this item. I will state that this is an item proposed by the Senate, which carries an appropriation of \$1,000,000, the purpose of which is to build stacks in what now constitutes the court of the Pension Building. To my mind, it is the greatest piece of folly that could be undertaken. The purpose of it may be laudable, to relieve the congested situation in reference to documents, not alone documents in the Pension Department but various other departments that need relief. I will tell you what it means if this thing is undertaken. In the first place, I think it would be a deterrent to the building of an archives building, for if these stacks were put in those who are opposed to an archives building would say, We have expended a million dollars to dispose of old ancient papers; why the necessity of an archives building? But that is the least objectionable feature. Those of you who are familiar with the old Pension Building are familiar with the court there, but you might not be familiar with the character of ground upon which it is placed. It is all filled-in ground. That, too, was once a marsh, and the Pension Building is built squarely over what was known as Tiber River, that seems to have had in its sinuosity the possession of all this town. In order to make the foundation upon which to put these heavy stacks—to be 15 stories in height—you would have to tear up the entire floor space inside of that court; get a pile driver inside and drive down to bedrock. After having done that thing, it would be very questionable as to the character of support you had.

Mr. MADDEN. And to get the machinery in to put in the foundation you would have to tear the side of the building out.

Mr. WOOD of Indiana. Either have to take the side of the building out or take the roof off and get some sort of a derrick to drop the machinery inside with which to take the dirt out. It is the most impractical proposition I have ever heard of.

Mr. MADDEN. Nobody has made any plans, have they?

Mr. WOOD of Indiana. There have never been any complete plans submitted. They have no plan or specification in reference to the foundation or excavation.

Mr. MADDEN. This million dollars' worth of steel weighs a good deal, and you would have to have a real foundation.

Mr. WOOD of Indiana. I think so. I think Senator UNDERWOOD expressed the whole fact when he said that it would be just simply putting an addition to a fire box. That building is not fireproof, and, indeed, they have already had two or three fires there. The roof is not fireproof. The sheathing is pine; the floors in the top stories are pine; the shelving is all pine; and it is a mistake to say this would be a fireproof building, and it would be the greatest mistake in the world to put these valuable papers in there upon the assumption that it would be fireproof. That is not all. I think no one would have proposed a thing of this character 25 years ago when the soldier of the Civil War was still in his prime. That building is a shrine and monument built to the old soldier, and no hand should desecrate it or despoil it.

Mr. McKENZIE. Will the gentleman yield?

Mr. WOOD of Indiana. I will yield.

Mr. McKENZIE. In addition to the appropriation of \$1,000,000, is it not a fact the expense and delay to the Pension Office would be far beyond the million dollars; and, in addition to that, when you get through you will have to repair the Pension Office Building, and, as a matter of fact, the Government would lose \$2,000,000 during the progress of the work, which would be an absolute waste?

Mr. WOOD of Indiana. That is true; and after you have done this thing you will have destroyed, in large part, the utility of this building.

For if you take and build these steel stacks 15 stories high clear to the roof, as proposed, you will find that it will destroy in large measure the light and ventilation to all the offices abutting on the court. In addition, while you are having your pile drivers and excavating machines there, turning loose all the gases and poisons that have gathered in that soil all these years, I do not know what would happen to the clerks working in this building. To my mind, it is the most impracticable proposition that I ever heard of.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STAFFORD. Who is the genius that suggested this very novel idea?

Mr. WOOD of Indiana. I do not know who the genius was that suggested it, but it was proposed by a Senator on the other side.

Mr. STAFFORD. Do you know the gentleman's name?

Mr. WOOD of Indiana. No; nor could I tell you his age. [Laughter.]

The SPEAKER. The question is on agreeing to the motion of the gentleman from Indiana.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 29. Page 33, after line 16, insert:

"DEPARTMENT OF COMMERCE BUILDING.

"The responsibility for the care, maintenance, and protection of the Department of Commerce Building and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter from the Secretary of Commerce to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Commerce Building—Salaries for the following employees for maintenance and protection: Engineer and electrician, \$1,400; carpenter, \$1,000; electrician, \$1,000; 3 elevator conductors, at \$720 each; 5 guards, at \$720 each; 3 firemen, at \$720 each; assistant forewoman, \$720; 21 laborers, at \$660 each; toilet attendant, \$480; in all, \$26,380.

"For fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, \$18,650: *Provided*, That amounts aggregating \$51,500 of the appropriations made to the Department of Commerce for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Commerce Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$45,030 for payment of the salaries and expenses herein set forth, and the remainder (\$6,470) shall be covered into the Treasury to the credit of the surplus fund."

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recede and concur with an amendment.

The SPEAKER. The gentleman from Indiana moves that the House recede and concur with an amendment. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: In lieu of the matter inserted by said amendment, insert the following:

"DEPARTMENT OF COMMERCE BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Department of Commerce in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used or for use in connection therewith, shall be transferred on July 1, 1923, from the Secretary of Commerce to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Commerce Building—Salaries for the following employees for maintenance and protection: Engineer and electrician, \$1,400; carpenter, \$1,000; electrician, \$1,000; 3 elevator conductors, at \$720 each; 5 guards, at \$720 each; 3 firemen, at \$720 each; assistant forewoman, \$720; 21 laborers, at \$660 each; toilet attendant, \$480; in all, \$26,380.

"For fuel, lights, repairs, miscellaneous items, and printing, \$18,650: *Provided*, That amounts aggregating \$51,500 of the appropriations made to the Department of Commerce for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Commerce Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$45,030 for payment of the salaries and expenses herein set forth, and the remainder (\$6,470) shall be covered into the Treasury to the credit of the surplus fund."

Mr. WOOD of Indiana. Mr. Speaker, I will state that the only change that is being proposed by the House to the Senate amendment is to make it applicable not only to the building occupied by this department, but to such other buildings as they may possibly occupy. I will state that under this arrangement and by reason of the rearrangement in the control of these buildings the control of the Department of Commerce Building and other buildings was taken away from separate control and was given to the control of the Superintendent of Public Buildings and Grounds, and this has resulted in a very material saving in each one of these cases. In the case of this building alone a saving of several thousand dollars has been made.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STAFFORD. If this amendment transferring the superintendence of these various buildings to the Superintendent of Public Buildings and Grounds is carried, what buildings will not be under the supervision of the Superintendent of Public Buildings and Grounds?

Mr. WOOD of Indiana. Comparatively few. He will have, in addition to those he now has—and he has the Interior Department Building, the Department of Commerce Building, the Pension Office Building, the Patent Office Building, the Munitions Building, and the State, War, and Navy Building.

Mr. STAFFORD. I thought it would be easier to enumerate the exceptions than enumerate those he has already. Is it the

plan to have the Superintendent of Public Buildings and Grounds in charge of all the public buildings except those now under the charge of the Architect of the Capitol?

Mr. WOOD of Indiana. Yes. In the case of the Interior Department Building alone we saved about \$80,000 last year.

Mr. BYRNS of Tennessee. Mr. Speaker, it is my impression that the Department of Agriculture buildings should be excepted; there are so many of those buildings.

Mr. BRIGGS. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. Does this mean the elimination of this great number of guards and custodians that they have hanging around these buildings, whom you meet and fall over when you are going into one of those buildings for the transaction of business?

Mr. WOOD of Indiana. Yes. That is one of the effects. They have been reducing the number of those useless watchmen by one-third at least.

Mr. BRIGGS. These buildings seem to be overrun with employees in uniform, who simply ask you when you go in the door, "What do you want?"

Mr. WOOD of Indiana. Yes; they overexert themselves in doing that. [Laughter.]

Mr. BRIGGS. They ought to be cut out.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. MOORE of Virginia. I notice you except the buildings outside the District of Columbia. Is it the policy to include buildings not only in the District of Columbia but outside the District?

Mr. WOOD of Indiana. It would be hard to do that with those outside of the District because of their not coming under the personal supervision of the superintendent. He could not be everywhere. For instance, we now have a superintendent of buildings in New York City, but so far as the control is concerned it may eventually result in bringing them under this man.

Mr. MOORE of Virginia. That is what I had in mind, that the consolidation might be coextensive with the country, and this particular gentleman here could attend to duties outside of the District of Columbia through subordinates of his own.

Mr. WOOD of Indiana. Yes. I think it would be a splendid thing to do. Our experience last year showed that the sum of \$80,000 could be saved in the care of the Interior Department Building, so that I think it would be a good thing to do.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Indiana [Mr. WOOD] that the House recede and concur with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 30. Page 34, after line 18, insert:

"DEPARTMENT OF LABOR BUILDING.

"The responsibility for the care, maintenance, and protection of the Department of Labor Building, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter from the Secretary of Labor to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Labor Building—Salaries: For the following employees, for maintenance and protection: Engineer, \$1,200; general mechanic, \$840; 3 elevator conductors at \$720 each; 3 firemen at \$720 each; 4 guards at \$720 each; 12 laborers at \$660 each; toilet attendant, \$480; in all, \$17,640.

"For fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, \$9,000: *Provided*, That amounts aggregating \$33,300 of the appropriations made to the Department of Labor for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Labor Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$26,640 for payment of the salaries and expenses herein set forth, and the remainder (\$6,660) shall be covered into the Treasury to the credit of the surplus fund."

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recede and concur with the following amendment.

The SPEAKER. The gentleman from Indiana moves that the House recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: In lieu of the matter inserted by said amendment, insert the following:

"DEPARTMENT OF LABOR BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Department of Labor, in the District of Columbia, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used or for use in connection therewith shall be transferred on July 1, 1923, from the Secretary of Labor to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Labor Building—Salaries: For the following employees, for maintenance and protection: Engineer, \$1,200; general mechanic, \$840; 3 elevator conductors at \$720 each; 3 firemen at \$720 each; 4 guards at \$720 each; 12 laborers at \$660 each; toilet attendant, \$480; in all, \$17,640.

"For fuel, lights, repairs, miscellaneous items, and printing, \$9,000: *Provided*, That amounts aggregating \$33,300 of the appropriations made to the Department of Labor for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Labor Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings, and made available to the extent of \$26,640 for payment of the salaries and expenses herein set forth, and the remainder (\$6,660) shall be covered into the Treasury to the credit of the surplus fund."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Texas.

Mr. BLANTON. How many employees additional to those authorized in the present law does this provide for?

Mr. WOOD of Indiana. It provides for less. The fact is that this consolidation has resulted in a reduction of practically one-third of those who were employed before.

Mr. BLANTON. These various positions mentioned in the amendment of the gentleman are positions that are already in force, are they?

Mr. WOOD of Indiana. Yes. This is simply a rearrangement and transfer, and by reason of this change placing these buildings under the supervision of the Superintendent of Public Buildings and Grounds, the force employed before to look after these buildings has been reduced at least one-third.

Mr. BLANTON. I do not notice anywhere else in the bill where the force has been reduced.

Mr. WOOD of Indiana. We are doing it with reference to each one of the buildings considered in this bill.

Mr. BLANTON. You are doing it as to all of them?

Mr. WOOD of Indiana. Yes. I will state that the purpose of this amendment is to accomplish what was done by the other amendment. It is made to apply to the buildings that they occupy, instead of "building," as stated in the Senate amendment.

The SPEAKER. The question is on the motion of the gentleman from Indiana that the House recede and concur, with the amendment which has been reported.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

WARDMAN-JUSTICE BUILDING.

The responsibility for the care, maintenance, and protection of the Wardman-Justice Building, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter from the United States Attorney General to the Superintendent of the State, War, and Navy Department Buildings.

Wardman-Justice Building—Salaries: For the following employees, for maintenance and protection: Engineer, \$1,200; electrician, \$1,000; carpenter, \$1,000; 3 firemen, at \$720 each; 5 elevator conductors, at \$720 each; 5 guards, at \$720 each; 15 laborers, at \$660 each; toilet attendant, \$480; in all, \$22,940.

For fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, \$11,000: *Provided*, That amounts aggregating \$42,550 of the appropriations made to the Department of Justice for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Wardman-Justice Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$33,940 for payment of the salaries and expenses herein set forth, and the remainder (\$8,610) shall be covered into the Treasury to the credit of the surplus fund.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recede and concur, with the following amendment.

The SPEAKER. The gentleman from Indiana moves that the House recede from its disagreement to Senate amendment 31 and agree with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"DEPARTMENT OF JUSTICE BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Department of Justice in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the United States Attorney General to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Justice Building—Salaries: For the following employees, for maintenance and protection: Engineer, \$1,200; electrician, \$1,000; carpenter, \$1,000; 3 firemen, at \$720 each; 5 elevator conductors, at \$720 each; 5 guards, at \$720 each; 15 laborers, at \$660 each; toilet attendant, \$480; in all, \$22,940.

"For fuel, lights, repairs, miscellaneous items, and printing, \$11,000: *Provided*, That amounts aggregating \$42,550 of the appropriations made to the Department of Justice for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Justice Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$33,940 for payment of the salaries and expenses herein set forth, and the remainder (\$8,610) shall be covered into the Treasury to the credit of the surplus fund."

Mr. WOOD of Indiana. Mr. Speaker, I will say that the Senate amendment calls this the "Wardman-Justice Building" and my amendment calls it the "Department of Justice Building." In other respects, it conforms exactly to the other amendments with respect to these buildings.

The SPEAKER. The question is on the motion of the gentleman from Indiana, that the House recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

CIVIL SERVICE COMMISSION BUILDING.

The responsibility for the care, maintenance, and protection of the Civil Service Commission Building, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter, from the United States Civil Service Commission to the Superintendent of the State, War, and Navy Department Buildings.

Civil Service Commission Building—Salaries: For the following employees, for maintenance and protection: Carpenter, \$1,000; general mechanic, \$840; 2 elevator conductors, at \$720 each; 3 guards, at \$720 each; 4 laborers, at \$660 each; toilet attendant, \$480; in all, \$8,560; for fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, \$4,000; in all, \$12,560, which sum is hereby appropriated.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recede and concur, with the following amendment.

The SPEAKER. The gentleman from Indiana moves that the House recede from its disagreement to Senate amendment 32 and to concur with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment, insert the following:

"CIVIL SERVICE COMMISSION BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Civil Service Commission, in the District of Columbia, and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the United States Civil Service Commission to the Superintendent of the State, War, and Navy Department Buildings.

Civil Service Commission Building—Salaries: For the following employees, for maintenance and protection: Carpenter, \$1,000; general mechanic, \$840; 2 elevator conductors, at \$720 each; 3 guards, at \$720 each; 4 laborers, at \$660 each; toilet attendant, \$480; in all, \$8,560; for fuel, lights, repairs, miscellaneous items, and printing, \$4,000; in all, \$12,560, which sum is hereby appropriated."

Mr. WOOD of Indiana. Mr. Speaker, the only change in this amendment is that it includes "buildings" instead of "building," and then it conforms exactly to the other amendments of this kind.

The SPEAKER. The question is on the motion of the gentleman from Indiana that the House recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

INTERSTATE COMMERCE COMMISSION BUILDING.

The responsibility for the care, maintenance, and protection of the Interstate Commerce Commission Building and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, and thereafter from the Interstate Commerce Commission to the Superintendent of the State, War, and Navy Department Buildings.

Interstate Commerce Building—Salaries: For the following employees, for maintenance and protection: Assistant superintendent, \$2,000; engineer, \$1,600; electrician, \$1,600; carpenter, \$1,400; 3 firemen at \$840 each; 6 elevator conductors at \$720 each; 5 guards at \$720 each; assistant foreman, \$1,000; assistant forewoman, \$720; 24 laborers at \$660 each; toilet attendant, \$480; for fuel, lights, repairs, miscellaneous items, uniforms for guards, and printing, \$19,000; in all, \$54,080, which sum is hereby appropriated.

Mr. WOOD of Indiana. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Indiana moves that the House recede from its disagreement to amendment 33 and agree to the same with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"INTERSTATE COMMERCE COMMISSION BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Interstate Commerce Commission in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the Interstate Commerce Commission to the Superintendent of the State, War, and Navy Department Buildings.

"Interstate Commerce Building—Salaries: For the following employees, for maintenance and protection: Assistant superintendent, \$2,000; engineer, \$1,600; electrician, \$1,600; carpenter, \$1,400; 3 firemen at \$840 each; 6 elevator conductors at \$720 each; 5 guards at \$720 each; assistant foreman, \$1,000; assistant forewoman, \$720; 24 laborers at \$660 each; toilet attendant, \$480; for fuel, lights, repairs, miscellaneous items, and printing, \$19,000; in all, \$54,080, which sum is hereby appropriated."

Mr. WOOD of Indiana. Mr. Speaker, the only change made in this as compared with the amendment proposed by the Senate is to include buildings instead of building. In other respects it conforms.

The SPEAKER. The question is on the motion of the gentleman from Indiana that the House recede and concur.

The motion was agreed to.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House recur to amendments 3, 5, 6, and 7, and that the House recede and concur in the Senate amendments.

The SPEAKER. The gentleman from Indiana moves that the House recede and concur in Senate amendments 3, 5, 6, and 7.

The motion was agreed to.

SINKING FUNDS FOR BONDS AND NOTES.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13827, relating to the sinking fund for bonds and notes of the United States.

Mr. GARNER. Is this the bill that we had up yesterday?

Mr. GREEN of Iowa. The same one that we started on yesterday.

The motion of Mr. GREEN of Iowa was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 13827) relating to the sinking fund for bonds and notes of the United States, with Mr. HUSTED in the chair.

Mr. GREEN of Iowa. Mr. Chairman, after the discussion of such a complicated bill as the one with reference to the exchange of property that we had before the committee on yesterday it is somewhat of a relief to come to so simple a proposition as is presented by this bill.

The Victory loan act, which became a law March 3, 1919, created a sinking fund for the retirement of bonds and notes issued under the first, second, third, and fourth Liberty bond acts and under that act and outstanding on July 1, 1920.

Just exactly why that date, July 1, 1920, was put in the act no one can say. I was there taking part in the proceedings at the time the bill was framed in committee, and I can not remember that any reference was ever made to that date or any reason was given why it should be inserted in the law. But the effect of this provision is that the Treasury can not apply the sinking fund to bonds or notes issued since that date to refund Victory notes which mature in May. There are several issues of Treasury notes maturing in 1924, 1925, and 1926 that total approximately \$3,160,000,000. There is also an issue of 4½ per cent Treasury bonds of 1927 and 1952 in an amount of probably something like \$765,000,000 that have already been issued.

Now, it is quite apparent that circumstances might arise in which it would be for the best interests of the Treasury to use the sinking funds to retire the early maturing issues of refunding notes. It could not be done as the law now stands. This bill is introduced for the purpose of permitting that to be done, and it extends the application of the sinking fund to all bonds issued for refunding the bonds included in the present act.

The Secretary of the Treasury has written a letter recommending the passage of the bill, which I will ask the Clerk to read in my time, so far as it is contained in the report on the bill. Before reading it I will say that there is a typographical error in the report on page 2, line 6, where the words "apply the" should be inserted after the word "to" and before "sinking."

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

If the law is not changed in substantially this way the sinking fund will soon apply only to Liberty bonds, for it does not cover Treasury notes or Treasury bonds or other refunding issues, and all the Victory notes will have matured by May 20, 1923. This would create an unfortunate situation and one that might be embarrassing to the Government, for conditions are likely to arise in which it would be difficult or even impossible to purchase Liberty bonds for the sinking fund at an average cost not exceeding par and accrued interest or where it might be advisable for the Treasury, particularly in years when other issues of bonds or notes were maturing, to apply the sinking fund to these maturing issues, or other early maturing issues, rather than to the longer-term Liberty bonds. The early maturing issues ordinarily press most heavily on the market and it is usually the best policy, from the point of view of the Government bond market as a whole, to apply the sinking-fund buying power to the bonds and notes of early maturity. Unless the law is amended, however, the Treasury will have no freedom of action and might have to use the sinking fund to retire Liberty bonds even though ordinary prudence would dictate some other course, or might even have to suspend the sinking fund owing to inability to purchase Liberty bonds in the market within the limitation as to cost. In order to avoid these possibilities it would be most helpful if the proposed amendment to the law could be adopted at the present session of Congress.

Mr. GREEN of Iowa. The sinking fund was not created until after the Liberty bonds had all been issued. It was not created for the benefit of the bondholders but for the purpose of providing a fund which in the course of time would entirely extinguish the public debt.

Mr. GARNER. Thirty years.

Mr. GREEN of Iowa. The gentleman from Texas says 30 years, and I think he is right. The amount appropriated in each year varies. For the last year, the fiscal year of 1924, it is about \$300,000,000—I think, to be exact, \$298,785,000. The sinking fund of course can only be used to reduce the debt of the United States. I have been unable to see at any time how there could be any ground for opposition to this bill; and while the gentleman from Texas, who at one time objected to it—I supposed he had come to the conclusion that it ought to pass, but in some remarks he made last evening he indicated otherwise. Mr. Chairman, I reserve the remainder of my time.

Mr. GARNER. Mr. Chairman and gentlemen of the committee, if I thought that it was necessary to the proper functioning of the Treasury Department, I would not hesitate to support this proposed amendment to the law. I asked the Assistant Secretary of the Treasury if there would be any great inconvenience to the Government in case we fail to pass this law at this time, in view of the fact that the entire internal revenue law might be changed or modified or revised in the next regular session of Congress. He said he did not think so, but there might be a time when the Treasury Department could not purchase Liberty bonds by reason of the fact that they were selling above par. In that condition of affairs the Government would have to keep the money in the Treasury, unexpended. But we all realize that we carry from two to four hundred million dollars as a daily balance in the Treasury. This amount is all carried as one fund, though, of course, it may be spent in the payment of many items which have been appropriated for.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. GARNER. Yes.

Mr. ANDREWS of Nebraska. That means a balance under the general fund in the Treasury. Since the last day of September, 1915, they have given the net balance running into the millions and then in a footnote they say to the credit of the disbursing officers an amount which would exhaust the net balance by several million dollars.

Mr. GARNER. That criticism has been made a number of times. Under the present conditions they carry from \$200,000,000 to \$400,000,000 balance. I do not know whether the Secretary of the Treasury is trying to mislead anybody or not.

Mr. ANDREWS of Nebraska. I am not talking about trying to mislead anybody. I am calling attention to the form in which the statement of accounts has been running.

Mr. GARNER. Unless they have changed that system of bookkeeping, it is calculated to mislead the public.

Mr. ANDREWS of Nebraska. They never ought to have allowed it to go into existence. How long since the last change was made? I was up there three or four days ago and talking with the chief of the division of bookkeeping and warrants, and he did not indicate any change.

Mr. GARNER. There is from \$200,000,000 to \$400,000,000 daily balance in the Treasury. That can be composed of the sinking fund as well as any other fund, because, as I say, there is but one fund in the Treasury of the United States. A great many gentlemen think that there are separate funds and that you have to keep this particular fund in this particular place and in this particular book, and so forth. I was doubtful about that. I made the statement that you could with this sinking fund, or with the receipts from Victory notes issued last month, buy anything from a match box to a battleship, provided it had been appropriated for by Congress. The gentleman from Iowa [Mr. GREEN] disputed it. I took it upon myself to go to the Treasury Department the next morning, and I interviewed Mr. Gilbert, Assistant Secretary. He said there is but one fund in the Treasury. I know that Mr. McAdoo told me the same thing. So far as I could ascertain from these statements, there was but one balance, and that balance was of all the funds received in the Treasury; it made no difference from what source, whether receipts from customs, internal revenue, the sale of bonds, or whatever it may be. They all went into one fund; so that it is very easy, even if on account of market conditions the Treasury Department could not take up Liberty bonds with the sinking fund, to carry it in the general fund.

There is another thing which I want to speak about briefly, and that is this: The Republican leaders, from the President down, are trying to show that the receipts in the Treasury Department are equal to the expenditures, and they probably

are. But what about the source of the receipts? The receipts are composed of money received from more sources than taxation; that is to say, are not entirely composed of receipts from taxation. You voted and I voted and the balance of us voted for many appropriations during the war to make loans which represented a capital investment, such as railroad securities, which are now owned by the Government; also ships, war material, and so forth. What are you Republicans doing? You are selling them, using the money thus received for daily business, instead of retiring Liberty bonds, proceeds of which were used to make such loans, make such purchases, and so forth. Do you believe that is good business policy? I ask the gentleman from Illinois [Mr. GRAHAM] and the gentleman from Ohio [Mr. LONGWORTH], because they are both shining examples of Republicanism. I ask you gentlemen if you believe it is good business policy? Do you believe that the business element of the country would indorse the policy of selling capital assets of the Government and using them to meet daily expenditures?

The President the other day wrote to the Budget organization and stated that the administration had cut the deficit down to \$92,000,000. Incidentally he told you that the receipts from taxes—remember, from taxes—are less than they were last year. He did not mention that the administration had sold over \$300,000,000 of capital assets since July 1 of this fiscal year. Proceeds received from sale of these capital assets ought to have been used to take up bonds for which they were issued.

Mr. McFADDEN. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. McFADDEN. Is it not a fact that bonds were retired to the extent of over a billion and a half last year?

Mr. GARNER. It is not.

Mr. McFADDEN. What was the amount that was retired?

Mr. GARNER. The indebtedness of this Nation to-day, as compared with the indebtedness of last year, is what?

Mr. McFADDEN. It is something like \$23,000,000,000 or \$24,000,000,000.

Mr. GARNER. I said in comparison with a year ago.

Mr. McFADDEN. I have not the figures before me. I know that a large amount of Liberty bonds have been taken up.

Mr. GARNER. You say that you retired a billion and a half of bonds. Certainly you did if you mean by that statement to include certificates of indebtedness, and then you issued a billion and three-quarters more to retire them with. That is how you retired them. I retire my note by giving a new note. I have seen a fellow settle in that way many times, but that does not mean that you are paying off the debt. You are selling the assets of the country and using them for paying the daily expenses of the Government. That is what I object to.

When the President wants to make an argument against the bonus he says that we have a deficit of \$700,000,000, along in October, I believe it was, but along in December when the law requires him to tell the Congress what the deficit is and at the same time recommend taxation, the President says there is a deficit of only \$273,000,000. Of course, if he were not going to use the capital assets, proceeds from the railroad bonds, the farm loan bonds, if he were not going to put them on the market and use them in the Treasury for the payment of daily expenditures, then the deficit would be a great deal more than the President has said. He did not mention that he was going to do that when he was telling Congress that he could not afford to approve the bonus bill. But after the bonus bill has gone by, he then takes the capital assets and puts them into the daily balance and the result is that he cuts the deficit down to \$273,000,000. Gentlemen will remember that when we first talked about the bonus I suggested that if it was going to be passed and become a law, it ought to be paid out of the money received from foreign debts.

I think it can be said that the Democratic Party took that view because that view was emphasized in the House and Senate by Democratic leaders, and it comes as near being the Democratic view as could be at that time.

Mr. FESS. Will the gentleman yield for a question right there?

Mr. GARNER. I will.

Mr. FESS. Does not the authority under which the loan was made to Europe also require that the payment shall go to the liquidation of the public debt; in other words, could not go to the purpose the gentleman mentioned without a change of law?

Mr. GARNER. If the gentleman from Ohio is such a stickler for the letter of the law, he ought certainly to oppose this pending bill and make sacred, as far as he can, the sinking fund, but I doubt whether the gentleman from Ohio is such a stickler for the law as one might judge from his question. It has been suggested in certain quarters that the bonus bill

should be made a part of the bill which is to provide acceptance of the British debt settlement terms. I understand it seems agreeable to most administration leaders except the President himself.

Mr. MANSFIELD. And Secretary of the Treasury.

Mr. GARNER. Perhaps so. But the gentleman from Ohio [Mr. FESS] will be for this proposed amendment, which has for its purpose the purchase and retirement, not only of the long-term obligations of the United States, but also of the short-term obligations. This morning the press reports show that something over \$2,000,000,000 was raised by taxes alone last year and paid into the Treasury. Now, will any gentleman say that is sufficient to run the Government? I hope Mr. BYRNS, of the Appropriations Committee, some time will take up the question in his committee and find out exactly what it costs to maintain the Government for the present fiscal year and the exact receipts from taxes.

Mr. BYRNS of Tennessee. The sale of surplus war supplies, it is estimated, will amount to about \$80,000,000.

Mr. GARNER. Not only that, but we have sold \$85,000,000 in the last four months of railroad securities. So no wonder the President can write a letter to the Bureau of the Budget and tell them that we have cut the deficit down. He did not do it. He did not do as the law requires to be done. The law says that when he transmits the Budget to the Congress he shall at the same time recommend the method by which any deficit shown in the estimates shall be raised. He did not do it, so that he is among the first to breach the Budget law; and he will be estopped, I imagine, in the future from saying that the Congress in some way is not keeping good faith with the Budget law. The Budget law says if there is a deficit it is the duty of the President of the United States to recommend to the Congress a method by which it can be met. The President did not follow the law. He ought to have done it.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GARNER. I will.

Mr. GREEN of Iowa. The gentleman is propounding some most extraordinary financial ideas. How would the gentleman define the sinking fund; what does he take it to be?

Mr. GARNER. I have the idea the sinking fund is for the purpose of taking up bonds.

Mr. GREEN of Iowa. But I wanted to know whether the gentleman thinks it is an asset or a liability?

Mr. GARNER. I think it is certainly an asset when it is used to protect our bonds and take them up.

Mr. GREEN of Iowa. The gentleman seems to be—

Mr. GARNER. I will let the gentleman tell me what it is.

Mr. GREEN of Iowa. The sinking fund is not money in the Treasury. The sinking fund is a law providing for an appropriation which takes money out of the Treasury.

Mr. GARNER. I understand that, and if you use the sinking fund as you ought to, you would not have it in your daily balance.

Mr. GREEN of Iowa. You can not use it in any other way. You can not help having it in your daily balance.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. BANKHEAD. I think this matter of a correct definition of our supposed sinking fund is rather an important question. As I understand the gentleman from Iowa [Mr. GREEN], he says this sinking fund is merely a theoretical authorization. Mr. GREEN of Iowa. No; it is an actual appropriation.

Mr. BANKHEAD. The gentleman has said that the sinking fund was a law authorizing certain things to be done.

Mr. GREEN of Iowa. Exactly. The law makes the appropriation for a certain amount to be paid out of the Treasury each year.

Mr. BANKHEAD. In other words, the sinking fund is merely a statute, and does not represent actual money?

Mr. GREEN of Iowa. Yes.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. OLIVER. You have to have a fund for the law to operate with. Do you not think that when the law is executed it takes from the assets? Does it not?

Mr. GREEN of Iowa. Has the gentleman read the sinking fund act?

Mr. OLIVER. Yes.

Mr. GREEN of Iowa. Here is the language of the act: "So much is appropriated out of any funds not otherwise appropriated for the following purposes," and then it states the amount.

Mr. GARNER. I am glad the gentleman from Iowa has shown to the committee what knowledge he has on the sinking fund.

Mr. GREEN of Iowa. I know what the law is.

Mr. GARNER. Usually you can understand exactly what is the situation from the statements of the gentleman from Iowa. As I said a while ago, the sinking fund was or is \$300,000,000, which is to be applied to purchasing and retiring outstanding bonds; \$300,000,000 to be taken up this year and \$300,000,000 next year, we will say, and in that way at the end of 30 years the public debt will be extinguished. But the administration is not doing that. They want this law changed so that they will continue not to do that, and allow the President and his party to say to the country "We are getting money sufficient now to run the Government; therefore we do not need any more taxes, although the ablest man, probably in the Republican party, Mr. Penrose, now deceased, told the country when you passed the last internal revenue act that it would be \$700,000,000 short of the amount required, and that Congress would have to revise and increase it in a year to meet the expected deficit."

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. LONGWORTH. Previous to the new law creating the sinking fund, is the gentleman prepared to say that the money was actually appropriated for the sinking fund?

Mr. GARNER. Not until the law required it to be done. The law authorizing the issuance of the Victory notes required it to be done; required that they should carry 2½ per cent to the sinking fund. What for? To take up those bonds. It required them to do that. You have not done it. You do not intend to do it.

Mr. GREEN of Iowa. The gentleman from Texas does not mean to make such a statement as that?

Mr. GARNER. Well, if they have, I have not heard of it. How much have they taken up?

Mr. GREEN of Iowa. I can not state exactly the amount.

Mr. GARNER. You do not seem to know it. You know that argument that was made when the law was passed that we buy Liberty bonds in order to keep the price of the bonds up. Mr. Gilbert, Undersecretary of the Treasury, said the other day that the Treasury Department was using this money to buy Victory notes.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. LONGWORTH. Does this particular bill do anything more than extend the use of the sinking fund to the bonds issued under acts heretofore passed?

Mr. GARNER. Oh, no; it does not do anything more.

Mr. LONGWORTH. Nothing more than that?

Mr. GARNER. No.

Mr. LONGWORTH. I agree with you.

Mr. GARNER. If you administered this law in the spirit in which it ought to be administered this act would do no harm, but you do not intend to do it. That is what I am complaining about.

Mr. LONGWORTH. The gentleman's argument, then, is not against this particular bill?

Mr. GARNER. I am arguing against the administration of the law. After the 1st day of May Liberty bonds will have to be purchased if this proposed amendment does not become a law.

Mr. LONGWORTH. I wanted to know what the gentleman's argument was. I find he is not speaking against this bill, but against the way the law is administered. Otherwise he is satisfied with the situation.

Mr. GARNER. The law ought to force the administration to take up the Liberty bonds after May and retire them, as the law now requires, to take up \$300,000,000 a year. But the present way of doing things is only in harmony with the administration's general policy of ignoring the law.

Take this Foreign Debt Commission. I have read this statement; it is significant; it may not be true; but I read it for what it is worth, because it comes in the form of a dispatch from Manchester, England, under date of January 31, in which Ambassador George Harvey is quoted. I read:

HARVEY TELLS BRITISH HARDING WILL RUN AGAIN IN 1924.

[By International News Service.]

MANCHESTER, ENGLAND, January 31.—George Harvey, American ambassador to England, has informed Premier A. Bonar Law that Britain's interests would be best served by accepting the American terms for funding of the British war debt, but that President Harding, if re-elected, "would reopen negotiations after the 1924 election," the Manchester Guardian stated to-day.

That comes from a high source, a newspaper of high standing. That comes from the Manchester Guardian, which, as I understand, is one of the leading newspapers of England. It may be incorrect. Mr. Harvey may not have said what he is quoted as saying, and if he did say it, he may not have known

just what he was talking about; but he had just left this country, and he had been a guest at the White House, and he was acquainted with the President's attitude. I undertake to say what I have said heretofore, that it is the purpose of certain elements in this country—

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARNER. In just a moment. It is the purpose of certain elements in this country to work for the remission of the entire debt, and that is what is meant when Mr. Harvey told Mr. Bonar Law, "You settle on the basis we suggest now. We will reelect President Harding in 1924, and we will open up the question again and attend to business with you along lines more desirable."

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARNER. I yield to the gentleman from Ohio.

Mr. LONGWORTH. I trust the gentleman will vote to report the bill which I assume will shortly be introduced accepting these terms as proposed, and that will close out the question of reopening.

Mr. GARNER. I will have to see what that bill is first. I never swallow a hook until I see how many barbs it has on it.

Mr. LONGWORTH. There is no question of the passage of that bill unless its passage is hindered by some persons who desire to prevent this settlement of the question.

Mr. GARNER. Oh, I suppose there is no question of its passage. I think you have got the skates greased so you can put it through.

Mr. STAFFORD. Will the gentleman yield?

Mr. GARNER. In just a moment. I believe that is the policy which the President of the United States would like to follow. I remember, two weeks ago Monday, at the time the gentleman from Ohio [Mr. LONGWORTH] and others were being consulted about the methods to be used to settle this debt, what additional conditions could be given the Debt Commission, I got 10 minutes on the floor of the House and succeeded in smoking out the gentleman from Wyoming [Mr. MONDELL] and the gentleman from Ohio [Mr. LONGWORTH] and other gentlemen, and succeeded in getting them to say that they did not intend to take their hands off of this debt, this money belonging to the people; and the result, as I understand from press reports, is that Mr. Stanley Baldwin, Chancellor of the Exchequer, went back to Europe and said, "The whole thing is in the hands of Congress, and therefore I can not do anything; they are politicians."

Mr. STAFFORD. Does the gentleman charge the administration with bad faith in conducting its negotiations with the British Government in trying to settle this debt so as to have in practical collectible form the indebtedness of the British Government and the amount that they are owing us?

Mr. GARNER. No; I do not charge bad faith to the British Government.

Mr. STAFFORD. Does the gentleman charge bad faith to the American Government?

Mr. GARNER. You said the British Government.

Mr. STAFFORD. No; I said the administration.

Mr. GARNER. I do not charge that there was bad faith to the British Government, but there was bad faith to the American people.

Mr. STAFFORD. Was there bad faith in the administration attempting to settle on practical and sound terms with the only Government that is able and willing to pay its debts?

Mr. GARNER. I say that the administration in dealing with the foreign debt up to this time has not kept faith with the American people. It has kept faith with the English people.

Mr. BEEDY. State how, please.

Mr. GARNER. When we passed the law to let England have the money we told her the terms on which we would let her have it. We said, "We do not want to make one dollar out of you. We are going to let you have this money just exactly on the terms that our people are letting us have it, and our people are making the sacrifice."

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARNER. No; not now. I am going to make this statement about our obligation to England and to our own people. That is what we said. We discussed it, the gentleman from Ohio and myself and others around the committee table. We said, "We will just charge them exactly what we pay our own people." That was fair, was it not? Do you think that was fair?

Mr. BEEDY. Under the conditions then existing; yes.

Mr. GARNER. That is another apology—"under the conditions then existing."

Mr. BEEDY. Will the gentleman yield?

Mr. GARNER. Certainly.

Mr. BEEDY. Does the gentleman not believe that governments like business men must regulate their affairs to meet the exigencies of the times?

Mr. GARNER. I agree.

Mr. BEEDY. Very well, and that is precisely what the present administration is attempting to do with the foreign debt, as far as England is concerned.

Mr. GARNER. And if your administration had kept good faith with the American people the President would have come back to Congress and got permission before any settlement was made. But you made the settlement first and then put us in a hole where we must either vote for this settlement, which we did not authorize the administration to make, or else we must repudiate it altogether. That is hard to do. What your administration ought to have done in keeping good faith with the people through its Representatives was to come to this House and the Senate and say, "Gentlemen, here is what we want you to authorize us to do." Then we could have considered the whole question whether we would do it or not. Instead of that you settled on terms different from those which the Representatives of the American people told you to settle on. Now you come back and say, "If you do not settle on the basis of the agreement we have made, you have to repudiate the administration and not deal fairly with England and the other countries, and you are trying to destroy them economically."

Mr. LONGWORTH. Now, will the gentleman yield?

Mr. GARNER. Certainly.

Mr. LONGWORTH. The gentleman says, and he says correctly, that when we made that original loan to the British Government we provided the terms and conditions on which England should settle, to wit, precisely the terms and conditions on which the American people settled.

Mr. GARNER. Exactly.

Mr. LONGWORTH. Now the gentleman admitted the other day that his Democratic administration had absolutely violated that law.

Mr. GARNER. I will tell the gentleman how they violated it.

Mr. LONGWORTH. All right.

Mr. GARNER. We got our money at 3½, 4, and 4½ per cent, and the Democratic administration made a rate of 5 per cent to the foreign government borrowers.

Mr. LONGWORTH. And never got a cent of it, did they?

Mr. GARNER. Yes; they have.

Mr. LONGWORTH. Never a cent up until a few months ago.

Mr. GARNER. They have paid in \$185,000,000.

Mr. LONGWORTH. Lately—under this administration.

Mr. GARNER. And they paid it at 5 per cent.

Mr. LONGWORTH. They did not at all.

Mr. GARNER. Yes; they did. They paid on a 5 per cent basis.

Mr. LONGWORTH. Your administration never got them to pay a cent.

Mr. GARNER. Instead of violating our faith with the American people we made the foreign governments pay more than the American people paid.

Mr. LONGWORTH. Your 5 per cent was a pure bluff, because you never received a cent from France or Great Britain; not a cent.

Mr. GARNER. The Democratic administration made these conditions on behalf of the American people and not at the expense of the American people.

Mr. WINGO. Will the gentleman yield?

Mr. GARNER. Yes.

Mr. WINGO. Is it to be expected that England would pay when she has been encouraged to believe that if she refuses to pay on the old terms she can do better? Is not that encouragement to make default?

Mr. GARNER. Well, it looks very strange to me, I will say to the gentleman from Arkansas, that we are so anxious to rehabilitate European nations that we are willing at this time to make a contract for 62 years based on a rate of interest which we do not know how will compare with the interest rate in 10 years from now. I think myself that it would have been proper for the debt commission to have made a temporary arrangement with these foreign countries with the understanding that, with a clause in the contract, if you please, that later on if we could get money at a cheaper rate we would let them have it at a cheaper rate. I do not want to make one dollar out of England. I do not want the American people to be put in the attitude of making one dollar, but, gentlemen, I am not authorized as a representative of my people to give England one dollar. [Applause.] There is the difference. I undertake to say that you

are not authorized as the representatives of the people to give one dollar of the American people's money until you have had a commission to do so through the electorate of this country.

Mr. TILSON. Will the gentleman yield?

Mr. GARNER. Yes.

Mr. TILSON. How much have we given England; and if any, by what means?

Mr. GARNER. We have not given her anything yet, but it looks as if we are going to do it or repudiate the terms agreed upon by the Debt Commission. The question is a serious and momentous one, and that is the reason why I have taken the liberty to refer to it at this time. The proposition may well receive the thoughtful consideration of every Member of the House. It is a real responsibility which we will be called upon to discharge. I again return to a discussion of the fiscal policy of the Treasury. They ought not to use the sinking fund for daily transactions. When railroad securities bought with money borrowed from the American people are sold, you ought to take up an equal amount of outstanding Liberty bonds, because it is proceeds of capital assets and not taxes to run the Government. You have heard Republican Members of the House and Senate criticize England, you have heard them criticize France, you have heard them criticize Italy, you have heard them criticize Germany, because their budgets do not balance. You have heard them criticized because they do not levy taxes enough to run the government. We are \$700,000,000 short of balancing our Budget—six or seven hundred million dollars less in taxes than the annual expenses of the Government. We have not balanced our Budget and we ought to balance it. The American people want it balanced. They believe that you are balancing it. You are trying to make them believe it by using capital assets of the country in paying current expenses, and you ought not to do it.

Mr. BUTLER. Will the gentleman yield?

Mr. GARNER. Yes.

Mr. BUTLER. I always listen to the gentleman from Texas with a good deal of interest. Will he allow me to ask him a question?

Mr. GARNER. Certainly.

Mr. BUTLER. Suppose we have provided by law that from a certain source we may collect a fund to be set aside for the redemption of bonds, it would be absolutely wrong to take one penny from that fund for any other purpose. It seems to me the fund is collected, as all other taxes, and put into a lump sum, and you can draw from that lump to pay the maintenance of the Government as well as to redeem our bonds.

Mr. GARNER. You do not ordinarily use the sinking fund except for what it was established. That is what I am trying to indict the administration for.

Mr. BUTLER. But suppose we collect enough from all the resources to maintain the Government and maintain the sinking fund; we have not done anything wrong by using this fund for either purpose.

Mr. GARNER. But you are not doing that; you are not collecting enough. We are using proceeds from sale of capital assets with which to pay current expenses.

Mr. TILSON. Will the gentleman yield?

Mr. GARNER. Yes.

Mr. TILSON. Have not we always done this same thing in the very same way under all administrations; and if we are entirely solvent, what real difference does it make in the end?

Mr. GARNER. Oh, that is it; there is the confession and avoidance. The gentleman from Connecticut says of course we are going to get the money, therefore why are we concerned about a sinking fund? Well, my answer is a very simple one. I want the national debt paid off and retired, and I want it done in the manner and within the time contemplated by the sinking fund act. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, we have just had the privilege of listening to a very extraordinary speech by a very extraordinary man. In the first place, I understood, when the gentleman from Texas started his speech, that he was opposed to this bill, but I find now, after questioning him, that he sees no harm whatever in this particular bill. However, he has taken occasion, with this bill as his basis, to file a general indictment against this administration because it has not strictly followed the letter of the law. The main portion of his speech has been devoted to the question of the foreign loans, and yet he admits that his own administration grossly and flagrantly violated the law in that respect. Let us go back and see just what that transaction was. Those of you who were here at the time remember that the first bond act which authorized our loaning money to our then allies pro-

vided that the funds received from the sale of these securities, issued for a certain length of time, bearing a certain specific rate of interest, might be invested in similar obligations issued by foreign Governments. In other words, if this Government issued a bond for 25 years at 3½ per cent, it was permitted, and permitted only, to invest the proceeds in a similar foreign bond of 25 years bearing 3½ per cent interest. What did the last administration do, as a matter of fact? They loaned the proceeds of the bonds for which the American people subscribed to those different Governments and received what security? The securities that the law provided? On the contrary, we received absolutely no security whatever, and there is not to-day in the Treasury of the United States any security from Great Britain, France, or any other Government that was contemplated by the law under which the loans were originally granted. All we have is an I O U, a mere note of hand, signed by the particular representative, whoever he might be, an ambassador or commissioner, who happened to be in Washington at that time.

The law was grossly and flagrantly violated, as the gentleman from Texas admits, and that is the only reason why it has ever been necessary to have this commission appointed. The gentleman from Texas says, "Ah, but we were receiving 5 per cent interest." Mr. Chairman, one of the justifications that the then Secretary of the Treasury made to the Ways and Means Committee was, "Gentlemen, we did not follow the law strictly, we have received no security, but we are getting a better rate of interest than we would have otherwise."

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. I can not at this moment. As a matter of fact, we have received no security at all, and we never have received a cent of interest from any Government except Great Britain, and we did not receive any from Great Britain until a very few months ago, and that was not interest at the rate of 5 per cent, as the gentleman from Texas says, but merely a payment on account of interest that had accumulated in the past. I have forgotten how much it was. It may be that it was \$185,000,000. The gentleman from Texas says so and he is usually accurate.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Certainly.

Mr. GARNER. Does the gentleman desire now to settle with England upon the basis of the contract that we made with her?

Mr. LONGWORTH. We made no contract with England that has been carried out. We have no contract with England except a note of hand.

Mr. GARNER. We have the statute under which she accepted the money.

Mr. LONGWORTH. What statute? Something that we passed recently?

Mr. GARNER. No; the statute we passed when we authorized the loaning of the money to England, and she accepted under that statute.

Mr. LONGWORTH. But the terms of that statute have not been complied with, and there is no indebtedness except a debt of honor. We undertook by the passage of the recent commission act to have some security from these foreign nations, Great Britain among them.

Unfortunately, in my belief, we put the limit of interest too high, and made the terms of the security too short, but, whether we were right or wrong at that time, whether our judgment was good or bad, the situation has turned out to be, and nobody can question it, that we can not fund our loan to Great Britain under the terms provided for in the act, to wit, at 4½ per cent interest and a period of 25 years.

What are we going to do about it? The gentleman from Texas [Mr. GARNER] says that we are betraying the American people if we change the letter of the law. Has the gentleman figured out what this proposition will amount to at the end of 62 years? Even at 3 per cent for 10 years and 3½ per cent for the remainder—and I am taking only the figures as they appeared in the newspapers, for I have no other information—the total amount that will accrue from that British debt at the end of 62 years will be not less than \$15,000,000,000. Let the gentleman from Texas take his pencil and figure it out and then say whether the American people are being betrayed as he says in getting this security for a debt for which they have now no security whatever. [Applause.]

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. GARNER. But how much will it cost the American people to carry that debt for 62 years? Twenty billion dollars.

Mr. LONGWORTH. If the policy of the gentleman from Texas is followed out, it is going to cost the American people

not only the money that we have paid out, but they will have to pay the interest which otherwise Great Britain would pay, because the proposition of the gentleman from Texas is that he will not consent to vote for any funding of the British debt unless it is precisely on the terms provided in the law, to wit, 4½ per cent over a period of 25 years, when he knows, because the gentleman is a sensible man, that the commission has not been able to come to an agreement on that basis.

Mr. GARNER. I did not say that.

Mr. LONGWORTH. Then I misunderstood the gentleman.

Mr. GARNER. I said I would be unwilling to settle with England at a loss of what the American people would have to pay for the same money.

Mr. LONGWORTH. Precisely.

Mr. GARNER. I do not object to extending the time to 62 years, but when you ask the American people to pay 4½ per cent and 4½ per cent for money to loan to England at 3 and 3½ per cent I am opposed to it.

Mr. LONGWORTH. Of course, the gentleman is opposed to it, which is precisely what I said, and he will oppose any change in those terms. In other words, he will oppose any settlement of the British debt.

Mr. GARNER. Not so far as the length of time is concerned. I merely question whether Great Britain came over here bargain hunting, whether she came here to get \$110,000,000 or \$170,000,000.

Mr. LONGWORTH. Oh, the gentleman can not split hairs with me. We have either to take the proposition or to leave it. The gentleman can not offer an amendment to increase the rate of interest, he can not say, "Oh, it is all right, so far as the term of years is concerned, but I want to amend it, so far as the rate of interest is concerned, and I will not vote for it unless it is amended."

Now, the fact is, we all know it, and every sensible person in the United States knows it, we have to accept this proposition now. We can not amend it. We must accept it now or probably never again get so fair an offer—

Mr. OLDFIELD. Mr. Chairman, will the gentleman yield for one question?

Mr. LONGWORTH. I will.

Mr. OLDFIELD. I am asking this question absolutely for information. I want to know whether this 3 per cent for 10 years and the balance at 3½ per cent is the proposition which was proposed to Great Britain or a proposition which Great Britain made to our commission?

Mr. LONGWORTH. How can I answer the question; how can anybody answer the question?

Mr. OLDFIELD. The commission can answer it.

Mr. LONGWORTH. I do not see any of the commission here.

Mr. OLDFIELD. The gentleman does not know himself?

Mr. LONGWORTH. I do not know, of course not. I know just as much as the gentleman from Arkansas or any man—

Mr. OLDFIELD. I want the gentleman from Ohio [Mr. BURTON] to answer that question.

Mr. GREEN of Iowa. I yield five minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, I have listened to many ridiculous proposals by my genial friend the gentleman from Texas, but none have I heard that surpass the position he has taken in criticizing the administration in negotiating a settlement of the indebtedness of Great Britain. He criticized the act of the Foreign Debt Commission in not coming back to Congress, because they could not enter into negotiations under the terms provided in the act authorizing their creation. They had in that act certain limited powers. If they had complied with the powers designated they would not have had to come back to Congress. That commission, composed of some of the best men in the country, under the limitation as to their authority found it unworkable. The gentleman from Texas says that he would not exact from Great Britain one cent more interest money than we are compelled to pay. That act required a rate not less than 4½ per cent. He contradicts his position by saying we should only accept British bonds at a rate of not less than 4½ per cent. Everyone knows who is acquainted with money conditions that this Government to-day can borrow money on long-term bonds for less than 4 per cent. We have borrowed money recently on short-term notes at 4 per cent. The commission has not done anything else but what any other body would have done. On finding that they could not enter into negotiations under the terms laid down by the authorizing body, they did not come back to Congress with an unworkable plan of having new terms proposed on the congressional gridiron. It was a financial proposition which they had to adjust, and they arranged tentative terms, subject, of course, to the approval of Congress, representing the stock-

holders of the Nation, and intend to propose to have their act ratified.

I believe in the business axiom, "Take a loss, take a gain." I think Great Britain is to be commended as the only Government in the world which has attempted to negotiate their indebtedness, amounting to \$4,600,000,000. It is the one Government that has; France has done nothing; she is not even willing to pay any interest.

Italy has not offered to pay any interest, but Great Britain has done so. Now, the gentleman from Texas with his political cunning read a dispatch from the Manchester Guardian, that after the British Government has furnished this Government with British bonds that they are going to be so tied up that we could not sell the bonds on the market and negotiate them if our Government so desired. Such an outlandish, ridiculous proposition I have never heard from any gentleman on the floor, not even the gentleman from Texas [Mr. GARNER].

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. I will yield.

Mr. BLANTON. The gentleman from Ohio [Mr. LONGWORTH] said not once but twice that if we did not accept this agreement that has been entered into we would probably not get a dollar from England. Is not the I O U of England worth more than that?

Mr. STAFFORD. Everybody who is acquainted with the facts knows that Great Britain was not in a position to negotiate the funding of this great indebtedness until the present time. The obtaining of the bonds of the British Government will enable our Government to negotiate them if it so desires and reduce the possible indebtedness, whereas the I O Us are not negotiable.

Mr. BLANTON. The I O U of England ought to be worth 100 cents on the dollar?

Mr. STAFFORD. But their notes were never intended to be permanent, merely a receipt, until an opportune time when the respective Governments could negotiate as to the certain terms of payment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. TREADWAY].

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. TREADWAY. Mr. Chairman, I understood the gentleman from Texas [Mr. GARNER] to reiterate the statement that the reason why the Treasury Department was advocating this bill was in order to have the amount of the money in the Treasury in the sinking fund carried in the daily balance. I wish the gentleman from Texas would tell me whether I understood him correctly or not. I will assume that I did.

Mr. OLIVER. The gentleman from Texas is temporarily out of the Chamber.

Mr. TREADWAY. No; he was in the room all the time.

Mr. OLIVER. I say the gentleman from Texas was temporarily out of the Chamber.

Mr. GARNER. My attention was diverted, Mr. Chairman, from the remarks of the gentleman from Massachusetts.

Mr. TREADWAY. I think the remarks of the gentleman from Texas are worthy of attention on our side, and therefore I want to ask him if I correctly understood him as saying that the object of this bill was, in his opinion, that the sinking fund was to be carried in the daily balance?

Mr. GARNER. I said this: That if this bill is not passed the Treasury Department will be compelled to buy up the Liberty bonds, and I want that policy to be pursued; and on the other hand if you pass this bill, whatever the purpose was that they wanted to use the sinking fund for, they could do it.

Mr. TREADWAY. In other words, if this bill is passed the sinking fund will become part of the daily balance?

Mr. GARNER. That is so whether the bill is passed or not.

Mr. TREADWAY. On the contrary, I say, on the authority of the Treasury Department, that the sinking fund has nothing absolutely to do with the balance carried in the balance sheet which is sent to us daily. I make that as a positive statement. [Applause.]

Mr. GARNER. The gentleman states that there is more than one account in the Treasury Department?

Mr. TREADWAY. I state that this bill has absolutely nothing to do with the daily balance carried by the Treasury, and no amendment that you could make to it would have anything to do with it.

Mr. GARNER. Certainly not, because they have only one account in the daily balance.

Mr. TREADWAY. If the gentleman will read section 2 of the committee's report, he will find that he is in error as to what the sinking fund is.

Mr. GREEN of Iowa. The original law has nothing to do with it.

Mr. TREADWAY. No; the original law has nothing to do with it. The only effect the passage of this bill will have on the sinking fund will be to show the amount of Liberty bonds that are bought and reduce the balance by that amount. It will make no reference to what can be charged to the sinking fund.

The gentleman from Texas made another erroneous statement which I desire to correct. It is very easy to get up here and lambaste the President and the Secretary of the Treasury and other individuals; but let us have a basis of fact. The gentleman from Texas does not stop for that very often in some of his general statements he makes here, and the one he made this afternoon is a good illustration of the kind of statements I refer to. Here is another instance: He says that, so far as he knows, none of the sinking fund has been used for the purchase of Liberty bonds. Then he is in ignorance of the report of the Secretary of the Treasury, because the report of the Secretary of the Treasury shows conclusively that he is in error.

I insert herewith for the information of the House letter on the subject from the Treasury Department:

THE TREASURY DEPARTMENT,
OFFICE OF ASSISTANT SECRETARY,
Washington, February 2, 1923.

Hon. A. T. TREADWAY,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: Pursuant to your telephone request of to-day for the respective amounts of Liberty bonds and Victory notes purchased for account of the cumulative sinking fund, I am inclosing herewith copy of the Annual Report of the Secretary of the Treasury for the fiscal year 1921, and would call attention to the item under the caption "Cumulative sinking fund," from which it will be seen that purchases for the sinking fund in that fiscal year were confined to Victory notes and aggregated \$261,250,250, face amount.

I am also inclosing copy of the Annual Report of the Secretary of the Treasury for the fiscal year 1922, on page 45 of which is shown the detailed purchases of the sinking fund during that fiscal year, aggregating \$275,896,000, face amount, of which \$17,586,000, face amount, were Liberty bonds and \$258,310,000 were Victory notes. Purchases for the cumulative sinking fund during the first half of the current fiscal year—July 1, 1922, to December 31, 1922—aggregated \$226,318,800, face amount, of which \$78,808,000, face amount, were Liberty bonds and \$147,510,800, face amount, were Victory notes.

Very truly yours,

EDWARD CLIFFORD, Assistant Secretary.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CHINDBLOM. But the gentleman says, "So far as he knew." That is correct?

Mr. TREADWAY. Yes; but he had better get a little bit more information before he tries to elucidate it to the House. That is what I am trying to convince him of at this moment.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. GARNER. I want to say to the gentleman from Massachusetts that he may reflect on my intelligence, but when he says I misstate a fact he says what is not true.

Mr. TREADWAY. Oh, I will not get into that kind of a discussion.

Mr. GARNER. I said so far as I knew, and I talked with the Treasury Department not long ago about it; and, so far as my information went, there had been no Liberty bonds taken up by the sinking fund. I always try to state facts, and I hope the gentleman from Massachusetts will also try to adhere to the facts.

Mr. TREADWAY. I also try to adhere to the facts, and of course, I will say, I had no intention of questioning the gentleman's veracity. On the contrary, I have the highest respect for both his veracity and his knowledge. But sometimes a matter of lack of knowledge can be covered under just such a sentence as the gentleman now uses. "So far as I know," he says. I am giving him information that he can find in the Treasury report, and the further statement that nearly \$79,000,000 has been expended in the present fiscal year out of the sinking fund for the redemption of bonds. Now, I think the gentleman knows a little bit more about it than he did when he made his statement on the floor. [Applause.]

So far as the definition of the sinking fund is concerned, I want to repeat, and be very positive in my statement, that if the gentleman and members of the committee will read the law, both as it is and as it will be when we pass this amendment, he will know, I think, a little more about the daily balance, and the rest of the committee will, because, so far as he knows, if we pass this amendment, the sinking fund will appear as a part of the daily balance of the Treasury. It will not do any such thing. It never did and never can. The sinking fund law will not permit it. Therefore if he will take my statement for the truth, which it is, he will know a little bit more about the two subjects which he has been discussing in connection with this bill. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. TILSON].

The CHAIRMAN. The gentleman from Connecticut is recognized for five minutes.

Mr. TILSON. Mr. Chairman, I am very glad that the gentleman from Massachusetts [Mr. TREADWAY] brought us back to the consideration of the bill. This bill proposes to amend the sinking fund law so that the sinking fund may be used for the purchase of bonds issued later than July 1, 1920, in refunding the debt. As the law now stands it is provided that the sinking fund shall be used for retiring bonds outstanding on July 1, 1920. We wish to change the law so that it may be used to purchase bonds issued for refunding purposes subsequent to that date.

The gentleman from Texas makes it his principal objection to this bill that it would permit the sinking-fund money to go into the general funds of the Treasury, if not into the daily balance. The gentleman from Massachusetts [Mr. TREADWAY] has taken him up on the latter point. At any rate, if I understand what he means, he contends that the sinking fund will go into the general fund of the Treasury and that, perhaps, some other bonds or some other indebtedness may be retired with the particular money taken in for this purpose. Of course, there are no particular sums of money collected for the sinking fund. It is simply a certain sum set aside by appropriation for a particular purpose. It must come out of the revenues, like any other appropriation.

Mr. Chairman, I contend that in the first place the accounts, so far as this matter is concerned, are kept in the Treasury now just as they have ever been. If we were required to keep a separate pocket for every bit of change that Uncle Sam has and a different set of bookkeepers to keep every one of these pocket-change accounts, the number of employees and the expense would be beyond all endurance. Therefore the Treasury has always kept its funds so that so far as the particular money that is collected or appropriated for anything is concerned it is not required that the actual money shall be set aside or kept apart from other funds. If Uncle Sam remains solvent, it does not make any difference which pocket he takes the money out of to pay any particular debt.

This bill if enacted into law will require that the sinking fund be used for refunding purposes. It has been so used, as has been shown by the gentleman from Massachusetts. If the law is amended as here proposed it will give a little more freedom in the use of the sinking fund, and this additional latitude is required to save the Treasury from possible embarrassment in using the fund in the manner most advantageous to the Public Treasury. In fact, after the 1st of July, if Liberty bonds should be at par or above, it would not be possible, if I understand correctly, to use any of this fund under the law as it now stands for the purchase of any bonds whatever until Congress could meet and change the law.

It is believed that it would be unwise to leave the law in that situation. It ought to be so that at any time we can use this sinking fund for the purpose for which it was originally intended; that is, to pay the bonded indebtedness of this country, and this bill is for the purpose of enabling the Treasury to do this in the most advantageous manner.

Mr. RAMSEYER. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. RAMSEYER. Will the amendment reduce the sinking fund after the refunding process has taken place?

Mr. TILSON. No.

Mr. RAMSEYER. Has the gentleman read the last part of section 6 (a), subdivision 1—

Two and one-half per cent of the aggregate amount of such bonds and notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligations of foreign governments held by the United States on July 1, 1920.

Mr. TILSON. Yes; I have read that very carefully.

Mr. RAMSEYER. When you refund you are going to reduce this amount outstanding on July 1, 1920, to the amount according to the report of over \$3,000,000,000.

Mr. TILSON. The gentleman's question is whether we shall, under this amendment, reserve less than we have heretofore set aside for the sinking fund?

Mr. RAMSEYER. My question is whether the effect of your amendment is not to reduce the sinking fund after these refunding processes go into effect?

Mr. TILSON. At first I understood the gentleman to mean could this fund be expended for anything else than what it was appropriated for, or would the amount already set aside be diminished? I now understand the gentleman to ask, Shall we hereafter, by reason of this amendment, set aside less for the sinking fund?

Mr. RAMSEYER. That is the idea. After the refunding process goes into effect is not that going to reduce the amount on which you figure the sinking fund? I do not think the sinking fund now provided for ought to be reduced, because I think it ought to be applied to the speedy reduction and final extinction of the national debt.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I yield to the gentleman two additional minutes.

Mr. TILSON. The amount of the sinking fund is regulated by a definite, fixed annual permanent appropriation which will not be changed in the least by this bill. This bill will not affect the amount of money appropriated for that purpose.

Mr. RAMSEYER. Has the gentleman carefully read the latter part of section 6(a), which I read a moment ago?

Mr. TILSON. Very carefully.

Mr. RAMSEYER. And is he very sure that after this refunding process is placed in effect it will not reduce the amount of money to be set aside annually for the sinking fund?

Mr. TILSON. That is not the intention of this amendment, at any rate, and I do not understand how it could in anywise affect the basis on which the amount of the appropriation each year is figured.

Mr. GREEN of Iowa. Under the five-minute rule I will take time to explain that.

Mr. TILSON. That was not the intention, and, as I understand the present law, such will not be the effect of this amendment.

Mr. RAMSEYER. I hope the committee will carefully consider that entire section, having in mind the question raised.

Mr. TILSON. It is the application of the sinking fund that we mean to affect, and not the amount of it. Of course, if we could change the amount of the indebtedness outstanding on July 1, 1920, the amount of the sinking fund being determined by the amount of the outstanding indebtedness on that date, we, of course, would to that extent modify the sinking fund; but that can not be done, either by the amendment now being considered or by any other means that I know of.

Mr. CHINDBLOM. The sinking fund is 2½ per cent of the amount outstanding on July 1, 1920. That amount has been fixed and will not be changed at all. July 1, 1920, will never come back.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. ANDREWS of Nebraska. This amendment authorizes the use of the sinking fund for the very purpose for which it was created.

Mr. TILSON. Undoubtedly.

The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] has 22 minutes remaining and the gentleman from Texas [Mr. GARNER] has 18 minutes remaining.

Mr. GREEN of Iowa. Will the gentleman from Texas use some of his time?

Mr. GARNER. You may read the bill if you want to.

Mr. GREEN of Iowa. We desire to occupy some more time on this side.

Mr. GARNER. I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I want to read a little editorial from Mr. W. J. Smith, the editor of the Waukegan Daily Sun, of Waukegan, Ill., which is rather apropos and interesting:

The Chancellor of the British Exchequer, one Stanley Baldwin, has insulted millions of middle westerners with the typical English nasty remarks that our people raise hogs and are ignorant on international debts, and that the great difficulty in the debt question is in the hands of United States politicians, instead of Cabinet officers as in England. Perhaps Baldwin has Hoover in mind; nevertheless, the middle westerners have Baldwin's goat and number, which is zero.

The middle westerners know four and two legged hogs, but raise only four; hence Baldwin's reference to American politicians must be returned to England for real application to the puppets of the hereditary ruling classes.

Besides raising hogs, the middle westerners incidentally raised billions of dollars which were loaned to England to save her from Germany. The same middle westerners will raise h— with every public official who attempts to condone, conceal, or concur in any international conspiracy to double-cross the American taxpayer by amending the debt refunding act, which clearly represents the last word of the average American voter who indirectly loaned billions to England.

Mr. STAFFORD. Just at the point where the gentleman is reading, referring to hogs, I suppose the gentleman is referring to them because he knows that this is ground-hog day? [Laughter.]

Mr. BLANTON. Well, it was not that kind of a hog.

Mr. BEEDY. Will the gentleman yield?

Mr. BLANTON. No; I want to finish this.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. Without reading it further I ask that the editorial be placed in the RECORD, and then I will not take up further time.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD by inserting the editorial indicated. Is there objection?

There was no objection.

The remainder of the editorial is as follows:

The reactionary Baldwin, his political chief Bonar Law, and other puppets of the hereditary ruling class of imperialists defeated the great commoner Lloyd-George with the false slogan of political tranquillity, which was to come in part through less taxation.

Knowing a debt cancellation or hundred per cent debt repudiation was impossible, Baldwin framed up a clever scheme of passing the high interest charges and the substantial reduction of principal along to future generations, which, of course, have no vote now. This is an old political and diplomatic dodge, but it was withheld until after the last November American elections, because none dared to face the American voter with such a double-cross scheme; however, Baldwin now boldly pretends the scheme is an offer from America and the English press hypocritically kicks about "an offer that was made in England." The average American is wise and will end the duplicity when the conspiracy comes to Congress.

The Washington debt conference was shrouded in silence; however, in England, Baldwin sung his swan song which is the death knell of his party which will give way to the Lloyd-George and labor elements, which never schemed debt dodging or repudiation to save the hereditary ruling classes from destruction, political and material.

Baldwin hypocritically claimed, "America offers 3 per cent" and sixty-odd years' payment period. Through collusion, did Baldwin attempt to put a British offer into the mouth of the American commission, which is made to appear as the initiator and proposer of what means a repeal of or amendments to the debt refunding act, which requires all payments within 25 years at 4 1/2 per cent interest. Such silly diplomatic juggling is a diplomatic swindle, which could only result in the impeachment of American officials who took an oath to enforce and not defeat the debt refunding law. Congress made the only American offer. No private or public official citizen had power to make other offers.

It was reported from abroad that at a London tea party Taft and Harvey promised Bonar Law that the United States would give a refunding period of some sixty-odd years at an interest rate of 2 1/2 per cent. This means a gift of billions of dollars. In regard to international debts, Taft and Harvey represent none other than themselves personally. However, if they attempted to defeat the debt refunding act they are sworn to enforce, Harvey should be recalled by Harding and Taft is open to impeachment charges, if upon investigation Congress finds an international conspiracy to defy and defeat the will of Congress.

Taft and Harvey could promise King George the White House for a colonial home, but such a promise would mean the same as the alleged debt promise; however, if true, the incident is serious and Congress and the President should do the self-evident needful.

Baldwin and his royal political party can not pass their political buck to the Harding administration, which is absolutely indifferent to the political life of Baldwin, Bonar Law, or any other ring of "cabinet" politicians who may desire to fight their campaigns on American soil or with American taxpayers' coin.

Baldwin's attacks on our people and politicians, who are really representatives of free people instead of playthings of hereditary ruling classes, raise many serious questions for all lovers of American practices and institutions.

America has had a wonderful internal development through local taxation and financing with tax-free cheap securities that built good roads, sewers, waterworks, and schools. Strange propaganda proposes to change the American Constitution so that State and city bonds will no longer be tax free. Naturally, the average voter wants no rich man's tax-dodging securities, hence at first the propaganda finds rich soil for growth. If State and city bonds are to be taxed by the United States Government, the local taxpayers must pay higher interest rates, hence local improvements must cost more and the net result may be substantial reductions in the amount of local improvements and the employment of American workmen.

If the Britisher pays less than Congress has demanded, the American must make up the difference in taxes. Taxes are too high now. Do the Federal tax hunters scheme to invade State and city fields of taxation and stop local tax-free securities in order that local taxes may be secured to make up whatever the British dodge, delay, or repudiate in the four and three-quarters billion loans?

Why not let the Baldwin schemers tax 100 per cent the feudal English estates, with their personal property, by-products, which were the gift of some king, and thus avoid the necessity of taxing American State and city bonds, which mean everything to the development and progress of the United States? The Senate better carefully investigate all sources of the propaganda for taxing local securities; perhaps our British friends indirectly, through American agents, have made certain suggestions to promote a shifting of the tax burdens incident to the war.

Why should any American Cabinet officer, Senator, or Congressman worry about what the British toiler is going to do to the tax pocket-book of the hereditary ruling class imperialists? Our officials better worry about what is going to happen to them if they fall for the British schemes to pass the tax buck to American voters. The American hog raisers know so much about the international debts that their Representatives in Congress will not permit the debt refunding act to be now changed even if the British outwit the American commissioners by causing them to foolishly ask Congress to eat its own words and amend the act.

A deadlock may be the British objective; however, during the deadlock the British must pay 5 per cent interest instead of 3, as the British propose, hence any betrayal of Congress and the American public will avail nothing.

No American hog raiser intends to voluntarily raise taxes, especially on local improvement securities, to build British battleships at a time all other nations are trying to save the taxpayers money. British trade discriminations on the high seas, in the German mandate lands or in the colonies secure no American favors. The middle-westerners fully appreciate how the lords of England would dodge or repudiate the American debts to save the hereditary ruling classes from destruc-

tion by the British toilers, who are not fussing because their children may have to go to the common schools with the offspring of non-producers, who are about to pay their own way through fair taxation burdens which can never be unloaded upon the shoulders of the free men of the Middle West of the United States of America where the Declaration of Independence is in force 100 per cent.

Mr. BEEDY. Now will the gentleman yield for a serious question?

Mr. BLANTON. Yes.

Mr. BEEDY. Has the gentleman noticed the most recent press reports, in which a denial has been issued by the British Government of any interview designed to cast any aspersions on the American people is concerned?

Mr. BLANTON. Oh, but there was an interview. I want to say this, that the distinguished gentleman from Ohio [Mr. LONGWORTH] spoke for the administration and its leader on the Debt Funding Commission, and he intimated here—not intimated but said emphatically on the floor, and it will so appear in the RECORD if he does not change his remarks—that unless we accepted that agreement which they had entered into, word for word, without changing it in any way, we would lose this debt.

Mr. BEEDY. Now will the gentleman answer my question?

Mr. BLANTON. Just one minute. He said we would lose this debt from the British Government because, he said, we did not have Great Britain's bond; that we merely had the I O U of Great Britain. These I O U's were given in the stress of war when Britain was on her knees, as you might say, when France was on her knees, appealing to us and practically begging for mercy, and we loaned them the billions and merely took their I O U's. I want to say that I am one of those who believe that Great Britain's I O U is worth 100 cents on the dollar, and that she is going to pay it. She would not repudiate a cent of the principal or of the interest. England is a great nation and she never would have survived if she had ever repudiated her smallest obligation, if she had ever repudiated any part of her national debt. England will not do it. Do not be afraid, we have got the right to send this debt commission back and again say to them that the American people through the Congress instructs you how far you can go and how far you can not go.

Mr. BEEDY. Will the gentleman come back to that portion of the editorial that deals with the reflection on the American people and state whether he has noticed that there has been a denial of that interview and that it was only the report of a lot of newspaper reporters?

Mr. BLANTON. Oh, yes; it has been denied. Diplomacy demanded that. But when our distinguished ambassador went back to England, you heard what was said through a reputable English newspaper as to what was proposed and what was being done by our administration leaders of this country respecting the debt.

Mr. TILSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TILSON. The gentleman intends to keep good faith?

Mr. BLANTON. Oh, yes.

Mr. TILSON. And did not the gentleman say that when he got leave to put in the editorial he would quit? [Laughter.]

Mr. BLANTON. Yes, I said that; but questions were propounded to me; but like I believe that of Great Britain's is, my word is as good as my bond, and I am done.

Mr. MONDELL. Mr. Chairman, following the rule that seems to be in vogue this afternoon to speak on matters that are not before the House, I want to say a word to quiet, if I may, the troubled spirit of my friend from Texas [Mr. GARNER]. He became somewhat disturbed some days ago about the British debt and other foreign debts, and my understanding was that before we got through he and I came to a reasonable and satisfactory agreement with regard to the matter. But it seems he is disturbed again to-day. I think there are very few Members of the House who believed or were very hopeful, at least, that we would be able to settle our differences with our foreign debtors under the legislation providing for the debt commission as it became law. I for one had no expectation that we would be able to reach an agreement with any of the European countries under the terms of that act. I said so at the time. So I am not at all surprised that the Debt Commission is to report, as I understand they will, to the President that it is impossible for them to reach an agreement with the British Government under the terms of the act under which the commission was set up and to ask that the attention of Congress be called to the matter with a view of modifying, if possible, the terms of the agreement. The committee of the House that reported the Debt Commission acted wisely in the matter and the House supported the committee action. They left with the commission the question of the terms of settlement as to the period and interest. In another body important

changes were made fixing a maximum period and a minimum interest charge, and the gentlemen there seemed to be so very insistent on their view of the matter that after some considerable protest we accepted the Senate amendments. They are not workable. Just how soon we shall be called upon to express our judgment in this matter I do not know, but my understanding is that in due time the President will communicate with Congress on the subject and give us the benefit of his judgment as to what ought to be done.

My expectation is that his recommendations will be so reasonable that the House will practically unanimously accept them. I am quite confident they will be sufficiently reasonable so that the gentleman from Texas [Mr. GARNER], who has mentioned the matter on several occasions, will find that he can agree to the proposals that are made.

Mr. GARNER. Will the gentleman yield?

Mr. MONDELL. Certainly.

Mr. GARNER. In view of the gentleman's statement as to another body insisting on controlling the time and interest, does not the gentleman think that it would have been proper for the commission to have come back three or four weeks ago, before the English commission had left, and get the authority, rather than settling the matter themselves and binding this Government as far as it could.

Mr. MONDELL. No; I think what the commission did was proper. They made inquiry of the Members of the House and of the Senate as to how far gentlemen might be willing to go and the disposition they might have to go into the matter of time and interest. I think it was entirely proper, it being important that this matter should be settled by the 4th of March, that they should say to the English commission, which I understand they did, that in their opinion a certain settlement could be had if that was agreeable to the British Government and satisfactory to them. It seems to me it was about the only way to proceed. Had the commission, prior to the report of the British commissioners to their Government, come to Congress and suggested a certain settlement we could not have known whether the British Government would agree to those terms or not. It is true the Congress is not bound by any suggestion that may be made, but I am sure Congress will be glad to listen to any reasonable suggestion.

Mr. GARNER. I am glad the gentleman made one statement which clears up the matter somewhat, and that is that our commission said to the English commission that they believed that they could get this particular settlement that has been urged.

The question was asked when the gentleman was out of the Chamber as to which one of the commissions suggested this basis of settlement. The gentleman from Wyoming has relieved us from any uncertainty in that respect, because he has said that the American commission made the suggestion. I am glad to have that information.

Mr. MONDELL. There must have been some suggestion from the American commission, after discussion pro and con, as there always is, that they believed a settlement could be secured through the Congress along certain lines, but that, of course, was not the settlement originally proposed by the American commission. That is a settlement tentatively agreed upon after various suggestions and much discussion. Of course, the American commission endeavored to secure a settlement within the terms of the law under which the commission was created. That was their purpose, that was their effort, but they found that was impossible.

Mr. GARNER. And then submitted the one that may be submitted to Congress?

Mr. MONDELL. I will not say that they submitted that one. There was discussion back and forth, as there always is, and a certain plan of settlement was tentatively submitted, and in due time the Congress will be called upon to decide whether or not it approves that plan of settlement.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LONDON. It is also understood that legislation affecting another sovereign power is of a tentative character.

Mr. MONDELL. I would say that is correct.

Mr. LONDON. So that the powers conferred upon the commission and the instructions given to the commission were subject to the commission reaching an agreement with the representatives of Great Britain.

Mr. MONDELL. That is true.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, it is somewhat amusing to me to note how my friend from Texas [Mr. GARNER] becomes so excited over an erroneous assumption, and then to see how

quietly he subsides when the assumption is corrected by the gentleman from Massachusetts. It is an expenditure of perfectly splendid energy for the entertainment of the House at the expense of the entertainer. It also gives us an indication of how wonderfully enthusiastic we may become over a small affair, a mere assumption for the purpose of presenting an opportunity to make an attack upon the administration. Whatever be the ground for the vigorous attack of our friend, certain things are true, well known to the public, and they can not very well be controverted.

This year of 1923 the Treasury Department found itself facing an indebtedness, obligations coming due and demanding payment in the form of the floating debt, or the unfunded portion of our public debt of \$2,500,000,000, the Victory loan to the amount of \$4,000,000,000, and also the war-savings stamps, amounting to \$656,000,000, amounting all told to over \$7,000,000,000. The financing of these enormous obligations was a problem that had to be met, and in a way that would not break the credit of the Nation. The manner in which it has been met, it seems to me, shows a very remarkable achievement upon the part of the Treasury Department, without any particular injury to the business of the country. The floating debt has been absorbed by the investment public, thus releasing the banking assets for industry. The Victories have been likewise taken in amounts and at such terms and tenures as to enable the Treasury to meet them when due. I am glad to have my friend accede to that statement. This policy has lessened the rate the Government must pay for its bonds, at a great saving, and has so strengthened its credit, that its securities have gone to par, amounting to not less than \$2,500,000,000, of value to the holder.

In reference to the effort of the Treasury to cover up a deficit, charged by the gentleman from Texas, I think my friend was somewhat unfortunate not only in the error of judgment, but I fear he is subject to a little criticism in so far as his purpose is concerned in making that statement. Too much license is practiced in our partisan statements. In the first place, we had a deficit of \$650,000,000, not including the interest of war-savings stamps, facing us. We are justified in the expectation to collect \$300,000,000 of back taxes to apply to it, that comes as a part of the revenue, and is properly included in the income of the Government. We are now assured not less than \$200,000,000 of interest per year on the foreign debt. While it may be a question where that should go, whether to the payment of current expenses or to the liquidation of the public debt, it nevertheless is income. If we liquidate the War Finance Corporation, as will be done unless the law is changed, it will amount to anywhere from \$115,000,000 to \$125,000,000; that is a sum also which can be applied to the deficit. Also, if there is to be a disposition of this war material accumulated during the war and still on our hands at great loss, I want just quietly to remind my friend that if we turn that material into money, it ought not to be subject to the gentleman's criticism, because, the Lord knows, it ought to have been done a long time ago. Here are items alone which will almost, if not entirely, wipe out the deficit of six months ago. These items are among the fruits of a business administration bending its energy to make its outgo tally with its income, and outside of partisan circles are the subject of general commendation.

Mr. GARNER rose.

Mr. FESS. Oh, I can not yield. Then I want my friend to especially note this. If under the tariff bill which he so vigorously opposed and he and his party resisted every inch of the way, we increase the revenue over \$100,000,000 in a year, and it may reach \$150,000,000, then the deficit is gone, and why should the gentleman criticize the Nation for making that sort of business adjudication. Whatever else may be said, we balance our budget, reduce the debt, save on interest, appreciate the Government's credit, revive American industry, and solve unemployment. Surely my friend from Texas would not have us play the dog in the manger, as is so common among those not responsible, by doing nothing ourselves and let no one else do anything? That may be the policy so far as my friend from Texas is concerned, but not the policy of the administration. [Laughter and applause.]

Mr. GREEN of Iowa. Mr. Chairman, it is seldom that so much misinformation has been given to the House in so short a time as was given by the gentleman from Texas [Mr. GARNER] in his statement with reference to the sinking fund and the operations of the Treasury. If one-half of what he said was true, there would be a panic on the stock exchange, a run on all of the banks in the country, a general business depression all over the country, because he intimated—if he did not expressly state it—that the United States Treasury in fact had no surplus, but that, instead, there was a deficit, and that the

Treasury was manipulating the sinking fund to cover up the deficit. I am happy to say that on the 31st of January, of this year, there was in the general fund of the Treasury a balance of \$254,546,388, and that if we compare the condition of the Treasury of the United States with its condition one year before that time, it will show, taking into consideration the cash on hand and the amount of the public debt, that during the last calendar year the liabilities of this Government and its general financial standing have been bettered to the extent of about \$500,000,000; and in the fiscal year of 1922 we paid off something over a billion dollars of debts, and thereby bettered the condition of the United States Treasury nearly to that extent.

I am astonished at my friend from Texas. He told you over and over again, although I think he finally hedged a little on it, that there never had been any of the Liberty bonds purchased out of the sinking fund. If he had only consulted the last report of the Secretary of Treasury, he would have found that for the fiscal year 1922 there was some \$18,000,000 worth of Liberty bonds purchased and that there has been a total of all bonds purchased out of the sinking fund, since it was created, of something over \$537,000,000. His whole statement shows a complete misapprehension as to what the sinking fund is. The sinking fund is created by an appropriation. Like every other appropriation, it creates a liability upon the Treasury which must be met. It is necessary and proper that under the sinking fund the amount of the appropriation should be set aside and held for the purposes for which it was appropriated. This has been done. The sinking fund has never fallen short a dollar. It can not be used for any other purpose than that specified in the law, and it never has been under either Democratic or Republican administrations.

The sinking fund is no new thing. It has nothing to do with the daily balances except in an indirect way as all our appropriations have, for when the amount of an appropriation is paid, of course it reduces the amount of the daily balances that much. Now, that is all there is to this matter. Mr. Chairman, it is no more possible that this fund can be manipulated than any other account of the Government can be manipulated. The books of the Government, its general statements, are open to everybody each day. A daily statement shows the condition of our finances, and these statements are obtainable by every Member of Congress or anybody else who chooses to get them. If there was any such manipulation as the gentleman talks about, nobody would have confidence in the administration; but, instead of that, I am glad to say that one of the great achievements of the Republican administration has been its success in steadily reducing the amount of our indebtedness and decreasing the amount upon which we must pay interest. Instead of distrust there is everywhere confidence in the management of our finances.

Mr. FESS. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. FESS. The Secretary of the Treasury stated that the appreciation of the Liberty bonds from the low mark to where they are now has been two and a half billion dollars.

Mr. GREEN of Iowa. To the owners; yes; by reason of the confidence inspired by the highly successful management of our national finances. Let me say also that this talk about the Government selling railway securities to pay current expenses is all nonsense. Ever since the Republican administration took charge the receipts have exceeded the expenses. There is not and will not be any deficit. The law provides what shall be done with money received from sale of railway securities. It is applied on the debt the railroads owe the Government.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. CONNALLY of Texas. Is it the gentleman's contention that the sinking fund constitutes an automatic appropriation for that purpose?

Mr. GREEN of Iowa. Yes; it is a continuous and permanent appropriation.

Mr. CONNALLY of Texas. I am asking for information. I do not profess to be an expert. Suppose when the time comes for that appropriation and there is no money in the Treasury, the sinking fund does not get it?

Mr. GREEN of Iowa. That never has and never will happen under a Republican administration.

Mr. CONNALLY of Texas. But a Republican administration is not apt to be in very long, and I am asking for the future.

Mr. GREEN of Iowa. I do not know what will happen under a Democratic administration. I would be a little fearful.

Mr. CONNALLY of Texas. Here is what I wanted to get at. The gentleman says there is always money to be appropriated for this sinking fund; but suppose the Treasury gets the money

to put in the sinking fund by issuing short-time notes of indebtedness. Then the Treasury is not any better off than before?

Mr. GREEN of Iowa. The gentleman ought to be aware—

Mr. CONNALLY of Texas. I am asking for information. The gentleman knows; I do not.

Mr. GREEN of Iowa. There is no authority of law for issuing bonds or short-time certificates for such a purpose as that.

Mr. CONNALLY of Texas. You can issue them to get the money to run the Government; have you not been doing that?

Mr. GREEN of Iowa. Certainly not.

Mr. LONGWORTH. The last administration where bonds were ever issued for the purpose of running the Government was a Democratic administration.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. CHINDBLOM. Owing to the fact that the question was asked whether this sinking fund was actually an appropriation, I suggest it might be well to insert in the Record, and I am going to read here, the language of section 6:

For the fiscal year beginning July 1, 1920, and for each fiscal year thereafter, until all such bonds and notes are retired, there is hereby appropriated out of any money in the Treasury not otherwise appropriated, for the purpose of such sinking fund, an amount equal to the sum of (1) 2½ per cent of the aggregate amount of such bonds and notes outstanding on July 1, 1920—

And so forth.

The appropriation has been made for every year until these bonds have been retired.

Mr. GREEN of Iowa. Certainly, the gentleman is entirely correct, and this bill which we bring into the House to-day does not in the least affect that appropriation. It has no effect upon that whatever.

Mr. CHINDBLOM. And right in that connection, the amount of notes and bonds outstanding July 1, 1920—that is, if they are hereafter refunded by the issue of other bonds—will never be changed.

Mr. GREEN of Iowa. No; it will be just the same.

Mr. ANDREWS of Nebraska. Does not this bill now pending simply make that appropriation available for the purpose for which it was intended?

Mr. GREEN of Iowa. Yes; that is the intention, to reduce the public debt. Now, the trouble about the present situation is that, under the law as it stands, the money may not be used to the best advantage, or possibly it can not be used at all, because there might be none of the Liberty bonds which could be bought at par.

Mr. LONDON. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. LONDON. Is the sinking fund anything more than a bookkeeping transaction?

Mr. GREEN of Iowa. Well, it has been contended often on this floor that it was nothing but a bookkeeping transaction, but under the present law I think it is more. The appropriation is annual, and the Treasury is required to redeem bonds to the amount of it.

Mr. LONDON. I remember Mr. KITCHIN, Democratic leader, in reply to a question that I propounded, saying that it was nothing but a bookkeeping transaction.

Mr. LONGWORTH. That was quite true until the present law was passed. The gentleman from North Carolina [Mr. KITCHIN] was quite correct at that time. But this law makes it a real sinking fund.

Mr. LONDON. Is a certain amount of money set aside as a sinking fund, or is it merely an entry in the books? Is a tax collected for the purpose of setting aside a certain fund called the sinking fund?

Mr. GREEN of Iowa. No special tax is collected for this fund. The gentleman heard the gentleman from Illinois [Mr. CHINDBLOM] read the law, that there is so much appropriated each year, and so forth?

Mr. CHINDBLOM. This appropriation is in exactly the same status as any other appropriation. The money has been appropriated. Of course, from time to time the money has got to be brought into the Treasury through revenue. But the appropriation is there. You do not take so much gold and so much silver and set it aside.

Mr. LONDON. In other words, the sinking fund is a liability?

Mr. GREEN of Iowa. Yes; and a charge upon the Treasury. That is what the gentleman from Texas did not understand. He seemed to think it was an asset.

Mr. LONDON. What I want to know is what assets are set off against the liability.

Mr. CHINDBLOM. Congress must see to it that the assets are there to meet the liabilities of the Government.

Mr. LONDON. Of course, I assume that the Treasury is solvent. But, outside of the question of solvency, is there a separate amount of money set aside to cover the obligations of the fund?

Mr. CHINDBLOM. There is no money set aside for any particular purpose, so far as I understand it.

Mr. GREEN of Iowa. I am glad to say that the Treasury is in a solvent condition. There is no deficit, and none is likely to occur.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That subdivision (a) of section 6 of the Victory Liberty loan act is amended by inserting before the period at the end of the first sentence a comma and the following words: "and of bonds and notes thereafter issued, under any of such acts or under any of such acts as amended, for refunding purposes."

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last word.

Mr. ANDREWS of Nebraska. Mr. Chairman, I call attention to the daily Treasury statement for January 31, 1923. It will be found on the front page of that report that the net balance in the general fund is quoted at \$254,546,388. Read the footnote below. This footnote came into this form of report on the 1st day of October, 1915. In a moment I will call attention to the condition relating to that change. This note says:

The amount to the credit of disbursing officers and agents to-day—

That is, January 31, 1923—

was \$790,246,056.87.

There is only one way in which funds can be advanced to disbursing officers, namely, by accountable warrants. The warrants must issue, and do issue, before the advances are entered. What does that mean? It means a deficiency. If they had attempted to cash all of those accountable warrants on the last day of last month, they would have had a deficit of \$535,699,668.79.

When did that style of bookkeeping begin? At the close of business on September 30, 1915. Prior to that date the net balance carried in the general fund meant unencumbered cash. That had a definite significance to every banker and every business man and every student of public measures throughout the country.

Note the reports for September 30, 1915, and October 1, 1915. What do they show? The net receipts of cash on the 1st day of October, 1915, amounted to \$1,321,000. What was reported as the net balance on the 1st day of October of that year—\$128,063,545.23? Where did they get it? They secured it by a peculiar method of bookkeeping, and I invite the attention of the gentleman from Texas [Mr. GARNER] to the record for those dates.

Occasionally I have followed these checks, and I have never yet found a single day when the amount of the net balance reported in the general fund was equal to the advances to the disbursing officers. Quite a technical line of explanation is required to bring out that story, but my five minutes will not permit me to go into it. The Treasurer of the United States holds these advances on the books of his office here in Washington. The disbursing officer who may be granted an advance of \$100,000 may have \$10,000 entered upon the books for him to-day and \$10,000 to-morrow, and they will take 10 days to enter the \$100,000. There it stands, an overdraft of more than \$500,000,000 in accountable warrants.

We can not tell; the bankers of the country can not tell how much unencumbered cash there was in the Treasury on that date. In fact, this method of bookkeeping makes it impossible to ascertain reliable information upon that point. Suppose you had an account of \$10,000 and you had issued checks of \$20,000. How many bonds could you redeem out of that balance in bank with only a deficit of \$10,000 to draw upon?

There is the situation, a situation into which the gentleman from Texas [Mr. GARNER] would come with all of the brilliancy and the flights of imagination for which he is noted. [Applause.]

On September 30, 1915, the net balance in the general fund was \$40,898,894.97. That was unencumbered cash and it meant something definite. For a long period of time the net balance in the general fund included nothing but unencumbered cash and thus conveyed to all definite information with respect to that important item.

Beginning with the 1st day of October, 1915, however, the Secretary of the Treasury announced through his official reports a net balance which included encumbered cash also.

That form of statement is still in force. I have never yet found a reasonable and I might say a sensible explanation for it. Note the significant fact that the net balance in that fund for October 1, 1915, was given by the Secretary of the Treasury as \$128,063,545.23, indicating a net receipt of cash for that day of \$88,164,650.26. These figures are amazing in view of the facts, but what are the facts? We naturally inquire. What were the receipts and disbursements for that day, October 1, 1915? The receipts were \$2,831,363.31. The disbursements were \$1,509,271.25, making the net receipts \$1,322,092.06. Here let me suggest a puzzle to the gentleman from Texas [Mr. GARNER]. By what mathematical process can he or even a Democratic Secretary of the Treasury make the addition of \$40,898,894.97 and \$1,322,092.06 equal to \$128,063,545.23?

Is it possible that even the cunning, the brilliant flights of imagination, the wild guesses, all combined on the part of the gentleman from Texas, could produce a financial result like that? If so, he is surely such an amazing multimillionaire that he has not the courage to tell us what his actual worth is to-day.

The general-fund account is sometimes called the Treasurer's warrant account. Under that designation the provisions of law were applied in covering moneys into the account and taking funds out of the account. All of the revenues properly entered in that account appeared under what is generally known as covering warrants or repay warrants.

The funds were taken out of that account by means of settlement warrants and accountable warrants. Settlement warrants were issued in cases which had been audited before payment. Accountable warrants were used to take money out of that fund when advances were made to disbursing officers, paymasters in the Army, and paymasters in the Navy throughout the States and throughout the world. The use of those accountable warrants meant that the officers to whom such funds had been advanced must account for them by legal vouchers to be returned regularly in their accounts and entered to their credit against the advances that were made to them by the accountable warrants.

Prior to the last day of September, 1915, the advances upon accountable warrants were deducted from the balance in that fund and charged against the disbursing officers. When so advanced the disbursing officers had full authority to issue their checks to the full amount of their credits. Thus, at a glance, we could ascertain the exact amount of the unencumbered cash in the general fund of the Treasury. Under this change, made by Secretary McAdoo, it is impossible to tell how much cash is available unless you take the official records and make your additions and subtractions. The present form of the Treasury's daily statement, however, does not give reliable information upon those points.

An extended explanation appears on the first page of the daily statement for October 1, 1915. From it I quote the following:

(1) The daily statement of the United States Treasury and the monthly public debt statement of the Government have been revised by a committee appointed by order of Secretary McAdoo, so as to make them more intelligible and clearer (clear) to the public. The new daily statement will represent the actual conditions of the Treasury, so far as it is possible to present it at the close of business each day.

(2) In the new form the item (disbursing officers' balances) is excluded from the liability side of the general fund and included in the net balance.

In connection with this statement and specific provisions of law and practice of the department we should note the important fact that the issuance of accountable warrants constitutes a direct and immediate draft upon the general fund of the Treasury. Those accountable warrants set apart a definite amount of money, which the department has no right under the law to use except under those advances and until the unexpended balance of any fund so advanced shall have been returned into the general fund by appropriate repay warrants. Then how does this new practice make things clearer for the public or for anybody, for that matter? It does not and it can not in the very nature of things do so. Take two or three illustrations, and I suggest these to the meditation of my friend the gentleman from Texas [Mr. GARNER] and ask him how he can hope to redeem Government bonds out of this net balance in the Treasury in view of the conditions that exist on the dates given. Take, if you please, December 2, 1922.

The net balance for that date was reported as \$336,040,000, while the advances to disbursing officers on the same date by accountable warrants aggregated \$763,063,000. If all of these warrants had been pressed for payment on that date, a deficiency of \$427,023,000 would have appeared. Take December 30, 1922. A deficiency of \$226,834,000 would have appeared. On January 15, 1923, the shortage would have been \$511,127,000,

and on January 31, 1923, it would have exceeded \$500,000,000. Can you see anything clear and definite in this method of book-keeping? Let my friend, Mr. GARNER, the gentleman from Texas, turn the headlight of his intelligence upon these questions and illuminate them if he can. Does he understand them? Of course, he can not unravel them and find his way more easily to anything definite than he could have crawled through the barbed-wire entanglements on the battle fields of France in the World War.

Illustrations could be multiplied indefinitely, but the examples already given are sufficient to show the indefinite and unreliable meaning of the net balance as it is now carried in the general fund of the Treasury.

This general fund of the Treasury is the reservoir into which all customs, internal revenues, and miscellaneous receipts are entered. From it we draw the funds to meet the general expenses of the Government, aside from postal affairs. Hence all of the various methods of taxation outside the Postal Service point toward this general fund. As the demands upon this fund are now excessive, and will be for many years to come, we must study the various methods of taxation with special care in order that sufficient revenues may be received and that the burdens of taxation may be equitably distributed. At this time the most important question for consideration is tax-exempt securities.

TAX-EXEMPT SECURITIES.

Our methods of Federal taxation have been radically changed during the last 10 years and other equally important changes will follow during the next 10 years.

Before the World War we were collecting under the general fund of the Treasury about equal amounts from customs and internal revenue. The postal receipts at that time approximated \$266,000,000, making the total Federal revenue for all purposes about \$990,000,000. The total revenues now collected for all purposes approximate \$3,500,000,000.

The wise foresight of a Republican Congress under the administration of President Taft submitted to the States the sixteenth amendment to our Federal Constitution empowering Congress to lay and collect taxes on incomes. This was the most important change in our methods of Federal taxation. That amendment was proposed to the legislatures of the several States by the Sixty-first Congress and was declared, in a proclamation of the Secretary of State, dated February 25, 1913, to have been ratified by the legislatures of the requisite number of States—36. Accordingly it became a part of our Federal Constitution, and the way was thus prepared for income-tax legislation that followed soon thereafter. That amendment reads as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

Without this additional constitutional authority Congress would have been seriously embarrassed in providing funds to meet the requirements of the World War. During the fiscal years 1918, 1919, 1920, \$12,885,000,000 were secured through internal-revenue taxation, chiefly from taxes on incomes.

Prior to 1913 the Treasury received internal revenues ranging from \$250,000,000 to \$300,000,000 annually. These figures show the results from revenue legislation enacted under the sixteenth amendment. The usefulness of this amendment is further disclosed by the revenues that must be secured under it permanently for an indefinite period of time—perhaps permanently. Thus it appears that the income tax is now a permanent part of Federal taxation. It is quite important that taxpayers generally should draw a clear distinction between a property tax and an income tax. The States generally levy taxes on property, while the Federal Government does not employ property taxes in any form. Under the sixteenth amendment, however, the Federal Government taxes the incomes of individuals and corporations within fixed limitations. We now have an annual fixed charge of nearly \$1,000,000,000 to pay interest on our public debt; about \$450,000,000 to \$500,000,000 for the benefit of the disabled soldiers of the World War; approximately \$1,500,000,000 for the annual running expenses of the Government; and about \$500,000,000 to cancel obligations growing out of the World War and such public improvements as the interests of the people generally may require. These facts and figures clearly prove that a large amount of revenue must be secured annually from a tax on income.

An income tax should be intelligently graduated so that great wealth will be compelled to bear its full share of Federal expenses.

The pending resolution will, if submitted to the States and ratified by them, close an avenue—tax-exempt securities—through which billions of dollars are now seeking refuge from

taxation. It is estimated that \$1,500,000,000 of taxable wealth was invested in tax-exempt securities during the last calendar year—1922—and that the total investments in such securities now approximate \$16,000,000,000.

Unless we are seeking to release great wealth from any share in the burdens of taxation, we must vote for the submission of this amendment and the States must ratify it. How can any Member consistently vote to levy taxes upon great wealth and then vote against this amendment? Such inconsistency is not expected from any Member of this House or from any State. The resolution reads as follows:

ARTICLE —.

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued after the ratification of this article, by or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State.

SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued, after the ratification of this article, by or under the authority of the United States, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of such State.

Passed the House of Representatives January 23, 1923.

The revenue act of November 23, 1921, provides for an individual tax of 8 per cent of the amount of the net income, and also a surtax of 1 per cent of the amount by which the net income exceeds \$5,000 and does not exceed \$6,000. The rate of surtax gradually increases with the increase of net income until it reaches 50 per cent of the amount by which the net income exceeds \$200,000. Beyond the limit of \$200,000 net income the Government is to receive 50 per cent, or one-half of the total net income. At this point those who are receiving large incomes begin to search for lines of investment. When they find that a tax-exempt security will yield a better rate of return without risk and care than productive enterprises will yield, tax-exempt securities become very attractive. They furnish in this way not only an escape of capital from taxation and productive enterprise but they also encourage idleness on the part of many people who would otherwise be producers.

The Member who voted as I did for these higher rates of surtaxes is logically compelled to vote for the adoption of this resolution.

STATE RIGHTS.

It is argued by some that we dare not deliver to the Congress the authority to tax the incomes from State, county, municipal, and school bonds, because it might go so far as to levy rates of confiscation upon such incomes. That argument proves entirely too much. It involves the idea that we dare not risk the Congress in this matter because of the fear that State credits might be destroyed. This argument logically implies that it is unfair to delegate the taxing power to Congress for any purpose whatever. How, then, did the advocate of such a doctrine secure Federal revenues to pay the expenses of the Government? According to that kind of political doctrine we dare not vest the legislatures of the States with the powers of taxation. Where, then, would you lodge such power? Human beings somewhere must exercise that authority. The record of legislative bodies in the States and the Congress of the United States throughout the entire history of the Government refute that fallacious doctrine.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise and report the bill to the House without amendment, with the recommendation that the bill do pass.

The CHAIRMAN. The gentleman from Iowa moves that the committee do now rise and report the bill to the House without amendment, with the recommendation that the bill do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13827) relating to the sinking fund for bonds and notes of the United States, had directed him to report the same back to the House with the recommendation that it do pass.

Mr. GREEN of Iowa. Mr. Speaker, I move the previous question on the bill to the final passage or rejection.

The SPEAKER. The gentleman from Iowa moves the previous question on the bill to the final passage or rejection.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time.

The SPEAKER. The question is on the passage.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. BLANTON. May we have a division on that, Mr. Speaker?

The House divided; and there were—ayes 70, noes 13.

Accordingly the bill was passed.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS TUG FORK OF BIG SANDY RIVER, MINGO COUNTY, W. VA.

Mr. GOODYKOONTZ. Mr. Speaker, I desire to call up from the Speaker's table the bill (H. R. 12473) granting the consent of Congress to the Winco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va., and move to concur in the Senate amendments.

The SPEAKER. The gentleman calls up the bill (H. R. 12473) from the Speaker's table and moves to concur in the Senate amendments. The Clerk will report the bill by title.

The Clerk read the title of the bill.

The Senate amendments were read.

The motion of Mr. GOODYKOONTZ was agreed to.

Accordingly the Senate amendments were concurred in.

CAPITAL GAINS AND LOSSES.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13770, to amend the revenue act of 1921, in respect to capital gains and losses, and for other purposes; and pending that motion I would like to ask the gentleman from Texas if we can agree on the time to be used in general debate.

Mr. GARNER. The bill is unanimously reported from the committee, and I do not care about any debate, as far as I know, from this side.

Mr. GREEN of Iowa. I have requests for some time, so I suggest that there be 15 minutes on a side.

Mr. GARNER. That is agreeable to me.

Mr. GREEN of Iowa. Then I ask unanimous consent that the time for general debate be limited to one-half hour, 15 minutes on a side.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the time for general debate be limited to 30 minutes, half to be controlled by himself and half by the gentleman from Texas [Mr. GARNER]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Iowa.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13770, with Mr. MADDEN in the chair.

Mr. GREEN of Iowa. I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I believe there is no opposition to this bill. I will, however, give a general explanation of it, but for the present I will yield 10 minutes to the gentleman from California [Mr. MacLafferty].

Mr. MacLafferty. Mr. Chairman and gentlemen, I am very grateful for the 10 minutes which the gentleman from Iowa has yielded to me. I wish to speak on a matter not related to this bill. I wish to make a few observations in connection with an article that appeared in the Philadelphia Public Ledger of January 28, 1923, in reference to a bill introduced by me about a week ago (H. R. 13737) authorizing the Secretary of the Navy, as part of the naval base of the United States on San Francisco Bay, to accept a site given by the city of Alameda.

I am not here to discuss the merits of a naval base site on San Francisco Bay, but I wish to place in the Record the newspaper article to which I have referred and to make a few observations upon this article.

This article, as you will find when you read it, is very uncomplimentary to the personnel of our Navy Department. It alleges that a certain clique of naval officers who desire to participate in the social functions of the city of San Francisco want to see a naval base located at Alameda, Calif., directly across the bay, and to sink about \$150,000,000 of the money of the people of the United States.

The article to which I refer is as follows:

Another attempt is being made to commit the Government to the expenditure of a minimum of \$150,000,000 for construction of a naval base at Alameda, in San Francisco Bay, involving also the scrapping of the \$40,000,000 navy yard at Mare Island, about 20 miles up the bay. Undiscouraged by the Public Ledger exposé of the nonessential outpouring of public funds almost two years ago and the subsequent rejection of the project, a clique of naval officers has renewed the issue, determined, as one of them states, "to put this thing over if it takes 50 years to do it."

The opening wedge this time is a bill by Representative MacLafferty, of California, proposing to present as a gift to the Federal Government the 5,240 acres suggested as a site for the proposed Alameda naval base. The Naval Affairs Committee of the House has manifested an obvious antagonism to the bill, in spite of testimony by Secretary Denby, who has been won over to indorsement of the project by the Navy Board, headed by Rear Admiral Hugh L. Rodman, for years an advocate of the Mare Island scrapping scheme.

There is every reason to believe the MacLafferty program will encounter the same fate as the original proposal, rejected by a substantial majority of the Senate after the Public Ledger, Senator BORAH, of Idaho, and Senator KING, of Utah, had exposed the useless expenditure of public funds involved. Mr. Denby's reception by the House committee was such he remembered suddenly he was due at a Cabinet meeting when a broadside of questions was directed at him.

SITE OFFERED "UNDER WATER."

The so-called "site" offered to the Federal Government is entirely under water. To reclaim it would necessitate an original outlay of not less than \$300,000 for construction of a retaining wall and pumping. The one stock argument in favor of such an outpouring of public funds at a time when economy is supposed to be the watchword and the administration is pointing with pride to the four-power Pacific pact as banishing the fear of war in the Pacific, is that the channel to the Mare Island yard, at Vallejo, will not permit of passage of deep-draft vessels.

When the agitation for the scrapping of Mare Island was begun in 1916 by a clique of naval officers hankering for the social advantages of San Francisco—and few blame them for that—they had an effective argument against Mare Island. That argument does not hold water to-day. It was that deep-draft vessels could not pass over the Pinole Shoals in safety. Those shoals are about 3 miles below Mare Island, extending for about 5 or 6 miles.

Secretary Denby, having been won over to the General Board theory the channel was unsafe for navigation, declined to permit the battleship *Arizona* to go to Mare Island. The *Arizona* draws about 30 feet of water, yet there was no dispute over the fact the channel would accommodate in complete safety vessels drawing 32 feet. The trans-Atlantic liner *Mount Vernon*, drawing 31 feet, navigated the channel in full safety. The battleship *California* was launched without mishap.

During the last 12 months 6,114,100 tons of shipping navigated the upper bay in safety, an increase in tonnage over 1915 of 3,887,442 in commercial shipping, which has not been impressed by the arguments of the Navy Department group. That there is a 35-foot channel is the view of competent engineers, who offer concrete facts to every specious argument of the proponents of the enormous outlay at Alameda.

CHANNEL EASY TO CLEAR.

Although Congress appropriated \$100,000 for dredging of the San Francisco Bay last year, only two weeks were consumed by the Army engineers in keeping the channel open at the Pinole Shoals. In response to the Navy allegations that the channel is a silted one, the Army engineers have stated officially it is a scouring one.

It has been shown by competent authorities that the cost of building two dry docks on the mud flats at Alameda would be around \$11,500,000 and require 10 years for the task, while two dry docks would be built on solid ground at Mare Island for \$7,600,000 within 2 years. A naval base at Alameda would be, it is contended, a duplication of the Pearl Harbor troubles.

Such naval experts as Capt. Henry M. Gleason, construction officer for 10 years, now with a Waterbury, Conn., firm; Edward L. Beach, former commandant at Mare Island, now professor of American naval history at Stanford University; Capt. Leonard M. Cox, public officer of the twelfth naval district; and the eminent naval strategist, Capt. Dudley Knox, have given the weight of their technical testimony in favor of Mare Island.

Contentions of the Navy clique that they had no intention of scrapping Mare Island have been met with the presentation of photostatic copies of an unpublished report in which recourse was had and indorsement given to the Helm recommendation that the facilities of Mare Island be transferred to Alameda.

It is to be regretted that a paper of the standing and influence of the Philadelphia Public Ledger should lend its columns to an ex parte partisan statement in a controversial matter between two localities in the United States 3,000 miles away upon which evidently it has little accurate information.

Starting out with an extravagant assertion that a minimum of \$150,000,000 is contemplated for the construction of a naval base on San Francisco Bay, which has no foundation in fact, unless, indeed, it refers to a period of time covering 50 or 100 years, it is stated that the MacLafferty bill, now being considered by the Naval Affairs Committee of the House of Representatives, involves the scrapping of a \$40,000,000 navy yard at Mare Island, 20 miles away. The fact is, in this particular matter, that according to the report of the Ball committee, dated January 31, 1921, \$32,000,000 had been expended from 1854 to that time on Mare Island, and that the salvage value of the plant at the present time is \$8,000,000, so that \$24,000,000 which has been invested are of no value and have served their purpose in the naval functions the yard performed during its history.

The plan now advocated by Mare Island proponents is that a new plant be built on the south end of the island, about 2

miles away from the present plant. This in itself involves reproduction of the whole Mare Island plant, as far as it is modern, 2 miles from the present site, at whatever cost might be necessary, so that we see here in the beginning an unfair, biased presentation calculated to misinform the public and arouse prejudice.

The Ledger in a very laudable manner asserts that it is opposed to the waste of public funds, and immediately follows by asserting that a "clique of naval officers" is determined to put this thing over if it takes 50 years to do it. In other words, our naval service, which is second to none in the world in its intelligence, in its efficiency, in its loyalty, is here by innuendo and inference linked up with a plan to exploit the public funds. An examination of the evidence shows that not one of the naval proponents of Alameda either resides in California or has any interest there, while all the proponents of Mare Island have been on duty there and some of them live there. The Ledger, like any other paper of standing, must of necessity seek to be fair, but it has been misled, and there is no doubt, it is hoped, when the true facts are made apparent it will make correction. The opposition which it refers to, of Senators BORAH and KING, is not directed to the merits of this controversy but rather involves public policy as to how far the United States should go in any new enterprise of a military character when all seek to reduce the burden of military competition. However, in this particular instance the Ledger overlooks the fact that the establishment of a base on San Francisco Bay concentrates naval activities and is an economic project because of that fact, as contrasted with the present conditions, where the fleet is scattered all over the Pacific coast, with appropriations aggregating many millions made here, there, and elsewhere which would be obviated if concentration took place. Overhead could be reduced and duplication of administrative expenses would be substantially cut under the present plan.

Furthermore, the Ledger, professing a desire to save public funds, takes no consideration of the fact that at the present day the Pacific Fleet consists of 11 capital ships, which during the past year have been at anchor in the open sea from 50 to 75 per cent of the time. When we consider the record of volcanic activity to the south, causing tidal waves and great destruction along the sea coast, and also the sudden appearance of volcanic islands to the north, is it not a hazard to keep those ships, costing from \$20,000,000 to \$40,000,000 each, at anchor in the open sea when they might ride in safety in the harbor of San Francisco Bay?

The Ledger refers to the site as being under water, but it refrains from mentioning that the "under water" is merely a tideland condition which is no different from the rest of the tideland water front of Oakland, Berkeley, and Alameda, which is being reclaimed and which has a commercial value of from \$10,000 to \$40,000 an acre. Why is not the Ledger fair and why does it make ex parte statements not giving both sides of the controversy?

The Ledger intimates that "a clique of naval officers" is interested in being near to the social activities of San Francisco and that influences them to make a favorable recommendation. Surely when the responsible editors of the paper reflect upon the stigma that assertion places upon the whole naval service it will be withdrawn with profound apology. During the late war we heard no intimation that naval officers were willing to exploit the Public Treasury and pervert their professional opinions for social pleasures, and the record of the Navy is such since the first day of its existence that this slander has no justification whatsoever and should be condemned by all fair-minded men who have any interest in this branch of the service that has served the country so well.

The correspondent of the Ledger makes some argument as to the merits of this situation. He says that during the last 12 months 6,000,000 tons of shipping have navigated the upper bay in safety, but he does not explain how a battleship drawing 35 feet of water, with a list or an increased draft because of accident, can get through a 35-foot channel; he does not explain how the fleet, if based at Mare Island in war time, could get to sea if some alien enemy were to place a bomb in a merchant ship while it was passing through this channel and sink it so as to bottle up the whole fleet. He does, however, assert that competent authority places the cost of building two dry docks at Alameda at \$11,000,000, while the same dry docks could be built at Mare Island for \$7,000,000. In other words, the only thing he sees is the difference between \$7,000,000 and \$11,000,000, and he considers that a sufficient reason for deciding in favor of the \$7,000,000. Of course, the public must judge whether that argument is sound, or whether the statement of Admiral Rodman, a ranking officer of the Navy, who commanded the

greatest fleet of the Navy in modern times in an actual war under actual war conditions, shall be taken when he says that the Carquinez Strait site is entirely out of the question.

The Public Ledger article quotes, with apparent emphasis, those who are in favor of the Mare Island location, but fails to say that the President of the United States, the Secretary of the Navy, the Chief of Operations, the distinguished members of the Helm board, the congressional special committee, and, last of all, Admirals Rodman, Robertson, and Pratt, now ranking and responsible officers of the Navy, are against Mare Island and for Alameda.

It is time that this campaign of innuendo, insinuation, misrepresentation—at one time an appeal for economy, at another time a reference to sentimental factors, slurring the officers of the Navy, intimating that those who are responsible are actuated by sinister and ulterior motives—shall cease. It is time that the people of the United States shall know the facts, and it is with great satisfaction that the friends of the Navy and the friends of the Pacific coast now realize that the controversy will be thrashed out on its merits before the Naval Affairs Committee of the House of Representatives and a decision arrived at. If all these responsible officers of the Navy are wrong they should be displaced and put on the retired list and the people who are right should succeed them. If they are right, the everlasting gossip and scandal which has been circulated concerning this matter should cease, and the people of the United States, especially those living upon the Pacific coast, should have the protection that they are entitled to against a possible warfare by the establishment of a proper and fully equipped naval base on San Francisco Bay, the only harbor from San Diego to Cape Flattery that is capable of serving such a purpose.

Words fail to convey the proper condemnation that should attach to those who, in a roundabout manner and by stealth, stigmatize the naval service of the United States as corrupt. It is time that some one arose and dissipated this smoke screen of villification which has been created to the detriment of the commissioned personnel of the Navy of the United States. Those gentlemen, because of their position, are not able to defend themselves, but it is due the public that the true facts be known and it is to be hoped that this campaign of slander will cease. [Applause.]

Mr. BLANTON. Will the gentleman yield for a question?

Mr. MACLAFFERTY. I yield to the gentleman from Texas.

Mr. BLANTON. When the gentleman takes one position and his colleague [Mr. CURRY] takes another position, which one are we to believe.

Mr. MACLAFFERTY. Wait until the hearings are held.

Mr. GREEN of Iowa. Mr. Chairman, I shall take but little time on this bill, unless some one desires to ask some questions in relation to it. The bill itself is rather long, but that is because it includes a number of provisions contained in the old law. In fact, it is mostly made up of provisions of the present law.

The necessity for this bill is set forth in the recommendations made by the Secretary of the Treasury in his annual report, of which I will read a portion.

A most serious gap in the existing revenue laws—

Says the Secretary of the Treasury—

arises from the treatment of capital transactions. The law taxes capital gains and recognizes capital losses, but the taxpayer retains the initiative and refrains from realizing taxable gains while taking deductible losses. The situation is particularly serious under the revenue act of 1921, which limits the tax on capital gains to 12½ per cent, but puts no limit on the deduction of capital losses. This means that capital losses may entirely cancel real income, while capital gains will not be realized at all, or, if realized, are taxed at only 12½ per cent. Under the present system—

Says the Secretary—

the Government is being whipsawed, and the Treasury therefore strongly urges that the existing provision as to capital gains be made to apply conversely to capital losses and that the amount by which the tax may be reduced on account of losses from the sale of capital assets should not exceed 12½ per cent of the amount of the loss. This would, to a large extent, check one of the methods widely used by taxpayers at the present time for decreasing their yearly income.

The bill carries out the recommendation of the Secretary that the reduction on account of losses on sales of capital assets should not exceed 12½ per cent of the amount of the loss.

Under the revenue acts of 1918 and 1921 capital gains or losses represent the difference between the actual cost to the taxpayer and the consideration received on the sale of those assets. The tax was based accordingly; that is, if there was a gain, there was a tax on the gain; and if there was a loss, a reduction was given for the loss. But this system did not prove at all satisfactory. It was often unjust to the taxpayer, because it required the tax to be paid on accumulations of many years. It might go back to 1913. Naturally it interfered with

the course of business, because if a party who had profits in capital assets, land, or buildings, which had accumulated since 1913, wished to sell or change it, he would have to pay, under our high system of surtaxes, a rate which might amount to 77 per cent on the profits realized thereby. Consequently there were few sales of capital assets.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. COLLIER. Does the gentleman want more time?

Mr. GREEN of Iowa. Yes; I would like about five minutes more.

Mr. COLLIER. I yield the gentleman five minutes.

Mr. GREEN of Iowa. The result was that the holders of capital assets refrained from realizing a profit, but they took their losses when they had one and got the deduction, by reason of the loss, in making up their income tax. Besides this they often manipulated transactions on the stock exchange so that the losses were merely paper losses. They were not, in fact, ever realized. Thus in the case of an investment a taxpayer might sell securities for less than the price paid. He would incur a loss which can be deducted, and then at the end of 30 days buy back the securities. In 30 days more they might have risen, so that the transaction was, in fact, profitable.

Mr. ACKERMAN. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. ACKERMAN. If this becomes a law would this affect the incomes in 1922?

Mr. GREEN of Iowa. No; it will not, I will say to the gentleman; it will apply only to gains or losses that occurred during this calendar year, the returns for which will be made in 1924. Now, in the last revision of the revenue law we undertook to remedy the situation which was created by the act of 1921, and limited the amount which might be taxed on capital gains to 12½ per cent. There was no limit placed on the amount which would be allowed for a loss. The consequence is that under the present situation there is a limit on the gains as to the amount which may be taxed, but full credit given for the losses. This bill simply seeks to establish the same rate of allowance for the losses as is fixed on the gains in case gain is realized. Obviously this is equitable and ought to be the law. Moreover, if the bill goes into effect large sums will be saved to the Treasury and it will not be so easy to evade taxation by fictitious losses.

Mr. COLLIER. Mr. Chairman, I believe we have no requests for time on this side on this bill. It is the unanimous report from the committee and, as the gentleman from Iowa says, it equalizes the conditions.

Mr. BRIGGS. Will the gentleman yield?

Mr. COLLIER. I will.

Mr. BRIGGS. I want to compliment the committee on the form in which they have brought in this report. The report shows the existing law with the proposed changes made by the pending bill. Those are carried in italics and the part to be stricken out having a line through it. So often in this House measures come before the committee with a suggestion that a semicolon be stricken out here and a comma inserted there and to add the following words, so that we do not know what the new law is and what changes are being made. But this bill carries forward the reenactment of the section and in the report it shows precisely what changes are made in existing law. I think it is an excellent form to be followed in Congress, so that it shows precisely what changes are to be made by the proposed bill from existing law and one I think that should be generally adopted. It obtains in many States under their constitution.

Mr. GREEN of Iowa. I was about to say that the extremely complicated bill that we had yesterday was accompanied by a similar report showing the changes that were made.

Mr. COLLIER. Mr. Chairman, it is seldom that the majority brings in a bill that all can agree upon, and I was glad to yield to the chairman of the committee, the gentleman from Iowa. I do not care to discuss the bill further.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 206 of the revenue act of 1921 is amended, to take effect on January 1, 1923, to read as follows:

"CAPITAL GAIN AND CAPITAL LOSS.

"SEC. 206. (a) That for the purposes of this title—

"(1) The term 'capital gain' means taxable gain from the sale or exchange of capital assets consummated after December 31, 1921;

"(2) The term 'capital loss' means deductible loss resulting from the sale or exchange of capital assets consummated after December 31, 1921;

"(3) The term 'capital deductions' means such deductions as are allowed under this title for the purpose of computing net income and are properly allocable to or chargeable against items of capital gain or capital loss as defined in this section;

"(4) The term 'capital net gain' means the excess of the total amount of capital gain over the sum of the capital deductions and capital losses;

"(5) The term 'capital net loss' means the excess of the sum of the capital losses plus the capital deductions over the total amount of capital gain;

"(6) The term 'ordinary net income' means the net income, computed in accordance with the provisions of this title, after excluding all items of capital gain, capital loss, and capital deductions; and

"(7) The term 'capital assets' as used in this section means property acquired and held by the taxpayer for profit or investment for more than two years (whether or not connected with his trade or business), but does not include property held for the personal use or consumption of the taxpayer or his family, or stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year.

"(b) In the case of any taxpayer (other than a corporation) who for any taxable year derives a capital net gain, there shall (at the election of the taxpayer) be levied, collected, and paid, in lieu of the taxes imposed by sections 210 and 211 of this title, a tax determined as follows:

"A partial tax shall first be computed upon the basis of the ordinary net income at the rates and in the manner provided in sections 210 and 211, and the total tax shall be this amount plus 12½ per cent of the capital net gain; but if the taxpayer elects to be taxed under this subdivision the total tax shall in no such case be less than 12½ per cent of the total net income.

"(c) In the case of any taxpayer (other than a corporation) who for any taxable year sustains a capital net loss, there shall be levied, collected, and paid, in lieu of the taxes imposed by sections 210 and 211 of this title, a tax determined as follows:

"A partial tax shall first be computed upon the basis of the ordinary net income at the rates and in the manner provided in sections 210 and 211, and the total tax shall be this amount minus 12½ per cent of the capital net loss; but in no case shall the tax under this subdivision be less than the taxes imposed by sections 210 and 211 computed without regard to the provisions of this section.

"(d) The total tax determined under subdivision (b) or (c) shall be computed, collected, and paid in the same manner, at the same time, and subject to the same provisions of law, including penalties, as other taxes under this title.

"(e) In the case of a partnership or of an estate or trust, the proper part of each share of the net income which consists, respectively, of ordinary net income, capital net gain, or capital net loss shall be determined under rules and regulations to be prescribed by the commissioner with the approval of the Secretary, and shall be separately shown in the return of the partnership or estate or trust, and shall be taxed to the member or beneficiary, or to the estate or trust as provided in sections 218 and 219, but at the rates and in the manner provided in subdivision (b) or (c) of this section."

SEC. 2. Subdivision (c) of section 205 of the revenue act of 1921 is amended by striking out "If a fiscal year of a partnership begins in 1920 and ends in 1921, or begins in 1921 and ends in 1922" and inserting in lieu thereof the following: "If a fiscal year of a partnership begins in one calendar year and ends in another calendar year."

SEC. 3. Section 205 of the revenue act of 1921 is further amended by adding at the end thereof a new subdivision to read as follows:

"(d) If a taxpayer makes return for a fiscal year beginning in 1922 and ending in 1923 his tax under this title for the taxable year 1923 shall be the sum of (1) the same proportion of a tax for the entire period computed under this title (as in force on December 31, 1922) at the rates for the calendar year 1922 which the portion of such period falling within the calendar year 1922 is of the entire period, and (2) the same proportion of a tax for the entire period computed under this title (as in force on January 1, 1923) at the rates for the calendar year 1923 which the portion of such period falling within the calendar year 1923 is of the entire period."

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13770) to amend the revenue act of 1921 in respect to capital gains and losses, and for other purposes, and had directed him to report the same back without amendment with the recommendation that the bill do pass.

Mr. GREEN of Iowa. Mr. Speaker, I move the previous question on the bill to its final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the bill was passed was laid on the table.

INCREASING NUMBER OF INTERNAL REVENUE COLLECTION DISTRICTS.

Mr. GREEN of Iowa. Mr. Speaker, with a view to adjusting the business for the rest of the day, may I ask the gentleman from Texas [Mr. GARNER] if there will be any controversy over the bill S. 2051, to increase the number of collection districts for the collection of internal revenue.

Mr. GARNER. Yes; there will be some time asked over that bill.

SALARY OF COLLECTOR OF CUSTOMS FOR THE DISTRICT FOR NORTH CAROLINA.

Mr. GREEN of Iowa. Mr. Speaker, I call up the bill H. R. 10816, to fix the annual salary of the collector of customs for the district of North Carolina, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

Mr. MADDEN. Mr. Speaker, is not this bill on the Union Calendar? It is not a privileged bill.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to call the bill (H. R. 10816) for consideration and that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from Iowa asks unanimous consent to call up for consideration the bill H. R. 10816. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the bill may be considered in the House as in Committee of the Whole. Is there objection?

Mr. MADDEN. Mr. Speaker, reserving the right to object, what does the bill do?

Mr. GREEN of Iowa. It raises the salary of the collector at Wilmington, N. C., from \$2,500 to \$5,000. This salary was fixed 50 years ago, when they obtained only a very small amount of revenue at that point. They now get between five and six million dollars a year. There are collection districts where they receive only two or three hundred thousand dollars a year, but a salary of \$5,000 is paid to the collector.

Mr. MADDEN. Is this the only district in the United States where the salary is supposed to be inadequate?

Mr. GREEN of Iowa. It is the only one as to which there is such a gross disproportion, as compared to the other salaries paid and the amount collected for the Government.

Mr. GARNER. This is the only one where the spread between the amount of the receipts and the amount of the salary is so great. Of course, there are inequalities all over. If I recollect rightly, the chief clerk in this office receives \$250 a year more than the collector does.

Mr. MADDEN. I shall not object.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I think this is a meritorious bill, but it is questionable practice to call up by unanimous consent for passage a bill which is not privileged. I understand the bill is on the Unanimous Consent Calendar for consideration on Monday next.

Mr. GREEN of Iowa. That is true, but we have been considering business from the Ways and Means Committee to-day, and it seems to be a good time to dispose of this. There is no objection to it, so far as I know, because everyone recognizes the extraordinary disproportion that prevails with reference to this salary. A very great injustice is created; a large amount is demanded for the bond, and there is a great responsibility, as well as much work to be done. The situation is such that it ought to be remedied.

Mr. STAFFORD. I understand that this is the last bill that the gentleman intends to call up to-day?

Mr. GREEN of Iowa. Yes.

Mr. STAFFORD. And that he intends to move to adjourn at the conclusion of this bill?

Mr. GREEN of Iowa. The gentleman from Pennsylvania [Mr. EDMONDS], I think, obtained unanimous consent to proceed with the bills on the Private Calendar unobjected to after we got through.

Mr. STAFFORD. Oh, he would not want to proceed after 5 or 6 o'clock.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the salary of the collector of customs for the district of North Carolina is hereby fixed at \$5,000 per annum.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word in order to ask the gentleman a question. I notice that the Secretary of the Treasury recommended only \$3,600 as compensation for the collector of this particular district. Why did the committee increase that amount to \$5,000?

Mr. GREEN of Iowa. We thought it was unfair that there should be some 15 or 20 collectors of customs getting all the way from \$5,000 to \$10,000 a year when this particular port, in point of revenue received, runs about sixth or seventh in the line.

Mr. MADDEN. I expect to be guided by the judgment of the committee, but I think the gentleman from Iowa [Mr. GREEN] ought to make a statement as to why the committee differed with the Secretary of the Treasury.

Mr. GREEN of Iowa. We did not agree with the Secretary of the Treasury on that point because we thought that a man who was collecting or likely to collect five or six million dollars a year ought to receive at least \$5,000 a year; that the responsibility placed upon him was so great, that his duties were so manifold, that we were fully justified in fixing the salary at \$5,000 a year.

Mr. MADDEN. I think the committee was very wise, yet at the same time I think it is well enough to have the Record

show that the committee used its independent judgment, that it was not guided by the technical experts of the department. Sometimes, you know, the House is criticized because it is said that we laymen have no independent judgment, and the charge is made that our judgment, when we do use it, is not the best; that expert knowledge is the thing that we ought to be guided by. I am glad to know that the Committee on Ways and Means considered itself wise enough to exercise an independent judgment and to ignore the recommendation of the experts in the Treasury Department.

Mr. TILSON. Mr. Speaker, we all recognize the fact that this has been a very rapidly increasing business at this port. It seems to be a growing port, and there is every indication that we ought to have a good man there.

Mr. STAFFORD. Mr. Speaker, I move to strike out the last word. In looking over the table of receipts for the various offices as tabulated in the report I noticed this one for North Carolina stands seventh, and that the receipts have grown tremendously in the last few years. Can the gentleman give an explanation for the reason of these unusually increased receipts at this port?

Mr. GREEN of Iowa. My understanding is that—perhaps the gentleman from North Carolina can explain.

Mr. STAFFORD. Is it because it is near Cuba? [Laughter.]

Mr. BULWINKLE. Mr. Speaker, my understanding is that Winston-Salem, which is one of the largest inland ports of entry in the United States on account of the tobacco business, imports a great quantity of tobacco, sugar, cigarette papers, and like matters, for the manufacture of chewing tobacco, smoking tobacco, cigarettes, and cigars, and that that is one of the reasons.

Mr. GREEN of Iowa. Mr. Speaker, my understanding is the same as the gentleman who has just spoken—that it is on account of the large increase in the entries of tobacco at that point on account of the great manufacturing establishments near there, and also entries of sugar that come into that port for various reasons.

Mr. STAFFORD. Is there any increase in the importation of raisins?

Mr. BULWINKLE. No, sir; we have corn. [Laughter.]

Mr. BLANTON. Mr. Speaker, I rise in opposition to the pro forma amendment for the purpose of submitting a unanimous-consent request. The gentleman from New York [Mr. SNELL] the other day called my attention to the fact that the construction which the Washington newspapers had placed upon a certain order that had been made by Superintendent Ballou in reference to the alleged proposed four-day teaching week, as commented upon by me, was erroneous, and in a conversation I had with Superintendent Ballou thereafter he assured me it was erroneous, as the headlines of his orders had been misconstrued by the press. I told him that if he would send me a statement I would ask to have it put in the Record. He has sent me that statement and I ask unanimous consent to place that statement, with the exhibits, in the Record, showing his exact position concerning the matter. I did not want to do an injustice.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the Record for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

The statement and exhibits are as follows:

WASHINGTON, D. C., February 1, 1923.

The Hon. THOMAS L. BLANTON,
United States House of Representatives,
Washington, D. C.

MY DEAR MR. BLANTON: My attention has been called to a statement made by you on the floor of the House on January 26, 1923, in which you comment on the supposed policy of the superintendent of schools which contemplates having teachers render only four days of teaching service per week. According to the press, you made a similar statement before the Committee on the District of Columbia of the House at its session yesterday morning. I am sure you want to represent correctly the policies of the school authorities in operating the school system. I am therefore taking the liberty of handing you herewith the following information:

1. An extract from the annual report of the board of education for 1920-21. This statement shows that the Board of Education, on the superintendent's recommendation, extended the period of teaching service of kindergarten and teachers of the first and second grades from 3½ hours to 5 hours per day.

2. A statement of general principles governing extra hours of work in kindergarten and primary departments, issued by the directors of kindergartens and of primary instruction. This statement shows the disposition of the additional time of these teachers, over and above the 3½ hours of service which they have heretofore rendered.

3. Superintendent's circular 35, 1922-23, relating to the 5-hour day for teachers, accompanied by detailed instructions prepared by a committee of school officers.

4. A schedule of work for the kindergarten department. This statement was prepared and issued by the director of kindergartens of the white schools.

In connection with this subject, and supplementing the above information, I desire to make the following observations:

KINDERGARTENS.

As a rule, kindergarten children throughout the country attend school not more than 3 or 3½ hours per day. Moreover, teachers of kindergarten classes usually are not required to render more than 3 or 3½ hours of teaching service a day, for a period of 5 days per week.

The school authorities in Washington have developed a plan whereby all teachers of kindergartens are to render a full five-hour day of school service. One afternoon per week is being reserved for conference and instruction with the director of kindergartens. The other four afternoons per week are devoted to the assistance of teachers in the first three grades. All kindergartens teach five days per week.

ELEMENTARY SCHOOLS.

The general practice throughout the country is to provide 4½ or 5 hours of instruction for the children in grades first, second, and third. A somewhat different practice has heretofore been followed in Washington. All first and second grade classes in Washington have been on a 3½ hour per day schedule for 5 days per week.

The minimum salary of first and second grade teachers was made equal to the minimum salary of upper-grade teachers a few years ago. In October, 1920, the Board of Education, on recommendation of the present superintendent of schools, adopted a policy requiring at least 5 hours of teaching service of all teachers in the elementary schools. This order requires the teachers of grades first and second to render additional teaching service over and above the 3½ hours of instruction given their own classes. This service is rendered in connection with the instruction of other classes in the school. Each teacher in the grades teaches five days per week.

While the several circulars of information and instructions to teachers sent out by supervisors and directors have referred to "one day a week" this has meant the "extra hours" of the day, outside of the 3 or 3½ hours of instruction, as the title of the circulars indicates. No confusion has arisen among teachers, and I regret that this language may have misled anyone.

The fact is that no public day-school teacher in Washington teaches less than five days per week. No policy which contemplates having them teach less than five days per week has even been considered, as far as the present superintendent knows.

If there is any further information which I can furnish on this subject, I shall take pleasure in doing so.

Very sincerely yours,

FRANK W. BALLOU,
Superintendent of Schools.

EXHIBITS.

[Extract from Annual Report of the Board of Education, school year 1920-21.]

7. FIVE-HOUR DAY FOR KINDERGARTNERS AND TEACHERS OF GRADES 1 AND 2.

On October 20, on recommendation of the superintendent, the Board of Education adopted the following policy:

"That the board formulate a policy whereby all teachers in elementary schools shall render a full day of professional service, even when such teachers are not assigned to entire-day schools. He also asked that the superintendent be authorized to frame such provisions as may seem expedient to cover the service of such teachers by having them render additional teaching for the benefit of pupils who may need it in their own or other classes."

As stated in a circular dated October 28 to officers, the purposes of the above order are as follows:

"To unify the length of day for teachers; to provide needed professional training for some of the teachers recently appointed; to place at the disposal of the children a larger amount of the time of teachers; and to provide opportunity for the teachers to give additional instruction to individual pupils who need it. In short, the purpose is to improve teachers and teaching for the benefit of the children. Your administration of this order of the board should be in accordance with the statement of its purpose."

"It is likely that teachers affected by this order have made other arrangement for the disposition of their time outside of their present three and a half hours of teaching. The superintendent will give consideration to requests of teachers for a modification of the application of this order in the case of those teachers who have been and are now pursuing collegiate work leading to a degree in a regularly established institution within the District of Columbia. Such applications should be prepared by the individual teachers concerned and accompanied by a certified statement from the institution where courses are being taken."

The additional hour and a half of the teacher's time required for the schools was devoted to certain school activities. Kindergartners spent one period of the five days with the director of kindergartens in study conferences, one day for school visiting, field work, or excursions with children, one day to observation in kindergartens or in grade 1 or grade 2, one day to mothers' meetings or specially assigned work, and one day to actual work with children in primary grades.

Teachers in grades 1 and 2 gave this additional hour and a half per day to the backward pupils of their own classes as far as the classroom facilities permitted; to assisting one another in individual work with children of a single class; to excursions with the children; and to study conferences with the director of primary instruction.

Since the minimum salary of the teachers in the elementary schools is now uniform for all, it seemed logical to abandon a practice which required five hours of service of certain teachers and required only three and a half hours of certain other teachers because the latter happened to be teaching in grades 1 and 2 instead of teaching in a higher grade. The primary purpose was not equal treatment of teachers, however, but rather to place more of their time at the disposal of the school children and the other work of the schools incidental to teaching.

GENERAL PRINCIPLES COVERING EXTRA HOURS OF WORK IN THE KINDERGARTEN AND PRIMARY DEPARTMENT.

KINDERGARTEN.

1. One day a week shall be reserved for the director for study conferences.
2. One day shall be used for school visiting or field work and excursions.
3. One day shall be used for observation in a kindergarten and first or second grade.

4. One day shall be devoted to mothers' meetings, general meetings with the director, or preparation of special work.
5. One day shall be spent in work with children in primary grades or in class work preparatory thereto.

PRIMARY GRADES.

1. First and second grade teachers shall give their additional time to their own classes so far as building facilities permit.
2. Where this is impossible a mutual exchange between two teachers occupying the same room or teaching in the same building is suggested.
3. All excursions and trips shall be taken outside of the regular three and one-half hour class schedule.
4. One day a week shall be reserved for the director of primary instruction for study conferences.
5. The time of the model teachers shall be provided for by the director of primary instruction.

(Superintendent's circular No. 35.)

WASHINGTON, D. C., January 20, 1923.

FIVE-HOUR DAY FOR TEACHERS.

To officers and teachers:

The supervising principals, directors of primary instruction, directors of kindergartens, and principals of buildings will hold themselves individually and collectively responsible for the appropriate professional use of the five hours of time of teachers whose classes receive less than five hours of instruction. In the absence of directions from supervising officers, the building principal will exercise discretion.

Some suggestions as to procedure are contained in the accompanying report of a committee of school officers. These suggestions are for the guidance of teachers concerned until modified by responsible school officials.

Very sincerely yours,

FRANK W. BALLOU,
Superintendent of Schools.

MY DEAR DR. BALLOU: Your committee appointed to consider the five-hour day program for part-time teachers respectfully submits the following report. This report is unanimous except that Mr. Bruce would omit the words "preparation and care of seat work," in paragraph No. 3, holding that that work should be done entirely outside of the regular day.

RECOMMENDATIONS.

GRADES.

1. That the school day be divided into two periods—(a) 3½ hours for regular class work and (b) 1½ hours for other school activities.
2. That for four days in the week the hour and a half period shall be devoted by the grade teacher to constructive instructional work, either with her own pupils or with the pupils of a teacher occupying with her the same room, said work to be carried on in accordance with the plans and suggestions given to teachers by the directors of primary instruction.
3. That one day in the week be allowed each teacher for preparation and care of seat work, for visiting other schools, and attendance on regular meetings called by the directors of primary instruction. As far as possible this "free" day should be the same day of the week through a semester and should be the day chosen by the directors for their regular meetings.
4. That directors may call meetings of teachers oftener than once a week for special purposes if it shall seem necessary.
5. That a teacher of pupils under compulsory school age with the advice and consent of her principal may visit at any time the homes of pupils for the purpose of securing better attendance and deportment.
6. That a teacher on the advice of her supervising principal or her director may visit other classes on other than her regular visiting day.
7. That all half-time teachers shall assist in the building discipline and other school activities when not conflicting with their regular school work.
8. That teachers leaving the building during school hours shall leave with the principal a statement of where they may be found.
9. That the hours for teachers of a. m. classes shall be from 8.45 to 3, and for teachers of p. m. classes from 10.30 to 4.30.
10. That the lunch hour shall be from 12.30 to 1.30 for morning teachers, from 12 to 1 o'clock for afternoon teachers.

KINDERGARTEN.

11. That the foregoing directions shall govern kindergarten teachers, except (a) that their day shall consist of two periods of three and two hours, respectively, from 9 to 12 and 1 to 3 for a. m. teachers, and from 10 to 12 and 1 to 4 for p. m. teachers; (b) that they shall be responsible to the directors of kindergartens; and (c) that their teaching work shall be with their own pupils, or in grades 1, 2, 3, and 4, where the assignment shall be under the immediate direction of the principal of the building.
12. That it shall be the duty of the building principal to see that these directions are carried out.

Respectfully yours,

B. W. MURCH, Chairman,
J. C. BRUCE,
ROSE LEES HARDY,
E. F. B. MERRITT,
CATHERINE R. WATKINS,
IMOGENE WORMLEY,
Committee.

KINDERGARTEN DEPARTMENT.

SCHEDULE OF WORK RELATIVE TO THE 5-HOUR DAY.

A program for all teachers in the kindergarten department to become effective on and after February 1, 1923.

Since conditions and accommodations vary greatly in different buildings and in different divisions, this schedule has been made as comprehensive and as flexible as is consistent with a clear and definite understanding of duties, in order to provide opportunity for such individual adjustments as will best serve the interests of the schools.

GENERAL SUGGESTIONS.

Four days a week—Monday, Tuesday, Wednesday, Thursday—the afternoon hours shall be used for teaching; for garden work, whenever the season permits; and for excursions, with the exception of two afternoons a month, to be designated by the director of kindergartens, and used for observation and for class work.

Friday afternoon shall be reserved for mothers' meetings, for visiting in the homes of the children, and for the preparation of necessary classroom work. This afternoon is also reserved by the director of kindergartens for general monthly meetings of the department.

SPECIFIC SUGGESTIONS RELATIVE TO AFTERNOON TEACHING.

(Note. Each kindergartner is expected to select among the following plans the one which will prove most helpful in her particular building and to work out the adjustments which her individual problem may demand.)

Plan A. Teaching groups of kindergartner children who may need special help in speech, in motor controls, or other necessary adjustments.

Plan B. Teaching groups of kindergartner children who may be able to take more advanced work in English (language, stories, dramatization), numbers, art, handwork, etc.

Plan C. Teaching groups of primary children (first or second grade) whenever the children in either of these grades are on the full-day basis and the teachers in these respective grades desire the help of the kindergartner in handwork, rhythms, or in musical and literary appreciation.

Plan D. Teaching groups of children in third or fourth grades subjects to be limited to those which are specialized in kindergartner training, viz. nature study, stories, oral English, dramatization, art, music, handwork.

(Note 1: In buildings where a kindergartner with two teachers alternates with a one-teacher class the regular kindergartner assistant may assist in the one-teacher class, provided such an arrangement is satisfactory to the kindergartner in charge of this class, and provided also that the assistant is not needed by her own group for special teaching or for excursions.)

(Note 2: Each teacher is expected to carry out the above schedule as far as conditions permit. Wherever situations are such as to make adjustment impossible the kindergartner may make out a definite schedule for herself, following the general plan as closely as possible, and submit the same to the director of kindergartens for approval.)

(Note 3: Measuring and weighing children, testing eyesight and hearing, and helping in other school activities may be substituted whenever necessary for afternoon teaching.)

CATHERINE WATKINS,
Director of Kindergartens.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

Mr. STAFFORD. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. GARNER. Will the gentleman withhold that until the gentleman from Iowa can move to reconsider the vote?

Mr. STAFFORD. Certainly.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote by which the bill was passed was laid on the table.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 6294. An act promoting civilization and self-support among the Indians of the Mescalero Reservation, in New Mexico.

ADJOURNMENT.

Mr. STAFFORD. Mr. Speaker, I cheerfully renew my point of order that there is no quorum present.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 23 minutes p. m.) the House adjourned until to-morrow, Saturday, February 3, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

944. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1924, and for prior years, amounting in all to \$74,625.25 (H. Doc. No. 542), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BUTLER: Committee on Naval Affairs. H. R. 14119. A bill to repeal section 1481 of the Revised Statutes; with an amendment (Rept. No. 1514). Referred to the Committee of the Whole House on the state of the Union.

Mr. VAILE: Committee on the Public Lands. H. R. 11637. A bill authorizing the Secretary of the Interior to approve indemnity selections in exchange for described granted school lands; without amendment (Rept. No. 1519). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHRISTOPHERSON: Committee on the Public Lands. H. R. 14144. A bill to limit and fix the time within which suits may be brought or rights asserted in court arising out of the provisions of subdivision 3 of section 302 of the soldiers and sailors' civil relief act, approved March 18, 1918, being chapter 20, volume 40, General Statutes of the United States; with an amendment (Rept. No. 1520). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DRIVER: Committee on the Public Lands. S. 3154. An act for the relief of C. M. Rieves; without amendment (Rept. No. 1513). Referred to the Committee of the Whole House.

Mr. WHITE of Kansas: Committee on the Public Lands. H. R. 13024. A bill for the relief of August Nelson; without amendment (Rept. No. 1515). Referred to the Committee of the Whole House.

Mr. SINNOTT: Committee on the Public Lands. H. R. 13612. A bill authorizing the issuance of patent to the legal representatives of Miles J. Davis, deceased; without amendment (Rept. No. 1516). Referred to the Committee of the Whole House.

Mr. SINNOTT: Committee on the Public Lands. H. R. 13614. A bill for the relief of Wyatt A. Marshall; without amendment (Rept. No. 1517). Referred to the Committee of the Whole House.

Mr. SINNOTT: Committee on the Public Lands. H. R. 14028. A bill for the relief of Joseph H. Lokken; without amendment (Rept. No. 1518). Referred to the Committee of the Whole House.

Mr. HILL: Committee on Military Affairs. H. J. Res. 222. A joint resolution authorizing the President of the United States to amend the discharge certificate issued Ramon B. Harrison, formerly captain, Infantry, United States Army; with amendments (Rept. No. 1521). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 13804) granting an increase of pension to Mary A. Yoes; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 14053) granting a pension to David Steers, alias William Johnson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HADLEY: A bill (H. R. 14163) providing for the sale of land comprising certain military reservations in the State of Washington and for a grant of land to the county of San Juan, Wash.; to the Committee on Military Affairs.

By Mr. STEPHENS: A bill (H. R. 14164) to authorize the Secretary of the Navy to permit the sale of exterior articles of the uniform to honorably discharged enlisted men; to the Committee on Naval Affairs.

By Mr. McFADDEN: A bill (H. R. 14165) to amend section 5138 of the Revised Statutes of the United States relating to the amount of capital stock required by national banking associations; to the Committee on Banking and Currency.

By Mr. EDMONDS: A bill (H. R. 14166) relating to the carriage of goods by sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. SINCLAIR: A bill (H. R. 14167) to promote and encourage agriculture by divesting grains of their interstate character in certain cases; to the Committee on Interstate and Foreign Commerce.

By Mr. GERNERD: A bill (H. R. 14168) for the purchase of a site and the erection of a public building at Allentown, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. SINCLAIR: A bill (H. R. 14169) to secure to the United States a monopoly of electrical means for the transmission of intelligence for hire; to provide for the acquisition by the Post Office Department of the telephone and telegraph network; and to license certain telephone lines, radio and telegraph agencies; to the Committee on Interstate and Foreign Commerce.

By Mr. WOOD of Indiana: Resolution (H. J. Res. 433) to authorize the Secretary of Agriculture to accept membership for the United States in the permanent Association of the International Road Congresses; to the Committee on Foreign Affairs.

By Mr. CULLEN: Memorial of the Legislature of the State of Oregon, favoring a constitutional amendment which will prohibit the further issuance of tax-exempt securities being submitted by Congress; to the Committee on Ways and Means.

By Mr. McCLINTIC: Memorial of the Legislature of the State of Oklahoma petitioning the Congress of the United States to grant aid to the Kansas City, Mexico & Orient Railroad; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Oklahoma requesting Congress to give its sympathetic consideration to a basic plan for a return to world sanity through a conference of World War powers under the leadership of the United States; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 14170) granting an increase of pension to Mary J. Coburn; to the Committee on Invalid Pensions.

By Mr. COLTON: A bill (H. R. 14171) for the relief of the widow and minor children of Raymond C. Hanford; to the Committee on Claims.

By Mr. TILSON: A bill (H. R. 14172) granting a pension to John T. O'Neil; to the Committee on Pensions.

By Mr. HICKS: A bill (H. R. 14173) for the relief of First Lieut. John I. Conroy; to the Committee on Naval Affairs.

By Mr. JOHNSON of Kentucky: A bill (H. R. 14174) granting a pension to Martha A. Storms; to the Committee on Invalid Pensions.

By Mr. JOHNSON of South Dakota: A bill (H. R. 14175) granting a pension to Amelia A. Ball; to the Committee on Invalid Pensions.

By Miss ROBERTSON: A bill (H. R. 14176) granting a pension to Jane Dick; to the Committee on Invalid Pensions.

By Mr. SHAW: A bill (H. R. 14177) granting a pension to Matilda J. Farris; to the Committee on Invalid Pensions.

By Mr. SWEET: A bill (H. R. 14178) granting a pension to Charles V. McClure; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 14179) granting a pension to Emma B. Higgins; to the Committee on Invalid Pensions.

By Mr. WHITE of Maine: A bill (H. R. 14180) granting a pension to Lella E. Bowley; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7154. By Mr. ANSORGE: Petition of Associated Musicians of Greater New York, New York City, favoring an amendment to the Volstead Act permitting the use of light wines and beers; to the Committee on the Judiciary.

7155. By Mr. COLE of Ohio: Petition of members of Bucyrus Council, No. 184, Junior Order United American Mechanics, protesting against any modification of the immigration law; to the Committee on Immigration and Naturalization.

7156. By Mr. FAUST: Petition of citizens of Tarkio, Mo., to abolish tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7157. By Mr. GARNER: Petition of 64 citizens of Texas, favoring legislation granting immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7158. By Mr. KAHN: Petition of the California Academy of Sciences, urging the passage of House bill 5823; to the Committee on Agriculture.

7159. Also, petition of citizens of San Francisco, Calif., urging Congress to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7160. Also, petition of the To Kalon Club, of San Francisco, Calif., urging that an antinarcotic week be proclaimed early in 1923 as a means of mobilizing all public-spirited bodies for the work of arousing the American people to the gravity of the drug menace; to the Committee on Interstate and Foreign Commerce.

7161. By Mr. KISSEL: Petition to promote Americanization work in the public schools, Washington, D. C., asking Congress to provide sufficient appropriations in order to continue the night classes; to the Committee on the District of Columbia.

7162. By Mr. MOORES of Indiana: Petition of 63 citizens of Indiana, urging the repeal of the tax on small arms, ammunition, and firearms; to the Committee on Ways and Means.

7163. By Mr. NEWTON of Minnesota: Petition of Mr. F. T. Bremer and other residents of Minnesota, petitioning the Congress to act favorably upon joint resolution purporting to extend immediate aid to Germany and Austria; to the Committee on Foreign Affairs.

7164. Also, petition presented by Arthur Schaub, of St. Paul, Minn., on behalf of certain residents of Minnesota, for favorable consideration by the Congress of resolution purporting to

extend immediate aid to Germany and Austria; to the Committee on Foreign Affairs.

7165. By Mr. PARKER of New Jersey: Petition of numerous citizens of Newark, N. J., asking immediate famine relief to the German and Austrian people; to the Committee on Foreign Affairs.

7166. Also, petition of numerous residents of Orange, N. J., asking immediate famine relief to the German and Austrian people; to the Committee on Foreign Affairs.

7167. By Mr. RADCLIFFE: Petition of citizens of the seventh congressional district of New Jersey, supporting a joint resolution aiding the German and Austrian Republics; to the Committee on Foreign Affairs.

7168. By Mr. SINCLAIR: Petition of Bucyrus National Farm Loan Association, Bucyrus, N. Dak., condemning House bill 13125, to change the Federal farm loan act; to the Committee on Banking and Currency.

7169. Also, petition of Carpio Farm Loan Association, Carpio, N. Dak., condemning the Strong bill; to the Committee on Banking and Currency.

7170. Also, petition of E. F. Hehn and 42 others, of Leith, Elgin, and Pretty Rock, N. Dak., asking that aid be extended to the suffering peoples of Germany and Austria; to the Committee on Foreign Affairs.

7171. Also, petition of Rev. Dominic Reeber and 51 others, of Glen Ullin, N. Dak., urging the passage of legislation providing for the extension of aid to the suffering peoples of Germany and Austria; to the Committee on Foreign Affairs.

7172. Also, petition of F. D. Scholl and 29 others, of Litchville, N. Dak., urging the passage of the joint resolution now pending for the extension of aid to the suffering peoples of Germany and Austria; to the Committee on Foreign Affairs.

7173. Also, petition of Tagus Federal Farm Loan Association, Tagus, N. Dak., protesting against the Strong bill, to change the Federal farm loan act; to the Committee on Banking and Currency.

SENATE.

SATURDAY, February 3, 1923.

(Legislative day of Monday, January 29, 1923.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll. The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	George	McCumber	Smoot
Ball	Glass	McKellar	Spencer
Borah	Gooding	McKinley	Sterling
Brandegree	Hale	McLean	Sutherland
Brookhart	Harrell	McNary	Swanson
Calder	Harris	Moses	Trammell
Cameron	Harrison	New	Underwood
Capper	Hefflin	Norbeck	Wadsworth
Caraway	Jones, Wash.	Norris	Walsh, Mass.
Couzens	Kendrick	Oddie	Warren
Culberson	Keyes	Page	Watson
Curtis	King	Phipps	Weller
Ernst	Ladd	Pittman	Willis
Fernald	La Follette	Pomerene	
Fletcher	Lodge	Reed, Pa.	
Frelinghuysen	McCormick	Robinson	

Mr. CURTIS. I wish to announce that the Senator from Minnesota [Mr. KELLOGG] is unavoidably absent.

Mr. HEFLIN. The Senator from South Carolina [Mr. SMITH] is absent on official business.

The VICE PRESIDENT. Sixty-one Senators have answered to their names. A quorum is present.

OPERATION OF TRAMP VESSELS BY THE UNITED STATES (S. DOC. NO. 297).

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Shipping Board, submitting, in response to Senate resolution 410, agreed to January 16, 1923, information relative to tramp tonnage operations, etc., which was ordered to lie on the table and to be printed.

PETITIONS AND MEMORIALS.

Mr. LADD presented a resolution of the Mayville (N. Dak.) Local Equity Union, protesting against the passage of the so-called Strong bill amending certain sections of the Federal farm loan act, etc., which was referred to the Committee on Banking and Currency.

Mr. KEYES presented communications in the nature of petitions from the social service department of St. James Church, of Laconia; the rector, wardens, and vestry of St. Luke's Episcopal Church, of Charlestown, and the Parish Aid Society of Trinity Church of Claremont, all in the State of New Hampshire, praying an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

Mr. JONES of Washington presented petitions of sundry citizens of Spokane, Seattle, Lind, Medical Lake, Deep Creek, Tekoa, Cheney, Four Lakes, and Uniontown, all in the State of Washington, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Appropriations.

Mr. TOWNSEND presented resolutions adopted by Grand Rapids Lodge, No. 50; Muskegon Lodge, No. 491; and Otsego Lodge, No. 345; all of the Loyal Order of Moose, in the State of Michigan, favoring the calling of an international conference to restrict the illegitimate traffic in narcotic drugs, which were referred to the Committee on Foreign Relations.

Mr. HARRELD presented the petition of Ta-wah-he and about 100 other members of the Osage Tribe of Indians of Oklahoma, relative to the affairs of the Osage Tribe, which was referred to the Committee on Indian Affairs, and the heading of the petition was ordered to be printed in the RECORD, as follows:

PETITION OF THE OSAGE TRIBE OF INDIANS.

To the Congress of the United States of America:

We, the members of the Osage Tribe of Indians, in mass meeting assembled, at Grayhorse, Okla., on the 15th day of January, 1923, make the following brief statements:

1. We want our rights as Federal and State citizens as guaranteed us under the Constitution and the allotment act of June 28, 1906.
2. We are now asking that our money be paid to us as it was paid to us under the allotment act of June 28, 1906.
3. We are not in favor of our money being paid to us under supervision.
4. We want our guardian matters to stand as provided for us in the allotment act of 1906.
5. We also object to anyone having a certificate of competency to dictate to us in our meetings, but they may act as proxy for their families.
6. We also hereby protest against any Osage legislation of whatsoever nature, until a law has been passed that gives to us the money that belongs to us.

Submitted to and approved by our principal chief.

NE-KAH-WAH-SHE-TUN-KAH.

ISSUANCE OF TAX-EXEMPT SECURITIES.

Mr. McNARY presented the following memorial of the House of Representatives of the State of Oregon, which was referred to the Committee on the Judiciary:

STATE OF OREGON,
THIRTY-SECOND LEGISLATIVE ASSEMBLY, REGULAR SESSION,
Hall of Representatives.
House Memorial 1.

To the Members of the Congress of the United States:

Whereas the demand for and issuance of tax-exempt securities has resulted in greatly extending the burden of debt now outstanding against the several States and political subdivisions thereof; and

Whereas the continued increase of these securities will result in still further withdrawing from productive business funds needed therefore; and

Whereas the holders of said tax-exempt securities do not now bear, through taxation, their full share of the costs of government; and

Whereas there is now pending in the Congress of the United States legislation prohibiting the further issuance of tax-exempt securities: Therefore be it

Resolved by the House of Representatives of the State of Oregon, That we most earnestly petition and memorialize the Senate and House of Representatives of the United States in Washington assembled, in the name of the State of Oregon, that Congress submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; and be it further

Resolved, That the secretary of state of the State of Oregon be instructed to forward a copy of this resolution to each of the Members of the Congress of the United States.

Adopted by the house January 23, 1923.

K. K. KUBIE, Speaker of the House.

(Indorsed: House Memorial No. 1. Introduced by Mr. Bennett, W. F. Drager, chief clerk. Filed: January 25, 1923, Sam A. Kozar, secretary of state.)

UNITED STATES OF AMERICA,
STATE OF OREGON,
Office of the Secretary of State.

I, Sam A. Kozar, secretary of state of the State of Oregon and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of House Memorial No. 1 with the original thereof adopted by the Thirty-second Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon January 25, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the State of Oregon. Done at the capitol at Salem, Ore., this 25th day of January, A. D. 1923.

[SEAL.]

SAM A. KOZAR, Secretary of State.

REPORTS OF COMMITTEE ON MILITARY AFFAIRS.

Mr. CAPPER, from the Committee on Military Affairs, to which was referred the bill (S. 2098) for the relief of Jacob Mull, reported it without amendment and submitted a report (No. 1085) thereon.

Mr. BROOKHART, from the Committee on Military Affairs, to which was referred the bill (S. 930) for the relief of Thomas J. Temple, reported it without amendment and submitted a report (No. 1086) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIS:

A bill (S. 4470) granting an increase of pension to Mary C. Smith (with accompanying papers); to the Committee on Pensions.

By Mr. CURTIS (for Mr. KELLOGG):

A bill (S. 4471) to provide for the carrying out of the award of the War Labor Board of April 11, 1919, and the decision of the Secretary of War of November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on Claims.

By Mr. FRELINGHUYSEN:

A bill (S. 4472) to make an investigation of the needs of the Nation for public works to be carried on by Federal, State, and municipal agencies in periods of business depression and unemployment; to the Committee on Education and Labor.

By Mr. McKELLAR:

A bill (S. 4473) granting an increase of pension to Anita Stephens; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 4474) granting a pension to Mollie Irwin (with accompanying papers); to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 4475) to revise the statutes relating to the formation of national banking associations; to the Committee on Banking and Currency.

By Mr. CARAWAY:

A bill (S. 4476) to convey to the Big Rock Stone & Construction Co. a portion of the hospital reservation of United States Veterans' Hospital No. 78 (Fort Logan H. Roots), in the State of Arkansas; to the Committee on Public Buildings and Grounds.

By Mr. BURSUM:

A joint resolution (S. J. Res. 275) permitting the entry free of duty of certain domestic animals which have crossed the boundary line into foreign countries; to the Committee on Finance.

THE MERCHANT MARINE.

Mr. McNARY submitted sundry amendments intended to be proposed by him to the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT TO WAR DEPARTMENT APPROPRIATION BILL.

Mr. McCUMBER submitted an amendment providing that \$250,000 of the proposed appropriation of \$56,589,910 for the preservation and maintenance of existing river and harbor works, etc., be expended between Sioux City, Iowa, and Fort Benton, Mont., for the removal of obstructions, the revetment of shores where the same may be necessary, and for the maintenance of the channel to landing places and at points where the railroads intersect the Missouri River, and be immediately available, intended to be proposed by him to House bill 13793, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 3, 1923, the President had approved and signed bills of the following titles:

S. 2556. An act for the relief of Edwin Gantner; and

S. 4309. An act to amend an act entitled "An act to amend an act entitled 'An act to provide a government for the Territory of Hawaii,' approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission, granting certain powers to the board of harbor commissioners of the Territory of Hawaii, and for other purposes," approved July 9, 1921.

REPORT OF DIRECTOR GENERAL OF RAILROADS (H. DOC. NO. 546).

The Vice President laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Interstate Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the report of the Director General of Railroads and Agent of the President, showing the progress in the liquidation of all questions and disputes arising out of or incident to the Federal control of railroads for the year ending December 31, 1922.

WARREN G. HARDING.

THE WHITE HOUSE, February 3, 1923.

[Note: Report accompanied similar message to the House of Representatives.]

REPORT OF PERRY'S VICTORY MEMORIAL COMMISSION (S. DOC. NO. 296).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on the Library and ordered to be printed:

To the Congress of the United States:

I transmit herewith the second annual report of Perry's Victory Memorial Commission, dated December 4, 1922, which was submitted to the Secretary of the Interior, pursuant to section 5 of the act entitled "An act creating a commission for the maintenance, control, care, etc., of the Perry's Victory Memorial on Put in Bay Island, Lake Erie, Ohio, and for other purposes," approved March 3, 1919 (40 Stat. 1322-1324).

WARREN G. HARDING.

THE WHITE HOUSE, February 3, 1923.

ARMY INTELLIGENCE SERVICE.

Mr. LADD. I ask unanimous consent to have published in the RECORD a letter from Oswald Garrison Villard, editor of The Nation, together with a letter forwarded to and printed in The Nation.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE NATION,
New York, January 31, 1923.

Hon. E. F. LADD,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I hope you will not overlook the inclosed publication from The Nation. Did you ever know anything more scandalous than this procedure in the Army?

Is it not an unheard of thing, first, that they should so transgress the function of the Department of Justice; and, secondly, that they should use funds of the public to spy upon such legitimate organizations as the American Federation of Labor, the brotherhoods, and the Nonpartisan League?

The Army appropriation bill is still pending, I believe. Is there no time to get in an amendment limiting the use of these intelligence funds to legitimate military purposes, and is it not possible to smoke out the Army as to whether this is the act of a single officer or group of officers at Vancouver Barracks, or whether this is a subtle policy of the War Department? The letter should certainly go into the CONGRESSIONAL RECORD.

May I not hear from you at once on this matter? If the sums of money that are being wasted in the Army along lines like these could be saved to the taxpayers, it would be a great improvement in the Budget, and the Army would be a much more efficient military organization.

Very sincerely yours,

OSWALD GARRISON VILLARD.

ITS PRIMARY PURPOSE.

To the EDITOR OF THE NATION.

SIR: I inclose herewith a verbatim copy of a letter which was sent out to a number of law-enforcing officials of the city of Portland. I am advised that the same letter has been sent to every sheriff and to every law-enforcing official of this State.

PORTLAND, OREG., December 14.

B. A. GREEN.

[Confidential copy.]

HEADQUARTERS VANCOUVER BARRACKS, WASH.,
OFFICE OF THE INTELLIGENCE OFFICER,
October 16, 1922.

DEAR SIR: The intelligence service of the Army has for its primary purpose the surveillance of all organizations or elements hostile or potentially hostile to the Government of this country, or who seek to overthrow the Government by violence.

Among organizations falling under the above head are radical groups, as the I. W. W., World War Veterans, Union of Russian Workers, Communist Party, Communist Labor Party, One Big Union, Workers' International Industrial Union, anarchists, and Bolsheviks, and such semi-radical organizations as the Socialists, Nonpartisan League, Big Four Brotherhoods, and American Federation of Labor.

Not only are we interested in these organizations because they have as their object the overthrow of the Government, but also because they attempt to undermine and subvert the loyalty of our soldiers.

With the few scattered military posts in this part of the country it is obviously impossible to cover all points as thoroughly as they should be, hence it is necessary in many cases to trust to the cooperation of law-enforcement officers whose duties and whose knowledge of a particular locality give them a thorough insight into such matters.

It is requested that you inform this office as to any of the aforementioned or other radical organizations coming to your attention under such headings as (a) location of headquarters, (b) names of leaders, (c) strength of organization, (d) activities of the organization, (e) strike and methods of carrying on same, and (f) attitude of members. We will be glad to receive copies of pamphlets, handbills, or other radical propaganda spread in your vicinity.

If from time to time you will keep me posted as to conditions in your vicinity, such cooperation on the part of yourself and your subordinates as the press of your duties permits will be greatly appreciated.

Sincerely,

W. D. LONG,
First Lieutenant, Seventh United States Infantry,
Intelligence Officer.

THE MERCHANT MARINE.

Mr. WADSWORTH obtained the floor.

Mr. JONES of Washington. Mr. President—

Mr. WADSWORTH. I yield to the Senator from Washington.

Mr. JONES of Washington. I ask that House bill 12817, the unfinished business, may be temporarily laid aside.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

WAR DEPARTMENT APPROPRIATIONS.

Mr. WADSWORTH. I ask unanimous consent that the Senate proceed to the consideration of House bill 13793, known as the War Department appropriation bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. WADSWORTH. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be considered first.

The VICE PRESIDENT. Is there objection?

Mr. BORAH. Mr. President, I do not want to object, but I wish to say a word with regard to the mechanism of the bill before consent is granted. I am saying this because I do not want to be estopped hereafter.

The bill carries what is known as the river and harbor appropriation. I do not know whether we have carried it before in the Army appropriation bill or not.

Mr. WADSWORTH. Last year was the first time.

Mr. BORAH. I take it the committee has not been responsible for the combining of the two propositions. I do not know how it came about, but I do know—at least I think—that it is a very bad practice. The rivers and harbors measure has always been one of the important measures before the Congress. It ought to be in a separate bill. It ought to be a separate measure. It is going to lead to an inconsiderate attention to the rivers and harbors proposition if it is carried in the Army appropriation bill. The Army appropriation bill ought not to be compelled to carry that kind of a measure.

I do not say that in the sense that the river and harbor bill is necessarily a bad bill, but it is a bill about which there is always a vast amount of controversy. It is a bill also which has been subjected to very severe criticism at times. But now we have in the pending bill a single item of \$56,000,000 covering the entire subject matter of appropriation for rivers and harbors. There is no itemization, there is no specification, there is no information with reference to it. There is just simply one item of \$56,000,000.

In addition to that, I find upon investigation that the Budget Bureau recommended some \$27,000,000. The House Committee on Appropriations increased it to about \$37,000,000, and then by amendment in the House it was raised to \$56,000,000. So the Budget system has met its master already in the river and harbor bill. If this is to be a precedent, the Budget system falls utterly.

It is very apparent that no sufficient consideration will be given a rivers and harbors bill so long as it is carried as a single item in the Army appropriation bill. As I said, the recommendation of the Budget Bureau has been utterly disregarded. The amount is now \$56,000,000, whereas the Budget Bureau recommended \$27,000,000. I am not going to discuss it at this time. I merely wanted to call attention to it at this time by reason of a procedure which I think will be more available later.

Mr. WADSWORTH. Mr. President, is there objection to my request?

Mr. HEFLIN. Reserving the right to object, I want to consume just a little time this morning.

The VICE PRESIDENT. The Senator from Alabama.

PERSONAL EXPLANATION—PRESS REPORTS OF SENATE PROCEEDINGS.

Mr. HEFLIN. Mr. President, I want to comment briefly on the unfair report that some newspapers have made with reference to what transpired in this Chamber yesterday and the day before.

It may be that later on the Senate, in order to protect itself against certain representatives of subsidized newspapers, will have to pass a resolution, as did the Florida Senate on one occasion, specifically pointing out certain representatives and denying them the privileges of the press gallery. If the newspapers will not tell the truth about what transpires here, God knows we, as the representatives of the people, ought not to permit their representatives to sit in the press gallery. They sit here by permission of the Senate. If the Senate wants to protect itself, to see that the truth is told as to what happens here, it must not permit false reports to go out from here. I have several things along that line which I wish to submit to somebody if I can get a committee appointed to consider the matter a little later on.

The Republican Party in the Senate in committing the great blunder which it did, under the leadership of the Senator from Massachusetts [Mr. LODGE], in suppressing free speech here night before last, in calling me to order for saying that I did not represent Wall Street, the bond sharks and big financiers of Wall Street, but represented the people, as being an infringement of the rules of the Senate—when they realized that they made that blunder, that they had outraged the rules of the Senate and violated the provisions of the Constitution guaranteeing free speech in America, they undertook to get away from it by permitting it to be published broadcast over the country that I had made a personal attack upon the Senator from New York [Mr. WADSWORTH]. Not a single one of the reports that I have read has told the whole truth about what occurred.

I never mentioned the Senator from New York in connection with the proposition I was discussing at the time I was called to order by the Senator from Massachusetts. I have been speaking against Wall Street influence in Washington for months and months, and I did not have the Senator from New York in mind a number of times. I do not recall that I had him specifically in mind at any time when I was referring to that subject. I was talking about Wall Street's power with the Republican leaders, its influence in shaping policies, and having things done.

Of course, Wall Street is in his State. The other day the Senator from New York and I had a little colloquy, and I simply asked the Senator if he represented Wall Street. He said he did not, and I accepted his statement. It was after that, when I was speaking about the situation regarding the debt due the United States by Great Britain, when the Senator from Massachusetts called me to order. This is the language I used:

I am here to represent the people, to represent in part my State; I am not here to represent the bond sharks, the big financiers of Wall Street.

It was then that the Senator from Massachusetts called me to order. Then this occurred—and this language was read by my friend from Arkansas [Mr. ROBINSON] on yesterday:

Mr. WADSWORTH. It was an inference.

Mr. HEFLIN. I said I was not representing them here; that I was going to speak for the people.

Mr. LENROOT. And what about the other Senators?

Mr. HEFLIN. I did not say anything about other Senators. The Senator from Massachusetts will next make a point of order against what he imagines. That is all his present point of order is founded on. I did not make the charge.

That is about as far as I got. I was halted in the speech I was making; I was caused to take my seat by the ruling of the Vice President; I was not permitted to finish the argument I was making.

Now, I wish to read the ruling of the Chair. The Chair does not mention the Senator from New York, which shows that the Chair did not have the Senator from New York in his mind. It shows that no Republican had the Senator from New York in his mind. It was the arraignment that I was making of Wall Street that caused me to be stopped on the floor of the Senate; that is what it was. To those Republicans who went on record yesterday as voting to sustain the rape of the rule this other matter was an afterthought. "Let it go out that it was a personal attack on Senator WADSWORTH; let the country think that Senator HEFLIN has attacked another Senator and accused him of wrongdoing and violated the rules, so that the country will get away from the idea that we have raped the rules, that we have violated and outraged them, and set them aside in order to intimidate Senators and stop attacks being made on Wall Street." And some of the newspapers carry the misinformation that I had attacked the Senator from New

York and had charged him with representing Wall Street. I did not say that. I said that night before the Chair made his ruling that I had not made any such insinuation. Now, I wish to read the ruling of the Chair. He said:

If it were merely the words spoken by the Senator, the Chair would be inclined to rule that no such imputation was intended—

Now listen to this, Senators—

but with the context, the attitude, and the expression that went with them—

Great heavens! I am being tried for the gestures that I made. [Laughter.] I am being tried for the expression that I had on my face; I am being tried for the direction in which I was looking when I made those remarks. This most remarkable ruling of a Republican Presiding Officer of the Senate is without a parallel in the history of the Government. Oh, how interesting this RECORD will read to the people of the United States about to-morrow or the next day when it gets all over the country about the Vice President ruling in substance that a Senator must not look toward the Republican side; that he must hold his face very straight; that if he means the Republican side he must look toward the Democratic side—trying him on his expression, trying him on his gestures.

However, let me finish with this remarkable situation—

but with the context, the attitude, and the expression that went with them, the Chair is of the opinion that they did contain an imputation to other Senators unworthy and unbecoming, and that the words were not in order.

To other Senators! The Chair did not say the Senator from New York; no specific Senator was named, even in the ruling of the Chair.

Mr. LODGE. Mr. President—

Mr. HEFLIN. I yield to the Senator.

Mr. LODGE. The Senator is entirely correct. My point of order was not applied to the Senator from New York [Mr. WADSWORTH] at all. I said, "Other Senators."

Mr. HEFLIN. That is right; the Senator from Massachusetts said, "Other Senators." How vague the situation is. It is as "nebulous as Mark Twain's dim puff of star dust lost in the blaze of the milky way." Other Senators! I might ask what Senators? "Well," they might say, "that is none of your business; just other Senators."

Well, what am I being tried for? "You are being tried for the expression you had on your face. You are being tried for the gestures which you made; that is what you are being tried for." I answer the rule does not say that. Now I want to read the rule:

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motives unworthy or unbecoming a Senator.

"Any form of words"; not any form of gestures, not any form of expression, not any tone of voice. But the Presiding Officer, himself from Massachusetts, says—

but with the context, the attitude, and the expression that went with them, the Chair is of the opinion that they did contain an imputation to other Senators unworthy and unbecoming, and that the words were not in order.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. HEFLIN. I am glad to yield to my friend from Arkansas.

Mr. CARAWAY. If the ruling of the Chair stands, speeches in the Senate will have to be reported with a motion-picture camera and a phonograph, will they not, so that it may appear in the RECORD how the Senator looked and what he said and what was his tone of voice?

Mr. HEFLIN. Absolutely, Mr. President; and if the Republican Party remains in power much longer—God forbid—the time will come when you will have a committee appointed to censor every speech made in the Senate by a Democrat or a Progressive to determine whether or not it shall go in the RECORD.

The Senator from New York pointed out that Senator HEFLIN inserted "laughter." Well, there was laughter, but the RECORD did not show it. It was here in the Senate, and it rang around this gallery; and I would have been very foolish to have inserted it if I had not known that I could prove by Senators that the people in the galleries and the Senators themselves had laughed out right at that point. I inserted it because it was a part of the true proceedings of the Senate; that is why I inserted it. What was wrong about that?

Now, Senators try to make it appear that the Senator from Alabama changed his speech. He did not do so in any material way; he made minor corrections. All Senators do that every day. I made one change for the Senator in his own interruption of me. I did not think he would have an opportunity to see the RECORD, and as it came to me it read:

I have asked a question, and the Senator could not ask it.

I knew that he meant "I have asked a question, and the Senator could not answer it," and I did him the kindness, while he was cooking up something against me, to write in the word "answer" for him and scratched out "ask," because I knew that was what he meant and probably that is what he said, and the reporter in the confusion might have gotten it, "I have asked a question, and the Senator could not ask it." There is no sense in that, and I thought the Senator from New York was clever enough to know what the English language means and he meant to say, "I have asked a question, and the Senator could not answer it." I violated the rule then, probably, but I struck out "ask" and put in "answer" to help out the Senator from New York. But I find from the press this morning, when I was trying to help the Senator from New York, that some of the papers have carried it over the country, misrepresenting the situation that existed here, and said that the Senate sustained the rebuke to Senator HEFLIN for his attack on Senator WADSWORTH. That is not the truth. There is no amount of censure and rebuke that can be administered to me here by the Republican Party that will keep me from trying to speak the truth into this CONGRESSIONAL RECORD. I am of the opinion that this performance and attack on me was a framed-up matter; and I understand that they have got one framed up for my friend from Iowa [Mr. BROOKHART], and he is to be lectured pretty soon. Well, let it come. I hope I am present when it happens.

Now, Mr. President, I want to read from the Washington Post:

By a vote of 40 to 28 the Senate first decided that Senator HEFLIN had violated the rules by referring to Senator WADSWORTH (Republican), New York, in Thursday's discussion of British debt funding, as a representative of the "bond sharks and big financiers of Wall Street."

That story does not speak the truth; it is an incorrect statement as to what occurred in this Chamber.

The Republicans may want to get out of the hole they are in, but they can not do it. This RECORD has got to speak the truth. Every Senator who voted yesterday to sustain the ruling of the Vice President voted to suppress free speech in this Chamber, and in voting to sustain the Vice President's ruling they must answer for it at the judgment bar of the American people. Free speech is a sacred institution in this country.

Now I want to read extracts from some of the other papers of yesterday.

Here is the Philadelphia Inquirer:

A statement by Senator HEFLIN, in criticizing the British debt arrangement, that he represented the American people and not "the bond sharks and big financiers of Wall Street," was held by the Vice President to be a reflection upon Senator WADSWORTH—

I submit that from this report the Vice President reflected on the Senator from New York, and not myself—

although Senator HEFLIN, supported by Senator ROBINSON, Democrat, Arkansas, denied any infraction of the rules.

Do you get that, Senators? I want that to get in your minds good. This is the Philadelphia Inquirer:

A statement by Senator HEFLIN, in criticizing the British debt arrangement, that he represented the American people and not "the bond sharks and big financiers of Wall Street," was held by the Vice President to be a reflection upon Senator WADSWORTH.

So much for that.

Mr. President, of course it has no connection with what I am saying, but the greatest evangelist, probably, that ever put his foot upon the soil of the United States, Sam Jones, born in Alabama, said: "It's the hit dog that always hollers."

SEVERAL SENATORS. "Howls."

Mr. ASHURST. Mr. President, if the Senator wants to be absolutely correct, he said "yelps." [Laughter.]

Mr. HEFLIN. Well, "hollers," "howls," or "yelps," or all three, Mr. President. [Laughter.] I have heard all sorts of noises since I fired into the camps of Wall Street night before last. Some of them are yelps, some of them are howls, and some of them are hollers. They will not hear the last of that incident for some time.

Now, here is one from the New York Tribune. It says:

The debate—

Referring to night before last—

took on a personal tone and wound up about 6.30 p. m. with a controversy over whether Senator HEFLIN, of Alabama, should be called to order for remarks that seemed to imply his belief that some Senators represented the "bond sharks" of Wall Street.

"Belief"! The rule says "by any form of words." The effect of the Vice President's ruling is "expression of the face," "gesticulation with the hand," "attitude"; and this paper says "belief," what I had in my mind. Why, they are going to try me on my secret thoughts; and if they were to go into the secret recesses of my mind and get out my opinion of some people, it would startle the Nation. [Laughter.]

The VICE PRESIDENT rapped with his gavel.

Mr. HEFLIN. I read on:

That seemed to imply his belief that some Senators represented the "bond sharks" of Wall Street. Senators LODGE and WADSWORTH joined in calling Senator HEFLIN to order, and WADSWORTH also took HEFLIN to task for an alleged statement that Chief Justice Taft represented Wall Street. Senator HEFLIN flatly denied he made any such charge.

Why, Senators, it is going to get so under Republican rule that a Senator, if he wanted to criticize a Chief Justice or an Associate Justice—as I and other Senators have the right to do—will not dare to do it. Why, the other night, when I was in this colloquy with the Senators from New York and Massachusetts, when I said that Mr. Taft had gone to London, and some of them reminded me that he was Chief Justice when he went, and I said, "That makes the case stronger," the Senator from New York jumped to his feet, looked to the city of refuge, the Vice President, and said: "Mr. President, he has offended again." I looked for him to say next: "Put him out! Put him out!"

Mr. President, little by little and bit by bit I want to get the facts in the RECORD.

Now, listen how these papers contradict one another. Some of them are fairer than others, and those that are at all fair, I think, try to be entirely fair. I think maybe they got their reports—the boys do help each other in that way—from somebody else; but I want all of those that are my friends and the friends of free speech to look after the news themselves hereafter as far as I am concerned, because if you rely on some of these fellows that represent these Wall Street sheets they will put poison in it for me, because they have been told to suppress me. But, Mr. President, this is not the first time in the history of this Government that a Senator has fought for the rights of his people. It is not the first time in the history of this Government that a Senator has been heckled and efforts made to intimidate him and to suppress him. All along the way there have been men who would stand up and fight for what they believed was right and others to sustain them in it when they have made such a fight. That fight is going on here now. The Democratic Senators are rallying to my support and the progressive Republican Senators are doing the same thing.

Now, listen to this. Here is the Baltimore Sun:

The debate ended with the abrupt adjournment of the Senate after Vice President Coolidge had ruled that Senator HEFLIN had imputed to other Senators unworthy motives when they upheld the concessions made to Great Britain. He had spoken of "bond sharks" and financiers of Wall Street.

Now, just by itself does not that make a glorious little chapter—that the Senator from Alabama had referred to bond sharks and financiers of Wall Street, and he was called to order because it reflected on other Senators? I submit that the charge is made by somebody else. I submit that I can not be tried for what I had in my mind, whatever I thought, because the rule says "form of words"; but the Chair has set a new precedent, and I must be careful about my gestures. I shall have to practice on that. I shall have to stand before a mirror and practice, so as to keep from violating that precedent set by a Republican Vice President, and I shall have to practice facial expression also before the mirror in order that I may have a pleasing look, if that is possible, when I am arraigning the Republican Party. I must get up on these things. We have something new under the sun here now—beliefs, expressions, gestures. Oh, what a glorious situation we are coming to under the reign of the boss-ridden, time-serving Republican Party!

I hope I have not offended the rules in saying that. I looked to see some Republican rise to his feet, however, and call me to order.

Mr. President, just another word or two, and I will not delay the Senator from New York. I have no desire to delay legislation—legitimate legislation, honest legislation—and I do not want to hold back these measures that must be passed in order to keep the governmental machinery going; but I intend to see to it that, so far as I am concerned, the RECORD shall at least speak the truth as to what occurs in this Chamber. I do not intend that any newspaper—I do not care how big it is or how much money there is back of it—shall misrepresent what goes on here. I have but one time to live. I go this way but once. I have been called to this position of trust by the people of Alabama. They elected me as a Senator to represent them in part in this body. It was the crowning glory of my ambition from my youth time. I ought to feel grateful to them. When I was elected I promised on my bended knees that I would give them the very best service that I was capable of giving, and I am trying to do that, against great odds, against all kinds of handicaps, against misrepresentation by a subsidized press, against efforts to suppress me and to intimidate

me by the leaders of the Republican Party. But these shall not deter me in the fight that I am making for the liberty of the citizens and the freedom of the press, for the rights of the people as I see them.

Now, here is another—the New York Herald. I want Senators to hear this:

In a tirade against Great Britain, the Republican Party, the British and American debt-funding commission, and the opponents of the soldiers' bonus, Senator HEFLIN broadly intimated that Senator WADSWORTH practically represented the "bond sharks and big financiers of Wall Street."

Oh, how they are going out of their way to make it appear that I made a personal attack on the Senator from New York [Mr. WADSWORTH] in order to excuse them from the vote that they cast yesterday, which tied around the neck of every one of them a body of political death. You can not suppress free speech in America. You can not get away with the act that you perpetrated yesterday. The people of America, if they have the courage and the moral stamina left that I believe is inherent in them, will smite you hip and thigh when you come before them asking them to send you back to a Chamber where you solemnly voted to suppress free speech, to tie the hands of a Senator, to close his mouth and prevent him from telling to the country what he believed was to the best interests of his country.

Now, listen to this:

The Alabama Senator became very angry when Senator WADSWORTH, resenting the charge that "Alabama is always being robbed by Wall Street," called attention to the fact that New York had voted a soldiers' bonus and that Alabama had not done so.

Mr. President, I was not angry when that was going on. The Senator from New York, with his placid face, if I may refer to facial expressions, since expressions have become a precedent in this body—his face was wreathed in smiles when he was carrying on that part of the colloquy, and I was in the best of humor.

I hope that I did not violate the precedent regarding expression and gestures when that part of the thing transpired; but this paper says that I got angry. Not at all. Finally, the Senator from Massachusetts [Mr. LODGE] rose—the author of the old force bill in the House; the force bill, that sought to put military rule upon my people in reconstruction days, when the Confederate soldiers, gray remnant of the Confederate Army, came home to start life over again on the shattered ruins of war, struggling amidst the difficulties that beset them then, slavery gone, the old order gone, a new situation upon them, and our people trying in good faith to build up again, to take their place back in the Union of States. Yes; the Senator from Massachusetts was the author of that obnoxious and hated force bill, and that force bill sought to put about every ballot box in the South bluecoats with bayonets to intimidate those who would control the election in order to preserve white supremacy in the Southern States.

In spite of all that, Mr. President, when he rose and called me to order the other night, it came like a thunderbolt from a clear sky. I would not have thought that even the Senator from Massachusetts, with his force bill record, would have done that; but he halted me because I said, "I do not represent Wall Street. I try to speak for the American people," and so forth. That is the offense I have committed. That is why I was rebuked. That is why I was stopped from speaking, and that is why the Vice President, after it was all over and the roll had been called and I rose to proceed, did something new under the sun again, when he said that I could not proceed without the consent of the Senate. The Senator from Arkansas reminded him that there was no rule to that effect, after other things had transpired, and then, when I rose in my place and said, "As a United States Senator from Alabama, I demand recognition in my own right," I was recognized.

We are making some precedents, too, Mr. President, and I am making a record for the American people to read. I want them to know what happened in this Chamber, and that is why I am speaking to-day.

Now, I want to say another thing in this connection. This article says, "In a tirade against Great Britain." There is not a word of truth in it. I have always loved the mother country, and when the war with Germany came on, I supported the program that called our boys to the colors. I praised the valor of the heroic British soldier when General Haig, with his army, said, "Soldiers, your backs are to the wall. There is nothing to do but to die." I said, "I pray God that our troops will arrive in time to strike the decisive blow." I have not uttered a word against Great Britain. I have not criticized Great Britain at all. I did say that it had been said that Great Britain had the smartest diplomats in the world, and

that Great Britain knew what she was doing when she was sitting behind closed doors with our Republican partisan commissioners, here in Washington, putting this debt arrangement over, and I did intimate that Great Britain had had accepted just what she wanted accepted and that they got exactly what they wanted; but I never attacked Great Britain; I never criticized Great Britain. I was calling attention to her shrewdness, and how she was able to manipulate our commissioners and put over what she wanted. But this report goes out that the Senator from Alabama "in a tirade against Great Britain." It is not so. I am the friend of Great Britain, but I am the friend of my own country first.

Mr. President, in a debt settlement with Great Britain I am on the side of my country, and if I have offended by saying that I did not represent the Wall Street interests, I have no apology to make, either to those who were offended or to Great Britain, for that statement.

But I want to call attention to what happened here. The Senator from Wisconsin, in a terrible tirade against the Senator from Iowa [Mr. BROOKHART], classed him with the Soviets of Russia, with one of Lenin's followers, and nobody called him down. Another Senator said that the Senator from Tennessee, one of the best Democrats in this Chamber, one of the best Americans in it, and a man who was wholeheartedly with his country and its war program throughout, was tainted with pro-Germanism because he dared to criticize this debt settlement suggested with Great Britain. But nobody called the accusing Senator down. But when I put my hand on the sore spot, when I stormed the citadel of the evil, when I stood knocking at the door of Wall Street, with all its evils, then it was that I was called to order. That is the offense I have committed, and I have no apology to make for it.

I forgot to read a part of a telegram addressed to me, which is as follows:

NEWARK, N. J.

The majority of the American people are with you in your masterful fight against the Wall Street sharks, the plundering international bankers, and the tools of the money power after their premeditated criminal deflation policy, defrauding the people and bankrupting the farming interests.

J. A. MAY, *Hotel Savoy*.

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. WADSWORTH. I renew my request for unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read first for amendment, the committee amendments to be acted upon when reached in the reading of the bill.

The VICE PRESIDENT. Is there objection?

Mr. KING. I presume the request of the Senator implies that the text of the bill will be read?

Mr. WADSWORTH. Yes; for action on the committee amendments. My object is to avoid the formal reading.

Mr. KING. Just so the entire text of the bill is read, I have no objection.

Mr. WADSWORTH. It will be handled just as the other appropriation bills have been handled.

The VICE PRESIDENT. Is there objection to the request?

Mr. KING. With the understanding which I have indicated, that the bill shall be read in full, I have no objection.

The VICE PRESIDENT. The Chair hears no objection, and it is so ordered.

Mr. WADSWORTH. Mr. President, before the reading of the bill is commenced, I desire to present the report of the Committee on Appropriations which accompanies the bill, together with a supplemental statement, to be printed in the CONGRESSIONAL RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The report and supplemental statement are as follows:

Mr. WADSWORTH, from the Committee on Appropriations, submitted the following report to accompany H. R. 13793:

The Committee on Appropriations, to which was referred the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes, reports the same to the Senate with various amendments, and presents herewith information relative to the changes made:

Amount of bill as passed House.....	\$333,654,204.00
Amount added by Senate (net).....	6,687,192.28

Amount of bill as reported to Senate (this sum includes \$28,964,150 for river and harbor work not estimated for by the Budget)....	340,341,396.28
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Amount of estimates for 1924.....\$319,773,979.28
 Amount of appropriations, 1923.....330,074,738.87
 The bill as reported to the Senate:
 Exceeds the estimates for 1924.....20,567,417.00
 Exceeds the appropriations for 1923.....10,266,657.41
 The changes in the amounts of the House bill recommended by the committee are as follows:

INCREASE.	
Office of the Secretary:	
Contingencies of the Army.....	\$15,000.00
General Staff Corps:	
Military Intelligence Division, contingent expenses.....	32,680.00
Adjutant General's Department:	
Army War College, salaries.....	3,040.00
Military post exchanges.....	10,000.00
Total, General Staff Corps.....	13,040.00
Organized Reserves:	
Pay and allowances of officers called to active duty for 15 days' training.....	200,000.00
Pay of officers called to active duty for more than 15 days' training.....	100,000.00
Mileage.....	25,000.00
Enlisted Reserve Corps, pay.....	2,500.00
Division and regimental headquarters and establishment and maintenance of camps of instruction, etc.....	144,400.00
Reserve Officers' Training Corps, general expenses.....	750,000.00
Civilian military training camps, expenses.....	200,000.00
Total, Organized Reserves.....	1,421,900.00
Finance Department:	
Pay of retired enlisted men.....	200,000.00
Pay of nurses.....	30,000.00
Total, Finance Department.....	230,000.00
Quartermaster Corps:	
Subsistence of the Army.....	250,000.00
Transportation of the Army.....	500,000.00
Horses.....	10,000.00
Barracks at Langley Field, Va.....	85,000.00
Military posts, Hawaiian Islands.....	72,000.00
Hospital at Fort Benning, Ga.....	275,000.00
Total, Quartermaster Corps.....	1,192,000.00
Medical Department:	
Office of Surgeon General, salaries.....	4,200.00
Corps of Engineers:	
Installation and replacement of electric light and power plants, Philippine Islands.....	200,000.00
Ordnance Department:	
Alteration and maintenance of mobile artillery, etc.....	23,500.00
Chemical Warfare Service:	
General expenses.....	50,000.00
National trophy and medals for rifle contests: Expenses.....	1,000.00
Militia Bureau:	
Forage, bedding, etc.....	215,000.00
Compensation for help for care of animals, etc.....	650,000.00
Expenses of camps of instruction.....	1,000,000.00
Expenses, military service schools.....	50,000.00
Pay of property and disbursing officers of the United States.....	5,000.00
Transportation of equipment and supplies.....	25,000.00
Arms, uniforms, and equipment.....	1,000,000.00
Total, Militia Bureau.....	2,945,000.00
Quartermaster Corps:	
National cemeteries, maintaining.....	20,220.00
Disposition of remains of officers, soldiers, and civilian employees.....	10,000.00
Total, Quartermaster Corps.....	30,220.00
Corps of Engineers:	
Lincoln Memorial, salaries.....	720.00
Military and post roads, bridges, and trails in Alaska.....	535,000.00
Total, Corps of Engineers.....	535,720.00
Panama Canal:	
Sanitation.....	84,422.28
Civil government.....	76,200.00
Total, Panama Canal.....	110,622.28
Total increase.....	6,804,882.28
DECREASE.	
Adjutant General's Department:	
Fort Leavenworth, Kans., service school.....	2,800.00
Quartermaster Corps:	
Roads, walks, wharves, and drainage.....	50,000.00
Office of the Quartermaster General, salaries.....	840.00
Total, Quartermaster Corps.....	50,840.00

Militia Bureau:	
Salaries.....	\$650.00
Military Academy:	
Permanent establishment.....	1,000.00
Quartermaster Corps:	
National cemeteries, roadways.....	12,000.00
Engineer Corps:	
Dock at Juneau, Alaska.....	400.00
Rivers and harbors, examinations and surveys.....	50,000.00
Total, Engineer Corps.....	50,400.00
Total decrease.....	117,690.00
Total net increase.....	6,687,192.28
Amount of bill as reported to Senate.....	340,341,396.28

War Department bill, 1924.

	As passed House.	As reported to Senate.	Increase of bill as reported to Senate.
Military activities.....	\$248,797,051	\$254,870,081.00	\$6,073,030.00
Nonmilitary activities.....	84,857,153	85,471,315.28	614,162.28
Total.....	333,654,204	340,341,396.28	6,687,192.28

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the subhead "Contingent expenses, War Department," on page 4, line 14, after the word "exceeding," to strike out "\$45,000" and insert "\$102,980," so as to make the paragraph read:

For printing and binding for the War Department, its bureaus and offices, and for all printing and binding for the field activities under the War Department, except such as may be authorized in accordance with existing law to be done elsewhere than at the Government Printing Office, \$600,000: *Provided*, That the sum of \$3,000, or so much thereof as may be necessary, may be used for the publication, from time to time, of bulletins prepared under the direction of the Surgeon General of the Army, for the instruction of medical officers, when approved by the Secretary of War, and not exceeding \$102,980 shall be available for printing and binding under the direction of the Chief of Engineers.

Mr. KING. Mr. President, I should like to have an explanation by the Senator from New York as to the reason for that increase, and if the Senator will do me the kindness, I shall be glad to have him explain why so large a sum as \$600,000 is required for printing, in view of the fact, as I understood, that the greater part of the printing of the department is done at the Government Printing Office and would be covered by another appropriation.

Mr. WADSWORTH. Mr. President, in reply to the last part of the question of the Senator from Utah, let me say that the printing done for the department by the Government Printing Office is charged against the War Department and is paid for out of this appropriation.

The \$600,000 appropriation covers, for the first time, the printing for all the War Department activities, military and nonmilitary, both in the department proper and in the field. For the first time we have put all the printing under one item. Heretofore the printing has been carried in many, many items under the different bureau or division heads. A new policy, which I think is a sound one, is to group all the printing into one item and, incidentally, this appropriation of \$600,000 is about \$25,000 less than the aggregate of the printing appropriations for this year.

Mr. KING. The Senator will pardon me for expressing approval of the policy of consolidation; but I had thought that with the return to peace, the printing would be considerably less this year than it was last year, and \$25,000 seems to be a rather slight diminution.

Mr. WADSWORTH. There has been a steady reduction. The Senator must understand that the department has to do an immense amount of printing, much of which has nothing to do with the Army. All the river and harbor printing, for example, is done under this appropriation; all the surveys, all the maps, all the charts used by the Engineer Corps for the navigation of the Great Lakes, all the printing in connection with the national cemeteries, the Soldiers' Home, and everything that is done by the War Department, come under this item, and this is a remarkable reduction, I think.

Mr. KING. All of which indicates that the suggestion made by the Senator from Idaho [Mr. BORAH] is a sound one, that the War Department should not be charged with the rivers and harbors, and under this arrangement it will be given out that the War Department is costing \$600,000 for printing, whereas a portion of that, I do not know how much, ought to be charged to rivers and harbors as such, rather than go as a charge against the War Department. As I understand, this \$600,000,

then, covers printing done by the Government Printing Office. It is for any printing which may be done for the War Department.

Mr. WADSWORTH. That is true.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The question is on agreeing to the committee amendment.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, under the subhead "Contingencies of the Army," on page 5, line 7, after the word "posts," to strike out "\$62,980" and insert "\$77,980," so as to read:

For all contingent expenses of the Army not otherwise provided for and embracing all branches of the military service, including the office of the Chief of Staff; for all emergencies and extraordinary expenses, including the employment of translators and exclusive of all other personal services in the War Department or any of its subordinate bureaus or offices at Washington, D. C., or in the Army at large, but impossible to be anticipated or classified; to be expended on the approval or authority of the Secretary of War, and for such purposes as he may deem proper, including the payment of a per diem allowance not to exceed \$4, in lieu of subsistence, to employees of the War Department traveling on official business outside of the District of Columbia and away from their designated posts, \$77,980.

Mr. KING. Mr. President, the House committee, whose hearings I have before me, recommended, as I recall, at least, \$62,980. While the increase is very small, was there testimony adduced before the Senate committee which, in the opinion of the Senator, justified the increase?

Mr. WADSWORTH. There was. The item has especial reference to the work of disposal of surplus property of the War Department, the sales division, as it is called. The appropriation for the present fiscal year was \$95,000. The Budget estimate was \$77,980, which is the figure proposed by the Senate committee. The House cut under the Budget estimate about \$15,000. We thought the cut was too severe in view of the obligations which are still remaining in the office of the director of sales of the War Department, the office which controls and guides the disposal of the surplus property. That property will be finally disposed of during the next year and the whole work will be wound up.

Mr. KING. The Senator will recall that there has been a great deal of controversy in the Senate over the large holdings of surplus property by the War Department. Provisions were made in one of the appropriation bills, several years ago, as I recall, for the retention of a considerable number of Army officers to aid in the disposition of the surplus property. My recollection is, and it is very imperfect, I will say to the Senator, that one or two years ago we were rather assured by the War Department that there would be a complete liquidation of the property, and a disposition of all that was not necessary. Here we are four years after the war. I am glad to receive the assurance of the Senator that all the property will be disposed of.

May I say that in a number of States which I visited last summer attention was called by merchants and others to the large number of stores in the aggregate, the cost of maintaining which was very great and the sales seemed to be very small.

Mr. WADSWORTH. The department is maintaining no retail stores. That was given up nearly three years ago.

Mr. KING. Then, are the stores being maintained by persons who have bought the supplies from the Government?

Mr. WADSWORTH. They are.

Mr. KING. They are called stores for the sale of Government supplies. The people with whom I spoke seemed to be under the impression that the stores were maintained by the Government. Then we are assured that the large number of automobiles and trucks and the other war supplies which are declared as surplus will be disposed of during the coming fiscal year?

Mr. WADSWORTH. The trucks and motor vehicles have all gone, except those from time to time which are declared surplus for the reason that they are completely useless.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, on page 5, line 7, after the word "exceed," to strike out "\$34,980" and insert "\$49,980," so as to make the proviso read:

Provided, That not to exceed \$49,980 of the money herein appropriated shall be expended for the payment of salaries of civilian employees connected with the sale of war supplies and the adjustment of war contracts and claims:

The amendment was agreed to.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhues, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive

Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 3, 5, 6, and 7 to the said bill, and concurred therein; that the House had receded from its disagreement to the amendments of the Senate numbered 8, 16, 29, 30, 31, 32, and 33, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate; also that the House insisted upon its disagreement to the amendments of the Senate numbered 10 and 25.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 12473) granting the consent of Congress to the Winco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of Big Sandy River, in Mingo County, W. Va.

The message further announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 10816. An act to fix the annual salary of the collector of customs for the district of North Carolina;

H. R. 13770. An act to amend the revenue act of 1921 in respect to capital gains and losses, and for other purposes; and

H. R. 13827. An act relating to the sinking fund for bonds and notes of the United States.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 4390. An act to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922;

H. R. 11731. An act to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce; and

H. R. 12473. An act granting the consent of Congress to the Winco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of the Big Sandy River, in Mingo County, W. Va.

UNVEILING OF BUST OF JAMES BRYCE.

Mr. BRANDEGEE. I ask unanimous consent to have the proceedings incident to the unveiling of a bust of James Bryce, a gift to the American people by the Sulgrave Institution of Great Britain, printed as a public document. The proceedings took place here in the city a few weeks ago, and there ought to be a record of it for the Library and the office of the Architect of the Capitol.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SAMUEL GOMPERS ON APPEAL OF GERMAN LABOR ORGANIZATIONS.

Mr. KING. Mr. President, if I may be pardoned for a few moments, I desire to invite the attention of the Senate to an article which appeared in yesterday's Evening Star, under the following headlines:

MEDIATION BY UNITED STATES IN RUHR INVASION ASKED BY GOMPERS—DECLARES APPEAL OF GERMAN WORKERS TO CONGRESS SHOULD BE HEED—MORAL RESPONSIBILITY SAID TO REST ON AMERICA—AMERICAN FEDERATION OF LABOR HEAD DENOUNCES COMPULSORY LABOR AND SAYS DAYS OF SLAVERY ARE OVER.

Continuing, the article reads:

"The United States Government should extend its good offices as mediator in the present Ruhr muddle," Samuel Gompers, president of the American Federation of Labor, said to-day in a formal statement containing comment on the appeal of 12,000,000 members of German labor organizations sent to the American Congress.

He gave his heartiest support to the appeal, and said that it deserves serious and sympathetic consideration by the Government, pointing out that there is a certain moral obligation resting on this Government to help, despite the fact that it did not ratify the Versailles treaty.

TEXT OF STATEMENT.

Mr. Gompers's statement follows:

"The appeal of the representatives of the organized labor movement of Germany has my heartiest support. It deserves serious and sympathetic consideration by the Government of the United States.

"The era has passed when compulsory labor can be imposed upon workers. The trend toward the abolition of slavery began three-quarters of a century ago.

"The heart of the people of France throbs with generosity and is opposed to the imposition of compulsory work upon the people or any portion of the people of Germany.

"The German people must understand that they can not entirely escape from reasonable payment for the ravages and devastation which the Kaiser in their name so ruthlessly carried on.

SEES MORAL RESPONSIBILITY.

"Though the Senate of the United States has refused to ratify the Versailles treaty, and therefore the United States is not legally bound by its terms, we can not escape the moral responsibility which devolves upon us of recognizing that it was that treaty which ended the war and that the armistice was merely a stoppage of actual military conflict. In formulating the conditions of the armistice the United States

was a party. Do what we may regarding our refusal to ratify that treaty, a moral obligation in all honor requires that our country shall do its share in bringing about an arrangement between France and Germany, so that an honorable settlement of the awful situation arising out of the dispute between these two countries may be accomplished.

Mr. President, may I pause to remark that, in my opinion, Mr. Gompers accurately states the situation when he declares that though the United States did not ratify the Versailles treaty, a moral obligation which can not be shirked rests upon it when questions dealt with in the Versailles treaty are under consideration. Mr. Gompers's position apparently is that it is the duty of our Government to mediate in the controversy between France and Germany, and generally to take all steps within its power to prevent a conflagration which seems to be imminent in Europe, and which, if it occurs, may affect our own country and be carried to the ends of the earth. It seems clear to me that Mr. Gompers is correct in declaring that if the United States had ratified the Versailles treaty, or if there had been guaranteed to France the protection afforded by the proposed treaty between France, Great Britain, and the United States, the chaotic and tragic situation now in Europe would not have developed.

My own opinion is that the unsettled condition of Europe, the economic and political disorder, are largely the results of the refusal of the Senate of the United States to ratify the Versailles treaty. If this Nation, with its wealth and power and with its freedom from Imperialistic designs and lust for territory, had become a member of the League of Nations, that organization, with its subsidiary agencies, established for arbitration, conciliation, and judicial decrees, would have been a vital organism and would have been able to direct the currents of European conflicts into safe channels. In other words, the league, with the machinery which it possesses, would have been enabled to bring into proper coordination, indeed cooperation, the nations of Europe which are members of the league, and controlled forces which have been sinister and destructive, resulting in confusion and chaos in many of the European nations. The league stood for something and promised something. Without a League of Nations wars had come to the earth and alliances and combinations of various powers had divided races and nations, as a result of which international controversies were inevitable. The league, though a great experiment, was founded upon a recognition of enduring policies and principles, and a concept that there may be international brotherhood and international tribunals to determine conflicts, as there is fraternity among the people of a State and effective judicial tribunals to settle disputes arising between individuals therein.

The article continues:

COULD HAVE AVERTED CRISIS.

"I repeat and emphasize the statement I recently made in commenting upon the Ruhr situation: That had our country ratified the treaty, or if we and Great Britain had guaranteed to France the protection which she so naturally and logically needs—that is, against future aggressions of Germany—no such situation as that which now exists in the Ruhr would have arisen.

"Now, I believe that our Government should tender its good offices as mediator. We have no selfish designs upon either of their countries or upon any country, and the offer to act as mediator should, in my judgment, be made in good faith to France and to Germany, and offered without regard to whether either or both nations will be pleased or displeased."

That seems to be the end of the statement of Mr. Gompers.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. KING. I yield.

Mr. BORAH. I could not gather from the reading of the article, and I have not had time to read it, what Mr. Gompers suggests that we do.

Mr. KING. This seems to be the only expression as to the policy to be pursued in the present Ruhr situation:

Now, I believe that our Government should tender its good offices as mediator. We have no selfish designs upon either of their countries or upon any country, and the offer to act as mediator should, in my judgment, be made in good faith.

That, it would seem, is the only plan suggested by Mr. Gompers—that the President of the United States or the American Government should tender its good offices as mediator between France and Germany for the purpose of settling any controversy now existing.

Mr. BORAH. But Mr. Gompers said we should have ratified the Versailles treaty.

Mr. KING. Yes.

Mr. BORAH. It is under the Versailles treaty that France is acting. Had we ratified it it would not have changed the terms of the treaty in any way. It is under that treaty that France is now acting.

Mr. KING. I grant that that is true, but it does not diminish the strength of the position of Mr. Gompers. Mr. Gompers stated, antecedent to the words which I just read—

Mr. BORAH. I am not finding fault with Mr. Gompers's suggestion outside of the one proposition that he seems to think that if we had ratified the Versailles treaty the situation would be different.

Mr. KING. Exactly.

Mr. BORAH. I think it would have been worse.

Mr. KING. That is the difference between the eminent Senator from Idaho and the great labor leader, Mr. Gompers, whose vision upon questions affecting the United States and the peace of the world is large, and if some of his views had been followed, it would have been for the benefit and advantage of the American people and the world.

Mr. BORAH. They are not large enough to include Russia.

Mr. KING. We all have limitations, but his attitude toward the Bolsheviks has been vindicated.

Mr. BORAH. I did not rise to criticize Mr. Gompers. I respect any views he may express. I only rose to ask how it would have been helpful had we ratified the Versailles treaty. For instance, it might be said that it would have been helpful if we had been on the council of the League of Nations, but when the league wanted to take it up the other day Poincaré, the Prime Minister of France, said it was not a matter for the league to consider, and he did not desire to leave the matter to that body, and therefore the league did not have anything to do with it.

Mr. CARAWAY. Mr. President, may I ask the Senator from Idaho a question?

The PRESIDING OFFICER. Does the Senator from Utah yield for that purpose?

Mr. KING. I yield for the purpose, if the Senator from Idaho will permit.

Mr. CARAWAY. I should like to ask the Senator from Idaho if he does not believe that many things have happened since the treaty of Versailles was signed that never would have happened if we had ratified it with the league?

Mr. BORAH. I can not recall anything that has happened that might not have happened if we had ratified it. There possibly may be some things.

Mr. CARAWAY. Does it not appear to the Senator that we might have been able to be of help to the world if we had sympathetically cooperated with it? Now the Senator believes that we may now step in, when the world is on the brink of another great conflict, and be helpful. Had we commenced four years ago and lent our aid and sympathy to the solving of the problems which now threaten to wreck civilization, might we not have been very much more helpful than to commence now? I am still in favor of the Senator's resolution.

Mr. BORAH. Here is where the Senator from Arkansas and the Senator from Idaho wholly differ. I think the wrecking of Europe is due to the Versailles treaty. Its terms were destructive and impossible from the beginning.

Mr. CARAWAY. I am quite sure that the Versailles treaty ought never to have been agreed to unless we should have performed our obligations under it. The treaty itself I do not think anybody justified. It is a monstrosity in many of its features. But we did not keep it from becoming the law of Europe by refusing to take our place with Europe in its administration, because they had agreed among themselves and every evil feature of the Versailles treaty became operative without our assent, and by refusing to ratify it we are denied any possibility of being helpful in the solution of the many problems that did wreck Europe—I will not say threatened to wreck, because Europe is already wrecked.

Mr. BORAH. I think the Senator from Arkansas might go much further and say that the Versailles treaty would never have been as bad as it is, as bad as it was at the time it was signed, if the view of the American delegation had been accepted. But it was written, it was concluded, and as it was we were asked to ratify it. As it was written and as it was concluded it was destructive of the economic life of Europe, and, in my opinion, a menace to the civilization of the world, and that treaty is now being executed.

Mr. CARAWAY. And now is being executed without any sympathetic agency to ameliorate its harshest terms.

Mr. BORAH. This sympathetic agency had its inning at Versailles in trying to make the treaty a treaty of civilization instead of a treaty of war, as Clemenceau said it was, and as he always intended it should be. He boasted of the fact when it was concluded that the treaty of Versailles was a continuation of the war.

Mr. CARAWAY. Yes.

Mr. BORAH. President Wilson, if we are to accept the statements outlined in Mr. Baker's book, stood against those propositions. We had our inning there to ameliorate it and it was not ameliorated; it was put to us as a war proposition.

Mr. CARAWAY. The Senator from Idaho has a vision large enough to know that half the world can not be destroyed without the other half being destroyed. It seems, however, as though that it is a doctrine which the people are trying to lose sight of now that we can not sit here and see 250,000,000 people go down to destruction without seriously endangering our own existence. Would it not have been wiser to have joined with whatever saneness there yet was in Europe and have cooperated with it in trying to bring even a bad treaty to some kind of a workable status than to have participated in the making of the treaty and then washed our hands of it and gone across the sea 3,000 miles away and said, "We will have no further concern with whatever destiny may overtake you"?

Mr. BORAH. Mr. President, if a proper treaty of peace had been made, a treaty of peace such as would have commended itself to the judgment of one who wanted to see Europe restored, I think there would have been many reasons why the United States should have ratified that treaty.

Mr. CARAWAY. Mr. President, may I interrupt the Senator from Idaho?

Mr. BORAH. But if the United States wanted to be tied, hamstrung, absolutely prevented from ever again being an influence in helping to relieve Europe, it would have been accomplished by ratifying and making itself a part of the Versailles treaty.

For instance, England signed and ratified the Versailles treaty; but she is perfectly powerless to-day in any way; and she is powerless by reason of the fact, or more powerless by reason of the fact, that she is a signer of the treaty.

Mr. CARAWAY. If England had not signed and ratified the treaty of Versailles, the world would have been in war three years ago. Whatever of sanity yet has been preserved in Europe the British Government has preserved it. I, who have heretofore been anti-British, say that. My people were expelled from Ireland many years ago—for the good of Ireland; I have never heard anybody in Ireland complain about that fact—so that I have never been suspected of being pro-British. I am satisfied, however, now that whatever of sanity and whatever there may be that is helpful in Europe rests in the British Empire. If there had been a treaty of the kind which the Senator from Idaho suggests, a just and equitable treaty, one which everybody could have approved, then we could safely have washed our hands of Europe and come home and said, "Europe once more has a workable basis, a treaty that will enable her to solve her problems, and we can safely leave Europe to Europe." But instead a treaty was made that the Senator says wrecked Europe. Then how could we, after we had been a party to the making of the treaty, say, "We will not aid in sympathetically administering it so that some hope may be left to struggling humanity as it is now shackled in Europe"?

Mr. BORAH. The Senator from Arkansas goes too far. In the first place we were not a party to the making of the treaty; we were only a party to its negotiation up to a certain point. The treaty, however, was never made, and could not be made and be concluded until the Senate had ratified it. So it was never binding upon us.

Mr. CARAWAY. I shall accept that technical view of it.

Mr. BORAH. It is not technical; it is fundamental. Now another proposition—

Mr. CARAWAY. The treaty of Versailles was made; whether we ratified it or not, with all the harm that could have come to the world, it became an accomplished fact, and whatever help America could have been to the world was denied to the world by reason of the fact that the Senate refused to ratify the treaty while all of the evil was an accomplished fact. We said, "We will not bear any of the burden," although we were so cowardly—I take that word back—we were so selfish that when we came to negotiate a treaty with Germany we preserved under that treaty all the rights that had inured to us under the treaty of Versailles, while we repudiated every obligation that the treaty of Versailles had imposed upon us.

Mr. BRANDEGEE. Mr. President—

Mr. KING. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. Mr. President, it would seem that the position of the Senator from Arkansas is this: The treaty of Versailles was a bad treaty and contained many infamous provisions, which have wrecked Europe. Therefore we ought to have ratified it, not for the purpose of enforcing it, which we would be in honor bound to do if we had ratified it, but for the purpose of tearing it to pieces.

Mr. CARAWAY. Answering the Senator from Connecticut, if I may be permitted to do so—and of course no one will think I am criticizing any individual Senator for his views—here is the situation: We were a party to the making of a treaty which the Senator from Connecticut says wrecked the world; then, after we had shackled the world or had been a party to the shackling of it, if the Senator's position is correct, we said, "We will not aid in the softening of the bonds that we have helped to forge for the world"; but after we had done that, after we had repudiated that obligation, we negotiated a separate treaty with Germany—and by force, because Germany was absolutely powerless to resist any terms which we demanded of her—and we repudiated all the worst features of the treaty of Versailles, but reserved unto ourselves all the advantages that accrued to us under that treaty, though we repudiate our obligations that we undertook when the German people signed the treaty.

Mr. BRANDEGEE. We were not a party to the making of the treaty of Versailles at all. The Constitution provides that the President may, by and with the advice of the Senate, two-thirds of the Senators voting therefor, make treaties. The President started a negotiation with the other powers, a negotiation for a treaty; but we never made a treaty.

Mr. CARAWAY. Mr. President, may I interrupt the Senator from Connecticut?

Mr. BRANDEGEE. We negotiated a proposed treaty which was unsatisfactory to the other treaty-making branch of the Government of the United States.

Mr. CARAWAY. If I may interrupt the Senator from Connecticut, there is sitting just over on the other side of the Chamber the leader of the Senator's party, the Senator from Massachusetts [Mr. LODGE].

Mr. BRANDEGEE. A very handsome looking gentleman, too.

Mr. CARAWAY. We agree about that. He said, when the Senate was considering the treaty that concluded the war with Spain, that when the President negotiated a treaty we could not afford to repudiate the President; that there was such a moral obligation resting upon us that when we had become a party to the negotiation of the treaty we could not repudiate it.

Mr. BRANDEGEE. Does the Senator believe that?

Mr. CARAWAY. Did the Senator from Massachusetts believe it?

Mr. BRANDEGEE. I do not know. Does the Senator approve the position that we must necessarily ratify any treaty that the President may have negotiated?

Mr. CARAWAY. I do not want to be put in the position of approving anything a Republican does, and therefore I will not say that I approve it; but I will say that when we were a party to a war and when an armistice had been signed, practically under the conditions we had dictated, and then when we took part in the negotiation of a treaty, which, I say, had many odious features, features that must be rewritten by the pen of the statesman or by the sword of the soldier, I can not conceive that any man who loves fair play and is willing to take his share of the responsibility in any game in which he sits would be willing to say, "We repudiate all the burdens the treaty imposes; we will let the other parties, those we helped to shackle, be bound."

Mr. BRANDEGEE. I assume the Senator believed in the treaty of Versailles, because he voted to ratify it.

Mr. CARAWAY. I was not a Member of the Senate at that time.

Mr. BRANDEGEE. But the Senator has advocated it all the time.

Mr. CARAWAY. Yes, sir.

Mr. BRANDEGEE. The Senator believes that the United States should stand with the signatories of the treaty of Versailles and undertake to preserve the territory and integrity and political independence as against external aggression of the 52 countries that compose the League of Nations. I do not; but it is perfectly idle to discuss now whether we ought to have ratified the treaty of Versailles or what the condition of the world would have been if we had done so. Those who believe that if we had ratified the treaty of Versailles the Austrians would have loved the Italians, the Bolsheviks would have loved the Poles, the British would have loved the French, and the Turks would have loved the Armenians are welcome to their opinion, but it can never be established beyond peradventure. Why not take the situation as it is and consider what we shall do now?

Mr. CARAWAY. I can establish the fact that under the policy advocated by the Senator from Connecticut everything has gone from bad to worse, and the world now trembles on the brink of the greatest catastrophe that it has ever wit-

nenced; so that, whatever the Senator may assume concerning those who wanted to pursue a different course, we are at least in a better position than is he, because something good might have come out of it, whereas nothing but evil has come out of the course which the Senator advocated. So we are at least able to say that we might have been helpful, while we know that your action has been destructive.

Mr. BRANDEGEE. The Senator knows nothing of the kind. In the first place, he does not know what my policy is.

Mr. CARAWAY. But I am talking about how the Senator voted, and I know his policy and his vote are always in line.

Mr. BRANDEGEE. I may be wrong—

Mr. CARAWAY. If the Senator will pardon me, I did not intend or desire to single out the Senator from Connecticut, but I was speaking about the policy of those who advocated the rejection of the treaty, and the Senator was one of them.

Mr. BRANDEGEE. I deem it a high honor to be considered worthy of the Senator's steel.

Mr. President, the truth of the matter is, although we may have, as certain Senators believe, lost what they call our "moral and spiritual leadership" of the universe, that the influence of the United States to-day, whether it is wise or beneficial or not, is paramount in the world, and everybody knows it.

In my opinion, if we had been in the League of Nations, where we would not have a policy except by the unanimous consent of the other members of the league and would have been fettered by that unanimous consent, we would be utterly powerless as compared to the position of supreme influence which we occupy now.

Mr. CARAWAY. I am more interested in that statement than in any other the Senator has made.

Mr. BRANDEGEE. I have some more I can make if the Senator wants to hear them.

Mr. CARAWAY. We first want to verify the one the Senator has made. The Senator now says that we are the supreme power in the world. Will the Senator please tell us what influence we are exerting on the crumbling condition of Europe now? Is the Senator of the belief that, as the Senator from Idaho so aptly put it, that by having some one to peep in the back window while there is a conference going on in Europe we are influencing that conference; that unofficial observers over there, whom the Secretary of State said had no right to speak except to answer a question when it is asked of them, and had no right to make a suggestion or lay down a policy, does the Senator think we are influencing the world by them?

Mr. BRANDEGEE. Mr. President, I do not conceive it to be the duty of this country or this Government to lay down a policy for the world or to attempt—

Mr. CARAWAY. The Senator said we were the supreme power in the world. Now, whom are we influencing? What are we influencing them to do?

Mr. BRANDEGEE. I will answer the Senator. I do not know whom we are influencing, except to mind our own business as far as may be compatible with doing our duty in the world; but, Mr. President, I say we are the Nation of supreme influence for this reason: All one has to do is to read the daily newspapers; there is not another nation in the world that is in trouble but is begging America to come and straighten out the trouble.

Mr. CARAWAY. But we do not come.

Mr. BRANDEGEE. No; we do not.

Mr. CARAWAY. Then, what influence are we exerting on them when we will not accede to their demand?

Mr. BRANDEGEE. When we see a dozen dogs in a dog fight and a peaceful dog watching to see if there are going to be any throats left untorn—

Mr. CARAWAY. So that he may cut them.

Mr. BRANDEGEE. The influence the big dog might have in jumping into the scrimmage and taking them all by the neck and joining in the row might be beneficial; on the other hand, it might add to the trouble. Now, Mr. President, if the Senator will permit me a moment, Europe and Asia are full of rival nations, with rival instincts, religions, creeds, races, aspirations, dynastic and otherwise, and ambitions. There are too many different nations over there; they have their historic policies and their historic grievances and jealousies and hatreds. They are in a condition where they say, "We are listening for the voice of America."

Mr. CARAWAY. And they do not hear it.

Mr. BRANDEGEE. They hear many voices, I think; among others, the Senator's. Some of them are melodious and some of them are strident and discordant and make confusion worse confounded. Mr. President, this m  le is going on all over the world, and it is said it is the plain duty of America to announce the policy and invent the formula by which universal

love shall prevail and the precepts announced in the Sermon on the Mount shall henceforth be international law. Everybody shall now and henceforth be guided by nothing but justice and unselfishness and altruism.

What is the formula? All these nations over there are bankrupt and are quarreling and are jealous of each other. "Twas ever thus." Europe has been an armed camp and has been quarrelling ever since the dawn of history and for thousands of years before it. There are many voices of America, and yet all these nations say, "We will listen for the voice of America," as though it were one coherent, unanimous voice. The Senator knows that this country is made up of the commingled races of Europe, and there are many voices in America, and if it were put to a vote in this country what this country should do, nobody knows what the people would say. The last verdict we had from the people was that those who opposed the ratification of the treaty of Versailles were justified by about 7,000,000 majority.

Mr. CARAWAY. Oh, no. We had the last verdict last November, and they repudiated that.

Mr. BRANDEGEE. I am talking about the last verdict on the treaty of Versailles, which the then President of the United States submitted to the intelligent electorate, as he said, to a grand and dignified referendum.

Mr. CARAWAY. May I ask the Senator a question?

Mr. BRANDEGEE. Yes.

Mr. CARAWAY. There is not a Senator in this Chamber who is any more acute, if quite so acute, at drawing distinctions as the Senator from Connecticut.

Mr. BRANDEGEE. I have to be when I talk with the Senator from Arkansas.

Mr. CARAWAY. And yet the Senator from Connecticut, with all his astuteness, could not tell to save his immortal soul where his candidate stood in 1920 on the question of European policies; and therefore, if the Senator could not know, how does he imagine all the people who voted in the election in 1920 knew where Mr. Harding stood? Mr. Hughes, who was one of the master minds, and Doctor Sawyer, who was the other [laughter].

Mr. BRANDEGEE. Is this a question?

Mr. CARAWAY. Yes; it is a question.

Mr. BRANDEGEE. I wish the Senator would not make it such a compound question. [Laughter.]

Mr. CARAWAY. It will be perfectly simple when I reach the end. Mr. Hughes said, "If you want a league, vote for Harding."

Mr. BRANDEGEE. And 31 others.

Mr. CARAWAY. Yes; and 31 others said it; and he was one of the master minds that your candidate, as soon as he got to be President, brought into the Cabinet.

Mr. BRANDEGEE. Yes.

Mr. CARAWAY. Now, you did not know he was going to do that, because you did not agree with that.

Mr. BRANDEGEE. Is this a question?

Mr. CARAWAY. It is when I get through with it. Do not be impatient.

Mr. BRANDEGEE. I have undertaken some large contracts.

Mr. CARAWAY. Do not be impatient. You did not know where he stood, and now how can you—

Mr. BRANDEGEE. That is an assertion, and not a question.

Mr. CARAWAY. It is an assertion, because the Senator will not deny it.

Mr. BRANDEGEE. I will not deny it; no.

Mr. CARAWAY. No, of course; you can not afford to do it; and if the Senator from Connecticut, with all of his astuteness, did not know where the candidate stood, how does he imagine that the people had a referendum on the League of Nations when they did not have the opportunity to know even what the Senator from Connecticut knew? The Senator from Idaho [Mr. BORAH], sitting there, supported the candidate because he thought he was against the league. Hughes supported him because he thought he was for it.

Mr. BRANDEGEE. Does the Senator call this a question?

Mr. BORAH. No, Mr. President; the Senator is mistaken. I did not know definitely where Mr. Harding stood, but I did know absolutely where Mr. Cox stood.

Mr. CARAWAY. Then the Senator cast a negative vote.

Mr. BRANDEGEE. Mr. President, I have all that I can remember now.

Mr. CARAWAY. I have another question when the Senator makes his answer to this.

Mr. BRANDEGEE. The hopper is full now, and I hope the Senator will reserve the other one; but what I want to say is that nobody knew—

Mr. CARAWAY. Where the candidate stood.

Mr. BRANDEGEE (continuing). Exactly what the foreign policy of this country was going to be, in detail. That was not the question.

Mr. CARAWAY. I thought that was the referendum you said they had.

Mr. BRANDEGEE. Oh, no; the Senator has another "think" coming. [Laughter.] The question was the question submitted by Mr. Wilson to the grand and solemn referendum, which was that the wicked men who had defeated the ratification of the treaty of Versailles should be retired to private life; and he took the judgment of the American people on whether or not they wanted that treaty ratified, and they voted by 7,000,000 majority that they did not. The people were not voting for any detailed foreign policy in the future beyond that one proposition.

Mr. CARAWAY. May I interrupt the Senator? The Senator then undertakes to say that the people did not vote for Mr. Harding. Well, I think he very generously absolves the people.

Mr. BRANDEGEE. They voted to put the Democratic Party out of power, and they did it by the largest majority ever recorded.

Mr. CARAWAY. I know they did, and they admit they made the biggest mistake they ever made. [Laughter.]

Mr. BRANDEGEE. I have not heard such a thing.

Mr. CARAWAY. The Senator has not heard it? Did he not read the election returns last November?

Mr. BRANDEGEE. I did.

Mr. CARAWAY. The Senator could have heard it then. He heard it then, did he not? Your 7,000,000 majority had disappeared.

Mr. BRANDEGEE. The issue was not before the people then.

Mr. CARAWAY. Oh, the issue of this administration was before the people, with all of its master minds.

Mr. BRANDEGEE. Wilson's administration was not before them.

Mr. CARAWAY. Oh, no. If it had been, the world would have been happier.

Mr. BRANDEGEE. That is another guess of the Senator.

Mr. WILLIAMS. Mr. President, may I interrupt the Senator from Arkansas with a mild suggestion?

Mr. CARAWAY. Yes, sir.

Mr. WILLIAMS. The Senator from Connecticut [Mr. BRANDEGEE] a moment ago said that the American people voted against the League of Nations and against Wilson's policy in that regard. I think that was what he said.

Mr. BRANDEGEE. The Senator's hearing is improving.

Mr. WILLIAMS. Mr. President, there never was a greater mistake made than that. That never was the issue before the people at all. A whole lot of people on both sides tried to make it the issue, but it never became the issue.

The issue really was a lot of German-American hyphenated citizens retiring to a private booth and voting against Mr. Wilson because he dared to make war on the Kaiser, and a lot of Irish-American hyphenated citizens, much more loud in their protestations, dooming him to hell because he had appeared to be in alliance with Great Britain; and then there occurred the usual fall-down of a people who have been held up for three years to a high stage of altruism and intensiveness—the collapse, the counteraction. It came in due time, and a whole lot of people in Wall Street and elsewhere said, "We are damned tired of paying so much taxes, and we want to stop it right now."

Mr. BORAH. Mostly elsewhere.

Mr. WILLIAMS. So they said that maybe if the American people went into the League of Nations they might have more taxes to pay, and they were primarily opposed to paying taxes, as the middle class always has been. During the Victorian era in Great Britain they were constantly a clog upon British honor because they did not want to be taxed, and so they were here.

Then there were a lot of asses who concluded that a great war ought not to cost anything, anyhow, who thought that you could convert a people of 110,000,000 population from a peace power into a war power overnight and send them to Europe and have all that cost them nothing, and who thought that they had a right to complain because, after they considered the tax bill, it had cost a great deal.

Mr. President, if there ever was a party that appeared in a national arena with contemptible and contemptuous motives, it was the Republican Party in the last campaign. They beat Woodrow Wilson all right; they beat the Democratic Party all right; and some of them are now contending, and amongst them the Senator from Connecticut, that they beat him upon the only

altruistic and unselfish and great and long and broad visionary thing that there was in the campaign, to wit, the League of Nations to keep the peace of the world amongst men of good will. The Senator from Connecticut is one of the few left. Another I see before me, but there are not many, and they will not last very long; and after a while the United States will find out that these United States are a part of the world, and that they are a part of the European race, that they belong just as much to Europe as any other man of European birth in all Europe, and that they must do something to maintain the stability of the industries of the world, and something to maintain the peace of the world, and something to stop nationalistic and tribal hatreds all over the world. You will have to come to it after a while, as a baby comes to its milk—you must or starve, and you are going to do it—and when you come, you are going to come with all sorts of tergiversations and apologies and explanations of one description or another, telling how you have always been perfectly consistent from the day you started your opposition to the League of Nations to the day that you embraced it.

All you want to do, all you are struggling for is a new international understanding something like the League of Nations, except that you want the name of Woodrow Wilson, anathema, maran atha, shut out of the whole business, and you want it called by another name, and in less than three years you will have it. You will have it called by another name, and you will have Wilson anathema, maran atha, I suppose. Poor fellow! He can not much resist it. He is sick. He did his fighting on the firing line. He fell wounded, fell shot pretty nearly to death, with the consciousness of your animosity in his mind while he fell and the consciousness of the full fact that you had fooled the fools and made him hated of the "multitude." I have never heard one of you express a note of sympathy for him—not one of you. When McKinley was shot, and when Garfield was shot, every Southern village displayed flags and expressed their sympathy with the President, but I have never heard a Republican in the Senate or in any partisan Republican newspaper express sympathy for Woodrow Wilson when he fell upon the firing line, and he fell as truly upon the firing line as any boy of mine or yours ever fell upon it in France. If you think that you can torture the human conscience and the human sense of justice to the point where in the future they are going to justify that great defeat of everything right and altruistic and unselfish and ideal in the last campaign in behalf of everything practically selfish and money seeking, you will find that you are mistaken.

I had the honor once before to say upon this floor that the essentials of Christianity did not consist in the crucifixion; they consisted in the resurrection; and you have got to face the resurrection. Standpatters and progressives have got to get together somehow to face the resurrection, and when you try to get together to face the resurrection neither one of you will be resurrected, except perhaps now and then one or two of you in your positions in the Senate. I hope both of you two may—I say this as a matter of personal friendship for you—I hope that you may be resurrected that far; but your party will not be, and nothing that you stand for with regard to world peace and world stability will be. In the twentieth century, when the world can be circumnavigated in 10 days by an airplane, any man who wants to isolate America from the balance of the European race, who wants to isolate America from the industrialism and the progress of the world, may be the smartest man personally that he can be, as both of you are, but historically he is a fool, because he does not appreciate what the trend of the centuries amounts to.

Mr. BORAH. Mr. President—

Mr. WILLIAMS. Just wait a minute. This world has come to be a very little bit of a thing. It is not much larger than a county in Texas was 50 years ago.

Mr. BORAH. Mr. President, I wanted to say a word for the sake of my friend the Senator from Connecticut, not for myself.

Mr. WILLIAMS. Let me finish this. The world is not much larger than a county in Texas was 50 years ago when it comes to getting together and having to stay together.

Every white man all over this world is racially connected with every other white man all over this world, and they are bound to work out a common destiny. They could not prevent it even if they were fools enough to try to prevent it. You have to march in the same pathway somehow. That is the great mistake France has been making lately. She seems to think she can dis sever herself from the white race all over the globe, and can take an independent course with regard to Germany because Germany is disarmed and conquered, as she thinks and believes, and as is probably true; but it is a mis-

take. You can not govern this world this way. Old Oxenstierna told his son to visit Paris, Vienna, London, and other capitals "in order to learn with how little wisdom this world was governed." God pity him, he did not live long enough! He ought to have lived until the last election in America was over and then he ought to have sent his son to all the precincts in America to learn with how little wisdom this part of the world is governed.

Mr. President, the people now and then are fools, the people now and then are asses, inexpressible asses, and they do things now and then that they themselves do not condone even the next morning, but in the long run the people are not asses, they are not fools, and they are coming back to the wisdom, the foresightedness, the longsightedness, the broad vision, and long vision that will make them remember that they are not a dis-severed part of the earth's population but that they are a part of the entire white man's population of this globe, and that they must cooperate with the other white men on this globe in order to prevent either a yellow peril or a black peril or some other sort of peril that may condemn them all to a common grave, not only common in the sense of being common to all of them, all of them sharing it, but common in the sense of being a plebeian grave, into which a gentleman never would have sunk if he could have helped it. He would have stood with his race all over the globe, defying the narrow and temporary ignorance and folly of his race even, and the ill-concealed hostility of the balance of the "children of men."

Now I yield to the Senator from Idaho.

Mr. BORAH. I have been thinking over the Senator's remark that personally I had an ordinary amount of intelligence, but historically was a fool, and I can not make the distinction. I do not know what the difference is between me historically and individually.

Mr. WILLIAMS. I can give the Senator an illustration. I had some ancestors who were very smart people, but fought for the Stuarts in Great Britain against Puritanism and the Commonwealth and the Parliament. They were wise men individually, but historically they were asses. Does the Senator understand the illustration? Their successors partially in my person have confessed that they were asses.

Mr. BORAH. I have not any successors who are authorized to confess for me.

Mr. WILLIAMS. That is the Senator's own fault. He ought to have had children, anyhow. I have seven children and twelve grandchildren, and thank God I will have successors, and so far as the human race is concerned for me, whatever it may mean for the Senator from Idaho, I embrace Tom Carlyle's idea that it is an association between the unborn and the dead and the living. So far as I am concerned, my family, part of them dead and part of them yet unborn and a part of us living, are a part of one individual and highly idealized thing. My idea of nationality is that a nation contains the dead and the living and the unborn. The man whose vision can not extend back to the past, to those who are dead, forward to the unborn, those yet to be procreated, as well as to the living, is a mere legalist, and I suppose you have heard my definition of a legalist. He is a man who can find no hope for the future and no happiness in the present, except when based on a precedent in the past. There are a lot of them, too, including the present Secretary of State, and various other people of that ilk.

A thought strikes me all at once. The present Secretary of State was a member of "the league to enforce the peace of the world," to "enforce," remember that, "enforce." "Enforce" means to bring around by force if necessary, and he was right. The present Chief Justice of the United States was the president of the league to "enforce" the peace of the world. That was before they found out that Woodrow Wilson, poor fellow, was going to indorse it, and after they found out that he was going to indorse it, of course they were opposed to it. They thought that they could get along pretty well personally inside of and with the Republican Party, and one of them has been rewarded since by being made Secretary of State, and one of them by being made Chief Justice of the United States.

I belonged to the "League to Enforce Peace," and finally, when I found out how this thing was going on, I wrote to them and said, "I belong to this league, and I understood it was to enforce peace. I have never been ass enough to imagine that any court could have any influence in the world unless it had force behind it somewhere, patent or latent, actual or understood. So, when I joined your League to 'Enforce' Peace, I thought you meant to enforce it. But when I find"—I did not say then the future Secretary of State or the future Chief Justice of the United States, because I did not know their future—

"but when I found out that those gentlemen objected to the League of Nations principally on account of article 10, which hinted that there might be some enforcement of its terms, I ceased, spiritually at any rate, to be a member of the body, and I wish you would accept my resignation."

So I resigned and left them.

Mr. President, the utmost humiliation I have ever had upon this floor was in seeing a few Democrats advocating the League of Nations and attempting to explain that there was no force behind it. If there was no force behind it, then it amounted to nothing. A justice of the peace without a constable, a circuit court without a sheriff, a Supreme Court of the United States without its marshals, and, in the long run, the Army and Navy of the United States, is as helpless as a kitten playing with a rat, and everybody of any common sense ought to know that. So, when I voted for the League of Nations, I voted for an amphictyonic council of the civilized nations of the world to enforce peace, and to say that any outlaw nation that dared ever, under any circumstances, to make war without previously offering to leave the questions in controversy to a fair arbitrament was an outlaw nation, and thereby became an enemy of all the balance of the civilized world, and ought to be conquered as quickly as could be.

You did not take that view of it. The American people did not, not because they were opposed to the League of Nations, but because the Germans were opposed to Wilson, because the Irish were opposed to him, and because the pacifists always were opposed to everybody who wanted to do anything much, and the Socialists also hit him under the left breast as they went along, and the balance of the electorate was "tired of Europe anyway," and thought that by saying so they could get her out of our lives. So Wilson, poor fellow, was wounded on the line of battle, and retired to the White House, but has not received any pension as one of the disabled of the war, though he was as much disabled as any man who went into it, and for as high motives and as cruel and malicious and petty reasons.

Oh, Mr. President, we, all of us, have to be one of two things. We can not worship God and worship mammon both the same day. If you want the peace of the world, you have to be for the peace of the world, and you have to love peace so much that you are willing to fight for it. A man who does not love peace enough to fight for it does not love peace at all. That was all there was in article 10, and these distinguished gentlemen, of course, quit because they wanted to maintain their political relations with you and the balance of your party, including the senior Senator from Massachusetts [Mr. LODGE], who had made a very distinguished speech once in his life in favor of an amphictyonic council of the civilized nations of the world to maintain peace, although he did not call it by that particular name.

Do you think you can fool the American people for 20 more years, or for 10, or even 5, or even 4, upon that basis, when you and the Senator from Idaho are prepared to part company to-morrow upon some little domestic question involving putting public money into private pockets? You can not do it.

A distinguished German wrote a book once which he called "God in History"—"Gott in der Geschichte"—outlining how throughout all the ages the will of God somehow had prevailed, going forward step by step along a broader line of vision—the human race going forward notwithstanding square heads and narrow heads, frequently honest with the will of God throughout all the time.

You think you can stop it, but you can not. One of two things is absolutely certain: This world is going to chaos and anarchy and the white race is going to lose its rule over it, and the colored races in the world, whether in religion Mohammedan or Buddhist or Hindu, are going to attain sovereignty and predominance—either that is going to happen or the white race all over this world will have to unite in a determined, cooperative effort to secure the peace of the world among the white races. If we can secure that, we are safe from the inferior races; and if we can not secure it, we are not safe from the inferior races. They have the advantage of us in birth rate; they have the advantage of us in living close to the soil, and they are not our inferiors in mere physical courage. Many an average Mississippi "nigger" is not my inferior or yours as a white man in physical courage. You could not get 50 negroes to face 50 white men, but you can get one negro to face one white man "most any day in the morning."

Where is the Senator from Arkansas? I interrupted him, and I want to apologize for it; but I see that my interruption has caused his desertion of this august body, so I can not apologize. But I hope my words will be received in good part. Of course, both the Senator from Connecticut [Mr. BRANDEGEE]

and the Senator from Idaho [Mr. BORAH] especially, but all of the other Senators as well, I think, know that I do not hate anybody; I do not really dislike anybody.

Mr. BORAH. Not even the Irish?

Mr. WILLIAMS. I do not mind how mean a man may be, I do not much dislike him anyhow, and in what I have said I do not mean to hurt any man's feelings, least of all yours, but you have to learn. Neither of you is too old to learn, although both of you are getting along pretty well. But you have to learn that this world goes forward by the will of God and does not go forward by your will or by mine; that you and I are just flies on the spoke of a wheel, and the wheel is going around.

Mr. BORAH. I have always had that impression.

Mr. WILLIAMS. And all we can do is to let the wheel go. Now and then we may check up the wheel a little bit. But the will of God, which is the will of the Prince of Peace, that there shall be "peace on earth among men of good will" has to prevail, and when you try to stop it you have gained a little momentary triumph—I believe 7,000,000 majority, was it not? However large it was—

Mr. BORAH. It was enough.

Mr. WILLIAMS. For the time; yes. I thank God that above all things in the world public opinion is not in the long run measured by numberings. It is measured by weight. There is on this earth aristocracy of intelligence, and that will win in the long run. This aristocracy of intelligence can bring the democracies of numbers to their support after they have duly and completely explained just what they want and what the earth ought to have. We are going to have it, and you can not help it any more than one of my grandchildren could keep me from walking out of the front door if I wanted to do so.

Mr. KING. Mr. President, I had not expected when I took the floor to read the admirable statement made by Mr. Gompers to precipitate a discussion over the League of Nations. I know the Senate is anxious to consider the Army bill, and I shall occupy but a few moments in replying to one or two statements submitted by Senators in the debate.

First, I see nothing inconsistent in a profound conviction that the League of Nations is of importance in the world and that the United States should have entered the league, and a belief that it should now tender its good offices to prevent another conflagration in Europe; and the fact that France may have occupied the Ruhr under a technical construction of the Versailles treaty is not incompatible with the view that the league is a salutary agency in the world and that the United States should have entered it. No one contended that the league would prevent all racial antipathy or prevent future wars. No one believed that when States were formed and courts established there would be perfect peace within the boundaries of those States and that all crimes would cease. There can be no question but that if this Nation were a member of the league France's attitude would have been and would now be entirely different. Nor can there be any doubt as to what the attitude of Germany would be, or would have been, if the United States had been and was now a member of the League of Nations. It can not be said that the League of Nations is the cause of the present controversy between France and Germany. Perhaps if there had been no league, and certainly if the United States had not been at the peace conference, terms would have been exacted from Germany which would have been more oppressive; and, quite likely, controversies would have arisen before this which would have renewed the fires of war and brought about European conflicts of a most serious and destructive character. That the league has not had the influence and power that was designed that it should possess must be conceded, but it must also be said that the refusal of the United States to adhere to the league has been the principal reason for its weakness.

It has been stated in the debate to-day, and that statement has often been made upon the floor of the Senate, that the Versailles treaty was the cause of the industrial and political chaos of Europe. I grant that there are many harsh and unwise provisions to be found within the Versailles treaty. When we consider the circumstances under which it was prepared, it could not be otherwise. A world war had just been ended. Millions of men were still under arms, peoples were ready to fly at each other's throats, and the smoke of battle was still in the eyes not only of those who had been under arms, but indeed millions of people, including statesmen and intellectuals. It was impossible in such a situation to prepare a treaty dealing with such momentous questions comprehending continents and islands, indeed, seas and lakes and rivers in every part of the globe, that would be absolutely fair and just. It must be remembered what some of the objects of the victorious nations were. The allied and associated nations did not precipitate the war, but after the war was

thrust upon them they determined that when it ended certain territorial adjustments must be made and ancient wrongs to defenseless peoples must be righted.

Senators will recall that President Wilson stated what some of the objects of the war were, and what some of the terms of peace should be. The distinguished Senator from Massachusetts [Mr. LODGE], in a very able and eloquent speech in this Chamber, declared among other things that when the war had ended, and when the terms of peace were written, provisions must be made in unmistakable language providing for the restoration of Alsace and Lorraine to France and that certain reparations and indemnity should be awarded against the central empires. He further declared that Belgium should be compensated and receive indemnities for the cruel wrongs which Germany had inflicted upon her. He further stated that Poland was to be reconstructed and a Polish State established, that Yugoslavia was to be recreated, and that the millions of Czechs and Slavs inhabiting what is now known as Czechoslovakia should have the right to set up a government of their own and be freed from the autocratic power of Austria-Hungary.

My recollection is that he spoke for Italy and demanded that territory which ethnically and geographically belonged to Italy should be restored and Austrian sovereignty thereover extinguished. Greece and Armenia, according to the view of the able Senator, were to receive consideration, and an Armenian State was to be established, and Greece was to regain territory which historically and by every standard of justice belonged to her. The American people, as well as the allied nations, perceived that when the treaty at the conclusion of the war was to be written ancient wrongs were to be righted, new boundaries of States were to be drawn, and new States were to be erected.

Mr. President, I submit that the problems and the issues presented at the peace conference were so stupendous that no treaty could be written that would be free from imperfections and devoid of serious mistakes. Those who participated in drafting the treaty undoubtedly perceived that changes and modifications in the terms of the treaty would be required and that rectification of boundaries would be necessary. We know that one of the controlling reasons that led President Wilson to insist upon making the covenant of the League of Nations a part of the treaty grew out of the knowledge which he had that changes in the treaty would inevitably be required. He saw that unless tribunals and instrumentalities were set up to make these changes they would be made by the sword and upon the battle field. He therefore insisted upon the creation of machinery, the establishment of arbitral tribunals and courts, and agencies of conciliation to whom appeals might be made by dissatisfied peoples and nations and whose influence and authority would be sufficient to rectify mistakes made and prevent resort to the hazards of war.

Undoubtedly, as I have indicated, the treaty was imperfect. It was a mistake, unquestionably, not to have fixed the reparations to be paid by Germany. It is quite likely the terms exacted of Germany were too severe and that they should be modified. But, as I have stated, if there had been no Versailles treaty there would probably have been some other treaty with terms more onerous and exacting. It has been said that the Versailles treaty did not regard the economic rights of the people of Europe and that territorial lines were fixed in contravention of the economic and, perhaps, in some instances the ethnographic situation. Concede all this to be true, I repeat it is not sufficient reason to destroy the treaty root and branch and all the instrumentalities set up for its rectification.

Mr. President, one other point. When the treaty was before the Senate for consideration there was but little said concerning the so-called injustices of its provisions. The storm raged around the provisions dealing with the covenant of the League of Nations. For months it was contended that these provisions set up a supergovernment and that the sovereignty of the United States was being jeopardized. It was argued that article 10 compelled the United States to go to war in defense of the territorial integrity and the political independence of all signatories to the treaty. It was charged that we were guaranteeing the boundaries of all nations members of the league. Much irrelevant and hysterical talk was indulged in, and time has demonstrated that many of the prophecies made as to what the treaty was and what it meant were without foundation. But there was scant discussion of the so-called "oppressive" provisions of the treaty. The late lamented Senator Knox, in a very strong speech, contended that the treaty dealt harshly with Germany. Senator Thomas, from Colorado, contended that part 13, which dealt with labor and cognate questions, was very dangerous. The Senator from North Dakota [Mr. Mc-

CUMBER] also criticized the provisions of part 13 and I offered a reservation dealing with that important part of the covenant of the league. But, broadly speaking, there was no criticism of the treaty upon the grounds that it dismembered States or ignored economic and ethnographic and geographic lines or that it was unduly severe toward the vanquished nations.

Mr. President, I am not arguing against modifications of the treaty, nor am I insisting that its provisions should be religiously enforced. Upon the contrary, I concede its imperfections, but insist that in the circumstances surrounding its preparation no better or more perfect instrument could have been expected. The nations of Europe and the signatories to the treaty should avail themselves of the instrumentalities provided in the league and adjust any controversies that may arise with respect to the terms of the treaty or the manner of their enforcement.

If the United States should not enter the league, it should, at least, not seek its destruction or attempt to prevent the realization of all legitimate and fair war aims as they were declared by the American people and by humane statesmen who controlled the affairs of the allied nations. And in this dark hour, our Nation should use its powerful influence to stabilize Europe and to bring peace and concord to a distracted and unhappy world.

Mr. President, when interrupted sometime ago by the Senators who have given us a very illuminating discussion of the league and cognate matters, I was about to read a further brief statement appearing in the same paper as the article containing Mr. Gompers's statement and to which undoubtedly his statement refers. In an Associated Press dispatch from Berlin, the following appears:

BERLIN, February 2.—The "traditional American honor and appreciation of fair play" are appealed to in a message forwarded by leading trade-union executives to the Senate and House of Representatives in Washington.

The appeal, which gives expression to "the feeling of alarm" with which 12,000,000 German workers view the Ruhr, voices the confidence that the United States did not enter the war "for the purpose of annihilating the German people," and declares that "American honor asserted at this time can save Europe and the world from inevitable disaster."

Mr. President, the Senator from Connecticut [Mr. BRANDEGEE] stated that the United States occupies a paramount and pre-eminent position in the world to-day. Undoubtedly that is true. However, he insists that the policy suggested by the Senator from Idaho [Mr. BORAH] and by others, that our Nation should aid in composing the economic and industrial conditions of Europe, is unwise and should not be followed. Our paramount position in this view is of no importance. If the Senator from Idaho shall offer his resolution again, asking that a conference be called to consider economic conditions in the world, as well as a further limitation of land and naval armament, undoubtedly the Senator from Connecticut, adhering to the views which he had expressed, which means, as I understand them, that the United States shall pursue a policy of isolation, will oppose the same; and I have no doubt that the Senator will also oppose the resolution which I offered in November, 1921, calling for a conference of certain nations for the purpose of stabilizing exchange, facilitating trade and commerce and bringing about improved conditions throughout the world. Mr. President, as I see the situation, it is the duty of the United States to assume a position of leadership in the world. It should point the way for peace and progress and for material and moral advancement. This is no time for this Nation to hide its light under a bushel. It has been by Providence set upon the hill and its light must shine to illumine the world.

THE LEAGUE OF NATIONS.

Mr. WILLIS. Mr. President, in view of the range the discussion has taken, and which I do not desire in the slightest to prolong, I think it would be useful to have printed in the RECORD at this point a summary of the work of the League of Nations, as recently published in the Kansas City Journal-Post. I therefore ask unanimous consent to have inserted in the RECORD at this point that summary.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

SHORT CATECHISM UPON THAT LEAGUE FOR PEACE.

The League of Nations was organized to prevent war. It sits in Geneva.

There is a great war in Asia Minor. Did the League of Nations prevent it? The League of Nations did not.

Does the League of Nations stop it? The League of Nations does not. Did the League of Nations try to prevent it, or does it try to stop it? The League of Nations did not and does not even try.

Mr. Wilson's article 10 of the covenant was to unite all members of the league against all war makers.

Is article 10 still in force? It is.

Do the members of the league take steps to apply it? They do not. What do they do? England and France, the chief powers in the league, take pains to violate it. On opposite sides, they have encouraged the war instead of rousing the league against it, have helped start it and continue it.

Still the League of Nations sits in Geneva and pretends to be a league for peace.

Was there ever a vainer and bloodier humbug on earth? Not that history records; not that the experience of man has encountered.

The United States is still urged to become a part of this humbug. Will the United States do so?

Not so long as it is the United States that it has been up to this hour.—Kansas City Journal-Post.

REHABILITATION OF AUSTRIA.

Mr. SWANSON. Mr. President, there has been a recent discussion of the League of Nations and the work accomplished by it. One of the wrecks left in the late great World War was Austria. It was helpless financially and in every way as a nation. I desire to have read at the desk a short extract from the Evening Star of yesterday showing what the league has done to rebuild Austria financially and otherwise and to bring hope to those desperate people.

Mr. CARAWAY. Mr. President, may I interrupt the Senator before the article is read?

Mr. SWANSON. Certainly.

Mr. CARAWAY. I was in Austria last summer. There was no such complete wrecking of a people in the history of modern times as in Austria. All its agricultural sources would only feed its people for two months. It had to get credit for 10 months' food. It had no raw material. It was absolutely helpless, and the people were facing a winter of starvation if it had not been for the action of the league. I merely wished to say that.

Mr. SWANSON. Mr. President, before the article is read I merely wish to say that here was a nation which was destitute, in wretched financial condition, and politically bankrupt. It had tried for three years to obtain assistance in the markets of the world, to secure loans in order to enable its people to rebuild their devastated country and again start on a career of usefulness and progress. They have been saved almost from starvation. There was no agency in the world to which they could apply for relief except the League of Nations. Let this body, that has so repeatedly derided the League of Nations, know the good work which has been accomplished by it in relieving one of the most wretched and destitute of nations. I ask the Secretary to read the portion of the Evening Star of yesterday which I have marked.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

[Washington Evening Star, Friday, February 2, 1923.]

GUARANTEE AUSTRIAN LOAN.

The financial salvation of Austria was announced to the council by the Earl of Balfour as virtually an accomplished fact, and M. Viviani, who referred to the league as "the last resort for nations and States whose problems have become insoluble," said the council now was ready for other problems.

The committee's report to the council set forth that the needed loan of 650,000,000 gold crowns had been guaranteed to the amount of 84 per cent by Great Britain, France, Italy, and Czechoslovakia; that 9 per cent more had been pledged by Spain, Belgium, and Switzerland; and that Sweden, Denmark, Norway, and Holland would guarantee the balance. Thus bankers will be fully guaranteed for any loans they make to Austria up to the total fixed by the committee.

Chancellor Seipel, of Austria, thanking the council for coming to the rescue of his country, said it enabled Austria "to preserve its political independence," which was taken as an allusion to the declarations made prior to the league's intervention that if Austria's finances were not restored she would fall into the arms of Germany.

WANT BARRIERS CUT.

The chancellor announced that all the reforms demanded as a condition of the loans had been put into effect, and said that the successful progress of the league's efforts had "revived the sunken hopes of the Austrian people. But it is not yet all," he added; "we must be freed from the economic chains that have been stretched around us since the war."

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The reading of the bill was continued. The next amendment of the Committee on Appropriations was, under the subhead "General Staff Corps, contingencies, Military Intelligence Division," on page 6, line 10, after the word "offices," to strike out "and garages," and in line 19, after the word "information," to strike out "\$130,000" and insert "\$162,680," so as to read:

For contingent expenses of the Military Intelligence Division, General Staff Corps, including the purchase of law books, professional books of reference; subscriptions to newspapers and periodicals; drafting, clerical, and messenger services in the Military Intelligence

Division in Washington, D. C.; and of the military attachés at the United States embassies and legations abroad and rental of offices for such military attachés; the cost of special instruction at home and abroad, and in maintenance of students and attachés; for the hire of interpreters, special agents, and guides; and for such other purposes as the Secretary of War may deem proper, including \$5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of the Secretary of War States at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, \$162,680; to be expended under the direction of the Secretary of War.

Mr. KING. Mr. President, may I inquire of the chairman of the Committee on Military Affairs if there was sufficient evidence before the Committee on Appropriations to justify the increase here proposed?

Mr. WADSWORTH. The committee restored the item of the Budget Bureau estimate because they thought the evidence was sufficient.

Mr. KING. I suppose the hearings before the House committee were very full and complete upon the item?

Mr. WADSWORTH. Quite full, although there is nothing in the House hearings to disclose the reason for the reduction.

Mr. KING. What did the Budget recommend?

Mr. WADSWORTH. The same figures.

Mr. KING. One hundred and thirty thousand dollars?

Mr. WADSWORTH. The Budget estimate was \$162,500.

Mr. KING. What did the War Department request?

Mr. WADSWORTH. One hundred and sixty-two thousand five hundred.

Mr. KING. The Budget gave what was requested?

Mr. WADSWORTH. This was the mechanism of the Budget so far as the War Department was concerned. The different subdivisions of the War Department all made their estimates to the War Department budget officer. That officer, under the direction of the Secretary of War, made up the aggregate of the estimates for the War Department, many reductions being suggested at that point of the procedure. Then that aggregate of the estimates of the War Department itself was submitted to the Director of the Budget and to the President. A further reduction was ordered or requested by the Director of the Budget and the President, and an outside figure set, the War Department then being left to arrange the details of the different inside appropriations in order that the aggregate of them should be within the figures set by the Budget.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 6, line 21, before the word "shall," to strike out "\$70,000" and insert "\$88,680," so as to make the proviso read:

Provided, That not more than \$88,680 shall be expended for drafting, clerical, and messenger services in the Military Intelligence Division, General Staff Corps, in Washington, D. C.

The amendment was agreed to.

DEPARTMENTAL USE OF AUTOMOBILES.

Mr. McKELLAR. Mr. President, I do not believe that the subject to which I now desire to advert arises under the amendment which has just been agreed to, but I wish at this time to ask the chairman of the Committee on Military Affairs [Mr. WADSWORTH] a question. Were any reductions made in the bill this year on account of the purchase, upkeep, and expense of operating automobiles, or are the same appropriations made for that purpose which were made last year?

Mr. WADSWORTH. Mr. President, the expenditure for the purchase, upkeep, and maintenance of automobiles is carried under the appropriation headed "Transportation of the Army and its supplies." The Senator from Tennessee will find that there is a proviso on page 35 reading as follows:

And provided further, That none of the funds appropriated or made available under this act or any of the unexpended balances of any other act shall be used for the purchase of motor-propelled passenger or freight carrying vehicles for the Army except those that are purchased solely for experimental purposes.

The Army has not purchased any trucks or passenger-carrying automobiles since the World War, and the annual appropriation for transportation of the Army and its supplies has been growing smaller and smaller.

Mr. McKELLAR. Mr. President, I call attention to the report of the Secretary of War, which in itself seems rather to indicate that some automobiles have been purchased, although the report does not say so in words. In answer to a resolution of the Senate on this subject, the Secretary of War on January 29 filed a report, to which I wish to call the attention of the Senator from New York. The table accompanying

the letter of the Secretary of War shows that as of January 26, 1923, the Secretary of War had furnished to him two automobiles, and under the head of "Cost of vehicles" are the figures \$11,431. I notice in a note at the foot of the report the statement as to these vehicles that they were "All purchased during the World War." The salary of chauffeurs per month was \$158.33.

The Assistant Secretary of War had one automobile, the cost of which was \$3,221.

General of the Armies, four vehicles, at a cost of \$32,800, which it is stated are chauffeured by enlisted men.

Office of the Chief of Staff, cost of vehicle \$869, which is chauffeured by enlisted men.

Deputy Chief of Staff, two automobiles, at \$16,400. Evidently those were automobiles which cost \$8,200 apiece. Those also were chauffeured by enlisted men.

Commanding general, district of Washington, \$3,221, for automobile, and chauffeur at \$75 per month.

Office of commanding general, district of Washington, one automobile, which cost \$2,298.

Commanding officer, general intermediate depot, \$3,065 for one automobile, and a chauffeur at \$75 per month.

One for the district motor transport officer, \$869, and chauffeur's salary \$75 per month.

Office of the quartermaster supply officer, one at \$3,155, and a chauffeur at \$150 per month.

One for the welfare service, \$869, with a chauffeur at \$75 per month.

As a pool for attending surgeons, six automobiles, which cost \$5,214; chauffeurs, \$600 a month, with two shifts.

Five for general service, at \$11,490; chauffeurs, \$375 a month.

Two for funerals, which cost \$4,596; chauffeurs from general pool.

Five for State Department for conference on Central American affairs, \$11,490, with two chauffeurs; enlisted men, I presume.

Fort Myer, three; cost, \$4,959.

Fort Washington, Md., two, at \$3,934.

Fort Humphreys, Va., two, at \$3,167.

Bolling Field, two, at \$3,167.

Walter Reed Hospital, two, at \$3,167.

Washington Barracks, two, at \$1,738.

Army War College, three, at \$6,388.

There are three Government garages, and the monthly salaries of various employees of those garages are stated to be \$450, \$3,343.31, and \$3,965.43, respectively.

For one garage the rental per year is \$3,000; another is United States property; and the rental of the third is \$7,182 a year.

Mr. President, I ask unanimous consent to insert in the RECORD the report of the Secretary of War in full and also the matter accompanying the Secretary's report, being the figures for the Engineer Department, all showing the extravagant use of automobiles.

The PRESIDING OFFICER (Mr. McNARY in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

WAR DEPARTMENT,
Washington, January 29, 1923.

The PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: In response to Senate Resolution No. 399, directing the head of each department to furnish certain information concerning the number of passenger automobiles in use by such department, by direction of the President I transmit to you:

(a) A report from the Chief of Engineers covering the Office of Public Buildings and Grounds and the District Engineer, appended and marked "(a)."

(b) A report from the Quartermaster General, appended and marked "(b)."

These two reports cover all the motor passenger transportation in use in the city of Washington, D. C., under control of the War Department.

Reports covering the motor passenger transportation in use outside of the district of Washington and under control of the War Department will be transmitted to you as soon as the necessary compilations have been completed.

Respectfully,

JOHN W. WEEKS, Secretary of War.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, January 26, 1923.

Subject: Passenger automobiles in the city of Washington.

To: The Secretary of War.

1. Pursuant to instructions in department indorsement dated January 10, 1923, and the requirements of Senate resolution dated January 6, 1923, there are submitted herewith reports concerning passenger automobiles in the city of Washington in use by the District engineer, Washington, D. C., and the officer in charge of public buildings and grounds.

2. Reports concerning such vehicles in use by this bureau under district engineer officers outside of the city of Washington have been called for and will be submitted when received.

H. TAYLOR, Acting Chief of Engineers.

(Two inclosures.)

Engineer Department—Passenger automobiles in the city of Washington in use under the Office of Public Buildings and Grounds, calendar year 1922.

Machine.	Assigned to—	Cost.	Cost of operation.	Salary of chauffeur per month.
Buick sedan.....	Officer in charge (Lieut. Col. C. O. Sherrill).	\$3,110	\$1,417.79	\$95 plus \$20.
Hudson touring..	Superintendent (F. F. Gillen).	1,830	149.98	None.
Dodge touring...	Overseer (Charles Henlock)	1,575	509.49	None.
Buick sedan.....	Officer in charge (Lieut. Col. C. O. Sherrill).	2,655	1,174.95	\$105 plus \$20.
Dodge touring...	Superintendent (Earl G. Marsh).	973	853.60	None.
Do.....	Overseer (Charles Henlock)	1,965	468.98	None.

¹ Jan. 1-July 13, 1922.

² Jan. 1-Mar. 14, 1922.

³ Jan. 1-July 7, 1922.

⁴ Less \$1,055 on old machine.

⁵ July 13-Dec. 31, 1922.

⁶ Mar. 15-Dec. 31, 1922.

⁷ Less \$200 on old machine.

⁸ July 7-Dec. 31, 1922.

No allowances are made for privately owned automobiles under this office.

The number of garages maintained by this office is three. All are located at the propagating gardens, Fifteenth and C Streets SW., Washington, D. C.

The cost of garages is as follows:

(1) One-third of cost, constructed of brick and reinforced concrete; dimensions, 60 by 200 feet; was erected for storage of mechanical equipment..... \$6,000

(2) Sheet-metal garage, 24 by 100 feet, with concrete footings, concrete floors, hot-water heat, electric lights, running water..... \$5,200

(3) Brick auto repair shop, 20 by 42 feet, with concrete floor, hot-water heat, electric lights, running water, pit and traveling hoist..... 3,085

The number of employees in the above garages is five. The compensation of the above employees is \$20.44 per day. No space in the above garages is rented. The number of passenger automobiles kept in above garages is 3. The number of trucks kept in said garages is 24. There are no passenger automobiles operated by this office outside the city of Washington.

ENGINEER DEPARTMENT, PASSENGER AUTOMOBILES IN THE CITY OF WASHINGTON IN USE UNDER THE DISTRICT ENGINEER, WASHINGTON, D. C.

(Calendar year 1922, District Engineer Maj Max C. Tyler, Corps of Engineers.)

Number of passenger automobiles: One. Official to whom assigned: The District engineer. The cost thereof: \$700. Cost of operation and upkeep: \$535.97 for calendar year 1922. Salary of chauffeur: \$110 plus bonus per month. Allowances for privately owned automobiles: None. Garages: Two, owned by United States. Location: One at Washington filtration plant; one at Dalecarlia Reservoir, Conduit Road, District of Columbia. Cost of garages: At Washington filtration plant, \$3,951; at Dalecarlia Reservoir, Conduit Road, District of Columbia, \$1,500. In garages: At Washington filtration plant, one passenger automobile, six trucks; at Dalecarlia Reservoir, Conduit Road, District of Columbia, three trucks. All of these machines are the property of the United States and for the use of this office. Number of employees used in garages: At Washington filtration plant, one engineman and chauffeur at \$125 per month plus bonus, one laborer at \$3.23 per day plus bonus; at Dalecarlia Reservoir, Conduit Road, District of Columbia, one laborer at \$2.73 per day plus bonus.

Passenger automobiles in use by War Department in district of Washington.

(Furnished to comply with Senate resolution of Jan. 6, 1923.)

Quantity.	To whom assigned.	Cost of vehicles. ¹	Cost of operation and upkeep per month.	Salary of chauffeurs per month.	Allowances for privately owned vehicles.	Garages.							
						Number.	Location.	Cost.	Number of employees (civilian). ²	Cost of employees per month.	Rental per year.	Number passenger automobiles.	Number trucks.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Washington, D. C., as of Jan. 26, 1923:												
2	Secretary of War.....	\$11,421	(³)	\$158.33.....	None.....								
1	Assistant Secretary of War.....	3,221	(³)	\$75.....	do.....								
4	General of the Armies (2 active, 2 inactive). ⁴	32,800	(³)	Enlisted.....	do.....								
1	Office of the Chief of Staff.....	869	(³)	do.....	do.....								
2	Deputy Chief of Staff.....	16,400	(³)	\$75.....	do.....								
1	Commanding general, district of Washington.....	3,221	(³)	\$75.....	do.....	1	240 Nineteenth Street.	Unknown	6	\$450.00	\$3,000.....	18	1
1	Office of commanding general, district of Washington.....	2,298	(³)	Enlisted.....	do.....	1	Twentieth and C Streets.	do.....	41	3,343.31	United States property.	41	7
1	Commanding officer, general intermediate depot.....	3,065	(³)	\$75.....	do.....								
1	District motor transport officer.....	869	(³)	\$75.....	do.....	1	141 Q Street.....	do.....	46	3,965.43	\$7,182.....	2	68
2	Office of the quartermaster supply officer.....	3,155	(³)	\$150.....	do.....								
1	Welfare service.....	869	(³)	\$75.....	do.....								
6	Pool for attending surgeons.....	5,214	(³)	\$600 (2 shifts).....	do.....								
5	Pool for general service.....	11,490	(³)	\$375.....	do.....								
2	Funerals (used for funerals only).....	4,596	(³)	From general pool.....	do.....								
5	State Department, for conference Central American affairs.....	11,490	(³)	(¹⁰).....	do.....								

¹ All purchased during the World War.

² Includes civilian chauffeurs.

³ Lump sum allotments for entire district: Personnel (civilian), \$8,123.67; gasoline and oil, \$1,923.67; spare parts, \$50; total, \$10,097.34.

⁴ The 2 inactive cars are used as replacements in case any of the 2 active ones are temporarily out of commission. These are the 4 cars employed by the commander in chief, American Expeditionary Forces in France.

⁵ Garage also occupied as stable; about one-third of space allotted to motor vehicles and only one-third of rental shown above.

⁶ Includes the following vehicles not belonging to Army: 1, State Department, rental \$20 month received; 1, War Department, rental \$20 month received; 7, White House; 1, Secretary of War (private), in dead storage; 1, Chief of Staff (private).

⁷ Property of White House.

⁸ Includes space assigned to quartermaster sales store and storage for motor transport spare parts and supplies for district of Washington.

⁹ Includes truck, property of War Trade Commission; rental \$12 month received.

¹⁰ Expense of operation and maintenance paid by State Department.

All under jurisdiction of quartermaster, district of Washington.

Passenger automobiles in use by War Department in district of Washington—Continued.
(Furnished to comply with Senate resolution of Jan. 6, 1923.)

Quantity.	To whom assigned.	Cost of vehicles.	Cost of operation and upkeep per month.	Salary of chauffeurs per month.	Allowances for privately-owned vehicles.	Garages.								
						Number.	Location.	Cost.	Number of employees (civilian).	Cost of employees per month.	Rental per year.	Number passenger automobiles.	Number trucks.	Names of officers and employees with automobiles in garages.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
3	Fort Myer, Va. ^{1,2}	\$4,959	(?)	Enlisted.....	None.....	(*)	(*)	(?)	(?)	3	16	Under jurisdiction of the quartermaster of post or station.
2	Fort Washington, Md. ^{1,2}	3,934	(?)	do.....	do.....	(*)	(*)	.....	(?)	(?)	.....	2	4
2	Fort Humphreys, Va. ^{1,2}	3,167	(?)	do.....	do.....	(*)	(*)	.....	(?)	(?)	.....	3	13
2	Bolling Field, D. C. ^{1,2}	3,167	(?)	do.....	do.....	(*)	(*)	.....	(?)	(?)	.....	2	7
2	Walter Reed Hospital, D. C. ^{1,2}	3,167	(?)	do.....	do.....	(*)	(*)	.....	(?)	(?)	.....	3	14
2	Washington Barracks, D. C. ^{1,2}	1,738	(?)	do.....	do.....	(*)	(*)	.....	(?)	(?)	.....	2	9
3	Army War College, D. C. ^{1,2}	6,388	(?)	do.....	do.....	(*)	(*)	.....	(?)	(?)	.....	3	2

¹ Dec. 31, 1922, inventory.

² No personal assignments except to general officers commanding. All motor vehicles pooled and operated from motor transport centers. (G. O. 84, W. D. 1919, Sec. II.)

³ Lump sum allotments for entire district: Personnel (civilian), \$8,123.67; gasoline and oil, \$1,923.67; spare parts, \$50; total, \$10,097.34.

* Garages are Government owned and are located on and relate to regular equipment of military reservations where vehicles are operating.

* Civilian labor employed only when enlisted personnel not available or not qualified.

* Limited to allotments, and included in lump sum for personnel shown in column 1.

Mr. McKELLAR. Mr. President, the time was when it was thought that a Cabinet officer was rather extravagant in having a carriage and a pair of horses. Now, we contribute to Cabinet officers as much in the way of automobiles and expenses incident thereto as we do in salary.

I call attention to the report of the Attorney General, for instance, which is now before me. I quote:

Harry M. Daugherty, Attorney General, Washington, D. C., cost of automobile (Packard), \$6,857.

There is a note which reads:

Cost of the car is amount paid exclusive of allowance on old Hudson car.

The cost of operation and upkeep of this new Packard is stated to be \$1,785.52, and salary of the chauffeur for one year is fixed at \$2,040. Not knowing how much the Hudson car cost, it is difficult to get the exact amount the Packard car cost the United States Government. Assuming that it was a \$10,000 Packard and the allowance for the old Hudson made up the difference, then this car cost the Government nearly \$14,000. My recollection is that we pay as salary to the Attorney General of the United States the sum of \$12,000.

So, Mr. President, the reason why I am asking that these reports be printed in the Record is because I feel that the extravagant use of the people's money should be made public. We should know what we are doing. Think of it! We pay

our Attorney General \$12,000 a year and then furnish more than \$12,000 a year to keep him in an automobile; and other members of the Cabinet the same way.

I refer again to our distinguished Commanding General of the Army, a man for whom I entertain the highest esteem and respect and regard. We furnish him four automobiles, and the cost of those automobiles is put down at \$32,000, and the cost of upkeep, maintenance, and chauffeurs amounts to many, many thousands of dollars more.

Mr. President, I ask unanimous consent that the report in regard to the Attorney General's office may be printed in the Record.

The PRESIDING OFFICER. Without objection, it will be printed in the Record.

The report is as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., January 30, 1923.

The PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: In response to Senate Resolution 399, dated January 6, 1923, which calls for certain information relative to passenger automobiles in use by the various departments of the Government, I have the honor to submit herewith report pertaining to the Department of Justice.

Respectfully,

H. M. DAUGHERTY, Attorney General.

(Inclosure 119884.)

Department of Justice—Government-owned passenger automobiles.

Name and position of official or person to whom assigned.	Location.	Cost of automobile.	Date acquired or purchased.	Cost of operation and upkeep, fiscal year 1922.	Salary or pay per annum of chauffeur, including bonus.	Remarks.
Harry M. Daugherty, Attorney General...	Washington, D. C.....	\$6,857.00	June 24, 1921	\$1,735.53	\$2,040.00	Packard. ¹ Cost of car is amount paid exclusive of allowance on old Hudson car.
Official service car, Bureau of Investigation.	do.....	3,515.30	July 1, 1922	² 456.85	2,040.00	Marmon car. ¹ Cost and upkeep, including gas, oil, tires, tubes, garage rental, etc.
National Training School for Boys, G. A. Sterling, superintendent.	do.....	918.53	October, 1921	281.44	(?)	Cadillac touring.
U. S. penitentiary, Atlanta, Ga., J. E. Dyche, warden.	Atlanta, Ga.....	812.70 988.31	July, 1919	500.52 284.45	(?) (?)	Dodge touring.
U. S. penitentiary, Leavenworth, Kans., W. I. Biddle, warden.	Leavenworth, Kans.....	1,298.00	.....	488.12	(?)	Oldsmobile.
District of Columbia, two-passenger vans operating from jail to courthouse.	Washington, D. C.....	³ 4,055.00	1918	1,480.00	⁴ 1,920.00	Cadillac.
For marshal's office.	do.....	(?)	August, 1922			
Bureau of Investigation:						
J. M. Towler, agent in charge.....	Nashville.....			863.87	(?)	During war donated by patriotic citizens.
Lewis J. Baley, agent in charge.....	Atlanta.....			288.75	(?)	Do.
Louis De Nette, agent in charge.....	El Paso.....			149.30	(?)	Do.

¹ These cars are driven by special confidential agents, who also act as mechanics.

² No chauffeur.

³ For two vans.

⁴ For 2 chauffeurs; \$720 per annum each, plus bonus.

⁵ No cost (obtained from War Department).

⁶ For 6 months, July 1 to Dec. 31, 1922.

Department of Justice—Amount of allowance or cost of supplies, etc., furnished by the Government for upkeep and operation of privately owned automobiles.

(Jan. 27, 1923.)

Name and position of official or person to whom allowance is made or supplies furnished.	Location.	Cost of supplies, etc., furnished for year 1922.	Remarks.
Bureau of Investigation:			
Special agents—			
A. J. Wismer.....	Atlanta.....	\$148.09	
Leon Howe.....	Tampa.....	32.62	
Fred S. Dunn.....	Little Rock.....	23.10	
John Bonyne.....	Savannah, Ga.....	12.00	
W. G. Walker.....	Washington, D. C.....	24.08	
A. C. Rayner.....	do.....	197.70	
W. F. Farrell.....	Nashville.....	44.73	Loaned by prohibition agent.
J. E. Watson, jr.....	Washington, D. C.....	29.00	
Fred G. Zerst, deputy warden.	Leavenworth, Kans.....	33.00	
Dr. A. F. Yoke, prison physician.	do.....	85.00	

Mr. McKELLAR. Mr. President, I have here a report from Hon. Edwin Denby, Secretary of the Navy, which I ask to be printed in the RECORD also as a part of my remarks. I call attention to the fact that the Secretary of the Navy is much more modest in his use of automobiles or the kind of automobiles that he uses. He rides in a car that cost only \$3,500.

The PRESIDING OFFICER. Without objection, the report will be printed in the RECORD.

The report is as follows:

THE SECRETARY OF THE NAVY,
Washington, January 30, 1923.

THE PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: I transmit herewith information relating to automobiles, garages, etc., under the Navy Department and Marine Corps, as called for by Senate Resolution No. 399.

Very respectfully,

EDWIN DENBY.

Information relative to garages for motor vehicles under the control of the Navy Department in the city of Washington, D. C., January 29, 1923 (S. Res. 399).

Number.	Location.	Cost of garage.	Number of employees.	Cost of employes per month.	Rental.	Number of passenger autos.	Number of trucks.	Remarks.
1	Navy Department Building.	Unknown.....	5	\$20.88	None.....	6.....	5.....	This garage is part of Navy Department Building (rear end of seventh wing, ground floor).
1	Navy yard:							
1	Building No. 8.....	\$11,301.....	19	\$2,700.00	do.....	0.....	13 ⁴	This is a motor-vehicle repair shop.
1	Building No. 140.....	\$5,553.....	3	456.00	do.....	0.....	12.....	This is a garage and shop for electric vehicles, including small industrial trucks.
1	Building No. 169.....	\$33,554.....	1	85.00	do.....	0.....	13 ⁵	Only small part of building used for automobile, balance for general storage purposes.
1	Building No. 59.....	\$2,500.....	0		do.....	1.....	0.....	This garage is part of naval hospital main building. Senior visiting surgeon's car (Government owned).
1	Naval hospital building..	Unknown.....	4	407.68	do.....	None.....	5.....	
1	522 Twenty-third Street NW.	None to Government.	0		\$12 per month.	1.....	None.....	Second senior visiting surgeon's car (Government owned).
1	1004 Park Road NW.....	do.....	0		\$8 per month.	1.....	None.....	Two ambulances kept in this garage.
1	Navy Department Buildings.	\$3,000.....	0		None.....	None.....	None.....	

¹ Per day.

² All engaged on repair work only. Also make repairs on cars of other Government departments, except War and Post Office Departments.

³ Approximate average.

⁴ Plus vehicles undergoing repairs.

⁵ Average.

NOTE.—The Naval Observatory has one passenger car and two trucks which are kept in the observatory stable. Repairs made at navy yard. Navy yard trucks are used to a considerable extent for service for other Government departments.

Information concerning passenger automobiles under the control of the Navy Department January 29, 1923 (S. Res. 399).

IN THE CITY OF WASHINGTON, D. C.

[See notes at end of this statement.]

Place.	Activity.	Car.	Official or person to whom assigned.	First cost of automobile.	Cost of upkeep and operation, excluding chauffeur.	Time covered.	Pay of chauffeur.	Remarks.
Washington, D. C....	Navy Department	7-passenger (1947).	Secretary of the Navy.	\$3,500.00	\$446.75	Oct. 1-Dec. 31, 1922.	\$240.00	Car operated part of quarter only. Relieved by reserve car No. 2108.
Do.....	do.....	7-passenger (1068).	Assistant Secretary of Navy.	2,776.01	707.04	do.....		Car not operated during quarter. Expenditures were for overhaul, during which car No. 2174, now in storage, was used at cost of \$236.60 plus \$310, chauffeur's pay, during the quarter.
Do.....	do.....	7-passenger (2874).	Chief of Naval Operations.	2,603.00	511.28	do.....	360.00	
Do.....	do.....	7-passenger (2687).	Officers and employees	2,603.00	153.33	do.....	None.	
Do.....	do.....	7-passenger (2108).	Reserve car.	2,603.00	229.15	do.....	120.00	Car operated during part of quarter as relief of car No. 1947.
Do.....	do.....	5-passenger (1026).	Officers and employees	414.25	90.43	do.....	305.76	
Do.....	Naval Observatory.	5-passenger (2690).	Superintendent, officers, and employees.	534.43	9.12	do.....	None.	
Do.....	Naval Dispensary.	2-passenger (2497).	Medical officers and employees.	895.84	343.26	do.....	305.76	
Do.....	do.....	2-passenger (2664).	do.....	895.84	54.51	do.....	305.76	
Do.....	Navy yard.....	7-passenger (1025).	Commandant, officers, and employees.	2,776.01	490.08	do.....	305.76	

OUTSIDE OF THE CITY OF WASHINGTON.

Akron, Ohio.....	Aircraft inspection office.	5-passenger (1929).	Inspector of aircraft, officers, and employees.	\$534.43	\$50.00	Oct. 1-Dec. 31, 1922	None.	
Anacostia, D. C....	Naval air station..	7-passenger (2030).	Commanding officer, officers, and employees.	2,603.00	474.70	do.....	None.	
Annapolis, Md.....	Naval Academy....	5-passenger (2949).	Superintendent, officers, and employees.	602.00	104.81	do.....	None.	

Information concerning passenger automobiles under the control of the Navy Department January 20, 1923 (S. Res. 399)—Continued.

OUTSIDE OF THE CITY OF WASHINGTON, D. C.—continued.

Place.	Activity.	Car.	Official or person to whom assigned.	First cost of automobile.	Cost of upkeep and operation, excluding chauffeur.	Time covered.	Pay of chauffeur.	Remarks.
Annapolis, Md.	Naval academy	7-passenger (4)	Superintendent, officers, and employees.	\$2,743.91	\$453.52	Oct. 1-Dec. 31, 1922.	\$305.76	
Do.	do.	5-passenger (5)	do.	582.10	19.23	do.	None.	
Do.	do.	5-passenger (9)	do.	549.83	46.27	do.	None.	
Balboa, Canal Zone.	Fifteenth naval district.	5-passenger (1030)	Commandant, officers, and employees.	735.00	94.63	July 1-Sept. 30, 1922.	184.00	
Berlin, Germany.	Office of naval attaché.	5-passenger (1901)	Naval attaché and employees.	2,603.00	739.80	do.	39.50	
Boston, Mass.	Navy yard.	5-passenger (1701)	do.	536.00	115.11	do.	None.	Now under repairs. In use while No. 1701 is under repairs.
Do.	do.	5-passenger (953)	do.	1,200.00	210.78	do.	None.	
Do.	do.	7-passenger (2914)	do.	2,603.00	302.21	do.	None.	
Cavite, P. I.	do.	7-passenger (2822)	Commandant, officers and employees.	2,743.91	261.07	do.	None.	
Charleston, S. C.	do.	7-passenger (88)	do.	2,603.00	149.88	do.	None.	Put in use Oct. 5, 1922. Report of upkeep not yet received.
Do.	do.	5-passenger (501)	do.	414.56	do.	do.	None.	
Do.	do.	5-passenger (1836)	do.	460.00	296.41	do.	None.	
Coco Solo, C. Z.	Naval submarine base.	5-passenger (1889)	do.	460.00	67.78	do.	None.	
Constantinople, Turkey.	Turkish waters detachment.	7-passenger (2888)	Commander, officers and employees.	2,603.00	138.15	do.	None.	
Do.	do.	7-passenger (2890)	do.	2,603.00	108.40	do.	None.	
Dahlgren, Va.	Proving ground, lower station.	7-passenger (1780)	Commanding officer, officers and employees.	1,278.75	398.89	do.	None.	
European waters.	U. S. naval force.	7-passenger (2878)	Commander in chief and officers.	2,603.00	244.61	do.	None.	
Great Lakes, Ill.	Naval training station.	7-passenger (134)	Reserve car.	2,793.00	17.82	do.	None.	
Do.	do.	7-passenger (135)	do.	2,793.00	405.40	do.	None.	
Do.	do.	7-passenger (138)	Commandant, officers and employees.	2,179.00	75.57	do.	None.	
Do.	do.	7-passenger (2686)	do.	2,603.00	do.	do.	None.	Put in use Oct. 4, 1922. Report of upkeep not yet received.
Do.	do.	5-passenger (1975)	do.	415.00	do.	do.	None.	Put in use Nov. 17, 1922. Report of upkeep not yet received.
Do.	do.	5-passenger (1256)	do.	415.00	do.	do.	None.	Put in use Oct. 25, 1922. Report of upkeep not yet received.
Guam.	Naval station.	7-passenger (300)	do.	1,624.55	86.58	do.	None.	
Guantanamo.	do.	5-passenger (1165)	do.	415.00	18.93	do.	None.	
Do.	do.	5-passenger (305)	do.	415.00	167.55	do.	None.	
Hampton Roads, Va.	Naval operating base.	5-passenger (2241)	do.	392.80	104.76	Oct. 1-Dec. 31, 1922.	None.	
Do.	do.	5-passenger (2238)	do.	505.55	77.98	do.	305.76	
Do.	do.	7-passenger (686)	do.	3,012.08	69.37	do.	None.	
Do.	do.	7-passenger (2475)	do.	2,603.00	58.37	do.	None.	
Do.	do.	7-passenger (1881)	do.	2,603.00	225.90	do.	None.	
Do.	Naval training station.	7-passenger (319)	Commanding officer, officers, and employees.	3,345.58	121.27	do.	None.	
Do.	Naval air station.	7-passenger (1133)	do.	3,345.58	do.	do.	None.	Not in use during quarter. Upkeep during next previous quarter, \$392.05. Replaced by car No. 33, Nov. 7, 1922.
Hingham, Mass.	Naval ammunition depot.	5-passenger (1718)	Inspector in charge, officers, and employees.	394.00	6.62	Oct. 1-Nov. 7, 1922.	None.	
Do.	do.	7-passenger (33)	do.	2,330.10	92.69	Nov. 7-Dec. 31, 1922.	None.	
Indian Head, Md.	Naval proving ground.	7-passenger (1945)	do.	3,345.58	155.07	July 1-Sept. 30, 1922.	246.96	
Do.	do.	7-passenger (1784)	do.	3,345.58	185.94	do.	24.50	
Do.	do.	7-passenger (1785)	do.	3,846.80	160.10	do.	96.16	
Keyport, Wash.	Naval torpedo station.	5-passenger (2669)	do.	446.00	127.41	do.	None.	
Key West, Fla.	Naval station.	5-passenger (1944)	Commandant, officers, and employees.	1,557.21	111.15	Oct. 1-Dec. 31, 1922.	4.96	
Lake Denmark, N. J.	Naval ammunition depot.	5-passenger (110)	Inspector in charge, officers, and employees.	413.51	122.88	July 1-Sept. 30, 1922.	None.	
Lakehurst, N. J.	Naval air station.	5-passenger (889)	Commanding officer, officers, and employees.	327.68	47.10	do.	None.	
Do.	do.	7-passenger (1730)	do.	1,867.65	16.02	do.	None.	
Do.	do.	7-passenger (1997)	do.	2,783.91	83.90	do.	None.	
Do.	do.	7-passenger (2213)	do.	2,603.00	105.52	do.	None.	
London, England.	Office of naval attaché.	7-passenger (2886)	Naval attaché and employees.	2,603.00	540.06	do.	None.	
Maze Island, Calif.	Navy yard.	5-passenger (419)	Commandant, officers, and employees.	598.00	28.71	do.	None.	
Do.	do.	7-passenger (2955)	do.	2,603.00	197.38	do.	None.	
New London, Conn.	Naval submarine base.	7-passenger (1498)	Commander, officers, and employees.	3,259.70	316.41	do.	None.	
Do.	do.	5-passenger (2698)	do.	394.50	7.30	do.	None.	
New Orleans, La.	Naval station.	7-passenger (532)	Commandant, officers, and employees.	2,603.00	202.19	Oct. 1-Dec. 31, 1922.	364.96	
Newport, R. I.	Naval torpedo station.	7-passenger (1744)	Inspector in charge, officers, and employees.	3,259.70	72.50	do.	364.96	
Do.	Naval station.	5-passenger (1095)	Commandant, officers, and employees.	415.80	5.08	do.	None.	
Do.	Naval training station.	7-passenger (1631)	do.	3,259.70	233.93	do.	None.	
Do.	do.	5-passenger (1748)	do.	425.00	72.31	do.	None.	
Do.	Naval War College.	7-passenger (2367)	President and officers.	3,500.00	464.29	do.	254.80	

Information concerning passenger automobiles under the control of the Navy Department January 29, 1923 (S. Res. 399)—Continued.

OUTSIDE OF THE CITY OF WASHINGTON—continued.

Place.	Activity.	Car.	Official or person to whom assigned.	First cost of automobile.	Cost of upkeep and operation, excluding chauffeur.	Time covered.	Pay of chauffeur.	Remarks.
New York, N. Y.	Navy yard.	7-passenger (572)	Commandant, officers, and employees.	\$2,743.91	\$718.54	Oct. 1-Dec. 31, 1922.	\$305.76	
Do.	do.	7-passenger (1298)	do.	2,603.00	285.68	do.	None.	
Do.	do.	5-passenger (1392)	do.	425.00	28.79	do.	None.	
Do.	Third naval district.	7-passenger (564)	do.	2,743.91	632.30	do.	None.	
Do.	do.	7-passenger (1301)	do.	4,850.00	64.05	do.	None.	
Do.	do.	5-passenger (1579)	do.	525.00	24.44	do.	None.	
Norfolk, Va.	Navy yard.	7-passenger (684)	do.	1,680.00	41.25	do.	None.	
Do.	do.	7-passenger (685)	do.	1,624.55	42.91	do.	None.	
Do.	do.	7-passenger (2615)	do.	2,603.00	192.11	do.	286.24	
Do.	do.	5-passenger (693)	do.	405.91	34.52	do.	None.	
Do.	do.	5-passenger (692)	do.	416.24	36.24	do.	66.64	
Do.	do.	5-passenger (687)	do.	416.75	23.61	do.	None.	
Pacific Fleet.	Pacific Fleet.	7-passenger (2480)	Commander in chief.	2,603.00	42.22	July 1-Sept. 30, 1922.	None.	
Paris, France.	U. S. naval force.	4-passenger (11058)	Commander in chief and officers.		499.76	do.	None.	
Do.	Graves Registration.	7-passenger (2875)	Officers and employees	2,603.00	178.47	do.	None.	
Do.	do.	7-passenger (2879)	do.	2,603.00	255.93	do.	None.	
Pearl Harbor, Hawaii.	Naval base	7-passenger (772)	Commandant, officers, and employees.	3,635.50	124.94	do.	None.	
Do.	do.	7-passenger (642)	do.	2,603.00	80.88	do.	None.	
Do.	do.	5-passenger (773)	do.	306.85	35.34	do.	None.	
Do.	do.	5-passenger (2032)	do.	306.85	21.58	do.	None.	
Do.	do.	5-passenger (1943)	do.	416.75	12.47	do.	None.	
Do.	do.	5-passenger (1140)	do.	460.05	185.55	do.	None.	
Do.	do.	5-passenger (1604)	do.	534.43		do.	None.	Put in use December, 1922. Report of upkeep not yet received.
Pensacola, Fla.	Naval air station.	7-passenger (818)	do.	1,722.72	138.99	July 1-Sept. 30, 1922.	None.	
Do.	do.	5-passenger (819)	do.	453.33	168.69	do.	None.	
Do.	do.	5-passenger (828)	do.	419.96	89.42	do.	None.	
Do.	do.	7-passenger (395)	do.	3,600.00	21.63	do.	None.	
Philadelphia, Pa.	Navy yard.	7-passenger (1683)	do.	2,603.00	35.67	Oct. 1-Dec. 31, 1922.	None.	
Do.	do.	7-passenger (482)	do.	3,500.00	156.72	do.	162.96	
Do.	do.	7-passenger (1351)	do.	2,783.91	183.07	do.	188.04	
Do.	do.	7-passenger (2017)	do.	2,603.00	391.32	do.	None.	
Do.	do.	7-passenger (2338)	do.	2,603.00	84.28	do.	39.20	
Do.	do.	7-passenger (2499)	do.	2,603.00	14.05	do.	None.	
Do.	Naval home.	7-passenger (2200)	Governor, officers, and employees.	2,603.00	75.52	do.	120.00	
Portsmouth, N. H.	Navy yard.	7-passenger (2474)	Commandant, officers, and employees.	2,603.00	38.93	July 1-Sept. 30, 1922.	231.28	
Do.	do.	7-passenger (913)	do.	1,683.00	10.81	do.	None.	
Portsmouth, Va.	do.	5-passenger (765)	do.	1,351.25	36.42	Oct. 1-Dec. 31, 1922.	None.	
Puget Sound, Wash.	do.	7-passenger (926)	do.	2,282.35	220.56	July 1-Sept. 30, 1922.	248.42	
Do.	do.	5-passenger (1864)	do.	534.48	145.17	do.	None.	
Do.	do.	5-passenger (1001)	do.	534.48		do.	None.	Held in reserve. No expenditures since August, 1921. Car under repair during quarter.
St. Thomas, Virgin Islands.	do.	7-passenger (2873)	do.	2,603.00	140.43	Oct. 1-Dec. 31, 1922.	None.	
Do.	do.	7-passenger (2810)	do.	2,783.91	113.99	do.	159.90	
San Diego, Calif.	Eleventh naval district.	5-passenger (970)	do.	394.33	71.90	do.	None.	
San Diego, Calif.	do.	5-passenger (2918)	do.	425.00		do.	None.	Put in use Oct. 28, 1922. Report of upkeep not yet received.
Do.	do.	5-passenger (1153)	do.	446.00	77.96	Oct. 1-Dec. 31, 1922.	None.	
Do.	do.	5-passenger (1377)	do.	394.53	71.03	do.	None.	
Do.	do.	7-passenger (965)	do.	3,445.95	372.27	do.	\$298.08	
San Francisco, Calif.	Twelfth naval district.	7-passenger (2255)	do.	2,603.00	219.49	July 1-Sept. 30, 1922.	None.	
Do.	do.	7-passenger (2821)	do.	2,603.00	19.53	do.	None.	
Santo Domingo, Dominican Republic.	Military government.	7-passenger (1679)	Military governor and officers.	2,603.00	1,020.72	Jan. 1-June 30, 1922.	None.	
Do.	do.	5-passenger (10)	do.	465.00		do.	None.	Shipped to Santo Domingo Nov. 28, 1922. Report of upkeep not yet received.
South Brooklyn, N. Y.	Navy supply depot.	7-passenger (2578)	Officer in charge, officers, and employees.	2,603.00	68.98	Oct. 1-Dec. 31, 1922.	\$43.71	
South Charleston, W. Va.	Naval ordnance plant.	7-passenger (1008)	Inspector in charge, officers, and employees.	3,445.95	373.88	July 1-Sept. 30, 1922.	None.	
Tutuila, Samoa.	Naval station.	5-passenger (29)	Commandant, officers, and employees.	460.00		Oct. 1-Dec. 31, 1922.	None.	Put in use Oct. 2, 1922. Report of upkeep not yet received.
Yorktown, Va.	Navy mine depot.	5-passenger (2033)	Inspector in charge, officers, and employees.	500.00	102.87	July 1-Sept. 30, 1922.	None.	
Do.	do.	2-passenger (1929)	do.	1,500.00	71.24	do.	None.	
Do.	do.	5-passenger (1066)	do.	460.00	134.35	do.	None.	

NOTE A.—This report covers the latest quarter year for which returns have been received. The fiscal year 1922 is not taken as a basis for this report for the reason that many cars in use during the year are not now in use, while some now in use were not in use during that year. Variations in cost of upkeep and operation are due to differences in mileage and character and extent of repairs during the quarter. Chauffeurs operate different cars as required. All cars are over 4 years old, and consequently expensive to maintain and operate. The law forbids purchase of new cars.

NOTE B.—Passenger automobiles are not assigned exclusively to any official or person, and no names are therefore reported. The following instructions are in force: April 2, 1917. The bureau (Yards and Docks) has been directed by the Acting Secretary of the Navy to inform commandants that all passenger-carrying automobiles are to be used for official purposes of the navy yard or station, and are to be available for the use of any of the officers or employees whose official duties require the service of the automobile, and that they are not to be considered as having been furnished for the exclusive use of the commandant.

Information concerning passenger automobiles under the control of the Marine Corps, January 23, 1923 (S. Res. 590).

IN THE CITY OF WASHINGTON, D. C.

Place.	Activity.	Car.	Official or person to whom assigned.	First cost of automobile.	Cost of upkeep and operation excluding chauffeur.	Time covered.	Remarks.
Washington, D. C.....	Headquarters, Marine Corps.	Cadillac phaeton (14)...	General official use....	\$2,895.28	\$796.04	3 months....	Cadillac touring No. 14 was completely overhauled in this period. Cadillac limousine No. 518 was sent to the Philadelphia depot and has just been returned after thorough repairing and repainting. Cadillac car No. 14 has never been completely overhauled, and Cadillac limousine has never had any extensive repairs made to same. Cadillac phaeton No. 96 was used as the official car while cars Nos. 14 and 518 were being repaired. Cadillac cars 411 and 96 and Hudson 41 are used only in emergency cases while other cars are being repaired and when ordered by the Major General Commandant for funerals, etc.
Do.....	do.....	Cadillac limousine (518).	Major General Commandant.	Unknown.	546.71	do.....	
Do.....	do.....	Ford coupe (13).....	Fuel inspector, headquarters, Marine Corps.	394.33	12.47	do.....	
Do.....	do.....	Cadillac 7-passenger (411).	Not assigned; in store, except for emergency purposes.	2,286.00	39.85	do.....	
Do.....	do.....	Cadillac phaeton (96)...	do.....	2,895.28	154.99	do.....	
Do.....	do.....	Hudson 7-passenger (41).	do.....	1,735.00	94.69	do.....	

OUTSIDE THE CITY OF WASHINGTON, D. C.

Hampton Roads, Va.....	Supply depot.....	Ford 5-passenger (39)...	General official use....	\$575.00	\$43.90	3 months....	Excessive cost of upkeep on Cadillac No. 42 due to necessity for overhaul.
Mare Island, Calif.....	Marine barracks.....	King 7-passenger (772)...	C. O., for official use....	2,021.50	56.15	do.....	
New York, N. Y.....	Marine barracks, navy yard.	King 5-passenger (775)...	do.....	1,804.47	96.29	do.....	
Do.....	do.....	Ford 5-passenger (711)...	General official use....	461.08	89.81	do.....	
Norfolk, Va.....	do.....	Nash 5-passenger (420)...	Official use for commanding officer.	1,149.48	128.78	do.....	
Parris Island, S. C.....	Marine barracks.....	Jeffery 7-passenger (195)...	Transportation officer and road car.	1,274.00	116.74	do.....	
Do.....	do.....	Cadillac phaeton (42)...	Commanding general.	2,733.77	415.87	do.....	
Do.....	do.....	Ford touring (701)....	General official transportation.	407.16	114.07	do.....	
Do.....	do.....	Ford touring (704)....	do.....	407.16	120.80	do.....	
Philadelphia, Pa.....	Marine barracks, navy yard.	King sedan (771).....	C. O. for official use....	2,350.00	205.42	do.....	
Do.....	Depot of supplies.....	Cadillac 7-passenger (74)...	Official use of depot quartermaster.	2,286.00	169.97	do.....	
Do.....	do.....	Nash, 5-passenger (417)...	General official use....	1,149.48	80.96	do.....	
Quantico, Va.....	Marine barracks.....	Hudson, 7-passenger (80)...	Post quartermaster, for general official use.	1,735.00	106.65	do.....	
Do.....	do.....	Jeffery 7-passenger (284)...	Not assigned; general official use.	1,250.00	101.02	do.....	
Do.....	do.....	Jeffery 7-passenger (270)...	Post surgeon.....	1,250.00	117.74	do.....	
Do.....	do.....	Cadillac sedan, 7-passenger (79)...	Commanding general..	2,962.85	216.29	do.....	
San Diego, Calif.....	Fifth Brigade, naval base.	Cadillac phaeton (91)...	Commanding general, Fifth Brigade.	2,895.28	151.72	do.....	
Do.....	Marine barracks.....	Ford, 5-passenger (585)...	Post Quartermaster's Department, and paymaster's deputy.	460.05	71.43	do.....	
San Francisco, Calif....	Department of the Pacific.	Cadillac, 7-passenger (57)...	Commanding general, Department of the Pacific.	Unknown.	186.92	do.....	
Yorktown, Va.....	N. M. depot, Marine detachment.	Ford, 5-passenger (583)...	General official purposes.	460.05	134.53	do.....	

OUTSIDE THE CONTINENTAL LIMITS OF THE UNITED STATES.

Port au Prince, Haiti...	Headquarters First Brigade.	Cadillac phaeton (56)...	High commissioner....	\$2,286.00	\$225.00	3 months....	
Do.....	do.....	Cadillac phaeton (45)...	Brigade commander....	3,573.40	236.61	do.....	
Do.....	do.....	Ford touring (97).....	Brigade adjutant.....	407.16	90.18	do.....	
Do.....	do.....	Ford touring (709)....	Brigade inspector.....	461.08	112.45	do.....	
Do.....	do.....	Ford touring (599)....	Brigade staff officers on official business.	461.08	75.21	do.....	
Do.....	do.....	Ford touring (268)....	do.....	419.99	45.42	do.....	
Do.....	do.....	Ford touring (739)....	Brigade staff officers on official business.	407.16	60.17	do.....	
Do.....	do.....	Ford touring (738)....	Garage for use as repair car.	407.16	40.35	do.....	
Do.....	do.....	Ford touring (89).....	C. O., San Michel, for official business.	417.20	65.48	do.....	
Do.....	Headquarters, Eighth Regiment.	Nash 5-passenger (421)...	C. O., Eighth Regiment, for official business.	1,149.48	142.25	do.....	
Do.....	do.....	Ford touring (719)....	P. C., M. B., Port au Prince, for official business.	Fr. Navy.	75.00	do.....	
Do.....	Headquarters, First Brigade.	Ford touring (99).....	C. O., Pont Beudet, for official business.	432.04	190.04	do.....	
Cape Haitien, Haiti....	Second Regiment.....	Nash 5-passenger (209)...	C. O., Second Regiment, for official use.	1,227.76	103.99	do.....	
Do.....	do.....	Ford touring (24).....	Quartermaster, Second Regiment, for general official use.	850.24	102.84	do.....	
Do.....	do.....	Ford touring (393)....	Second Regiment headquarters, for official use.	394.33	98.03	do.....	
Do.....	do.....	Ford touring (737)....	Post headquarters, Cape Haitien.	407.16	90.44	do.....	

Information concerning passenger automobiles under the control of the Marine Corps, January 23, 1923 (S. Res. 399)—Continued.

OUTSIDE THE CONTINENTAL LIMITS OF THE UNITED STATES—continued.

Place.	Activity.	Car.	Official or person to whom assigned.	First cost of automobile.	Cost of upkeep and operation excluding chauffeur.	Time covered.	Remarks.
Santo Domingo City, Dominican Republic.	Headquarters, Second Brigade.	Ford touring (520).....	Pooled for official use in general.	\$461.08	\$174.97	3 months....	
Do.....	do.....	Ford touring (429).....	do.....	461.08	139.90	do.....	
Do.....	do.....	Ford touring (708).....	do.....	460.05	243.19	do.....	
Do.....	do.....	Ford touring (20).....	do.....	340.41	189.68	do.....	
Do.....	do.....	Ford touring (391).....	do.....	419.99	139.12	do.....	
Do.....	do.....	Ford touring (9).....	Commanding general, for official use.	638.85	150.95	do.....	
Do.....	do.....	Ford touring (U. S. N. 1166).....	C. O., base hospital for official business.	Unknown.	158.89	do.....	
Do.....	do.....	Ford touring (705).....	Official use C. O., training center.	460.05	173.47	do.....	
Do.....	do.....	Ford touring (390).....	District provost marshal.	419.99	177.60	do.....	
Do.....	do.....	Cadillac, 7-passenger (65).....	Commanding general..	3,569.72	286.53	do.....	
Do.....	Headquarters, First Regiment.	Nash 5-passenger (506).....	Commanding officer, First Regiment.	1,067.08	319.45	do.....	
Do.....	do.....	Ford touring (54).....	Regimental headquarters, for official use.	417.20	28.00	6 weeks.....	
San Pedro de Macoris, Dominican Republic.	First Battalion, First Regiment.	Ford touring (707).....	General official use....	460.05	67.12	3 months....	
Santo Domingo City, Dominican Republic.	First Air Squadron....	Oldsmobile 7-passenger (780).....	C. O., observation squad No. 1.	1,000.00	185.38	do.....	
Santiago, Dominican Republic.	Headquarters Fourth Regiment.	Ford touring (1).....	Pooled for official use in general.	389.75	243.87	do.....	
Do.....	do.....	Ford touring (420).....	Regimental headquarters, for official transportation.	599.10	193.60	do.....	Ford touring cars M. C. Nos. 1 and 420 were completely overhauled and rebuilt during this period. Nash touring car M. C. No. 418 was also thoroughly overhauled and partly rebuilt during the last three months.
Do.....	do.....	Ford touring (273).....	Pooled for official transportation purposes.	419.56	199.27	do.....	
Do.....	do.....	Ford touring (289).....	do.....	419.56	152.42	do.....	
Do.....	do.....	Nash 5-passenger (418).....	Regimental commander for official use.	1,149.48	312.87	do.....	
Guantanamo Bay, Cuba	Marine Barracks, naval station.	Ford touring (73).....	Official business between post and station, distance 2 miles.	638.97	80.00	do.....	
St. Croix, Virgin Islands	Marine barracks.....	Ford touring (210).....	Official use of commanding officer.	377.75	42.31	do.....	
Do.....	do.....	Ford touring (84).....	Commanding officer, for official use.	410.65	93.51	do.....	
Cavite, P. I.....	Marine barracks, naval station.	Ford touring (10).....	do.....	388.75	59.44	do.....	
Guam.....	do.....	Ford touring (75).....	General official use....	360.00	93.50	6 weeks.....	In storage at the present time. Ford touring No. 414 being used in lieu thereof. In view of the necessity to economize one Ford touring car is in storage at all times.
Do.....	do.....	Ford touring (724).....	Post quartermaster, for official use.	Unknown.	160.50	3 months....	
Do.....	do.....	Ford touring (214).....	Maintenance officer, for official use.	416.70	122.50	do.....	
Do.....	do.....	Nash 5-passenger (414).....	C. O., for official use....	1,149.48	93.00	6 weeks.....	
Peking, China.....	M. D., American Legation.	Dodge sedan (592).....	P. C., for official use....	1,870.00	280.50	3 months....	
Do.....	do.....	Ford touring (522).....	Military intelligence....	Unknown.	67.30	do.....	
Pearl Harbor, Hawaii.	Marine barracks, naval station.	Dodge touring (593).....	C. O., for official use....	Unknown.	156.93	do.....	

NOTE.—All passenger-carrying vehicles in the Marine Corps are operated by enlisted men.

Information relative to garages for motor vehicles under the control of the Marine Corps in the city of Washington, D. C., January 23, 1923 (S. Res. 399).

Number.	Location.	Cost of garage.	Number of employees.	Cost of employees.	Rental.	Number of passenger automobiles.	Number of trucks.
1	Twenty-sixth and E Streets NW., Washington, D. C.....	Not owned by Government..	14	\$823.00	\$690.99	6	4

¹ Three civilian employees, 11 enlisted men.

² Pay civilian employees, \$3.92 per diem.

³ Two heavy passenger-carrying and one light passenger-carrying automobiles in use.

NOTE.—The above information covers a period of three months.

INDEPENDENT OFFICE APPROPRIATIONS.

The PRESIDING OFFICER (Mr. McNARY in the chair) laid before the Senate the action of the House of Representatives on the amendments of the Senate to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
February 2, 1923.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 6, and 7 to the bill (H. R. 13696) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"The General Accounting Office is hereby authorized to destroy United States Government checks that have been paid six full fiscal years, issued by the Bureau of Pensions for the payment of pensions, by the Bureau of War Risk Insurance and the United States Veterans' Bureau for the payment of military and naval compensation on account of death or disability, and checks for the payment of salaries and wages of officers and employees of the Government of the United States, after all unpaid checks have been listed as outstanding as now required by law, and all claims on account of checks of the foregoing classes appearing as having been paid shall be barred if not presented to the General Accounting Office within six full fiscal years after the date of payment."

That the House recede from its disagreement to the amendment of the Senate numbered 16, and concur therein with an amendment as follows: Of the matter inserted by said amendment, strike out ", to be approved by the Commission of Fine Arts."

That the House recede from its disagreement to the amendment of the Senate numbered 29, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"DEPARTMENT OF COMMERCE BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Department of Commerce in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the Secretary of Commerce to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Commerce Building—Salaries: For the following employees, for maintenance and protection: Engineer and electrician, \$1,400; carpenter, \$1,000; electrician, \$1,000; three elevator conductors at \$720 each; five guards at \$720 each; three firemen at \$720 each; assistant forewoman, \$720; twenty-one laborers at \$660 each; toilet attendant, \$480; in all, \$26,380.

"For fuel, lights, repairs, miscellaneous items, and printing, \$18,650: *Provided*, That amounts aggregating \$51,500 of the appropriations made to the Department of Commerce for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Commerce Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$45,030 for payment of the salaries and expenses herein set forth, and the remainder (\$6,470) shall be covered into the Treasury to the credit of the surplus fund."

That the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"DEPARTMENT OF LABOR BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Department of Labor in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the Secretary of Labor to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Labor Building—Salaries: For the following employees, for maintenance and protection: Engineer, \$1,200; general mechanic, \$840; 3 elevator conductors at \$720 each; 3 firemen at \$720 each; 4 guards at \$720 each; 12 laborers at \$660 each; toilet attendant, \$480; in all, \$17,640.

"For fuel, lights, repairs, miscellaneous items, and printing, \$9,000: *Provided*, That amounts aggregating \$33,300 of the appropriations made to the Department of Labor for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Labor Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings, and made available to the extent of \$26,640 for payment of the salaries and expenses herein set forth, and the remainder (\$6,660) shall be covered into the Treasury to the credit of the surplus fund."

That the House recede from its disagreement to the amendment of the Senate numbered 31, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"DEPARTMENT OF JUSTICE BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Department of Justice in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith shall be transferred on July 1, 1923, from the United States Attorney General to the Superintendent of the State, War, and Navy Department Buildings.

"Department of Justice Building—Salaries: For the following employees, for maintenance and protection: Engineer, \$1,200; electrician, \$1,000; carpenter, \$1,000; 3 firemen at \$720 each; 5 elevator conductors at \$720 each; 5 guards at \$720 each; 15 laborers at \$660 each; toilet attendant, \$480; in all, \$22,940.

"For fuel, lights, repairs, and maintenance items, and printing, \$11,000: *Provided*, That amounts aggregating \$42,550 of the appropriations made to the Department of Justice for the fiscal year 1924 for care, maintenance, protection, fuel, light, etc., for the Department of Justice Building are hereby transferred to the Superintendent of the State, War, and Navy Department Buildings and made available to the extent of \$33,940 for payment of the salaries and expenses herein set forth, and the remainder (\$8,610) shall be covered into the Treasury to the credit of the surplus fund."

That the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"CIVIL SERVICE COMMISSION BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Civil Service Commission in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the United States Civil Service Commission to the Superintendent of the State, War, and Navy Department Buildings.

"Civil Service Commission Building—Salaries: For the following employees, for maintenance and protection: Carpenter, \$1,000; general mechanic, \$840; 2 elevator conductors at \$720 each; 3 guards at \$720 each; 4 laborers at \$660 each; toilet attendant, \$480; in all, \$8,560; for fuel, lights, repairs, miscellaneous items, and printing, \$4,000; in all, \$12,560, which sum is hereby appropriated."

That the House recede from its disagreement to the amendment of the Senate numbered 33, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"INTERSTATE COMMERCE COMMISSION BUILDING.

"The responsibility for the care, maintenance, and protection of the building or buildings occupied by the Interstate Commerce Commission in the District of Columbia and the disbursement of the funds appropriated therefor, together with all the machinery, tools, equipment, and supplies used, or for use, in connection therewith, shall be transferred on July 1, 1923, from the Interstate Commerce Commission to the Superintendent of the State, War, and Navy Department Buildings.

"Interstate Commerce Building—Salaries: For the following employees, for maintenance and protection: Assistant superintendent, \$2,000; engineer, \$1,600; electrician, \$1,600; carpenter, \$1,400; 3 firemen at \$840 each; 6 elevator conductors at \$720 each; 5 guards at \$720 each; assistant foreman, \$1,000; assistant forewoman, \$720; 24 laborers at \$660 each; toilet attendant, \$480; for fuel, lights, repairs, miscellaneous items, and printing, \$19,000; in all, \$54,080, which sum is hereby appropriated."

That the House insist upon its disagreement to the amendments of the Senate numbered 10 and 25.

Mr. WARREN. I move that the Senate agree to the amendments of the House of Representatives to the amendments of the Senate numbered 8, 16, 29, 30, 31, 32, and 33, that the Senate further insist upon its amendments numbered 10 and 25, and ask for a further conference with the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to, and the Presiding Officer appointed Mr. WARREN, Mr. SMOOT, and Mr. HARRIS conferees on the part of the Senate.

HOUSE BILLS REFERRED.

The following bills were severally read twice by title and referred to the Committee on Finance:

H. R. 10816. An act to fix the annual salary of the collector of customs for the district of North Carolina;

H. R. 13770. An act to amend the revenue act of 1921, in respect to capital gains and losses, and for other purposes; and

H. R. 13827. An act relating to the sinking fund for bonds and notes of the United States.

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Army War College," on page 8, line 13, before the words "at \$1,600 each," to strike out "six" and insert "seven"; in line 16, before the word "watchmen," to strike out "four" and insert "five"; in line 17, before the word "firemen," to strike out "three" and insert "four"; and in line 20, to strike out "\$58,220" and insert "\$61,260," so as to make the paragraph read:

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers and periodicals; maps; police utensils; employment of temporary, technical, or special services and expenses of special lecturers; and for all other absolutely necessary expenses, including \$25 per month additional to regular compensation to chief clerk for superintendence of the Army War College Building; also for pay of the following: Chief clerk, \$2,000; clerks—2 at \$1,800 each, 7 at \$1,600 each, 6 at \$1,400 each, 6 at \$1,200 each, 3 at \$1,000 each; chief engineer, \$1,400; assistant engineer, \$1,000; captain of the watch, \$900; 5 watchmen, at \$720 each; 4 firemen, at \$720 each; packer, \$840; 3 messengers, at \$720 each; laborers—1 \$720, 1 \$600; gardener, \$720; 5 charwomen, at \$240 each; in all, \$61,260.

The amendment was agreed to.

The next amendment was, under the subhead "General Service Schools, Fort Leavenworth, Kans., on page 9, at the end of line 5, to strike out "\$45,000" and insert "\$42,200," so as to make the paragraph read:

For the purchase of textbooks, books of reference, scientific and professional papers, instruments, and material for instruction; employment of temporary, technical, special, and clerical services, including the services of one translator at the rate of \$150 per month; and for other necessary expenses of instruction, at the School of the Line and the General Staff School, Fort Leavenworth, Kans., \$42,200.

Mr. McKELLAR. Mr. President, may I ask the Senator why the amount at the top of page 9 was cut down from \$45,000 to \$42,200?

Mr. WADSWORTH. That is the item to meet the general expenses of the general service schools at Fort Leavenworth. The appropriation this year was \$35,000. The Budget estimate for the necessary expense of those schools was \$42,200. The House of Representatives appropriated \$45,000. We could find nothing in the House hearings which justified the increase over the Budget, so we reduced it to the Budget figure.

Mr. McKELLAR. Which was very, very proper.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Military post exchanges," on page 9, line 21, after the word "established," to strike out "\$75,000" and insert "\$85,000," so as to read:

For continuing the construction, equipment, and maintenance of suitable buildings at military posts and stations, for the conduct of the post exchange, school, reading, lunch, amusement rooms; for the conduct and maintenance of libraries, service clubs, chapels, and gymnasiums, including repairs to buildings erected at private cost, in the operation of the act approved May 31, 1902, and including salaries and travel for civilians employed in the hostess and library services, and for transportation of books and equipment for these services; for the rental of films, purchase of slides, for and making repairs to moving-picture outfits, and for similar and other recreational purposes at training and mobilization camps now established, or which may be hereafter established, \$85,000.

The amendment was agreed to.

The next amendment was, on page 9, line 22, after the word "exceed," to strike out "\$30,000" and insert "\$37,500," and in line 24, after the word "exceed" to strike out "\$30,000" and insert "\$37,500"; so as to make the proviso read:

Provided, That not to exceed \$37,500 from this appropriation may be expended for the conduct and maintenance of libraries and not to exceed \$37,500 may be expended for the conduct and maintenance of hostess houses.

The amendment was agreed to.

The next amendment was, on page 10, line 9, after the word "regulations," to insert a colon and the following additional proviso:

Provided further, That no part of the \$85,000 herein appropriated shall be used for payment of teachers or for equipment of schools for children at military posts.

Mr. McKELLAR. Mr. President, I should be very glad if the chairman of the committee would explain that item. Why is that proviso inserted?

Mr. WADSWORTH. The committee believes that it is not the function or the obligation of the Government to pay for the education of the children of the officers of the Army; hence the proviso forbidding the use of any of this money for the employment of teachers.

Mr. McKELLAR. Will the Senator tell us about how much was used for that purpose?

Mr. WADSWORTH. Ten thousand dollars was expected to be used.

Mr. McKELLAR. Then should not the item have been reduced by \$10,000?

Mr. WADSWORTH. Mr. President, the estimate of the Budget was \$85,000. It is true that the House reduced that by \$10,000. The Senate committee inserted the proviso to which the Senator has referred, but felt so strongly that the hostess service and the library service of the Army should not be cut down to the extraordinary extent suggested that we agreed to propose \$85,000, to be dispensed solely for libraries and hostess houses; none for teachers. There is no increase in the appropriation.

Mr. McKELLAR. It is an increase of \$10,000 over the House appropriation.

Mr. WADSWORTH. I meant none over that of this year. It is a decrease.

Mr. McKELLAR. The House fixed the amount at \$75,000, and the Senate raised it \$10,000, and then took out the amount of \$10,000 usually given to the schools, making a virtual increase of \$20,000.

Mr. WADSWORTH. No; the \$10,000 can not be counted twice. I hope the Senator will not do that.

Mr. McKELLAR. Yes; it can, because the committee gave them \$10,000 more than the House gave them, and then it struck out one of the items that the House included—namely, the schools, \$10,000—which would in effect make a difference of \$20,000.

Mr. WADSWORTH. We gathered from the hearings and from our knowledge of the ideas of the Members of the House who drafted this bill that they, too, are not in favor of the employment of teachers for the education at Government expense of the children of Army officers. They cut \$10,000 from the estimate. We surmised that they did that for the purpose of preventing the employment of teachers. We wanted to make it certain, so we put in the proviso. Then we came to the consideration of how much we could permit to be spent for the hostess houses and for the libraries for the soldiers. This year the appropriation was \$115,000. Most of the hostesses have had to be discharged. Most of the librarians have had to be discharged. I think together, in the two categories, there

are only 30 now employed, and we believed that the estimate of \$85,000 should be granted and all of it used for those two purposes equally divided.

Mr. McKELLAR. Mr. President, I agree with the Senator entirely about the necessity for this appropriation for the hostess houses. I think it is a very proper and really a necessary thing, but I think the committee is mistaken in reference to the teaching of the children. I am a great believer in education. I do not know whether or not the children of these enlisted men will be able to get education unless the Government does furnish it. It seems to me that no \$10,000 could be expended any better, perhaps, than that expended for the benefit of the children in a case like this, and I regret very much that the committee has put on this proviso. I do not object at all to the increase in the amount to \$85,000, because I have no doubt the House has left it too low, and I really wish it could be made more.

It is one of those worthy cases where it ought to be made more. The hostess houses are necessary, and the teachers for the children are necessary, and both ought to have been allowed. I would a great deal rather vote to use the people's money for worthy purposes, such as the two here, than vote for the extravagant waste of money in the use of automobiles for almost all the officers. I think it would be very much wiser, and I am going to vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head "Organized reserves," on page 10, at the beginning of line 16, to strike out "\$900,000" and insert "\$1,100,000"; at the beginning of line 18, to strike out "\$200,000" and insert "\$300,000"; in the same line, after the word "mileage," to strike out "\$250,000" and insert "\$275,000," and at the end of line 19, to strike out "\$1,350,000" and insert "\$1,675,000," so as to make the paragraph read:

Officers' Reserve Corps: For pay and allowance of reserve officers called to active duty for 15 days' training, \$1,100,000; for pay of reserve officers called to active duty for more than 15 days in accordance with law, \$300,000; for mileage, \$275,000; in all, \$1,675,000.

The amendment was agreed to.

The next amendment was, on page 10, line 20, to increase the appropriation for pay of Enlisted Reserve Corps from "\$5,000" to "\$7,500."

The amendment was agreed to.

The next amendment was, on page 10, line 21, after the word "For," to insert "divisional and regiment headquarters and the," and at the end of line 25, to strike out "\$350,000" and insert "\$494,400," so as to make the paragraph read:

For divisional and regimental headquarters and the establishment and maintenance of camps for training of the Organized Reserves, including transportation, operation of motor cars, water and disposal of sewage, preparation of camp sites, and incidental expenses, \$494,400.

Mr. McKELLAR. Mr. President, I should like to ask the Senator about the language in line 21, and the increase of the item in line 25.

Mr. WADSWORTH. Mr. President, the insertion of the language on line 21 the committee considers absolutely vital to the success of the Organized Reserves.

Mr. McKELLAR. As I understand from my very hasty examination of the report, the Senate committee has added very greatly to the Organized Reserves. Is this one of the items that will affect the addition that the Senate committee has made?

Mr. WADSWORTH. This is one of them; yes.

Mr. McKELLAR. I shall be very glad to hear what the Senator has to say.

Mr. WADSWORTH. As I was saying, the insertion of the words printed in italics on line 21 is regarded by the committee as absolutely vital. The Senator probably knows that one of the elements of the Army of the United States as laid down in the national defense act is the Organized Reserves. It is the purpose, of course, as expressed in the act, to make that element of the Army of the United States the receptacle, as it were, of the man power of the country if the country is ever involved in a war of first magnitude.

We have at present 69,000 reserve officers, all of them, or nearly all of them, veterans of the World War. They are scattered over the country. The War Department, in response to the command of the Congress as expressed in the national defense act, has endeavored to organize, and has succeeded in organizing, in highly skeletonized form a certain number of Organized Reserve divisions. To all intents and purposes there are no enlisted men in the Organized Reserves—I think there are less than 300—but there are 69,000 officers.

In conformity with the command of the Congress, and in its effort to organize these reserve divisions, and thereby to assign as many as possible of the 69,000 reserve officers to skeletonized units locally organized or allotted all over the United States the department has sent out about 250 regular officers to establish and maintain the headquarters of these skeletonized Organized Reserve divisions. Those men are on duty now. They constitute the connecting link, the absolutely necessary connecting link, between the individual reserve officer and the War Department and the general new citizen-army scheme. Without those locally established headquarters to which these reserve officers and enlisted men may come, through which they will get their instructions, through which they will get their bulletins, their correspondence-school instructions, their advice, you have no Organized Reserves at all. If this language is not adopted in the law of this year, as has been contemplated by the acts of Congress of the past, instead of having an Organized Reserve we will have a disorganized reserve; and officers of that category, of course, having all liaison with the War Department destroyed, will simply say: "What is the use? We will resign."

That is my opinion of this situation, and I think the committee felt as I do.

Mr. McKELLAR. Mr. President, the Senator's statement is very interesting to me, I assure him, and I want to ask him this question about it: In organizing the reserve, is any attention paid to former organizations, organizations in the World War, or are they made up into a separate organization? For instance, the Senator will recall that in Tennessee we had in part the Thirtieth Division.

Mr. WADSWORTH. That is National Guard.

Mr. McKELLAR. The Thirtieth Division of the National Guard; yes. Are those officers in this?

Mr. WADSWORTH. They are not in this at all. They are under the National Guard. The Thirtieth Division, which made its name so famous in the smashing of the Hindenburg line, is still maintained in the general organization of the National Guard, and there is to-day a Thirtieth Division of the National Guard located in the States of Tennessee, North and South Carolina.

In regard to the Organized Reserves, the national defense act specifically states that in so far as it is possible the War Department in organizing the National Guard troops and the Organized Reserves of the country shall retain the names and numerals and designations of those units which fought in the World War, and all the Organized Reserve divisions which are to-day organized in highly skeletonized form are the replicas or repetitions of the famous National Army divisions of the late war.

Mr. McKELLAR. They come under this head?

Mr. WADSWORTH. They would come under this head; and it is for those restored and maintained World War divisions that these regimental and divisional headquarters are necessary.

Mr. McKELLAR. I agree with the Senator entirely about it. As I understand it, like provision is made for the National Guard headquarters in other parts of the bill?

Mr. WADSWORTH. Exactly.

Mr. REED of Pennsylvania. Mr. President, I would like to add a word to what the Senator from New York has said as to the necessity for this increase. There are a very large number of reserve officers who had actual service in the last war who have continued their reserve commissions and have been assigned to these reserve divisions, which are at present paper divisions. If by a little summer training those men can be kept in touch with the Army organization, I can not conceive of any finer insurance or any cheaper insurance for the United States than that expense, and I earnestly hope that the full amount recommended by the committee will be allowed by the Senate.

Mr. POMERENE. Mr. President, I want to ask the Senator from New York, who has charge of the bill, why the House appropriated \$350,000, and why the committee made the increase. Possibly the Senator may have explained that. He was in the midst of his presentation of this item when I entered the Chamber. I have a good deal of sympathy with the view that this Officers' Reserve Corps ought to be maintained. I think I can see where there is an opportunity for very great usefulness, but I did not quite understand why the one amount was adopted in the House and the other amount presented here.

Mr. WADSWORTH. Mr. President, the Budget estimate requested the use of the phrase "divisional and regimental headquarters," but the House eliminated that, and did it, of course, intentionally, in order to prevent the spending of the money for the maintenance of these Organized Reserve divisional and regimental headquarters; and I can only surmise that, having for-

bidden, indirectly but none the less effectively, the maintenance of any one of the headquarters now being maintained all over the country, the House thereupon reduced the appropriation. That is the only explanation I can give. The \$494,000 is the Budget estimate.

Mr. POMERENE. Is it the view of the Senator that the phrase "establishment and maintenance of camps for training," and so forth, would not be broad enough to include, specifically, divisional and regimental headquarters?

Mr. WADSWORTH. No; the phrase "divisional and regimental headquarters" implies office space in cities and towns.

Mr. McKELLAR. May I ask the Senator what provision is made for the professional branches of the service, if any? For instance, do we keep up an organization of physicians in the Army? Is there anywhere in the bill a like provision for the maintenance of a reserve corps in the medical department?

Mr. WADSWORTH. It would come under this.

Mr. McKELLAR. The whole scheme is included in this?

Mr. WADSWORTH. Certainly. Medical reserve officers are assigned to reserve divisions in the proper proportion. For example, in the State of Pennsylvania there has been reestablished the Seventy-ninth Division, a division which existed during the war, which distinguished itself, came home, and was discharged. A thousand reserve officers, living in the State of Pennsylvania and near by, who served in that division, have signified their assent to still belong to the Seventy-ninth Division Reserve. Some of them are the medical officers, and to-day that division, although highly skeletonized as to enlisted strength, contains 1,000 officers, which is almost a full complement of a division in time of war.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. President, I was out of the Chamber when the Senator made his explanation as to some of these items. May I inquire whether there was evidence offered before the Senate committee, in addition to that offered before the House committee, which induced the Senate committee to make the increases covered by the language on page 10, lines 13 to 25, inclusive?

Mr. WADSWORTH. Most assuredly. If the Senator will permit me, I believe this item, together with the National Guard item, taken in the aggregate, are the two most important items in this bill.

Mr. McKELLAR. My attention was distracted a moment. To what is the Senator now referring?

Mr. WADSWORTH. I am endeavoring to answer the question asked by the Senator from Utah.

Mr. McKELLAR. To what did the question relate?

Mr. WADSWORTH. To the item on page 10, the same one we were talking about. In no case, with the exception of the item on line 25, page 10, do we come up to the Budget estimate even. We propose, through the appropriation on line 16, to permit 11,000 reserve officers to go to camp next summer for 15 days. They will cost an average of \$100 per officer. The item which next follows, of \$300,000, is to pay reserve officers who are called to active duty during the next year for more than 15 days.

Those officers fall under three categories. First, there are about a dozen to fifteen reserve officers on constant duty in the War Department with the General Staff, in order to inject into the professional General Staff mind the citizen-soldier viewpoint, and that has been a maneuver of immense value.

Second, a limited number of reserve officers, with their own consent, and, indeed, at their own request, will be permitted to attend the Army service schools, such as Camp Benning, Fort Riley, Fortress Monroe, Camp Knox, to brush up on the last word in the technique or tactics of their several arms.

The third category of the reserve officers which can be taken care of out of the appropriation of \$300,000 includes those reserve officers who signify their willingness to attend the civilian military training camps for the young boys and assist in the instruction of those young boys alongside the Regular officers who have control of that instruction. Those camps last 30 days.

The \$300,000 is \$26,000 below the estimate. The War Department hopes and the Budget requests that 15,000 reserve officers be sent to camp this summer for 15 days. We allow only 11,000. The House allowed only 9,000. We think 9,000 is too few. Eleven thousand is none too many. If those officers are sent to camp at the rate of 11,000 per year, an officer of the Organized Reserves can only get that 15 days' training once in seven years,

as there are 69,000 of them. My own hope is that at a future time we can increase this appropriation so that 15,000 or 20,000 of these men, who number 70,000 in round figures, can go each year; and that would mean that each reserve officer of the United States could get 15 days' training once in three years in brushing himself up to the last word in tactics and regulations.

Mr. McKELLAR. Was the \$1,100,000 the Budget estimate?

Mr. WADSWORTH. No; the Budget estimate was for \$1,500,000 for that item. They wanted 15,000 men, at \$100 apiece. We give 11,000 men at \$100 apiece.

Mr. McKELLAR. The committee cut the item under the Budget estimate?

Mr. WADSWORTH. They are all cut under the Budget, but not cut as severely as the House cut them.

Mr. KING. How does the department arrive at a means of selecting those who are to attend the camps? The Senator says there are 69,000 officers, but only 11,000 will go. How is the selection made?

Mr. WADSWORTH. The selection is decentralized all over the country through the corps area commanders. The commander of each corps area has the task imposed upon him of supervising generally the training of the citizen elements of the Army of the United States. That corps area commander, who, in the case of the Second Corps area, for example, is General Bullard, with headquarters at New York, communicates with the Regular officer who is maintaining divisional headquarters and who knows personally every reserve officer in the district. That headquarters officer communicates by mail weeks in advance with all the reserve officers and ascertains which among them desire to go to the camp; and Senators would be surprised at the percentage who desire to go and who can afford to go and leave their business. He makes the distribution through the different grades, from second lieutenant to colonel, inclusive, makes up the list in consultation with the reserve officers themselves, sends the list to the corps area headquarters commander, and the list is there approved.

The next amendment was, under the subhead "Reserve Officers' Training Corps," on page 13, line 5, after the numerals "1920," to strike out "\$3,250,000" and insert "\$4,000,000," so as to read:

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, and to forage at the expense of the United States public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit; or in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920, \$4,000,000, to remain available until December 31, 1924.

Mr. KING. I would like to make an inquiry of the Senator from New York. I am a little confused. It seems to me that a part of this \$4,000,000 item would be embraced within the item of \$1,675,000 on page 10. Of course, I perceive that the item on page 10 is for pay and allowances of reserve officers called for active duty, but the language, as I read it, seems to indicate that it is to cover the compensation of officers of the Reserve Corps as well.

Mr. WADSWORTH. The item is for the Reserve Officers' Training Corps. Those are the college boys. The item which precedes it is for the reserve officers themselves. The item of \$4,000,000, on page 13, is for the support of the Reserve Officers' Training Corps, which is maintained in the universities, colleges, and high schools of the country. It is from the Reserve Officers' Training Corps that we must get our reserve officers, but as they pass to the advanced courses of the Reserve Officers' Training Corps and are given their diplomas, they are eligible for commissions as second lieutenants in the Reserve Corps. The \$4,000,000 is for the support of the units organized in the colleges.

Mr. KING. Approximately how many belong to the Reserve Officers' Training Corps?

Mr. WADSWORTH. There are at present 104,000 students in all the colleges, universities, technical schools, and secondary schools, including high schools which have units. There are 342 units organized throughout the educational institutions of the country. The estimate for this purpose was \$4,400,000. We come within \$400,000 of the estimate.

Mr. KING. Is this as much as was appropriated last year?

Mr. WADSWORTH. It is more. Last year we appropriated \$3,100,000. The increase is largely accounted for by the fact that we have not to-day the same amount of surplus and reserve supplies to continue the issue which we have made free of charge to the units in the last two or three years since the war. In other words, our surplus stocks and in some instances our reserve stocks are either gone entirely or reduced to the point where they will no longer furnish large amounts to supply the National Guard, the Organized Reserve, or the Reserve Officers' Training Corps.

Mr. KING. May I inquire of the Senator whether the experience with these organizations in the schools is entirely satisfactory and meets the approval of the General Staff and the Secretary of War?

Mr. WADSWORTH. Oh, decidedly.

Mr. KING. Is it so encouraging as to justify the continuance of the policy?

Mr. WADSWORTH. Decidedly; and the most encouraging thing about it is that the educational institutions themselves are practically unanimous in expressing the hope that it will never be curtailed.

Mr. McKELLAR. Mr. President, I know it is in successful operation in my State. Its success there has been very satisfactory. I do not believe there is any item in the bill that is more worthy or will be more beneficial to the country at large than the training offered the boys in the schools and colleges. It is an excellent plan for the training of our boys.

Mr. WADSWORTH. It may be of interest to the Senator from Utah, in view of our discussions in past years about the number of officers in the Regular Army, to recollect that there are 651 Regular Army officers detailed to this work alone.

Mr. HITCHCOCK. Mr. President, the memorandum which I have indicated that the number last year was 104,000.

Mr. WADSWORTH. That is correct.

Mr. HITCHCOCK. And that we expect this year 110,000.

Mr. WADSWORTH. That is correct.

Mr. HITCHCOCK. I have been trying to recall how the justification was reached for increasing by \$900,000 the appropriation on that comparatively small increase in the number of students.

Mr. WADSWORTH. There are two principal elements accounting for the increase. The first is that the supply of the units can no longer depend to such a large degree as it has in the past upon reserve stock and surplus stock from the War Department. Secondly, this year there will be 12,000 college boys in the advanced course, many more than last year and the year before. The system only started really to work in 1919. The boys in college who took the course started then as freshmen and sophomores and are now in their junior and senior years where they take the advanced course, and the whole time they are under military discipline. They go to camp in summer under rigid military discipline and are getting their final training as reserve officers, during which time they are paid 40 cents a day. Of course, as these men have come up from the lower classes in college and are now in the junior and senior classes, the number of advanced students is higher. That accounts for the increase.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, on page 13, line 11, after the word "issue," to strike out the comma and the words "in so far as said stocks are in excess of actual requirements of the Regular Army for the fiscal year 1924," so as to make the proviso read:

Provided, That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus or reserve stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue.

The amendment was agreed to.

The next amendment was, under the head "Civilian military training camps," on page 15, line 7, after the word "camps," to strike out "\$2,000,000" and insert "\$2,200,000," so as to read:

For furnishing, at the expense of the United States, to warrant officers, enlisted men, and civilians attending training camps main-

tained under the provisions of section 47-d of the national defense act of June 3, 1916, as amended by the act of June 4, 1920, uniforms, including altering, fitting, washing, and cleaning when necessary, subsistence, and transportation, or in lieu of such transportation and of subsistence for travel to and from camps, travel allowances at 5 cents per mile, as prescribed in said section 47-d; for such expenditures as are authorized by said section 47-d as may be necessary for the establishment and maintenance of said camps, \$2,200,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1923, to remain available until December 31, 1924.

The amendment was agreed to.

The next amendment was, on page 15, line 11, after the word "over," to strike out "27" and insert "24"; and, in line 12, after the word "age," to insert "except those who received training in a previous civilian military training camp and except veterans of the war with Germany who may be accepted if not over 35 years of age," so as to make the proviso read:

Provided, That the funds herein appropriated shall not be used for the training of any person who is over 24 years of age except those who received training in a previous civilian military training camp and except veterans of the war with Germany who may be accepted if not over 35 years of age.

Mr. KING. Mr. President, I would like to ask the Senator in charge of the bill what reasons induced the House to fix 27 years of age and then what testimony induced the Senate committee to change it to 24? I have no criticism of the action of either the House or the Senate committees; I am asking for information.

Mr. WADSWORTH. The current law provides that 27 normally shall be the age limit for admission of these men into the C. M. T. C. The Senate committee believed that, with the exception of World War veterans, who, of course, we want to have attend the camps if they desire to do so—it is all on the volunteer basis—admission to the camps should be confined to what might be termed youths, young men between 18 and 24, we will say. After a man passes the age of 25, he usually has some pretty steady employment, perhaps some business obligations, indeed may be married and have domestic obligations, and we want the spirit of the whole thing conducted along the lines of the training of youth.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, on page 15, line 21, after the word "issue," to strike out the comma and the words "in so far as said stocks are in excess of actual requirements of the Regular Army for the fiscal year 1924," so as to make the additional proviso read:

Provided further, That uniforms and other equipment or material furnished in accordance with law for use at civilian military training camps shall be furnished from surplus or reserve stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue.

The amendment was agreed to.

The next amendment was, under the head "Finance Department, pay, etc., of the Army," on page 17, strike out the colon and the proviso beginning in line 9, in the following words:

Provided, That no part of the money herein appropriated shall be used to pay for the allowance or subsistence of any captain promoted after the passage of this act in the Army until all first lieutenants in the Army, otherwise eligible, who were demoted from the grade of captain under the provisions of the act of Congress approved June 30, 1922, as amended by the act of September 14, 1922, shall be promoted to the grade of captain in advance of officers who were serving in the grade of first lieutenant on June 30, 1920, notwithstanding the names of some of these demoted captains are carried on the promotion list below the names of some such first lieutenants: *Provided*, That no part of the funds herein appropriated shall be utilized for the recruiting or enlistment of boys under the age of 21 years without the written consent of the parents or guardians, if any, of such boys, or unless the applicant furnishes a birth certificate or the affidavit of two disinterested witnesses showing such applicant for enlistment to be 21 years of age.

The amendment was agreed to.

The next amendment was, on page 18, to strike out the colon and the proviso beginning in line 16, in the following words:

Provided, That this appropriation shall not be available for increased pay on flying status to more than 500 enlisted men.

The amendment was agreed to.

Mr. KING. Mr. President, I would like to ask the Senator from New York to explain the amendment just agreed to, on page 17, beginning in line 9.

Mr. WADSWORTH. There are two amendments on that page. The first one has to do with a very technical subject and which I will do my best to explain, although I doubt my ability. It provides that no part of the money appropriated for the pay of officers shall be used to pay for the allowance or subsistence of any captain promoted after the passage of this act in the Army until all first lieutenants in the Army otherwise eligible, who were demoted from the grade of cap-

tain, shall be promoted before him. It does not accomplish what the author of the amendment expected. It was offered upon the floor of the House.

Here is the situation: In the demotions which took place last August something like 800 captains were demoted to the grade of first lieutenant. Their relative positions upon the promotion list of the Army are not changed. About 275 of those captains who were demoted are found upon the demotion list since that time among the first lieutenants. They lost the grade and rank of captain. Their places on the promotion list are exactly the same as they were before. They can not, under existing law, be restored or promoted back to the grade of captain until several first lieutenants, whose names stand ahead of theirs on the promotion list, are promoted to the grade of captain. This language was intended to cure that situation, but it does not do it. It does not accomplish the desired purpose. All it does is to say that any first lieutenant who was not demoted from the grade of captain and who is promoted hereafter to the grade of captain shall not be paid for it, which is, of course, an absurd conclusion. The fact, however, is that the situation sought to be corrected by the amendment will not arise for two years, so we struck out the provision.

Mr. REED of Pennsylvania. Mr. President, may I ask the Senator from New York a question?

Mr. WADSWORTH. Certainly.

Mr. REED of Pennsylvania. Is it not a fact that the demoted officers are still receiving the pay and allowances of the rank from which they were demoted?

Mr. WADSWORTH. They are.

Mr. REED of Pennsylvania. I think that ought to be understood by the Senator, so that he will realize that no injustice is done to the demoted officers by striking out the provision.

Mr. WADSWORTH. The injustice is in the future, and not at the present.

Mr. McKELLAR. Mr. President, the injustice has been in the past and in the present, and it will be in the future. Many of these captains were examined—in fact, all of them were examined. They passed competitive examinations. After such examinations they were given commissions as captains and enjoyed them for awhile, and then were demoted to the grade of first lieutenants.

I did not know we had reached the provision. I have an amendment which I wish to offer to it. On page 17, I move to strike out the proviso, beginning in line 9, down to and including the word "lieutenants" in line 20, and in lieu thereof to insert the following:

Provided, That no part of the money herein appropriated shall be used for the pay and allowances of officers on the "promotion list" who shall be promoted to the grade of captain after the passage of this act unless said promotion shall have been made in the following manner, which is hereby established as the method of promotion to the grade of captain of officers on said promotion list, to wit: "So long as there shall remain in the grade of first lieutenant any officer discharged in the grade of captain and recommissioned in the grade of first lieutenant in accordance with the provisions of the act of June 30, 1922, as amended by the act of September 14, 1922, who was appointed in the grade of captain in the Regular Army under the provisions of section 24 of the act of June 4, 1920 (Pub. No. 242, 66th Cong.). Promotions of officers on the promotion list to the grade of captain shall be made solely from such officers.

Mr. President, I offer this amendment in justice to the captains. The promotion list has been construed so as to demote those men. They came into the Regular Army on the assurance that the result of their examinations would determine their fitness and their places in the Army. They received captaincies as a result of this examination. So long as they are making proper officers, the Government is under a moral contract with them to retain them in the grade of captain.

I think it is little short of monstrous that the Government of the United States should conduct an examination and hold out to men who take the examination the promise, "If you make a certain grade, if you come within certain requirements, the Government will appoint you to the position of captain," and then after they have made that grade, after they have secured these positions, demote them to a lieutenantancy and promote second and first lieutenants over them. That, to my mind, is an act of bad faith on the part of the Government. After having invited these men to take the examination, after having urged many of them to come back into the Army, we owe it to them not to demote them unless they have by their acts committed an offense which requires them to be demoted or discharged. I ask Senators to join me in doing the right and fair thing by these men. The House provision does not give them what they are entitled to have, and I ask that the amendment which I offered may be adopted by the Senate.

Mr. KING. Mr. President—

Mr. McKELLAR. I yield to the Senator from Utah.

Mr. KING. This is rather a terra incognita to me. I have received some complaints by individuals who have insisted that an injustice had been done them. I should like to inquire of the Senator from Tennessee upon what theory, after a man has been promoted as a result of an examination, he is demoted for the purpose of advancing over him officers of lower grade. Is it for the purpose of advancing those who have been through West Point over those who have come in from civil life? Is there any favoritism growing out of the fact that one man is a West Pointer and the other is not?

Mr. McKELLAR. Mr. President, all I can say about that is that charge is made by many of those who have had to undergo this demotion. It is "passing strange" that the Government, after having given the commission of captain to a number of men and after they had accepted that commission and entered into a solemn contract, changing, perhaps, the whole course of their lives, should undertake to demote them to the grade of second lieutenant or first lieutenant, as the case may be.

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

Mr. McKELLAR. I yield.

Mr. WADSWORTH. The Congress specifically commanded that to be done.

Mr. McKELLAR. I know that, and that is what I am complaining of; but Congress never dreamed that it was commanding that to be done. That construction of the act of Congress I believe to be wrong, and have believed it to be wrong ever since it was first placed upon the language of Congress. What I propose is that Congress should right that wrong, so far as it can. It can not right it entirely, perhaps. Many of the captains who have been thus demoted to first lieutenantcies have resigned from the Army rather than submit to demotion, and probably they were right. Those who have resigned from the Army on that ground have been greatly injured.

We can appreciate the situation. The Government invited these men to take an examination, and as a result of that examination, as a result of their record, as a result of their competency and efficiency, they were appointed captains. They had a right to expect to be made captains and to retain their captaincies; but, without any reason except that certain legal officers of the War Department construed the act to mean something that was never even vaguely in the mind of Congress, in my judgment, they have been so demoted. They have been humiliated and disgraced in the minds of their friends in a way they ought not to have been. There is no reason for it. If it was the fault of Congress in the beginning, as the Senator from New York [Mr. WADSWORTH] has stated it was, surely Congress can remedy that wrong, can remedy that mistake, can remedy that injustice; and now is the time to do it. The matter is involved in the pending bill.

I wish here to read what one of these captains has said about the matter. It is a technical matter and one which from that standpoint, perhaps, I do not understand; but I do understand what the result is. The result is wrong. It is a wrong that no Government ought to be willing to perpetrate upon its citizens whom it invites to take an examination. I now read from a statement of one of these officers:

The Army reorganization act of June 4, 1920, increased the commissioned personnel of the Army and also created the "Promotion list."

Which is commonly known, I may say, as the signal list of promotion.

The act provided that the newly appointed officers in the grade of lieutenant colonel and major should be placed on the promotion list in their respective grades with the lieutenant colonels and majors of the Regular Army. The newly appointed lieutenant colonels and majors were arranged in their respective grades according to age and were then placed on the promotion list with the Regular Army officers of those grades as of July 1, 1920.

The law with reference to arranging the captains and lieutenants on the promotion list was entirely different. It provided that the newly appointed captains and lieutenants should be placed on the promotion list with the Regular Army officers of those grades according to length of commissioned service between April 6, 1917, and November 11, 1918, and regardless of the grade to which appointed.

In other words, let me put the case as I understand it. Two young men had been in the late war; one was a second lieutenant all through that war and the other was a captain; the second lieutenant had been appointed prior to the time when the other young man was appointed a captain. The lieutenant had been in the service, say, two weeks longer than the captain. After the war was over these two officers were dis-

charged; both came forward to take a new examination upon the invitation of the Government to go into the Regular Army. The second lieutenant, we will say, had been in the very company in which the other officer was a captain. The captain had by his ability, his efficiency, and his devotion to duty and his heroic action on the field of battle not only maintained his captaincy but had become a major or a lieutenant colonel, perhaps, and in one case, I believe, the officer was made a lieutenant colonel.

The second lieutenant held on to his second lieutenantcy all during the war and did nothing to distinguish himself as a lieutenant. The lieutenant colonel and the second lieutenant came forward after the war to take the examination. Upon being graded, the lieutenant colonel is offered a captain's commission and the second lieutenant, who served during the war as a second lieutenant, not having distinguished himself for efficiency particularly, but still capable of being a second lieutenant, received a second lieutenant's commission. Under the strained construction of the lawyers of the War Department the second lieutenant goes ahead on the promotion list of the captain, who had been a lieutenant colonel during the war. No regard is paid to the examination. The fact that one man was examined and found qualified to be a captain cuts no figure at all; the fact that he had performed remarkable service as a lieutenant colonel cuts no figure at all; but, solely because the second lieutenant went into the World War two weeks before the lieutenant colonel, the second lieutenant, under the present interpretation of the law, is promoted over the lieutenant colonel. So the second lieutenant comes before the captain or the first lieutenant on the single list, and of course becomes a captain while the officer who has been a captain is demoted. In the rearrangement, while many first lieutenants and second lieutenants have been promoted to captains, many captains, I believe, have been demoted to first lieutenants. That is not fair. That would not be done in private life. No Senator would invite a man to take an examination, if he were going to employ him, and tell him that he was going to give him a place as the result of that examination, and then take it away from him. There is no Senator on the floor who will say that what has been done in this case is fair dealing.

If the legal officers of the department are right—and we must assume they were right in their construction—in their construction of the provision Congress placed in the law in 1920, ought we not to right the wrong which has been done? We have a chance to right it now; we can do it as to those officers who still remain in the Army, and we ought to right that wrong as nearly as possible. My amendment proposes to right that particular wrong, and I hope the Senate will adopt it.

I continue to read:

The result of this arrangement was that if a second or first lieutenant had more service than a captain, the lieutenant was placed above the captain on the promotion list.

That is all wrong—

After the new appointments had been made the promotion list was prepared as above outlined. The newly appointed captains were scattered from near the top of the list of captains to near the bottom of the list of second lieutenants. The first and second lieutenants were arranged in the same way—all according to length of service and without regard to grade, age, experience, or qualifications.

After the promotion list was prepared, promotions were made to fill vacancies created by the act of June 4, 1920, which had not been filled by appointments from the emergency officers. Promotions were made according to standing on the promotion list. Over 2,000 first and second lieutenants were promoted to the grade of captain with rank from July 1, 1920; some of these were from the emergency forces and some from the Regular Army officers who were lieutenants on July 1, 1920. These emergency lieutenants had been examined by various boards and had been found qualified for the grade in which they were appointed. However, because of the law with reference to arrangement on the promotion list they immediately became captains with rank from July 1, 1920, and as such outranked any newly appointed captain on the promotion list who was unfortunate enough not to have had greater length of commissioned service.

HOW DEMOTION HAS AFFECTED THE EMERGENCY CAPTAINS.

The Army appropriation bill of June 30, 1922, as amended by the act of September 14, 1922, authorized the reduction of the commissioned personnel of the Army and required that a number of officers in each grade should be discharged and recommissioned in the next lower grade. This legislation made it necessary to discharge and recommission in the next lower grade in the inverse order of their standing on the promotion list approximately 800 captains. Of this number approximately 300 had been originally appointed in the grade of captain under the act of June 4, 1920. The remainder, approximately 500, had been appointed first and second lieutenants under the act of June 4, 1920, or were first lieutenants in the Regular Army, July 1, 1920. Of the demoted captains originally appointed in that grade, 275 stand on the promotion list among the first lieutenants and are scattered from almost the top to almost the bottom of the list. Unless there is some legislation in their behalf, these demoted captains will not again attain the grade of captain until they are reached in the ordinary course of promotion. Some of them will not reach the grade of captain again for 10 or 15 years.

I stop here long enough to ask what must we think of a Government that will invite a young ex-service man to come into the Army as an officer, and, after he makes as a result of a competitive examination the grade of captain, and is appointed to that grade, will say to him afterwards, without any fault of his own: "We are going to demote you, and you can not become a captain for 15 years"? Yet that is what we are doing if we let this law stand.

These are the ones near the bottom of the list of first lieutenants. (This statement is made on the estimate that approximately 150 vacancies in the grade of captain will occur each year.)

Although approximately 300 captains, originally appointed as such, have been demoted and will not again attain that grade for a long time, there are still hundreds of captains who were originally appointed as first and second lieutenants, or were Regular Army officers of those grades, as of July 1, 1920, and who were immediately promoted to the grade of captain and who have not been demoted. This is due to the fact that they were so high on the promotion list that they were not reached in the process of demotion.

It is submitted that the captains originally appointed as such under the act of June 4, 1920, should not have been demoted when officers originally appointed in the grade of first and second lieutenants at the same time and who were immediately promoted to the grade of captain were not demoted. This situation can be remedied by any one of the following methods, viz:

1. Create a surplus in the grade of captain by at once restoring these 300 demoted captains to their original rank and permit them to be carried as surplus until absorbed in the ordinary course of promotion. This method will create an excess of 300 in the grade of captain, which will be slowly reduced as promotions occur. It will constitute no saving in money.

2. Immediately restore these 300 demoted captains to their former rank and demote an equal number of captains who have been promoted to that grade since July 1, 1920. This method accomplishes substantial justice, i. e., these lieutenants should not have been promoted in the first place. If they are demoted at this time they will be placed where they ought to have been placed in the first instance, and yet they will get the pay of the advanced grade. This method also accomplishes a substantial saving in pay, because the first lieutenants who have never been captains but who are ahead of the demoted captains on the promotion list will not be promoted until all demoted captains have been restored to that grade.

3. As fast as vacancies occur restore to the grade of captain the 300 captains appointed in that grade who have been demoted before the other demoted captains are restored to that grade. This accomplishes substantial justice and also a substantial saving. It will take about two years for the last demoted captain to get back his original rank, but it causes no further demotions and creates no surplus in the grade of captain.

Mr. President, in order to remedy this wrong that has been done to this class of our citizens, to remedy the unfairness and the injustice that has been done to them, I have offered the amendment which I sent to the desk, and I hope it will be adopted. I hope the chairman of the committee will accept it.

Mr. WADSWORTH. Mr. President, I have a few observations to make.

This situation has arisen solely and entirely as the result of the acts of Congress. No law officer of the Government, no person in the War Department, nobody in the Army, through any construction given to language or through any arbitrary act of his, is to blame for it. Only the Congress is to blame. The language of the two statutes involved in this situation is so plain that there could be no appeal whatsoever, although appeals were attempted time and time again against this construction.

Mr. McKELLAR. Mr. President—

Mr. WADSWORTH. I protested myself against this demotion; but the pacifists in this country were so strong, and the Congress was so carried off its feet by all the silly twaddle that was talked about here last year, that it passed the legislation which finally compelled the discharge from the commissioned strength of the Regular Army of 1,400 officers, and the demotion of 1,800 more. The Senate conferees begged and implored that no such severity should be indulged in. The Senate conferees begged and implored that the very men to whom the Senator has referred be not subjected to demotion. We could not get our way. The best we could secure was a compromise—a compromise between the extreme of the pacifistic proposal, which was for the purpose of putting out of the Regular Army 2,500 officers instead of 1,400—

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WADSWORTH. Just a moment. Now, this situation has arisen:

There are about 270 former captains in the Army who have been demoted to the grade of first lieutenant, and who find themselves literally in a morass so far as future promotion is concerned. The Senator has described that, and the letter which he has read describes it correctly. Unfortunately, no legislation that we can pass correcting it can take effect for two years. The officer states, in the letter which the Senator read, that the last or junior captain who was demoted will not be reached for promotion again for two years. That is not accurate. The senior captain among that group who are low down on the single list will not be reached for two years. The amendment

which the Senator offers will not become operative for two years. Nothing can be done about it, because there will not be enough vacancies occurring in the grade of captain and above to reach down and absorb or commence to absorb these outraged officers until two years have gone by.

That is the fact. I am in complete sympathy with the intent of the Senator from Tennessee to amend the promotion law so that these demoted captains who are now first lieutenants, and are far down on the promotion list, shall be promoted back again to the grade of captain before any undemoted first lieutenant is promoted. That is what he is driving at.

Mr. McKELLAR. That is what my amendment proposes. Why should we not adopt it?

Mr. WADSWORTH. I have not declined to accept it; but will the Senator please permit me to proceed a moment?

Mr. McKELLAR. Oh, yes; I beg the Senator's pardon.

Mr. WADSWORTH. I merely want to say to the Senator and to the Senate that, whether it is accepted in conference or not, it makes no difference this year or next year—none whatsoever.

Mr. McKELLAR. But we will have done what we could to right a wrong which the Senator agrees with me should be righted.

Mr. WADSWORTH. Here is my fear, and I will say it quite frankly:

The matter is exceedingly technical. The mistake of a word or two in the final phraseology, if there shall be any final phraseology, coming out of the conference and adopted by both Houses, may destroy the whole thing. What I should prefer is that the Military Affairs Committee of the Senate be given an opportunity to examine this amendment. I have already introduced a bill recommended by the War Department for this very same purpose, expressed somewhat differently. This may be better; I do not know.

Mr. McKELLAR. Will not the Senator do this: Will not the Senator accept the amendment, and I, for one, will be entirely willing to leave it to the Senator's good judgment as to the wording worked out in conference? I know that the Senator has as good knowledge of these matters as any man in the United States, and I would be perfectly willing to take his judgment about it.

Mr. WADSWORTH. I have expressed my fear, which is very great. I have described as best I could the situation. I shall not raise a point of order against this amendment, on the theory that it may go to conference, and there may emanate from the conference—I will not promise it—the proper, accurate, deadly accurate, legislation that shall cure this situation; but in any event there are no tears to be shed, even if it fails this year, because it does no good for this year.

Mr. McKELLAR. I hope the Senator will let it pass and be part of the act, and then I am sure he will attempt to work it out in a way that will make it a workable measure.

Mr. FLETCHER. Mr. President, I was just going to ask the chairman of the Military Affairs Committee, in charge of the bill, a question. It would seem, even though no results can happen for two years, that if we have committed an error, or if we want to rectify a situation, the sooner we start to do it the better. If we put it off another year it will be still farther and farther away.

Mr. WADSWORTH. Of course, generally speaking, the Senator is correct; but the Senator knows how dangerous it is to attach a highly technical piece of legislation to an appropriation bill which must be handled by Members of the House and Members of the Senate who are not thoroughly familiar with the legislative history of the case; that is all.

Mr. FLETCHER. I agree to that, but I still think that, although it may not result in much benefit for two years, the sooner we start upon it the better. I was going to ask the Senator whether the provision on page 17 which the committee strikes out of the House bill has any bearing upon this?

Mr. WADSWORTH. Yes. The amendment adopted upon the floor of the House is absolutely inoperative. It shows the danger of trying to legislate in that hasty way. It does not mean anything. It accomplishes nothing for these outraged officers.

Now, I desire to know if the Senator wants to substitute his amendment for the House amendment?

Mr. McKELLAR. Yes. I imagine the way to do would be to agree to this as a substitute for the House provision.

Mr. WADSWORTH. It can be made in two motions—to agree to the committee amendment striking out the first proviso, between lines 9 and 20, inclusive, and then the Senator from Tennessee can offer his amendment, to go in at that point.

Mr. McKELLAR. All right.

Mr. JONES of Washington. Mr. President, let me suggest that it all ought to be one amendment, to strike out and insert, so that it will be considered in conference at one time.

Mr. McKELLAR. Yes; I think so. I think the Senator from Washington is entirely right about that.

Mr. WADSWORTH. The Senator's suggestion is a good one. That throws the whole thing into conference.

Mr. McKELLAR. Yes. I just want to agree to the whole amendment with an amendment substituting the provision which I have sent to the desk.

Mr. WADSWORTH. I ask unanimous consent to reconsider the vote by which the amendment of the committee was adopted.

Mr. McKELLAR. Has it been adopted?

Mr. WADSWORTH. Yes.

Mr. McKELLAR. I did not know that.

The VICE PRESIDENT. The question is on the request for reconsideration.

Mr. KING. Mr. President, I desire to ask a question for information. The Senator from Tennessee [Mr. McKELLAR], by the illustration which he gave of an injustice which might be done to a lieutenant colonel, following the illustration of a captain, by demoting them and elevating to a position above them a man who was a second lieutenant, and who had exhibited no particular ability to entitle him to elevation over the others, has illustrated that that situation arose under the law of Congress. What I am trying to get at is, How will the amendment offered by the Senator from Tennessee or the amendment offered by the Senator from New York, which is now pending before the committee, cure that evil? Will they demote the second lieutenant who has been elevated?

Mr. WADSWORTH. The second lieutenant has not been elevated. It is the captain who has been demoted; and we are going to provide, the Senator from Tennessee and I, if we have our way about it, in appropriate language that the captain who was demoted last year as the result of the arbitrary act of Congress shall be the first one among the first lieutenants to be promoted again; that is all.

Mr. KING. Mr. President, I am in entire sympathy with this legislation, and I think a very great wrong was done—

Mr. WADSWORTH. It is a wrong against which I protested at the time.

Mr. KING. But I am at a loss to perceive just how the wrongs which have been done are going to be corrected. I rely, however, upon the wisdom of the committee and the duty of the War Department to right a wrong and do justice to those to whom injustice has been done.

The VICE PRESIDENT. The question is on reconsidering the vote by which the amendment was agreed to.

The motion to reconsider was agreed to.

The VICE PRESIDENT. The question now is on the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. WADSWORTH. Commencing on line 20, that should be treated as a second amendment.

The VICE PRESIDENT. It should read "Provided further," and the committee proposes to strike it out.

Mr. WADSWORTH. That has been adopted. I merely want it printed as a separate amendment.

Mr. McKELLAR. Where is it?

Mr. WADSWORTH. At the bottom of page 17. It has nothing to do with the promotion of officers. It is another matter.

Mr. FLETCHER. The motion upon which we have acted, I understand, then, is to strike out the first proviso and to insert what the Senator from Tennessee has proposed?

Mr. WADSWORTH. Yes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment, striking out the second proviso.

The amendment was agreed to.

The next amendment of the committee was, in the item for pay of enlisted men, Aviation Corps, on page 18, line 16, to strike out lines 16, 17, and 18, as follows:

Provided, That this appropriation shall not be available for increased pay on flying status to more than 500 enlisted men.

Mr. McKELLAR. Will the Senator explain that? The Senator knows that I was not on this committee.

Mr. WADSWORTH. The proviso reads:

Provided, That this appropriation shall not be available for increased pay on flying status to more than 500 enlisted men.

We do not propose to increase the amount of money which the Chief of the Air Service may expend in paying enlisted men of the Air Service for flying service, but we do propose to strike out the limitation on the number. For example, the Chief of

the Air Service testified to the committee that from time to time he wants the opportunity and the right to order an enlisted man in the Air Service upon flying duty for a month, or two months, or three months, and while on such duty, of course, the man is entitled to an increase in his pay on account of the risk. With the limitation inserted by the House, the Chief of the Air Service could not put upon flying duty more than 500 different men among the enlisted men in the entire calendar year. He would like to have the opportunity of using more than 500 men, but using some of them for only a part of the year.

Mr. McKELLAR. The Senator's explanation is entirely satisfactory to me, and I thank him for giving it.

Mr. KING. I would like to ask the Senator with respect to the item, on lines 5 and 6, for aviation increases to commissioned and warrant officers of the Army, \$950,000, whether it is proposed to increase the number of Army officers and warrant officers who are engaged in aviation?

Mr. WADSWORTH. No; it is not. Every officer on flying status receives 50 per cent increase in his base pay under the law passed by Congress.

Mr. KING. Was that provided in the Army reorganization bill?

Mr. WADSWORTH. Yes; but I think that in turn was a repetition of previous legislation.

Mr. KING. Does the Senator believe that there should be that great difference between the base pay and the flying pay?

Mr. WADSWORTH. I do, Mr. President, when I remember that the casualties among the fliers of the United States Army are 10 per cent a year.

Mr. KING. I was inquiring for information as to whether the committee had investigated that, and it was their judgment that that distinction should be permitted.

Mr. WADSWORTH. Oh, yes.

Mr. KING. Is that the distinction which prevails in other countries?

Mr. WADSWORTH. Yes; the flying services in all other armies are paid at higher rates than the other branches.

Mr. KING. Must there be so many hours per month or per year in order to entitle them to the increase?

Mr. WADSWORTH. Yes; habitual and continuous flying.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading was continued to line 20, page 18, the last paragraph read being:

For pay of the enlisted men of the Philippine Scouts, \$1,060,140.

Mr. KING. I inquire of the Senator with respect to the item under the head of Philippine Scouts, what part of those are natives, and what part are the Regular Army?

Mr. WADSWORTH. They are all natives. They are a part of the Regular Army. They number 7,000 men, in round figures.

Mr. KING. And the proposition is, of course, that we shall care for them and pay them for the coming year?

Mr. WADSWORTH. Certainly.

Mr. KING. Mr. President, on the 16th day of March last, that being the calendar day of March 30, I offered a resolution which, in effect, called for the withdrawal of the United States from the Philippine Islands. It reads as follows:

Whereas the Congress of the United States, by the act approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," vested in the Philippine Legislature, created by said act, general legislative power with respect to the Philippines, in order that by the use and exercise of popular franchise and governmental powers, the people of the Philippines might become prepared to assume the responsibilities and enjoy the privileges of complete independence; and

Whereas the Congress of the United States, in said act, expressly declared that it was the purpose of the Government of the United States to withdraw its sovereignty from the Philippine Islands and to recognize the independence of the islands as soon as a stable government should have been established therein; and

Whereas, in conformity with the provisions of said act, a stable government, founded upon principles of political liberty and upon popular franchise, has been erected in the Philippine Islands and is exercising political powers therein, subject only to the powers vested in the Governor General of the Philippines and other officials appointed by the President of the United States, and certain supervisory powers exercised by the Secretary of War, and the right of appeal to the Supreme Court of the United States from final judgments and decrees of the Supreme Court of the Philippine Islands: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President enter into negotiations with the powers having territorial interests in the Pacific, or adjacent thereto, for the purpose of concluding a treaty or treaties whereby said powers agree to recognize the Philippine Islands as an independent State, and covenant to respect the political independence and territorial integrity of such Philippine State, when such State shall have been established and declared by the United States, and that upon the execution and ratification of such a treaty

or treaties the sovereignty of the United States over the Philippine Islands shall be transferred to an independent Philippine Government, and that thereupon all sovereignty by the United States over the Philippine Islands shall cease and determine.

I think the time has come, in view of the promise made by solemn enactment of Congress, for the United States to withdraw from the Philippine Islands and to surrender whatever authority it is now exercising to the people themselves and to the Government which they may establish. Our persistent retention of sovereignty, and our exercise of power and jurisdiction over the islands and the people, are provoking resentments and suspicions, indeed, fears upon the part of some Filipinos that we intend to disregard the solemn promise made and to retain the Philippine Islands for an indefinite period if not permanently. I believe the time has come when we should withdraw from the islands. The people of the Philippine Islands have demonstrated their capacity for self-government. The progress which they have made during the past 15 or 20 years is remarkable. They want independence and desire that the United States withdraw its authority and control. Recently a delegation of distinguished Filipinos came to the United States and conferred with the President, and, as I am advised, with the Secretary of State. They made a strong appeal for the independence of their country, and presented reasons which can not be controverted for the redemption of the provisions made to them by this Government. In view of our declarations and protestations, and in view of the historic ground which we have occupied in favor of the right of peoples to govern themselves I can not understand why we persist in retaining sovereignty and jurisdiction over the islands and denying the prayers and petitions of these people.

Before we conclude the discussion of this bill, I shall offer as an amendment to it the resolution which I have just read.

The reading of the bill was continued. The next amendment was, on page 19, at the end of line 3, to increase the appropriation for pay of retired enlisted men from "\$7,000,000" to "\$7,200,000."

Mr. McKELLAR. Before that is adopted, will the Senator from New York state why an additional \$200,000 was appropriated for the pay of retired enlisted men?

Mr. WADSWORTH. The number of retired enlisted men is known accurately. The amount of money to which each and every one of them is entitled under the statute is calculated accurately.

Mr. McKELLAR. And the House did not appropriate enough?

Mr. WADSWORTH. The Budget estimate and the Division of Finance in the War Department estimate is \$7,200,000 to fulfill the obligations of the Government.

The amendment was agreed to.

The next amendment was, on page 20, line 7, to increase the appropriation for pay of nurses from "\$650,000" to "\$680,000."

The amendment was agreed to.

The next amendment was, on page 21, line 18, after the word "any," to strike out "child" and insert "married child or any unmarried child over 21 years of age," so as to make the paragraph read:

None of the funds herein, heretofore, or hereafter appropriated shall be used for payment of the six months' pay (authorized by the act of December 17, 1919, to be paid to certain specified beneficiaries of officers or enlisted men of the Regular Army who died from wounds or disease not the result of their own misconduct) to any married child or any unmarried child over 21 years of age of a deceased officer or enlisted man who is not actually a dependent of such deceased officer or enlisted man.

The amendment was agreed to.

The next amendment was, on page 21, after line 21, to strike out:

None of the funds appropriated in this act shall be used for payment of any officer of the Army on the active or retired list while such officer is engaged in the business of selling supplies or services to the United States, or is employed by any individual, partnership, or corporation which engages in such business.

Mr. McKELLAR. Will the Senator from New York explain that amendment? To what does it refer? I have not had time to go into the matter and I am not familiar with it.

Mr. WADSWORTH. This amendment was put in upon the floor of the House. It was not reported by the House committee.

Mr. McKELLAR. Is that the amendment commonly known as the Harbord amendment?

Mr. WADSWORTH. It prevents the receipt of retired pay by any retired officer of the Army employed by any concern which sells any goods or performs any services for the Government. In my humble judgment, without intending to be over-

critical, I think it should be entitled, "A provision to impoverish retired officers."

The committee has stricken it out. We have just compulsorily retired a thousand officers from the Army, not because they were deficient in any degree, but because we insisted upon reducing the number, and if this were to remain in as it is, it would mean that no one of those men, most of whom were retired at very modest pay, could work for any railroad company, any telegraph company, any telephone company, for very few banks, and for any number of industries which at some time or other might sell something to the Government or perform some service for the Government.

Unfortunately the name of one officer was brought in in connection with this amendment—the name of General Harbord—who, I think, was mentioned and has been mentioned rather conspicuously in connection with this amendment. He has recently accepted employment with the Radio Corporation of America. It may be of interest to know that the Radio Corporation of America did \$60 worth of business with the Government last month, and, that company having done business with the Government of the United States, General Harbord would be denied his retired pay.

It seems to me that this thing has reached a point where we are asked to distrust all the officers of the Army, active and retired, and deny to them the right, upon retirement, to take up some modest employment here and there to eke out the very small sum which they receive in their middle and old age to support themselves and their families.

Mr. McKELLAR. This is a more important matter than it might appear to be. I want to say so far as General Harbord is concerned—and I regret that his name has been mentioned in reference to the matter—I have known him as being one of the highest minded men in the country. There is no question about his honor and integrity, and I take great pleasure in bearing testimony, so far as I can, to his integrity and uprightness. But a very wise Man said a long, long time ago that no man could serve two masters. We have a legal inhibition in our law against a man representing the United States Government in any way and dealing with it. I think that law is a very wise one. I doubt very much whether any of our retired officers ought to engage in such business as would bring them in contact with the purchasing powers of the Government. A man who has been in the Army, say, 30 or 40 years and is in touch with it, and who leaves and begins business with that very organization, the Army, does something that I am sure ought not to be permitted by the Congress. I doubt if any agent of the Government ought to be permitted to do such a thing.

Mr. SPENCER. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. Certainly.

Mr. SPENCER. When we retire an officer in good health and pay him retired pay, as we do in some cases, \$20, \$40, or \$50 a month, and he has a family to support, what possible employment could he enter if this provision were in the law, except teaching school? Can the Senator name a single employment that he might enter?

Mr. McKELLAR. He could enter into any business, as I understand it, except the business of buying from the Government or selling to the Government. There is a general statute, as the Senator knows, that prohibits that now.

Mr. SPENCER. But the Senator has not answered my question.

Mr. McKELLAR. He is still an officer of the Government. There is such a statute. I do not recall the exact citation of it at this moment, but I remember we discussed it here some years ago when we found men who were engaged in business and who were serving the Government as officers at the same time. We found quite a number of officers who were buying for the Government on the one hand and selling to the Government through their houses on the other hand. That was prohibited by law. It has always been prohibited by law.

I doubt very much the wisdom of permitting any officer of the Government to buy from the Government or sell to the Government while he is an officer of the Government. I think that is as far as we should go. Of course, we should not prohibit a man from engaging in any business that he might wish to engage in, but merely to prohibit him from buying from the Government or selling to the Government as long as he is an officer of the Government it seems to me is not going too far. I think it is a very wise provision of the law and I hope it will not be interfered with.

I am not in any way criticizing any of our splendid Army officers. We have a great many on the retired list who are engaged in other business. I do not know of any of them who

are engaged in the business of buying from or selling to the Government, but those who are so engaged ought not to be permitted to do it, is my humble judgment.

Mr. SPENCER. Mr. President, the provision which is stricken out, I may say to the Senator from Tennessee, prohibits a retired officer from accepting employment with any corporation, individual, or partnership that may at any time sell supplies or service to the Government. He could not keep books for a corporation that was selling anything to the Government. He could not counsel with a corporation if that corporation was selling service or material to the Government. I do not hesitate to say that a more ridiculous proposition could not be written into the law.

I asked the Senator a moment ago if he could name one single line of employment, outside of teaching school, which a retired Army officer could enter into if that provision were in the law. I do not believe he could name one.

Mr. McKELLAR. Oh, yes; I am quite sure many such could be named.

Mr. FLETCHER. Mr. President, I am inclined to agree with the Senator from Missouri as to that portion of the bill which begins on line 25 after the words "United States." I think it is very well to strike out the remainder of the provision, including the words "or is employed by any individual, partnership, or corporation which engages in such business." But down to the words "United States" in line 25 I can see some very good reasons for the provision. It takes care of a situation where a retired officer of the Army actually engages in the business of selling supplies or services to the United States.

I question very much if a retired officer of the Army, drawing pay from the Government and in that attitude and that status connected with the Government, ought to engage in the business of selling supplies or services to the United States. But it does seem to me it is going too far to exclude him from employment by any partnership or corporation that may be engaged in such business. There he is not brought directly, necessarily, in contact with his brother officers, his late associates in the service, and could not be influenced in the same way as if he himself was actually engaged in the business of furnishing services or supplies to the Government.

Mr. SPENCER. May I ask the Senator from Florida a question? When the Government gets through with an officer we say to him, "You are no longer needed. You are retired, but if a war arises we may call upon you again. You are not in active service. You must find such employment as you can. We can no longer employ you." Why should not that officer be free to accept any honorable employment anywhere he can get it? If his experience is such as to enable him to be best employed either in the buying or selling department of a corporation or partnership, why should not he be free to do it?

Mr. FLETCHER. My answer to that is simply that we are never through with an officer. He is never disconnected from his relation with the Government. He is always subject to be called into active duty again. He is always on the pay roll of the Government. He is always available as an officer of the Army. He can do anything else in the world except engage in the business of furnishing services or supplies to the Government, because he is in a sense a part of the Government. I am perfectly willing to leave the whole field open to him beyond that to find employment by any partnership or corporation; and he ought not to be deprived of that, in my judgment. But for a retired officer, while holding that relationship to the Government and being on the pay roll of the Government and liable to be called into service at any time, actually to engage in the business of furnishing supplies or services to the Government it seems to me would be a very gross impropriety.

Up to that point, without reference to any individual, because I have no individual in mind at all, but upon principle I am inclined to think the provision is all right and ought to remain. Beyond that I think it goes too far. I would be willing to amend the action of the committee by striking out what occurs after the words "United States," in line 25, down to the end of the sentence.

Mr. McKELLAR. The Senator from Missouri said such a contention was ridiculous as that here proposed. The Senator is a member of the Judiciary Committee and is familiar with the statutory laws of the United States. There has been a statute on our books providing for the exact principle which is contended for here almost ever since our Government was established. There is a provision of law now, and always has been since the very early years of the Government, providing that an official or employee of the Government could not trade with the Government.

Mr. GLASS. Mr. President, I have wondered whether the discussion is academic or whether it is practical. I am a little

curious to know if there has been any abuse under the system which it is proposed to correct. I have been unable to ascertain that there has been. The very distinct impression that I get is that this provision, put in the bill elsewhere, is aimed directly and solely at General Harbord, who is one of the best officers that we have ever had in the Army. If that is so, as I think it is, I shall vote here, as I voted in the committee, against incorporating it in the bill.

Mr. WADSWORTH. I may say to the Senator that not a single instance has ever been cited of a retired officer abusing the confidence of the Government in this connection.

Mr. HARRISON. Mr. President, may I inquire how many cases have ever come to the attention of the Senator where a retired Army officer has been in the employ of some concern, or running the concern itself, where they entered into a contract with the Government to do work for or sell something to the Government?

Mr. WADSWORTH. None have been specifically called to my attention, except the case of General Harbord.

Mr. HARRISON. Is that the only case which the Senator recalls?

Mr. WADSWORTH. That is the only case that has been specifically called to our attention. General Harbord is the president of the Radio Corporation of America, which is an immense concern. Their total business with the Government of the United States, however, last month was only \$60. Under this provision he will be stricken from the list of retired officers of the United States Army, so far as receiving any emolument is concerned, on the ground, of course, that he can not be trusted.

Mr. HARRISON. What is the practice with respect to naval officers? Is there any provision of law similar to this provision that would apply as against naval officers on the retired list?

Mr. WADSWORTH. There is; and that arose from the specific case back in the nineties where some retired naval officer was made the head of a plant which, I think, was making battleship armor. The Navy Department wanted him there. He knew how to make such armor, and no one else in the country knew how to do it. So he was retired in order that he might go there and run the plant so that the Government, in turn, could get the proper kind of armor; but it did create a row at the time, and back in the nineties legislation preventing that or something of that kind was enacted with respect to naval officers. I doubt if it is as drastic and wide-sweeping as is this. That is the only instance that anyone has been able to remember.

Mr. HARRISON. But it is now the law as applied to naval officers?

Mr. WADSWORTH. I do not know what the law is as applied to naval officers. There is something of that kind upon the statute books.

Mr. HARRISON. The Senator would have no objection to the amendment going over, because the bill must go over until Monday next?

Mr. WADSWORTH. I have no objection to that.

Mr. HARRISON. Then we may take it up and in the meantime examine the provision with respect to naval officers. If there is a similar provision as to those officers, it would seem to me that it should either be repealed or should apply to Army officers the same as to naval officers. I can not see any difference in the proposition at all.

Mr. WADSWORTH. I myself think the whole situation from the practical standpoint is nonsense.

Mr. HARRISON. But the Senator has no objection to this amendment going over until Monday?

Mr. WADSWORTH. None at all.

Mr. McKELLAR. The Senator from New York doubtless recalls that only recently there have been a number of indictments found in the District of Columbia against certain ex-officers of the Army who traded with the United States while they were officers. The Senator recalls that, does he not?

Mr. WADSWORTH. Yes; but that has nothing to do with this matter. This only has reference to the retired officers of the Regular Army.

Mr. McKELLAR. One is a class of retired officers who are receiving Government pay, and the others were officers in the Army who were receiving regular pay from the Government. I am talking about the principle. I want the Senator to understand that so far as General Harbord is concerned there is no difference of opinion between him and me as to the perfect rectitude of that officer. I am not speaking about that proposition at all but of the principle involved.

As I recall, on the very principle which the Senator from Missouri [Mr. SPENCER] characterized as ridiculous a while ago,

recently a number of indictments have been found based on a statute of the United States.

Mr. WADSWORTH. But, Mr. President, I think the Senator from Tennessee will find that those to whom he has reference were indicted for conspiracy to defraud the Government.

Mr. McKELLAR. Yes; but because as officers they dealt with the Government.

Mr. SPENCER. That was not the ground of the indictment.

Mr. WADSWORTH. That was not the reason for the indictment.

Mr. McKELLAR. I think several were indicted on that ground.

Mr. SPENCER. Can the Senator from Tennessee name one?

Mr. McKELLAR. Mack somebody, it was—although I do not recall his name correctly now. It was not, however, McKellar.

Mr. WADSWORTH. I ask that the amendment may go over, then, Mr. President.

The VICE PRESIDENT. The amendment will be passed over.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, under the head "Quartermaster Corps," on page 24, line 3, after the word "including" to strike out "enlisted men of the Enlisted Reserve Corps," so as to read:

Subsistence of the Army: Purchase of subsistence supplies: For issue as rations to troops, including retired enlisted men when ordered to active duty, civil employees when entitled thereto, hospital matrons, applicants for enlistment while held under observation, general prisoners of war (including Indians held by the Army as prisoners, but for whose subsistence appropriation is not otherwise made), Indians employed by the Army as guides and scouts, and general prisoners at posts; for the subsistence of the masters, officers, crews, and employees of the vessels of the Army Transport Service; hot coffee for troops traveling when supplied with cooked or travel rations; meals for recruiting parties and applicants for enlistment while under observation; for sales to officers, including members of the Officers' Reserve Corps while on active duty, and enlisted men of the Army.

Mr. McKELLAR. Mr. President, will the Senator from New York explain the reason why the amendment striking out the words "enlisted men of the Enlisted Reserve Corps" is proposed.

Mr. WADSWORTH. Whatever subsistence is ever used for the enlisted men of the Enlisted Reserve Corps is taken care of under the Organized Reserve appropriations and should not be chargeable to this appropriation. That same observation applies to several similar amendments following this point in the bill.

Mr. McKELLAR. Yes; I noticed there are several such amendments.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 25, line 7, after the word "including," to strike out "enlisted men of the Enlisted Reserve Corps and," so as to read:

Provided further, That no competitor shall be entitled to commutation of rations in excess of \$1.50 per day, and when meals are furnished no greater expense than that sum per man per day for the period the contest is in progress shall be incurred. For payments: Of commutation of rations to the cadets of the United States Military Academy in lieu of the regular established ration; of the regulation allowances of commutation in lieu of rations to enlisted men on furlough, enlisted men when stationed at places where rations in kind can not be economically issued, including retired enlisted men when ordered to active duty, and when traveling on detached duty where it is impracticable to carry rations of any kind, enlisted men selected to contest for places or prizes in department and Army rifle competitions when traveling to and from places of contest, applicants for enlistment and general prisoners while traveling under orders.

The amendment was agreed to.

The next amendment was, on page 26, at the end of line 1, to increase the appropriation for subsistence of the Army from \$14,250,000 to \$14,500,000.

Mr. McKELLAR. I presume that that appropriation is within the Budget estimate?

Mr. WADSWORTH. The Budget estimate is for \$15,000,000. It is \$500,000 lower than the estimate, but as it is an item in which the incurrence of a deficiency is authorized by the statute we can take our chances.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 26, line 5, after the name "Alaska," to insert "Philippine Islands, and China," so as to make the paragraph read:

None of the funds appropriated in this act shall be used for the payment of expenses of operating sales commissaries other than in Alaska, Philippine Islands, and China, at which the prices charged do not include the customary overhead costs of freight, handling, storage, and delivery, notwithstanding the provisions of the act of July 5, 1884.

Mr. McKELLAR. I ask the Senator from New York for an explanation of that amendment.

Mr. WADSWORTH. The committee thought it was unfair to the personnel stationed in the Philippine Islands and China to be called upon to bear the entire share of the extra overhead cost of the running of the commissary sales stores in those far-away places. It would raise the cost of goods which the soldiers bought in those stores considerably above the cost chargeable to the soldiers here in the United States, where overhead is much less. The word "Alaska" is in the current law. The same situation, to a greater or less extent, exists in the Philippine Islands and China.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 27, line 4, after the word "including," to strike out "enlisted men of the Enlisted Reserve Corps, and," so as to read:

Regular supplies of the Army: Regular supplies of the Quartermaster Corps, including their care and protection; construction and repair of military reservation fences; stoves and heating apparatus required for the use of the Army for heating offices, hospitals, barracks and quarters, and recruiting stations, and United States disciplinary barracks; also ranges, stoves, coffee roasters, and appliances for cooking and serving food at posts in the field and when traveling, and repair and maintenance of such heating and cooking appliances; and the necessary power for the operation of moving-picture machines; authorized issues of candles and matches; for furnishing heat and light for the authorized allowance of quarters for officers, enlisted men, warrant officers, and field clerks, including retired enlisted men when ordered to active duty.

The amendment was agreed to.

The next amendment was, on page 29, at the beginning of line 14, to strike out "\$4,500,000" and insert "\$4,900,000," so as to make the proviso read:

Provided, That from this appropriation not to exceed \$710,000 shall be expended for the pay of civilian employees; not to exceed \$1,250,000 shall be expended for power, heat, and electric current; not to exceed \$40,000 shall be expended for maintenance and repair of buildings (including repair of machinery) for laundries; not to exceed \$200,000 shall be expended for the maintenance and repair of heating apparatus (other than stoves); not to exceed \$150,000 for maintenance and repair of electric wiring and fixtures; not to exceed \$10,000 for the repair and exchange of typewriters; not to exceed \$3,750,000 for fuel; not to exceed \$4,900,000 for forage, including salt and vinegar and bedding for animals, and straw for soldiers' bedding; not to exceed \$200,000 for ice; and not to exceed \$100,000 shall be expended for stationery.

The amendment was agreed to.

The next amendment was, on page 29, line 20, after the word "including," to strike out "enlisted men of the Enlisted Reserve Corps and," so as to read:

Clothing and equipage: For cloth, woollens, materials, and for the purchase and manufacture of clothing for the Army, including retired enlisted men when ordered to active duty, for issue and for sale.

The amendment was agreed to.

The next amendment was, on page 31, at the end of line 23, to strike out the comma and the words "members of the Officers' Reserve Corps, enlisted men of the Enlisted Reserve Corps," so as to read:

Transportation of the Army and its supplies: For transportation of the Army and its supplies, including transportation of the troops when moving either by land or water, and of their baggage, including warrant officers and retired enlisted men when ordered to active duty, including the cost of packing and crating; for transportation of recruits and recruiting parties, of applicants for enlistment between recruiting stations and recruiting depots.

Mr. FLETCHER. May I inquire of the Senator if the transportation of those officers is provided for in some other portion of the bill?

Mr. WADSWORTH. Yes; it is provided for in the appropriations for the Organized Reserves.

Mr. FLETCHER. Not only as to transportation but as to other items as well?

Mr. WADSWORTH. Yes. In arranging the bill this year an effort has been made, and, in fact, that object has been accomplished, to put into one place the entire expense of the support of the Organized Reserve, including mileage, subsistence, transportation, pay, camp expenses, headquarters, and everything.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 35, at the end of line 5, to increase the appropriation for transportation of the Army and its supplies from "\$15,500,000" to "\$16,000,000."

The amendment was agreed to.

The next amendment was, on page 36, line 9, after the word "exceed," to strike out "\$25,000" and insert "\$50,000," so as to make the paragraph read:

Water and sewers at military posts: For procuring and introducing water to buildings and premises at such military posts and stations as from their situations require to be brought from a distance; for the installation and extension of plumbing within buildings where the same is not specifically provided for in other appropriations; for the purchase and repair of fire apparatus, including fire-alarm systems; for the disposal of sewage, and expenses incident thereto; for repairs to water and sewer systems and plumbing; for hire of employees, \$2,025,000: *Provided*, That not to exceed \$50,000 of this appropriation shall be expended for new construction work.

The amendment was agreed to.

The next amendment was, under the subhead "Horses for Cavalry, Artillery, Engineers, etc.," on page 37, at the beginning of line 1, strike out "\$200,000" and insert "\$210,000," so as to read:

For the purchase of horses of ages, sex, and size as may be prescribed by the Secretary of War for remounts for officers entitled to public mounts for the Cavalry, Artillery, Signal Corps, and Engineers, the United States Military Academy, service schools, and staff colleges, and for the Indian scouts, and for such Infantry and members of the Medical Department in field campaigns as may be required to be mounted, and the expenses incident thereto (including \$25,000 for purchase of remounts and \$150,000 for encouragement of the breeding of riding horses suitable for the Army, including cooperation with the Bureau of Animal Industry, Department of Agriculture, and for the purchase of animals for breeding purposes and their maintenance), \$210,000:

Mr. FLETCHER. Under the head of "Horses for the Cavalry, the Artillery, the Engineers, and so forth," it is proposed to take care of the horses for the National Guard?

Mr. WADSWORTH. No. That item is taken care of in the Militia Bureau appropriations.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, under the subhead "Military posts," on page 38, at the beginning of line 12, strike out "\$154,875" and insert "\$239,875," and in line 17, after the name "Georgia," to insert "\$85,000 for barracks at Langley Field, Va.," so as to make the paragraph read:

For the construction and enlargement at military posts of such buildings as in the judgment of the Secretary of War may be necessary, including all appurtenances thereto, \$239,875, including \$124,875 for continuation of construction at Fort Benning, Ga., \$85,000 for barracks at Langley Field, Va., and \$30,000 for an addition to the hospital at Fort Sill, Okla.

Mr. McKELLAR. I should like to inquire what is the nature of the particular improvement? I understand it is for barracks; but what is proposed to be done? Is Langley Field to be maintained permanently?

Mr. WADSWORTH. At Langley Field the machine shops, the headquarters building, and officers' quarters are all of permanent construction.

Mr. McKELLAR. When I was there it looked to me as if there were quite a large number of quarters, probably as many as were needed.

Mr. WADSWORTH. That is true as to officers' quarters, but not as to barracks for the enlisted men; and that is the trouble. This item is for barracks for the enlisted men who are to-day at Langley Field living in the great hangars.

Mr. McKELLAR. They ought not to be, of course.

Mr. WADSWORTH. Senators can imagine the degree of comfort which they enjoy in a huge tin structure like a barn, which can not be heated.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, under the subhead "Military posts, Hawaiian Islands," on page 38, line 21, after the figures "\$32,000," insert "for construction of six standard storehouses, \$54,000; for one shop for care and preservation of ordnance material, \$18,000"; and at the end of line 23, strike out "\$313,500" and insert "\$385,500," so as to make the paragraph read:

For completion of refrigerating plant, Schofield Barracks, including ice-making machinery and equipment therefor, \$81,500; for continuation of construction of the Ku Tree Reservoir, \$200,000; for construction of magazines for storage of ammunition, \$32,000; for construction of six standard storehouses, \$54,000; for one shop for care and preservation of ordnance material, \$18,000; in all, \$385,500.

The amendment was agreed to.

The next amendment was, under the subhead "Barracks and quarters," on page 39, line 13, after the word "including," to strike out "enlisted men of the Regular Army Reserve," and in line 14, after the word "men," where it occurs the second

time, to strike out the comma and the words "and members of the enlisted Reserve Corps," so as to read:

For barracks, quarters, stables, storehouses, magazines, administration and office buildings, sheds, shops, and other buildings necessary for the shelter of troops, public animals, and stores, and for administration purposes, except those pertaining to the Coast Artillery; for construction of reclamation plants; for constructing and repairing public buildings at military posts; for hire of employees; for rental of the authorized allowance of quarters for officers on duty with the troops at posts and stations where no public quarters are available; of barracks or authorized allowance of quarters for noncommissioned officers and enlisted men, men on duty where public quarters are not available, including retired enlisted men, when ordered to active duty; for grounds for cantonments, camp sites, and other military purposes, and for buildings or portions of buildings for occupation by troops, for use as stables, storehouses, and offices, and for other military purposes.

The amendment was agreed to.

The next amendment was, on page 40, line 2, after the word "shall," to insert "be available for garages and stables of military attachés abroad but," so as to make the proviso read:

Provided, That this appropriation shall be available for garages and stables of military attachés abroad but not be available for rent for military attachés.

Mr. WADSWORTH. I desire to offer a perfecting amendment to the committee amendment. In line 2, after the word "for," I move to insert the words "rent of," so as to read "shall be available for rent of garages."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. In the committee amendment on page 40, line 2, after the word "for," it is proposed to insert the words "rent of."

Mr. McKELLAR. Mr. President—

Mr. WADSWORTH. Does the Senator object to the amendment to the amendment?

Mr. McKELLAR. I have no objection to the amendment to the amendment, but I wish to ask the Senator in regard to the original amendment reported by the committee. Does the Government furnish automobiles for military attachés abroad?

Mr. WADSWORTH. In the larger countries; yes. It is absolutely essential that the military attaché have some way of getting around. He has to visit posts and stations of a military character; he has to follow the troops of the country to which he is attached. For example, in a movement of troops, such as is going on now in Europe, if any military attaché representing the United States is to observe the operations, he must have an automobile or he is simply out of it. For years, under very strict regulations which allow such automobiles to be used only when necessity impels, the military attachés at certain of our embassies abroad have been furnished automobiles for their use.

Mr. McKELLAR. Mr. President, can the Senator tell us what attachés have these private automobiles furnished at Government expense and operated at Government expense?

Mr. WADSWORTH. I have just told the Senator.

Mr. McKELLAR. How many are there?

Mr. WADSWORTH. I do not know how many there are. There are very few.

Mr. McKELLAR. Was it brought out in the hearings in any way?

Mr. WADSWORTH. No; not the number.

Mr. McKELLAR. As the Senator knows, I am making some investigation about the cost of passenger automobiles generally, not only in this department but in the other departments as well, and that was an item of automobile expense that I had entirely overlooked. It never has been called to my attention before.

Mr. WADSWORTH. It is so small that I think the Senator could not find it with a spyglass.

Mr. McKELLAR. I do not know. If each of our foreign attachés has an automobile, run at Government expense, it would amount to very nearly as much as the salary of the attaché.

Mr. WADSWORTH. I happen to know that not all of them have it, and they are very few in number anyway.

Mr. McKELLAR. I notice just below, in line 7, that they have a provision for stables. Do these attachés have both automobiles and horses?

Mr. WADSWORTH. Some are actually required to have horses. It would be impossible for them to perform their duties from time to time without them. For example, the military attaché of the United States attending the maneuvers of a great army—and maneuvers are constantly recurring incidents in Europe—can not follow the maneuvers which he is supposed to observe and concerning which he is supposed to inform our War Department here at home unless he has a horse.

Mr. McKELLAR. Mr. President, would it be considered an ignoble thing for an attaché to hire a horse under circumstances like that, or hire an automobile under circumstances like that; or is it necessary for the Government to furnish equipage of this kind all the time, just so that the attaché can have it on hand when he desires to follow Army maneuvers?

Mr. WADSWORTH. Of course, if we put that expense on the military attachés—

Mr. McKELLAR. Oh, no.

Mr. WADSWORTH. Just a moment—if we put that absolutely necessary expense upon the military attachés, none but rich officers could be assigned to the duty. It is very difficult even now, with these allowances, which are very small in the aggregate, to find officers of the Army who can afford to go abroad and live at a foreign capital and keep up their end of the game, as it were, and not run into debt. The effort of the department since the Great War is to get the best educated, the best informed and best trained officers for this service, realizing as the result of experience in the war that information is the first thing that must be obtained before armies can move. Prior to the war we were hopelessly behind. We had nothing in the way of military information; and the War Department under Mr. Baker hoped, and this department hopes, and I for one hope, that we never shall be found that way again. We had to withdraw military attachés from nine posts last year. There are several important countries which were not covered at all because the Congress slashed the appropriations. The House proposes to slash them again in this bill. Whatever the number that are left available for service, their comparatively small automobile and horse charges are carried under this item.

Mr. McKELLAR. Mr. President, it is so late on Saturday that I am not going to ask for a record vote on this question; but it does seem to me that we are being exceedingly extravagant if we provide, just in order to have automobiles when necessary to observe Army maneuvers, that military attachés shall be given machines and their upkeep and garages and chauffeurs and all the other expenses, costing, doubtless, much more than their own salaries and expenses cost. It seems to me that we are being exceedingly extravagant in the use of automobiles if we do that, although no more extravagant there, I will say, than we are here, where practically every officer seems to have a machine at his disposal and a chauffeur to run it.

Mr. WADSWORTH. I am sure the Senator does not want to make that observation seriously.

Mr. McKELLAR. I have just put into the Record—

Mr. WADSWORTH. Just a moment, if I may beg the Senator's pardon. He has just said that it appears that nearly every officer has a machine at his disposal.

Mr. McKELLAR. Here in the District of Columbia.

Mr. WADSWORTH. There are only 30 automobiles in the service of the War Department in the District of Columbia—

Mr. McKELLAR. I think the Senator is very greatly mistaken.

Mr. WADSWORTH. According to the report which he put into the Record himself.

Mr. McKELLAR. The report will show the number. I do not recall the exact number, but it seemed to me to be quite a large number, and included practically all the general officers.

Mr. WADSWORTH. Mr. President, I am insisting that this be done accurately. May I have that report? The Senator put it in himself.

Mr. McKELLAR. That will show for itself.

Mr. WADSWORTH. Yes; it will.

Mr. McKELLAR. I do not remember how many there are.

Mr. WADSWORTH. There are 30 in the District.

Mr. McKELLAR. Of course, if the statement I have just made differs from the statement of the War Department, I refer to the War Department's statement for accuracy.

Mr. WADSWORTH. The Senator will remember that he said that nearly every officer had one.

Mr. McKELLAR. Yes.

Mr. WADSWORTH. There are only 30 in the District. How could every officer have one? It is an extravagant statement.

Mr. McKELLAR. I remember that there were six or seven in one pool. There are quite a number of officers who have them.

Mr. SPENCER. Mr. President, may I say to the Senator, as a matter of fact, that I happen to know that even the Surgeon General of the United States Army, with the rank of a major general, does not have a car at his disposal.

Mr. KING. Why should he?

Mr. WADSWORTH. He has to travel a great deal on official business.

Mr. McKELLAR. Yes; and the Senator from Missouri, representing the great State of Missouri in this body, and needing

an automobile virtually all the time, is not furnished with an automobile by the Government. I do not see that the services performed by the Surgeon General of the Army, as important as they are, are any more important than the services performed for his Government by the Senator from Missouri, who is addressing me at this time.

Mr. President, as I said, I am not going to ask for a ye-and-nay vote on this subject. The Senator from New York said that there were only a few officers, a few military attachés, who have automobiles. If that is correct—and, of course, the Senator from New York is very accurate about such matters; he studies these questions, and he can be relied on to state them accurately—what I want to call attention to is this: If just a few of them have automobiles, and garages, and chauffeurs to run the cars now, it will be only a short time before they will all have them; and why should they not? If one officer has them, other officers should have them, just as in the case of the Surgeon General. I can easily understand why he should complain of the Government if the Government gives other officers of like rank automobiles and chauffeurs, and does not give them to him. It is a discrimination against him. If there are other officers, probably of less rank—and I think the report of the War Department shows it—who have automobiles, and chauffeurs, and upkeep accounts charged to the Government, it is hardly fair to the Surgeon General; it is hardly fair to these officers. We ought to limit the use of these automobiles, as I have often said before.

Mr. KING. Mr. President, I should like to ask the able Senator from New York a question, with his permission. Where do you draw the line in supplying automobiles to officers of the Army?

Mr. WADSWORTH. The department, of course, is confined in its expenditures of this kind by the appropriations, and the allotments made from the appropriations. The reduction in the use of the automobile has been immense in the last three years, due in part to the reductions made in the appropriations by the Congress, and due in equal part, in my humble judgment, to the business ability of Secretary Weeks. The automobile is assigned where it is most needed to save time, and hence money, in the transaction of the Government's business; that is all.

Mr. KING. Mr. President, that is undoubtedly a very reasonable explanation.

Mr. WADSWORTH. Of course, in some activities, the automobile is a tremendous money saver; in others, it would be an extravagance.

Mr. KING. Undoubtedly, Mr. President, there has been a very great abuse in various departments of the Government in the use of automobiles. There is an abuse now in some of the departments—I shall not say in the War Department, because I am not sufficiently advised. That, in part, grew out of the fact that following the war the Government had a very large number of automobiles. There was a sort of scramble upon the part of the executive branches of the Government to reach out and gather into those various executive agencies as many automobiles as possible, and hence there grew up a very great abuse. Of course, we have decentralized authority here in Washington; we have demobilized the great Army that was mobilized to fight the World War, and with that demobilization necessarily there has come a diminution in the use of automobiles in the District of Columbia. The compliment paid by the able Senator from New York to the present Secretary of War undoubtedly is deserved.

RETIREMENT OF CIRCUIT JUDGE WILLIAM W. MORROW.

Mr. NELSON. Mr. President, I desire to make a statement. When the nomination of Mr. Frank H. Rudkin for circuit judge in the place of Judge William W. Morrow, retired, was sent in, the nomination was sent in in this form:

UNITED STATES CIRCUIT JUDGE.

Frank H. Rudkin, of Washington, to be United States circuit judge, ninth circuit, vice William W. Morrow, resigned.

Judge Morrow, of the circuit court, has written a letter to the Secretary to the President complaining of this, stating that he did not resign, but retired. There is a distinction in the law about that, and he wants the RECORD corrected. I have here a copy of the letter which was written to the President's secretary, which I think would correct it, and that is the only correction that can be made in the RECORD.

Mr. KING. Mr. President, let me ask the Senator whether, when the nomination came—

Mr. NELSON. Mr. Rudkin's nomination was sent in as circuit judge, "vice William W. Morrow, resigned." Judge Morrow objects to the word "resigned." He says he did not resign; he retired; and he wants that correction made.

Mr. KING. Has Judge Rudkin been confirmed?

Mr. NELSON. Oh, yes. The nomination was confirmed several days ago, and I do not know any other way of correcting it in the RECORD than to have this letter printed.

Mr. KING. What I wanted to ask the Senator was this: Has anything been done, based on the President's nomination, that would affect the retirement pay and privileges of Judge Morrow?

Mr. NELSON. No; nothing at all. The law permits judges, when they have served 10 years and have attained the age of 70 years, to resign or to retire. If they simply retire, they are still in the service. In both cases they draw full pay; but they are still in the service, and may be called for duty, if they have retired instead of resigning. Judge Morrow states that he sent in notice to the President that he would retire, and that he did not resign. When the nomination of Judge Rudkin was sent in, it stated that he was nominated in place of Circuit Judge Morrow, "resigned"; and it is to correct that statement that I wish to have this letter printed in the RECORD.

Mr. KING. I understand that. While the Senator is speaking about judges, may I inquire how many judges have been nominated by the President under the recent act which provided for an increase to the number of 24?

Mr. NELSON. My recollection is that 13 judges have been nominated out of the lot—I think the lot was 24—and 11 of them have been confirmed, and the nominations of 2 will come before the committee next Monday.

Mr. KING. Without desiring to be partisan at all—I disclaim that—

Mr. NELSON. I simply ask, Mr. President, that this copy of the letter of Judge Morrow be published in the RECORD. That is the only correction that is possible, so far as I can see.

The PRESIDING OFFICER (Mr. WILLIS in the chair). Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

The letter is as follows:

JANUARY 19, 1923.

Hon. GEORGE B. CHRISTIAN, Jr.,
Secretary to the President, White House, Washington, D. C.

MY DEAR SIR: In the CONGRESSIONAL RECORD of January 5, 1923, page 1306 the nomination of Frank H. Rudkin, of Washington, to be United States circuit judge, ninth circuit, is stated to be "Vice Wm. W. Morrow, resigned."

This is of course an error. I did not resign, but applied for retirement under section 6 of the act of February 25, 1919 (40 Stats. 1157), which the President approved.

Will you kindly correct this error where it may have been made and repeated and advise the printer of the CONGRESSIONAL RECORD for the permanent edition of the RECORD?

Very truly yours,

WM. W. MORROW.

Mr. WARREN. Mr. President, the Senator understands, as I do, that Judge Morrow's idea in wanting to be considered as having retired instead of resigned is that he wants it understood that he is willing to be considered as available for further service if called upon.

Mr. NELSON. Certainly; that is the idea.

Mr. KING. I inquired of the Senator from Minnesota how many appointments had been made under the recent act.

Mr. NELSON. I stated the number.

Mr. KING. I wanted to follow that by another question. Does the Senator know whether or not there has been a single Democrat named among that number?

Mr. NELSON. I do not know. I do not know the politics of any of these judges.

Mr. KING. Of course the understanding was that there was such a tremendous amount of business in the United States that, the courts being so much behind, it was imperative that we pass that law and create 24 additional judgeships, and that they must be filled immediately because of the great urgency in the public business. We passed the law months ago; 13 judges have been named; and I fancy they are all Republican. I merely mention it to illustrate the nonpartisanship of the present administration in the matter of our judiciary.

APPENDIX TO REPORT OF ATTORNEY GENERAL.

Mr. NELSON. Mr. President, I desire to submit a request for unanimous consent. After the great Pullman strike in Chicago in 1894, which resulted in an injunction case known as the Debs case, the Attorney General, at the instance of Congress, published an appendix to his report. That was in pursuance of a resolution to Congress. It is an appendix which contains simply the orders, the telegrams, and proceedings which passed between the Department of Justice and the various officials of the Government. There is only one copy of it left, which the secretary to the Attorney General brought to me.

The Attorney General would like to have permission to publish a similar document in respect to the recent strike in Chicago. It contains no opinions, and nothing but the correspondence between various officers of the Government of the United States

and the Department of Justice. I therefore ask unanimous consent that the concurrent resolution which I send to the desk may have immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

Mr. KING. Let the resolution be reported.

Mr. NELSON. It is to be printed as an appendix to his annual report, not as an independent document.

Mr. FLETCHER. It is to be paid for, of course, out of the appropriations for the Department of Justice?

Mr. MOSES. Oh, yes; it will be paid for out of the Department of Justice appropriations.

The PRESIDING OFFICER. The concurrent resolution will be read.

The concurrent resolution (S. Con. Res. 35) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Attorney General be, and is hereby, authorized and instructed to print, as an appendix to his last annual report, full copies of all telegraphic and other correspondence between the Department of Justice and public officers and agents, private persons, railroad companies, and their officers and agents, in the year 1922, relative to the disorders in the United States of America during said year, and to the action taken by the Government of the United States in suppressing the same.

SENATOR NELSON'S EIGHTIETH BIRTHDAY.

Mr. SWANSON. Mr. President, I noticed in the morning papers that the distinguished senior Senator from Minnesota [Mr. NELSON], who has just offered the concurrent resolution as chairman of the Judiciary Committee, yesterday attained the age of 80 years, and I know I am voicing the sentiments of both sides of this Chamber, Republican and Democratic, when I extend to him our heartiest felicitations and best wishes for many recurrences of that anniversary.

The senior Senator from Minnesota became a Senator a few years after I came, as a young man, to the House of Representatives. I came over to the Senate and made his acquaintance early, and since that time I have watched his career as a Senator, and I feel that there is no public man in America who has rendered more distinguished, patriotic, and efficient service to his country than has the senior Senator from Minnesota. I feel that I am voicing not only the sentiments of his colleagues on both sides of this Chamber, but that I am voicing the sentiments of an appreciative American public, when I express the wish that he may live long and serve his country as patriotically and efficiently as he has done in the past.

Mr. NELSON. Mr. President, permit me to say only a word in reference to what the Senator from Virginia has just said. I assure the Senator that it is a great comfort to me that I have the confidence and good will of my associates in this body on both sides of the Chamber. I have always aimed to conduct myself in such a spirit of fairness that no one could complain of any injustice on my part, and that will be my aim in the future. I assure the Senator from Virginia and the Senators on the other side of the Chamber that I appreciate very much their confidence and good wishes.

Mr. CARAWAY. Mr. President, as one of those who have come but recently into the Senate I wish merely to say that the Senator from Minnesota was a gallant Union soldier, and all my people followed the Stars and Bars. He is a Republican, and all my people are Democratic. Such a magnificent character, however, has the distinguished Senator from Minnesota that he disarms me of all the prejudice I have cherished through my life, and sometimes I almost feel that I have a grievance against him. He is such a good man that I feel that I was mistaken when I hated the Republicans.

It is, indeed, an inspiration to have known a man who has been in public life more years than some Members of the Senate have lived, and to know that through it all he has brought down to a ripe old age nothing but the honor and respect and good opinion of all men, so that after 40 years of public service not a man rises up to charge him with an act that was little or mean or that was not inspired by high motives and a patriotic love for his country. It is an inspiration, and it arouses a hope that there yet lives in the Republic a spirit that appreciates public service where it has been rendered by one who has so fittingly discharged the duties of high public station.

Mr. FLETCHER. Mr. President, I wish to say only a word in this connection. When I came to the Senate I became a member of the Committee on Commerce. Shortly afterwards the distinguished Senator from Minnesota became the chairman of that committee, and I served with him a number of years while he was chairman of the Committee on Commerce. I have served with him also upon the Committee on the Judiciary and in other relations here, and I simply rose to concur in what has been said by the Senator from Virginia and the Senator from

Arkansas and to speak another word wishing him many years of usefulness and of happiness.

Mr. WARREN. Mr. President, my relations with the Senator from Minnesota commenced some threescore years ago, and my feeling for him and our relations here are such that I regard him almost as if we were of one family. Therefore I rise to thank Senators on the other side for speaking so highly of one whom I love as a brother. If all that I own and all my interests here and elsewhere were in his hands I would know that I would always get what we in the western country call "a square deal."

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. WADSWORTH] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. WADSWORTH. On behalf of the committee I offer an amendment, on page 40, line 3, after the word "rent," to insert the words "of offices." That is so as to distinguish between the two kinds of expenditures.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 40, line 3, after the word "rent," insert the words "of offices," so as to make the proviso read:

Provided, That this appropriation shall be available for rent of garages and stables of military attachés abroad but not be available for rent of offices for military attachés.

Mr. WADSWORTH. That is so as to make it certain what the expenditure is for.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment of the Committee on Appropriations was, on page 40, line 7, after the word "garages," to insert the words "and stables."

The amendment was agreed to.

Mr. KING. Mr. President, may I not appeal to the Senator from New York at this hour to consent to an adjournment? After the felicitations paid to the distinguished Senator from Minnesota [Mr. NELSON] it seems to me we are getting down to grossly material things in talking about garages and money and stables and the Army. Let us cherish the friendship and the love and affection for our distinguished friend and take an adjournment.

Mr. WADSWORTH. I am informed that it is the desire of several Senators to have an executive session. I am sure the Senator from Washington desires to have the unfinished business laid before the Senate, as it is my intention to move an adjournment instead of a recess until Monday.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

EXECUTIVE SESSION.

Mr. JONES of Washington. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session, the doors were reopened, and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until Monday, February 5, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate February 3 (legislative day of January 29), 1923.

PROMOTIONS IN THE REGULAR ARMY.

To be colonel.

Lieut. Col. James Cooper Rhea, Cavalry, from February 1, 1923.

To be lieutenant colonel.

Maj. Edmund Anthony Buchanan, Cavalry, from February 1, 1923.

To be captain.

First Lieut. John Curtis Newton, Infantry, from January 24, 1923.

APPOINTMENTS IN THE REGULAR ARMY.

GENERAL OFFICERS.

To be major generals.

Brig. Gen. Hanson Edward Ely, from February 2, 1923, vice Maj. Gen. Adelbert Cronkhite, retired from active service February 1, 1923.

Brig. Gen. Edwin Burr Babbitt, vice Maj. Gen. Henry T. Allen, who is to be retired from active service April 13, 1923.

To be brigadier generals.

Col. Malvern-Hill Barnum, Cavalry, vice Brig. Gen. Hanson E. Ely, nominated for appointment as major general.

Col. George LeRoy Irwin, Field Artillery, detailed in the Inspector General's Department, vice Brig. Gen. John B. McDonald, who is to be retired from active service February 8, 1923.

Col. Ira Allen Haynes, Coast Artillery Corps, vice Brig. Gen. Edwin Burr Babbitt, nominated for appointment as major general.

QUARTERMASTER CORPS.

To be assistant to the Quartermaster General with the rank of brigadier general for a period of four years from date of acceptance.

Col. John Thornton Knight, Quartermaster Corps, from March 8, 1923, vice Brig. Gen. George F. Downey, who is to be retired from active service March 7, 1923.

PROMOTIONS IN THE NAVY.

Commander William V. Tomb to be a captain in the Navy from the 6th day of January, 1923.

Lieut. Commander Carl T. Osburn to be a commander in the Navy from the 12th day of July, 1922.

Lieut. Robert Gatewood to be a lieutenant commander in the Navy from the 26th day of February, 1922.

The following-named lieutenants to be lieutenant commanders in the Navy from the 3d day of June, 1922:

Albert R. Mack.	Jay L. Kerley.
Henry M. Kieffer.	James L. King.
William D. Taylor.	John H. Falge.

Lieut. Charles P. Mason to be a lieutenant commander in the Navy from the 26th day of October, 1922.

Lieut. John J. Brown to be a lieutenant commander in the Navy from the 2d day of November, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 31st day of December, 1921:

Jarrard E. Jones.	Alexander B. Holman.
Joseph W. Storm.	Edwin F. Bilson.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 3d day of June, 1922:

Floyd S. Crosley.	Allen D. Brown.
Charles E. Olsen.	Charles E. Coney.
Albert R. Staudt.	Willis W. Pace.
Charles H. Rockey.	Edgar R. Winckler.
George Paille.	Lewis P. Harris.
Guy R. Bostain.	James N. McTwiggan.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 16th day of July, 1922:

George A. Ott.
Emil Chourre.
Robert H. Harrell.

Lieut. (Junior Grade) Thomas B. Lee to be a lieutenant in the Navy from the 28th day of July, 1922.

Lieut. (Junior Grade) David A. Musk to be a lieutenant in the Navy from the 16th day of August, 1922.

Lieut. (Junior Grade) Maxwell B. Saben to be a lieutenant in the Navy from the 1st day of September, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 2d day of September, 1922:

John McC. Fitz-Simons.
Victor F. Marinelli.

Lieut. (Junior Grade) Cecil F. Harper to be a lieutenant in the Navy from the 5th day of September, 1922.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 16th day of September, 1922:

Harvey R. Bowes.
Albert E. Dupuy.
Frank R. Whitmore.

Lieut. (Junior Grade) Barrett Studley to be a lieutenant in the Navy from the 19th day of September, 1922.

Lieut. (Junior Grade) Herbert A. Anderson to be a lieutenant in the Navy from the 30th day of September, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 31st day of December, 1921:

Charles C. Stotz.	Thomas G. Shanahan.
George C. Neilsen.	Laurie C. Parfitt.
George Schneider.	Walter E. Holden.
Edward G. Evans.	Harry A. Newshaw.
Olaf J. Gullickson.	Franklin E. Cook.
Hubert K. Stubbs.	Warren R. Hastings.
Gurney E. Patton.	John O. Jenkins.
Frank Kinne.	

Ensign Ove P. O. Hansen to be a lieutenant (junior grade) in the Navy from the 15th day of February, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 22d day of April, 1922:

Wallace H. Gregg.	Milton P. Wilson.
James P. McCarthy.	Fred J. Barden.
Ralph W. Floody.	Joseph A. Guard.
Glenn S. Holman.	Paul G. Haas.
James C. Taylor.	Joseph W. Mullally.
Joseph H. Seyfried.	Donald McK. Weld.

Ensign Walter O. Roenicke to be a lieutenant (junior grade) in the Navy from the 2d day of May, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of June, 1922:

John L. Albice.	
Kenneth C. Manning.	
The following-named ensigns to be lieutenants (junior grade) in the Navy from the 7th day of June, 1922:	
Horatio G. Sickel, 4th.	Augustus J. Wellings.
Delmer S. Fahrney.	William H. Hutter.
Stanley E. Martin.	James B. Carter.
Frank M. Maichle.	William M. Smith.
Norman R. Hitchcock.	

Asst. Surg. Robert M. Cochrane to be a passed assistant surgeon in the Navy, with the rank of lieutenant, from the 2d day of October, 1922.

Asst. Dental Surg. Julian A. Turrentine to be a passed assistant dental surgeon in the Navy, with the rank of lieutenant, from the 2d day of October, 1922.

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, from the 3d day of June, 1922:

Frank J. Manley.
William Elliott.

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, from the 16th day of June, 1922:

Lester B. Karelle.
Ellory F. Carr.

Asst. Paymaster Forrest Ivanhoe to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 4th day of July, 1922.

Assistant Paymaster George F. Yoran to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 9th day of August, 1922.

Assistant Paymaster James M. McComb to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 23d day of August, 1922.

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, from the 2d day of September, 1922:

Frank P. Delahanty.
Hunter J. Norton.

Assistant Paymaster John H. Skillman to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 21st day of September, 1922.

Naval Constructor William B. Fogarty to be a naval constructor in the Navy, with the rank of commander, from the 11th day of July, 1922.

Naval Constructor Charles L. Brand to be a naval constructor in the Navy, with the rank of commander, from the 18th day of September, 1922.

Assistant Civil Engineer Roscoe L. Martin to be a civil engineer in the Navy, with the rank of lieutenant commander, from the 31st day of December, 1922.

Pay Clerk John F. Flynn to be a chief pay clerk in the Navy, to rank with but after ensign on the retired list from the 21st day of May, 1919, in accordance with a provision contained in the act of Congress approved July 1, 1918.

POSTMASTERS.

ALABAMA.

Annie Maddox to be postmaster at Helena, Ala., in place of J. A. Griffin, resigned.

CALIFORNIA.

Daniel G. Thomas to be postmaster at Colton, Calif., in place of R. H. Summers. Incumbent's commission expired September 5, 1922.

Alfred E. Smith to be postmaster at Winton, Calif. Office became presidential January 1, 1923.

FLORIDA.

James R. Pomeroy to be postmaster at Stuart, Fla., in place of J. R. Pomeroy. Incumbent's commission expired October 14, 1922.

Royal W. Storrs to be postmaster at De Funiak Springs, Fla., in place of J. A. McDonald, resigned.

GEORGIA.

Charles H. Crumbly to be postmaster at Greensboro, Ga., in place of F. D. Smith. Incumbent's commission expired June 6, 1922.

Corine E. Dickerson to be postmaster at Homerville, Ga., in place of Abe Hargraves, resigned.

Pleasant N. Little to be postmaster at Maidson, Ga., in place of P. N. Little. Incumbent's commission expired October 24, 1922.

Rufus H. Johnson to be postmaster at Hogansville, Ga., in place of W. F. Jones, removed.

Charles R. Jones to be postmaster at Rossville, Ga., in place of J. S. Alsobrook. Incumbent's commission expired September 28, 1922.

IDAHO.

Clyde Hanson to be postmaster at Malad City, Idaho, in place of E. W. Colton. Incumbent's commission expired September 5, 1922.

ILLINOIS.

Jacob M. Tindall to be postmaster at Chester, Ill., in place of W. L. Hyton, resigned.

Thomas F. Olsen to be postmaster at De Kalb, Ill., in place of A. F. Hiland. Incumbent's commission expired October 24, 1922.

Bertie D. Yeazel to be postmaster at Fairmount, Ill., in place of A. L. White, resigned.

Charles T. Gilkerson to be postmaster at Marengo, Ill., in place of C. T. Gilkerson. Incumbent's commission expired November 21, 1922.

Walter W. Ward to be postmaster at Maroa, Ill., in place of R. D. Bolen. Incumbent's commission expired October 24, 1922.

Edgar B. Walters to be postmaster at Oblong, Ill., in place of J. M. Sheats, resigned.

Merle C. Champion to be postmaster at Byron, Ill., in place of W. F. Whitney, resigned.

INDIANA.

Job C. Burnworth to be postmaster at Columbia City, Ind., in place of J. W. Brand, resigned.

Harry M. Weliever to be postmaster at Darlington, Ind., in place of V. E. Craig. Incumbent's commission expired September 5, 1922.

Samuel Haslam to be postmaster at Edinburg, Ind., in place of A. R. Mulkins. Incumbent's commission expired September 5, 1922.

James M. Robinson to be postmaster at Franklin, Ind., in place of A. B. Weyl. Incumbent's commission expired September 5, 1922.

IOWA.

Glen C. Briggs to be postmaster at Brandon, Iowa. Office became presidential January 1, 1921.

Albert E. Fentress to be postmaster at Greeley, Iowa. Office became presidential January 1, 1921.

Mayme A. Kneeland to be postmaster at Clermont, Iowa, in place of Elizabeth Crowe. Incumbent's commission expired September 5, 1922.

Smiley B. Hedges to be postmaster at Kellerton, Iowa, in place of J. S. Moon. Incumbent's commission expired November 21, 1922.

Otho O. Yoder to be postmaster at West Branch, Iowa, in place of N. C. Butler. Incumbent's commission expired September 5, 1922.

Charles F. Chambers to be postmaster at West Union, Iowa, in place of E. A. McIlree. Incumbent's commission expired September 5, 1922.

KANSAS.

George K. Morris to be postmaster at Milford, Kans. Office became presidential January 1, 1923.

KENTUCKY.

Elizabeth M. Godsey to be postmaster at Harburbury, Ky. Office became presidential January 1, 1922.

Eugene C. Stockwell to be postmaster at Trenton, Ky., in place of W. A. Dickinson, removed.

MARYLAND.

Beatryce B. Bounds to be postmaster at Fruitland, Md. Office became presidential January 1, 1923.

MASSACHUSETTS.

John C. Angus to be postmaster at Andover, Mass., in place of J. H. McDonald. Incumbent's commission expired October 1, 1922.

Erastus T. Bearse to be postmaster at Chatham, Mass., in place of O. A. O'Neil. Incumbent's commission expired November 18, 1922.

Merritt C. Skilton to be postmaster at East Northfield, Mass., in place of F. B. Estabrook. Incumbent's commission expired October 1, 1922.

Elmer E. Landers to be postmaster at Oak Bluffs, Mass., in place of E. E. Landers. Incumbent's commission expired October 1, 1922.

George Hall to be postmaster at Smiths, Mass. Office became presidential July 1, 1922.

Amasa W. Baxter to be postmaster at West Falmouth, Mass. Office became presidential January 1, 1923.

Herbert W. Damon to be postmaster at Framingham, Mass., in place of R. M. Raymond. Incumbent's commission expired October 1, 1922.

Sadie G. Donahue to be postmaster at Huntington, Mass., in place of A. W. Gibbs. Incumbent's commission expired October 1, 1922.

Thomas Fiske to be postmaster at Ludlow, Mass., in place of M. T. Kane. Incumbent's commission expired October 1, 1922.

Robert M. Lowe to be postmaster at Rockport, Mass., in place of Eugene Meagher. Incumbent's commission expired October 1, 1922.

MICHIGAN.

Robert E. Surine to be postmaster at Nashville, Mich., in place of H. C. Glasner, resigned.

David F. Jones to be postmaster at Unionville, Mich., in place of E. W. Eckfeld. Incumbent's commission expired November 15, 1922.

Bruce W. Frantz to be postmaster at Algonac, Mich., in place of C. C. Jackson. Incumbent's commission expired November 15, 1922.

Robert Wellman to be postmaster at Beulah, Mich., in place of H. A. Ehman, deceased.

Rob C. Brown to be postmaster at Stockbridge, Mich., in place of John Brogan. Incumbent's commission expired September 13, 1922.

MINNESOTA.

Charles F. Mallahan to be postmaster at Jackson, Minn., in place of J. L. King. Incumbent's commission expired September 13, 1922.

Herman Herder to be postmaster at Jordan, Minn., in place of M. J. Casey. Incumbent's commission expired September 13, 1922.

Bennie C. Vold to be postmaster at Maynard, Minn., in place of M. L. Fredine, resigned.

MISSOURI.

James S. Miller to be postmaster at Bloomfield, Mo., in place of L. L. Jobe. Incumbent's commission expired July 25, 1921.

Harry E. Carel to be postmaster at Blue Springs, Mo., in place of F. J. Smith, resigned.

John F. Hull to be postmaster at Maryville, Mo., in place of James Todd. Incumbent's commission expired September 5, 1922.

Arthur T. King to be postmaster at Warrensburg, Mo., in place of U. A. McBride. Incumbent's commission expired September 5, 1922.

Henry L. Windler to be postmaster at Barnett, Mo. Office became presidential January 1, 1923.

Ethel N. Hudson to be postmaster at Clever, Mo. Office became presidential January 1, 1923.

George W. Gasche to be postmaster at Hillsboro, Mo., in place of J. J. Hoeken, resigned.

Roy R. Quin to be postmaster at Moberly, Mo., in place of J. R. Lowell, removed.

Cyrus R. Truitt to be postmaster at Novinger, Mo., in place of J. J. Hall. Incumbent's commission expired September 5, 1922.

Ben B. Smith to be postmaster at Potosi, Mo., in place of B. E. Flynn. Incumbent's commission expired September 5, 1922.

MONTANA.

Fred N. Weed to be postmaster at Terry, Mont., in place of B. A. Miller, deceased.

NEBRASKA.

Richard L. Roach to be postmaster at Maywood, Nebr., in place of William McMichael. Incumbent's commission expired October 3, 1922.

Roscoe Buck to be postmaster at Springview, Nebr., in place of Roscoe Buck. Incumbent's commission expired October 3, 1922.

William C. Hagelin to be postmaster at Friend, Nebr., in place of R. A. Gibson, removed.

Charles G. Anderson to be postmaster at Shelby, Nebr., in place of H. C. Burritt. Incumbent's commission expired October 3, 1922.

NEW JERSEY.

Richard Watt to be postmaster at Garwood, N. J., in place of F. J. Dushanak, resigned.

James T. Steel to be postmaster at Little Falls, N. J., in place of A. C. Derby, resigned.

George C. Reed to be postmaster at Park Ridge, N. J., in place of A. H. Sibbald, removed.

J. Hosey Osborn to be postmaster at Passaic, N. J., in place of J. J. Cowley, resigned.

Charles G. Wittreich to be postmaster at Chatham, N. J., in place of W. S. Terrell, deceased.

Wilbert F. Branin to be postmaster at Medford, N. J., in place of C. J. Garwood. Incumbent's commission expired October 24, 1922.

Stanley B. Van Iderstine to be postmaster at South Orange, N. J., in place of J. J. O'Hanlon. Incumbent's commission expired October 24, 1922.

Hammond S. Ireland to be postmaster at Williamstown, N. J., in place of H. J. Tomblison. Incumbent's commission expired October 24, 1922.

NEW YORK.

George M. Lewis to be postmaster at Whitesville, N. Y. Office became presidential April 1, 1922.

Harry F. House to be postmaster at Chester, N. Y., in place of H. F. House. Incumbent's commission expired November 21, 1922.

Henry W. Roberts to be postmaster at Clinton, N. Y., in place of O. J. Burns. Incumbent's commission expired October 24, 1922.

Mary H. Avery to be postmaster at Elmsford, N. Y., in place of M. H. Avery. Incumbent's commission expired November 21, 1922.

William D. Creighton to be postmaster at Fort Covington, N. Y., in place of C. E. Dempsey. Incumbent's commission expired October 24, 1922.

Oby J. Hoag to be postmaster at Greene, N. Y., in place of E. A. Clark. Incumbent's commission expired September 19, 1922.

Joseph Ogle to be postmaster at Greenport, N. Y., in place of H. W. Rackett. Incumbent's commission expired October 24, 1922.

Benjamin F. King to be postmaster at Madrid, N. Y., in place of G. D. Hughes. Incumbent's commission expired October 24, 1922.

Sumter L. Happy to be postmaster at Mount Vernon, N. Y., in place of Stephan Van Tassel. Incumbent's commission expired October 24, 1922.

Burton E. McGee to be postmaster at Norfolk, N. Y., in place of T. F. Connolly. Incumbent's commission expired October 24, 1922.

William S. White to be postmaster at Oriskany, N. Y., in place of G. H. Steele. Incumbent's commission expired October 24, 1922.

Besse R. Griffin to be postmaster at Quogue, N. Y., in place of B. R. Griffin. Incumbent's commission expired October 24, 1922.

Fred C. Smith to be postmaster at Vernon, N. Y., in place of C. G. Simmons. Incumbent's commission expired October 24, 1922.

Albert A. Patterson to be postmaster at Willsboro, N. Y., in place of J. J. O'Reilly. Incumbent's commission expired October 24, 1922.

NORTH CAROLINA.

Elinor C. Cleveland to be postmaster at Highlands, N. C. Office became presidential October 1, 1920.

William E. White to be postmaster at Colerain, N. C., in place of A. J. M. Perry. Incumbent's commission expired September 5, 1922.

Leon A. Mann to be postmaster at Newport, N. C., in place of D. A. Garner. Office became third class July 1, 1920.

NORTH DAKOTA.

Inez Grams to be postmaster at Bowbells, N. Dak., in place of Evelyn Johnson, removed.

Ole S. Aaker to be postmaster at Minnewaukan, N. Dak., in place of J. R. Manley. Incumbent's commission expired September 5, 1922.

Henry W. Willis to be postmaster at Lansford, N. Dak., in place of H. W. Willis. Incumbent's commission expired September 5, 1922.

Will N. Thompson to be postmaster at Marmarth, N. Dak., in place of P. J. Bott. Incumbent's commission expired January 24, 1922.

Clarence A. Vasey to be postmaster at Mott, N. Dak., in place of W. T. Wakefield. Incumbent's commission expired January 24, 1922.

John P. Breslin to be postmaster at Sanish, N. Dak., in place of W. F. Thompson. Incumbent's commission expired January 24, 1922.

OHIO.

Nancy Robison to be postmaster at Howard, Ohio. Office became presidential January 1, 1923.

Charles C. Shaffer to be postmaster at Alliance, Ohio, in place of F. D. Miller. Incumbent's commission expired September 19, 1922.

Leonard T. Cool to be postmaster at Canton, Ohio, in place of W. D. Caldwell. Incumbent's commission expired September 19, 1922.

Harley F. Hambel to be postmaster at Glouster, Ohio, in place of A. J. Price. Incumbent's commission expired November 21, 1922.

Harry L. Mefford to be postmaster at Ripley, Ohio, in place of J. L. Riesser. Incumbent's commission expired September 19, 1922.

Gilbert M. Brehm to be postmaster at Somerset, Ohio, in place of W. F. Gordon. Incumbent's commission expired September 19, 1922.

OREGON.

Emil F. Messing to be postmaster at Vernonia, Oreg. Office became presidential January 1, 1923.

Oscar Daley to be postmaster at Vale, Oreg., in place of J. P. Houston, resigned.

PENNSYLVANIA.

Harry H. Wilson to be postmaster at Blairsville, Pa., in place of M. E. Brown, resigned.

Wade M. Henderson to be postmaster at Brookville, Pa., in place of N. D. Matson. Incumbent's commission expired February 13, 1919.

William L. Gouger to be postmaster at Danville, Pa., in place of T. G. Vincent. Incumbent's commission expired September 19, 1922.

Frank H. Cratsley to be postmaster at Imperial, Pa., in place of Emma McNamee, resigned.

Quinn T. Mickey to be postmaster at Shippensburg, Pa., in place of J. E. Blair. Incumbent's commission expired September 13, 1922.

Anthen C. Messinger to be postmaster at Tatamy, Pa., in place of G. F. Houck. Office became third class April 1, 1922.

William Evans to be postmaster at Westgrove, Pa., in place of W. F. Johnston. Incumbent's commission expired August 7, 1921.

SOUTH CAROLINA.

Dora C. Folk to be postmaster at Brunson, S. C., in place of H. H. Gooding. Incumbent's commission expired September 19, 1922.

SOUTH DAKOTA.

John H. Deuschle to be postmaster at Ravinia, S. Dak. Office became presidential January 1, 1923.

TENNESSEE.

Merle Morgan to be postmaster at Graysville, Tenn. Office became presidential January 1, 1923.

Lulu M. Divine to be postmaster at Johnson City, Tenn., in place of F. K. Mountcastle. Incumbent's commission expired September 5, 1922.

TEXAS.

Tilmon Y. Allen to be postmaster at Rice, Tex., in place of Y. K. Harper. Incumbent's commission expired September 5, 1922.

Herman Eck to be postmaster at Schulenburg, Tex., in place of Rudolph Nordhausen, resigned.

Ethel Milligan to be postmaster at Pittsburg, Tex., in place of J. R. Hooton. Incumbent's commission expired September 5, 1922.

Surry S. Boles to be postmaster at Thorndale, Tex., in place of J. T. Fulcher. Incumbent's commission expired July 21, 1921.

Edna Overshiner to be postmaster at Valley View, Tex., in place of Edna Overshiner. Incumbent's commission expired September 5, 1922.

UTAH.

Alfred L. Hanks to be postmaster at Tooele, Utah, in place of James Gowans. Incumbent's commission expired September 26, 1922.

Ralph Guthrie to be postmaster at Salt Lake City, Utah, in place of Noble Warrum. Incumbent's commission expired September 5, 1922.

Emerson B. Nason to be postmaster at Soldier Summit, Utah, in place of Eugene Nicholes. Office became third class April 1, 1921.

VERMONT.

Lester E. Boyce to be postmaster at Ludlow, Vt., in place of J. J. Rock. Incumbent's commission expired September 19, 1922.

Herbert L. Bailey to be postmaster at Putney, Vt., in place of F. A. Burditt. Incumbent's commission expired September 19, 1922.

VIRGINIA.

Charles W. Kilgore to be postmaster at Coeburn, Va., in place of W. F. Horne, resigned.

Edwin M. C. Quimby to be postmaster at Suffolk, Va., in place of J. B. Norfleet, resigned.

WASHINGTON.

Winnie L. Angell to be postmaster at Finley, Wash. Office became presidential January 1, 1923.

WISCONSIN.

George C. Dobbs to be postmaster at Conover, Wis. Office became presidential January 1, 1923.

Harry T. Ketcham to be postmaster at Abbotsford, Wis., in place of J. A. Paustenbach. Incumbent's commission expired September 5, 1922.

Frederick N. Lochemes to be postmaster at St. Francis, Wis., in place of F. N. Lochemes. Incumbent's commission expired September 5, 1922.

Henry J. S. Hanson to be postmaster at Bayfield, Wis., in place of D. S. Knight. Incumbent's commission expired December 23, 1922.

Peter F. Plasecki to be postmaster at Milwaukee, Wis., in place of F. B. Schultz. Incumbent's commission expired September 5, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 3 (legislative day of January 29), 1923.

PROMOTIONS IN THE DIPLOMATIC AND CONSULAR SERVICE.

Gustave Pabst, jr., to be secretary of embassy or legation, class 4.

Rees H. Barkalow to be secretary of embassy or legation, class 4.

COAST AND GEODETIC SURVEY.

Casper Marshall Durgin to be hydrographic and geodetic engineer, with relative rank of lieutenant in the Navy.

POSTMASTERS.

MINNESOTA.

Hope Mouser, Gilbert.

Clara A. Toftey, Grand Marais.

OHIO.

Cora M. Burns, Beloit.

John W. Keel, Bolivar.

Lee B. Milligan, Lowellville.

Della Boone, Spencer.

WYOMING.

Arthur W. Crawford, Guernsey.

WITHDRAWAL.

Executive nomination withdrawn from the Senate February 3 (legislative day of January 29), 1923.

POSTMASTER.

Simon F. Wehrwein to be postmaster at Manitowoc, in the State of Wisconsin.

HOUSE OF REPRESENTATIVES.

SATURDAY, February 3, 1923.

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In Thy own way, O Lord, be with us this day, and above all things may we value Thy presence. Where there is weakness, give strength; where there is uncertainty, give assurance; where there is ignorance, give understanding; where there is doubt, give faith. Bless our whole country with a wealth of happiness and plenty. O let time, the teacher of wisdom, the soother of grief, and the healer of wounds, be most merciful unto us. Quench not the light of hope and love in our homes. In them may life be rich and joyous, ever a foretaste of that life which is to come. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4287. An act to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act, as amended by the act of June 3, 1922.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 4287. An act to provide credit facilities for the agricultural and live-stock industries of the United States, to amend the Federal farm loan act, to amend the Federal reserve act, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED.

Under clause 2, Rule XXIV, the Committee on Enrolled Bills reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 11731. An act to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce; and

H. R. 12473. An act granting the consent of Congress to the Winco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of the Big Sandy River in Mingo County, W. Va.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 4390. An act to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922.

EXTENSION OF REMARKS.

Mr. ANDREWS of Nebraska. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks on the bill H. R. 13827, relating to the sinking fund, which we discussed yesterday.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend in the RECORD his remarks on the bill indicated. Is there objection?

There was no objection.

DOGS.

Mr. HAWES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of an agricultural bulletin.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks on the subject indicated. Is there objection?

Mr. STAFFORD. Mr. Speaker, we could not hear the gentleman's request.

The SPEAKER. Will the gentleman repeat it louder?

Mr. HAWES. I ask unanimous consent to extend my remarks in the RECORD on the subject of the necessity of an additional agricultural bulletin.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD on the subject of an additional agricultural bulletin. Is there objection?

There was no objection.

Following is the document referred to:

THE DOG.

Mr. HAWES. Mr. Speaker, the Department of Agriculture issues many useful bulletins upon nearly every conceivable subject that relates to agriculture and, in addition, upon domestic fowls and animals.

The work of these department bulletins has been of great benefit, and the demand for these publications from foreign nations has done much to impress the world with the care and thoroughness of the work performed by the competent men and women directing their issuance.

The subjects covered by these excellent bulletins are so varied and cover such a wide range of subjects that I was surprised to find that no bulletin has been issued upon the subject of our "domesticated" animal, the dog.

The subject of any bulletin, to justify its issuance, should be practical, useful, and of sufficient general interest to justify the expense of preparation and printing.

My remarks shall be directed to the subject of popular interest and to the matter of practical utility.

HISTORICAL.

Evading the Darwinian theory as applied to the dog, for fear it may become involved in that broader field of present debate, it may be said that the modern dog has developed in much the same way as our domestic fowl and utility animals, but he must not be classed with those, because his association with man is closer and more personal and is better described as "domesticated" than "domestic."

We find his drawing upon the tombs of Egyptian kings, upon the tiles of the Assyrians, in the sculpture of the Greeks and Romans.

Wherever civilization has advanced to the art of painting or printing he finds a place.

He has not been neglected by history or forgotten by the poets.

The religious books of all Pagan nations find a place for him, and he is mentioned in both the Old and the New Testament.

Columbus discovered him in the West Indies, our American Indians found him useful, and whether at the North Pole or the Equator he has had a home and a place in the affairs of men.

OCCUPIES A SPECIAL PLACE.

There are more different breeds of dogs than of horses, cattle, sheep, or poultry.

He is the oldest domesticated animal, and assisted his master to procure food and defend against his enemy before horses, cattle, and poultry came under control.

His story runs back to prehistoric times. He was used as a sacrifice upon the altar of Pagan gods. His place in history, art, fiction, and poetry ranks second only to man.

Next to man he ranks highest in intelligence, being susceptible to all human passions—hatred, love, fear, hope, joy, distress, courage, timidity, and jealousy.

Man requires service from all animals, but only from this one receives friendship. He is the only animal that eats all of man's food, flesh, and vegetables.

Man is taught chivalry; the dog has it naturally. He never attacks the female of his species, even when feeding.

He is the delight of the poor man's hovel and the rich man's mansion. Faithfully follows his master who tramps the dusty roadside, and sits proudly upon the cushioned seat of the millionaire's de luxe machine.

Wealth, caste, social distinction are all one to him. He is content and useful in every station assigned to him by fate.

But he knows the just from the unjust, the kind from the unkind, the charitable from the uncharitable, the true from the false, the man from the hypocrite.

Disguise does not deceive him. Paint, tinsel, silk, and jewels are no more to him than tatters, rags, worn shoes, or ragged hat. But it is what these things cover, the man, who wins his affection or dislike.

His master's friends are his friends, his master's enemies are his enemies, no matter what their station.

He does not count the cost, but gives his life at his master's command, and even without command, in his master's defense.

When master is gay he is merry; when sad, he grieves and understands his master's moods.

The destruction of an army, the fate of a nation has been decided by a dog's bark.

With teeth bared, eyes ablaze, and hair a-bristle, he has saved a wife and child from assault and then played nurse all day.

With devoted strength he has rescued his master from a watery grave and dragged a child from an angry fire.

Over bleak and frozen mountains he has carried food and drink and brought assistance to the wounded and those in dire distress.

Peary could not have reached the North Pole nor Scott the South Pole without the faithful dog.

He has taken the place of the horse and the ox, his skin has been used for shelter and for clothes, his flesh as food, his eyes have found the things his master sought, his nose has bared the trail his master could not find.

And in return he asks but a little consideration and a few kind words:

Never yet the dog our country fed
Betrayed the kindness or forgot the bread.

USE.

As friend, companion, and confidant I like him best. His manifold uses need little discussion.

One small dog in a home has more terror for the burglar than an armed man outside. In the yard he sounds the warning and the night prowler sneaks away.

In hunting he is almost indispensable.

An American, Paul Rainey, surprised the sporting world by hunting the lion in Africa with dogs raised and trained in Mississippi and Louisiana.

When properly trained he can handle cattle, sheep, and swine better than a man. He excels as a ratter and destroyer of mink and other vermin.

All have seen the blind man's dog, cup in mouth and attached to a string, leading his sightless master.

Before the days of cooking stoves each household had its open chimney and "turnspit" worked by a dog, and even to-day the dog on a treadmill churns the butter.

The expressman and peddler, in delivering their packages and wares, usually leave a four-footed guardian in charge.

Troupes of performing dogs delight the audiences in our vaudeville houses and demonstrate what they can do when skillfully trained.

Hagenbeck has a lion tamer who always enters the lion's cage accompanied by two magnificent Great Danes. He informs me the dogs are not there for exhibition purposes, but for the protection of the keeper. At the first attempt of the lion at attack their duty is to attack him. Twice they have saved the trainer's life.

Many fire departments have their mascot, which attends all fires and in idle hours entertains the company.

Some of the leading professional baseball teams take their dog mascot with them, and have some doubts of success if he is absent.

There are many thousands of farms in the United States. Practically all have one dog; frequently two or more. They guard the home, destroy destructive animals, act as companion and care for the stock, and protect the garden and orchard.

Some of the leading fanciers, judges, owners, and handlers of dogs in the United States were gathered at my home one afternoon. In order to start the conversation, I asked the innocent question: "Which is the best breed of dogs?" There was a long silence and an effort to change the subject. I persisted, and started an argument. It started a fight and broke up the party, and to this day I do not know.

Each has its especial advocate and each its particular use.

For the farm, however, it is my judgment that the rough-coated Scotch collie is one of the best general utility dogs, besides being beautiful and companionable.

The word "collie" is simply the old Highland term for "sheep dog."

The dogs have been used for centuries in handling all kinds of domestic animals. They are serviceable as companions, watch dogs, and have an all-around general utility. They are adaptable, loyal, and easily trained to perform all sorts of service.

The tests to which they are put in sheep-dog trials are most severe. A long course is marked out by flags and the dog is compelled to conduct three strange sheep over the course, which is interrupted by hurdles, and deliver the sheep into a pen. These dogs are directed only by the voice and signals made by the hands and arms, and are unaccompanied by the owner, who must remain at a distance.

During the last war the French, Belgians, and Germans successfully trained many thousands of war dogs.

These war dogs, like soldiers, are taught implicit obedience, their acute hearing and sensitive nostrils were used in giving notice of enemy approach, discovering the wounded, and many times gave first aid for the Red Cross.

And then what fun and companionship they provided for the men in the trenches!

It would be unfair to forget the ladies and their pet or toy dogs.

While not fancying these little toy dogs myself, they seem to fit into the city household very comfortably, and are intelligent and companionable. They display a degree of affection unequalled in the animal world.

We all remember the account of the lap dog of Mary, Queen of Scots, which accompanied her beautiful mistress to the scaffold and continued to caress the body after death, refusing food, and dying of grief a few days later.

The bench show brings into competition the best dogs of the various breeds. The dog winning 10 blue ribbons in open competition in different shows becomes a champion. This is not easy and sometimes requires years for its accomplishment.

Field trials are held for sporting dogs in various portions of the United States. The setter and pointer here compete in speed, bird sense, deportment, and scenting qualities. They extend all the way from Manitoba, Canada, down through the Eastern and Southern States, the championship being run in Tennessee each January.

Greyhound coursing matches are held under much the same conditions, and the contest between beagle hounds is particularly attractive. The dogs winning their championships only under the most exacting conditions then become exceedingly valuable.

Time will not permit of a more extended discussion of these enjoyable trials, in which the dog of the poor man contests with the dog of the rich, and the happy owner of the winner is more elated than by any other sporting event.

The life of the dog is usually about 12 years—sometimes longer—but the end comes all too quickly; and one can but join with Kipling:

Buy a pup and your money will buy
Love unflinching that can not lie—
Perfect passion and worship fed
By a kick in the ribs or a pat on the head.
Nevertheless, it is hardly fair
To risk your heart for a dog to tear.

We have our compensation in the pleasure of studying a pup while developing into maturity. His early surprises, mishaps, and mischief have a humor all their own. He teaches his lesson, and especially to our own "kid," who takes command of his education.

VALUE.

Some years ago I met a well-known journalist. As we were chatting, he pointed to a gentleman and said: "That is Colonel —, a lawyer, now making an important investigation for the Government." My journalist friend said: "I want you to talk dogs to him. He spends \$30,000 a year upon dogs."

I asked the journalist how he knew I was interested in dogs, and he related the following experience:

Having been well acquainted with Mark Twain, he was sent by one of the great New York papers to a little town in Connecticut to report his death. He finished an elaborate story on the great humorist's demise and hurried to the telegraph office and told the operator to put the story on the wire immediately. The operator said he could not do it until he had sent a telegram. The journalist stormed and persisted; the telegraph operator was firm. Finally, with great indignation, he said: "What telegram can be more important than sending the news of Mark Twain's death to the people?" The telegraph operator said: "I have a telegram here for a man named Hawes, in St. Louis. It's about the shipment of some of our best dogs to a dog show; and I'm going to send this telegram first, no matter what you think." The journalist said this was how he discovered that I was a dog man.

In this little Connecticut town they have a famous kennel and everybody was interested in this kennel coming back with blue ribbons. The telegraph operator shared in this local pride and sent the dog telegram in preference to the account of Mark Twain's death.

The president of the American Kennel Club has associated with him, on its board of directors, some of the wealthy men of the Nation. They have elaborate quarters, issue a newspaper,

and spend large sums annually in preserving records of breeding and chronicling the awards of bench shows.

At a field trial which I attended some years ago a wealthy man from Cincinnati who was riding with me behind the dogs saw a black-white-and-tan setter which he greatly admired, and told me he was going to buy it. I heard him offer the owner \$500 for the dog, which was promptly refused. He raised it \$1,000, was again refused, and just before he left for home he offered the owner \$3,500, which was again refused. The owner of the dog was a man of very moderate means, living in a little town in Alabama. He said he would not sell the dog for two reasons: His service fees would bring him in that amount in a short while, and he would be afraid to go home to the "missus" without him.

I saw \$2,000 refused a number of times for small dogs at bench shows.

A good dog costs as much as a horse. Champions of bench shows and field trials bring prices that make the horseman jealous. And these are not prices paid for fancy pet dogs for the fashionable dame. They are dogs that bring a high price because of their conformation, type, and correct form, and are used for the future improvement of the breed.

There is no sentiment in these values; they are considered investments. Sentiment, of course, does enter into the matter occasionally. I had some fancy dogs quail shooting one season with a friend of mine. They were too fast and ranged too far for a hilly country. A farmer who was with us had a pointer named "Sank," who knew his country and performed admirably. My friend asked me to buy him for him, which I did for \$75. A month later my friend called me up on the telephone and asked me for the address of the farmer. I gave it to him and inquired what he wanted it for. He replied: "I am ashamed to have only paid \$75 for that dog; I want to send the man \$50 more, and he is worth twice as much."

This old "Sank" came out of a barn. He now lives in the finest mansion in the Mississippi Valley.

While calling on the owner recently my host excused himself and later returned smiling; he had just assisted his youngest son to slip "Sank" upstairs in violation of the household rules. This he did every night, so that "Sank," instead of sleeping in a barn, now sleeps in one of the finest bedrooms in the western country.

A trained shooting dog to-day is cheap at \$150, and most of them bring a higher price, and this price is brought at a year old. A horse or a cow has to be kept for three years before the same amount could be realized.

An old darkey put this estimate on the value of his dog:

Dar's a mighty fine monument standin' right nigh,
But to me dis poor mound looks bigger,
For dar's a monument money can't buy—
A yaller dog's love for a nigger.

Thanks to some of our rich men, we yearly import to this country some of the best prize winners of Europe. We have been taking so many of their best that they are now beginning to come to us for stud dogs. This is particularly true of the setter class.

My fad at one time was Irish terriers. The terrier is a very bright, intelligent little fellow, with a shaggy coat, bright eyes, and an engaging disposition. He is an agitator, a regular devil for a fight, and fond of visiting the neighbors. While breeding these dogs I had occasion to send one to a reverend gentleman of Gananoque, Canada, for service, for which I paid \$50.

Some years later I met the reverend gentleman at the Detroit dog show and was introduced with much ceremony to Celtic Badger, the champion Irish terrier of America. I asked him what he would sell the dog for, and this splendid man replied: "Well, Mr. Hawes, I don't know. I have a very poor parish in Gananoque, and Celtic Badger does much to support it. Last year I received \$1,800 for his services. I do not know how the parish could get along without him. I have been offered \$2,200 for him and, as we need a church addition, I may have to sell him, but I hope not."

There are more than 15 weekly and monthly publications devoted exclusively to the subject of the dog. Take up Country Life in America, or any one of the other big periodicals dealing with kindred subjects, and you will find more advertisements for dogs than for all other kinds of animals combined. American Field, one of the oldest sporting publications printed, devotes pages to him in each issue. There are at least 10 large factories manufacturing dog foods and dog biscuits, and as many more patent-medicine houses that make a speciality of dog medicines.

These illustrations indicate his value.

Strange to say, the average man considers the dog of little commercial value and, while he would not ask you for a horse or a cow, he would think nothing of asking for a dog.

I was on a four days' shoot with a friend some years ago, who had a very fine female setter. The dog was much admired. As we went from farm to farm he was frequently asked for a pup and, while extolling the virtues of his dog, he freely promised a pup not only to those who asked, but offered one to many who made no request. I watched this performance for several days, and one evening I said: "Do you know you have promised 22 pups and will never be able to deliver them?" He thought for awhile and then said: "Hawes, it's a mighty poor man who won't promise a pup."

ADVICE.

If I have aroused an interest in the dog which may lead to the publication of a bulletin in his behalf, some general advice while waiting for the bulletin may be of assistance.

Buy a pup over three months old and, unless you are sure of forming his acquaintance, do not buy one over 18 months old unless purely for breeding purposes.

Keep your dog's pedigree. It will only cost \$1 to register. It adds to both your enjoyment and the value of the dog.

Feed a pup frequently and an old dog but twice a day.

Feed from a pan, never on the ground or floor.

Dogs are classified by weight and feed accordingly: First, those under 12 pounds; second, those from 12 to 20 pounds; third, those from 25 to 50 pounds; fourth, those over 50 pounds; fifth, those over 100 pounds.

Scraps from the table, when fresh, are the best food, and cost nothing.

Feed the dog yourself; you will control him better.

Feed morning and evening; the big meal at night, as the dog should not be worked immediately after eating.

Do not feed chicken bones; they are covered with a hard substance which frequently cuts through the intestines.

No other animal shares as fully the life affairs of men as does the dog. He resents injustice and has the same respect for fair treatment and decision as does the human being.

The kennel should be dry, clean, and frequently white-washed.

Use a leather collar, not one made of metal. Don't chain unless necessary.

If the dog sucks eggs, open one end of an egg and put in red pepper.

The master is responsible for a vicious dog. If it is vicious, it is largely his fault.

Properly introduced to the cat, there will be no "cat and dog time."

If he jumps upon you in caress, gently press your shoe upon a hind foot. Do this a number of times and he will stay on the ground.

The pup will imitate an old dog; but don't try and train two young dogs at the same time; give each a private lesson.

Put your own name and address on the collar—not the dog's.

Do not kick your dog or strike him on the head. Use a switch or, grasping him by the neck and back, give him a shaking.

Do not "holler" at a dog unless he is at a distance. Talk to him in a moderate tone. He is guided more by intonation than words. You exhaust your emphasis in continuous "hollering" and he fails to understand.

Do not let your dog chase horses or autos on the road. It is a very bad habit.

Do not use more than three letters in your dog's name. If you want to use a longer one for his pedigree, give him a short kennel name.

Do not borrow a dog and do not lend one. You may spoil your friend's dog or he yours. A dog must know his own master.

Do not punish a dog long after his fault has been committed. Be sure he knows exactly for what the punishment is administered.

Do not keep a dog in a hot room all day and put him out in the cold at night.

Try and keep a breed that will not require to have their ears or tails trimmed. This is a custom which is properly growing in disrepute.

The English owners of various terriers have long believed that biting the tail off was better than cutting it.

A friend recommended his English coachman to me to perform the operation and sent him to the house. One squeal from the first pup was enough. A red head appeared in the doorway, soon followed by the indignant form of the cook, armed with a broom. On this one occasion, at least, the Irish beat the English—that is, with a broom—but the English beat

the Irish to the front gate, since which time I have tried to get along without this practice.

Take your dog into the chicken yard when young and let him stay by your side while you work with the chickens. He will then learn to know that they are your property and respect them. If he is old when you get him and he kills a chicken, try a thrashing. If that fails, tie the dead chicken around his neck and let him carry it all day. He will soon get enough chicken and will leave them alone. This is a favorite method of "bird-dog men" in breaking a pointer or setter from chasing rabbits.

DOG POPULATION.

We issue over 25,000 dog licenses each year in the city of St. Louis. It is safe to say this is not one-third of the total number.

It is estimated that there are over 300,000 dogs in Missouri, and in the United States an approximate estimate would be over 7,000,000.

Each of the 48 States has legislation of some kind affecting the dog.

Every city of 5,000 inhabitants has some municipal regulation upon the same subject.

And in this town a dog was found,
As many dogs there be;
Both mongrel, puppy, whelp, and hound,
And curs of low degree.

Putting a valuation of only \$5 upon each dog would make the national investment \$35,000,000.

Every large city in the United States has an annual dog show.

In Great Britain over 700 dog shows are held each year, with over 20,000 entries.

There are in the United States some 15 monthly publications devoted exclusively to the dog.

CONTENTS OF A BULLETIN.

If the number of dogs, their value and utility, should impress the Department of Agriculture with their practical use and cause demand for a bulletin, it should contain this information:

1. Description of useful breeds and their standards. 2. Feeding. 3. Housing. 4. Disease. 5. Breeding. 6. House training, farm training, and special training. 7. Digest of State and municipal laws. 8. Outlaw and criminal dogs, sheep killers, etc.

State legislatures frequently have before them the matter of licensing or regulating the dog, and this is true of legislative bodies in the cities.

FINALLY.

We have in Missouri a Fox Hunters' Association, with a membership of 3,000, which issues the Red Ranger, a monthly paper devoted exclusively to fox hunting and fox hounds.

The members of this association are the "salt of the earth," who meet annually in a tented city and spend a week with nature and the hounds.

They are the big mule raisers, whose animals served with the armies in Mexico, the Philippines, France, in the Boer war, in China, whose voice, next to the "houn' dawg," makes the loudest, if not the sweetest, music. They are lawyers, doctors, farmers, and men of good kidney and fine digestion, who worship in the big outdoors while their dogs sing en masse, if not in mass.

Of course there are men like one who visited our fox hunters' encampment and was cautioned to be still and listen. "Listen to what?" he queried. "Listen to the music, man. Don't you hear it? It's now getting stronger, sweeter, and clearer," chided the fox hunter. "No," said the city dweller, "I don't hear nothing but 'a lot of damn dogs.'"

If large interest does not appeal, if investment does not argue and utility persuade, perhaps I may be excused for introducing the late Senator George Vest, of Missouri, to conclude my statement.

Senator Vest illumined this subject in an address to a jury. Time and changed political issues may cause us to forget his great speeches, but this classic will always be preserved:

Gentlemen of the jury: The best friend a man has in this world may turn against him and become his enemy. His son or daughter that he has reared with loving care may prove ungrateful. Those who are nearest and dearest to us, those whom we trust with our happiness and our good name, may become traitors to their faith. The money that a man has he may lose. It flies away from him; perhaps when he needs it most. A man's reputation may be sacrificed in a moment of ill-considered action. The people who are prone to fall on their knees to do us honor when success is with us may be the first to throw the stone of malice when failure settles its cloud upon our heads. The one absolute, unselfish friend that man can have in this selfish world, the one that never deserts him, the one that never proves ungrateful or treacherous, is his dog. Gentlemen of the jury, a man's dog stands by him in prosperity and in poverty, in health and in sickness. He will sleep on the cold ground where the wintry winds blow and the snow drives fiercely, if only he can be near his master's side. He will lick the wounds and sores that come in encounter with the roughness of the world. He guards the sleep of his pauper master as if he were a prince. When all other friends desert, he remains. When riches take wings and reputation falls to pieces he is as constant in his love as the sun in its journey through the heavens. If fortune drives the master forth an outcast in the world, friendless and homeless, the faithful dog asks no higher privilege than that of accompanying him to guard against danger, to fight against his enemies, and when the last scene of all comes, and death takes the master in its embrace and his body is laid away in the cold ground, no matter if all other friends pursue their way, there by his graveside will the noble dog be found, his head between his paws, his eyes sad but open in alert watchfulness, faithful and true even to death.

EASTERN JUDICIAL DISTRICT OF OKLAHOMA.

Mr. SWANK. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks made in the Committee on the Judiciary on the bill (H. R. 6376) to amend the act establishing the eastern judicial district of Oklahoma.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Following are the remarks referred to:

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE OF THE COMMITTEE ON THE JUDICIARY, Wednesday, January 31, 1923.

The subcommittee met at 10.30 o'clock a. m., Hon. RICHARD YATES (chairman) presiding.

Present: Messrs. BOIES, HICKEY, and BIRD.

STATEMENT OF HON. F. B. SWANK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA.

Mr. YATES. Representative SWANK, of Oklahoma, appears in support of the bill (H. R. 6376) "To amend the act establishing the eastern judicial district of Oklahoma," the bill being as follows:

"Be it enacted, etc., That two terms of the court of two weeks each, or more, in the discretion of the presiding judge, in the eastern judicial district of the State of Oklahoma, for the trial of civil and criminal cases shall, after the passage and approval of this act, be held at Pauls Valley, Okla., each year in said district."

Mr. SWANK, we will be glad to hear you.

Mr. SWANK. Mr. Chairman and gentlemen of the committee, some time ago I introduced H. R. 6376, a bill to make Pauls Valley, Okla., a Federal court town, and wish to thank the committee for giving me the privilege of appearing before you to-day to present my argument and the facts in support of the bill. I would have asked for a hearing earlier, but waited for the passage of the bill creating additional Federal district judges. That bill is now a law and gives another district judge to the eastern district of Oklahoma, but the President has not yet made the appointment. When the appointment is made, the eastern district will have two judges, and they are needed, as also is another place to hold court.

In order to have the criminal laws of the country properly administered it is essential that the proper machinery be provided and courts conveniently located that trials may be speedy under our laws and the Constitution. Nothing known to criminal law is more to the advantage of the person charged with crime than delay in trials. It encourages the criminal and breeds a disrespect for the law and our courts. Violations of the law should be promptly tried with reasonable haste or in many cases it may be impossible to try them at all. Delays and continuances in trials are not only beneficial to the criminal and the person charged but greatly increase the court costs in additional witness and jury fees and service of process. A defendant should be given his constitutional right to a speedy and impartial trial, no difference what the charge may be. This is for the good of the public and society as well as to preserve the rights of the defendant.

Litigants in civil cases also have the right to have their cases heard in a reasonable time without running, at great expense, from one end of the district to the other. The courts are instituted for the enforcement of the law and to settle civil disputes among our citizens, and they should be established at convenient and easily accessible places. The people pay the expenses of the courts the same as the other expenses of the Government, and they should be protected in their rights, among which are law enforcement and the settlement of civil cases.

Oklahoma is divided into two Federal court districts, with the old Indian Territory comprising the eastern district and old Oklahoma Territory the western district. There are seven court towns in the eastern district, viz: Muskogee, Vinita, Tulsa, Hugo, McAlester, Ardmore, and Chickasha. For the convenience of the people in this district and to save expense to the Government another court town should be created. This would make eight places to hold court, or four towns for each of the two judges in the district. In making a selection for the eighth court town I have not only chosen the most convenient and easily accessible place but one of the best towns in the entire State. With permission of the committee, I hereby attach information about Pauls Valley and Garvin County, Okla., taken from the Pauls Valley Enterprise, one of the State's leading weekly papers:

"PAULS VALLEY FACTS THAT ARE TERSELY TOLD.

"A population of over 5,000. An altitude of 871 feet.
"Three banks: Aggregate deposits of over \$2,000,000. Three lumber yards. A modern light and gas plant. An up-to-date ice and cold-storage plant. Four cotton gins. Large compress and cotton warehouse. Five wholesale houses. One flour mill. Two grain elevators. An efficient laundry and cleaning plant. A well-equipped sanitarium. Five churches.

"Three brick grade schools and a \$185,000 new high school.
"Seventy-five blocks of pavement and more concrete walks than any city its size in the Southwest. Ample water supply and adequate sewer system.

"A building and loan association. A bit and spur factory. Two pipe-line pumping stations. A well-equipped bottling works. A machine shop.

"Two weekly newspapers. One hundred and fifty other business activities.

"Service by the main line of the Santa Fe and two branch lines of the same system.

"The largest city within a radius of 50 miles, giving it a well-defined trade territory that is responsible for its steady growth. Surrounded by an agricultural territory that is as productive as any in the whole

Southwest. Oil development in the county has reached a production of approximately 21,000 barrels a day, with prospects for further extensions.

"GARVIN COUNTY AND ITS RESOURCES."

"Garvin County is one of the south-central counties of the State, with a population of about 35,000 people. Altitude ranges from 750 to about 1,000 feet above sea level. The mean temperature is about 60 degrees, with an average annual rainfall of about 35 inches.

"It is the banner alfalfa county of the State, 800 to 1,200 cars being shipped annually, and has possibility of production that should make it the banner county of the world.

"It is an ideal section for the raising of pure-bred beef stock, as well as intensive development of the dairy activities, on account of both natural forage and bountiful crops of feedstuff.

"Climatic conditions are most favorable for the raising of poultry of all kinds. The county will produce about \$350,000 worth of poultry and eggs this year.

"It is known the world over for its high standard of broom corn, and has in Lindsay, a town within its borders, the largest broom corn wagon market in the world. From 100 to 140 cars of broom corn are shipped from this community annually.

"Cotton production, 90 per cent of the long staple Acala being raised, averages from 40,000 to 55,000 bales a year.

"Pecans, fruit, berries, and grapes, as well as melons, grow successfully in this county.

"Corn, small grains, peanuts, sweet and Irish potatoes, besides the other crops mentioned, can be successfully raised here."

Mr. Chairman, this gives some explanation and idea of the place where I am asking that another court town be established. Pauls Valley is more than 50 miles from Oklahoma City, Chickasha, and Ardmore, the nearest court towns.

I ask permission to insert a letter from the clerk of the United States District Court at Muskogee, Okla.

Mr. YATES. Without objection, the statement will be inserted in the record.

Mr. BOIES. I do not know that I have any objection to it, but it is rather a peculiar situation to me. The northern district of Iowa has a population of between 3,000,000 and 4,000,000 and terms of court are held at only five places in the State.

Mr. YATES. Without objection, the statement submitted by Mr. Swank will be inserted in the record at this point.

The statement is as follows:

DECEMBER 22, 1922.

Hon. F. B. SWANK,
Member of Congress, Washington, D. C.

DEAR SIR: In answer to your inquiry we find that we have pending cases as follows, to wit:

Law cases:

Filed (during 1922, 196)—

Garvin County	2
McClain County	5
Murray County	1
Pontotoc County	1
Seminole County	1

Pending (all counties, 267)—

Garvin County	4
McClain County	4
Murray County	2
Pontotoc County	3
Seminole County	0

Equity cases:

Filed (during 1922, 140)—

Garvin County	1
McClain County	0
Murray County	1
Pontotoc County	5
Seminole County	0

Pending (all counties, 234)—

Garvin County	1
McClain County	0
Murray County	2
Pontotoc County	4
Seminole County	1

Bankruptcy cases:

Filed (during 1922, 479)—

Garvin County	13
McClain County	0
Murray County	4
Pontotoc County	21
Seminole County	2

Pending—

Garvin County	11
McClain County	0
Murray County	4
Pontotoc County	19
Seminole County	2

Criminal cases:

Filed (during 1922, 1,232)—

Garvin County	21
McClain County	6
Murray County	0
Pontotoc County	11
Seminole County	32

Pending—

Garvin County	10
McClain County	4
Murray County	0
Pontotoc County	6
Seminole County	17

Yours truly,

W. V. McCLURE, Clerk.

This letter shows the following cases filed in Garvin, McClain, Murray, Pontotoc, and Seminole Counties, to which counties Pauls Valley would be the most accessible: Law, 10; equity, 7; bankruptcy, 40; criminal, 70, making a total of 127 cases filed in these counties in 1922, and 94 of these cases pending. In Oklahoma there is a probate and county court, with civil and criminal jurisdiction for each county, and a district court of general jurisdiction established in each county for the convenience of the people and the more economical enforcement of the law. This report from the clerk of the Federal court for the eastern district shows that another court town is needed in this district, and Pauls Valley is the place where it should be established.

That the committee may more clearly see the condition of the docket for the eastern district and the need for an additional court town, I ask permission to here insert a statement by the clerk of the Federal court at Muskogee.

Mr. YATES. Without objection, the statement submitted by Mr. Swank will be inserted in the record at this point.

(The statement is as follows:)

United States District Court, Eastern District of Oklahoma.

	Civil.	Criminal.
1920.		
Suits in which the United States was a party:		
Pending June 30, 1919.....	1,086	696
Commenced during fiscal year.....	84	680
Terminated during fiscal year.....	725	714
1921.		
Pending June 30, 1920.....	445	662
Commenced during fiscal year.....	70	1,066
Terminated during fiscal year.....	282	963
1922.		
Pending June 30, 1921.....	233	765
Commenced during fiscal year.....	77	1,310
Terminated during fiscal year.....	223	839
1920.		
Suits in which United States was not a party:		
Pending June 30, 1919.....	297	
Commenced during fiscal year.....	204	
Terminated during fiscal year.....	162	
1921.		
Pending June 30, 1920.....	339	
Commenced during fiscal year.....	266	
Terminated during fiscal year.....	211	
1922.		
Pending June 30, 1921.....	394	
Commenced during fiscal year.....	308	
Terminated during fiscal year.....	232	
Present status of docket:		
Civil cases in which United States is a party.....	85	
Naturalization.....	4	
Criminal, United States a party.....	1,311	
	1,400	
Civil cases other than United States.....	557	
Bankruptcy.....	715	
	1,272	
Grand total.....	2,672	

CLERK'S FEES EARNED.

1920.....	\$17,162.04
1921.....	19,937.28
1922.....	23,729.77

Mr. SWANK. You will see from this statement that the present status of the docket is 2,672 cases. The statement also shows that the fees collected for 1922 amount to \$23,729.77, a large increase over previous years.

A few days ago in Garvin County, in the county seat of which I am asking Congress to establish a Federal court for the convenience of the people, one of the greatest oil wells of the country was brought in, and the papers state that it is producing 14,000 barrels per day, and many of the largest oil companies in the country are making further development and exploring new fields. In addition to this great oil development, the production of gas in the county amounts to about 350,000,000 cubic feet daily. There was no oil production in Garvin County prior to July, 1921. There is oil production and many wells going down in the other counties which adjoin or are near to Garvin County.

I mention these facts for the reason, as the committee knows, oil and gas development bring increased litigation, and much of it is in the Federal courts. Litigants have their right to have their cases tried and settlement made at convenient places. The people have the right to have their Government brought as near to them as possible, and it should always be done, and especially when it brings no increased burdens in the way of expenses.

Mr. Chairman and gentlemen of the committee, I was raised from early boyhood to manhood in Garvin County, Okla., the county in which I am asking this court to be established, and know the people and the conditions of the country. This county and the other counties I have mentioned contain an intelligent, educated, Christian, industrious, and progressive citizenship. Garvin County is traversed from east to west by the famous Washita River, whose large and beautiful valley is as rich as the fabled valley of the fertile Nile. The same can be said of the Rush Creek and Wild Horse Valleys. In 1919 the people of Garvin County voted bonds upon themselves in the sum of \$150,000 to build a courthouse, and it is one of the best in the entire State. It is large, sanitary, commodious, and convenient. It has ample room to accommodate the Federal court when in session in Pauls Valley. It has private rooms for the judge, two large and excellent court rooms, plenty of room for grand and petit juries and witnesses. The county commissioners of the county, who have charge of the courthouse, would be glad to give the Federal court the use of this fine courthouse at any time, and it would not interfere in the least with the work of the State courts or other county activities.

The courthouse is situated in a part of Pauls Valley where there is the least noise and there would be nothing to in any way interfere with the court or any of its officers. Then there would be no question of additional expense to the Government, for it would cost the county no more to maintain the building when Federal court was in session than it costs at other times. It would be no trouble or inconvenience for the judge, clerk, and other court attaches to go to Pauls Valley

for court. There is already a United States deputy marshal stationed in Pauls Valley and a United States commissioner. By establishing this court the committee and Congress would be adding no additional expense to the Government, but, on the other hand, would be reducing expenses to the Government and to the people as well. Where else is an elegant and conveniently equipped courthouse furnished for the Federal court without additional cost? These people are progressive and will furnish these conveniences for the benefit of the people who attend court at this place if the committee will consent to the establishment of this court.

In addition to what I have already said, you would be making court more convenient to a large territory and to many people. This courthouse is four stories high, with a fine jail on top. There is every facility in Pauls Valley for the court and the officers. The county is thickly populated, as are the other surrounding counties. Pauls Valley, situated in the Washita River Valley, is one of the most beautiful cities on that historic river, and Garvin County has many other live, progressive cities and villages.

I make mention of these towns that the committee may know that this section of the State is populated with many people, and where there are many people there will be disputes to settle. The same is true in the other counties which would be benefited by the passage of this bill. There would be McClain County, of which Purcell is the county seat, on the north; Murray County, Sulphur county seat, on the south; Pontotoc County, Ada county seat, on the east; and Seminole County, Wewoka county seat, on the northeast. All these counties have litigation in the Federal court.

For six years I had the honor to serve as district judge in the fourteenth judicial district of Oklahoma, which district included Murray, Garvin, McClain, and Cleveland Counties, and am therefore familiar with conditions in the eastern district. In this district the Federal Government is a party to about 75 per cent of the cases filed.

The Government employs three tribal attorneys, one each for the Choctaws, Chickasaws, and Creeks, and eight probate attorneys in addition. It is the duty of these attorneys to look after the affairs of certain members of the tribes in the State and Federal courts and to assist in protecting the rights of these Indian litigants. No such condition exists in any other State so far as the laws are concerned, and no judge is called upon to construe as many difficult questions. In the trial of Indian land cases the court must not only construe the State statutes and acts of Congress affecting these tribes but in many instances it becomes necessary to construe various Indian treaties and often the statutes of the State of Arkansas, as the laws of that State were formerly extended over the Indian Territory.

With seven court towns and two judges, it is important for the eastern district that each judge have four places to hold court. It is no inconvenience to the judge and is a great convenience to the people who pay the expenses of the court. Why not report the bill favorably, when it will cost the Government nothing, can cost it nothing, but will decrease the expenses of the Federal court in this district? I earnestly and sincerely submit the facts, and know the committee will give this their usual careful consideration; and I hope that you will make a favorable report and recommend that the bill pass.

Mr. HICKEY. Have you court facilities at this point you mention?

Mr. SWANK. Yes; and I am asking that two terms each year of the Federal district court be held at Pauls Valley, Okla., in the eastern district. That is the old Indian Territory part of the State, and in this district there are seven court towns.

Mr. BIRD. Do you mean State courts?

Mr. SWANK. No; Federal district courts. State district courts are held in each county seat.

Mr. BIRD. You do not mean to say that in the Eastern District of Oklahoma a term of the Federal court is held at seven places?

Mr. SWANK. Yes; at seven different places.

Mr. HICKEY. Is your State divided into divisions as well as districts?

Mr. SWANK. No; there are two districts, the eastern and western.

Mr. HICKEY. And for the convenience of litigants and counsel, they have different places for holding court?

Mr. SWANK. Yes; at the present time there are seven places for holding court, and if this bill were passed there would be eight. That would be four places for each judge, when a new judge is appointed.

Mr. YATES. That is what this bill is for—to provide four places for holding court for each judge?

Mr. SWANK. Yes; and the bill provides that two terms of the Federal district court shall be held each year at this place.

Mr. BIRD. You mention eight places for holding court if this bill were enacted. Do you mean eight for the entire State?

Mr. SWANK. No; eight for the eastern district.

Mr. BIRD. If you should have two judges, that would make four places for each judge.

Mr. SWANK. Yes.

Mr. YATES. You ask for two terms of court at this place each year?

Mr. SWANK. Yes, sir.

Mr. YATES. The bill provides that two terms of court shall be held each year at Pauls Valley; is one term a year held there now?

Mr. SWANK. No, sir; this is not a Federal court town.

Mr. BOIES. How large a place is it?

Mr. SWANK. Pauls Valley has a population of about 5,000 people.

Mr. BOIES. What is the population of Oklahoma now?

Mr. SWANK. The population of the entire State is about two and a quarter millions.

Mr. BOIES. I never heard of terms of Federal court being held in as many places as that.

Mr. SWANK. In the western district of Oklahoma terms of Federal court are held in Oklahoma City, Guthrie, Enid, Lawton, and Woodward.

Mr. YATES. At how many places do they hold court in the western district?

Mr. SWANK. At five places.

Mr. BOIES. What is the nearest place to this town at which a term of court is held?

Mr. SWANK. About 50 miles.

Mr. BOIES. How many judges do you have now?

Mr. SWANK. Two Federal judges at the present time.

Mr. BOIES. How many criminal cases are pending there?

Mr. SWANK. The statement of the clerk shows 1,311 in the eastern district.

Mr. HICKEY. I suppose you have a great many oil claims that go into the Federal courts?

Mr. SWANK. Yes; Oklahoma produces more oil than any other State in the Union.

Mr. BIRD. What is the oil production in the five counties that would be affected by this bill?

Mr. SWANK. There are more than 31,000 barrels per day produced in this one county. They brought in a well a few days ago in Garvin County that produces 14,000 barrels a day.

Mr. YATES. What do you contend that these statements you have referred to show in regard to Federal court business?

Mr. SWANK. The statements show that in the eastern district of Oklahoma, on June 30, 1919, there were pending 1,883 civil cases and 696 criminal cases. The statement shows the present condition of the docket to be 1,311 criminal cases and 1,361 civil cases.

Mr. YATES. In the entire district?

Mr. SWANK. Yes; for the whole district; and, as I stated in the beginning, if this bill were enacted four places would be provided for each one of these judges to hold court when the other judge is appointed.

Mr. YATES. How much of a docket do you figure this out to be?

Mr. SWANK. The statement of the clerk shows the docket for the five counties affected.

Mr. YATES. Suppose this bill should pass and there should be two terms of court held at this place, have you figured out how large the docket would be?

Mr. SWANK. Yes; the statement of the clerk shows the cases filed in the five counties referred to—Garvin, McClain, Murray, Pontotoc, and Seminole—to be as follows: Law, 10; equity, 7; bankruptcy, 40; criminal, 70; or a total of 127 cases.

Mr. BIRD. I would like to go back to the oil question. What are the oil fields in those five counties?

Mr. SWANK. There is oil production in Seminole and Pontotoc Counties, and in Garvin County, where I am asking this court to be established, there is the Robberson oil field, which produces about 21,000 barrels of oil per day.

Mr. BIRD. That is from one well, is it not?

Mr. SWANK. No; the big well produces about 14,000 barrels per day. That is a new well. This field did not have any big wells up to that time. This field in Garvin County is also producing about 350,000,000 cubic feet of gas daily. You understand that when they strike an oil field, that causes much new litigation, especially in connection with Indian lands.

Mr. BIRD. I am trying to determine whether you have a permanent field or whether you are opening up a new field.

Mr. SWANK. This is a new field.

Mr. BIRD. This is fresh production?

Mr. SWANK. Yes; there was no oil in this county prior to July, 1921. Now this new well has opened up a big pool.

Mr. BIRD. There is one pool there, and then there are scattering wells in the other part of the field?

Mr. SWANK. In this county there are a great number of wells, and more are going down all the time. In the counties to the east there are many producing wells.

Mr. BIRD. Are they shallow wells or deep wells?

Mr. SWANK. It is what is considered a shallow field. I understand the big well mentioned is 1,400 or 1,500 feet deep.

Mr. BIRD. What does the present Federal judge say about this?

Mr. SWANK. I do not know, but do not think he will oppose the bill.

Mr. YATES. You are familiar with these five counties?

Mr. SWANK. Yes, sir.

Mr. YATES. Are they in your district?

Mr. SWANK. Three of them are.

Mr. YATES. Have you had any conference or consultation with the Department of Justice in regard to this matter?

Mr. SWANK. No, sir.

Mr. YATES. With the Attorney General or Assistant Attorney General?

Mr. SWANK. No, sir.

Mr. BOIES. What are the railroad facilities at this place?

Mr. SWANK. Good; there is the main line of the Santa Fe and two branch lines in Pauls Valley.

Mr. BOIES. Where are the main headquarters for the Federal court?

Mr. SWANK. The headquarters of the Federal court for the eastern district are at Muskogee.

Mr. BOIES. What are the railroad facilities from this town to Muskogee?

Mr. SWANK. The railroad facilities from Muskogee to Pauls Valley are good. You go direct from Muskogee to Oklahoma City and then on to Pauls Valley, which is nearer Muskogee than is Ardmore and 50 miles nearer than Chickasha. The judge must go from Muskogee to Chickasha to hold court, and that takes him 50 miles farther than Pauls Valley.

Mr. BIRD. Do you contemplate that Chickasha will still have a term of court?

Mr. SWANK. Yes; I am asking for one additional place.

Mr. YATES. I confess that the stumbling block to me is the fact that there are so many places for holding court in this district. The district in which I reside has over a million population, and terms of court are held in only three places—Springfield, Peoria, and Quincy. I realize, however, that in the western territory there are always more places at which terms of court are held.

Mr. SWANK. There are many more cases to try in this district and it covers more territory. Then a great number of the cases are more complicated than in other districts.

Mr. HICKEY. You have a class of litigation that we would not have.

Mr. SWANK. Yes.

Mr. YATES. Is it customary in western districts to have five, six, or seven places at which court is held?

Mr. SWANK. There are more places for holding court by reason of the larger territory included in the districts and the greater number of cases.

Mr. BIRD. There are five places for holding court in the entire State of Kansas.

Mr. YATES. How is it in your district, Mr. Boies?

Mr. BOIES. There are five places for holding court in the northern half of Iowa.

Mr. SWANK. There would not be nearly so many cases as in this district.

Mr. BOIES. I do not think the number of cases cuts much figure. It is a question of the convenience of the people.

Mr. SWANK. Yes; it is a question of convenience to the people, and the number of cases show that the court is needed. That is why a State district court is established at each county seat.

Mr. BOIES. Those places at which terms of court are now held are only 50 miles apart.

Mr. SWANK. Pauls Valley, where I am asking a Federal court to be established, is about 50 miles from the nearest place where Federal court is held.

Mr. BOIES. You would divide the territory so that the places at which terms of court would be held would be 25 miles apart?

Mr. SWANK. The nearest Federal court town would be about 50 miles from Pauls Valley. The enactment of this bill would not only be a great convenience to the people in this part of the State but would cost the Government nothing.

Mr. BOIES. It might not cost anything just now, but at any time the county felt disposed to charge them, it could do so.

Mr. SWANK. But this county would not make any charge. I believe this statement covers the proposition unless some member of the committee desires to ask further questions which I shall gladly answer.

Mr. YATES. I would like to have some statement from the Department of Justice in regard to this.

Mr. BOIES. I think we should have a statement from the Department of Justice and also from the Federal judge out there.

Mr. BIRD. Yes; the Federal judge should be consulted about it.

Mr. SWANK. The reason I did not ask the Department of Justice for an opinion upon the bill was because I preferred to have the chairman of the committee ask for it. I wish to thank the committee for your patient hearing.

Thereupon the subcommittee adjourned.

APPRAISEMENT OF TRIBAL PROPERTY OF INDIANS.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged resolution (H. Res. 490) and report (No. 1527) from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report from the Committee on Rules.

Mr. GARNER. Mr. Speaker, will the gentleman from Kansas yield for a question?

Mr. CAMPBELL of Kansas. Certainly.

Mr. GARNER. Does the gentleman from North Carolina [Mr. POU] know that this will be called up?

Mr. CAMPBELL of Kansas. Yes.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 490.

Resolved, That immediately on the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13835, "A bill authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes." General debate on said bill shall be limited to two hours, one-half to be controlled by those in favor of the bill and one-half by those opposed. At the conclusion of the debate the bill shall be read for amendment, after which it shall be reported to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommitt.

Mr. CAMPBELL of Kansas. Mr. Speaker, this resolution makes in order what is known as the omnibus Indian legislative bill. A large number of matters have accumulated before the Committee on Indian Affairs growing out of the Indian Service, making it desirable to bring the laws down to the moment. I understand the report on the several items in the bill has practically the unanimous support of the committee. Some members of the committee, however, are opposed to certain items in the bill. At this time I ask unanimous consent that the gentleman from Oklahoma [Mr. CHANDLER], who is opposed to certain items in the bill, be permitted to control the time in opposition. I understand there is no member on the Committee on Indian Affairs who is opposed to the bill.

Mr. SWANK. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. SWANK. I am a member of the Committee on Indian Affairs, and I oppose that part of the bill relating to the Osage Indians.

Mr. CAMPBELL of Kansas. That is the matter that the other gentleman from Oklahoma [Mr. CHANDLER] is opposed to?

Mr. SWANK. Yes.

Mr. CAMPBELL of Kansas. Then, of course, I withdraw my request, Mr. Speaker, and suggest that the member of the committee control the time in opposition to the bill and make such division of the time as the circumstances may require.

Mr. Speaker, I think there is nothing further that I care to say, and I ask for a vote on the resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13835.

The SPEAKER. The gentleman from New York moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13835.

Mr. BANKHEAD. Mr. Speaker, I make the point of order that there is no quorum present.

The gentleman from Alabama makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Garrett, Tenn.	Logan	Reed, W. Va.
Ansorge	Gifford	Luce	Riddick
Arentz	Gilbert	Lubling	Riordan
Bacharach	Goldsborough	Lyon	Rodenberg
Barkley	Goodykoontz	McClintic	Rose
Bixler	Gould	McCormick	Rossdale
Blakeney	Graham, Pa.	McLaughlin, Pa.	Rucker
Blaid, Ind.	Griffin	MacGregor	Ryan
Bond	Haugen	Martin	Sanders, N. Y.
Bowers	Hays	Merritt	Schall
Box	Henry	Michaelson	Scott, Mich.
Brand	Herrick	Mills	Shaw
Brennan	Hill	Moore, Ill.	Shreve
Britten	Himes	Morin	Siegel
Brooks, Pa.	Hogan	Mott	Sisson
Burke	Huck	Mudd	Smith, Mich.
Byrnes, S. C.	Hukriede	Murphy	Snell
Clarke, N. Y.	Hull	O'Brien	Stevenson
Classon	Hutchinson	O'Connor	Stiness
Cockran	Jeffers, Ala.	Oliver	Stoll
Codd	Johnson, Miss.	Opp	Sullivan
Connolly, Pa.	Jones, Pa.	Osborne	Sweet
Copley	Kahn	Overstreet	Tague
Crowther	Keller	Paige	Taylor, Ark.
Cullen	Kennedy	Park, Ga.	Taylor, Colo.
Davis, Minn.	Kindred	Parker, N. J.	Taylor, N. J.
Dempsey	King	Parker, N. Y.	Ten Eyck
Doughton	Kirkpatrick	Patterson, N. J.	Thomas
Drane	Kitchin	Paul	Tucker
Dunbar	Klecza	Perlman	Upshaw
Dunn	Knight	Petersen	Voigt
Dyer	Kopp	Porter	Volk
Echols	Kreider	Pringle	Ward, N. Y.
Edmonds	Kunz	Radcliffe	Webster
Fish	Langley	Rainey, Ala.	Wheeler
Focht	Lee, Calif.	Rainey, Ill.	White, Me.
Free	Lee, N. Y.	Ransley	Williams, Tex.
Funk	Lehlbach	Rayburn	Wise
Gahn	Linthicum	Reber	Woodyard
	Little	Reed, N. Y.	Zihlman

The SPEAKER. On this roll call 267 Members have answered to their names.

Mr. MONDELL. I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call. Without objection, it will be so ordered.

There was no objection.

The SPEAKER. The Doorkeeper will open the doors.

OMNIBUS INDIAN LEGISLATION.

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering H. R. 13835, authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13835, with Mr. TOWNER in the chair.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, when the War Department appropriation bill was under consideration by the House a few days ago, I made some remarks on the Muscle Shoals project in the course of which I stated that I had taken it upon myself to make a study of the proposition so that I might be equipped to give you the benefit of such facts as my investigation might bring to light when the House was prepared to consider the question of policy to be pursued with respect to that venture.

Our late beloved colleague, Mr. Mann, was deeply interested in the Muscle Shoals project, and was making a study of it for the benefit of the House when he was so suddenly called from our midst. It is very much to be regretted that we are deprived of the valuable contribution that he would have made to the solution of the problem. I have earnestly endeavored, however, to fulfill the promise that Mr. Mann made to develop the facts for you. Of course, as you all know, his interest was aroused by his brother, Mr. Frank I. Mann, an acknowl-

edged expert in this country on soil and farms. I will digress long enough to read a paragraph from a letter written to our late colleague by his brother, which was printed in full in the CONGRESSIONAL RECORD of February 29, 1920. He said:

If there is any possible and fair way to provide that the Muscle Shoals power might be used for fixing nitrogen, and that it might be obtained cheaply for farm use, it would be a wonderful step in the production of cheaper food and help to quiet the unrest of the present and future.

I have no interest in the matter one way or another except to see that we decide upon that course which will be of the greatest benefit to the country as a whole, and in the investigation I have made of the matter my aim has been to develop the facts with that sole object in view. That has been my single thought and purpose, and that must be your single thought and purpose in arriving at your decision, because the undertaking inherently is a national one, conceived first the better to provide for our national defense by enabling us to produce within our own borders all ingredients essential to the manufacture of explosives and, secondly, to make available to the American farmer an abundant and less costly supply of a kind of plant food necessary to be added or restored to the soil to promote food production.

I can recall of no other matters which would in a greater degree be so far-reaching in their effect. And, therefore, I say to you that we must dispose of this matter not as one that benefits any particular class of people or any particular section of the country, but as one which either directly or indirectly reaches out to every soul in every village, town, and countryside of the Republic.

If it be the intention to use Muscle Shoals for the purposes for which its commencement was authorized, and since the Congress has not declared any other policy, we must assume that to be the case, the solution of the question becomes comparatively simple. It would seem to resolve itself into determining whether it would be more economical for the Government to complete, maintain, and operate the project or whether it would be a better business policy to turn the entire venture over to private interests with proper and adequate guaranties for the fulfillment of the Government's needs in time of war and of the continual needs of the American farmer for an adequate and less costly supply of fertilizer possessing a proper nitrogen content. The ascertainment of which of these courses it would be the wiser to adopt is further simplified by the fact that but one proposal worthy of our attention thus far has been submitted by any outside interest. I refer to the offer of Mr. Henry Ford, which he delivered to the Secretary of War on January 27, 1922.

The question of disposing of the Muscle Shoals project to private interests is not a new one. As far back as the summer of 1919 the nitrate director of the War Department, Mr. A. G. Glasgow, endeavored to interest private capital in the venture. The success which attended his efforts is well summarized in the statement made by the acting director, Mr. George J. Roberts, before the Senate Committee on Agriculture and Forestry in March, 1920. Let me read you what he said:

The question naturally arises: "Why does not private industry undertake the operation of these plants?" I shall not attempt to give what is in the minds of those who are most interested in the production of nitrates in this country. All I can state is that months of time were expended attempting to get the fertilizer industry interested in taking over and operating the Government plants. The presidents of all the larger fertilizer companies in the United States were seen and the matter fully discussed with them, and they were asked if they would undertake the operation of these plants if they were to pay no rental to the Government until they had received 9 per cent on their working capital, and after that the profit should be divided between them and the Government. A part of the agreement was that the United States would complete the plants so as to provide storage and bagging facilities, a sulphate of ammonia plant, and all the work outlined in Mr. Glasgow's letter of October 22. But they could not be brought to the point of making a formal offer. An effort was also made to get certain financiers in New York to undertake to form a company to operate these plants. Scant consideration was given to the scheme and no investigation undertaken. An appeal was likewise made to the coke-oven interests, with the same result. There seems to be a decided antipathy of capital to engage in any partnership arrangement with the Government.

The efforts to arouse private capital did not stop there, however. Very early after the advent of the present administration the Chief of Engineers of the Army, at the direction of the Secretary of War, sent out a formal invitation for offers to all private parties whom he thought would be interested, proposing, I might add, that the United States would complete the dam and hydraulic-power plant at Muscle Shoals. General Beach subsequently stated that he gave as wide publicity to this invitation as was possible and that Mr. Ford submitted what he considered the only genuine offer. And that holds true to-day. So, as between Government and private operation our problem is to

analyze and draw our conclusions from the figures available to us as to whether the Government should continue at Muscle Shoals or accept the Ford offer.

Mr. FESS. Will the gentleman yield before he goes into that?

Mr. MADDEN. I do not think I ought to yield. I think I ought to make this statement in consecutive form. I had rather not yield now, if the gentleman does not mind. I shall endeavor to give you the figures as clearly and concisely as I possibly can. I have devoted a great deal of time in gathering them for you and I feel that they may be relied upon as accurate—

Investment to June 30, 1922.

Construction cost:	
Nitrate plant No. 1	\$12,887,941
Nitrate plant No. 2 (including \$1,302,962.88 on account of Waco Quarry)	67,555,355
Gorgas-Warrior plant and transmission line	4,979,782
Dam No. 2 (Wilson Dam) (including commitments under contracts)	16,281,760
	\$101,704,838
Maintenance cost (including experimental operations at nitrate plants and research laboratory):	
Dam No. 2	277,577
Nitrate plants:	
No. 1	\$907,966
No. 2	3,613,771
	4,521,737
Research laboratory	833,558
	5,355,295

These figures sum up to----- 107,337,710

and represent our total outlay or investment to June 30, 1922.

Now what do we have or what are we able to accomplish at this time?

1. Dam No. 2—Wilson Dam—is incomplete and Dam No. 3 has not even been started. So we have no water power.

2. Nitrate plant No. 1, originally designed to produce 9,000 tons of fixed nitrogen in the form of ammonium nitrate, employing a modification of the Haber process, has been completed only up to one-fourth of its capacity; was purely an experimental venture, and up to this time has not proven successful. The experiment has cost \$12,887,941, and an additional outlay for new machinery costing in the neighborhood of \$2,000,000 would be necessary if further experiments are to be undertaken. Furthermore, the employment of this method is fraught with great danger from explosion of the high-pressure tanks in which nitrogen and hydrogen are impounded. To put the plant on a production basis employing the latest approved methods, would cost approximately another \$4,000,000.

3. Nitrate plant No. 2, employing the cyanamid process, has been completed to its designed capacity of 40,000 tons of fixed nitrogen in the form of ammonium nitrate, and was operated successfully during a two-weeks trial run, but the cyanamid process is considered by the experts to be obsolete as a fertilizer process, which most probably will make it necessary to replace the machinery and to some extent the buildings.

That is a rather doleful picture after an expenditure of \$107,000,000, but if you will take the time to delve into the mass of data bearing on the subject you will find that I have given you the actual facts. Now, having gone this far, what is the best way out? We have an obligation to discharge to the American people. We are responsible for there having been used well over \$100,000,000 of their money and they expect and we owe them a proper return on it. Shall we go on in the face of what we have experienced and make renewed efforts to make a go of the thing ourselves, irrespective of what the ultimate cost might be? Let us examine carefully what this course would quite certainly mean.

In the first place we would have to complete the Wilson Dam (Dam No. 2), estimated to cost from June 30, 1922, an additional \$25,000,000. And then, to make up for the defects or shortcomings of the present layout, so as to put the plants on a going basis that fertilizer of a suitable type, in adequate quantities and marketable at a reasonable price may be produced and that facilities at all times may be available for the manufacture of explosives and other war materials, we would find it necessary to appropriate approximately these additional sums:

1. Auxiliary or reserve water supply to stabilize the flow of the Tennessee River that a uniform amount of power would be available the year around	\$20,000,000
2. For remodeling nitrate plant No. 1	4,000,000
3. For remodeling nitrate plant No. 2	10,000,000
4. For a phosphoric acid plant to meet the demand for a mixed fertilizer	15,000,000
5. Operating fund	10,000,000
Total	59,000,000

These make a total of \$59,000,000. Add to that the \$25,000,000 to complete the Wilson Dam and the \$107,000,000 already invested and our total outlay will have amounted to \$191,000,000. In other words, we will have to sink another \$84,000,000 into the venture before we can function on an economical business basis, excluding, of course, let me emphasize, any return whatever on the investment. I seriously doubt if under Government operation we could even include in the selling price of the fertilizer other usual items of overhead and keep the price at a figure which the farmer could afford to pay. What is the alternative? We can not stop. We owe it to the Nation to see the thing through.

The farmer needs nitrates, and the very life of the Nation may at some time hinge upon our ability to supply this necessary munitions ingredient to the Army and Navy. The answer is to go ahead at all hazards, or, I should say, in spite of all hazards, or to let private enterprise step in and do the job for us.

Now, let us see what private enterprise has to offer. I refer to the Ford offer.

In the first place we must put up another \$50,000,000, dating from June 30, 1922, to complete the Wilson Dam and to build Dam No. 3, to be located about 15 miles upstream from Dam No. 2, the work on both dams to be prosecuted by Mr. Ford at actual cost. That would end the demands upon the Federal Treasury. We would then have invested \$157,000,000, instead of the \$191,000,000 that would be necessary if the Government should determine to finish and operate the plants, and, of course, it should be borne in mind that the \$191,000,000 does not include any money whatever for Dam No. 3, estimated to cost \$25,000,000.

Having provided the money for the two dams, to complete one and to build in its entirety another, Mr. Ford then agrees—

First. To operate nitrate plant No. 2 in the manufacture of nitrates at its full present capacity, namely, 40,000 tons of fixed nitrogen per annum, for a period of 100 years.

Second. To maintain nitrate plant No. 2 at all times in efficient modernized operating condition for the use of the Government in time of war.

Third. To provide fertilizer to the full capacity of nitrate plant No. 2, with profit, if any, limited to 8 per cent above the fair actual cost of production.

Fourth. To supply such quantity of fertilizers, mixed or unmixed. An agreement to furnish mixed fertilizer composed of nitrogen, phosphoric acid, and potash will necessitate the erection by Mr. Ford at his own expense of a phosphoric acid plant at Muscle Shoals, estimated to cost \$15,000,000, which the Government would have to do if we should decide to operate ourselves.

Fifth. To research fertilizer production and to employ such improved methods as may be found successful.

Sixth. That the capital of \$10,000,000 of the company to be formed shall be liable for the fulfillment of the contract, backed up—please note this—by Mr. Ford's entire personal estate and that of his heirs and assigns.

I do not think any of you entertain any question but that the purposes for which the undertaking was authorized will be entirely fulfilled under this offer, and I think you will all agree that the guaranties are wholly adequate. So assuming, I will now address myself to the consideration proposed by Mr. Ford.

In the first place, he offers to purchase nitrate plant No. 1, nitrate plant No. 2, the Waco Quarry and transmission line, and the Gorgas-Warrior power plant for \$5,000,000 in cash, and agrees to valuable contract obligations. Let us analyze this for a moment. I have already told you of the contract obligations. We have invested in these four units \$85,423,073, but, as I have shown you, they are practically valueless unless we sink another \$84,000,000 into the entire venture, or \$109,000,000 if, under Government control, it should be decided to build Dam No. 3; and I do not think there is any question but that this dam must not only be built but an auxiliary water flow provided besides, if sufficient power is to be generated at all times to make it possible to meet the demand for fertilizer. If this be true as to Government operation, it applies with equal force to Mr. Ford. He will incur no immediate expense on account of the dams, but he will have to put out \$59,000,000 to get the plants on a going basis, the same as the Government would have to do. So he is not getting such a wonderful bargain after all. He agrees to pay \$5,000,000 for what we have paid \$85,000,000, but to use which he will have to expend another \$59,000,000; and we must not forget that the \$85,000,000 represents Government construction costs, and war-time costs at that.

That disposes of everything but the dams. To June 30, 1922, we had invested in the Wilson Dam, including maintenance

costs, \$16,559,337. Under Mr. Ford's offer we must commit ourselves to a further outlay for the Wilson Dam and Dam No. 3 of \$50,000,000. Let us see what his proposition is as to these. After their completion, which he is to do, he agrees to lease the water power derived therefrom for a period of 100 years on the following terms:

1. To maintain at his own expense the power houses and all equipment incident thereto, returning the same at the end of the lease unimpaired.

2. To pay \$35,000 annually for repairs, maintenance, and operation of Dam No. 2, its gates and locks, and \$20,000 per annum for repairs, maintenance, and operation of Dam No. 3, its gates and locks, during the life of the lease. The sum of \$55,000 has been estimated as sufficient for these purposes.

3. To pay \$200,000 annually as rental for the first six years on Dam No. 2, and thereafter during the life of the lease 4 per cent interest on the sum necessary to be expended for the completion of said dam, power house, and machinery, and for completing the acquiring of lands and flowage rights.

4. To pay as rental for Dam No. 3, \$160,000 per annum for the first three years, and thereafter 4 per cent interest on the entire cost of constructing said dam, power house, and machinery, including cost of lands and flowage rights.

5. To establish a sinking fund by the semiannual payment of \$23,373, which sum, if compounded at 4 per cent semiannually, will amount to \$49,071,935 at the end of the lease, and if compounded at 4½ per cent interest will amount at the end of the lease to \$58,570,003. It has been claimed, and it is probably true, that this fund could be handled by the Federal reserve banks to accomplish this result, and practically without expense.

6. To furnish free 200 horsepower for operating locks at Dam No. 2 and 100 horsepower for operating locks at Dam No. 3. This would save the Government the cost of operating the locks on the Muscle Shoals Canal, estimated to range from \$35,000 to \$85,000 per annum.

When you analyze it, that is not a bad proposition at all. For a period of 100 years the Government is freed of any expense in connection with these dams, locks, and power houses and machinery, it receives a fairly substantial return on approximately two-thirds of its investment in the dams, and in the end has repaid to it practically the whole of such investment. And gentlemen, remember, that throughout that period the farmer will have been getting his fertilizer and the Government will have had at its disposal a plant fully and modernly equipped and ready to produce explosives and other war materials.

The Government will have been freed from all the hazards attendant upon such a vast enterprise, it will have been saved the expense of research and experimentation, and the burden will have fallen upon others to keep these plants equipped to conform with the march of progress.

Now, it is not my purpose to urge you to align yourselves on one side or the other of this proposition. I have striven to give you the plain unvarnished facts as I have found them so that you might be the better equipped to determine the matter for yourselves. It is a business proposition with me, purely and simply. I feel that we owe it to the taxpayer, to the farmer, and to the Nation to finish the undertaking and get it into operation at the earliest date practicable, and, so believing, my chief aim has been to get for you the facts so that you would be the better able to determine upon that course which will work out to the greatest advantage of the Federal Treasury, not just at this time, but throughout the years. I have no concern, if we choose to let others act for us, as to who they are, what section they hail from, or what their politics may be, other than to be certain that their past business record is beyond reproach and that satisfactory guaranties are given. I am perfectly frank to say that I know of no person or group of persons who have demonstrated a bigger capacity to handle a large undertaking of this character than Mr. Ford. [Applause.] Therefore, gentlemen, it resolves itself into just this: Do you wish to sink another \$109,000,000 into this Muscle Shoals project, in the light of your experience thus far, to incur all the hazards incident to the conduct of the business, to commit the Government to the continual expense of upkeep of such a vast project, a large portion of which has only potential value, and to the expense of keeping the entire plant in a modern productive state, or do you think the wiser course would be to accept Mr. Ford's offer, put only enough additional in the venture to complete both dams, and sell and lease under the terms that he has proposed? My own conviction is that we should accept the Ford offer and get out of the business. [Applause.] I feel that by so doing we will have acted so as better

to provide for the common defense and for the promotion of the general welfare. [Applause.]

Mr. SNYDER. Mr. Chairman, I wish to be recognized and yield to myself 15 minutes.

Mr. Chairman and gentlemen, this bill, H. R. 13835, is a compilation of a number of bills which have been presented to the House and which have come from the Senate to the Committee on Indian Affairs. Each of these bills has been carefully investigated. Some of them have been in the hands of the committee for many months, and extensive hearings have been held upon them. Every item in the bill has been presented to the House by unanimous vote of the committee, so that, barring perhaps a few amendments which may be offered on the floor, every item in the bill is before you as I state, by the unanimous vote of the committee.

The reason for a bill of this character is that under the old rule these items were carried largely in the appropriation bills presented to the House by the Committee on Indian Affairs. Of course under the new rule that can not be done. That has made it necessary for us as a committee to adopt this policy, because of the fact that the Bureau of Indian Affairs, connected with the Interior Department, is practically a government within a government. It embodies nearly every activity of a government, everything I think except the Army and Navy. There are a great many different Indian reservations. There are a great many different conditions peculiar to particular reservations, so that a general law can very rarely be enacted that would be equitable or right for all the reservations alike. So, on account of the bureau having so many activities, it becomes necessary to have legislation affecting this department and that department as it applies to the general functions of the bureau itself.

The bill carries 19 different propositions, and there are scarcely any two of them that have reference to the same reservation or the same tribe of Indians.

It is not my intention to attempt to explain the bill in detail in general debate, but I will be liberal with explanations and liberal with the disposition of time under the five-minute rule. There are but one or two contentious points in the bill, and I think those have been cleared up since the bill came on the floor.

I have been connected with the Committee on Indian Affairs for about eight years, and it is to me a singular thing to observe how little information many of the Members of the House have with reference to Indian matters. I think this committee, of which I have the honor to be chairman at the present moment, has about as many difficult legislative problems to solve as any committee of this House.

We have before us now, and are investigating legislation which will perhaps come before the House later with reference to the Pueblo land titles, of which the House has heard so much in the way of propaganda. It has been generally understood by the public that the bills which have been presented to the House are against the interests of the Pueblo Indians themselves. I want to say to this House that, so far as the bill that bears my name is concerned, there is nothing in it that would be to the disadvantage of the Pueblo Indians, but everything in it that would be favorable and to their advantage.

Mr. WATSON. Will the gentleman yield?

Mr. SNYDER. Yes.

Mr. WATSON. I see by this bill that the Secretary of the Interior is to decide these matters, and I would like to ask the gentleman if the Indian has any right of appeal?

Mr. SNYDER. No; there is no appeal. He has no right of appeal; under the present law the Indian is declared incompetent and can only be declared competent by the Secretary of the Interior.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SNYDER. Certainly.

Mr. CHINDBLOM. The first section of this bill provides for an appraisement of the value of the lands, timber, moneys, and other property of the Indian tribes, except the Five Civilized Tribes and the Osage Tribe in Oklahoma—does that include any of the disputed questions relating to the property of the Pueblo Indians?

Mr. SNYDER. None whatever. The Pueblo Indians are entirely a different type of ward than the others.

Mr. CHINDBLOM. The section is general in its terms.

Mr. SNYDER. Yes; but we have no control over the Pueblos in that way. The Pueblo Indians have never been declared competent or incompetent. The titles are so involved and to such an extent that it makes this legislation absolutely necessary, and until it is cleared up nothing of that sort could take place.

The first section of the bill deals with the desire on the part of Congress to get rid eventually and entirely of the Indian here and there. For instance, in the Chippewa country there are about 12,000 Indians. They have something like \$5,000,000 on deposit paying 5 per cent interest.

There are many Indians on the road who are participants in this fund and who receive their share of interest in this fund and who are as competent, probably, as any man in the House, and he may live in Kansas City or New York. It is impossible under the present law to divide up the tribal property in such a way that the Indian can be paid off and get his money and be discharged as a ward of the Government. What this proposes to do is to fix it so that when the Indian wants to become a citizen he can have the value of the property in which he is a participant appraised, his share paid to him, and leave the tribe and become an American citizen. There is no law to-day which permits that to be done. I have been trying ever since I have been a member of the committee to get out from under Government control as many of these Indians as it is possible. It is the first real proposition of that character that we have had that will permit it to be done.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. SNYDER. I will.

Mr. WILLIAMSON. I think the first part of the bill is absolutely correct in principle; but there is one provision which will be found on top of page 3, lines 1 to 6, which I do not believe ought to be enacted into law. That is this:

That any Indian who may be paid the amount of his pro rata share of the tribal properties as herein provided shall thereafter have no further interest in or claim upon the tribal property or funds of the tribe of which he is a member, and be required to sign an agreement in writing to this effect, and shall be dropped from the rolls of said tribe.

Now, it seems to me that this provision is too broad. I think that all the Indians should be required to do is to release all claim to the particular property involved, but here you have a clause which compels him in order to take his pro rata share of the distribution to give up his claim upon the tribal property or funds of the tribes which may come into its possession in the future.

Mr. SNYDER. That is the point exactly, that the property of the tribes shall be assessed and divided into equal parts for these participants, and those who desire to become citizens shall take their proportion and get out of the tribe entirely for the present and the future.

Mr. WILLIAMSON. Let me say that at the present time there is pending in the Court of Claims, or will be in the near future, a suit involving the validity of the treaty by which the Indians conveyed the Black Hills, in South Dakota, to the United States Government. That suit will involve hundreds of millions of dollars. If a member of the Sioux Tribe of Indians in my State takes his share under this proposed law and signs an agreement, he will be cut out from receiving any benefit from this suit—

Mr. SNYDER. The gentleman overlooks the fact that there is no compulsion on the Indian. He does not have to take it; he comes of his own volition and requests to have his share paid to him.

Mr. WILLIAMSON. No matter how competent he may be, he must leave his pro rata share in the Federal Treasury, under the law, or forfeit all interest in the Black Hills claim. It is all right for him to sign away his interest in the property of the tribe appraised, but I do not think he ought to sign away his future rights, which are of a character that do not admit of appraisement.

Mr. LEATHERWOOD. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. LEATHERWOOD. I want to interpose a suggestion to the gentleman from South Dakota [Mr. WILLIAMSON] that no doubt the appraisers, if a suit was pending or about to be begun, as he suggests, would take that into consideration, and I doubt very seriously whether, under the provisions of this bill, a distribution could be made until some definite determination was made of the suit, and the gentleman will also observe that under the provisions of the bill the Indian is not required to accept settlement until fully satisfied, so that I see no possibility, if you take the act as a whole, of the Indian being injured in the least.

Mr. SNYDER. Of course, this section may not be perfect, but it is a move in the right direction. We find it very difficult to get Indians into the frame of mind where they want to become citizens. The quickest way to get them into that frame of mind is to show them some property of value that they can get by reason of becoming a citizen, and there is no reason why these funds should be kept from an individual who

has demonstrated his competency. If he has \$500 or \$1,000 or \$2,000 that might be his, if he be permitted to get it, he might be using it to the advantage of the country, whereas locked up as it is now, all he will ever get from it is a little annuity of \$15 or \$16 a year from the interest.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. ROACH. It has been suggested by the gentleman from Utah [Mr. LEATHERWOOD], I believe, that under the provisions of this section as written it would become the duty of the appraisers to appraise not only the tangible but the intangible property—in fact, all of the tribal property—including any suits that may be pending for their interests, but take it on page 3, line 5, and I do not believe there could be any objection to limiting that to the property actually appraised by the appraisers. That is the real spirit and intention of the law.

Mr. SNYDER. I would see no objection to that myself. To proceed where I left off with the Pueblo matter, I want to get before the House a little information in regard to that. A tremendous propaganda has been carried on throughout the country. There has been nothing like it in Indian affairs, so far as I know. I received, in three days, 250 telegrams stating that the senders were absolutely opposed to the so-called Bursum-Snyder bill and in favor of the Leatherwood-Jones bill. It is a fact, of course, that most of these people, perhaps 95 per cent of them, know absolutely nothing about the merits of those bills, but the consensus of opinion of those who do not know is that it is a measure to take something away from the Pueblo that he now has.

The facts are that there is no such intention upon the part of any bill. What the bill proposes to do is this: There is difficulty about the titles. Land has been squatted on, lands have passed to white people by deeds that have no color of title, and also by deeds that apparently have good title, and what we are proposing to do is to straighten the matter out, and if the Pueblo has had anything taken away from him, as a tribe, and they all operate as a tribe, it is the intention to pay that back to the Pueblos either in kind or in money value equal to that which was taken away from them in the beginning. That is all that any bill that I know of proposes to do, except that the Leatherwood bill proposes to start some new irrigation schemes out there. Yesterday the principal witness for the Pueblos was on the stand, and I put the question to him, "Can you point out anywhere in this bill bearing my name any section that proposes to take anything away from any Pueblo Indian that he now has?" and to that question nothing but an evasive answer could be obtained. Three times I put the question to him, and he was unable to show anything, and I am getting this into the Record now so that it can be clearly shown that in that bill there is nothing proposing to take anything away from the Pueblo that he now has.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. CHINDBLOM. Is not one of the most controverted questions whether the rights of these Pueblo Indians shall be determined by existing judicial machinery or by a new court that is proposed to be established?

Mr. SNYDER. That is one of the things that is proposed, but that is not the principal thing.

Mr. CHINDBLOM. May not that be a very important and a principal question?

Mr. SNYDER. That might easily be the foundation for the whole thing.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. CARTER. As the gentleman knows, I have been away and have just gotten back. I have not read the bill. The dangerous thing that I saw in one bill, I do not remember which it was—there has been so much propaganda about this that a man could not keep it all in his head—the one thing that seemed to me to be dangerous in one of the bills was that it made adverse possession of one day give a color of title. I understand that is eliminated from the gentleman's bill.

Mr. SNYDER. Yes.

Mr. CARTER. That was a dangerous thing, of course.

Mr. SNYDER. Of course I do not know what was in the Bursum bill. We never had that before our committee, but I do know that there was nothing in the bill that bore my name that would take a thing or an inch of property away from the Pueblos or anything of value that I know of that he now has.

Mr. CARTER. Of course, the gentleman is very familiar with the Pueblo people, because he made a trip among them. The lands that are valuable to the Pueblos are the lands adjacent to their little villages.

Mr. SNYDER. Yes.

Mr. CARTER. They live in villages, in houses something like apartment houses. They will not live any other place. Each village is a separate community, a separate tribe. The only land that is of real value to the Pueblo Indians is that land accessible to the village. Does the gentleman know whether any of these lands involved, and exchanges of land, would take away from the Indian the land near his village and give him lieu land too far away from his village to be of benefit?

Mr. SNYDER. It can not take away from the Indian anything that he now has; but the only question is about what he will get in lieu of what has been taken away from him, which has been taken away and which he can not get back—he gets everything back that he had before the last 40 or 50 years—and if he can not get back lands adjacent to his own lands of the type of which the gentleman speaks, or that might be fertile and used for agricultural purposes, he will be given the amount of money which would be the value of the land.

Mr. KNUTSON. Will the gentleman yield?

Mr. SNYDER. In just a moment. Of course, there is nothing in this bill that has to do with the Pueblo matter at all. That is a later consideration that will come up, perhaps, months from now; certainly it will not come up in a few days.

Mr. KNUTSON. I notice, on page 2, the last proviso, at the bottom of the page:

Provided, That the Secretary of the Interior may, in his discretion, decline to pay the pro rata share as herein stated if he should deem it not for the best interests of said Indian, notwithstanding the Indian may possess a certificate of competency or have received a patent in fee for his or her allotment.

I understand that section is objectionable, at least to a number of Indians in our part of the country where the tribal funds have not yet been distributed. Who is to determine the competency of the Indian? How is his competency determined in the first place?

Mr. SNYDER. I imagine that was inserted in the bill for the purpose of giving some right to say that the Indian who had been declared competent, who had made arrangements for the receipt of his money, if something happened between that time affecting his competency, he might decide not to give the money.

Mr. HUSTED. Will the gentleman yield?

Mr. SNYDER. I will.

Mr. HUSTED. The gentleman refers to what has been taken away from the Indian and speaks of giving something in lieu of what has been taken away. Do you mean lands taken away by court proceedings, ejectment suits, or matters of that kind?

Mr. SNYDER. No; what I meant was this: In the last three or four hundred years out in the Pueblo country, Indians who were members of the Pueblo have had assigned to them lands as a community assignment, who have perhaps traded for land with some other Indian, neither of them having any right to transfer the land. Later on the white man comes along, picks up whatever color of title the Indian had for transfer, and he gets the property and settles on it. Now, what we are trying to do is to determine whether to take the white man off the property and give it back to the Indian, or determine what that property is worth. We want to do justice to both the white man and Indian.

Mr. HUSTED. Does it also enter into determining the question of whether the Indian has the right to the land or the white man? I am trying to get the basis of the justice of giving the Indian something in place of what was taken from him. What is the real basis of it?

Mr. SNYDER. The basis of it is simply clearing up the title. There is a cloud apparently on the title. The whites have settled upon it. That was a right of occupancy within the Pueblo reservation. Now, much of that property, not much but a small per cent, has been taken over, parts of cities have been built on it, beautiful towns built on it of 1,500 to 2,000 people; but there is a cloud on that title, and these bills are for the purpose of trying to clear that up and give the Indian back, either in land or in money, the value of that which has been taken from him. Now, the people who have settled on it are being forced off by the Government itself in order to protect the rights of the Indians.

Mr. HUSTED. And in order to protect the people who have squatted on this property or obtained it in any legal way and have built upon it and improved it, you propose to give the Indians something in lieu thereof?

Mr. SNYDER. Certainly, that is what the intention is.

Mr. BURTNES. Will the gentleman yield?

Mr. SNYDER. I will.

Mr. BURTNES. I arose because of the inquiry made by the gentleman from Minnesota [Mr. KNUTSON] in reference to the last two lines on page 2, where the Secretary of the Interior has the privilege in his discretion not to pay to an

Indian his share even though the Indian has received a certificate of competency or patent in fee. I thought the inquiry of the gentleman from Minnesota was quite relevant, especially in the case of the Indians who have received certificates of competency, but as an excuse for retaining the language that is in the bill preventing the payment, in the discretion of the Secretary to those who have received patents in fee, I want to call the attention of the gentleman to the fact that among the Chippewas, with which he is familiar, all mixed bloods received patents in fee, and no one will contend that most of them were actually competent.

Mr. SNYDER. That is right.

Mr. CARTER. Not all of them; only certain bands.

Mr. SNYDER. He said most of them.

Mr. KNUTSON. Will the gentleman yield?

Mr. SNYDER. I do not want to yield further.

Mr. KNUTSON. Will the gentleman yield to me some time?

Mr. SNYDER. I will not object to the gentleman getting time under the five-minute debate.

Mr. KNUTSON. Will the gentleman yield me some time?

Mr. SNYDER. I will not object to you getting time under the five-minute debate.

Mr. KNUTSON. I do not think a bill of this importance should be brought in here without an opportunity to discuss it fully.

Mr. SNYDER. Mr. Chairman, in closing, I simply want to say again that every measure contained in this bill comes in here by the unanimous vote of the committee after careful and painstaking consideration, and while I expect that the committee will accept some amendments without much discussion, I most earnestly hope that in general the bill will be accepted by the House as it is before it now.

I yield back the balance of my time.

The CHAIRMAN. The gentleman from New York yields back three minutes remaining.

Mr. SWANK. Mr. Chairman, I yield five minutes to the gentleman from Oklahoma [Mr. CARTER].

The CHAIRMAN. The gentleman from Oklahoma is recognized for five minutes.

Mr. CARTER. Mr. Chairman and gentlemen of the committee, we had the opportunity of going very thoroughly into this Pueblo Indian land matter some two or three years ago on a committee of investigation which visited New Mexico, a committee of which the gentleman from New York [Mr. SNYDER] was chairman.

The situation, as I recall it, is about this: The Pueblo Indians hold their lands under a grant by the Spanish Government dating away back prior to the time that our Government got title to that part of the country. We acquired title by the treaty of Guadalupe Hidalgo, and under that treaty the rights of the Pueblo Indians were reserved and guaranteed to them. They proceeded along, living in their little towns and villages, as they do, with houses all built like apartment houses, one next to the other and over the other, none of them living in the country. Under that system they improved, by irrigation and otherwise, the lands adjacent to their little towns. By the cultivation of those lands they have been self-sustaining for generations.

The Federal Government has never done anything for them except to provide a few schools, and here and there an Indian agent to settle differences between them and the white people, and so forth.

Under this condition white settlers have gone in and purchased, not from the Pueblo, as the tribe is called, but from the individual Indian, his right, title, and interest to the land, the tribe having given no sanction to the purchase in many instances. So the white men moved in and took possession of certain tracts of these lands without valid title, as it appears to me. When the State of New Mexico was admitted into the Union they passed an adverse possession law, the time limit being, I believe, 10 years. But that has never been applied to these lands, because they were Indian lands.

The white men are on many tracts of those lands, have possession of them, and are getting the use of them. The Indian is getting nothing from them. Thus has sprung up what is claimed to be a color of title.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. HUDSPETH. As I understand, under the laws of New Mexico now, all lands of the Pueblo Indians must be conveyed by deeds signed by the governor of the tribe, so called, so that a sale of Indian lands by an individual would be void, would it not?

Mr. CARTER. That is my understanding. The sale of land by an individual would be void unless it is approved by the governor of the tribe.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. ROACH. It is my information, at least, that the reservation was made in the enabling act, when New Mexico assumed statehood, reserving jurisdiction and control of all these Indian lands in the Government.

Mr. CARTER. That is true. The individual Indian can not sell, because he has never been allotted. He has never had anything but a community interest. He has nothing to sell. There has been no partition of the lands at all. There can be no valid sale without the governor or cacique of the village approving it, and then I take it that the approval of the Secretary of the Interior would be necessary to complete title.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. HUSTED. The gentleman says, and no doubt properly, that the sales of these lands from individual Indians were such in nature and character that title never passed?

Mr. CARTER. Yes; that is my opinion.

Mr. HUSTED. They are now proposing to give these Indians lands held by white men the title to which you contend is bad?

Mr. CARTER. I stated the case. The gentleman can draw his own conclusion.

Mr. HUSTED. What I wanted to get up to was this: Is there any provision for validating the title to the land now held by the white men whose title, you say, is not good?

Mr. CARTER. I do not know, because I have not examined closely the bill of the gentleman from New York. But one of the bills that I did examine, as I recall now, made an adverse possession of one day give this color of title.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. CARTER. May I have three minutes more?

Mr. SWANK. I yield three minutes more to the gentleman.

Mr. CARTER. Of course, there has been an adverse possession of a good many tracts of one day that are not now in controversy, but they will be drawn into controversy hereafter.

Mr. BURTNES. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. BURTNES. I want to say that toward some of the bills that have been introduced I am not favorably disposed. I have not read all of them, but I think there are some that have not that provision. I hope the gentleman will read them before leaving that statement appear in the Record without qualification, because I know the gentleman always wants his facts correct.

Mr. CARTER. That was the impression I got from reading the section with reference to possession.

Mr. BURTNES. The most extreme provision in that regard is in a bill which might be construed as providing that possession for 10 years would give title. But that is the most extreme provision I have seen in any of the bills, and I have examined them quite carefully.

Mr. CARTER. When I began to get these telegrams and letters, such as many of you no doubt have received about this matter, I began to get the bills and get them together and examine them. As I recall, I found one bill that undertook to give this color of title by possession of one day.

Mr. GENSMAN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes.

Mr. GENSMAN. Did the gentleman get that impression from the bill, or did he get it from some of the telegrams and letters he received?

Mr. CARTER. Oh, the gentleman knows me well enough to know that when I say it was from a bill, it was a bill; and I do not take such impressions from propaganda.

Mr. GENSMAN. I think the gentleman is confusing it with something he heard.

Mr. ROACH. These bills that are being discussed have certain provisions with regard to obtaining title by lapse of time. Some of the bills require the possession to be under color of title, while others of the bills require no color of title, but only mere actual possession.

Mr. CARTER. I have only five minutes.

Mr. ROACH. I wanted to help the gentleman to that extent. Perhaps that is where the difference is.

Mr. CARTER. The question of adverse possession is, in my opinion, the essence of the thing. If you make the adverse possession reach back far enough, why certainly a man who has been on this land for 40 or 50 years in quiet and peaceful possession can be said to have some rights; but the man who has simply moved on there since this controversy started, as I understand many of them have, ought not to acquire such bene-

fits by reason of such uncertain occupancy. I would not have very much confidence in any rights that he claimed under adverse possession.

Mr. SNYDER. I will say to the gentleman that each one of these bills goes back to the enabling act of 1910 and then 20 years back of that.

Mr. CARTER. That would be 33 years.

Mr. SNYDER. It is 33 years now, but no one knows when the bill will pass, and it is until the passage of the bill.

Mr. CARTER. That would be 33 years ago now.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. McLAUGHLIN of Michigan having taken the chair, a message in writing from the President was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills and resolution of the following titles:

On January 24, 1923:

H. R. 13559. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1924, and for other purposes.

On January 25, 1923:

H. J. Res. 16. Joint resolution providing for pay to clerks to Members of Congress and Delegates.

On January 26, 1923:

H. J. Res. 261. Joint resolution for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

On January 31, 1923:

H. R. 11626. An act to extend the time for constructing a bridge across the Mississippi River at or near the city of Baton Rouge, La.;

H. R. 12777. An act granting the consent of Congress to the cities of Grand Forks, N. Dak., and East Grand Forks, Minn., or either of them, to construct, maintain, and operate a dam across the Red River of the North;

H. R. 13139. An act granting the consent of Congress to the Great Southern Lumber Co., a corporation of the State of Pennsylvania, doing business in the State of Mississippi, to construct a railroad bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 13195. An act granting the consent of Congress to the State highway commission of Missouri, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Francis River in the State of Missouri;

H. R. 13474. An act granting the consent of Congress to the county of Winnebago, the town of Rockford, and the city of Rockford, in said county, in the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Rock River;

H. R. 13493. An act to authorize the State road department of the State of Florida to construct, maintain, and operate a bridge across the Escambia River near Ferry Pass, Fla.; and

H. R. 13511. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

TRIBAL PROPERTY OF INDIANS.

The committee resumed its session.

Mr. SWANK. Mr. Chairman, I yield five minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I know that the Committee on Indian Affairs have given long study and conscientious thought to this measure, but there are certain provisions in the first and second sections of it to which the Chippewas of Minnesota take exception.

In line 19, page 2, the bill says:

Provided, That the Secretary of the Interior may, in his discretion, decline to pay the pro rata share as herein stated if he should deem it not for the best interests of said Indian, notwithstanding the Indian may possess a certificate of competency or have received a patent in fee for his or her allotment.

It seems to me that this provision confers arbitrary powers upon the Secretary of the Interior. This is of great importance to the Chippewas of Minnesota. It seems to me that in its present form the bill confers altogether too much arbitrary power upon the Secretary of the Interior.

Mr. SNYDER. I know that a good many people are afraid of that, but in my eight years' experience with the committee I have never seen the time when the Secretary of the Interior has used bad discretion in determining these matters. Unless there is some such provision as this, here is what will happen: Some of these Indians were declared competent many years ago, and some of them have become incompetent since these certificates

were issued. The gentleman knows that some lawyer might easily prevail upon one of these Indians to ask for a division of his property, and although once declared competent he might now be absolutely incompetent, and in such a case as that some one ought to have discretion to determine the question.

Mr. KNUTSON. From the gentleman's point of view that may be all right.

Mr. CARTER. Let me cite a case to the gentleman. Suppose that an Indian has had his restrictions removed and has received a fee patent to his land. He proposes to dispose of his property. Since that time he has become an habitual drunkard or gambler. I think that in such a case the Secretary ought to have the right to say that his money shall not all be paid to him at one time, but paid to him in installments, in order that he may subsist. And there might be other cases.

Mr. KNUTSON. I presume that primarily the matter will be referred to the local Indian agent, and the agent might have a grudge against a certain Indian and he might refuse to recommend the claimant.

Mr. SNYDER. Will the gentleman yield?

Mr. KNUTSON. I am glad to yield to the gentleman, but I have only five minutes.

Mr. SNYDER. I will see that the gentleman gets five minutes more.

Mr. KNUTSON. I yield to the gentleman.

Mr. SNYDER. The gentleman knows that it is impossible to enact any general law that will cover every individual case.

Mr. KNUTSON. I realize that, and I want to commend the committee for trying to throw proper safeguards around incompetent Indians. I am not criticizing the committee.

Mr. BURTNESS. Does the gentleman contend that all the Chippewas of Minnesota who have received patents in fee to their allotments are really competent?

Mr. KNUTSON. I do not like to pose as a competency court. I can not answer that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. I ask unanimous consent that the gentleman have five minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman be extended five minutes. Is there objection?

There was no objection.

Mr. BURTNESS. I want to call attention to the fact that if the gentleman's desire should be acceded to it would also prevent the Secretary of the Interior from refusing to pay the share to a person who has received a patent in fee for his allotment, and the gentleman will recall that the mixed bloods, regardless of whether they have received certificates of competency or not, have received patents in fee.

Mr. KNUTSON. Of course, all the mixed bloods would come under my provision.

Mr. BURTNESS. If you eliminate this provision, all the mixed bloods who received patents in fee could demand their share of the fund, regardless of whether they are competent or not.

Mr. KNUTSON. Does not the gentleman think there should be some sort of judicial determination to determine a person's competency? It seems to me you are giving too much power to the Secretary of the Interior. It is a serious matter to declare a man incompetent. As I understand it, this is a measure to release as many Indians as possible from the jurisdiction of the Indian Bureau and enable the Indian Bureau to cut the Indians loose and let them shift for themselves.

Mr. BURTNESS. I would have no particular quarrel with the gentleman's proposition if he would limit it to those Indians who have actually received certificates of competency.

Mr. KNUTSON. I would be willing to accept such an amendment, but I think this is altogether too drastic.

Mr. ROACH. Will the gentleman yield?

Mr. KNUTSON. Most of my time has been taken up by others, but I will yield to my friend from Missouri.

Mr. ROACH. I want to state to the gentleman that there are certain Indians who, although technically competent, it would be to their disadvantage to pay them their share of the fund; it would amount to almost a crime to pay the money over to them. There must be some discretion somewhere.

Mr. KNUTSON. Well, let us have the bill amended so that the payments shall be made only to those who have received a patent in fee.

Now, on page 3, at the top of the page, it provides—

That any Indian who may be paid the amount of his pro rata share of the tribal properties as herein provided shall thereafter have no

further interest in or claim upon the tribal property or funds of the tribe of which he is a member, and be required to sign an agreement in writing to this effect, and shall be dropped from the rolls of said tribe.

Now, take the Chippewas in Minnesota. They have great wealth. Under the Cass Lake Forest Reserve act there is a claim for reimbursement for lands taken that amounts to more than \$1,000,000. Would you expect our Indians to sign a quitclaim giving up that money which may come into the tribal fund thereafter?

Mr. BURTNESS. Could not the value of that claim be appraised as well as any other claim or property?

Mr. HAYDEN. The gentleman does not want the Indian to have his cake and also eat it?

Mr. KNUTSON. No; but I do not think he should be compelled to sign a relinquishment until he has received the last cent to which he is entitled. It seems to me there is opportunity here for fraud.

Mr. BURTNESS. If I get the gentleman's contention, his position is that if he had an interest in a quarter section of land and he gave a quitclaim deed for it, he would want to reserve to himself the right that whenever that quarter section of land became more valuable that he should receive his share in that increased value.

Mr. KNUTSON. Oh, no; I do not want any such thing. The gentleman is distorting and twisting my language. But suppose some Chippewa receives his share of the tribal funds this spring, will he have an interest in the money that comes into the tribal fund later?

Mr. BURTNESS. They could get their proportion of the value of all the property that belongs to the tribe, and that would include every claim that they may have against the Government.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate numbered 8, 16, 29, 30, 31, 32, and 33 to the bill (H. R. 13696) making appropriations for the Executive Office and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes.

That the Senate had further insisted upon its amendments numbered 10 and 25 to said bill disagreed to by the House of Representatives and had requested a further conference with the House of Representatives on the disagreeing votes of the two Houses thereon and had appointed Mr. WARREN, Mr. SMOOT, and Mr. HARRIS as the conferees on the part of the Senate.

TRIBAL PROPERTY OF INDIANS.

The committee resumed its session.

Mr. SWANK. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. LINEBERGER].

Mr. LINEBERGER. Mr. Chairman, in my time I ask to have read an excerpt from a letter which I have sent to the Clerk's desk.

The Clerk read as follows:

[Extract from recent letter of French soldier to a friend in America who was in the Army with him.]

Everything is going wrong just now, my dear —, and we have numerous causes for worry—worries in the family; worries in that great family, the country. We are disgusted at the difficult position in which certain of our allies have placed us. We are obliged to go to Essen and Bochum, not to get our money but the coal for which we must pay in pounds sterling. We are again going to be accused of imperialism by certain probes, and yet look at the situation created for victorious France as compared to defeated Germany:

FRANCE.	GERMANY.
Two-thirds of her industries destroyed.	Industry intact.
Industrial production reduced to one-half.	Intense industrial activity due to the depreciation of the mark.
Wealth reduced to nothing.	Wealth intact in dollars and pounds sterling abroad.
Debts owed to foreign countries which she wishes to pay, etc.	Payments for devastations, murders, etc., which she will not make.

RESULT OF THE WAR.

France goes to her ruin if she does not make the boches pay, for our allies annoy us, not having suffered as we have suffered—2,000,000 killed—Frenchmen, and not Australians or Canadians—and having preserved their means of production they seek purely and simply the sale of their products.

Power in certain countries with whom we were till now united in an "entente cordiale" is held by the class of international financiers who only pursue a policy of frightful selfishness. They play with

petroleum and destroy without scruple the miners of their country. They speculate on the exchange to the detriment of their industrial production—for the rise of the pound sterling does not facilitate the export trade of Manchester, Sheffield, etc. Finally, they squarely give their hand to the boches, hoping that by what is practically a cancellation of reparations, thanks to the famous moratorium, first proposed by some financiers of your country, the value of the mark which they are guarding can be restored!

We look on whilst all this is done—all this bargaining—with our souls full of trouble and distress, and we can not but approve of Poincaré's policy of firmness. We believe here that Clemenceau, Wilson, and Lloyd-George were idealists whose advent was inauspicious for the whole world. When one has an abscess, one cuts it. That is all—that is what should have been done. In short, let us leave matters to those who are now in Essen and Bochum and we shall see what will happen.

Mr. LINEBERGER. Mr. Chairman and gentlemen of the House, I have simply had this excerpt of a letter from a French soldier, which you have just heard, read into the RECORD as something of a supplement to the views which I sought to present on the floor of this House day before yesterday. I recognize the fact that there are gentlemen in this country, and perhaps on the floor of this House, which the CONGRESSIONAL RECORD of April 5, 1917, will show not to have been in accord with the great idea which moved this great Nation of ours to enter into the war to save civilization, and which did save civilization. They were against our entering the war, and, quite consistently, voted against the declaration of war against the Imperial German Government. I recognize the fact that those of us who had the high privilege of serving in that war do not owe that privilege to the votes of these gentlemen. It was only natural to expect that they would not avail themselves of the privilege to fight which they denied to others, and, with one or two notable exceptions, this was true. It is perfectly consistent for these gentlemen to now oppose the position I have taken in pleading the cause of France, and I have no doubt that such opposition as my views may receive here will largely come from that element on the floor of this House. These gentlemen are at least consistent, although I am sorry to say they are as ill-advised now as then and, incidentally, as much in the minority. [Applause.]

Mr. SWANK. Mr. Chairman, I yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, my attention has been brought to a letter which is said to have been issued confidentially to the sheriffs and peace officers in general throughout the State of Oregon by Lieut. W. D. Long, who purports to be the Army intelligence officer at Vancouver Barracks. The letter is as follows:

(Confidential copy.)

HEADQUARTERS VANCOUVER BARRACKS, WASH.,
OFFICE OF THE INTELLIGENCE OFFICER,
October 16, 1922.

DEAR SIR: The intelligence service of the Army has for its primary purpose the surveillance of all organizations or elements hostile or potentially hostile to the Government of this country, or who seek to overthrow the Government by violence.

Among organizations falling under the above head are radical groups, as the I. W. W., World War Veterans, Union of Russian Workers, Communist Party, Communist Labor Party, One Big Union, Workers International Industrial Union, Anarchists and Bolsheviks, and such semi-radical organizations as the Socialists, Nonpartisan League, Big Four Brotherhoods, and American Federation of Labor.

Not only are we interested in these organizations because they have as their object the overthrow of the Government but also because they attempt to undermine and subvert the loyalty of our soldiers.

With the few scattered military posts in this part of the country, it is obviously impossible to cover all points as thoroughly as they should be, hence it is necessary in many cases to trust to the cooperation of law-enforcement officers whose duties and whose knowledge of a particular locality give them a thorough insight into such matters.

It is requested that you inform this office as to any of the aforementioned or other radical organizations coming to your attention under such headings as (a) location of headquarters, (b) names of leaders, (c) strength of organization, (d) activities of the organization, (e) strikes and methods of carrying on same, and (f) attitude of members. We will be glad to receive copies of pamphlets, handbills, or other radical propaganda spread in your vicinity.

If from time to time you will keep me posted as to conditions in your vicinity, such cooperation on the part of yourself and your subordinates as the press of your duties permits will be greatly appreciated.

Sincerely,

W. D. Long,
First Lieutenant, Seventh United States Infantry,
Intelligence Officer.

Mr. Chairman, I imagine that few Members who voted for the Army appropriation bill had any idea that we were supporting a Government service which was intended to have activities of the scope indicated by this letter. Those Members of Congress who favor such activity hold to the idea, I believe, that they should be carried on by the Department of Justice. Some of us do not believe that the Federal Government should meddle with these matters except only with such organizations as might actively be engaged in plotting against the Government. It is incredible that it should be

conceived that any branch of the Government should have felt authorized to hold under surveillance a group of veterans or the labor groups such as the Big Four brotherhoods and the American Federation of Labor. Still more outrageous is it that lawful and purely political activities of minority political parties such as the Nonpartisan League or the Socialists, an honored member of which we have in this House, should be spied upon. To my mind this incident merely indicates what we pacifists have always said about the military mind. It conceives of the military as the sole protector of the Nation and as the guardian of all of the people in their civil as well as other rights. It seems to feel itself absolutely supreme and that the people exist merely to furnish military supplies and the necessary "cannon fodder." It is the self-elected arbiter and guardian not only of our rights but of our political activities, our economic life, our health, and our spiritual condition. I presume that we should be thankful that Congress itself is not under military surveillance and that memberships in its committees has not been proscribed by a military satrapy. That, however, will come, no doubt, in due time.

Mr. SWANK. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. SNYDER. Mr. Chairman, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, there is no Member of the House more able, more intelligent, or more gifted than the distinguished gentleman from Alabama [Mr. HUDDLESTON]. All of us admire his intellect. I have no crow to pick with him for the speeches he makes on the floor along this line. That is his right and privilege. It is my right and privilege to oppose such speeches. Though I admire him, I can not agree with him. However, I want to say that if I were the Secretary of War of this great Nation I would not stop until I had promoted that intelligence officer—that young lieutenant out in the Northwest who guards our country against communists who conspire to overthrow our Government—to a brigadier generalship. That is what that patriotic young lieutenant deserves.

What are the present conditions out in the Northwest? That territory politically has ceased to be Republican or Democratic. When a man runs for office now in the great Northwest he runs either as a radical or as a conservative. I am not for radicalism in this country. I am for 100 per cent Americanism. If there is any one organization in the world that has demonstrated that it is against all government, it is the I. W. W. It and communism stand for anarchy and against orderly government.

Why should not this intelligence officer watch them in the Northwest when he sees there is a tendency to undermine the Government? He is a lieutenant in our Army. His oath requires him to protect his country against domestic enemies. If there has been any one thing demonstrated in this country to a mathematical certainty and beyond doubt, it is that such organizations as the I. W. W.'s and communists are dangerous domestic enemies and daily seek to undermine our great Government. Why should not the intelligence officer, this splendid young Army lieutenant out in the Northwest, watch them? I am behind him as one Representative of this Government. It is all right for our distinguished friend from New York [Mr. LONDON] to be a Socialist if he wants to. I do not agree with him or his doctrines, though I admire him personally. I have just as much friendship for him personally as any other man in this House has for him. There is no greater student in this country and no man more sincere than he, and if all of the socialists in the world were like MEYER LONDON there would not be much danger from them, because all of his danger is in his remarks here. He does not do any harm otherwise, but the time has come in this country when not only the soldiery but the Members of Congress should demand absolute loyalty in America to American principles and good government.

Mr. MACLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes; I yield to the distinguished gentleman from California.

Mr. MACLAFFERTY. Does the gentleman know that in the State of California, a part of which I have the honor to represent, it is a felony to belong to the I. W. W., and that some 10 or 12 people were put into the State penitentiary in the last two weeks because it was proven that they did?

Mr. BLANTON. That is because I. W. W.'s are anarchists and do not believe in orderly government. It ought to be a felony in every State in the Union to belong to an organization that is against orderly government, that preaches and practices anarchy, and is against law and order. It ought to be a felony in every State of the Union.

I wish the distinguished gentleman from Alabama [Mr. HUDDLESTON] would see fit not to make these speeches. He has a perfect right to do it, however, just as I have a right to answer him. If he would only put the great talent which the good Lord has so bountifully given him and the splendid oratorical powers he possesses behind the purpose of that young lieutenant to wipe out of existence throughout this land all question of Communism and I. W. Wism and everything but strictly 100 per cent Americanism, he would be one of the greatest men in the United States.

Mr. LINEBERGER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LINEBERGER. The gentleman certainly does not include the American Federation of Labor and the Big Four Brotherhood in the category of organizations that he has been discussing? They were mentioned in that letter.

Mr. BLANTON. The American Federation of Labor has within its 4,000,000 and odd membership some of the best men in the United States.

Mr. LINEBERGER. And patriotic men.

Mr. BLANTON. Yes, and many of them are patriotic men, that is true. And so with the Big Four Brotherhood. Many of their affiliated members are some of the best men in the whole United States. Many of them are patriotic absolutely. But what has brought a cloud upon the great American Federation of Labor and upon the four great brotherhoods is the fact that they have harbored, defended, and protected some members who have committed dastardly crimes against organized society and our Government, and they have permitted to affiliate with them and their organizations some of the worst thugs and anarchists in our Nation. This is what has brought them into disrepute.

Let us consider the late nation-wide shopmen's strike.

Here are the facts: These 400,000 striking shopmen voluntarily quit their jobs. In doing so they violated the decision of the Railroad Labor Board, which, at great expense to the people our Government created and maintains for their special benefit, and upon which they have equal representation of their own selection. They announced July 1, 1922, that they would not work themselves or permit any American to work in the places they discarded. They unlawfully entered into a conspiracy to force compliance with their demands by inaugurating a reign of terror and tying up every industry in the Nation. They openly threatened, intimidated, unmercifully beat, tarred and feathered, and even murdered Americans who were employed to work in the places they had abandoned. They shot into, burned, and dynamited homes of workers. They committed sabotage in the most dastardly forms. They burned and dynamited railroad bridges and other valuable property. They wrecked trains by drawing spikes from rails and placing obstructions on tracks. They ruined machinery, numerous locomotives, and other rolling stock. They delayed every train in the United States. They forced railroads to employ armies of guards with day and night shifts to protect property and workers, which expense the people pay. They forced each State to employ additional constabulary to protect life and property, which expense the people pay. They forced the Government to appoint an army of extra deputy United States marshals to uphold the law, which expense the people pay. The Post Office Department reports that 1,259 mail trains have been annulled, their crews idling. Many stockmen were ruined, unable to ship conditioned live stock to market at the critical period. Many farmers lost their year's labor by crops rotting for want of shipment. Food prices soared, affecting every family. Coal commands double price, with poor families unable to obtain it. Business stagnated, throwing millions out of jobs, until on August 18, 1922, in his address to Congress, President Harding said:

Deserted transcontinental trains in the desert regions of the Southwest have revealed the cruelty and contempt for law on the part of some railway employees who have conspired to paralyze transportation, and lawlessness and violence in a hundred places have revealed the failure of striking unions to hold their forces to law observance. Men who refused to strike and who have braved insult and assault and risked their lives to serve a public need have been cruelly attacked and wounded or killed. Men seeking work and guards attempting to protect lives and property, even officers of the Federal Government, have been assaulted, humiliated, and hindered in their duties. Strikers have armed themselves and gathered in mobs about railroad shops to offer armed violence to any man attempting to go to work. There is a state of lawlessness shocking to every conception of American law and order and violating the cherished guaranties of American freedom.

At great expense to the people, the Attorney General of the United States finally appealed to the court and obtained an injunction to stop this anarchy. Unions immediately crucified

him and demanded his impeachment and expulsion from office. The railway executives announced August 1, 1922, that—

to disregard the rights of their faithful employees who remained at work and refused to strike, and the Americans who risked their lives in accepting the jobs and working during the strike, by taking the strikers back with full seniority restored, would do violence to every principle of right and justice and would constitute the grossest breach of faith on the part of the railroads to their present workers.

The representatives of the Federated Shop Crafts heralded to their members that they had forced 76 railroads to their terms and would not stop until they had forced all others to terms.

The Attorney General was right when he said that whenever labor unions seriously menaced the destruction of this Government it would destroy them. This Government must remain supreme. All workers, including Congressmen, must be made to understand that they have a right to their job only so long as they fill it satisfactorily to their employer, and that when they voluntarily quit their job another laborer has the lawful right to fill it unmolested. This anarchy of union terrorism must cease.

I am not an enemy to union labor. It has no better friend. I am constantly seeking to save it from destruction. I have fought only the anarchy and disregard of law in unions. Only the open shop will save unions. Without it they are doomed. The people are waking up. The great majority of union laborers are honest, law-abiding, upright men, who do not approve of the lawlessness in their unions, but they have no voice and are powerless to stop it. Their leaders call me the unions' worst enemy, yet many union members support me. To prove this I call your attention to the vote in my district in the last general election, November 7, 1922, for United States Senator and Congressman:

County.	For Senator—		For Congressman—	
	Earl B. Mayfield.	George Paddy.	Thomas L. Blanton.	W. D. Girard.
Brown.....	1,097	908	1,797	172
Burnet.....	687	301	814	126
Callahan.....	623	350	812	90
Coleman.....	1,193	783	1,807	126
Comanche.....	1,188	995	1,819	201
Concho.....	275	230	471	3
Eastland.....	2,348	1,441	3,233	385
Jones.....	1,382	520	1,702	115
Lampasas.....	628	328	804	110
Llano.....	358	207	527	69
McCulloch.....	721	244	872	60
Mills.....	561	439	820	129
Nolan.....	839	323	1,043	55
Palo Pinto.....	1,685	556	2,077	91
Runnels.....	1,174	854	1,612	314
San Saba.....	482	402	858	58
Shackelford.....	283	398	710	21
Stephens.....	731	471	1,069	91
Taylor.....	1,875	405	2,139	143
Total.....	18,135	10,215	24,985	2,353

You will see from the above that I am not deemed their enemy by so very many union laborers in my district, for there are quite a number of union laborers in every county in my district. I am known as the uncompromising enemy of radicalism, yet the above tabulation proves that in supporting me the best element of union laborers are likewise against this lawlessness. They permitted me to receive 6,851 more votes than the Democratic nominee for United States Senator received in my district; he having the indorsement of organized labor in the State; and I was permitted to receive 648 votes more than the popular Democratic nominee for Governor of Texas received in my district in a reelection for his second term. And, concerning my district, on September 5, 1922, the Houston Daily Post editorially said:

The seventeenth district has the largest percentage of white population of any Texas district and the smallest per cent of illiteracy. Its voters are therefore intelligent and able to appraise issues.

I mention the above to show you that the people, including the best element of union laborers, will support any man who stands for law and order.

Neither Mr. Samuel Gompers, president of the American Federation of Labor, nor any other officers of that organization, and neither has any officer of the four great brotherhoods condemned the men who committed wholesale murder in the Herrin massacre, nor have any of them ever demanded an investigation to determine who were the murderers or taken any steps whatever in their organizations to identify and punish the men who committed these crimes. But, on the other hand, Mr. Gompers has stood behind many noted anarchists and raised

large funds of money to defend them, such noted bomb-throwing anarchists as the MacNamara brothers, Thomas Mooney, and others.

When unions would not permit the little railroad to run down in Arkansas and the good people there stood it for months and watched bridges burn and property destroyed, they were incensed into taking the law into their own hands and committed violence.

Concerning this violence, Mr. Gompers is quoted as follows:

The facts of mob violence or usurpation of municipal authority, of murder, of intimidation are matters of open record. Properly constituted government in the State of Arkansas can vindicate itself only by a speedy determination of responsibility and an adequate and quickly determinate punishment for those guilty of one of the worst atrocities of our time. Where there is so much enmity against labor, surely it is only fair to insist that duly constituted authority take charge and perform its duty in a situation such as this.

But was Mr. Gompers consistent? Why did he not make such a protest concerning the massacre at Herrin, Ill., which was just the other side of the same question?

It is very likely because of all of these facts fresh in the minds of patriotic American citizens, may I say to the gentleman from California, is why this young lieutenant in our Army service out in the great Northwest may have inadvertently included the American Federation of Labor and the railroad brotherhoods along with other organizations he thought it well to watch. He was thinking of their leaders, not of all of their men. He was thinking of the Herrin massacre possibly.

Mr. LINEBERGER. Is it not a fact that the courts at Herrin acquitted these men there?

Mr. BLANTON. Oh, I have seen how some men are acquitted in courthouses.

Mr. LINEBERGER. The gentleman from Illinois [Mr. DENISON] explained that situation very clearly here on the floor of the House.

Mr. BLANTON. Yes. They were acquitted, but men were murdered there, were they not? There were men murdered at Herrin, there were men stripped of their clothing and tied with ropes behind a high-powered automobile and dragged over the ground at the rate of 40 miles an hour, and then, with their flesh torn and bleeding, with stones in their flesh, when tied in the hot sun they dying begged for water, they were told, "I would see you in hell first before I would give you a drop of water."

Mr. SWANK. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LONDON.]

Mr. LONDON. Mr. Chairman, I rise not to reply to the gentleman from Texas [Mr. BLANTON]. I can not get myself to take him seriously. In his enmity toward organized labor, in his hostility toward every effort of the man at the bottom of society to improve his condition, he becomes absolutely irrational.

I have never heard him deliver a logical or intelligent talk whenever he referred to the labor question. [Laughter.] And since he speaks on the labor question frequently I have great doubt as to his rationality in general. [Laughter.] I am afraid that the young lieutenant of whom he speaks in laudatory terms will commit suicide to-day, and I should hate to have that happen. To be praised by BLANTON, of Texas, what greater calamity can befall a man. [Laughter.] I want that what I am saying should be taken good naturedly. I do not speak in any spirit of bitterness. I have no personal animosity toward any Member of the House. The gentleman from Texas fails to understand that the complaint of the gentleman from Alabama is that a military officer should undertake to control the political activities and economic theories of his fellow citizens. Have we come to this, that a semi-ignorant or ignorant officer of the Army should assume to supervise the political, social, and economic theories of his countrymen? Has the war driven you that mad?

Mr. HUDDLESTON. Will the gentleman yield?

Mr. LONDON. I will.

Mr. HUDDLESTON. Without intending to praise the gentleman from New York, I realize he is a man of ability, and, of course, he understands that such an encroachment upon civil life as is represented by this activity of an Army officer at Vancouver Barracks is more dangerous than all the I. W. W.'s in America put together and is altogether un-American.

Mr. LONDON. That undermines the very basis of democracy. The difficulty is that some people talk about democracy without understanding the elements of it. While the gentleman from Texas talks democracy he votes for a Republican tariff on pigs or on cattle. I do not know whether he is a bovine Republican or an assinine Democrat. [Laughter.] When he talks about Samuel Gompers and organized labor he fails to

realize that there is no democracy unless it comes as a result of a struggle from the bottom up, and that is the struggle of organized labor.

Mr. KEARNS. Will the gentleman yield?

Mr. LONDON. I will.

Mr. KEARNS. I did not hear the speech of the gentleman from Alabama and only a part of the speech of the gentleman from Texas. If there has been murder committed there at Herrin, would the gentleman think the murderers ought to be punished?

Mr. LONDON. Why, does the gentleman know of any man who justifies murder?

Mr. KEARNS. I am asking the gentleman.

Mr. LONDON. Does the gentleman know of any man in the United States who justifies murder?

Mr. KEARNS. Does the gentleman think the murderers at Herrin ought to be punished?

Mr. LONDON. Why, the murderers at Herrin ought to be punished and the burners of men in Texas ought to be punished. The murderers in Arkansas ought to be punished. I am less interested in punishing the poor devil than I am in making it impossible to permit the repetition of the outrage. When he encourages a military officer in acting as a spy upon his fellow citizens, he encourages the doing of a dastardly deed. Nobody can respect a spy. A real soldier is the man who is called upon by his country to be the first to expose his breast to danger. He is to be always a defender, he is always subordinate to civil authority in a democracy, and he should never attempt to dictate to the community what it should think or do.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. LONDON. I will.

Mr. BLANTON. The gentleman took the same oath of office, as a soldier, to defend the country against domestic as well as foreign enemies?

Mr. LONDON. That is why I defend the country against foreign enemies as well as against a bourbon Democrat from Texas. [Laughter.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWANK. Mr. Chairman, as the chairman of the committee [Mr. SNYDER] said awhile ago, there was no dissension among the members of the committee on this bill so far as I know except section 13. An amendment will be offered to cure that objection, and therefore the time that was requested will not be used, and I have no request for further time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to cause an appraisement to be made to determine the total value of all the lands, timber, money, and other property belonging to any tribe of Indians, other than the Five Civilized Tribes and the Osage Tribe in Oklahoma.

That the Secretary of the Interior shall appoint three appraisers, one of whom shall be an employee of the Interior Department, one a member of the tribe whose property is to be appraised, and one a resident of the State wherein the Indians reside, and he shall fix their compensation, which shall not exceed \$10 per day. The compensation of the appraisers and expense of making the appraisement shall be paid out of the funds belonging to the tribe whose property is appraised.

That when the appraisement is made as provided herein and approved by the Secretary of the Interior he shall then be authorized to determine and fix what, in his opinion, would be the reasonable cash value of a pro rata share of the said tribal property of any enrolled member of the tribe. When the reasonable cash value of a pro rata share of the tribal property is determined, the Secretary of the Interior is authorized, in his discretion, to pay same out of the tribal funds belonging to said Indians to any enrolled member of such tribe who has received a certificate of competency or a patent in fee for an allotment upon the written request and application of such Indian: *Provided*, That the Secretary of the Interior may, in his discretion, decline to pay the pro rata share as herein stated if he should deem it not for the best interests of said Indians, notwithstanding the Indian may possess a certificate of competency or have received a patent in fee for his or her allotment.

That any Indian who may be paid the amount of his pro rata share of the tribal properties as herein provided shall thereafter have no further interest in or claim upon the tribal property or funds of the tribe of which he is a member, and be required to sign an agreement in writing to this effect, and shall be dropped from the rolls of said tribe.

That any moneys paid to any Indian as herein provided shall be exempt and not liable to the satisfaction of any debt contracted prior to said payment.

That the Secretary of the Interior is hereby authorized to make any and all needful rules and regulations for carrying into effect the provisions of this act.

Mr. CLAGUE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CLAGUE: On page 1, line 8, after the word "Oklahoma," strike out the period and insert the following words: "to-wit, to the Pueblo Indian Tribe."

Mr. CLAGUE. Mr. Chairman, that amendment excepts the Pueblo Tribe.

Mr. CARTER. We have no objection to that.

The question was taken, and the amendment was agreed to.

Mr. ROACH. Mr. Chairman, I rise in opposition to the amendment. I want to inquire of the gentleman from New York: As I understand the situation, this does not apply to the Pueblo Indians?

Mr. SNYDER. It does not in any way.

Mr. ROACH. Why should we except the Pueblos by an amendment and make this in terms not to apply to the Pueblo Tribe when it is not applicable to their property at all? The provisions of the section are not applicable to them, and it would be a perversity of the facts in the present case with respect to titles to make this bill apply to them.

Mr. SNYDER. The only reason why I made the statement I did was that the bill applies in no way to the Pueblo matter anyhow, and simply adding the words that it shall not apply to them would neither add to nor take from. The bill in no sense applies to the Pueblos in any way.

Mr. CLAGUE. I think it does. This is a later provision. It would not hurt it in any event.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. ROACH. Yes.

Mr. BURTNESS. I think the only difficulty in connection with this matter is this, that the gentleman from Minnesota [Mr. CLAGUE] erroneously assumes that the Pueblos, as a tribe, own any property. Naturally he does not know the fact that the Pueblos are simply private corporations, consisting of Indians within the State of New Mexico, and that only such corporations as such own the title to property. There is no such thing as the Pueblo Tribe within the sense of this bill, and, of course, it would be absolutely ridiculous to place the tribe under the provisions of this bill. Although the addition of the words could possibly do no harm, it would make it ridiculous.

Mr. ROACH. It would appear to be ridiculous to include a tribe like this.

Mr. SNYDER. The only idea I had was that it would do no harm to accept it.

Mr. HAYDEN. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the amendment will again be reported.

The amendment was again read.

Mr. HAYDEN. Mr. Chairman, I do not believe there is such a thing in law as the Pueblo Indian Tribe. There are the Pueblo Indians of New Mexico, but there is no tribal organization that comprises all the Pueblos in New Mexico. The amendment should read "or to the Pueblo Indians of New Mexico."

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. Yes.

Mr. ROACH. There is no intention or purpose under this bill to attempt to appraise the property of the tribe.

Mr. HAYDEN. If there were there is no Pueblo tribal fund out of which any individual Pueblo Indian could get his share.

Mr. ROACH. I make the exception that they are not included under the provisions of the bill.

Mr. HAYDEN. We all agree that the Pueblos occupy a different status from that of other Indians in the United States; that is, they trace the title to their lands back to the Government of Spain.

Mr. ROACH. This relates only to the tribes of Indians that have tribal property.

Mr. HAYDEN. Mr. Chairman, I move to amend the amendment so that it will read "or to the Pueblo Indians of New Mexico."

Mr. CLAGUE. I accept that amendment.

The CHAIRMAN. The Clerk will report the substitute offered by the gentleman from Arizona.

The Clerk read as follows:

Substitute offered by Mr. HAYDEN for the amendment offered by Mr. CLAGUE: Page 1, line 8, after the word "Oklahoma," insert the words "or to the Pueblo Indians of New Mexico."

Mr. SNYDER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. SNYDER. Mr. Chairman, there is absolutely nothing in this bill that will apply to the Pueblo Indian question that is covering the country at the present time in the form of propaganda and otherwise. The reason why I said I would be willing to accept the motion of the gentleman from Minnesota [Mr. CLAGUE] is that I think it would add nothing and would subtract nothing from the bill. But since I have listened to my colleague from Missouri [Mr. ROACH], I think, also, that it

would be ridiculous, and would neither add to nor detract from the bill, and therefore I am opposed to both of the amendments.

Mr. BURTNESS. Mr. Chairman, the main problem here is not a difference in opinion but rather to try to keep this legislation in such shape so that it will appear to be sensible legislation. The members of the committee will readily notice that the appraisement provided for in section 1 relates to property that belongs to "any tribe of Indians," with certain exceptions.

Now, I am firmly convinced that no friend of the Pueblo Indians, or the Pueblos themselves, want Congress by a solemn legislative act to declare, even if it is only by implication, that the different Pueblos in the State of New Mexico constitute a tribe of Indians as such. It is entirely contrary to the facts, and there can therefore be no justification for including the proposed language in this bill. They are not tribes. The legislation can not possibly apply to them, and if we insert reference to them as exceptions following the Five Civilized Tribes and the Osage Tribe in this legislation, we are by implication proceeding upon the theory that the Pueblos come within the same general laws pertaining to Indian affairs as the ordinary Indian tribes do, when as a matter of fact they have not hitherto been regarded as such, and they are not regarded as such to-day. The Bureau of Indian Affairs has never exercised jurisdiction over them. It has never made any attempt to control their property, the disposition thereof, or anything of that sort. Each of these Pueblos is incorporated as such under the laws of the State of New Mexico, and each one of these corporations has the power to deal with its property as the members thereof see fit, as corporate acts, just as valid and proper as the acts of any private corporation. For that reason I think the amendment ought to be rejected.

Mr. CARTER. I think the gentleman is mistaken in one of his statements. I doubt if the Pueblos can dispose of their property as they see fit, or dispose of their property at all without the consent of the governor and the Secretary of the Interior.

Mr. BURTNESS. The Secretary of the Interior has not at any time attempted to control the disposition of the property of the Pueblos, as such. Of course they, the Pueblo Indians as individuals, have no property, for these separate Pueblos as corporations own the property.

Mr. CARTER. The Secretary of the Interior has never undertaken to deal with them, because they have never undertaken to sell property as a community.

Mr. BURTNESS. Oh, yes; they have sold property time and time again.

Mr. CARTER. You mean the regularly constituted authorities of the community have sold property?

Mr. BURTNESS. Certainly.

Mr. CARTER. With the approval of the community.

Mr. SNYDER. With the approval of their governor.

Mr. BURTNESS. By their officers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURTNESS. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. BURTNESS. The pueblo as a corporation sells property and makes conveyance by the proper officials of that corporation or pueblo. Does the gentleman from Oklahoma contend that these pueblos as such would come within the provisions of this bill where it uses these words—
or property belonging to any tribe of Indians?

Mr. CARTER. No; I think it is very doubtful about that coming within the purview of the language, but because there might be some doubt about it, I think it is well enough that the amendment of the gentleman be adopted.

Mr. ROACH. What doubt could there be about it?

Mr. BURTNESS. The gentleman from Missouri asks what doubt there could possibly be with reference to it?

Mr. CARTER. I do not know whether there has been any legal determination by a court as to whether the pueblo corporation is a tribe or not.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Arizona.

The question being taken, the substitute was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Minnesota.

The question being taken, the amendment was rejected.

Mr. KELLY of Pennsylvania. Mr. Chairman, I move to strike out the proviso in line 19, extending down to line 24, on page 1.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KELLY of Pennsylvania: Page 2, line 19, after the word "Indian," strike out the remainder of the paragraph.

Mr. KELLY of Pennsylvania. Mr. Chairman, I am in hearty accord with the expressed purpose of this first section. I believe, however, that there are some qualifying phrases there which practically rob it of that expressed purpose, and one of them is this proviso at the bottom of page 2. The section itself undertakes to free the competent Indians in the various tribes by appraising the property of the tribes and paying the pro rata share to competent Indians and providing that they shall sign an agreement and their names be stricken from the roll. That is a step in the right direction. It is an advance toward the time when all Indians will be declared to be a part of the American community. But there is, in my opinion, an instance here of what are properly called weasel words, which strike the meaning out of what has gone before. Here is the proviso:

Provided, That the Secretary of the Interior may, in his discretion, decline to pay the pro rata share as herein stated if he should deem it not for the best interests of said Indian, notwithstanding the Indian may possess a certificate of competency or have received a patent in fee for his or her allotment.

Mr. KNUTSON. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I yield to the gentleman from Minnesota.

Mr. KNUTSON. If I may call the gentleman's attention to lines 14 and 15, those lines cover exactly the situation and take care of it without the last proviso. In lines 14 and 15 it says that the Secretary of the Interior is authorized, in his discretion, to pay the funds out of the tribal funds.

Mr. KELLY of Pennsylvania. Yes; but this last proviso practically invites the Indian Bureau officials to declare a competent Indian to be incompetent. I am opposed to giving any man—Secretary of the Interior or any other man—the absolute power to say that a man who has been declared competent through a very difficult procedure is not competent and shall not have his pro rata share and individual rights. The difficulty is that it is almost impossible for a competent Indian to get a certificate of competency. I know the gentleman who is chairman of this committee [Mr. SNYDER] has several times on the floor of the House called attention to the fact that it is impossible to get more than a few score Indians out of these 300,000 declared competent in any one given year.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I wish the gentleman would let me go on with my statement, if he will be so kind. No later than yesterday I saw a man who belongs to the Chippewa Tribe, who is as competent to transact his own business as any man on the floor of this House, a man who is married and has children, who left the tribal reservation because he could not get a certificate of competency. He went to Independence, Mo., and is living there. He has tried for 15 years to get a certificate of competency and has been refused in spite of the fact that bankers, lawyers, ministers, and other friends have called attention to his worth as a citizen and neighbor. That is the real difficulty, not that some Indian declared competent may be a failure, as the gentleman from Oklahoma says.

Mr. SNYDER. I think the gentleman misunderstands. The very man he speaks of, from Wichita, was before the committee, and he is a competent Indian and has a certificate.

Mr. KELLY of Pennsylvania. No; I am speaking of William Madison.

Mr. SNYDER. That is the man that was before our committee.

Mr. KELLY of Pennsylvania. He lives in Independence, Mo., and is still held to be an incompetent Indian.

Mr. SNYDER. No; at least he said before our committee, and it is a matter of record, that he is competent.

Mr. KELLY of Pennsylvania. I will read the statement which he gave me this morning at my request. This is the statement of William Madison, of Independence, Mo.:

WASHINGTON, D. C., February 1, 1923.

Some time during 1907 I wrote the Indian agent of my reservation in Minnesota (White Earth) to recommend to the Secretary of the Interior my application for competency papers. After waiting months for a reply I secured the indorsement of several of the business men of Mahanomen—our county seat—the postmaster, bankers, newspaper men, etc.; and again, backed by these indorsements, I wrote the Indian agent asking to be turned loose as a competent Indian. After waiting months that stretched into years, at some time in 1910 I approached Special Assistant Attorney General E. H. Long, then holding investigation at Detroit, Minn., into Chippewa matters, for an explanation of this treatment. He dictated a strong recommendation of my competency and instructed me to forward same with another application, through my Indian agent, and I would have no further trouble.

Some time after this I received my first answer from the Indian agent, saying the department had refused my application. Presumably, when he saw that I, like Banquo's ghost, would not down, but kept

going higher for support, he sent my first and unsupported application, with recommendation that it be not granted, and it was not.

Quoting from a letter dated May 13, 1914, from the Indian Office at Washington and signed C. F. Hauke—"William Madison noncompetent White Earth Indian"; and another letter, dated April 28, 1914—"and that Mr. Madison is classed as an incompetent Indian. This is simply an outrage and a piece of pure spite work on the part of Mr. Howard. Even though Mr. Madison is classed as a full blood, he is entitled to his property under the act of Congress of June 21, 1906, as a competent full blood." This last is signed by A. L. Thompson, then banker in Mahanomen.

And later, within the last few years, the mayor, bankers, ministers, daily newspaper editors, merchants, and others in our city of Independence, Mo. (suburb of Kansas City, Mo.), testified as to my rights as a competent Indian, sending their testimonials directly to the commissioner's office, but no recognition or results have been received as yet; not even an answer.

This is not an isolated or unusual case.

To show the methods used to crush or keep down the ambitious Indians, I will relate an instance: About the year 1911 I secured the support of two friends to back me as security in getting my land turned by steam-plow outfit and seeded to flax. Thus supported, in the fall I engaged an owner of a plow outfit to come the first Monday of May the following year to plow 100 acres. When the day came he was not there. Investigation proved that the Indian agent's representative had advised him not to plow for me, as I was a full-blood Indian and he could not collect—despite the banker's promise to pay if I didn't—and further he had better not tell me of his changed purposes.

I want to quote the last paragraph of this statement, to show that even in addition to that kind of outrageous treatment still other difficulties are thrown in the way of an "incompetent" Indian who is as competent as any man to manage his affairs:

Had I known sooner, I could have secured another outfit. As it was, all were engaged for the season. I had seen the plowman often in the spring, but he heeded the Indian agent's advice and did not inform me he did not intend to plow for me. Hence this year my land lay idle. By six years of such methods and tactics I was fairly driven from the reservation to make a living for my family. Since 1913 I have lived in Independence, a suburb of Kansas City, Mo., the leading men of which gave me such strong indorsement a few years ago.

WM. MADISON.

Now, the statement I have just read bears out exactly what I said. Here is a man perfectly competent to look after his own affairs, who has been declared incompetent in spite of all efforts, and now we find a provision which says that after a man has gone through the competency labyrinth and been declared competent the Secretary of the Interior shall have the right to say that he shall not have the rights of a human being so hardly earned. If we want to do anything along the line that the bill would indicate we must get the competent Indians out from under the bureau; we should not undertake to put the power in the hands of the Commissioner of Indian Affairs or the Secretary of the Interior to repeal and nullify the competency given. I believe such action would be an outrage, and I believe this proviso should be taken out. Then we will have the further question to deal with as to how to declare men competent who are really competent.

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I will.

Mr. LEATHERWOOD. Does the gentleman know the year that this man failed to get his plowing done?

Mr. KELLY of Pennsylvania. In 1911.

Mr. LEATHERWOOD. Did he tell you that he had received title to the land, sold it, and received payment many years ago?

Mr. KELLY of Pennsylvania. No; he stated to me personally what I have read in the letter.

Mr. LEATHERWOOD. He stated before the committee not more than a week ago that he received title to the land and had sold that land for \$2,000 and received the money.

Mr. KELLY of Pennsylvania. That is not the question at all. I was talking of competency under the law.

Mr. LEATHERWOOD. I want to call the gentleman's attention to just what he said before the committee:

Mr. ROACH. Have you ever had a land allotment made to you?

Mr. MADISON. Yes, sir.

Mr. ROACH. Have you ever received a patent for it?

Mr. MADISON. No, sir.

Mr. ROACH. You still have the land?

Mr. MADISON. No. I sold the land. I have received no patent. I could not.

Mr. ROACH. Then you are not interested in the land allotments?

Mr. MADISON. No; I am not.

Mr. ROACH. You claim an interest in this trust fund?

Mr. MADISON. That is all.

Mr. BURNETT. How much did you get for your land?

Mr. MADISON. I got \$2,000 for 160 acres.

Mr. KELLY of Pennsylvania. There is no contradiction there. The man got his allotment and he sold it with the consent of the Indian Office.

Mr. SNYDER. But I understand he told the gentleman that he sold the land because he could not get the farmers to plow it.

Mr. KELLY of Pennsylvania. In 1911 his difficulty occurred.

Mr. SNYDER. He sold the land before and got \$2,000 for it.

Mr. KELLY of Pennsylvania. The confusion arises over the difference between allotment and being declared competent. An

Indian may have an allotment and yet be declared incompetent. Competency gives him a right to citizenship. When a man is declared competent he gets a fee patent and becomes as far as it is possible under present tribal complications an American citizen. That is one reason this proviso ought to be taken out.

Mr. HAYDEN. Mr. Chairman, I rise in opposition to the amendment. This provision of the bill is in a sense an experiment. We have talked for years that something should be done to segregate the competent Indians from the incompetent. Heretofore Congress has given land to individual Indians, but they retained an interest in the tribal estate. Now we are proposing to appraise the tribal estate as a whole, and if any competent Indian is satisfied with the appraisal and finds that he is going to obtain a fair share of the total fund he may make application, sign a waiver, and get his money. It is a very different matter to give an Indian his allotment of the land than it is to give him cash. Since this legislation is an experiment, we should try it out, with this safeguard around it, and if it works properly it can be liberalized later.

Mr. STAFFORD. Will the gentleman yield?

Mr. HAYDEN. Certainly.

Mr. STAFFORD. Is it optional with the Indian to receive his pro rata share of the tribal fund?

Mr. HAYDEN. Yes; nothing is forced upon him. He must make a written application, and if the application is approved he must sign a quitclaim to all further interest in the tribal property.

Mr. STAFFORD. Did the committee consider this state of facts in connection with this policy? For instance, here are tribal lands where oil may be discovered later. The Indian receives his pro rata share on the present basis of the valuation, but it is not known that it contains oil. Later on oil is discovered. Would not the Indian have the idea that he was entitled to some part of the value of the undiscovered property?

Mr. HAYDEN. That is why we require each Indian to sign an agreement in writing to release his interest in the tribal fund and to separate himself from the tribe. Thereafter he has no further interest in it. If the Indian does not want to do that, he need not take the money.

Mr. ROACH. Will the gentleman yield?

Mr. HAYDEN. With pleasure.

Mr. ROACH. It appeared in evidence before the committee that there were a number of Indians who had received certificates of competency in lieu of patents to the land, and not only that but there were a larger number of them who took the patents who are incapable.

Mr. HAYDEN. And have demonstrated their incompetence by wasting whatever property they have received up to this time. Certainly no one desires to create a number of paupers who will fall back on the States for support. We should act with due discretion and caution. There will be another Congress, and there will be time in which to base a judgment founded upon experience. Therefore, I think the amendment should be rejected.

The gentleman from Pennsylvania [Mr. KELLY] delights in pointing out isolated instances of particular Indians who tell him that they have suffered some wrong. He does not hear the other side of the story. He brings such ex parte statements to the House, and on that kind of evidence asks the Congress to adopt a general policy. I do not believe we should follow his advice.

Mr. KELLY of Pennsylvania. Oh, I am not asking for a general policy. I am simply asking that the weasel words be taken out and honest words inserted.

Mr. HAYDEN. These are not weasel words. This proviso is frank, honest; it is made to reinforce the term "in his discretion," in line 15, which the gentleman from Minnesota has pointed out. The bill first says "in the discretion of the Secretary," and then, to make it so clear that no Indian can have any doubt about where he stands, we repeat it.

Mr. KELLY of Pennsylvania. In other words, you want to double the statement.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. Gladly.

Mr. FESS. Is this power of discretion given to the Secretary a nullification of the declaration of competency?

Mr. HAYDEN. No; we are going to create a new state of affairs. We are going to appraise the entire tribal property of the Indians, and to such members of any tribe as the Secretary of the Interior deems competent to care for their own money, he will give them their share on application, making the payment out of the tribal funds.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. LEATHERWOOD. Mr. Chairman, at the outset I want to call the attention of the gentleman from Pennsylvania [Mr. KELLY] to other testimony given by the Indian to whom he referred a moment ago. Pursuing the examination which was being conducted by the gentleman from Missouri [Mr. ROACH], the question was propounded:

You just claim an interest in this stock fund?

Mr. MADISON. That is all.

Mr. BURTNESS. How much did you get for your land?

Mr. MADISON. I got \$2,000 for 160 acres.

Mr. BURTNESS. Where is the land, near what town?

Mr. MADISON. That is about 14 miles from Mahanomen.

Mr. BURTNESS. What year did you sell it in?

Mr. MADISON. I sold it 12 or 13 years ago.

Mr. BURTNESS. How long after you had the right to sell the land did you actually sell it?

Mr. MADISON. I sold it before I had the right.

Mr. Chairman, I take it that every member of this committee who has given the subject of Indian legislation any consideration joins heartily with the gentleman from Pennsylvania [Mr. KELLY] in his desire to emancipate the Indian as rapidly as possible, restore him to all of his property rights, and set him out in the world upon the same footing as the white man; but as we approach that question we should approach it with the same judgment that we would any other proposition of a business nature. The facts are as has already been mentioned, that many of the Indians who have been emancipated have immediately squandered their allowance and are now objects of charity and dependent upon the States where they may be located for support or upon public charity.

The result of the amendment of the gentleman from Pennsylvania [Mr. KELLY], if it should be agreed to, would be to take away from the Secretary of the Interior and the Bureau of Indian Affairs the right to humanely look after the incompetent Indians, and while we are anxious to liberate and give to the Indian his property, yet if there is a man who by reason of vicious habits is unable to take care of his property, surely the gentleman would not say that our efforts to emancipate him should be such as to wipe out all of the protecting care of the Government. Would the gentleman say that a white man under guardianship who by vicious habits had brought himself to that situation where he could not conserve his property should be restored to competency and given his property to recklessly waste it and starve those that might be dependent upon him?

Mr. KELLY of Pennsylvania. I certainly do believe that very thing, and I do not believe the gentleman would be in favor of establishing a Federal bureau to take care of white people who happened to have vicious habits, or to be wasting away their estates.

Mr. LEATHERWOOD. Of course, the gentleman from Pennsylvania overlooks the fact that we start with an obligation which we have not yet fully performed, and we are reserving the right here in this bill before we surrender dominion over the Indian to determine whether or not he is in a position to take care of himself before we let him go beyond recall so far as caring for him on the part of the Government is concerned.

Mr. KELLY of Pennsylvania. Surely the gentleman will agree that declaring a man competent would be to place responsibility upon him.

Mr. LEATHERWOOD. I agree with the general proposition. I am just as much of an enthusiast for emancipation as is the gentleman, but I am not willing to say that because I believe in emancipating the Indians I would take an Indian that is absolutely incompetent, who has vicious habits, and is not able to conserve his property, and give that property to him, especially when we know, as we do, that those who are clamoring for Government aid, and in many cases objects of charity, are Indians that have been emancipated. With that knowledge in our possession it would be little less than criminal for the Government to turn the property over to the Indian to be immediately dissipated.

Mr. STEENERSON. Mr. Chairman, I think this is a good provision and ought to remain in the bill, and I think I can cite illustrations that establish that fact.

As you know, some 30 years ago the Dawes Act was passed which provided that any Indian who receives an allotment of land in severalty and a patent in fee shall be a citizen of the United States. Now, on the White Earth Reservation some 10 or 12 years ago an act was passed providing that all who had mixed blood should have a title in fee. Now, those two acts together made citizens of the United States out of men who were incompetent and caused the bringing of about 1,000 lawsuits afterwards by the Government to set aside conveyances they had made. Some of those Indians were full blood, but most were actually mixed blood. And they demonstrated

to a certainty they were not fit to handle the money. Some of them got as high as \$15,000 for 80 acres, because there was timber on it, and some of them were separated from their money in a very short time, and quite many of them, I believe, had to draw assistance from the Government. Now, this will protect those who have demonstrated that they are not competent, although they are actual citizens of the United States. I have got, I should say, several hundred of them in my district. Now, I do not believe that the Indian Bureau will be arbitrary about this matter, but I think they will be indulgent, and as far as I understand the present commissioner does not believe in refusing certificates of competency where they are entitled to them, and I believe it will be demonstrated so that he will grant competency certificates to those who are actually competent, and I believe he will protect those who ought not to have the money, and we ought not to accept their resignation from the tribe unless they are competent to do business.

Mr. BURTNESS. Will the gentleman yield for a suggestion?

Mr. STEENERSON. I will.

Mr. BURTNESS. If the amendment proposed by the gentleman from Pennsylvania is accepted, then it would not be possible for the Secretary of the Interior to decline to pay money even to those who had not received a certificate of competency providing they had received a patent in fee.

Mr. STEENERSON. Exactly. But they do not need a certificate of competency—

Mr. BURTNESS. And those people who received patent in fee as being competent caused the trouble there—

Mr. STEENERSON. Exactly; and as was stated, I think by the gentleman from Arizona, they will be a charge upon the State. The State of Minnesota is interested in this because the commissioner has several times pointed out to the Indian Committee that the Government is not going to support those; they are a charge on the State because they are citizens of the United States, and consequently citizens of the State of Minnesota, and as soon as their funds are exhausted they will be a charge on the State. There are other States, perhaps, which are similarly situated. I hope the amendment will not be adopted.

Mr. SNYDER. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was rejected.

Mr. KELLY of Pennsylvania. Mr. Chairman, I have another amendment to this section.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. KELLY of Pennsylvania: Page 2, line 2, after the word "appraised" insert "who shall be nominated by such tribe."

Mr. KELLY of Pennsylvania. Mr. Chairman, this section is to appoint appraisers to value the property of the Indians. It provides for three appraisers, one of whom shall be an employee of the Interior Department, one a member of the tribe whose property is to be appraised, and one a resident of the State wherein the Indians reside. Now, the purpose of the amendment I have offered is that one of the members of this board of appraisers shall be named by the Indians whose property is to be valued and appraised.

Mr. ROACH. Will the gentleman yield for a question?

Mr. KELLY of Pennsylvania. I will yield.

Mr. ROACH. The difficulty I see with the amendment is this. I would not have any objection to it personally as a member of the committee, but some of these tribes are not in harmony themselves. They are divided among themselves, and would be unable unanimously to nominate the one to represent the tribe in the appointment of an appraiser.

Mr. KELLY of Pennsylvania. Well, the gentleman knows that even in my district the voters are unable unanimously to come to an agreement as to the selection of a Congressman in that district, and perhaps it is the same in the gentleman's district.

Mr. ROACH. This is not limited to one district; this covers all the tribes—

Mr. KELLY of Pennsylvania. Individual tribes acting separately, however.

Mr. ROACH. Individual tribes; and they are at a disagreement among themselves and they could not select anyone to represent them.

Mr. KELLY of Pennsylvania. That is a point which I have considered carefully. Of course it is impossible to come unanimously to the selection of a delegate on this appraising

board, and it is impossible in a congressional or any other district, to come unanimously to a selection of a representative. They would have to be named through the American policy of a majority vote. What it would do would be to square up this policy with the American principle that the best representation is to elect a representative by a majority vote. The Indians on the reservation can come together and a majority vote can be had on the question of selecting a delegate. It seems to me that the Indians whose property is at stake should have one representative out of the three. I insist that the Indian who is to be their representative shall be appointed or selected by the Indians themselves, and that Indian can be elected by any tribe by the use of ordinary election procedure. Most of the tribes have such a system already for electing councilmen, and in this case they could use the old machinery, or else new machinery can be constructed where it is not now established. I appeal to practical men here as a matter of simple justice, that at least one of these men should be outside the appointing power of the Bureau of Indian Affairs.

Mr. WILLIAMSON. How long would the gentleman think it would take all the people of the United States to get together on one man as their representative?

Mr. KELLY of Pennsylvania. Oh, the Indians are not going to come together in Washington to elect a delegate. They are going to elect a delegate on the reservation by the use of the machinery they have already established, just as they elect a member of their tribal council. That is not even idealistic. It is simply American. We should let these Indians whose property is at stake have the privilege of nominating one out of three appraisers. If that is not done, then this is an unjust section and can not be justified.

Mr. SNYDER. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Pennsylvania [Mr. KELLY].

The gentleman's amendment might apply to several tribes and work satisfactorily there, but the very one that he has in mind would find it impossible, in my judgment, to select a man from that tribe who would be reasonably satisfactory to the tribe. It is not a question of a majority vote, as the gentleman from Pennsylvania says. There is a council elected, or supposed to be elected, by a majority vote, and it probably is so elected, but the Chippewas as a whole do not recognize any authority on the part of the Bureau of Indian Affairs, and it would be utterly impossible for the tribe itself to select a man who would come anywhere near being satisfactory to a reasonable number of members of the tribe, not to say a majority of the tribe. Therefore, I think the Commissioner of Indian Affairs would be much more capable of selecting a satisfactory man than would the council of Indians who are not satisfied.

Mr. HAYDEN. Mr. Chairman, this legislation provides for nothing but an appraisal. It does not add to nor take anything from the tribal property. It is only an appraisal for the purpose of ascertaining what the value of the property is, and, if an individual Indian is qualified and is satisfied with that appraisal, he can obtain his share and cease all relations with the tribe.

Mr. KELLY of Pennsylvania. And the cost of this appraisal is to be paid out of the Indians' money?

Mr. HAYDEN. Yes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania [Mr. KELLY]. The question was taken, and the amendment was rejected.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 3, strike out all of line 4 after the word "funds," and insert in lieu thereof "included in such appraisal, and shall be required to sign an agreement in writing to this effect."

Mr. STAFFORD. What page is that on?

Mr. WILLIAMSON. On page 3.

Mr. CARTER. Mr. Chairman, may we have the amendment reported again?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 3, strike out all of line 4 after the word "funds," and insert in lieu thereof "included in such appraisal, and shall be required to sign an agreement in writing to this effect."

The CHAIRMAN. The gentleman from South Dakota is recognized.

Mr. ROACH. Mr. Chairman, a parliamentary inquiry of the gentleman from South Dakota.

Mr. WILLIAMSON. Yes.

Mr. ROACH. The word "member" is on lines 4 and 5. Do you seek to strike out the word "member" on line 4?

Mr. WILLIAMSON. I strike out everything after the word "funds."

Mr. ROACH. That is not what your amendment says. It says strike out the remainder of line 4 after the word "funds."

Mr. WILLIAMSON. Yes; the remainder of line 4 and lines 5 and 6.

Mr. CARTER. I suggest that the gentleman ask unanimous consent to modify his amendment if he so desires.

Mr. ROACH. Yes. The gentleman can do that by unanimous consent.

Mr. WILLIAMSON. I think my amendment reads all right.

Mr. ROACH. Mr. Chairman, may we have the amendment reported again?

The CHAIRMAN. Without objection, the amendment will again be reported.

The Clerk read as follows:

Page 3, strike out all of line 4 after the word "funds."

Mr. WILLIAMSON. And all of lines 5 and 6.

The CHAIRMAN. The gentleman from South Dakota asks leave to amend his amendment. The Clerk will report it as amended.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 3, strike out all of line 4 after the word "funds," and all of lines 5 and 6, and insert in lieu thereof—

The CHAIRMAN. Is there objection to the modification of the amendment?

Mr. CARTER. Mr. Chairman, the Clerk has not finished reporting the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, line 4, strike out all of line 4 after the word "funds," and all of lines 5 and 6, and insert in lieu thereof "included in such appraisal, and shall be required to sign an agreement in writing to this effect."

Mr. WILLIAMSON. Mr. Chairman, we have in South Dakota a situation peculiar to the Sioux Tribe that, perhaps, does not exist in any other State in the Union, which, if this bill becomes law in its present form, will not permit the individual Indian to take advantage of the law.

Under the treaty of 1868 the Indians of the Sioux Tribe signed away what was then known as the Black Hills, the richest gold-producing region in the United States, and which to-day has the largest gold-producing mine in this country. Under the act of June 3, 1920, the Sioux Tribe is permitted to bring suit in the Court of Claims for the purpose of establishing any right it may have to recover the value of the Black Hills at the time of the signing of that treaty upon the theory that the treaty was invalid. Now, that claim involves hundreds of millions of dollars, and if this bill remains in its present form it will be impossible for any of the Sioux Tribe in South Dakota to take advantage of the provisions of section 1, because they can not take their pro rata share without at the same time signing away all contingent rights that they may have in the Black Hills claim, should it be determined in their favor. I think this section can be so amended, without doing any violence whatsoever to the general purpose of the bill, that these Indians can be protected in this claim, and at the same time permit them to take their pro rata share in the distribution contemplated by this measure. I believe the provisions of this bill are correct in principle; that they ought to be enacted into law and carried out and that the undistributed property ought to be appraised and distributed to the individual Indians in the discretion of the Secretary of the Interior.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. WILLIAMSON. I yield to the gentleman from Pennsylvania.

Mr. KELLY of Pennsylvania. The gentleman is desirous of protecting these Indians in claims which may be before the Court of Claims in the future.

Mr. WILLIAMSON. Yes.

Mr. KELLY of Pennsylvania. However, he has left out the last part of the sentence—

and shall be dropped from the rolls of said tribe.

Mr. WILLIAMSON. If you drop them from the rolls of the tribe, they could not participate, because this is tribal property, and nobody who is not on the rolls of the tribe could possibly participate.

Mr. KELLY of Pennsylvania. Would not the gentleman's purpose be attained by an amendment to insert after the word "member" the words "except as to tribal claims against the United States as of this date"? Then his name could be taken from the roll.

Mr. WILLIAMSON. No; these claims exist to-day. I do not think that would reach the case at all. If my amendment is adopted, this paragraph will read:

That any Indian who may be paid the amount of his pro rata share of the tribal properties as herein provided shall thereafter have no further interest in or claim upon the tribal property or funds included in such appraisal and shall be required to sign an agreement in writing to this effect.

I think the paragraph as amended ought to be in the bill, because I do not think any Indian has any business coming back and asserting any rights as against the Government to any property that has been appraised, pro rated, and distributed to him.

This bill, though amended as proposed, protects the Government in that respect, and puts it out of the way so far as all this property is concerned, but does not foreclose his interest in property or its value which he may be able to establish his right to in the Court of Claims, and which from its nature can not possibly be appraised.

Mr. KELLY of Pennsylvania. But he will still be kept on the bureau roll?

Mr. WILLIAMSON. For that purpose.

Mr. ROACH. Mr. Chairman, the gentleman from South Dakota has offered an amendment that in my opinion is rather unfortunate in a way. As one member of the committee I would have no objection whatsoever to the first portion of that amendment—

included in such appraisal.

That part of it is all right, but the gentleman strikes out the words—

and shall be dropped from the rolls of said tribe.

The very purpose and object of this section would be defeated, which is to close up the affairs of these Indians and get them out of the way.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILLIAMSON. I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. WILLIAMSON. I want to state that I do not believe that that would materially affect the purpose the gentleman has in mind. The Indian would be automatically dropped from the rolls of the tribe so far as any appraised claims are concerned, and this would only maintain his tribal relations for the purpose of reaching matters like the Black Hills claim, to which I have referred.

Mr. ROACH. The purpose of this legislation is to close up their affairs as far as possible.

Mr. WILLIAMSON. In my State the rolls have been closed, except possibly as to this Black Hills claim.

Mr. ROACH. The desire is to close up their affairs and drop them from the rolls, and in this way they would never be closed up, if they were held on the rolls awaiting the outcome of litigation that might be filed in the future.

Mr. WILLIAMSON. There could not be any advantage to the Government by having that provision in there. The tribal rolls in our State have been closed already.

Mr. ROACH. We could close up these rolls.

Mr. WILLIAMSON. You can do it under the present law, and they have been closed so far as the Sioux are concerned.

Mr. ROACH. We can not drop them from the rolls as long as they have property coming to them. The situation which the gentleman says applies to the Indians with reference to the Black Hills applies to every tribe of Indians in the United States. Every tribe of Indians in the United States has some kind of a claim against the United States Government. A great many of them are asking for jurisdiction bills, and if we should put anything of that kind in this bill we would absolutely never come to the point where we could emancipate the Indian. We would have him on our hands for all time to come, because every tribe has some sort of a claim against the Government, which they would come in here and propound, and we would never get to the time when we could emancipate the Indian and get rid of him.

Mr. WILLIAMSON. Not a single member of the Sioux Tribe in South Dakota can take advantage of the provisions of this bill, if it should pass in its present form, without sacrificing any right he may have in the Black Hills claim.

Mr. SNYDER. Mr. Chairman, I am opposed to this amendment, because it would defeat the proposition that we started out to bring about. A man can not have his cake and eat it, too. The difficulty here is that we have provided a means to assess the value of the property of the individual member of a tribe; we have given the Secretary of the Interior the author-

ity, and upon his request, to pay him off and get a receipt in full and be done with that Indian forever. Now, if the Indian believes he has a future claim on some gold mine that may be discovered on the land later, there can be no good reason why he should not consider that at the time he gives his receipt in full for the cash that is paid him by the Government as his share of the tribal funds. All of those things have been considered in this measure and taken carefully under advisement; and after every single contingency has been taken into consideration the conclusion is that this will come nearer giving the Indian what he is entitled to than anything else which has been proposed, and that it will get rid of more Indians than any provision that has ever been presented heretofore to make good citizens of Indians. Therefore I sincerely hope that the matter will be left as it is in the bill and the amendment defeated, and I move that all debate on the amendment be now closed.

The CHAIRMAN. The gentleman from New York moves that all debate on the amendment be now closed.

The motion was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from South Dakota.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I ask leave to revise and extend my remarks in the Record.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the Record. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to pay, out of any moneys belonging to the Chippewa Indians of Minnesota, such amounts as he may find due any persons of Chippewa blood whose names may have been erroneously stricken from the Chippewa annuity rolls, or who have been or may hereafter be found entitled to enrollment for annuity payments authorized by section 7 of the act of Congress approved January 14, 1889 (25 Stat. L., p. 642): *Provided*, That any moneys found due and paid to any Indian under the provisions of this act shall not be subject to any lien or claim of attorneys or other parties.

Mr. KNUTSON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 3, strike out lines 13 to 24, inclusive, and insert in lieu thereof the following:

"That the Secretary of the Interior be, and he is hereby, authorized to pay, out of any moneys belonging to the Chippewa Indians of Minnesota, such amounts as he may find due any persons of Chippewa blood whose names may have been erroneously stricken from the Chippewa annuity rolls, or have been or may hereafter be found entitled to enrollment for annuity payments authorized by sections 1 and 7 of the act of Congress approved January 14, 1889 (25 Stat. L., p. 642): *Provided*, That before payment is made hereunder the claim of each of such persons for the right of enrollment under the provisions of the act of January 14, 1889 (25 Stat. 642) shall be submitted to the chiefs and members in council of the particular band of Indians to which such persons claim membership for the ratification of the enrollment of such persons."

Mr. CAMPBELL of Kansas. Mr. Chairman, I reserve a point of order on the amendment.

Mr. KNUTSON. I do not see how the gentleman can reserve a point of order; there is no appropriation involved.

Mr. STAFFORD. Mr. Chairman, I demand the regular order.

Mr. CAMPBELL of Kansas. Then I make the point of order that this amendment carries an appropriation, and this is not an appropriation bill.

Mr. STAFFORD. Mr. Chairman, I do not understand that the gentleman from Kansas has made any point of order to section 2 for the reason he has given. Section 2 might be subject to the same criticism that the gentleman from Kansas makes to the proposed amendment, but not having made a point of order to section 2 as embodied in the bill the proposed amendment is clearly within the right of the Member from Minnesota to offer a germane limitation. We are legislating here and the gentleman is placing a further restriction as to how the money shall be paid.

Mr. KNUTSON. The amendment would come within the provisions of the Holman rule because it is a limitation. And, again, it is Indian money and not Federal money.

Mr. CAMPBELL of Kansas. But you can not appropriate Indian money on this bill any more than you could Federal money.

Mr. KNUTSON. With all due respect to the gentleman from Kansas—and I have great respect for his parliamentary knowledge—I think he is mistaken.

Mr. HAYDEN. Mr. Chairman, as I heard the amendment read hastily it appeared to be of a very much wider scope than the provisions in the bill, and to my mind is not germane in that it includes a different class of Indians and provides a method of enrollment.

The CHAIRMAN. But the point of order is not made as to germaneness.

Mr. HAYDEN. Then I will make that point of order so that it will all be before the Chair.

Mr. CARTER. Mr. Chairman, I do not know whether the Chair is considering the question as to whether the rule of the House applies to Indians or trust funds the same as it does to the Treasury funds.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Oklahoma on that.

Mr. CARTER. The Indian funds are held as trust funds, held in a fiduciary capacity by the Government and this Congress. Any contention that these funds are not subject to the same restrictions in expenditure and appropriation as the funds of the Federal Government is to contend that a guardian or an agent may handle trust funds more loosely and be less accountable than he could his own. It was so held by Chairman Barnhart on the Indian appropriation bill in 1912 on a point of order which had been made by the gentleman from Kansas himself [Mr. CAMPBELL].

Mr. CAMPBELL of Kansas. There has never been any question as to funds belonging to the Indians controlled by the Government coming under the same restrictions as to appropriations as the funds in the Treasury.

The CHAIRMAN. Let the Chair ask the gentleman from Kansas a question: If that is true and is carried out, it would prevent any appropriation from tribal funds except by the Committee on Appropriations?

Mr. CAMPBELL of Kansas. That is true, and has been true since the Budget system has been instituted. All Indian appropriations have been transferred from the Committee on Indian Affairs to the Committee on Appropriations. A large part of the appropriations carried in the Indian bill are appropriations from the Indian fund.

Mr. STAFFORD. Will the Chair hear me for one minute?

The CHAIRMAN. If the gentleman from Kansas has finished—

Mr. CAMPBELL of Kansas. I did not suppose there was any question about that—there never has been. The Indians are appropriated for to-day by the Committee on Appropriations, and it is the only committee that has jurisdiction.

Mr. KNUTSON. Does the gentleman from Kansas contend that section 2 of this bill is subject to a point of order?

Mr. CAMPBELL of Kansas. That is an authorization and the amendment is an appropriation.

Mr. STAFFORD. Oh, I beg the gentleman's pardon. The gentleman from Minnesota uses the same language as that used in section 2.

Mr. SANDERS of Indiana. Mr. Chairman, I call the attention of the gentleman from Kansas [Mr. CAMPBELL] to the provision of the Constitution of the United States that no money shall be drawn from the Treasury but in consequence of appropriations made by law. There is no way to get money out of the Treasury except through an appropriation, and it is an appropriation when we take it out in any way. I think the gentleman from Oklahoma [Mr. CARTER] is correct when he says that a specific ruling has been made that the Indian funds come within the general purview of appropriations. Of course, the point of the gentleman from Wisconsin that when once an appropriating section is not objected to it can be amended, is well taken, but it must be a specific amendment with reference to that particular appropriation.

Mr. CAMPBELL of Kansas. But we are not considering an appropriation bill; we are considering a legislative bill.

Mr. STAFFORD. Mr. Chairman, I wish to impress upon the attention of the Chair again the fact that no point of order was reserved to section 2; that the amendment was offered without any point of order having been reserved to that section. The amendment proposed by the gentleman from Minnesota [Mr. KNUTSON] used the identical language of the first part of section 2, and therefore the gentleman from Kansas is too late to raise his point of order, because if his point of order be well taken, it should have been made to section 2 to foreclose any germane amendment that might be offered to it. The gentleman from Kansas is too late to raise the question he is now raising that this amendment carries an appropriation for the reason that section 2 is subject to the same criticism, and the gentleman's amendment uses the same language.

Mr. ROACH. But section 2 carries no appropriation.

Mr. KNUTSON. That is what we have been trying to get into the minds of the House.

Mr. ROACH. Section 2 does not carry an appropriation.

Mr. STAFFORD. Regardless of whether it does or not, the proposed amendment carries the same language.

The CHAIRMAN. The Chair is ready to rule. Regarding the point raised by the gentleman from Wisconsin [Mr. STAFFORD]

that if an objection be not made to the main body of the section it can not be raised to an amendment offered to it thereafter, the Chair thinks it is not well taken for the reason that the objection under the rule adopted in 1920 is specific that the objection can be made either to the original provision or to any amendment thereto and at any time. There are other provisions which bear on the proposition the Chair has in mind not, however, involved in this case, and the Chair will not take the time to discuss them.

The point of order raised by the gentleman from Kansas [Mr. CAMPBELL] is very important and not altogether clear. However, the Chair thinks it is legitimate and within the spirit at least of the rules that it should be brought within the requirement that appropriations are exclusively within the jurisdiction of the Appropriations Committee. It is true that this is not an appropriation from the Treasury of the United States, but it constitutes in fact an appropriation of money from the tribal funds which are under the control of the Government. Being under the control of the Government, it seems to the Chair that the same general rules should prevail and that the matter should be considered and passed upon by the Appropriations Committee. The Chair therefore sustains the point of order.

Mr. STEENERSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STEENERSON. Has the Chair examined subdivision 3 of Rule XXIII and authorities there cited indicating what bills constituting a charge upon the Treasury or containing an appropriation shall be referred to the Committee of the Whole, and that bills containing appropriations out of trust funds need not be considered in Committee of the Whole, the same as appropriations out of contingent funds? You do not draw that out of the Treasury any more than you draw the Indian funds out of the Treasury. As a matter of fact, under this rule you passed last year a bill disposing of thousands of acres that belonged to the Indians without consideration in Committee of the Whole, because it was not a charge on the Government.

The CHAIRMAN. That is very true, but the point directly involved has been directly passed upon. Some years ago an amendment was offered on an appropriation bill which provided that "no money shall be expended from the tribal funds belonging to the Five Civilized Tribes." A point of order was made against this provision as not a limitation within the Holman rule, the grounds urged being that it was not a limitation on an appropriation from the Treasury. After an extended argument the objection was overruled. The effect of this ruling was to apply the same rule to tribal funds as to ordinary appropriations.

In this case the amendment to the section made provides for payment to certain designated persons out of tribal funds. The objection that such a provision is in excess of the authority of the committee would seem clearly within the rules and precedents. The mere fact that bills regarding trust funds need not be considered in Committee of the Whole would not be sufficient to overturn a direct precedent that direction for payment of tribal funds shall be considered an appropriation. For these reasons the Chair sustains the point of order.

Mr. KNUTSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KNUTSON. Wherein, in this amendment, is the Secretary of the Interior directed to make any payment? The word "authorized" is clearly used there.

The CHAIRMAN. The Chair was erroneously informed if it is used in there, but that has not anything to do with the main proposition. The Chair sustains the point of order.

The Clerk calls the attention of the Chair to spelling of the word "enrollment" on line 19, page 3, and without objection the spelling there of that word will be corrected.

There was no objection.

The Clerk read as follows:

SEC. 4. That the restrictions upon the northeast quarter of the southeast quarter of section 21, township 25 north, range 24 east of the Indian meridian, in Oklahoma, which is land heretofore allotted to Isaac Jack, Seneca allottee No. 264, are hereby removed, and the Secretary of the Interior is hereby authorized and directed to cause to be issued to said Isaac Jack a patent in fee simple for said described land.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. What I may say as to this section, which embodies a private bill which has been heretofore reported from the Indian Affairs Committee, will apply to several other sections of the bill, each of which embodies private bills heretofore reported favorably from that committee. I wish to get the viewpoint of the gentlemen who are interested in this section and in these other private bills, as to whether they would prefer to have this item carried in the omnibus claims bill, and objection raised when the private bill is given consideration, or would

prefer to have this stricken out and take their chance of having the private bill go through in regular order.

Mr. LANHAM. I am not a member of the committee that reported this private bill. However, I am the gentleman who originally introduced it. It is included here in this omnibus bill. Speaking personally, I should like to see it thus incorporated in this omnibus bill. I can not see that there could be any objection in the meantime, should this measure pass, to letting the bill retain its place on the Private Calendar and have it passed over without prejudice.

And then, in case this bill was not passed in the Senate and failed to become a law, it could be taken up in order on the Private Calendar.

Mr. STAFFORD. I have no objection, I will say to the gentleman, to this section nor to the private bill the gentleman refers to. I have examined the report in each instance, but I would think that he stood a better chance of having the private bill go through in the congested condition of business in the Senate than an omnibus bill, but if the gentleman thinks he has a better chance in an omnibus bill, it is up to the gentleman.

Mr. LANHAM. I should like to say that that is a matter over which I have no jurisdiction. I am not a member of the Committee on Indian Affairs, but they have reported this omnibus bill with this item in it.

At the same time, I can say in behalf of this constituent who is entitled to this remedy, that I should be glad to see it go through either way.

Mr. STAFFORD. The gentleman may have a greater influence with one or two of the Senators from his State if he just merely had one special bill he desired to get through, which could be passed through in the morning hour, than in an omnibus bill which contains legislative provisions that may be seriously contested by certain Senators from other States.

Mr. BURTNESS. If the gentleman will yield, the gentleman, I understand, wants to know in a general way what the policy of the committee is. I can simply say that so far as I am concerned I happened to report the bill embodied in section 4, the bill which was placed in the omnibus bill, and I consulted with the gentleman from Texas [Mr. LANHAM], who consented to having it included in an omnibus bill and rather preferred it be, and I want to say that has been the policy of all members of the committee with reference to these bills.

Mr. LANHAM. One word further to my friend from Wisconsin. This bill has been on the Private Calendar for, lo, these many months and we have not had an opportunity to have it considered. It has never been reached in due order, and now the Committee on Indian Affairs opens the door and gives an opportunity for its consideration, and certainly I can not think I should be the one to rise in my place and object.

Mr. STAFFORD. I am not saying. The gentleman can take either horn of the dilemma he chooses to take.

Mr. LANHAM. It seems to me it is possible to choose both.

Mr. STAFFORD. The gentleman can not have both.

Mr. LANHAM. I can not see any objection to allowing the bill to remain on its place on the Private Calendar.

Mr. STAFFORD. That is entirely agreeable.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. I ask that debate now close on this paragraph.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. SNYDER. We have got to get along with this bill; we want to get through to-night. Let us go ahead and get a little of the bill read.

Mr. BLANTON. I only want to ask the gentleman a question, since I have been recognized by the Chair.

Mr. SNYDER. All right.

Mr. BLANTON. The gentleman said something about the difficulty of getting an omnibus bill through. It is not hard sometimes to get an omnibus bill through. He has forgotten it has not been but a week or so since the distinguished gentleman from New York [Mr. SNELL] on unanimous-consent day got two omnibus bills passed here that involved some 15 or 20 or 30 pages each with numerous claims involving large sums of money. I just wanted to mention that, because usually the gentleman from Wisconsin is accurate.

Mr. STAFFORD. I wish to say in reply to the gentleman from Texas, those bills did not contain any legislative provisions which might provoke opposition in another body. They were purely omnibus claims bills. This is a mixed legislative bill and a mixed omnibus claims bill.

Mr. BLANTON. They were omnibus bills embracing numerous claims, but through the great influence of the distinguished gentleman from New York [Mr. SNELL], who soon will assume the dignity of presiding over the great Committee on Rules, he was able to pass them through without trouble.

Mr. STAFFORD. Again I repeat that those bills did not contain any legislative provisions which might provoke opposition of the other body.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 6. That the Secretary of the Interior be, and he is hereby, authorized and directed, in issuing patents in fee to Indians for their original or inherited trust allotments under the acts of May 8, 1906 (34 Stat. L. p. 182), and June 25, 1910 (36 Stat. L. p. 855), or any other act authorizing the issuance of such patents, to cause to be inserted in each such patent a provision to the effect that it shall not become effective until after the expiration of 30 days from the date thereof: *Provided*, That any contract, deed, mortgage, or other instrument purporting to convey the land or any interest therein described in such fee patent entered into with the patentee by any person or persons prior to the expiration of the 30-day period shall be null and void and shall be a violation of the provisions of the act of June 25, 1910 (36 Stat. L. pp. 855-856), and subject the person or persons contracting with the patentee to the penalties provided in section 5 of this act.

Mr. SANDERS of Indiana. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SANDERS of Indiana: Page 5, line 12, after the word "thereof," strike out the proviso and insert in lieu thereof the following: "that any contract, deed, mortgage, or other instrument purporting to convey the land or any interest therein executed prior to the expiration of the 30-day period shall be null and void and the provisions of section 5 of the act of June 25, 1910 (36 Stat. L. p. 855), including the penalties provided therein, shall be applicable to any person who shall induce any Indian to execute any such instrument or who shall offer any such contract, deed, mortgage, or other instrument for record in the office of any recorder of deeds."

Mr. SANDERS of Indiana. Mr. Chairman, I offer this amendment not for the purpose of changing the substance of the proviso but for the purpose of more accurately stating the purpose of the proviso. The proviso refers to section 5 of the former act, and did not make it clear that both of the provisions should be applicable to the person who induced the Indian to make the conveyance. I have explained it to the chairman and it is satisfactory to him.

Mr. SNYDER. Mr. Chairman, it has been referred to the committee, and I accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. That the Secretary of the Interior is hereby authorized to transfer and convey to school district No. 30, in Ferry County, State of Washington, being the Meteor-Inchellum school district, the north 500 feet of lot 5 in section 5, township 32 north, range 37 east, Willamette meridian, for public-school use, upon condition that Indian children shall be admitted to the schools of said district without discrimination, and that any Indian children who are not Federal wards shall be admitted without payment of tuition.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. SNYDER. Mr. Chairman, I move to strike out the section, a bill of the same purport having passed the House.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: Page 5, beginning with line 22, strike out all of section 7.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 11. That hereafter, in any case in any court for the purpose of condemning for public purposes land included in an allotment held by any Indian under a trust or other patent containing restrictions against alienation without the consent or approval of the President or the Secretary of the Interior, it shall be necessary to the validity of such proceedings that the Secretary of the Interior be made a party thereto; and no final order, judgment, or decree of any court in any such proceeding shall be of any force or effect in default of such notice; and certified copy of each such final order, judgment, or decree shall be filed in the office of the Secretary of the Interior.

Mr. SNYDER. Mr. Chairman, I offer an amendment as a new section.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

Mr. SNYDER. I desire, by unanimous consent, to withdraw it for a moment, while the gentleman from Ohio [Mr. COLE] offers an amendment which, as I understand, is a perfecting amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. COLE of Ohio: Page 8, line 9, after the word "effect," strike out "in default of such notice," and insert in lieu thereof "unless the service be made on such Secretary of the Interior."

Mr. COLE of Ohio. Mr. Chairman, that is just simply a perfecting amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. SNYDER. Now, Mr. Chairman, I offer the committee amendment, which I send to the desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: Page 8, between lines 12 and 13, insert a new paragraph, to read as follows: "That the Secretary of the Interior is hereby authorized and directed to issue a patent in fee for the east half of the southeast quarter of section 35 and the west half of the southwest quarter of section 36, all in township 4 north, range 13 west of the Indian meridian, in Comanche County, Okla., to James F. Rowell, a full member of the Kiowa Tribe of Indians in Oklahoma, who has heretofore received no allotment of land from any source; this to be in lieu of all claims to any allotment of land or money settlement in lieu of an allotment, upon the payment to the United States of the sum of \$1.25 per acre."

Mr. STAFFORD. Mr. Chairman, this is a new proposition not embodied in the report. I think some explanation should be given to the committee concerning it.

Mr. SNYDER. Mr. Chairman, I simply have this to say, that it is just another of these individual matters, the same as the Jack claim, that we had over there. Here is a man who is entitled to an allotment, who for years has been denied it, and he has an opportunity now to get 40 acres of land up in the mountains somewhere, where there are no mineral rights under it, and it seemed to the Committee on Indian Affairs that he is entitled to it.

Mr. STAFFORD. No rights are involved?

Mr. SNYDER. No rights are involved. He lived on it for many years; at least he has a hunting camp on it that nobody seems to want, and he desires to have the land. He is entitled to it, and I know of no injustice being done to anybody or any harm that can be done.

Mr. ROACH. A special bill is pending for that purpose and hearings have been had on that special bill, and the committee has been authorized to incorporate that as an amendment?

Mr. SNYDER. Yes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent to dispense with the reading of section 12, as a bill to the same effect has already passed the House.

The CHAIRMAN. The gentleman from New York asks unanimous consent that section 12 shall not be read. Is there objection to the unanimous-consent request?

There was no objection.

The CHAIRMAN. The gentleman from New York moves that it be stricken out. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: Page 8, line 13, strike out section 12, beginning with line 13 and extending down to and including line 15 on page 9.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Sec. 13. That the Secretary of the Interior shall cause to be paid at the end of each fiscal quarter to each adult member of the Osage Tribe having a certificate of competency his or her pro rata share, either as a member of the tribe or heir of a deceased member, of the interest on trust funds, the bonus received from the sale of leases, and the royalties received during the previous fiscal quarter. So long as the income is sufficient the Secretary of the Interior shall pay to the adult members of said tribe not having a certificate of competency \$1,000 quarterly, and to pay for maintenance and education to the parents or natural guardians, actually having minor members under 21 years of age personally in charge \$1,000 quarterly out of the income of said minors, and so long as the income is sufficient to allow members having unallotted minor children \$500 quarterly for each such minor, in addition to the \$1,000 allowance above provided. All payments to incompetent adults to be subject to supervision in the discretion of the superintendent of the Osage Agency. *Provided*, That additional moneys from the sources herein provided for, due incompetent adults or minors, may be paid or expended for illness, educational purposes, or investment for the benefit of such Indians, under supervision, when authorized by the Secretary of the Interior. Property purchased with restricted Osage funds shall not be subject to the lien of any debt, claim, or judgment except taxes; *Provided further*, That all just existing individual obligations of adults not having certificates of competency and minors outstanding on March 31, 1921, and inclusive of that date, when approved by the superintendent of the Osage Agency, shall be paid out of the money of such individual as the same may be placed to his credit in addition to the quarterly allowance provided for herein.

All funds of Osage Indians accruing to their credit under the supervision of the Secretary of the Interior may be paid either to

legal or natural guardians, or administrators of the estates of such Indians, or direct to such Indians, or their heirs, in the discretion of the Secretary of the Interior under regulations promulgated by him. Lands devised to incompetent members of the Osage Tribe under wills approved by the Secretary of the Interior shall be inalienable unless such lands be conveyed with the approval of the Secretary of the Interior.

Mr. SNYDER. Mr. Chairman, I send to the Clerk's desk a committee amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. SNYDER offers the following amendment: Strike out all of section 13 and insert in lieu thereof the following:

"Sec. 13. That section 4 of the act of Congress approved March 3, 1921, entitled 'An act to amend section 3 of the act of Congress of June 28, 1906, entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes," approved March 3, 1921, be, and the same hereby is, amended to read as follows:

"Sec. 4. That from and after the passage of this act, the Secretary of the Interior shall cause to be paid at the end of each fiscal year to each adult member of the Osage Tribe having a certificate of competency his or her pro rata share, either as a member of the tribe or heir of a deceased member of the interest on trust funds, the bonus received from the sale of leases, and the royalties received during the previous fiscal quarter, and so long as the income is sufficient to pay to the adult members of said tribe not having a certificate of competency \$1,000 quarterly, except where incompetent adult members have legal guardians, in which case the amounts provided for herein shall be paid to their legal guardian, and to pay for maintenance and education to the parents or legal guardians actually having minor members under 21 years of age personally in charge, \$1,000 quarterly out of the income of each of said minors, and so long as the income is sufficient to allow members having unallotted minor children \$500 quarterly for each such minor in addition to the allowances above provided, and to invest the remainder, after paying all the taxes of such members, either in United States bonds or in Oklahoma State, county, or school bonds, or other investments, or place the same on time deposit at interest in banks in the State of Oklahoma for the benefit of each individual member under such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That at the beginning of each fiscal year there shall first be reserved and set aside out of the Osage tribal funds available for that purpose a sufficient amount of money for the expenditures authorized by Congress out of the Osage funds for that fiscal year: *Provided further*, That all just existing individual obligations of adults not having certificates of competency and minors outstanding on March 31, 1921, and inclusive of that date, when approved by the superintendent of the Osage Agency, shall be paid out of the money of such individual, as the same may be placed to his credit, in addition to the quarterly allowance provided for herein."

Mr. ROACH. Mr. Chairman, a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROACH. I wish to make this point of order, that it can not be offered as a committee amendment, as it is being offered by the chairman.

The CHAIRMAN. That does not affect its parliamentary situation. The gentleman can offer it as a Member of the House.

Mr. ROACH. I make the point of order that it is offered as a committee amendment and that it is offered without consultation with the committee or without having ever been submitted to the committee for its consideration. Here is an amendment offered which covers a subject upon which the committee has held extensive hearings. The committee has reported it to this House in the form in which it appears in the bill.

Mr. SNYDER. I offer the amendment as an individual. I supposed the members of our committee had all been consulted and had agreed upon the matter.

The CHAIRMAN. The gentleman from New York has a right to offer it as an individual member. In fact, he did so offer it, stating that it was a committee amendment.

Mr. SNYDER. When various members of the committee agreed upon time it was understood that I offered the amendment as an individual.

Mr. ROACH. I submit that it was offered as a committee amendment. I am a member of the committee and was not consulted about it, and I think other members of the committee were not.

Mr. SNYDER. I offer it as an amendment.

The CHAIRMAN. It will be so considered.

Mr. STAFFORD. I reserve a point of order until some explanation is made.

Mr. SNYDER. I shall be very glad to make it, but I have not had the opportunity yet to speak to the amendment.

Mr. STAFFORD. I have not deprived the gentleman of that opportunity.

Mr. SNYDER. Mr. Chairman, it is quite true, as the gentleman from Missouri [Mr. ROACH] has stated, that he has had no opportunity to sit in the committee and pass upon this amendment. It was brought here when the bill was brought into the House, and the amendment was passed around to as many members as I could find, and different members of the committee, all of us sitting here in this row, put more or

less annotations upon it, and time was agreed upon, based upon the understanding that this amendment was to be accepted by the committee, or at least those who were consulted about it, and when I offered the amendment I offered it as a committee amendment.

The only difference between the amendment and the bill itself is this: In the second part of this section we prescribe that the Bureau of Indian Affairs shall be the sole guardian of all incompetent Indians, and that was the way I desired it, and that is the way I think it should be; but in a spirit of compromise we accepted this amendment, including everything that we had in it with the exception that instead of giving the superintendent of the tribe jurisdiction over all incompetent Indians we permitted the guardians that have already been appointed to remain custodians of these incompetent Indians, but only to pay them the same amount quarterly that we pay to the incompetent Indians who are under the supervision of the bureau.

Mr. STAFFORD. To what extent does the gentleman's amendment release the control over the Indians by the Secretary of the Interior?

Mr. SNYDER. It does not release any control. It makes the control more drastic. Under the present law, if a guardian is appointed, all of the annual funds and all of the trust funds are turned over to the guardian. We found that was being abused, not only by the individual guardians but by the courts of Oklahoma; that is, that the courts appointing the guardians were not careful and did not use discretion. In one case we found where the court had appointed a woman guardian of five Indians and made her husband counsel for the five. We thought it was time to call a halt on that sort of thing. As the gentleman from Missouri [Mr. ROACH] says, that had deliberate consideration and careful investigation, and the committee decided to put all the power back in the hands of the bureau, but there has been such an outcry raised regarding it and so many members here have desired to have a modification of it that I put it before as many members of the committee as I could find, and we agreed that at this time it was better to take half a loaf than not to get any, but to serve notice upon the attorneys and guardians for these Indians that we might take this question up again and that next year this thing might be modified.

Mr. STAFFORD. Have the committee or any fraction of the committee at any time given consideration to the phraseology of the amendment offered as a substitute to the section?

Mr. SNYDER. None whatever, except what has been given here on the floor.

Mr. HAYDEN. The phraseology of the substitute amendment is the phraseology of the existing law.

Mr. SNYDER. Certainly, it goes back and writes into the bill the provisions of the law of 1921.

Mr. ROACH. Mr. Chairman, I want to clear this matter up. I do not want to oppose the gentleman's amendment, but I want to call the attention of the gentleman and the committee to the fact that this section of the bill was very carefully considered by the Committee on Indian Affairs and that extensive hearings were held on this particular section of the bill under consideration. As the chairman of the committee well knows, we held hearings covering many days of the sitting of the committee. The original bill introduced was finally substituted by a draft prepared by the chairman of the committee and the Commissioner of Indian Affairs, subsequent hearings were held, and it was thoroughly discussed by the committee. It was a complicated piece of legislation to begin with, in my mind. The committee reported that proposed legislation out. Now, it is proposed, in a minute, without some members of the committee having had the opportunity to read the amendment, to absolutely change the original purposes of the legislation, changing the provision with relation to the guardians of the State of Oklahoma, which at present is in the State courts, back into the Interior Department. And the provisions which the Indian Affairs Committee considered important are all eliminated in this amendment, as I caught the reading of it from the Clerk's desk.

Mr. SNYDER. It is not all eliminated.

Mr. ROACH. What about the Oklahoma Indian Agency? The purpose of the original bill was to take the jurisdiction out of the State courts and place it all with the department.

Mr. SNYDER. The State court has the same jurisdiction, except that the bureau has the right to prescribe the amount of money.

Mr. ROACH. The original bill would have brought jurisdiction back into the Interior Department, where it belongs, or at least that is what it intended to do, right or wrong.

Mr. SNYDER. I am not certain that the original legislation would ever get through. I thought we would accomplish this, and it would be better to have a half loaf than no loaf at all,

Mr. ROACH. Does the gentleman's amendment increase the quarterly payment?

Mr. SNYDER. Yes; it is the exact language of our bill, except that we take away from the superintendent out there the right to act as guardian of those who have already been appointed guardians, except to provide that the guardians shall be paid the same amount quarterly that we pay the incompetent Indians under the superintendent of the bureau.

Mr. ROACH. Under the present law you pay \$1,000 quarterly to the adult Indian and \$500 to the minor. What does the gentleman's amendment propose to do?

Mr. SNYDER. Exactly what the bill does. It gives the adult \$1,000 quarterly and it gives the minor \$1,000 quarterly; it gives the same as the bill—the minor who is not on the roll originally; that is, children who have been born since the roll, \$500 each. That is in the bill. Now, coming down to the guardian part, instead of turning over the money to the guardians appointed by the court we make them the same quarterly payment as the superintendent of Indian affairs makes to incompetent Indians under his jurisdiction. The balance is impounded.

Mr. ROACH. What does it propose to do with reference to debts as provided by the original law?

Mr. SNYDER. The same as the bill provides.

Mr. ROACH. I think it is unfortunate that an amendment of this importance should be offered in this way at the last moment on a bill without consulting all the members of the committee when extensive hearings have been held.

Mr. SNYDER. I think so, too; but it is a condition we must face.

Mr. KELLY of Pennsylvania. I note in the original section of the bill, page 10, lines 8, 9, and 10, it says:

All payments to incompetent adults to be subject to supervision, in the discretion of the superintendent of the Osage Agency.

That was not in the law that we passed March 4, 1921.

Mr. SNYDER. We struck that out in this amendment.

Mr. KELLY of Pennsylvania. I think it should be out in this amendment.

Mr. HILL. Will the gentleman yield?

Mr. SNYDER. Yes.

Mr. HILL. This amendment gives more individual protection to the Osage Indians than the existing provisions in the bill.

Mr. SNYDER. It gives protection to incompetent Osage Indians who have no guardian which it did not give before.

Mr. HILL. How much of a fund has this Osage Tribe of Indians?

Mr. SNYDER. More than \$30,000,000 or \$40,000,000.

Mr. HILL. They are the richest Indians in the country.

Mr. SNYDER. They are the richest people in the world per capita.

Mr. HILL. I have understood that some have an income of \$12,000 a year.

Mr. SNYDER. They have been paid an annual payment of that amount for several years.

Mr. CHALMERS. Will the gentleman yield?

Mr. SNYDER. Yes.

Mr. CHALMERS. I would like to ask the gentleman why he makes the statement that it is better to have half a loaf than it is a whole loaf. Why can not we get the whole loaf?

Mr. SNYDER. There is another House through which this measure must pass. Unless we reach a spirit of compromise in the bill it will be likely to be killed entirely; we would not only be unable to get the Osage matter through but all other matters.

Mr. CHALMERS. Does not the gentleman think it would be better for it to go through in this way and let the conferees work it out than to accept the half loaf here?

Mr. SNYDER. I am willing to be voted down on the amendment. If the House does not think the amendment is satisfactory, it is subject to further amendment.

Miss ROBERTSON. Mr. Chairman, I am on this committee and have given very careful attention to the bill as originally prepared. I have not seen the amendment as it now stands. This amendment, as I understand it, is for the protection of the judges of the county courts, and for the white guardians of the Indians, who do not need to be protected, whereas, as it originally stood, it was entirely for the protection of the Osage Indians. They are under the care of a superintendent under whom I worked for five years. I know him and he knows me. They say we are "two of a kind"; and they say of him, and I guess they would say the same thing of me, that he knows only two kinds of people in Oklahoma—Indians and grafters. [Laughter.]

Mr. ROACH. Mr. Chairman and gentlemen of the committee, I regret very much to rise in opposition to an amendment offered by the chairman of my committee, but to my

mind there is absolutely no excuse or justification for the adoption of the amendment, and it would be unwise to establish a precedent of this kind. The only thing, then, that this bill would accomplish if we should adopt this amendment, if I correctly understand it, would be to give to the Indians, who are entitled to these distributions from time to time, more money each quarter, and it is questionable in my mind, from the long hearings which we held, whether it would be in the interest of the Indian to give him any more money quarterly than is now being paid to him. That is all the bill would then accomplish, if we should adopt this amendment. Nothing more, nothing less. As has been stated by my colleague from Oklahoma [Miss ROBERTSON], the original purpose of the legislation, when it was introduced, was entirely different from that which the bill would finally accomplish. The original purpose of the legislation was to take those guardianships out of the State courts of Oklahoma, and put them back in the Interior Department, where the committee finally determined they properly belonged, and thereby incidentally save the Indians of Oklahoma a great expense in the administration of their estates.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. ROACH. Yes.

Mr. COLLINS. Does not the amendment accomplish a saving to the Indian by forbidding the guardianship court from handling more than the incompetent Indian would be originally entitled to, and for that reason the Indian would not permit his property to go into the guardianship court, because he could get just as much without it as he would with the guardianship proceedings?

Mr. ROACH. Oh, no. Let me get this clear before the gentleman: The Indian is paid now \$1,000 quarterly out of his funds. The remainder of his funds are held by the Interior Department and administered by that branch of the Government, and \$4,000 is administered by the State courts of Oklahoma. He has two administrators over his estate, both of them apparently expensive, but the long hearings before the committee developed the fact that the entire estate could be administered less expensively by the Interior Department than by the State courts of Oklahoma, therefore the whole estate should be administered by the Interior Department, or at least that is their contention.

Mr. CHANDLER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ROACH. Yes.

Mr. CHANDLER of Oklahoma. The gentleman made the statement that they were given more money than they are now given. This provides for the payment of \$1,000 quarterly, and the amendment of Mr. SNYDER provides for exactly the same amount.

Mr. ROACH. Certainly; but under the original law Indians receive only \$500, and this gives them \$1,000; and that is all that is left of the original bill, and that is what I complain about. This bill, if enacted as originally written in section 13, will put the jurisdiction of all of these estates back into the Interior Department, where the committee found that it belongs, and we are striking out that provision of the bill by this amendment and merely giving them more money, and utterly disregarding all of the hearings as to the question of whether we should change the jurisdiction from the State courts back to the Interior Department, where the committee finally decided that it belonged.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. ROACH. Yes.

Mr. SNYDER. The income of the incompetent Indian is approximately \$12,000 a year?

Mr. ROACH. Yes.

Mr. SNYDER. Under the present law the guardian has all that money annually. What have we done in this amendment? While it does not go as far as our bill, we do take two-thirds of that \$12,000 away from him and put it into the hands of the bureau.

Mr. ROACH. But you offer this as a committee amendment without consulting all the members of the committee, and by which amendment you put two administrations over the Indian estates, and that is the very thing the Indian is complaining about. What they are interested in is in getting their affairs back into the hands of the Government, out of the guardians' hands in Oklahoma, out of the State courts, and back into the Indian agency.

Mr. SNYDER. But by this amendment we get two-thirds of their money anyway.

Mr. ROACH. How do you relieve them of the expense when you continue the two administrations over their estates, when, as a matter of fact, there should be only one?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. ROACH. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. ROACH. Yes.

Mr. BEGG. How are the guardians paid—on the amount of the estate administered or a straight salary?

Mr. ROACH. They are paid on the commission basis.

Mr. CHANDLER of Oklahoma. Oh, I beg the gentleman's pardon. The court fixes their pay. I hate to hear the gentleman make a statement of that character.

Mr. ROACH. They are paid on a percentage basis. The court allows the fee on a percentage basis, and the testimony before the committee showed that the percentage was figured at about 5 per cent of the total amount.

Mr. CARTER. Will the gentleman yield?

Mr. ROACH. I will.

Mr. CARTER. Why, it is a flat fee of \$250.

Mr. ROACH. Not on all estates.

Mr. CARTER. If there are any expenses in connection with the estate, such as allowance of an attorney, it is to be paid, but the fee of a guardian is \$250 per annum, unless there is some additional work.

Mr. ROACH. Those are small estates where only \$250 is paid as a fee.

Mr. CARTER. All the same, the estates are the same.

Mr. ROACH. If I recall the hearings before the committee correctly, the evidence showed that the fees as figured amounted to about 5 per cent of the total amount of the estate handled by the guardians of the State of Oklahoma, regardless of whether the law makes provision for a flat fee or how you figured it. A number of settlements of the guardians of the State of Oklahoma were brought in as exhibits before the committee, in order that we might determine the reasonableness of the fees which had been allowed to the guardians by the State courts of Oklahoma, and in some instances the evidence showed that the authority and the discretion of the court had no doubt been abused, but in most instances, I will say to the credit of the State courts of Oklahoma, the Indians have been fairly dealt with in the handling of this money. At least that was the evidence before the committee.

Mr. CARTER. If the gentleman will refer to the hearings held at Pawhuska February, 1920, with reference to these fees, he will find that Superintendent Wright, in answer to a question of Mr. Elston, "What are these guardians paid, a certain percentage of the estate?" answered, "May I ask Mr. Woodward about that. I think they are paid \$250 a year."

Now, I know that to be a fact.

Mr. ROACH. Of course, the gentleman is familiar with the State laws of Oklahoma, but what I intended to state was that the court took into consideration in fixing the fee to be allowed the guardian or his attorney the amount or rather the value of the estate handled.

Mr. LONDON. Will the gentleman yield?

Mr. ROACH. I will.

Mr. LONDON. Does the law determine the fee for counsel and guardians?

Mr. ROACH. They pay both a counsel fee and a guardian fee.

Mr. LONDON. Is there any determinate fee for counsel and for guardians? Does the law provide a definite fee?

Mr. ROACH. Yes; but here is what I am complaining about—

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEGG. Mr. Chairman, I ask that the gentleman's time be extended for five minutes in order that I may ask a question on the point that he has raised.

The CHAIRMAN. Is there objection to the request of the extension of time for five minutes? [After a pause.] The Chair hears none.

Mr. BEGG. Now, if the gentleman will permit—

Mr. ROACH. I will gladly yield to the gentleman from Ohio.

Mr. BEGG. I think it is vital to know whether or not the fee paid for the administrator is on a flat basis or is on a fee basis. Now, if it is on a fee basis, the statement made by the chairman of the committee [Mr. SNYDER] is an inaccurate statement that you are saving two-thirds of the cost to the Indian by this amendment. On the other hand, if it is on a flat-rate proposition—

Mr. SNYDER. No.

Mr. BEGG. It will be just as expensive for him as it is under the present system.

Mr. ROACH. Let me say to the gentleman that he is inaccurate in that statement that we are saving two-thirds. This bill as originally reported by the committee transfers the estates of these Indians back to the Indian agency and saves the fees collected now being paid to guardians and attorneys for guardians in the State courts, and it is in the interest of the Indian to do it, and this bill as originally reported gives authority to do it, and that is the purpose of the original legislation, but its original purpose will be defeated by this amendment, which has been offered by the chairman without consulting me as a member of the committee, although extensive hearings were held on the bill.

Mr. CARTER. All the expenses of the administration of these estates, whether by the courts of Oklahoma, by the Indian agency or what not, are paid by the Osage himself from the tribal funds.

Mr. ROACH. Absolutely.

Mr. CARTER. It does not save one cent whichever way you go.

Mr. ROACH. The gentleman certainly does not mean for that statement to stay in the Record?

Mr. CARTER. It was made for the Record.

Mr. ROACH. Let me show the fallacy of it. Here is a \$100,000 estate. It is to be paid to the Indian quarterly, or \$4,000 a year, as provided by the bill. That is paid over into the hands of a guardian in the State of Oklahoma. He administers that portion of the estate. It is cumulative. The department administers and charges expenses of administering the principal of the estate. He is allowed a fee, whether it is a commission or a flat fee. The attorney for the guardian is also paid. The Indian is also charged with the expenses of administration of the principal part of his estate by the department. Now, the Osages came before our committee and asked that this duplicate administration be dispensed with and the administration of his estate be all placed in the department, where, in the judgment of the Secretary of the Interior, the Commissioner of Indian Affairs said it should be placed.

We agreed to do that by the passage of this bill, and now at the eleventh hour and after having had careful hearings extending for weeks and after having many, many witnesses appear before our committee, at the last minute it is proposed to defeat the original purpose of the legislation for which all these Indians have been bombarding our committee for so long by adopting an amendment of the chairman of the committee without consulting the committee. I do not like that kind of procedure.

Mr. CHANDLER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ROACH. Yes.

Mr. CHANDLER of Oklahoma. How many Indians have been bombarding your committee?

Mr. ROACH. We have had many delegations before our committee. The gentleman from Oklahoma was not even there before the committee when these hearings were held. The gentleman from Oklahoma does not understand what the hearings were about.

Mr. CHANDLER of Oklahoma. My dear friend, I have lived and was raised among the Indians down there, and I know more about the Osage Indians in one minute than you ever will know. [Laughter.]

Mr. ROACH. Is this the way you propose to pass legislation, to let a committee have hearings for months, and bring dozens of witnesses before them, all to no purpose? We had nearly all the lawyers and half the judges of Oklahoma before us at the hearings of our committee, and we determined that that legislation was wise; and now on the spur of the moment we are told to hand the Indians a little more money and strike down all the rest of the legislation, which was really the legislation under consideration. I do not like to see legislation considered in that way. I do not criticize the committee's action, but I say if that is the way members of a committee are to be treated who have given months of their time to the preparation and consideration of legislation, I do not care whether I am off the committee or on it.

Mr. BURTNESS. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from North Dakota offers an amendment to the amendment.

The Clerk read as follows:

Mr. BURTNESS offers an amendment to the amendment offered by Mr. SNYDER: After the word "Provided," in line 3 of page 2 of the amendment, insert "all of said quarterly payments to the legal guardians and adults not having certificates of competency, to be paid under the supervision of the superintendent of the Osage Agency."

Mr. BURTNESS. Mr. Chairman and gentlemen of the committee, I want to discuss this matter briefly, and I do not want

to limit my remarks simply to the amendment I have offered as an amendment to the amendment proposed by the gentleman from New York [Mr. SNYDER].

I recognize that there is considerable force in the statements that have just been made by the gentleman from Missouri [Mr. ROACH] on the floor, and I regret that a misunderstanding should have arisen regarding this matter. I think the Members of the House are entitled to know a little more in detail what the facts are. Shortly prior to the time that the arrangement was made with reference to the division of time in general debate—in fact, while the rule was being considered—a number of gentlemen, particularly the Congressmen representing the State of Oklahoma, mixing among the Members of the House and members of the committee, stated that they were very much opposed to the section that is now under consideration, and a member of the committee, the gentleman from Oklahoma [Mr. SWANK], was in fact recognized to control half the time upon the theory that he was opposed to this particular section as written. Thereupon the gentleman from Oklahoma [Mr. CHANDLER] circulated among a great many members of the committee—at least I received a copy of it—a copy of the amendment which he proposed to submit. I know that a great many members of the committee, including myself, did consider that amendment, and considered it quite carefully here this afternoon.

Mr. ROACH. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. I regret that the gentleman from Missouri [Mr. ROACH] apparently did not have an opportunity to consider it as did other members of the committee.

Mr. ROACH. No such amendment was shown to me or suggested to me.

Mr. BURTNESS. I know it could not have been, because the gentleman from Missouri is always fair and could not have made the remarks he has made on the floor if he had seen such an amendment a few moments after 12 o'clock, as other Members did.

Mr. ROACH. Does the gentleman think that is the proper way to amend legislation of this kind?

Mr. BURTNESS. Mr. Chairman, I did not take the floor for the purpose of being interrogated as to what the committee should or should not have done. I said that there is a great deal of force in the argument the gentleman has made. The practical question now, however, is, Which legislation are we going to adopt here this afternoon?

The act of March 3, 1921, transferred jurisdiction with reference to guardianship of these Osage Indians to the probate courts of the State of Oklahoma, and there is no question but that some abuses have arisen down there. That would be natural, perhaps, in most communities, dealing as they were in large sums of money, and there is a great deal of sentiment in some quarters in favor of changing the law. But we must remember this, that there are different kinds of guardians. There are good guardians, and there are bad guardians.

Another matter that has been overlooked entirely in the discussion is this, that every incompetent Indian does not have a guardian appointed for him by the State courts of Oklahoma at the present time. In the case of many of these incompetents their money is handled solely by the Indian Bureau, and under the terms of the law approved on March 3, 1921, such incompetent Indians receive a thousand dollars each quarter.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. BEGG. Is it optional now with the Indian that he have this guardian, or must he have it?

Mr. BURTNESS. It is not optional with the Indian. Any interested person can move in the local courts for the appointment of a guardian. The superintendent of the agency testified that sometimes he took the initial steps to have a guardian appointed. In other cases the Indian himself takes the initial step to have a guardian appointed; in some cases a relative of the Indian takes the initial step, and sometimes a lawyer or some other person interested in getting a guardian takes the initial step.

Now, the main reason why people who have other than honest motives desire to become a guardian of an Indian is so that they may have control over his funds. The reason why I agreed that the amendment just proposed by the gentleman from New York [Mr. SNYDER] was satisfactory to me was based upon this fact, that it would take away from the guardian who now handles a large sum any dishonest incentive that may now prompt him to become the guardian. You take away from him the main money incentive that appeals to such dishonest guardian and he will not try to become appointed. He will not want the job. The amendment offered by the gentleman from New York does this. It prevents the guardian when he is ap-

pointed from receiving any more than \$4,000 per year, \$1,000 per quarter, the same amount that is now turned over to every incompetent Indian down there by the Indian Bureau, and that is the amount that in turn will be turned over by the guardian appointed by the courts of Oklahoma to the Indian for his personal and family use.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, may I have five minutes more?

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. BURTNESS. That is the amount, I repeat, which will in turn be paid over by the guardian to that incompetent Indian for his family expenses. These people are wealthy, and it is the policy of the Government, as established here two years ago and not changed in this proposed legislation, to allow that amount of money to be paid regularly to all Osages—these people who have a great deal of money impounded to their credit—and if this amendment is agreed to the guardian will have practically no money to handle himself. It must all be turned over to the family and all the rest of the money belonging to the Indian will remain impounded with the United States, drawing interest, as provided for in the act passed two years ago and again provided for in the proposed amendment. In other words, if you adopt this amendment it seems to me that you are retaining for the benefit of the Indian, if he has a good guardian, the personal relationship which should, and in many cases does, exist between a guardian and his ward, and by the adoption of this amendment you are doing away with perhaps 90 per cent of the bad features that have arisen down there. It is an experiment, and rather than go the whole way and abolish all guardianships it seems to me that if we adopt the proposed amendment the action of Congress will be a rather strong warning to the people down there in the State of Oklahoma, to business men, yes, and lawyers and judges, if you like, that they will have to act in strict fidelity with these Indians or else all the jurisdiction will be taken away from the State courts and the entire matter will be handled solely by the Indian Bureau.

Mr. STAFFORD. Will the gentleman explain the purpose of his amendment to the amendment offered by the gentleman from New York [Mr. SNYDER]?

Mr. BURTNESS. The amendment offered by the gentleman from New York [Mr. SNYDER], as you will see if you followed it closely, follows the act of March 3, 1921, except the changes with reference to the amount that can be paid minors and limiting the amount that can be paid to the guardian, as has already been referred to. But in drawing that amendment—I assume it was drawn by the gentleman from Oklahoma [Mr. CHANDLER]—I find upon a careful examination of the law, which I have made here this afternoon, that these words were omitted, the reinstatement of which I have offered as an amendment to the amendment:

All of said quarterly payment to said guardians and parents not having certificates of competency, however, to be under the supervision of the Osage Agency.

Mr. CARTER. That is in the original law.

Mr. BURTNESS. Yes; existing law. In other words, I have not offered in my proposed amendment to the amendment of the gentleman from New York any words which are not found in existing law, and I for one am not ready to vote to eliminate any words of that sort without more careful consideration than we have given, or can give, to this matter this afternoon. Of course it is plainly important that this provision, or at least part of it, be included, for here under the law you can pay as much as \$1,000 a quarter to an incompetent Indian. He gets that money, to do with as he likes; and if the original amendment is adopted without the language I suggest, there will be no supervision whatsoever with reference to these payments on the part of the superintendent of the Osage Agency, and I think it is vitally necessary to include it.

Mr. ROACH. The amendment offered is the existing law on the subject, with the exception that you propose to pay the Indian more money. Is not that the whole thing in a nutshell?

Mr. BURTNESS. No; that is not the whole thing.

Mr. ROACH. What does the bill do except to allow the Indian more money—except to allow him \$1,000 quarterly?

Mr. BURTNESS. The amendment offered by the gentleman from New York, coupled with the amendment which I have offered, simply changes existing law in these two respects: First, as the gentleman from Missouri [Mr. ROACH] states, it

pays to the minor allotted Indian—that is, to the parent or natural guardian of such Indian—\$500 more per quarter. That is the only difference in the amount in his case.

Mr. ROACH. What else does it do?

Mr. BURTNESS. Then it pays to the parent or natural guardian of an unallotted minor \$500 per quarter, so that the parent gets that money out of his own funds for the use of his unallotted child.

Mr. ROACH. It pays him more money.

Mr. BURTNESS. Then, secondly, it does this, which is more important than increasing the amount paid minors. I am not very much in favor of increasing such amount, personally, although I do not raise any objection to it.

Mr. ROACH. The matter of paying more money was a secondary matter with the committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CARTER. I ask that the gentleman have five minutes more.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the time of the gentleman from North Dakota be extended five minutes. Is there objection?

There was no objection.

Mr. ROACH. I want to ask the gentleman if the matter of paying more money was not secondary and if the primary matter was not the one relating to the State courts and the Indian agent?

Mr. BURTNESS. When the gentleman asks me a question, as he did a few moments ago, which I am now engaged in answering, I wish he would show me the courtesy of allowing me to answer the question.

Mr. ROACH. I should like to be allowed to ask my question first.

Mr. BURTNESS. The next proposition, aside from increasing the amounts to certain classes of minors and providing for another class of minors, is simply this: Under the present law whenever the State court of Oklahoma appoints a guardian for any Indian that guardian receives every dollar which is due to that Indian, and, as shown in the testimony, the average was \$12,000 a year or something of that sort. In many cases it is a great deal less.

Mr. ABERNETHY. Will the gentleman yield for a question?

Mr. BURTNESS. Will the gentleman kindly allow me to finish this statement?

Mr. ABERNETHY. All right.

Mr. BURTNESS. As a result of the adoption of this amendment the guardian can not receive more than \$4,000 for that one Indian in one year, and naturally that \$4,000 will be used in taking care of the family of that Indian and the balance of the Indian's income is impounded in the United States Treasury, and dishonest guardians or anyone else will not have an opportunity to deal therewith.

Mr. ROACH. That keeps the guardianship in the Oklahoma State courts, does it not?

Mr. BURTNESS. Yes.

Mr. ROACH. And puts the Indian to that expense. Now, was it not the desire of the Indians to put these guardianships back into the Indian agency, and was not that desire expressed before our committee?

Mr. BURTNESS. That was the desire probably of the attorney of the tribe, but of the Indians not entirely. In fact the original bill, upon which lengthy hearings were held and which, I presume, was drawn originally by the capable attorney for the Osage Indians, did not pretend to take the jurisdiction away from the State courts, but in that original bill it was suggested to put the power in the hands of the superintendent to stand over the court and to say to the court, "Even where a guardian is appointed I will do as I like, whether I pay any of this money to this guardian or not. If I want to I will pay it direct to the incompetent Indian." I think the gentleman will agree with me that there were many members of the committee who were rather opposed to that proposition.

Mr. ROACH. The original bill did not have anything in it about an increase in the quarterly payments, did it?

Mr. BURTNESS. I do not recall definitely; it did have something in it in reference to increase in certain cases.

Mr. ABERNETHY. Will the gentleman yield?

Mr. BURTNESS. Certainly.

Mr. ABERNETHY. I do not live in an Indian territory, but do I understand the law to be that notwithstanding the State courts appoint a guardian the Interior Department, after all, has supervisory jurisdiction over all funds in the making of investigations and asking for the removal of guardians?

Mr. BURTNESS. That is correct; they have that power under the present law.

Mr. ABERNETHY. Do I understand that this applies to Oklahoma?

Mr. BURTNESS. It applies purely to the Osage Indians in Oklahoma.

Mr. ABERNETHY. Do I understand that the delegation from Oklahoma favors the amendment proposed by the gentleman from New York?

Mr. BURTNESS. That is my understanding. I do not know whether they are unanimous, but certainly the membership of the committee from Oklahoma are in favor of it and most of the Members outside of the committee from that State.

Mr. KELLY of Pennsylvania. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. KELLY of Pennsylvania. The Osage Indians are citizens of the United States.

Mr. BURTNESS. I think so.

Mr. KELLY of Pennsylvania. They have had property given them by the act of Congress which comes down to their heirs.

Mr. CHANDLER of Oklahoma. I beg the gentleman's pardon, it was not given to them; they paid for it.

Mr. KELLY of Pennsylvania. They are citizens of the State and they took over this land which has come down to their heirs. Now, by an amendment you propose to take away the rights of these citizens of the United States and put them back under the bureau. I do not believe that that can be done.

Mr. BURTNESS. No; the amendment does not propose to change the present law in that respect—

Mr. KELLY of Pennsylvania. That law is in the process of adjudication, and I think it will be held that there is no power in Congress to take away the rights of a citizen.

Mr. BURTNESS. Oh, yes; I understand the gentleman from Pennsylvania is one of those well-meaning visionaries who would like to see any Indian, no matter how incompetent, if he has a million dollars, get that million dollars at once, throw it away as he sees fit, and then let the State take care of his children or dependents as paupers.

Mr. KELLY of Pennsylvania. Oh, I have seen Indians as competent as the gentleman from North Dakota who did not have the right of citizenship.

Mr. BURTNESS. Oh, yes; I concede there are thousands as competent as the gentleman from North Dakota. We are here dealing with those who have not certificates of competency.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. SNYDER. Mr. Chairman, I move that all debate on this amendment close in five minutes.

The motion was agreed to.

Mr. SWANK. Mr. Chairman, occasionally you will hear an onslaught made against the citizens of Oklahoma and against the courts of that State. Sometimes they are made by citizens of that State. The gentleman that represents the congressional district in which is located the Osage Tribe is the gentleman from Oklahoma [Mr. CHANDLER], a member of the Cherokee Tribe. He was raised in that country, born there, and knows something about Indian affairs. The chairman of the committee, Mr. SNYDER, who has been a member of the committee for many years, is always looking out for the welfare of the Indians; always favoring legislation that in his opinion is to their benefit. Then there is the gentleman here who has been a Member of Congress from Oklahoma every since statehood, Mr. CARTER, who knows more about Indian affairs than any other man in this House. [Applause.] Mr. CHANDLER and the chairman of this committee, Mr. SNYDER, favor this amendment which the chairman has offered.

Yes; I was raised in that country myself. I know something about Indians, although I am not a member of any tribe. I have had experience with the courts of Oklahoma. The county judge in that State is judge of the county court, judge of the probate court, and judge of the juvenile court. If a white man dies and leaves a fortune to his children his estate is administered by the county judge and under his supervision. If a citizen of the Osage Tribe dies and leaves a fortune to his children his estate is administered by the county judge under the supervision of the Indian agent, who is under control of the Interior Department.

Now, there may have been times when a candidate for county judge has said to some person, "If you support me, I will appoint you a guardian of some rich estate." I have been there a long time and I have never known anything like that. The courts of Oklahoma, from the supreme court to the county court, are honest, and look after the affairs of the Indians and administer their estates with the same particularity and faithful supervision as they do of the white citizens.

Mr. CARTER. In that connection, will the gentleman allow me to call his attention to the statement made by J. George Wright?

Mr. SWANK. I was just going to read it. It is as follows:

Mr. ELSTON. It opens up a field of inquiry. How are these guardians appointed?

Mr. WRIGHT. By the local courts. We have a very good law here that is not applicable to the Five Tribes. The local courts here have jurisdiction of probate matters, but the department has authority to approve and to investigate any matters pertaining thereto, and we have a law clerk who gives that his attention. There is a check there.

Mr. ELSTON. There is a double check by the court and also a check by the Indian Office.

Mr. WRIGHT. Yes, sir; and it works very well.

The CHAIRMAN. Which one of those checks prevails usually?

Mr. WRIGHT. They both go together pretty well. I do not recall any case where the court has declined to follow the recommendation of our office.

Mr. SWANK. What more do you want, if the county judge listens to the Indian agent down there? In addition to that, they not only have an Indian agent, but they have a probate attorney as well, whose sole duty it is to look after the affairs of the Osage Indians, and he represents the Interior Department. The estates of the Indians, as are the estates of white persons, in Oklahoma are administered as honestly and as efficiently as they are in any other State of the Union. It does not make any difference what anybody says to the contrary, whether he lives in Oklahoma or not.

Mr. ROACH. Mr. Chairman, I am sure that I would not want the gentleman to convey the impression that I have in any sense questioned the integrity of the courts there.

Mr. SWANK. I know the gentleman has not.

Mr. ROACH. Neither would I want the gentleman to leave the impression that I said that Mr. Wright appeared in the interest of keeping the jurisdiction of these Indian estates in the State courts.

Mr. SWANK. Section 13 of the bill provides that this money can be paid to the legal or natural guardian. The amendment should be adopted.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. All time has expired.

Mr. STAFFORD. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. BURTNESS] to the amendment of the gentleman from New York [Mr. SNYDER].

The question was taken, and the amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on agreeing to the amendment as amended.

The question was taken; and on a division (demanded by Mr. ROACH) there were—ayes 34, noes 4.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 15. That jurisdiction is hereby conferred upon the Court of Claims, with right of appeal to the Supreme Court of the United States, to consider and determine all legal and equitable claims against the United States of the Blackfoot Blood, Piegans, and Gros Ventre Nations or Tribes of Indians, residing upon the Blackfoot and Fort Belknap Indian Reservations, in the State of Montana; and the Flathead, Kootenais, and Upper Pend d'Oreilles Nations or Tribes of Indians, residing upon the Flathead Indian Reservation, in the State of Montana; and the Nez Perces Tribe of Indians, residing upon the Lapwai Indian Reservation, in the State of Idaho; and upon the Colville Indian Reservation, in the State of Washington, for lands or hunting rights recognized as existing in these said nations and tribes of Indians by virtue of said treaty of October 17, 1855 (11 Stat. L. p. 657, and the following), and of July 16, 1855 (128 Stat. L. p. 976, and the following), with said Flathead, Kootenais, and Upper Pend d'Oreilles Tribes, and all claims arising directly thereunder, which lands and hunting rights are alleged to have been taken from the said Indians by the United States, and also any legal or equitable defenses, set-offs, or counterclaims which the United States may have against the said nations or tribes, and to enter judgment thereon, all claims and defenses to be considered without regard to lapse of time; and the final judgment and satisfaction thereof shall be in full settlement of all said claims.

That suits under this act shall be begun by the filing of a petition within two years of the date of the approval of this act, to be verified by the attorney or attorneys selected by the claimant Indians with the approval of the Secretary of the Interior employed under contract executed and approved in accordance with existing law. The claimant Indians shall be parties plaintiff and the United States shall be party defendant, and such suits shall on motion of either party be advanced on the docket of the Court of Claims and of the Supreme Court of the United States. The compensation to be paid the attorneys for the claimant Indians shall be determined by the Court of Claims in accordance with terms of the said approved contract and shall be paid out of any sum or sums found and adjudged to be due said Indians. But in no event shall said compensation exceed 10 per cent of the amount of the judgment nor exceed the sum of \$50,000 for all of the tribes of Indians named herein, said sums to be exclusive of all actual and necessary expenses in prosecuting said suits. The balance of any such judgment shall be placed in the Treasury of the United States to the credit of the Indians entitled thereto and draw interest at the rate of 4 per cent per annum.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word for the purpose of directing an inquiry in respect to section 14. I notice in line 16, on page 12, the words "hunting rights recognized as existing in these said nations." That lan-

guage is rather broad and seems to recognize these claims. I do not think it is intended that we should in any way recognize the validity of the claim.

Mr. SNYDER. To what line does the gentleman refer?

Mr. STAFFORD. Line 16, page 12. Why would it not give the same power to the court if instead of using the words "recognized as" we should use the words "claimed to be existing"?

Mr. SNYDER. I do not see any objection to that.

Mr. STAFFORD. I do not want any attorney going into court and saying that we have recognized the existence of these rights.

Mr. SNYDER. I agree with the gentleman that the language should be changed.

Mr. STAFFORD. Then I ask unanimous consent to withdraw my pro forma amendment and offer as a substantive amendment on page 12, line 16, to strike out the words "recognized as" and substitute in lieu thereof the words "claimed to be."

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will report the amendment offered by the gentleman from Wisconsin.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 12, line 16, after the word "rights," strike out the words "recognized as" and insert in lieu thereof the words "claimed to be."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment, which I send to the desk:

The Clerk read as follows:

Page 12, line 25, after the word "counterclaims," insert "including gratuities."

Mr. HAYDEN. That is the usual form of legislation.

Mr. SNYDER. I accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arizona.

The amendment was agreed to.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that the Clerk omit the reading of section 16, because it has already been passed in the House in another form.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the Clerk omit the reading of section 16. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Chairman, I now move to strike out section 16.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 14, line 3, strike out all of section 16.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 18. That unless otherwise specifically provided, the provisions of the act of February 8, 1887 (24 Stat. L. p. 388), as amended, be, and they are hereby, extended to all lands heretofore purchased or which may hereafter be purchased by authority of Congress for the use or benefit of any individual Indian or band or tribe of Indians.

Mr. BURTNESS. Mr. Chairman, I have an amendment which I desire to offer as a new section.

Mr. STAFFORD. Mr. Chairman, I desire to be recognized on section 18. I move to strike out the last word in order to direct the attention of the chairman of the committee to the word "resolution" in line 6, page 16, in the prior section. Ought not the word "provision" be substituted.

Mr. SNYDER. I would be very glad to accept that amendment.

Mr. STAFFORD. Then, Mr. Chairman, I ask unanimous consent to return to section 17 for the purpose of offering a minor amendment, to substitute the word "provision" for the word "resolution" in line 6, page 16.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 16, line 6, strike out the word "resolution" and insert the word "provision."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BURTNESS. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 16, after line 21, add a new section, as follows:

SEC. — That the Secretary of the Interior be, and he hereby is, authorized, with the consent of the Chippewa Indians of Minnesota, to transfer and convey to the State of Minnesota, under such rules, regulations, and conditions as he may prescribe, all the land, with the buildings thereon, constituting the present White Earth Agency and school reserves, upon such terms as may be agreed upon by the Secretary of the Interior and said Indians and said State.

Mr. BURTNESS. Mr. Chairman, this is the bill (H. R. 14000) recommended by the Committee on Indian Affairs, with some amendments. Mr. STEENERSON, the author of the bill, is here, and I am sure he will be glad to answer any questions which you may desire to ask.

Mr. STEENERSON. Mr. Chairman, this reservation consists of some 600 acres, with hospital fully equipped and school buildings which must have cost \$50,000 or \$60,000, with a house for the agent. It has been abandoned and vacant for nearly two years because the Interior Department has moved the agency to Cass Lake, and the State of Minnesota is anxious to acquire it for putting some State institution on it. The governor was down here and conferred with the Interior Department in regard to the matter. This bill was pending before the committee, and the committee amended it so as to leave the terms to be agreed upon by the State of Minnesota, the Interior Department, and the Indians.

The question was taken, and the amendment was agreed to.

Mr. BURTNESS. Mr. Chairman, I desire to offer an amendment, a committee amendment, as an independent section following the last amendment which has been adopted.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Add at the end of the amendment just adopted a new section, as follows:

SEC. — That the Secretary of the Interior be, and he is hereby, authorized to withdraw from the Treasury of the United States during the fiscal years ending June 30, 1923, and June 30, 1924, in all not exceeding \$50,000 of the principal fund on deposit to the credit of the Chippewa Indians in the State of Minnesota, arising under section 7 of the act of January 14, 1889, entitled "An act for the relief and civilization of the Chippewa Indians in the State of Minnesota," and the same shall be available and may be expended to relieve distress of any enrolled Chippewa Indian, either in furnishing food, clothing, fuel, medical or hospital care, or other necessary assistance, and the amount of any funds used for such purposes for any Chippewa Indian shall be charged to such Indian and reimbursed out of any moneys that may accumulate to his or her credit; or, in case of death, any part of the amount so charged remaining unpaid may be paid from the proceeds of the sale of any property or from any funds belonging to the estate of such Indian."

Mr. STAFFORD. Mr. Chairman, I reserve the point of order until some explanation is made of this very important amendment.

Mr. BURTNESS. Mr. Chairman, this amendment is the bill, H. R. 13953, introduced by Mr. LARSON of Minnesota, with this exception that the amount authorized in the bill as introduced is \$300,000. The committee held hearings upon this matter and decided to recommend the legislation with the amount cut down to \$50,000. Mr. LARSON of Minnesota is here; it is a worthy proposition; and, of course, if the point of order is pressed at this time, the chances are that it will be impossible to secure the legislation at this session.

Mr. STAFFORD. If the point of order is withdrawn, has the gentleman any more of these long, substantive amendments to offer?

Mr. BURTNESS. This is the last.

Mr. STAFFORD. Mr. Chairman, under that condition, solemnly entered into, I withdraw the reservation.

The question was taken, and the amendment was agreed to.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that the Clerk may change the numbers of the sections so that they will come in proper sequence.

The CHAIRMAN. Without objection, that will be ordered.

There was no objection.

Mr. SNYDER. Now, Mr. Chairman, I move that the committee rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The CHAIRMAN. The gentleman from New York moves that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13835) authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes, had directed him

to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as thus amended do pass.

Mr. SNYDER. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The SPEAKER. The gentleman from New York moves the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SNYDER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

RECOMMITTAL OF A BILL.

Mr. HICKS. Mr. Speaker, by direction of the Committee on Naval Affairs, I ask unanimous consent that Senate bill 4137, now on the Union Calendar, to authorize the transfer of certain vessels from the Navy to the Coast Guard, be recommitted to the Committee on Naval Affairs for further consideration.

Mr. GARRETT of Tennessee. Reserving the right to object, Mr. Speaker, I understand that this is a unanimous request?

Mr. HICKS. Yes; a unanimous-consent request from the Committee on Naval Affairs.

Mr. STAFFORD. What is the title of the bill?

Mr. HICKS. It is to take certain vessels of the Navy and transfer them to the Coast Guard.

The SPEAKER. Is there objection?

There was no objection.

PRESIDENT'S MESSAGE—REPORT OF DIRECTOR GENERAL OF RAILROADS (H. DOC. NO. 546).

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the report of the Director General of Railroads and Agent of the President, showing the progress in the liquidation of all questions and disputes arising out of or incident to the Federal control of railroads for the year ending December 31, 1922.

WARREN G. HARDING.

THE WHITE HOUSE, February 3, 1923.

PRESIDENT'S MESSAGE—PERRY'S VICTORY MEMORIAL COMMISSION (S. DOC. NO. 296).

The Speaker also laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on the Library and ordered printed:

To the Congress of the United States:

I transmit herewith the second annual report of Perry's Victory Memorial Commission, dated December 4, 1922, which was submitted to the Secretary of the Interior, pursuant to section 5 of the act entitled "An act creating a commission for the maintenance, control, care, etc., of the Perry's Victory Memorial on Put in Bay Island, Lake Erie, Ohio, and for other purposes," approved March 3, 1919 (40 Stat. 1322-1324).

WARREN G. HARDING.

THE WHITE HOUSE, February 3, 1923.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.) the House adjourned until Monday, February 5, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

945. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill "To reimburse certain persons for loss of private funds in the form of Liberty bonds of the fourth issue and Victory notes while they were general court-martial prisoners confined in the naval prison, Portsmouth, N. H.;" to the Committee on Claims.

946. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1923, amounting to \$356,480 (H. Doc. No. 543); to the Committee on Appropriations and ordered to be printed.

947. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Coal Commission for the fiscal year ending June 30, 1923, and for a portion of the fiscal year ending June 30, 1924, \$400,000 (H. Doc. No. 544); to the Committees on Appropriations and Interstate and Foreign Commerce and ordered to be printed.

948. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Employees' Compensation Commission for the fiscal year ending June 30, 1923, \$475,000 (H. Doc. No. 545); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. VOLSTEAD: Committee on the Judiciary. H. R. 13998. A bill making section 1535c of the Code of Law for the District of Columbia applicable to the municipal court of the District of Columbia, and for other purposes; without amendment (Rept. No. 1522). Referred to the Committee of the Whole House on the state of the Union.

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 14077. A bill to extend the benefits of section 14 of the pay readjustment act of June 10, 1922, to validate certain payments made to National Guard and reserve officers and warrant officers, and for other purposes; with amendments (Rept. No. 1523). Referred to the Committee of the Whole House on the state of the Union.

Mr. JEFFERS of Alabama: Committee on the Public Lands. H. R. 13272. A bill granting a license to the city of Miami Beach, Fla., to construct a drain for sewage across certain Government lands; with amendments (Rept. No. 1524). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOCHT: Committee on the District of Columbia. H. J. Res. 418. A joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by the Almas Temple, Washington, D. C., 1923 Shrine Committee (Inc.), and for other purposes; with amendments (Rept. No. 1526). Referred to the Committee of the Whole House on the state of the Union.

Mr. MORGAN: Committee on the Public Lands. H. R. 8625. A bill to provide for the cession to the State of Michigan of certain public lands in the county of Isle Royal, State of Michigan; with amendments (Rept. No. 1528). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho: Committee on the Public Lands. S. 3103. An act to amend section 2294, United States Revised Statutes, relating to homesteads; without amendment (Rept. No. 1529). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Idaho: Committee on the Public Lands. S. 3794. An act to amend section 35 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920; without amendment (Rept. No. 1530). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUTHERLAND: Committee on the Public Lands. H. R. 7762. A bill to provide for soldiers' and sailors' homestead entries in Alaska; with amendments (Rept. No. 1531). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUTHERLAND: Committee on the Public Lands. H. R. 12171. A bill to grant certain lands to the city of Skagway, Alaska, for a public park; with an amendment (Rept. No. 1532). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMICK: Committee on the Public Lands. S. 3593. An act to authorize an exchange of lands with owners of private-land holdings within the Glacier National Park; without amendment (Rept. No. 1534). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLTON: Committee on the Public Lands. S. 3588. An act granting certain lands in the city of Ogden, Utah, to protect the watershed of the water-supply system of said

city; without amendment (Rept. No. 1535). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 14078. A bill to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta, Ark.," approved October 6, 1917; with amendments (Rept. No. 1537). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 13554. A bill authorizing the construction, maintenance, and operation of a dam and other structures across or in the Potomac River at or near Williamsport, Washington County, Md.; with amendments (Rept. No. 1538). Referred to the House Calendar.

Mr. BURTNESS: Committee on Indian Affairs. H. R. 13953. A bill authorizing, for the relief of the distress of the Chippewa Indians of Minnesota, the withdrawal of moneys from the tribal funds of said Indians; with an amendment (Rept. No. 1539). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII.

Mr. SUMMERS of Washington: Committee on the Public Lands. H. R. 10682. A bill authorizing the issuance of patent to Charles Swanson; with amendments (Rept. No. 1525). Referred to the Committee of the Whole House.

Mr. McCORMICK: Committee on the Public Lands. S. 3594. An act for the relief of Anton Rospotnik and the exchange of certain lands owned by the Northern Pacific Railway Co.; without amendment (Rept. No. 1533). Referred to the Committee of the Whole House.

Mr. BENHAM: Committee on the Public Lands. H. R. 10825. A bill for the relief of the heirs, assigns, and legal representatives of Thomas Johnson, without amendment (Rept. No. 1536). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

The bill (H. R. 13306) granting a pension to Anna D. Gooch; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

The bill (H. R. 13899) granting a pension to Aaron N. Montgomery; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BLANTON: A bill (H. R. 14181) providing for the election of certain of the commissioners, of the members of the Board of Education, and of a Delegate to the House of Representatives of the United States for the District of Columbia; for the reorganization and future selection of the Public Utilities Commission, repealing certain of its orders, and further limiting its powers, and for other purposes; to the Committee on the District of Columbia.

By Mr. BEGG: A bill (H. R. 14182) in recognition of the valor of the officers and men of the Thirty-seventh Division who were killed in action or died of wounds received in action; to the Committee on Foreign Affairs.

By Mr. DENISON: A bill (H. R. 14183) to authorize the Secretary of the Treasury to sell a portion of the Federal building site in the city of Duquoin, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. FOCHT: A bill (H. R. 14184) to authorize the closing of a part of Thirty-fourth Place NW. and to change the permanent system of highways plan of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ZIHLMAN: A bill (H. R. 14185) to make an investigation of the needs of the Nation for public works to be carried on by Federal, State, and municipal agencies in periods of business depression and unemployment; to the Committee on Labor.

By Mr. ANDREWS of Nebraska: A bill (H. R. 14186) fixing date for the beginning of regular sessions of Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. CRAMTON: A resolution (H. Res. 503) directing the Secretary of the Treasury to furnish to the House of Representatives certain information regarding the shipments of intoxicating liquors for beverage purposes, consigned to representatives of foreign governments having a diplomatic status in the United States; to the Committee on the Judiciary.

Also, a resolution (H. Res. 504) directing the Secretary of State to furnish to the House of Representatives certain information regarding the shipment of intoxicating liquors for beverage purposes, consigned to representatives of foreign governments having a diplomatic status in the United States; to the Committee on the Judiciary.

By Mr. CANNON: A resolution (H. Res. 505) to pay Arthur Lucas \$50 for special janitor services rendered during the fourth session of the Sixty-seventh Congress; to the Committee on Accounts.

By Mr. WINSLOW: A resolution (H. Res. 506) for the immediate consideration of H. R. 11674; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 14187) granting an increase of pension to Mary Savanack; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 14188) for the relief of Leonard R. Coates; to the Committee on Agriculture.

By Mr. BRIGGS: A bill (H. R. 14189) granting a pension to William P. Johnston; to the Committee on Pensions.

By Mr. COLE of Ohio: A bill (H. R. 14190) granting a pension to Margaret J. De Witt; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 14191) for the relief of Horace G. Wilson; to the Committee on Claims.

By Mr. HOOKER: A bill (H. R. 14192) granting a pension to Annie M. James; to the Committee on Pensions.

By Mr. LAWRENCE: A bill (H. R. 14193) granting a pension to Lany M. Brelsford; to the Committee on Invalid Pensions.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 14194) granting a pension to Margaret Donahue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14195) granting a pension to Clarissa A. Grover; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 14196) granting a pension to Elisha M. Chilson; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 14197) granting an increase of pension to Mary F. Schenck; to the Committee on Invalid Pensions.

By Mr. SLEMP: A bill (H. R. 14198) authorizing and directing the Secretary of War to cause to be made a preliminary examination and survey of Little Wicomico River, Northumberland County, Va.; to the Committee on Rivers and Harbors.

By Mr. SUMMERS of Washington: A resolution (H. J. Res. 434) for the relief of Harry C. Stanton, administrator of the estate of James and Mary Sinclair, deceased; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7174. By the SPEAKER (by request): Resolution of the board of directors of the American Society of Civil Engineers, relating to war-fraud indictments; to the Committee on the Judiciary.

7175. By Mr. ANSORGE: Petition of Henry J. Gielow (Inc.), New York City, favoring passage of House bill 12091, permitting American citizens to have admitted to American registry without collection of ad valorem duty yachts built or purchased abroad; to the Committee on the Merchant Marine and Fisheries.

7176. By Mr. KISSEL: Petition of District of Columbia Institute of Accountants, Washington, D. C., urging passage of Senate bill 2531, creating a board of accountancy for the District of Columbia; to the Committee on the District of Columbia.

7177. By Mr. MacGREGOR: Petition of citizens of the forty-first congressional district of New York, favoring legislation extending aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7178. By Mr. SABATH: Petition of the Illinois Manufacturers' Association, protesting against the cancellation of foreign war debts; to the Committee on Foreign Affairs.

7179. By Mr. THOMPSON: Petition of 17 residents of Henry County, Ohio, urging favorable action on House Joint Resolution 412, for the relief of the famine-stricken areas of Germany and Austria; to the Committee on Foreign Affairs.

7180. Also, petition of 37 residents of Henry County, Ohio, urging favorable action on House Joint Resolution 412, for the relief of the famine-stricken areas of Germany and Austria; to the Committee on Foreign Affairs.

SENATE.

MONDAY, February 5, 1923.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, in Thy good providence we are permitted to assume the duties that require attention. We humbly ask that Thy guidance may be had and that in every phase of life and its responsibilities we may be able to recognize that Thou art our God, willing to aid us in every perplexity, to guide our steps aright, and to lead us finally into Thy presence. We ask in Jesus' name. Amen.

THE JOURNAL.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, January 29, 1923, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhues, its enrolling clerk, announced that the House had passed a bill (H. R. 13835) authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had further insisted upon its disagreement to the amendments of the Senate numbered 10 and 25 to the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1924, and for other purposes; agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Wood of Indiana, Mr. WASON, Mr. DICKINSON, Mr. BYRNS of Tennessee, and Mr. GRIFFIN were appointed managers on the part of the House at the further conference.

SENATOR NORRIS ON A MODEL STATE LEGISLATURE.

Mr. JOHNSON. Mr. President, I ask unanimous consent to have printed in the RECORD in 8-point type an article by the junior Senator from Nebraska [Mr. NORRIS], published yesterday in the New York Times, entitled "A model State legislature."

There being no objection, the article was ordered to be printed in the RECORD in 8-point type, as follows:

(By GEORGE W. NORRIS, United States Senator from Nebraska.)

LEGISLATURE SHOULD CONSIST OF ONE BODY.

When our forefathers adopted the Constitution of the United States they provided that the legislative function of government should be composed of a House of Representatives and of a Senate. It would be interesting, but it is not material in the present discussion, to give the reasons why this was done. It is sufficient to know that the Federal Government in this respect was accepted as a model and was followed by all of the States of the Union. The experience of more than 100 years has demonstrated that the two-branch legislature, at least so far as the various States are concerned, has been very unsatisfactory in its results. One of the fundamental requisites that should always exist in any legislature where universal suffrage prevails is to enable the citizen to properly place responsibility either for the success or the failure of legislation.

In every legislature composed of two branches the finishing touches on practically all legislation are made by conference committees. A bill that has passed one branch and then been amended in another one must go to conference for adjustment of the differences between the two houses. These conference committees in all two-branch legislatures are absolutely essential in order that anything may be accomplished. Experience has shown that it is within the privacy of the conference committee room that jokers get into legislation, and that provisions of law demanded even by a majority of both branches of the legislature are sometimes not included in the finished product. When a bill is in conference it is necessary that compromises

be made in order to secure any legislation. It very often happens that the most important features of legislation are put into the bills while they are being thus considered. Members of conference committees are often compelled to surrender on important items where no surrender would be even demanded if consideration of the legislation were in the open where a public record could be had of the proceedings. When the bill emerges from conference it is not then subject to amendment. It must be accepted or rejected as a whole. The conference is held in secret. There is no record vote on any proposition decided at the conference. The public is excluded from the deliberations, and the only thing that emerges from the conference is the final agreement.

The individual legislator must then vote upon a conference report without any opportunity of expressing by his vote his opposition to anything that the bill in this form contains. The citizen is deprived entirely of an opportunity to pass a just and fair judgment upon the result. In conference, provisions are often put in and other provisions taken out, where an entirely different result would be obtained if the action took place in the open where a record vote could be had upon all provisions of the bill.

A one-branch legislature would obviate all these difficulties. There would be no way for any member of the legislature to conceal his opposition upon any legislative propositions that come before the body. The citizen would be able to absolutely and without difficulty place responsibility where it properly belonged for every act of the legislature. It would thus be easy to punish those whose records are unsatisfactory and to reward those whose services are meritorious.

It is quite a common thing in a double-branch legislature for one house to shift responsibility for failure upon the other house. Bills are often passed when it is known by those who pass them that the bill is to be killed in the other house, and in like manner bills coming from the other house are pigeon-holed in the first one. Responsibility for failure is thus divided, enabling participants in the fraudulent procedure to conceal their own records and to cover up their own tracks.

In a one-branch legislature it would be impossible to thus obscure the record by parliamentary tactics and proceedings that make it impossible for the ordinary citizen to properly judge the record of his representative. It is not only the unworthy legislator that ought to be exposed, but the faithful one ought to be able to make his record clear to his constituents without the necessity of a long and tedious explanation of the various parliamentary predicaments into which existing conditions placed him. A single-branch legislature would simplify the entire record. The ordinary citizen, without becoming a parliamentary expert, could easily satisfy himself as to whether the official conduct of his representative was satisfactory or otherwise. Adroit politicians would be unable to cover up their practices, but every act would be performed in the open, and the record would be simple and easily understood.

LEGISLATURE SHOULD BE SMALL IN NUMBER.

One of the evils of our legislatures is that they are entirely too large. In theory a large legislature is supposed to give a larger and more complete representation of the entire citizenship. In practice, however, it has been demonstrated that a large membership is detrimental to real representation. We should avoid either extreme. A large body of men, in order to accomplish any legislative results, must of necessity surrender many of the individual rights and prerogatives of its members. Members must deny themselves the right in large bodies, on important matters of legislation, to even offer amendments. They must surrender to committees the right to determine procedure. The very size of the bodies sometimes makes it impossible for the necessary and proper deliberation and discussion that should always take place before legislation is enacted. The House of Representatives in Washington illustrates this point. The Members of the House are, as a class, both able and conscientious. They are moved by the highest of motives and are a picked body of fine men. And yet any constructive critic will say that their work is not only incomplete but is very unsatisfactory and often ill considered. This result comes about entirely and solely from the huge size of the body. In order to accomplish anything whatever they are often compelled, in the most vital kind of legislation, by special rule and otherwise, to deprive themselves of the right to offer amendments and of the right to debate and thus point out errors or suggest corrections, and the result is not only disappointing but it brings about all kinds of errors in the final enactment. Members are thus often compelled to vote for bills containing provisions that in their own judgment are absolutely wrong in order to get what, in

their judgment, is right and proper; or they are compelled to vote against bills because, in their judgment, the evil contained is greater than the good. It is true, of course, that in the final passage of a bill through any legislature, members in deciding how they shall vote must weigh the good and the bad and vote as their judgment dictates; but in a smaller body of men there would always have been an opportunity to offer amendments striking out bad provisions and to offer amendments suggesting good ones, so that the record of the member upon all provisions of the bill would clearly appear. If this right were not denied, it would mean better legislation and enable members to keep a correct record of their own positions. It would often occur that if the right to debate and the right to offer amendments had not been denied, bad provisions would be excluded on a roll call and good provisions put in.

The exact number that should be contained in the membership of a State legislative body would undoubtedly vary somewhat with the different States. Having in mind a State about like Nebraska, I should say that the membership should not exceed 20 or 30. This would make it absolutely impossible for any member to cover up his record in any respect or to shift any responsibility. It would enable a citizen to be fully informed upon the record of his representative without the necessity of doing anything more than to read the news while the legislature was in session. Punishment could be meted out to those who deserved it, and the faithful could be properly rewarded. It would give to the State a business administration. It would result in full discussion, complete deliberation, and the highest possible wisdom in the enactment of laws.

SALARIES OF LEGISLATORS SHOULD BE INCREASED.

A State having the kind of legislature I have outlined would be able to increase the salaries of its members. Under existing conditions it is a well-known fact that it is extremely difficult in many instances to secure good men in State legislatures, because the ordinary individual can not afford to leave his business and expend the time necessary to attend the sessions of the legislature. The result is that we not only get a less desirable membership but the good legislator, who is induced to sacrifice himself, must give the greater portion of his time to his private business and never becomes really posted on the propositions that come before the legislature. Existing conditions afford inducements to the dishonest and corrupt, who avail themselves of the opportunity to become candidates for the legislature with a view of recouping themselves after election by their official conduct. There are, of course, many honest and able men who are members of the State legislatures. Undoubtedly, a large majority of them could be thus designated; but it is oftentimes much easier to deceive the honest man than it is to buy the corrupt man. The ordinary farmer or business man who goes to the legislature with the very best of intentions is often deceived by lobbyists and evil influences. He is in attendance upon the legislature but a short time, and devotes the balance of his time to his business or occupation, and it is a physical impossibility, whatever may be his desire, to properly qualify himself for the duties of his office.

A member of the legislature ought to be paid a sufficient salary so that he could devote his time to the duties of his office. This would not only attract better men for the position but it would enable good men to perform better service. He ought to be paid a salary that would command all of his time, and he should, in my judgment, be elected for a term of four years. This term, with the right of the people to recall their representative, would not, in my opinion, be too long.

THE PROPOSED PLAN WOULD BE ECONOMICAL.

The plan I have outlined would not only result in better legislation but it would save money for the taxpayer. If members of such a legislature were paid a salary equal to the salary of other State officials whose entire time is required in the performance of the duties of their offices there would still be, in most cases, a large saving of money on the salary item alone. We would not only get better legislators and not only have the benefit of their entire time but we would do it all with a less cost than under present conditions. Better results for less money would be the outcome.

PARTISANSHIP WOULD BE ELIMINATED.

The members of the legislature should be elected by districts upon a nonpartisan ballot. The business of the legislature of a State is in no sense partisan. The evils that creep into State management and State legislation on account of such positions being coupled up with national questions of politics are exceedingly great. Men are often elected to the State legislature

because they happen to be candidates on some particular party ticket, while the duties they are to perform when elected have nothing to do with the national administration or with the welfare or success of any political party. If politics were eliminated, members would be elected according to their qualifications for the State legislature. The State would be similar to a gigantic corporation and the members of the legislature would be members of the board of directors.

Without being handicapped on account of any partisanship matters, they would be able to give the best that was in them for the welfare of the State. Their duties would be mainly of a business nature. How illogical it is to elect a man to the legislature because he believes in a tariff for protection, or because he is a free trader, or because he believes in a Federal subsidy to the national merchant marine or is opposed to such subsidy, or because of his ideas on the League of Nations, or, what is more probable, because he belongs to some political party and will follow that party regardless of what course it takes, when, as a matter of fact, the duties of the office for which he is a candidate have nothing to do, either directly or indirectly, with any of these partisan questions. Why should we not divorce the business of our States entirely and completely from such partisan influences? Why not elect a legislature that shall become a business organization, looking solely after the interests and the welfare of the people of the State? It would not be difficult to have a legislature entirely divorced from partisan politics, and the smaller the membership the more easily would it be possible to make it a business institution entirely independent of partisanship.

THE ELIMINATION OF CORRUPTION IN LEGISLATIVE PROCEEDINGS.

A legislature such as I have outlined would be much more free from corrupt influences than would a two-branch legislature or a legislature composed of a very large number. I know that many people at first blush do not realize the truth of this statement, but I am sure that the candid student, especially one who has had experience with two-branch legislatures, will agree that this is true. The corrupt legislator, or the one who in reality represents some special interest, is always looking for a place and an opportunity to cover up his tracks. The two-branch legislature gives him many opportunities to ply his trade without being found out. He is able to shift the responsibility. Through various parliamentary maneuvers and proceedings, and often through the instrumentality of conference committees, he is able to deceive the honest citizen. If there were no opportunities for this deception he would not be a candidate for the legislature. He would know in advance that he would be a one-term man, and if the recall existed in his State he would probably not serve even one term. But the lobbyist not only deals with corrupt men—he often deceives honest men. In fact, the actual cases of honest men being misled are far more numerous than the purchase of dishonest men.

With the increased salary we would get, to begin with, men who, on the average, would be high class and more difficult to deceive than we do now. The opportunities for deception or corruption would be greatly lessened. The men, therefore, to be deceived would be much less, and the man who would try to practice the deception would be almost powerless, and we would have a legislature that would be untrammelled and to a great extent untampered. A legislature that is known to be incorruptible would be practically free from attempts at corruption. It is said, I know, that a small legislature could be purchased easier than a large one, and that one branch could be more easily deceived than two branches. If the opportunities for deception and the caliber of the membership were the same in both instances, then this statement would be true; but when the possibility of covering up the tracks of those who want to deceive is practically wiped out and when the morale of the membership is raised to the highest possible point of the citizenship of the State, then this argument falls to the ground. Who would say, for instance, that the judges of our various States are corrupt and argue that, therefore, we should have five or six judges instead of one presiding at a trial? And yet if we had the kind of a legislature I have outlined the members would stand as high as the members of our judiciary. They would become as expert in their line as the judges are expert in the construction of laws. Perfection, it is true, would not be attained, but the morale and the standing of our State legislatures would be on the same high plane as our judiciary.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll to ascertain the presence of a quorum.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	McLean	Smoot
Bayard	Gooding	McNary	Spencer
Borah	Hale	Moses	Sterling
Brandeggee	Harrell	Nelson	Sutherland
Brookhart	Harris	New	Swanson
Bursum	Harrison	Nicholson	Townsend
Cameron	Heflin	Norbeck	Trammell
Capper	Hitchcock	Norris	Underwood
Caraway	Johnson	Oddie	Wadsworth
Colt	Jones, Wash.	Page	Walsh, Mass.
Couzens	Kendrick	Phipps	Walsh, Mont.
Culberson	Keyes	Pittman	Warren
Curtis	King	Poindexter	Watson
Dillingham	Ladd	Pomerene	Weller
Ernst	Lenroot	Ransdell	Williams
Fernald	Lodge	Reed, Pa.	Willis
Fletcher	McCormick	Robinson	
Frelinghuysen	McCumber	Sheppard	
George	McKellar	Shields	

Mr. UNDERWOOD. I was requested to announce that the junior Senator from South Carolina [Mr. DIAL] is absent because of illness.

Mr. HEFLIN. I wish to announce that the Senator from South Carolina [Mr. SMITH] is absent on official business.

Mr. BROOKHART. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is detained at hearings before the Committee on Manufactures.

The VICE PRESIDENT. Seventy-three Senators having answered to their names, a quorum is present.

GERMAN REPARATIONS.

Mr. McCORMICK. Mr. President, since we are likely to consider fully and not infrequently the foreign policy of the country during the remaining days of the present session, I ask unanimous consent to have printed in the RECORD in 8-point type, first, a cable account of M. Poincare's refusal to participate in any economic conference; and, secondly, the British version of Mr. Boyden's now celebrated address to the Reparation Commission delivered on the 9th of January.

There being no objection, the matter was ordered to be printed in the RECORD in 8-point type, as follows:

PARIS, January 31.—An important group of American bankers, among whom was an official of the Bankers' Trust Co., as well as representatives of most of America's largest financial institutions, visited Premier Poincare yesterday with an offer to start a world-wide campaign for an international reparation conference to be held in the United States as soon as possible. The proposal was made in the most friendly manner to France.

Premier Poincare replied at length, giving reasons for his flat refusal to encourage such discussions as long as Germany maintained its present attitude. To discuss reparations now, when financial Germany is in no position to pay anything, the premier asserted, would be playing into the Reich's hand, making the reconstruction of France impossible and giving Germany the victory.

France is now in action—"en pleine action"—he said. German resistance, he declared, was a maneuver carefully planned. Had a two-year moratorium been granted, M. Poincare contended, the world would have faced German economic and military hegemony. This would have been accomplished, in his opinion, through the Reich policy of reducing a part of the population—the bondholders—who are expensive and unproductive, to poverty, while enriching and upbuilding the producers.

These now have attained such a position of wealth and security that they could pay all the taxes necessary for Germany's financial reforms and budgetary stabilization, as well as for the improvement of the mark, he said. Then, with a strong financial position, commanding world credit, with an immense reserve both of men and of raw materials in Russia, the premier says Germany would flatly refuse to take up its reparations payments and would coldly invite France to come and take them if it could. France then would be in a helpless position and would be forced to acquiesce.

REMARKS MADE BY MR. BOYDEN AT REPARATION COMMISSION MEETING, JANUARY 9, 1923.

Mr. Boyden stated that not being one of the official judges, as were his colleagues, it would be easy for him to remain silent, but he preferred to assume his own responsibility in his personal capacity as they had assumed theirs in their official capacity. In English and American courts it was not uncommon for a person of judicial education to sit with the official judges as an "amicus curiæ," who though in fact not a judge expressed his own personal view. Mr. Boyden had endeavored to form an opinion upon the judicial aspect of the situation.

Paragraph 17 of annex 2 referred to default and paragraph 18 referred to voluntary default. Mr. Boyden was in agreement with the decision of the commission that in both cases voluntary default was intended.

What was voluntary default? One excuse for nonperformance would be recognized by all, viz, "force majeure," but in Mr. Boyden's view the expression "voluntary default" included other excuses. It meant the doing or the failure to do something, with the knowledge at the time that the action or the failure to act might reasonably have the effect of resulting in default.

There was in Mr. Boyden's view a very considerable difference between the question then under discussion and the question as it had arisen in connection with deliveries of timber. The demand for timber was a single demand. The main reason for the timber default seemed to consist in the difficulties which arose from the depreciation of the mark. These difficulties were of an extraordinary nature, such as had never before arisen in Germany, and it was easily conceivable that the persons who had to meet them did not at once see how to meet them and did not realize at the time that their failure to do certain things promptly would result in default. Nevertheless, Mr. Boyden was inclined to think that even in connection with wood there had been a voluntary default within the meaning of the treaty. The difference between the timber question and the coal question lay in the fact that the coal requirements were monthly requirements. The Germans, faced with deficits in any month, ought at once to have taken whatever precautions were necessary to see that those difficulties, whatever they had been, were avoided during the next month. They had failed to do this, and the deficits had continued month after month.

One further juridical point arose, to which Sir John Bradbury had referred, in connection with the purpose of paragraph 17. In Sir John Bradbury's opinion the purpose of that paragraph was to enable the commission to appeal to the Governments only when the measures at its command had proved inadequate to enforce obedience. That was a perfectly comprehensible interpretation, and explained in a large part the difference between Sir John Bradbury and his colleagues as to the action to be taken. Mr. Boyden's own reading of paragraph 17 was, however, different. In his view the commission was required to report any voluntary default forthwith, partly for the information of the Governments and partly to enable the Governments to take such action as they thought fit. Mr. Boyden recognized that the previous action of the commission with respect to coal defaults had not been consistent with that interpretation, for the commission had not automatically reported defaults as they had arisen. Although this previous practice did not in his view represent the waiver of a right it was, nevertheless, a practical fact which should be taken into account, particularly by the Governments themselves in whatever action they might take.

From the juridical point of view he was of opinion that the argument put forward by the German delegation to the effect that in private contracts a deficiency of 10 per cent did not constitute a default was of no value. The treaty did not contemplate the application of any such commercial custom to its provisions.

With regard to the letter of March 21 Mr. Boyden considered that the commission did not by its terms abandon its right under the treaty to report a voluntary default. At the time when the letter was drafted he had called the attention of his colleagues to the danger which existed from the language used, which had been quoted. He did not remember exactly what views his colleagues then held, but it might be taken for granted that the language would not have been accepted by certain delegates if they had thought that it eliminated the possibility of reporting a voluntary default.

The argument to which the German delegation attached the most weight was that concerning the needs of Germany, as indicated by her importation of nearly as much coal as she was delivering to the Allies. Legally that argument seemed to him to be applicable not to the question of a voluntary default but to the decision of the commission as to the demands made on Germany.

The argument would have weight if used to show that the commission's decision upon the amount of coal which Germany could supply without undue interference with its industrial requirements was incorrect. But the commission's decision remained a decision unless changed, and Germany's industrial requirements had nothing to do with Germany's obligation to carry out the decision so long as it was not changed.

But having expressed his view of the legal situation Mr. Boyden desired to add that several of the foregoing considera-

tions, particularly Germany's need for coal and her importation of coal from abroad, the previous practice of the commission with respect to coal default, and the commission's letter of March 21, had a practical bearing on the situation which would naturally be taken into account by the Governments after the commission reported a default.

The report by the commission of the wood default seemed to him to be very defective. When reporting a voluntary default it was of the utmost importance for the commission to report the extent of the intention which had entered into that default. The commission was the tribunal which found the accused guilty; punishment would be meted out by another tribunal. It was therefore of the greatest importance that the exact nature of the crime should be reported by the commission, so that the punishment by the Governments might fit the crime. Mr. Boyden agreed with Sir John Bradbury that the word "punishment" was not appropriate and that the real purpose of the provision was constructive. The real point was that the report should be made in such a way as to aid the Governments in adopting methods which should lead to constructive results. But it was of equal importance that the quality of the crime should be made plain in the report, whether the results were to be punitive or constructive. The commission in its report on coal deliveries should set forth not merely the fact of default but also the causes of the default and all extenuating circumstances. It was only upon such a basis that the Governments could fairly perform their duty in the matter.

If Mr. Boyden were asked to express in a few words what Germany had failed to do, he would say that Germany had failed to take those exceptional and rather extraordinary measures month by month which were necessary to cope with the difficulties which the experience of previous months had shown would arise.

It was understandable that Germany's opinion of her own requirements should affect her attitude. Her opinion on this point and the facts on this point were both of great importance in connection with the extent of her culpability. In that connection, it would seem, in fairness to Germany, that the report should emphasize the percentage which expressed the real extent of the default—while the default was important from the financial point of view, as M. Delacroix had explained—the percentage of demand which Germany had not supplied was small, and this must be recognized as proving that Germany had made a very considerable effort in a very difficult matter and had attained a very large measure of success.

Mr. Boyden had hitherto confined himself to the voluntary default on the part of Germany and the reasons which tended to lessen her culpability. If, however, he were making a report, he would go further and would deal with the whole question of the failure of Germany in the execution of her obligations under the treaty, and would explain that the conditions imposed by the treaty had been demonstrated by experience to be impossible and that that impossibility had affected not only Germany's financial situation and her financial obligations to the Allies but also her obligations like those in respect of coal and wood. He would further express the opinion which he had already expressed before the commission, that the continuance of these conditions had already resulted in a great loss of money to the Allies and would result in still further loss so long as they were maintained.

RETURN OF AMERICAN TROOPS FROM GERMANY.

Mr. HARRIS. Mr. President, I submit a concurrent resolution and ask unanimous consent for its immediate consideration.

Mr. CURTIS. Mr. President, may we not have the regular order this morning?

Mr. HARRIS. This is a concurrent resolution authorizing the appointment of a committee of five from the Senate and five from the House to go to Savannah, Ga., to attend the services upon the occasion of the return of the American troops from Germany.

Mr. CURTIS. Very well; I have no objection.

Mr. FRELINGHUYSEN. What are the ceremonies to be at Savannah?

Mr. HARRIS. Upon the occasion of the return of the troops from Germany the city of Savannah is going to have ceremonies there to welcome them.

The concurrent resolution (S. Con. Res. 36) was read, considered by unanimous consent, and agreed to, as follows:

Whereas the U. S. transport *St. Mihiel* is expected to arrive at Savannah, Ga., on or about February 7, 1923, with the last contingent of American troops from Germany: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That a committee of five Senators, to be designated by the President

of the Senate, and five Members of the House of Representatives, to be designated by the Speaker, is authorized to represent the Congress at Savannah, Ga., at such ceremonies as may be determined to be proper and appropriate. One-half of the expenses of such committee shall be paid out of the contingent fund of the Senate and one-half shall be paid out of the contingent fund of the House of Representatives.

SALE OF SHIPS BY SHIPPING BOARD (S. DOC. NO. 299).

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Shipping Board, reporting, in response to Senate Resolution 421, agreed to on the calendar day of January 27, 1923, relative to ships sold since March 4, 1921, which was referred to the Committee on Commerce.

REINTERMENT OF SOLDIER DEAD.

The VICE PRESIDENT laid before the Senate a communication from the Acting Quartermaster General of the Army, inclosing a list of soldier dead returned from overseas, to be reinterred in the Arlington (Va.) National Cemetery, Thursday, February 8, 1923, at 2.30 p. m., which was ordered to lie on the table for the information of the Senate.

SENATOR FROM MARYLAND.

The VICE PRESIDENT presented the credentials of WILLIAM CABELL BRUCE, chosen a Senator from the State of Maryland for the term beginning March 4, 1923, which were read and ordered to be placed on file, as follows:

THE STATE OF MARYLAND.

To William Cabell Bruce, Esq., of Baltimore, Md., greeting:

Be it known that the people of the State of Maryland, reposing great trust and confidence in your integrity and wisdom, did, on the 7th day of November, 1922, elect you a Member of the Senate of the United States; you are, therefore, to execute the said office justly, honestly, diligently, and faithfully, according to law, and hold the same for a term of six years from the 4th day of March 1923, or until you shall be duly discharged therefrom.

Given under my hand and the great seal of Maryland, at the city of Annapolis, on the 1st day of December, in the year of our Lord 1922.

[SEAL.]

By the governor:

ALBERT C. RITCHIE.

PHILIP B. PERLMAN, Secretary of State.

SENATOR FROM MONTANA.

Mr. WALSH of Montana. I present the credentials of BURTON K. WHEELER, Senator elect from the State of Montana, which I ask may be read and placed on file.

The credentials were read and ordered to be placed on file, as follows:

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF MONTANA.

To all to whom these presents shall come, greeting:

Know ye that I, Joseph M. Dixon, Governor of the State of Montana, do hereby certify that at a general election held in the State of Montana on the 7th day of November, A. D. 1922, pursuant to section 531 of the Revised Codes of the said State, BURTON K. WHEELER was duly elected to the office of United States Senator in and for the State of Montana, he having received the highest number of votes for said office as appears from a certified copy of the abstract of votes cast at said election now on file in my office.

And by virtue of the power vested in me by the Constitution, and in pursuance of the laws, I do hereby commission him, the said BURTON K. WHEELER, to be United States Senator, hereby authorizing and empowering him to execute and discharge all and singular the duties appertaining to said office, and enjoy all the privileges and immunities thereof for a period of six years, beginning March 4, 1923.

In testimony whereof I have herewith subscribed my hand and caused the great seal of the State of Montana to be affixed at Helena, Mont., the 15th day of December, in the year of our Lord 1922, and in the one hundred and forty-seventh year of the independence of the United States of America.

[SEAL.]

By the governor:

JOS. M. DIXON.

C. T. STEWART, Secretary of State.

PETITIONS AND MEMORIALS.

Mr. CURTIS presented the following concurrent resolution of the Legislature of Kansas, which was referred to the Committee on Interstate Commerce:

Senate Concurrent Resolution No. 6, relating to certain claims of citizens of Kansas against the Government of the United States for losses of cattle on account of Texas fever.

Whereas many citizens of the State of Kansas are interested in claims pending against the Government of the United States which must be allowed by Congress; and

Whereas said claims grew out of losses of live stock infected by Texas fever by reason of the negligence of the Government in allowing the same to be transported in interstate commerce into the State of Kansas without proper inspection and preventive means being used; and

Whereas said claims amounting to more than \$225,000 have been recommended to be paid by the Secretary of Agriculture, and proof has been made satisfactory to said Secretary and the committee of Congress of said claims in said amount; and

Whereas Senate bill No. 854 has passed the United States Senate and has been reported favorably by the Committee on Claims of the House of Representatives for passage, and is now on the House Calendar awaiting its turn for action; and

Whereas in the event that said bill fails to be enacted at the present session of Congress a vast amount of time and effort would be necessary to secure the advancement of a like measure to the position now held by said Senate bill No. 854, and there would be lost the effort and expense which has been expended by said citizens of Kansas in prosecuting said claims in the past and grave danger of the failure of said bill at another session of Congress: Be it

Resolved by the Senate of the State of Kansas and the House of Representatives concurring therein, That the Senators of the United States and Representatives in Congress from the State of Kansas are hereby earnestly requested to use their best endeavors to secure consideration of said Senate bill at the present session of Congress, and to secure its enactment into law and the allowance of said claims; be it further

Resolved, That a copy of this resolution be sent to each Senator and Representative in Congress from the State of Kansas.

I hereby certify that the above concurrent resolution originated in the Senate and passed that body January 19, 1923.

BEN S. PAULIN,
President of the Senate.
ARTHUR S. MCKAY,
Secretary of the Senate.

Passed the House January 31, 1923.

CHAS. E. MANN,
Speaker of the House.
LISLE MCELHINNEY,
Chief Clerk of the House.

Approved February 1, 1923.

JONATHAN M. DAVIS, Governor.

Mr. WALSH of Montana presented the following memorial of the Legislature of Montana, which was referred to the Committee on Commerce:

Senate Resolution 5, introduced by committee on agriculture,
GREAT LAKES-ST. LAWRENCE WATERWAY PROJECT.

Be it resolved by the Senate of the State of Montana (the House of Representatives concurring therein):

Whereas the great and natural resources of the State of Montana are as yet undeveloped, and said State is dependent upon agriculture for its prosperity, and agriculture being the fundamental basis for prosperity in all Northwest States; and

Whereas in a large measure, if not entirely, the price of agricultural products is dependent upon foreign markets; and

Whereas the present rates for transportation of such products are too high to be in just proportion to the prices received therefor at terminal markets, and thus a tendency to curtail the production of the staple articles of agriculture needed by all people in all lands; and

Whereas the Great Lakes-St. Lawrence waterway project, if completed and perfected, will furnish to the people of the State of Montana a cheaper method of transportation of their products to foreign markets, thus assuring them a higher revenue for the same: Now, therefore, be it

Resolved by the Senate of the Eighteenth Legislative Assembly of the State of Montana (the House of Representatives concurring therein), That we do hereby memorialize the Congress of the United States, and respectfully urge that Congress take immediate action toward the passage of such laws or law, which will make possible the early completion and perfection of the Great Lakes-St. Lawrence waterway project; be it further

Resolved, That the secretary of the senate send a copy of this resolution to the President of the United States and the President of the Senate, and Speaker of the House of Representatives of the United States, and of North Dakota and Minnesota Legislatures, respectively, also to our Members in Congress.

Mr. WALSH of Montana presented the following memorial of the Legislature of Montana, which was referred to the Committee on Finance:

To His Excellency the President of the United States, the honorable Senators and Representatives in Congress of the United States, and the Director of the United States Veterans' Bureau of Washington, D. C.:

Your memorialists, the members of the Eighteenth Legislative Assembly of the State of Montana, respectfully represent:

Whereas the United States Government has, through its administrative agency, the United States Veterans' Bureau, established at Fort William Henry Harrison, a military reservation near Helena, Mont., a veterans' hospital known as United States Veterans' Bureau Hospital No. 72, for the care and treatment of wounded and disabled veterans of the late war between the United States of America and the Imperial Governments of Germany and Austria-Hungary; and

Whereas said United States Veterans' Bureau Hospital No. 72 has up to this time been used and employed solely as an observation hospital and as a general hospital for the care and treatment of such disabled soldiers and veterans; and

Whereas the said hospital No. 72 at Fort William Henry Harrison is the only establishment within the State of Montana for the hospitalization, care, treatment, and nursing of wounded and disabled soldiers and veterans within the State of Montana, and great cost and expense is occasioned and incurred by sending certain types of patients out of Montana to other hospital units maintained by said bureau in the United States, in particular patients threatened or afflicted with tuberculosis and patients suffering from psychoneurotic diseases and disabilities; and

Whereas veteran patients suffering from said disabilities are now cared for on contract at the Montana State Hospital, at Warm Springs, Mont., and the Montana State Tuberculosis Sanitarium, at Galen, Mont.; and

Whereas the climatic conditions obtaining at and near Fort William Henry Harrison aforesaid make said point peculiarly adapted to the treatment of tuberculosis cases, and likewise well suited, from the standpoint of environment, for the treatment of psychoneurotic diseases; and it is the established opinion of well-informed medical experts that if a tuberculosis patient intends to live and spend his life at altitudes such as are found within the State of Montana, and in areas where climatic conditions are the same as in Montana, said tubercular patients must be cured, if at all, at such altitudes and under such climatic conditions; and

Whereas the State of Montana furnished a larger quota of men, in proportion to actual population, to the military and naval forces of the United States during the late war than any other State, and as a con-

sequence has had returned to it many hundreds of wounded and disabled veterans, there being at the present time in Montana about 500 cases of active tuberculosis and about 900 cases of neurotic disability directly caused by or aggravated by military and naval service; and

Whereas said hospital No. 72 at Fort William Henry Harrison has already been enlarged and fitted at a great expenditure of money to accommodate tubercular and psychoneurotic cases; and both medical and economical considerations urgently persuade to the use of these accommodations for their intended purposes, but said types of cases have scarcely been accepted thereat; and

Whereas every reason and inducement exists for treating and caring for all of Montana's veterans, suffering from any type of disability or wound or wounds, at the said veterans' hospital No. 72 within the State of Montana: Now, therefore, be it

Resolved by the House of the Eighteenth Legislative Assembly of the State of Montana in regular session assembled, That we do hereby memorialize the Director of the United States Veterans' Bureau of Washington, D. C., and respectfully urge upon him that he immediately authorize the full use and employment of the said hospital No. 72, now under his jurisdiction, so that said hospital may, on or before the 1st day of February, 1923, accommodate all the tubercular cases of veterans originating in district 10 and all the psychoneurotic cases of veterans originating in the district 10, and, in general, all and every type of case or disability of Montana veterans, to the end that it may not be necessary to send said veterans, at great expense and at probable injury to their chances for recovery, to other sections of the United States; and be it further

Resolved, That the chief clerk of the house forthwith transmit a copy of this memorial to the President of the United States and to each of the Senators and to each of the Representatives from Montana in the Congress of the United States and to such other persons as the speaker of the house may designate.

CALVIN CRUMBAKER,
Speaker of the House.
JAMES A. SHOEMAKER,
Chief Clerk.

Mr. NELSON presented the following resolution of the House of Representatives of the State of Minnesota, which was referred to the Committee on Banking and Currency:

Resolution.

Be it resolved by the House of Representatives of the State of Minnesota, now in session, That we are of the opinion that branch banking would be especially detrimental to rural banks, and that if the policy of the Comptroller of the Currency in permitting the establishing of branch banks is continued it will become a serious menace to the continuation of the present system of independent banking as practiced in the United States, a system that has contributed very materially to the rapid development of our country; it is further

Resolved, That we are opposed to branch banking for the following reasons:

1. Our present system of independent banking is adequate to the individual bank.
2. The individual bank would lose its identity.
3. Branch banking is monopolistic in its operation and not for the best interests of local communities.
4. That the centralization of the credit power in the hands of the few would result in the destruction of industry and the depopulating of the rural districts.
5. The laws of our State do not permit State banks to operate branches and no national bank should receive privileges not accorded to State institutions; be it further

Resolved, That the State of Minnesota adhere to its present laws prohibiting the transaction of banking business by any bank in this State through branch banks or by means of branch banks, and calls upon the Congress of the United States and the executive officers of the United States Government having in charge the enforcement of the banking laws to adhere to the policy of the State in the transaction of the banking business in this State by national banking associations, to the end that there may be no conflict in this State between the policy and laws of the Federal Government and the policy and laws of the State of Minnesota; and be it further

Resolved, That the attention of the Comptroller of the Currency is hereby called to the fact that national banks are conducting business in part by the establishment and operation of branch banks in the city of their domicile, and we hereby most respectfully call upon the Comptroller of the Currency to cause said banks to desist from the operation of their said branch banks and refrain from the establishment of other or further branch banks; and be it further

Resolved, That we hereby petition the President of the United States to direct the Comptroller of the Currency to cause said branch banks in the State of Minnesota to be suspended and closed and to prosecute or cause to be prosecuted any and all such actions as may be found necessary therefor; and be it further

Resolved, That a copy of this resolution be promptly forwarded to the President of the United States, to the Comptroller of the Currency of the United States, and to each Member of the Congress from the State of Minnesota.

Mr. NELSON presented a petition of sundry Chippewa Indians of White Earth, Minn., praying for the passage of legislation granting a per capita distribution of their individual funds in the Treasury to the Chippewa Indians of Minnesota, which was referred to the Committee on Indian Affairs.

Mr. LODGE presented a resolution adopted by the board of aldermen of the city of Medford, Mass., favoring the passage of legislation placing an embargo on the shipment of coal from the United States to Canada, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens of Clinton, Worcester, North Adams, Fitchburg, and Leominster, all in the State of Massachusetts, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. KEYES presented a resolution adopted at the annual meeting of the Union Congregational Church, of Bartlett,

N. H., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. LADD presented a petition of sundry citizens of Hurdsfield, N. Dak., praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which was referred to the Committee on Appropriations.

Mr. KENDRICK presented a resolution of the Fort McKinney National Farm Loan Association, of Buffalo, Wyo., both approving and disapproving of certain proposed amendments of the Federal farm loan act, which was referred to the Committee on Banking and Currency.

He also presented a resolution of the Lambs Club of Kemmerer, Wyo., favoring the passage of the so-called Towner-Sterling educational bill and the Sterling-Lehlbach reclassification bill, which was referred to the Committee on Education and Labor.

He also presented a communication in the nature of a petition from sundry citizens of Wyoming, praying for the prompt passage of the so-called Sterling-Lehlbach bill providing for reclassification of positions and salaries in the Federal civil service, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Helen Gould Auxiliary, No. 8, United Spanish War Veterans, of Laramie, Wyo., favoring the passage of legislation extending the benefits of the war risk insurance act to disabled veterans of all wars, which was referred to the Committee on Finance.

He also presented resolutions of Surat Grotto, M. O. V. P. E. R., of Cheyenne, and Casper Lodge, No. 1182, Loyal Order of Moose, of Casper, both in the State of Wyoming, favoring the setting aside of a week to be known as national antinarcotic week, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. McNARY, from the Committee on Manufactures, submitted a report (No. 1087) to accompany the bill (S. 4399) to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes, heretofore reported by him.

Mr. WALSH of Massachusetts, from the Committee on Education and Labor, to which was referred the bill (S. 4447) to establish standards for anthracite coal shipped in interstate or foreign commerce, reported it without amendment.

Mr. SUTHERLAND, from the Committee on Military Affairs, to which was referred the bill (S. 4464) in reference to a national military park at Yorktown, Va., reported it with amendments and submitted a report (No. 1088) thereon.

ARKANSAS RIVER BRIDGE, ARKANSAS.

Mr. CARAWAY. From the Committee on Commerce, I report back favorably with amendments the bill (S. 4439) to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta, Ark.," approved October 6, 1917. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 2, line 1, after the word "authorized," to strike out "may," and in line 2, after the word "approval," to insert "thereof," so as to make the bill read:

Be it enacted, etc., That the act approved October 6, 1917, granting the consent of Congress for the county of Pulaski, in the State of Arkansas, its successors and assigns, to construct a bridge across the Arkansas River at the city of Little Rock on the site now occupied by the free highway bridge constructed by said county in the years 1896 and 1897 be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge hereby authorized be commenced within one year and completed within three years from the date of approval thereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to revive and to reenact an act entitled 'An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta,' approved October 6, 1917."

ENROLLED BILL PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on February 3, 1923, they presented to the President of the United States the bill (S. 4390) to amend the last paragraph of section 10 of the Federal reserve act as amended by the act of June 3, 1922.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McLEAN:

A bill (S. 4477) to amend sections 3, 4, 9, 12, 15, 21, 22, and 25 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. GOODING:

A bill (S. 4478) to promote agriculture by stabilizing the price of wheat; to the Committee on Agriculture and Forestry.

By Mr. ROBINSON:

A bill (S. 4479) for the relief of Rose City Cotton Oil Mill and others (with accompanying papers); to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 4480) for the relief of John Dzikowicz; to the Committee on Claims.

By Mr. HALE:

A bill (S. 4481) for the relief of Herbert G. Black, owner of the schooner *Oakwoods* (with accompanying papers); to the Committee on Claims.

By Mr. BURSUM:

A bill (S. 4482) granting a pension to Leandra Montoya de Pfeiffer; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 4483) providing the number of judges which shall concur in holding an act of Congress unconstitutional; to the Committee on the Judiciary.

By Mr. NORBECK:

A bill (S. 4484) granting an increase of pension to Mary E. Zimmerman; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 4485) conferring jurisdiction upon certain courts of the United States to hear and determine the claim of the owner of the steamship *Almirante* against the United States, and for other purposes; to the Committee on Claims.

BLANCHE WINTERS.

Mr. CURTIS submitted an amendment intended to be proposed by him to the bill (H. R. 11397) to authorize appropriations for the relief of certain officers of the Army of the United States, and for other purposes, which was referred to the Committee on Claims and ordered to be printed.

PENSIONS AND INCREASE OF PENSIONS.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 4305) granting an increase of pension to certain soldiers of the Mexican War and Civil War and their widows and minor children, widows of the War of 1812, Army nurses, and for other purposes, which was referred to the Committee on Pensions and ordered to be printed.

COMMITTEE SERVICE.

On motion of Mr. LODGE, and by unanimous consent, it was—
Ordered, That the senior Senator from Maryland [Mr. FRANCE] be excused from further service as a member of the Committee to Audit and Control the Contingent Expenses of the Senate and that the junior Senator from New Hampshire [Mr. KEYES] be assigned to service thereon.

PURCHASE AND SALE OF FARM PRODUCTS.

Mr. NORRIS. I ask unanimous consent for the reprinting, for the use of the Senate document room, of 1,000 copies of Senate bill 4050, providing for the purchase and sale of farm products, as the same was reported by the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, it is so ordered.

DEPARTMENT OF JUSTICE.

Mr. WALSH of Montana. Mr. President, in the month of December, 1920, the attention of the Senate was called to certain charges which were made against the Department of Justice in connection with what were known as the "red raids." The matter was referred to the Committee on the Judiciary for investigation and report. It was referred by the committee to a subcommittee, which took testimony for some months. The subcommittee were unable to agree upon the report and were eventually discharged by the order of the full committee. Thereupon, however, I, a member of the subcommittee, submitted a report to the committee, and another report was submitted by

the Senator from South Dakota [Mr. STERLING], also a member of the subcommittee, to which subsequently I replied.

Recently a motion was made before the committee that the report submitted by myself be reported to the Senate as the report of the committee. That motion was defeated by the following vote:

Yeas—BORAH, NORRIS, ASHURST, and WALSH.

Nays—DILLINGHAM, STERLING, ERNST, SHORTRIDGE, OVERMAN, SHIELDS, and NELSON.

Absent and not voting—COLT, BRANDEGEE, CUMMINS, REED of Missouri, and CULBERSON.

Thereupon the committee resolved that no report be made to the Senate upon the subject. I ask unanimous consent that the various reports referred to be printed in the RECORD.

Mr. STERLING. Mr. President, I did not quite understand the request of the Senator from Montana. Does the Senator desire that all the reports submitted to the committee may be printed in the RECORD?

Mr. WALSH of Montana. It is my request that all the reports which were submitted to the committee shall be printed in the RECORD and that the committee be discharged from the further consideration of the subject.

There being no objection, the Committee on the Judiciary was discharged from the further consideration of the subject and the reports were ordered to be printed in the RECORD, as follows:

CHARGES OF ILLEGAL PRACTICES OF THE DEPARTMENT OF JUSTICE.

Mr. WALSH of Montana, from the Subcommittee on the Judiciary, submitted the following report on "Report upon the illegal practices of the United States Department of Justice," made by a committee of lawyers on behalf of the National Popular Government League, and a memorandum describing the personnel of the committee:

The subcommittee, as a part of the duty imposed upon it under the resolution of the Senate (66th Cong., 3d sess., Dec. 10, 1920), pursuant to which it acted, inquired into certain charges of illegal practices made against the Department of Justice in a pamphlet purporting to be a report by a committee of lawyers appointed by the National Popular Government League. For the greater part, the matters complained of relate to the arrest of aliens with a view to their deportation and to the proceedings had to that end. To some extent, at least, the report is founded upon affidavits of the persons arrested and their friends and sympathizers, reciting oppressive or abusive conduct on the part of the officers making the arrest or charged with the enforcement of the law or to the unwholesome character of the quarters in which the prisoners were incarcerated or detained. It was assumed by the committee that charges of such a nature would be met with denials on the part of the officers involved, as they were in many instances, if not in all, those to which specific reference is made in the report.

The committee was not impressed with the view that any good purpose would be subserved by a searching inquiry into the acts of subordinates not appearing to be countenanced or authorized by their superiors, and accordingly made no special effort to follow that line of inquiry. So far as it has been pursued, the committee finds no reason to believe that the prisoners were subjected to any ill treatment or underwent any discomforts not incident to the conditions under which the proceedings were prosecuted, as hereafter detailed. Some of them were of that class that rancorously array themselves against all government and cultivate faultfinding with its ministers as a fine art.

More serious are the accusations touching the general character and conduct of the so-called raids through which most of the arrests were made, of usurpation by the Department of Justice in connection with the same, and of flagrant disregard of the constitutional rights of those against whom they were directed.

Between November 1, 1919, and April 26, 1920, warrants were issued by the Department of Labor for the arrest, with a view to their deportation, of approximately 6,350 aliens who were alleged to be in this country in violation of the law. Approximately 3,000 arrests were made of persons named in such warrants. Others, in considerable number not definitely fixed in the testimony, ascertained speedily to be citizens, were taken into custody in connection with the arrests of the aliens and more or less promptly discharged. (Testimony, pp. 312-783.) The total number of arrests, it is quite likely, exceeded 10,000. Of the 3,000 imprisoned, 762, at the last report before the committee, had been ordered deported, the warrants were canceled by the Secretary of Labor in 1,293 cases, and after some eight months or more approximately 1,000 still awaited final disposition. (Id.)

Most of the arrests were made in the course of the "raids," the most fruitful of which were those directed against the Union of Russian Workers in November, 1919, and against the Communist Party and the Communist Labor Party on January 2, 1920. These were carried out simultaneously in many of the larger cities and industrial centers of the Union—Boston and vicinity, Paterson and the adjacent towns, Buffalo, Detroit, and Chicago. The unusually large haul of January 2, 1920, arose from the apprehension of all persons attending meetings of the proscribed parties being held on the night of that day, the meetings having been called at the particular time at which they were held by the procurement of "under cover" agents of the Department of Justice acting under explicit directions in that respect from Washington. In and about Boston from 600 to 1,200 arrests were made; apparently no accurate record was kept (testimony, p. 53); in Detroit about 800 (testimony, p. 720); in Buffalo 150 (testimony, p. 783).

The proceedings were founded upon the statute of 1918, which subjects to deportation "aliens who are members of or affiliated with an organization that entertains a belief in, teaches, or advocates the overthrow by force or violence of the Government of the United States or of all forms of law." The organizations referred to were held by the Department of Justice to be within the class thus proscribed and the warrants were issued upon that basis.

In specific instances it was charged further that the alien proceeded against was an anarchist, or that he believed in or advocated the overthrow by force or violence of the Government of the United States, or allegations were made bringing him under some other provision of the statute, but in all or substantially all the cases membership in the

proscribed organization was charged, prima facie evidence of that fact was regarded as sufficient ground for holding him, and proof sufficient to establish the fact made a case for deportation. A circular containing instructions from the Department of Justice to the officers under whose immediate direction the "raids" of January 2, 1920, were conducted disclosed that they were directed against all members of the Communist Party and the Communist Labor Party, whether the person proceeded against had brought himself under other provisions of the statute or not.

We forbear from any inquiry and refrain from the expression of any opinion as to whether any of the organizations condemned by the Department of Justice do, in fact, believe in, teach, or advocate the overthrow, by force or violence, of the Government of the United States, as charged. We shall assume for the purpose of this discussion that they do. The Department of Labor must have held, perhaps without mature consideration, that they, each of them, do, since it issued warrants in large numbers founded on that fact alone. Subsequently it ruled, however, that the Communist Labor Party does not fall under the ban of the statute, its conclusion being supported in an opinion by the Assistant Secretary, in which the question was canvassed at length and distinctions deemed important, between its principles and teaching and those of the Communist Party, pointed out. On this important question Anderson, one of the judges of the Circuit Court of Appeals for the First Circuit, and Knox, district judge for the Southern District of New York, reached diametrically opposite conclusions, the former holding that neither of the parties named teaches or advocates the overthrow of the Government by force, the latter that the Communist Party at least does. The Circuit Court of Appeals for the First Circuit has since the above report was prepared held that the Communist Party comes under the ban of the statute reversing the order made by Judge Anderson. The question is now pending on appeal, but, regardless of what may be the ultimate outcome, the Department of Justice is fully justified in the position taken by it with respect to the character of the Communist Party, judged by the standard of the statute, both by the decision of Judge Knox and the informed conclusion of the Department of Labor. Nor is it to be censured for having judged adversely with reference to the Communist Labor Party, seeing that both the Assistant Secretary of Labor and Judge Anderson felt impelled to examine critically the claim of immunity asserted on behalf of its members, so ambiguous were the authoritative expressions of its policy and purposes. The offense of the department, so far as it has been guilty of any offense, to be judged by what follows, does not lie in that direction. The question confronts the investigator at the outset as to the existence of any authority whatever in the Department of Justice in the premises whether any of its acts in connection with these wholesale arrests have the sanction of the law.

The administration of the immigration laws, including all proceedings for the deportation of aliens, is reposed by the acts of Congress not in the Department of Justice but in the Department of Labor. They were, for the greater part, made in response to a popular demand for the protection of labor against ruinous competition from foreign elements accustomed to and content with a standard of living lower than that reasonably demanded and generally enjoyed by the American laboring man. In its inception this legislation was aimed largely at Chinese immigration and the evils of contract labor.

With such an origin and such a purpose it was quite reasonable that Congress should intrust its enforcement to the Department of Labor, and as those dangerous characters whose insidious and destructive activities the newer provisions of the law were intended to meet and overcome almost invariably addressed themselves to the wage-workers, of whose welfare they professed themselves exceptionally solicitous, there appeared to Congress no reason for any change in the policy which had theretofore been pursued. It was, apparently, still believed that the Department of Labor could and would more understandingly and more sympathetically administer the law, welcoming the immigrant coming with honest purpose and regard for the law into the ranks of labor and sternly excluding those whose presence the law declared to be inimical to the interest of those with whom they sought to associate themselves or to the safety of the country. Moreover, the proceedings provided for by the law for determining whether an alien is entitled to enter or to remain in the country after he has entered are not criminal, or even judicial, strictly speaking, in their nature, but administrative. Accordingly, the privileges guaranteed by the Constitution to defendants in criminal proceedings can not be claimed, as a matter of right, by an alien proceeded against under the immigration laws. Such proceedings, accordingly, are beyond the scope of the duties with which the Department of Justice is ordinarily charged—outside of its legitimate sphere—in a field into which Congress has not deemed it wise to require or authorize that department to enter.

Its force is trained in the methods pursued in running down criminals and in bringing them to justice, prone by the experience of their daily lives to judge and to act harshly in respect to those they deem such. The alien resident or sojourner subject to deportation is not by that fact a criminal. None of the six thousand and odd persons for whose arrests warrants were issued during the five months' period following November 1, 1919, had committed any crime for which they were being prosecuted. Some of them may have violated the penal statutes; doubtless they did. Among their number were a few, at least, who were notorious criminals. Of the generality of them more will be said later. But good or bad, they were not being proceeded against because they had committed any crime. They were simply charged with being illegally in the country because of their membership in one or the other of the proscribed organizations and therefore subject to deportation.

Whatever may have been its motives, Congress has vested the officers of the Department of Justice with no power whatever in connection with deportation proceedings, either in making complaints looking to the issuing of warrants or the issuing of the same or in the conduct of the inquiry following. And yet the hearings conducted by your committee disclose that to a very large extent the proceedings looking to and following the issuance of the six thousand and more warrants of arrest referred to were conducted by and under the direction of the Department of Justice. Its agents carried on an extensive campaign for the purpose of ferreting out those identified or alleged to be identified with the Communist Party or the Communist Labor Party. They made or had made the affidavits upon which most of the vast mass of warrants mentioned were issued. In many cases there was no affidavit submitted as a basis for the warrant, the unsworn statement of the agent of the bureau being accepted as sufficient, the theory being that his official oath met the constitutional requirement. These statements, sworn and unsworn, were not delivered to some local representative of the Department of Labor or transmitted to the department itself, as a rule, at least. They were

sent to the Department of Justice and by it transmitted to the Department of Labor with a request that warrants issue. (Testimony, p. 12.)

The course which the warrants took is not made clear in the testimony, but it is clear that they were served, so far as one can speak of their having been served, not by agents of the Department of Labor, as the law contemplates, but by agents of the Department of Justice; indeed by the same agents who made the investigation, and upon whose initiative the warrants were issued. It is not to be understood that in each case the informant actually made the arrest; what is meant is that the Bureau of Investigation, a branch of the Department of Labor, popularly referred to as the Secret Service, made the preliminary inquiry, procured or prepared the necessary affidavit for the warrant, and made or conducted the making of the arrests. It is really only by the most generous construction that it can be said the warrants ever were "served." What was done was substantially as follows: A batch of warrants was sent to an agent of the bureau at a particular place—Boston, Chicago, or Detroit. He secured the cooperation of the local police officers and with their aid the places of meeting—the synchronized meetings having already been arranged for by him or through him, as heretofore stated—the places of meeting were raided. It was assumed or perhaps surmised that the individuals against whom warrants were held residing in the neighborhood of the meetings, respectively, would be among those attending. Possibly, not unlikely, in some instances information more definite in character was in the possession of some of those acting in the premises that the persons whose arrests had been authorized were actually present at the meeting, the warrants for such serving as justification, such as it was, for the invasion of the premises. But regardless of the warrants every person in the room was placed under arrest. They were lined up along the wall after the manner of the making of arrests of desperate criminals or of an old-time stage hold-up and searched.

They were then assembled at some point to determine, among other things, what American citizens had been caught in the net, and who in addition to those for whom warrants were out, among those taken, might be held for deportation. Those who were able to prove citizenship were either discharged or turned over to the local authorities as possible offenders against State statutes. Aliens unable to clear themselves of the unfavorable inference drawn from their presence at the meeting were held and telegraphic warrants for such were asked, of which more hereafter. Meanwhile the place of meeting was thoroughly searched for literature, membership cards, financial and other records, and correspondence. When arrests were made at the homes of any of the persons sought, they too were searched with like purpose, and in any case the residences of the officers of the local lodges or branches were searched pursuant to specific instructions issued from Washington for evidence that might be of value. Search warrants were in some instances sued out to insure the capture of such papers, documents, and records.

The essential lawlessness of the proceedings detailed needs no comment. It will be startling to learn that they were carried out in strict accordance with instructions sent by the Department of Justice to its agents in the field through a circular letter, the extraordinary character of which justifies its incorporation at length in this report. A copy sent to the agent at Boston is as follows:

[Confidential instructions, December 27, 1919.]

Strictly confidential.

DEPARTMENT OF JUSTICE,
BUREAU OF INVESTIGATION,
Washington, December 27, 1919.

GEO. E. KELLEHER, Esq.,
Box 3185, Boston, Mass.

DEAR SIR: I have already transmitted to you two briefs prepared in this department upon the Communist Party of America and the Communist Labor Party, with instructions that these briefs be carefully examined and studied for the purpose of familiarizing yourself and the agents under your direction with the principles and tactics of these two respective organizations.

You have submitted to me affidavits upon various individuals connected with these respective organizations, stating that these persons are aliens and members of the organizations referred to. I have transmitted to the Commissioner General of Immigration the affidavits submitted by you, with the request that warrants of arrest be issued at once. This action is now being taken by the Bureau of Immigration and warrants of arrest are being prepared and will be shortly forwarded to the immigration inspector of your district.

Briefly the arrangements which have been made are that the warrants will be forwarded to the immigration inspector, who will at once communicate with you and advise you of the names of the persons for whom he has received warrants. You should then place under surveillance, where practicable, the persons mentioned and at the appointed time you will be advised by me by wire when to take into custody all persons for whom warrants have been issued.

At the time of the apprehension of these persons every effort should be made by you to definitely establish the fact that the persons arrested are members of either the Communist Party of America or the Communist Labor Party. I have been reliably informed that instructions have been issued from the headquarters of each of these organizations to their members that they are to refuse to answer any questions put to them by any Federal officers and are to destroy all evidence of membership or affiliation with their respective organizations. It is, therefore, of the utmost importance that you at once make every effort to ascertain the location of all of the books and records of these organizations in your territory and that the same be secured at the time of the arrests. As soon as the subjects are apprehended you should endeavor to obtain from them, if possible, admissions that they are members of either of these parties, together with any statement concerning their citizenship status. I can not impress upon you too strongly the necessity of obtaining documentary evidence proving membership.

Particular efforts should be made to apprehend all of the officers of either of these two parties if they are aliens; the residences of such officers should be searched in every instance for literature, membership cards, records, and correspondence. The meeting rooms should be thoroughly searched and an effort made to locate the charter of the Communist Party of America or the Communist Labor Party under which the local organization operates, as well as the membership and financial records which, if not found in the meeting rooms of the organization, will probably be found in the house of the recording and financial secretaries, respectively. All literature, books, papers, and anything hanging on the walls should be gathered up; the ceilings and partitions should be sounded for hiding places. After obtaining any documentary evidence the same should be wrapped up in packages and

marked thereon the location of the place and the name of the persons obtaining the evidence and the contents of each package.

Violence toward any aliens should be scrupulously avoided. Immediately upon apprehending an alien he should be thoroughly searched. If found in groups in meeting rooms, they should be lined up against the wall and there searched, particular attention being given to finding the membership book, in which connection the search of the pockets will not be sufficient. In no instance should money or other valuables be taken from the aliens. All documentary evidence taken from an alien should be placed in an individual envelope provided for the purpose, which envelope should be marked showing the contents contained in the same, whether they were found in the possession of the alien or in his room, and if in the latter the address of the house should be given as well as the name of the alien and the officer who obtained the evidence. A duplicate record should be kept of all evidence thus obtained. At the time of the transfer of the alien to the immigration inspector, you should also turn over to the immigration inspector the original evidence obtained in the particular case, plainly marked, so that there may be no complaint by the immigration officers as to the manner in which evidence has been collected by the agents of this bureau.

I have made mention above that the meeting places and residences of the members should be thoroughly searched. I leave it entirely to your discretion as to the method by which you should gain access to such places. If, due to the local conditions in your territory, you find that it is absolutely necessary for you to obtain a search warrant for the premises, you should communicate with the local authorities a few hours before the time for the arrests is set and request a warrant to search the premises.

Under no conditions are you to take into your confidence the local police authorities or the State authorities prior to the making of the arrests. It is not the intention nor the desire of this office that American citizens, members of the two organizations, be arrested at this time. If, however, there are taken into custody any American citizens, through error, and who are members of the Communist Party of America or the Communist Labor Party, you should immediately refer their cases to the local authorities.

It may be necessary in order to successfully make the arrests that you obtain the assistance of the local authorities at the time of the arrests. This action should not be taken unless it is absolutely necessary; but I well appreciate that where a large number of arrests are to be made it may be impossible for the same to be made by special agents of this department, in which event you are authorized to request the assistance of the local police authorities. Such assistance should not be requested until a few hours before the time set for the arrests, in order that no "leak" may occur. It is to be distinctly understood that the arrests made are being made under the direction and supervision of the Department of Justice.

For your own personal information, I have to advise you that the tentative date fixed for the arrests of the communists is Friday evening, January 2, 1920. This date may be changed, due to the fact that all of the immigration warrants may not be issued by that time. You will, however, be advised by telegraph as to the exact date and hour when the arrests are to be made.

If possible, you should arrange with your under-cover informants to have meetings of the Communist Party and the Communist Labor Party held on the night set. I have been informed by some of the bureau officers that such arrangements will be made. This, of course, would facilitate the making of the arrests.

On the evening of the arrests this office will be open the entire night, and I desire that you communicate by long distance to Mr. Hoover any matters of vital importance or interest which may arise during the course of the arrests. You will possibly be given from 7 o'clock in the evening until 7 o'clock in the morning to conclude the arrests and examinations. As pointed out previously, the grounds for deportation in these cases will be based solely upon membership in the Communist Party of America or the Communist Labor Party, and for that reason it will not be necessary for you to go in detail into the particular activities of the persons apprehended. It is, however, desirable that wherever possible you should obtain additional evidence upon the individuals, particularly those who are leaders and officers in the local organizations. The immigration inspector will be under instructions to cooperate with you fully, and I likewise desire that you cooperate in the same manner with the immigration inspector at the time of the arrests, as well as following the arrests. At the hearings before the immigration inspector you should render any and all reasonable assistance to the immigration authorities, both in the way of offering your services to them and the services of any of your stenographic force. It is of utmost necessity that these cases be expedited and disposed of at the earliest possible moment, and for that reason stenographic assistance and any assistance necessary should be rendered by you to the immigration inspectors. An excellent spirit of cooperation exists between the Commissioner General of Immigration and this department in Washington and I desire that the same spirit of cooperation between the field officers of this bureau and the field officers of the Bureau of Immigration also exist.

I desire that the morning following the arrests you should forward to this office by special delivery, marked for the "Attention of Mr. Hoover," a complete list of the names of the persons arrested, with an indication of residence, organization to which they belong, and whether or not they were included in the original list of warrants. In cases where arrests are made of persons not covered by warrants, you should at once request the local immigration authorities for warrants in all such cases, and you should also communicate with this office at the same time. I desire also that the morning following the arrests that you communicate in detail by telegram, "Attention of Mr. Hoover," the results of the arrests made, giving the total number of persons of each organization taken into custody, together with a statement of any interesting evidence secured.

The above cover the general instructions to be followed in these arrests, and the same will be supplemented by telegraphic instructions at the proper time.

Very truly yours,

FRANK BURKE,
Assistant Director and Chief.

(Hearings, p. 12.)

The arrests having been made, a preliminary examination took place before an officer of the Department of Labor, the prisoner not having been permitted in the meantime to confer with counsel, and being unrepresented by such at the inquiry. He was interrogated orally and called upon to make answers to a questionnaire intended to draw from him admissions of his alienage and membership in one of the proscribed parties. By direction a representative of the Bureau of Investigation attended these hearings. The nature of the assistance rendered by him may be gathered from testimony given by Frank R. Stone, agent in charge (Bureau of Investigation) at Newark, N. J.

"Attorney General PALMER. Just describe very briefly, Mr. Stone, the process by which this original hearing was arrived at and conducted.

"Mr. STONE. There was an immigration inspector, a Mr. Fader, and Mr. Dauschitz, who were present at the preliminary questions under the warrant. The questions, however, were propounded by me.

"Attorney General PALMER. You mean the questionnaire was read by you?

"Mr. STONE. Read by me.

"Senator STERLING. You say the immigration inspector was present. Was the examination conducted under his direction or supervision?

"Mr. STONE. His supervision; yes, sir. He made formal service of the warrant, and asked me as a matter of cooperation to ask the questions, because of my long experience as an immigration inspector and law officer in the Immigration Service. * * *

"Senator WALSH of Montana. Did you submit any of the matters to the inspector himself as to whether the man should be held or should not be held?

"Mr. STONE. The inspector sat alongside of me. We are old colleagues. We worked at Ellis Island together for years and he used to be my interpreter. The reason I selected him was that he was a man that understands, reads, and writes many languages, and I selected him because not only would I be safe as to a thorough immigration man but I would have a thorough translator so that I would not have to depend on broken English." (Testimony, pp. 563, 567.)

Those held upon the preliminary inquiry were then transferred to a more permanent place of detention. Thereafter the evidence upon which was determined the case of each prisoner thus held was taken before a representative of the Department of Labor, by whom it was transmitted to that department which, in due course, upon consideration of the same, made its order either of deportation or discharge, the prisoner being accorded the right to counsel at such hearing. To some inhuman aspects of these proceedings attention will be invited later. For the present it is asserted as indisputable that—

1. The agents of the Bureau of Investigation of the Department of Justice have no authority to make arrests in deportation proceedings, if, indeed, they have authority to make arrests at all.

2. The agents of the Department of Labor have no authority to make an arrest looking to deportation without a warrant.

3. The issuance of a warrant upon the unsworn statement of an agent of the Bureau of Investigation is a plain violation of the fourth amendment to the Constitution of the United States.

4. There is no authority in the law for the conduct of a search in deportation proceedings, either of the residence of the alien or of the meeting places of societies condemned by the immigration laws or for the seizure of books, records, or papers of either.

5. There is no authority in the law for the issuance of a search warrant in deportation proceedings at all.

6. There is no authority in the law for the issuance of a search warrant to seize books or papers to be used as evidence, even of the commission of a crime, much less to establish a case in deportation proceedings.

1. It is unnecessary to inquire whether under any circumstances, except such as justify any person in acting, agents of the Bureau of Investigation have authority to make arrests. It is generally understood that they are investigators merely, gathering information which they submit to the officers charged with the prosecution of crime and the arrests of criminals or those accused of crime. No pretense is made that in virtue of the office they hold they have any right to make arrests in deportation proceedings. It is in effect conceded that they have not. The Attorney General being interrogated on that point declined to answer further than to say that they had authority to do what they did, which he asserts was "as a matter of fact to assist the immigration inspector in taking into custody persons for whom the immigration inspector had warrants." (Hearings, p. 635.) If this statement is altogether disingenuous it exhibits a delusion on his part.

Multitudes were arrested for whom no warrant was out. The instructions contemplated that there were to be. The participation of the immigration inspector or of any official of the Department of Labor "in the raids" approached, if it did not reach, the vanishing point. The theory advanced by the Attorney General is altogether incompatible with the circular letter quoted above, issued by his authority, containing instructions for the conduct of the officers directing the raids. The whole instrument is at war with that idea, but the extracts set out below particularly refute it. The letter from which these extracts are made was transmitted to George E. Kelleher, an agent of the Bureau of Investigation at Boston. The chief of that bureau having by it told Kelleher that he, the chief, having submitted affidavits from Kelleher to the Commissioner of Immigration, upon which he, the chief, had asked warrants which would be transmitted to the inspector who would inform Kelleher of their receipt, the latter would be advised when to proceed, and thereupon he, Kelleher, on the telegraphic order, not of the Department of Labor, but of the Chief of the Bureau of Investigation, was not to aid or cooperate with the inspector in making the arrests, but himself "to take into custody all persons for whom warrants have been issued."

"It may be necessary for you," the instructions continue, "to obtain the assistance of the local authorities," not to have the inspector procure such assistance. Finally, setting all doubt at rest, the instructions admonish the agents that "it is to be distinctly understood that the arrests are being made under the direction and supervision of the Department of Justice." This remarkable declaration prompts some curious speculation. By whom was it to be so understood? What steps were to be taken to make it so understood? Was it to be so understood by the immigration inspector should he in any wise attempt to control the conduct of those making the arrests? Was it to be so understood by the parties arrested possibly to impress them with the futility of making any attempt to evade the sleepless eye of the Government Secret Service, or was it to be so understood by the public through interviews given to the press, and, if so, to what end? From those instructions it was evidently expected that the inspector should sit in his office with the warrants while the actual arrests were being made by the agents of the Department of Justice and those whom they should call to their assistance. And that is just what was done. From the testimony of Mr. Kelleher before the committee the following is taken:

"I observe here that Judge Anderson says that you testified that you had under your direction that night something like 300 men.

"Mr. KELLEHER. Indirectly, I might say.

"Senator WALSH of Montana. Yes.

"Senator KING. You mean 300—

"Mr. KELLEHER. That included the police department.

"Senator WALSH of Montana (reading)—

"Kelleher said he had from 300 to 500 men. This may fairly be assumed to be a moderate estimate."

"Now, just how did you allow yourself so much latitude as that, from 300 to 500 men?"

"Mr. KELLEHER. It is the merest guess at best, for the simple reason that in one town they might have a police force of 3 men or they might have a police force of 100 men. There would be no way for me to tell, being called upon the stand without any previous preparation.

"Senator WALSH of Montana. They were all acting under your direction?"

"Mr. KELLEHER. Yes; but so many points were covered that it is impossible to tell exactly.

"Senator KING. They were not officials of the department, but they were police officers?"

"Mr. KELLEHER. Yes; in certain places there were police officials as well as Department of Justice officials.

"Senator WALSH of Montana. Just how many Department of Labor officers were there that night in the territory?"

"Mr. KELLEHER. I could not say. I should say possibly half a dozen.

"Senator WALSH of Montana. And how many arrests were actually made?"

"Mr. KELLEHER. I believe that the record shows about 600.

"Senator WALSH of Montana. So that arrests made by the officers of the Department of Labor obviously included only a very small proportion of the 600?"

"Mr. KELLEHER. Yes.

"Senator WALSH of Montana. The other arrests were made by whom?"

"Mr. KELLEHER. By Department of Justice men in cooperation with police officers." (Hearings, pp. 493-494.)

The frankness of this witness, who is a lawyer, is to be extolled. Witness the following:

"Senator WALSH of Montana. By virtue of what law does an agent of the Department of Justice make an arrest in a deportation case?"

"Mr. KELLEHER. I do not know of any law." (Hearings, p. 494.)

To get the full import of the foregoing it must be understood that simultaneously raids were made in the following cities and towns, all under the direction of Mr. Kelleher, namely: Boston, Chelsea, Brockton, Bridgewater, Norwood, Worcester, Springfield, Chicopee, Holyoke, Gardner, Fitchburg, Lowell, Lawrence, Haverhill, all in Massachusetts; Nashua, Manchester, Derry, Portsmouth, Claremont, Lincoln, all in New Hampshire. (Hearings, p. 54.)

2. The number of persons arrested for whom no warrants were out can not be determined. There is no record of the total number taken into custody. In the Boston district estimates vary from 600 to 1,200. (Hearings, p. 55.) But after the weeding-out process on the preliminary inquiry, the release of citizens or others with reference to whom the evidence was too shadowy to justify detention, if there was any evidence, 100 telegraphic warrants were applied for.

The law tolerates arrest without a warrant on a charge of crime or, under some circumstances, upon suspicion of the commission of a crime. The rule is that no arrest may be made without a warrant. Exceptions have been developed in the course of the ages arising from necessity and to prevent escapes. In the case of heinous crimes, greater latitude is allowed. In misdemeanors arrest without a warrant is not sanctioned except the perpetrator be caught in the act or perhaps upon hot pursuit. This is the common law, the law which derives its force from the custom of centuries.

A constitutional guaranty that no warrant shall issue but upon probable cause, supported by oath or affirmation, would be an absurdity if general arrests could be made without warrant, or if a warrant for one person would afford justification for taking 2 or for 400 could sanction the arrest of 600.

Arrest without warrant rests upon the common law, but there is no common law touching arrest for deportation. It is purely statutory in its origin and the statute neither authorizes nor contemplates an arrest except by virtue of a warrant. It will bear repetition that there was no charge of crime, either felony or misdemeanor, against any of those caught in the raids. It should be said in palliation of the evident disregard of the law and the Constitution on the part of the department in connection with these arrests without a warrant, that the course followed had the sanction in part of a practice of some years standing at least, pursued by the Department of Labor and crystallized into a rule promulgated by it for the guidance of its agents, as follows:

"Application for warrant of arrest: * * * Telegraphic application may be resorted to only in case of necessity, or when some substantial interest of the Government would be subserved thereby, and must state (a) that the usual written application is being forwarded by mail, and (b) the substance of the facts and proof therein contained. The code supplied by the department should be used whenever practicable." (Rules of May 1, 1917, of Bureau of Immigration, pp. 71-72.)

The procedure in accordance with this rule is detailed by Mr. Kelleher in his testimony. (Hearings, p. 496.)

Manifestly no sworn statement could be before the department until the arrival of the affidavits and the warrant sent by wire is wholly without the support required by the fourth amendment, of the existence of which both departments seemed to be entirely oblivious. It remains, however, as it is to be hoped, in its pristine vigor as follows:

"The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized."

Apparently the Department of Labor realized that a warrant of some kind on some foundation was requisite for arrest or to justify detention. The rule implies that an arrest without a warrant, in anticipation of the arrival of a telegraphic warrant, would not be justifiable, and the record does not disclose that such authority was ever assumed by its agents or such a course sanctioned by the department. Arrest without any warrant appears to have been an innovation inaugurated by the Department of Justice. Instead of correcting the obviously illegal practice of issuing telegraphic warrants, it took a further step away from the standard prescribed by the Constitution. Some vague notion seems to have prevailed that none of the constitutional guarantees of liberty are available to aliens in deportation proceedings, and ill-considered remarks to that effect may be found in the opinions of some judges. (In re Chin Wah, 182 Fed. 256.)

It is, of course, true that one can not claim in deportation proceedings any of the rights secured by the fifth amendment save those of transcendent importance guaranteed by the last two clauses thereof, not because he is an alien, but because of the nature of the proceedings. It reads as follows:

"No person shall be held to answer for a capital or otherwise infamous crime unless on a presentment or indictment of a grand jury, ex-

cept in cases arising in the land or naval forces or in the militia when in actual service in time of war or public danger, nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb, nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property without due process of law, nor shall private property be taken for public use without just compensation."

Every right to which it refers, except as above noted, relates, as is plainly apparent, to proceedings in criminal actions, and deportation proceedings, it may be justifiable to repeat, are not criminal in their nature at all.

So the sixth amendment by its plain terms applies to criminal cases, and the rights guaranteed by it can not be claimed in deportation proceedings. It is as follows:

"In all criminal prosecutions the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense."

The clause preceding that with which the fifth amendment concludes, "Nor (shall any person) be deprived of life, liberty, or property without due process of law," is obviously not so restricted. One can not be deprived of his life, his liberty, or his property by any procedure, however it may be classified, civil, criminal, or anomalous, without due process of law. Accordingly, it has been authoritatively held that deportation proceedings must be in conformity with "due process of law." (*Whitfield v. Hanges*, 222 Fed. 745, and cases cited; *The Japanese Immigrant case*, 189 U. S. 86-100; *Truax v. Raich*, 239 U. S. 33-39.)

Nor is there any room for contending that the word "person" in the clause in question does not include aliens. They may claim equally with citizens all the rights guaranteed by the amendment under consideration. An indictment or presentment is essential in proceedings against an alien whenever it is requisite against a citizen. He may, under the same circumstances, plead former jeopardy; he can not be compelled in any criminal case to be a witness against himself.

So it is equally apparent that the fourth amendment, above quoted, is general in its application. It applies to arrest in civil cases as well as in criminal actions. Referring to this amendment, the Supreme Court said, in *Weeks v. United States* (232 U. S. 392): "This protection reaches all alike, whether accused of crime or not." Whatever the nature of the proceeding, no warrant may issue but upon probable cause supported by oath or affirmation.

Amendment VIII, as follows: "Excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted," is equally general in its requirement as to bail. The disregard of the constitutional guaranty, both in the case of the original arrest without a warrant and in the detention of prisoners so taken under the pretended authority of the so-called "telegraphic warrants" is flagrant.

3. More elaborate attention than might seem to be warranted has been given above to the pertinent amendments to the Constitution because of their bearing on other features of the proceedings now to be considered.

A lawyer practicing in the District, formerly employed in the Department of Labor, told the committee that he had examined the papers in the department upon which a large number of the warrants had been issued and that "dozens of them were not signed and were unsworn." This statement was neither supported by the production of the papers so denounced nor, on the other hand, was it refuted in any way. It can readily be believed, however, in view of the testimony given by Mr. Abercrombie, by whom, as acting head of the department, most of the vast mass of warrants were issued, that it was impossible to give more than the most perfunctory examination to the papers accompanying the applications in view of their number and the other pressing duties devolving upon him in the absence of both the head of the department and his assistant.

But that is unimportant, because it is conceded that when the charge against the person for whom a warrant was made consisted of a written statement by an agent of the Bureau of Investigation, as was the case in many if not most instances, no verification was made, it being contended that none was required, the position being taken that the official oath of the agent fulfilled the constitutional requirement. Indeed, the rule of the Department of Labor, from which an extract has heretofore been made, provided that in such case the oath or affirmation may be dispensed with. No support can be found for any such doctrine in the comment of any writer of repute on the Constitution or in any adjudicated case so far as your committee can learn, and the history of the times in which the amendment had its origin refutes the notion advanced.

In the troublous period preceding the Revolution warrants of arrest were issued upon the mere demand or statement of officers of the Crown and on equally frail support writs of assistance were sued out authorizing searches for goods alleged to be smuggled.

These were among the acts of oppression which brought on the war. It was at this very practice that the amendment in question was aimed. The rule may have come into existence in consequence of the mistaken notion that the fourth amendment carried no guaranty to aliens or that it applied to criminal proceedings only, or its authors may have become confused in consequence of the ruling of some courts to the effect that when the affidavit upon which a warrant is issued is made by the regular prosecuting officer, he may verify it on information and belief. It has never been held, as stated, that the oath or affirmation required by the Constitution may be dispensed with, but only that in view of the official oath he has taken, the public prosecutor may verify a formal charge made by him in his official capacity on information and belief. Other cases insist that in every case the oath or affirmation must be made by one who speaks as of his own knowledge. It is unnecessary to canvass those varying views. None of them supports the rule to which the Department of Justice gave its sanction so repeatedly in connection with the arrests under inquiry.

On the related question of the necessity and form of the verification of an information, not as the basis of a warrant but as a foundation for a prosecution, there is likewise some diversity of opinion. Conflicting decisions on that subject may have contributed to the view on which the rule is founded. A note in which they are canvassed is appended to the case of *Weeks v. United States* (54 L. R. A. (N. S.) 657). The distinction between an information or a complaint as the foundation for a prosecution and as a basis for a warrant is therein pointed out, and the doctrine unequivocally declared that under the fourth amendment and similar constitutional provisions no warrant can issue unless the charge is verified, no matter who makes it, an official or a private person.

4. That part of the circular of instructions to agents of the Bureau of Investigation making the arrests relating to searches is here repeated:

"Particular efforts should be made to apprehend all of the officers of either of these two parties if they are aliens; the residence of such officers should be searched in every instance for literature, membership cards, records, and correspondence. The meeting rooms should be thoroughly searched and an effort made to locate the charter of the Communist Party of America or the Communist Labor Party, under which the local organization operates, as well as the membership and financial records, which, if not found in the meeting rooms of the organization, will probably be found in the house of the recording and financial secretaries, respectively. All literature, books, papers, and anything hanging on the walls should be gathered up; the ceilings and partitions should be sounded for hiding places. After obtaining any documentary evidence, the same should be wrapped up in packages and marked thereon the location of the place and the name of the persons obtaining the evidence and the contents of each package.

"I have made mention above that the meeting places and residences of the members should be thoroughly searched. I leave it entirely to your discretion as to the method by which you should gain access to such places. If, due to the local conditions in your territory, you find that it is absolutely necessary for you to obtain a search warrant for the premises, you should communicate with the local authorities a few hours before the time for the arrests is set and request a warrant to search the premises."

It is difficult to conceive how one bred to the law could ever have promulgated such an order. As heretofore stated, deportation proceedings are purely statutory. There is no applicable common law. Justification must be found in the statute for whatever is done. The statute authorizes the issuance of a warrant and necessarily the arrest of the person against whom it runs. Doubtless it authorizes, as would an ordinary warrant of arrest, the search of the person of the prisoner. That is all. To rifle his drawers, peer into his private papers, walk off with his books and any documents that the invading officers may choose to carry away, is not only without the slightest sanction in the law, but is an offensive tyranny having, it is hoped, few precedents in our history.

It was vigorously and deservedly denounced by the Supreme Court in *Weeks v. United States*, heretofore cited, decided February 24, 1914, in which the court, referring to similar acts, said inter alia:

"If letters and private documents can thus be seized and held and used in evidence against a citizen accused of an offense, the protection of the fourth amendment declaring his right to be secure against such searches and seizures is of no value, and, so far as those thus placed are concerned, might as well be stricken from the Constitution. The efforts of the courts and their officials to bring the guilty to punishment, praiseworthy as they are, are not to be aided by the sacrifice of those great principles established by years of endeavor and suffering which have resulted in their embodiment in the fundamental law of the land. The United States marshal could only have invaded the house of the accused when armed with a warrant issued as required by the Constitution, upon sworn information and describing with reasonable particularity the thing for which the search was to be made. Instead, he acted without sanction of law, doubtless prompted by the desire to bring further proof to the aid of the Government, and under color of his office undertook to make a seizure of private papers in direct violation of the constitutional prohibition against such action. Under such circumstances, without sworn information and particular description, not even an order of court would have justified such procedure; much less was it within the authority of the United States marshal to thus invade the house and privacy of the accused." (232 U. S. 393.)

Whether similar conduct directed against even a proscribed organization or one believed by the Attorney General to be such is an offense less grave need not engage our attention. It is equally lawless. Some pretense is made that private houses were not searched except by the consent of the occupant and that often the prisoner would himself aid in the search. Consent given with the dread representative of the great Government secret service, who was charged to make known at the door the character in which he was acting, by a startled householder, presumably an alien, possibly unfamiliar with the language of his interlocutors and unfamiliar with his rights, affords little condonation for the acts hereby condemned. But what is more important, the instructions directed that the course pursued be followed with or without the consent of those whose premises were invaded. If the arresting officers neglected to search in every instance where they otherwise should have made search, had consent not been withheld, they would have violated the command emanating from the Department of Justice. So imperative were their instructions with respect to making search that they were not even to arm themselves with a search warrant unless it was "absolutely" necessary, in which case they were to secure the writ.

5. But a search warrant in deportation proceedings is a thing unknown to the law. It is under all ordinary circumstances and under all ordinary and usual statutes an auxiliary remedy in criminal proceedings only. Such is the character of the statute upon the pretended authority of which search warrants were issued in connection with the arrests under consideration. It is a unit in the fascicle of laws constituting separate chapters of the so-called espionage act, which takes its name from the initial chapter thereof. It is perfectly apparent upon every feature of the statute that it contemplated the institution or pendency of criminal proceedings. So obvious is this that at the hearing the Attorney General, upon the prompting of one of his own subordinates, made some attempt to justify the suing out of the search warrants upon the theory that the members of the Communist Party "were guilty or might be held guilty of a conspiracy under section 6 of the Criminal Code," "and that such property as was used in the commission of that conspiracy was properly covered by the search-warrant clause of the espionage act." (*Hearings*, p. 24.)

Section 6 referred to reads as follows:

"If two or more persons in any State or Territory, or in any place subject to the jurisdiction of the United States, conspire to overthrow, put down, or destroy by force the Government of the United States, or to levy war against them, or to oppose by force the authority thereof, or by force to prevent, hinder, or delay the execution of any law of the United States, or by force to seize, take, or possess any property of the United States contrary to the authority thereof, they shall each be fined not more than \$5,000 or imprisoned not more than six years, or both."

The features of the search warrant law relied upon are as follows: "Sec. 2. A search warrant may be issued under this title upon either of the following grounds:

"2. When the property was used as the means of committing a felony; in which case it may be taken on the warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was used in the commission of the offense, or from any person in whose possession it may be.

"3. When the property, or any paper, is possessed, controlled, or used in violation of section 22 of this title; in which case it may be taken on the warrant from the person violating said section, or from any person in whose possession it may be, or from any house or other place in which it is concealed.

"Sec. 22. Whoever in aid of any foreign Government shall knowingly and willfully have possession of or control over any property or papers designed or intended for use or which is used as the means of violating any penal statute, or any of the rights or obligations of the United States under any treaty or the law of nations, shall be fined not more than \$1,000 or imprisoned not more than two years, or both."

It is sufficient to say that no proceedings were ever instituted under section 6 of the Criminal Code, presumably because the department was convinced none such could be maintained. It would be unjust to believe that it willfully omitted to enforce the criminal law having evidence sufficient to justify the belief that it had been violated.

It will be noted that the statute authorizes the seizure of property which was used as the means of committing a felony or which was designed or intended for use or was used in aid of a foreign Government in violating a penal statute or any right of the United States under any treaty of the law of nations. Some copies of affidavits used as the basis for search warrants and of the writs are found in the record. (Hearings, pp. 772-773.)

They disclose that the claim was made that the papers to be seized were to be used "as the means of committing a felony," namely, a conspiracy in violation of section 6 of the Criminal Code. In one of the affidavits it is averred that the affiant has good reason to believe and does believe that such a conspiracy is being committed upon and by the use of a certain pamphlet or leaflet entitled "Communist Labor," by divers other books or pamphlets, by mailing lists, and solicitations for funds or membership. On this was issued a warrant reciting such belief on the part of the commissioner and his statement as to the place where the things described were to be found, followed by this command:

"You are therefore hereby commanded, in the name of the President of the United States, to enter said premises, with the necessary and proper assistance, and there diligently to investigate and search into concerning said conspiracy, and to report and act concerning the same as required of you by law, and this warrant may be served at any time of the day or night." (Hearings, p. 773.)

It seems doubtful whether the author of these papers ever read the fourth amendment, directing that the warrants shall particularly describe the things to be seized, or that he ever acquainted himself with the elementary principle that it does not constitute "probable cause" that one believes a crime to have been committed even though he asserts that he has reason for his belief. The issuance of a warrant is a judicial or quasi-judicial function. Proof must be submitted to the officer who issues it sufficient to justify a belief on his part. He has nothing before him when he has only the statement that some one else believes that a crime has been committed without a single fact upon which such belief is founded.

In *Veeder v. United States* (252 Fed., 418), the Circuit Court of Appeals for the Seventh Circuit said:

"No search warrant shall be issued unless the judge has first been furnished with facts under oath—not suspicions, beliefs, or surmises—but facts which, when the law is properly applied to them, tend to establish the necessary legal conclusion, or facts which, when the law is properly applied to them, tend to establish probable cause for believing that the legal conclusion is right. * * * If the sworn accusation is based on fiction, the accuser must take the chance of punishment for perjury. Hence the necessity of a sworn statement of facts, because one can not be convicted of perjury for having a belief, though the belief be utterly unfounded in fact and law."

But why dissimulate? The things seized were taken not because they were "the means of committing a felony"; they were taken that they might be used as evidence of membership in and of the teachings of the Communist Party or the Communist Labor Party, with a view to securing orders of deportation. Commendable candor would compel a frank admission to that effect, in view of the instructions given to those suing them out, to search the meeting places and residences of the officers of either of the parties named for "literature, membership cards, records, and correspondence." The very same paragraph continues:

"All literature, books, papers, and anything hanging on the walls should be gathered up; the ceilings and partitions should be sounded for hiding places. After obtaining any documentary evidence the same should be wrapped up in packages and marked thereon the location of the place and the names of the persons obtaining the evidence and the contents of each package."

There is room for the contention, though it would be a strained contention, that circulars or pamphlets intended to arouse individuals to overthrow the Government by force or violence are things "used" or at least to be used "in the commission of a felony." But what can one say in justification on such a ground of the seizure of membership cards, financial records, "all literature, books, papers, and anything hanging on the walls"?

The search was not made to secure articles "used in the commission of a felony" as, for instance, a counterfeiters' or burglar's outfit, gambling instruments, guns assembled in an effort to transport them to another country in violation of the neutrality laws, or contraband liquor held in disregard of the prohibition laws. There was the less excuse for setting up the shallow pretense upon which these search warrants were issued, in view of the fact that the Supreme Court had solemnly warned the department of its futility and its error in the *Weeks* case, the principles of which it had occasion again to declare in *Silverthorne v. United States* (251 U. S. 385), decided January 26, 1920, and of the failure of a similar attempt to seize and hold papers and documents, announced by the court in *Veeder v. United States* (supra), a decision dating from March 9, 1918.

In *Gould v. United States* (255 U. S. 298) the questions here considered were under review, and the doctrine was again announced that a search warrant can not lawfully issue for books and papers that they

may be used in evidence. The attempt to do so again met the condemnation of the court in that case.

The statute in question was enacted pursuant to a suggestion from the Department of Justice before the declaration of war that legislation along various lines was requisite to meet extraordinary conditions then prevailing, the particular occasion for a search warrant statute being that the officers of the Federal Government might be clothed with authority to enter premises along the Mexican border in which there might be concealed guns and munitions of war to be surreptitiously transferred to the other side in violation of the Executive proclamation, to be eventually used, should hostilities then threatened break out, against our own men.

A draft of a bill was sent down which, with material modifications, became Title XI of the espionage act. That draft, in express terms, would, had it been enacted, have authorized search for and seizure of books, papers, and documents being evidence of the commission of crime. But the Judiciary Committee refused to sanction such a statute, because in the opinion of some members at least, such a search would be unreasonable within the meaning of the fourth amendment and be violative of the sixth amendment because, in effect, compelling the accused in criminal prosecutions to be a witness against himself. The department finding itself unable to get from Congress the authority it sought in respect to searches to secure evidence, sought to attain its end by a palpable subterfuge.

Nor are the foregoing the only particulars in which the law was wrenched to suit the purposes of those who were, in a peculiar way, constituted its guardians.

1. Bail was fixed, as a rule, at \$1,000, in some cases as high as \$10,000, in some as low as \$500. The result was that the more prominent among those arrested, the more influential and perhaps the more dangerous in the cases of whom \$10,000 may not have been too high, secured bail, while the poor, ignorant, deluded, comparatively harmless foreigner, with a large family to support and only his daily wage to meet their daily wants, found it utterly impossible to secure a bond of \$1,000 or even \$500. The period of their incarceration will be adverted to later. In the vast majority of the cases the bail was excessive. The Attorney General contents himself by saying that the bail was fixed by the inspector, an officer of the Department of Labor, but the participation of the Department of Justice in the proceedings was too active to permit of such easy exculpation. Both departments must share in what has every appearance of a design to keep the prisoners in jail rather than to insure their appearance to answer any order that might be entered.

2. The work of making the arrests in the Boston district was carried out under the supervision of one George E. Kelleher, heretofore referred to, agent of the Bureau of Investigation, particularly commended by the Attorney General. He is a man of intelligence and training, a graduate of Brown University and the Georgetown Law School. He sent out to those under him a set of instructions, appearing in a note at hearings, pages 53 and 54, in which is summarized those contained in the circular letter herein quoted at length from the bureau, but which contained a supplementary feature to be noticed. He claims that the draft here first mentioned was sent out before the receipt of the letter from the bureau, and that the latter, when received, displaced it. That seems quite unlikely in view of the identity of the language used in the two instruments. But that is unimportant, as the reference to it is made only to disclose the state of mind actuating those who carried on these "raids." Among other things Mr. Kelleher's subordinates are directed:

"8. If a person claims American citizenship, he must produce documentary evidence of same. If native born, through birth records. If naturalized, through producing for agent copy of naturalization papers. Be sure that these papers are final papers, containing words "and is hereby admitted to become a citizen of the United States." (Hearings, p. 54.)

The writer recalls that during the war a similar rule was in force concerning applications for passports. A gentleman 80 years of age, born in the State of New York, a veteran of the Civil War, past commander of the Grand Army of the Republic of the State of Montana, who had resided in that State since its birth and in the Territory since the pioneer days, who had repeatedly served as a member of the legislature of the State of which he was an honored citizen, and who sought a passport, intending to visit the Orient, found himself utterly unable to meet the requirements of the rule.

It has been held that the law indulges the presumption that every resident of this country is a citizen thereof. At least it casts upon anyone asserting the contrary the burden of establishing the fact.

By express provision of the statute this presumption is unavoidable to an oriental who is required to produce the proper certificate when his right to remain in the country is challenged by the department officials. The rule issued by Kelleher in his official capacity is harsh enough as to a naturalized citizen. His papers may not be readily available. It is rare that they are preserved with the care with which currency or bills receivable are guarded. The ordinary citizen of foreign birth seldom, if ever, has occasion to adduce them. In the case of the native-born citizen it would be exceptional that its requirements could be met except after no inconsiderable delay.

In the case of one for whom a warrant has been issued, it is to be presumed that an affidavit was filed as a basis for the warrant in which his alienage is averred. It was perhaps not intended that on the preliminary inquiry a searching investigation should be carried on to ascertain the truth of the charge in that respect. The instruction dealt primarily with those cases in which no warrant had been issued, applied to persons as to whom no one had charged alienage. The prisoner had simply been taken in one of the raids, was present at a meeting of one of the proscribed parties. This was deemed sufficient to subject him to the suspicion not only of being a member of the party and an alien, but gave rise on the issue of alienage to a rebuttable presumption against him of which he could free himself only by the proof called for by the rule here questioned.

In at least one case some 40 or more, a large number of whom were citizens, were gathered in under the mistaken belief on the part of the officers that they were raiding a communist meeting. As a matter of fact the gathering was assembled to consider the subject of organizing a cooperative baking association. (Hearings, p. 58.) An apparently trustworthy witness who, as a newspaper reporter inquired into the facts of the "raid" in Detroit at the time of its occurrence, told on information so gathered that everyone in the House of the Masses, even those eating in the restaurant, students attending the classes conducted under the authority of the society owning the building, merry-makers at a ball in progress, and even the orchestra

playing thereat—a corps of musicians commonly employed about the city—were arrested. (Hearings, p. 712.)

The House of the Masses was the headquarters of the Socialist Party. When it split, a condition hereafter to be explained, the wing which became the Communist Party secured control of the building, but a suit was in progress to settle the question of the right to possession as between the two warring wings. The files of the Department of Labor disclose that in not a few cases the only evidence connecting the prisoner with any of the proscribed parties was attendance at a school conducted under its auspices. (Hearings, p. 328.) Quite naturally no inconsiderable number of those arrested were, in fact, citizens. A witness of high character, in no manner associated with one of the proscribed parties, estimates that about one-half of those taken in Detroit, in all about 1,000, were citizens. (Hearings, p. 728.) But it is not unlikely that in the number estimated by him to have been citizens were included a considerable number of aliens who succeeded in convincing the examining officers of their innocent character.

3. On the issue of membership the appearance of the name of the prisoner on what purported to be a roll of members was regarded as sufficient evidence that he was such. (Hearings, pp. 359, 360, 361.) Even if these purported rolls were identified as such, and they were not, according to the testimony, the recitals thereof would be the merest hearsay, particularly in the absence of evidence that they were kept in accordance with some rule or long-established custom of the society. Even official records must be identified as such before they can be admitted in evidence. When one reflects on how easily, considering the ardor of partisan enthusiasts, particularly on the eve of a campaign, the name of a citizen may be mistakenly enrolled as a member of a Democratic club or a Republican club, the proposal to subject a man to perpetual exile, whatever may be his obligations to his family or others, on such evidence, is shocking.

4. Neither the law nor the Constitution guarantees to the individual proceeded against in deportation proceedings the right to counsel, though the result may be of graver import to him than a conviction of crime. The law makes no provision for counsel for the accused and the constitutional guaranty in that respect extends to criminal prosecutions only. But an impelling sense of justice constrained the officials of the Department of Labor long since to establish a rule giving to the accused in deportation cases the right to be heard by counsel. Prior to December 30, 1919, and since March, 1919, the rule read as follows:

"At the beginning of the hearing under the warrant of arrest the alien shall be allowed to inspect the warrant of arrest and all the evidence on which it was issued, and shall be apprised that he may be represented by counsel. The alien shall be required then and there to state whether he desires counsel or waives the same, and his reply shall be entered on the record." (Hearings, p. 174.)

On December 30, 1919, while the 3,000 warrants issued in contemplation of the raids of January 2 were outstanding, all of such warrants bearing date December 27, 1919, in the absence of the Secretary and the Assistant Secretary of Labor, the solicitor of the department, one John W. Abercrombie, Acting Secretary, promulgated a new rule reading as follows:

"Preferably at the beginning of the hearing under the warrant of arrest, or, at any rate, as soon as such hearing has proceeded sufficiently in the development of the facts to protect the Government interests, the alien shall be allowed to inspect the warrant of arrest and all the evidence on which it was issued, and shall be apprised that thereafter he may be represented by counsel." (Hearings, p. 176.)

Under the new rule none of those with whose arrest this report is concerned were accorded the right of counsel at what is called the preliminary hearing, at which evidence was adduced against him and every effort made to draw from him, by both oral examination and written interrogatories, admissions of culpability.

When Secretary Wilson, who was absent on account of the serious illness of his wife, returned on January 27, 1920, he revoked the order of the Acting Secretary and restored the rule as it was prior to December 30, 1919, but too late, of course, to affect the cases of those taken in the raids of January 2, 1920.

5. Many of the accused, perhaps most of them, were unable to speak English and the services of an interpreter was consequently required. Not infrequently some agent of the Department of Justice acted. Such an agent conducted the initial investigation and made the report on which the proceedings were instituted; subscribed, if he did not swear to the charge, made the arrest, prosecuted at the preliminary hearing, and translated the testimony adduced. The same individual may not have acted in each capacity, but the injustice is but little mitigated by that fact. They were all moved by a common professional pride to hold as many of the prisoners as possible. It would have been humiliating to the entire force to see a very large percentage of the prisoners released, and the more there were discharged the more intense would become the desire to make a case against the remainder.

But if the rights guaranteed by the Constitution and accorded by the law of the land, heretofore regarded as peculiarly sacred and inviolable, were recklessly denied the victims of the "raids" made under review, the dictates of enlightened humanity were no less ruthlessly disregarded in connection therewith. Viewed from that standpoint, it is not unjust to speak of the affair as an unmitigated outrage.

No provision was made, at least no adequate provision, to take care of the thousands of persons taken into custody in these "raids" while the sifting process was going on and the department was endeavoring to identify those for whom warrants had been issued, those for whom telegraphic warrants were to be asked, and those who, because they were citizens, or, because lacking admissions, sufficient evidence even of the meager and inconsequential character deemed adequate was not at hand, were entitled to be discharged without further inquiry.

In Detroit this process consumed a week or more, 12 inspectors working continuously. (Hearings, p. 707.) The jails and detention houses of the great cities and industrial centers in which the raids were conducted were not sufficiently capacious to hold any such number of prisoners in addition to those brought in regularly for offenses giving rise to arrest. This condition was, of course, to be anticipated. In Detroit the prisoners were herded to the number of about 800 in the corridor on the top floor of the Federal Building, the total area of which was 4,872 square feet.

The conditions had better be told in the language of the assistant custodian of the building:

"On the night of January 2, Mr. Barkey, of the Department of Justice, special agent in Detroit, came to my office in the Federal

Building. It was 4 o'clock, and he asked me if he could use the fifth-floor corridor of the Federal Building for the purpose of confining alleged radicals. He said he was going to make a little raid that night, and he would like to use the fifth-floor corridor, because the local jails were all full. There was no other place to put them."

"I said to him we would be glad to cooperate with him if that was the case. When he said he was going to make a raid, as I looked at raids, or as I had heard of raids, they had usually been about 25 or 30 men, probably never to exceed that many."

"Next morning when I came to the office they had, I understand—and I believe it is true; it would seem true, at least, by observation—400 men in this corridor; and within the next two or three days this number had increased, it was common knowledge, to 800 men in this fifth-floor corridor."

"Senator STERLING. How large was this corridor?"

"Mr. GARRED. This corridor had a total area of 448 square feet. If you are interested, I have prepared a sketch of this corridor, showing the dimensions and facilities [handing paper to the chairman]. This had no outside windows. The only light they had was through an open court in the center, over which was a skylight. They had one toilet—one water-closet—and these men were lined up, probably 40 and 50 in the line, awaiting their turn to use this toilet. Some of them were unable to wait, and urinated in the corner room, back in the corner where it was a little dark. Before long—before many days—the stench was quite unbearable in some parts of this corridor and room."

"Senator STERLING. You say 'before many days.' Were the entire 800 kept there for days? Were they not released from time to time?"

"Mr. GARRED. They were released from time to time, after probably the third day; I could not state definitely, but I am pretty sure it was at least three days they were kept there. The whole 800 were not there at the start. There were 400, and then they increased this number as they made subsequent raids; and probably at the end of the third day they had 800; and from then on it commenced to decrease as they examined them." (Hearings, p. 706.)

"Senator STERLING. Preliminary examinations were going on there all the time, you understand?"

"Mr. GARRED. Yes."

"Senator STERLING. And as the result of these preliminary examinations men were being released from time to time?"

"Mr. GARRED. Yes. They also had access to the roof. There are two stairways, one at each end of the corridor, and some of them went up on the roof for toilet purposes."

"Senator WALSH of Montana. They had air there?"

"Mr. GARRED. Yes."

"Senator STERLING. Is there a toilet on the roof?"

"Mr. GARRED. No; they went up there, though, and it was a flat roof."

"Senator STERLING. And they used the roof?"

"Mr. GARRED. Yes. They had hot and cold water over a slop sink adjacent to this toilet."

"As to food, the friends of these men brought in sandwiches and apples and milk, etc., in suit cases and boxes and bags, and they got food. As to some of those who had no friends, I do not know what they got. I guess, probably, they divided up. I went through this corridor two or three times—walked through—to see conditions." (Hearings, p. 707.)

"They had no bedding of any kind except newspapers and overcoats and clothing, and 110 awnings that we had there. We had 110 awnings stored in this attic space which we would have removed if we had known there were going to be so many in this corridor, and these men pulled the canvas off of those awnings, off of the frames, and used the canvas for bedding."

"Senator STERLING. How was it as to the air; was it reasonably good air?"

"Mr. GARRED. As I stated, there were no outside windows."

"Senator STERLING. No outside windows; and how about the ventilation?"

"Mr. GARRED. The ventilation was poor, because this was the top floor of the building, and all of the impure air from the other corridors came up there. This skylight space is open down to the first floor, from the second floor up, and of course all of the warm air and heat would go to the ceiling, and it was quite hot up there and rather close."

"Senator STERLING. This was in the wintertime?"

"Mr. GARRED. The 2d of January; yes."

"Senator WALSH of Montana. How long did that condition continue, Mr. Garred?"

"Mr. GARRED. Which condition are you speaking of?"

"Senator WALSH of Montana. The condition you have spoken of; the occupancy of the corridor?"

"Mr. GARRED. They were confined there from the night of January 2 to the forenoon of January 8, or some time during the 8th, I believe, before they were all removed." (Hearings, p. 707.)

"Senator STERLING. And you mean except as they were from time to time released on examination?"

"Mr. GARRED. Yes; some of them were there only two or three days, and perhaps not as long as that, some of them. They started to examine them, I believe, on the second day." (Hearings, p. 708.)

"Mr. GARRED. We protested about keeping them there so long without having the proper conveniences for men—human beings—and Mr. Barkey, the special agent in charge, told us that he was doing everything within his power to remove them as soon as possible. Fort Wayne had not been opened up to them at that time, I understand. There was some difficulty in getting Fort Wayne—in getting the War Department to let them use Fort Wayne—and he said they were negotiating and trying to get that, and as soon as they got that they would be able to handle them much faster." (Hearings, p. 708.)

"Mr. GARRED. The post-office building was only a temporary accommodation for them until they could make arrangements elsewhere, and some of them went to the county jail and some to the municipal-court building and other places." (Hearings, p. 709.)

"Senator WALSH of Montana. Who was in charge of these men while they were incarcerated at the Federal building?"

"Mr. GARRED. Mr. Barkey. Of course, there were guards at each end of this corridor, and it was screened off with gates at the fourth floor, under Mr. Barkey's supervision, I believe." (Hearings, p. 709.)

The local jails to which the prisoners who were held to await a more formal examination were so densely crowded that the sanitary conditions became so insufferable as to induce the city council to spread upon its records a solemn protest and demand that the prisoners be removed, asserting that their further detention therein was a menace to the health of the city. The resolution is set out in the record. (Hearings, p. 698.)

Thus prompted, the prisoners were removed to the Fort Wayne Barracks outside the city or in its suburbs. Of the 1,000 or more men arrested in Detroit 128 only were ordered deported on the final hearing before the Department of Labor. Just how many were detained for the more formal inquiry does not appear. The plight of those eventually held, and particularly of their families, aroused the sympathetic interests of the humane people of the city in which they had taken up their residence, for when the order was made, either because ships were not available for their transport or it was impossible because of conditions there prevailing to deliver them in the countries from which they came, they continued in confinement at the Fort Wayne Barracks. A committee consisting of four eminent business men and an Episcopal bishop was appointed, which, with the approval of the Assistant Secretary of Labor, undertook to review the cases for the purpose of making recommendations touching the disposition of those held. It called to its assistance three high-class lawyers, each of whom had a creditable war record. These lawyers examined the records upon which the prisoners were held and reported to the committee their conclusions. Thus aided the committee paroled 100, the department paroled 9 more, 3 were released on bond, and 8 it found so dangerous or so deserving of deportation that they were left at the barracks.

It may be the fact, doubtless it is the fact, that conditions for some reason were worse in Detroit than elsewhere. But they were scarcely less shocking at Deer Island, where were concentrated the prisoners taken in the Boston district, as appears from the following recital in the opinion filed by Judge Anderson in *Skeffington v. Colyer*:

"[10] At Deer Island the conditions were unfit and chaotic. No adequate preparations had been made to receive and care for so large a number of people. Some of the steam pipes were burst or disconnected. The place was cold; the weather was severe. The cells were not properly equipped with sanitary appliances. There was no adequate number of guards or officials to take a census of and properly care for so many. For several days the arrested aliens were held practically incommunicado. There was dire confusion of authority as between the immigration forces and the Department of Justice forces and the city officials who had charge of the prison. Most of this confusion and the resultant hardship to the arrested aliens was probably unintentional; it is now material only as it bears upon the question of due process of law, shortly to be discussed. Undoubtedly it did have some additional terrorizing effect upon the aliens. Inevitably the atmosphere of lawless disregard of the rights and feelings of these aliens as human beings affected, consciously or unconsciously, the inspectors who shortly began at Deer Island the hearings, the basis of the records involving the determination of their right to remain in this country.

"In the early days of Deer Island one alien committed suicide by throwing himself from the fifth floor and dashing his brains out in the corridor below in the presence of other horrified aliens. One was committed as insane; others were driven nearly, if not quite, to the verge of insanity." (Hearings, p. 59.)

At Newark the inspectors worked all night and until 2 or 3 o'clock the next day, ordering those to Ellis Island whom they deemed it justifiable to hold. (Hearings, p. 565.) At Boston the period of detention, while the weeding-out process was in progress, was from a few hours to two or three days. (Hearings, p. 56.)

It is to be borne in mind that among those thus detained for periods varying from a few hours in the dead of night to a week were some who, when the opportunity came in the regular course of the inquiry, were able to satisfy the inquisitors of their citizenship. Regrettable as it may be, there are individuals enjoying American citizenship even as a birthright who are numbered among the members of the Communist Party. Many such must have been gathered in. Moreover, some who were unquestionably innocent were taken.

Reference has heretofore been made to the arrest of a group of 39 at Lynn, Mass., assembled to confer about organizing a cooperative bakery, a considerable number of them, about one-half, according to Judge Anderson, being citizens. Thirty-eight of those arrested were discharged the next day. (Hearings, pp. 783, 58.)

One of the gentlemen serving on the Detroit committee gave the following testimony:

"To illustrate the dilemma that the American citizen was in, I was known to those people as a person who was a sort of arbiter, and was considered as a sort of friend of both sides, and I was not looked upon as an enemy of the proletariat, and a young man who with his wife had been of considerable assistance to me in these public meetings I was carrying on to educate the foreigners, came to my office, in my business place, one morning in a very much excited state of mind. His name is Adolph Meyer. He lives at 74 Medbury Avenue, Detroit. He told me this story, that he was attending a lecture, which was not a forbidden lecture by any means, and the hall was surrounded and everyone in the hall was taken and imprisoned, amongst them himself. When he did not come home, his wife, who was a young woman, began to worry about midnight, but she did not know where to inquire for him, and was in a great state of mind until she learned about this raid, and long before 5 o'clock in the morning she was taken to one of the buildings. She had no way of knowing what jail he was in, but finally she found him, along toward daylight, and was permitted to talk to him through the bars, and he was released the next morning.

"Senator STERLING. What hall was that and what was the purpose of the raid?

"Mr. INGRAM. It was raided for the purpose of taking people who were said to be members of the Communist Labor Party.

"Senator STERLING. It was the hall where they assembled, a hall that was the meeting place for that party?

"Mr. INGRAM. No; I think it was a public hall where some one was giving a public address; but it was assumed to be one of that kind of people, and that was why they were raided.

"Senator STERLING. Do you know whether that hall was a common meeting place for the members of the Communist Party?

"Mr. INGRAM. I do not know, but I do not think it was. I was not given to understand that it was. He said it was a public hall. I think he told me the hall, but I do not remember it. He wanted to know what could be done. Naturally he thought he had some remedy. I said that nothing could be done, that it was a mistake, and to forget it.

"Senator STERLING. Did he claim to be a citizen?

"Mr. INGRAM. He is a citizen.

"Senator STERLING. And he had been arrested?

"Mr. INGRAM. He had been detained all night, but they let him out just as soon as they found that he was a citizen. There is no question about his citizenship. There is no question about his being a law-abiding citizen. He is a skilled mechanic, and was working for Mr. Ford at that time. He is in business for himself now.

"Senator STERLING. He is a German, is he?

"Mr. INGRAM. I do not know. It is a German name. He does not appear to be a German, so far as his language is concerned. He is an educated man. He is in one of the best parts of the residential section of Detroit." (Hearings, pp. 728-729.)

Of the anxieties aroused in the families of those arrested, of the eager search of wives for unreturning husbands, of their pilgrimage from one place of concentration to another in their quest, hoping perhaps that no worse fate had befallen their loved ones than that they had been caught in the raids, of the distress occasioned and the want induced by the incarceration of the breadwinners of so many households, it is unnecessary that the hearings should tell, as they do. Such incidents and conditions were miserable concomitants of the proceedings.

This aspect of the affair never seems to have addressed itself to the conscience or the heart of the Attorney General. He coolly declared that it was no part of the business of the Department of Justice to look after the families of those who commit crimes or render themselves subject to arrest. But he overlooks the fact that none of those whose arrest he authorized were proceeded against upon any theory that they had committed any crime; that many of them, because of their citizenship or because they were obviously innocent, if aliens, would be entitled to their discharge without delay and that delay must necessarily ensue, considering the number to be taken, and that even among those held a large number would eventually be released for want of evidence to justify deportation or because their innocence was established. It seems quite likely from the meager records kept that at least one-half of those taken were discharged upon the preliminary inquiry.

Questioned about the amount of the bail in which the prisoners were held, the Attorney General indifferently remarked that bail was fixed by the Department of Labor, the intimation being conveyed that having regard to the line which separated the jurisdiction of the Department of Justice from that of the Department of Labor, the subject of bail came exclusively within the field of the latter. The trouble with that theory is that the law intrusts the whole subject to the department last named, and any line such as that suggested is purely arbitrary. Moreover, it is at war with the idea that the two departments were "cooperating." We must assume, from the stand taken by the Attorney General, that they were not "cooperating" in respect to bail. Apparently the view taken by him is that his department was called upon to perform functions analogous to those it discharges in connection with the prosecution of crime, the officials of the Department of Labor standing in the same relation as the judges of courts in criminal proceedings.

But everyone conversant with the administration of justice knows that, ordinarily, the most perfect "cooperation" prevails between the district attorney and the judge in respect to bail in criminal cases. The amount is ordinarily suggested by the prosecuting official or fixed by the judge after conference with him, and an intimation from him that bail ought to be reduced is rarely disregarded.

Having made the wholesale arrests with the deplorable consequences to which reference has been made, falling upon the guilty and the innocent alike, the Department of Justice can not escape its share of the responsibility for not making diligent inquiry as to whether multitudes of those held should not be admitted to bail in some nominal sum or allowed to go on their own recognizance. Even after orders of deportation had gone against them the Detroit committee "paroled" nearly half of those held at the Fort Wayne Barracks without, it would appear, the loss of a man.

The Attorney General assured the committee that he had never heard of the horrible conditions prevailing in the Detroit jail and other detention quarters or of the action of the city council with reference thereto, though the metropolitan newspapers carried articles detailing them, the publication of which contributed to the public sentiment resulting in the appointment of the revisory committee referred to. It remains questionable whether his innocence is exculpatory or an aggravation of the wrong done through his official conduct, as it must be judged in the light of the humane view of our times touching the treatment due even to convicts.

Some advance has been made in that regard—

Since man first pent his fellow men
Like brutes within an iron den.

It will be interesting to know about the character of the men and something about the women taken and held in these "raids," over 10,000 in all, and particularly about those eventually ordered deported.

That some of them were dangerous characters, agitators, with abnormal or corrupt minds, trouble makers, enemies of law and order in every country, contemplating an Arcadia to be reached through turbulence and disorder, ready to "wade through slaughter to a throne" supported by what they call "the proletariat" is quite likely. Doubtless the nine eventually held at the Fort Wayne Barracks after the local committee did its work, out of the thousand or more arrested in Detroit, were of that class, richly deserving deportation, but entitled nevertheless to the observance of the formalities required by the law in the proceedings against them, less tenderly regarded by it than persons accused of crime, however, heinous.

In the more or less hysterical state of mind that prevailed when the raids were in progress and which to some extent still persists, it was popularly believed that all those taken were of that class—that they were all "red." It was quite natural that persons more or less remotely or feebly sympathetic with such should attend the hearings of the committee, as they did, so that the inquiry became known to the newspaper reporters as the "red" hearings. Indeed, anyone who challenged the proceeding, either from a legal or a humanitarian standpoint, laid himself open to the suspicion of being to some extent incarnadine. As a matter of fact, the great majority of those arrested, yea, even of those ordered deported, were perfectly harmless, deluded individuals, many of them unable to speak a word of English, with little or no comprehension of the principles or the purposes of the political party of which upon one consideration or another they had become nominal members, offenders against the letter but not the spirit of the law.

In a report on cases submitted to him, speaking from the record, one of the lawyers called to aid the Detroit reviewing committee says:

"The evidence in these cases tends to show a technical membership in a Communist Party organization, but utterly fails to show the character of the membership. No attention is given to the social, racial, and educational factors involved, and no attempt is made to determine whether the man is a member of a certain organization simply because of the restaurant facilities and the classes in reading and writing, or because he is interested in the political doctrines which it repre-

sents. It does not appear that the men are at all cognizant of the political doctrines of the organization." (Hearings, p. 701.)

Another of the lawyers commented similarly. (Hearings, p. 702.) It is not difficult to accept these views when it is remembered that learned judges have differed on the question of whether the literature of the Communist Party does or does not propose the policy of destroying or advocate the destruction of the Government by force, so ambiguous, possibly, or at least so inconclusive, is the language of the documents. The two departments concerned entertained varying ideas touching the attitude of the Communist Labor Party in that regard. This may seem strange to some people, but the writer has long held the view, and expressed it on the floor of the Senate, that the I. W. W. advocates the destruction of the Government by force, but neither of the departments referred to appear to agree with him, or they would have proceeded, presumably, against its alien devotees as they did against those alleged to be members of the parties against whom the raids in question were directed.

Many of those arrested were householders, and not a few had accumulated considerable property. Instances were not rare in which the victims were the fathers of families, including a number of children born in America, while, sad to relate, not a few had enviable war records, having served in the grand Army of that country whose Government they were accused of proposing to overthrow by force and violence. (See hearings, pp. 313-380.) For, be it remembered, these things were not done during the war, when official acts questionable in character at other times, might be held excusable, if not justifiable or defensible. A year and more had elapsed since the armistice at the time of these raids. Among those taken were skilled mechanics. Altogether, save for the class first named, they were the raw material out of which the American public school has made and will make in the first generation native to our soil our sturdiest manhood and the peers in devotion to this country and its ideals of any of its citizens.

Mr. Barkley, the Detroit newspaper man heretofore mentioned, said of those apprehended in that city:

"They seemed to be simple men, not, perhaps, very highly educated. They were clean. Most of them were fairly well dressed for workmen, not dirty-looking fellows. They did not look like what we have been led to believe Bolsheviks look like—that is, when they were taken in there. After four or five days, of course, they had all grown a pretty good crop of beard. They were not permitted to shave, and they slept in their clothes."

Senator WALSH of Montana. Did they look like good, decent, reputable workmen, or did they look like what you might call tramps and general rounders?

"Mr. BARKLEY. No; they were reputable workmen. Their families were very well clothed. In fact, one of the papers stated about some well-dressed women who had incited these men. It was their wives and families who had come in there. Some of them were making good money—up to \$10 and \$12 a day. They were skilled workmen." (Hearings, pp. 718-719.)

He tells about one of the victims, one Walter B. Reps, as follows:

"He was born in Poland 34 years ago and married there and came to the United States in 1913. He was a small man, neatly dressed and sturdy, with work-calloused hands and an intelligent, kindly expression. He had been an industrious workman. He had learned his trade as a cabinetmaker in Poland, and when he reached the United States he came to Detroit and went to work at once in a furniture factory. Later he left this factory to work for the Ford Motor Co., where he was employed at the time of his arrest. In order to become more expert in mechanics and English, he attended a school conducted four nights a week in a Polish educational society's hall. In 1917 he bought a little house, paying \$1,000 down and \$75 every two months. He continued to go to night school and placed his children, now 5 and 7 years old, respectively, in the public schools. He had been a member of the Socialist Party in Poland, and as all his associates in Detroit were members of the Detroit Polish branch of the same party in this country he also joined here."

"When the Detroit Polish branch switched its allegiance from the Socialist Party to the Communist Party last fall he believed, as did his fellow members, that the switch meant merely a change in name, inasmuch as the membership group remained the same. That was the basis or ground for his arrest. He told me that he was arrested on the evening of January 2, when he and a dozen others were studying an English lesson at their hall, No. 1648 Central Avenue." (Hearings, p. 716.)

It was of this class of men Mr. Ingram, one of the Detroit committee, said:

"The hardship was incurred in the raiding rather than in custody. They did worry those young men who were ignorant of what was going on and uncertain as to what their future would be. That got some of them in that bad mental condition. They went crazy in some cases."

It should be said in explanation of a feature of the testimony of Mr. Barkley above that in the month of September, 1919, a convention of the Socialist Party was held in the city of Chicago at which a split occurred, the more radical wing, if that is the proper expression, taking the name of the Communist Party, the rank and file, as is usual in such cases, following their leaders, as a rule, in remaining with the old or joining with the new party.

Mr. Ingram read to the subcommittee the report of his revisory committee, constituted as heretofore stated, in which was set out that it was impressed with the fact that in the case of many (mostly young men still in their twenties) it was obvious they were of apparent simplicity and good will, innocent of political or social bias of any kind, having no idea or only very vague ones regarding the Communist Party and its declarations, for membership in which they were sentenced to deportation.

He added:

"It would have excited the sympathies of this committee to have seen that so many of these young men were absolutely naive. They were entirely innocent of any political consciousness."

And then he tells of one of these young men who "went crazy." Further on the report referred to says:

"The men seemed to be of excellent physique, remarkably free from social or any other disease, simple, straightforward in manner, and with few exceptions they seemed to possess mechanical skill in trades much needed in this country. Most of them disclaim any intention of violating the laws of this country or to commit acts of violence. For the most part they are impressed with the inequities of our system of distribution, and believe that a general discussion will lead to improvements of the economic system. Their impressions are, for the most part, infantile, and in general their discussions gave a valuable outlet to any feelings of resentment. Most of the men, however, did not join

in the tabooed political parties on account of the principles, but largely on account of the language, races, social, and business association. The clubhouse was in most cases a convenient hang out, and only the smallest number was prepared to make any serious sacrifices for political or economic causes."

"Young men knowing only their mother tongue spurred to brave the risks of a strange land and language by their ambition to better their worldly position, they quickly yielded to the educational inducements of the institutions recommended by persons of their own race and speaking their own language. Thus they were lured by the prospect of not only learning the language of the people with whom they must now live, but by the further inducement of acquiring the education necessary to discharge the duties of citizenship in a land to which they were strangers." (Hearings, p. 740.)

During this long detention at the barracks they were eager students, Mr. Ingram tells us:

"Up there in the barracks I do not think there has ever been a time in the daytime but what 75 per cent of those prisoners were ranged around tables with a teacher and were studying. There were three subjects that they were particularly interested in. One was arithmetic, as they had an idea that arithmetic was the gateway to a business career; and then they were studying about government, and were studying the English language. There was some one of their class that was teaching them. It was interesting to see how they were teaching them in that adult way." (Hearings, p. 740.)

Mr. Butzel, a Detroit lawyer who was active in promoting the organization of the revisory committee, said:

"I want to make this plain. I was interested socially in this, and I wanted particularly to know how these people got into this thing, and I wanted to try to get the psychological backing of it. It was highly significant that there was not found in the whole crowd a single case of gonorrhea or of syphilis. There were a great many Tolstoyans, absolutely nonresistant, believing in no form of government and in no form of attack on government, who were followers of the Christ in the most literal way. There were a surprising number of skilled workmen; and the men who could not be classified as skilled were of the highest type of unskilled workmen, who had had some machinery experience. In ordinary times, if there was no political matter involved here, they were of the type that we should have imported from Russia; because we were very busy then, although we are not so now."

Senator STERLING. You speak of Tolstoyans. Were any of them apprehended and held?

"Mr. BUTZEL. Yes."

Senator STERLING. Were they held for deportation, many of them?

"Mr. BUTZEL. Yes; they had joined the Socialist Party and had been transferred to the Communist Party, and therefore they were held. They were technical members of the party."

"The Ukrainians who were members seemed to have joined the party principally for eating purposes, because the restaurant there was about the only place where they could get strict Ukrainian food and cooking; and if you wanted to eat there you joined and paid and got the meal. That was not quite so true of the other groups." (Hearings, pp. 703-704.)

The first raid was directed against the Union of Russian Workers which, according to a well-informed witness, had an inside and an outside council; the latter unexceptionable in its professions, the former advocating the overthrow of the Government by force. The witness referred to, W. W. Sibray, is immigration inspector at Pittsburgh. He said in an official report:

"It may be interesting to note that approximately 90 per cent of the number of the Russian workers taken into custody by this office entered the United States in 1913 and 1914. Most of them were of the ignorant peasant type and were unable to read and write. Americanization work practically ceased with the beginning of the war in 1914. These ignorant Russian workers were therefore cast adrift, with no effort on the part of our own people to teach and inculcate in them the spirit of Americanism. Of the number arrested four had families in this country. The rest of them left their families in Russia. After Russia made peace with Germany and the Allies declared a general blockade of the Russian ports these men were unable to communicate with or hear from their families. They had not been here long enough to learn to speak English, and their only associates were their own people. The worry and suspense as to the fate of their families in Russia was such as to place them in a proper frame of mind to seize upon any pretext offered to oppose the policy of our Government, and when organizers for the Union of Russian Workers presented themselves they quite readily became members of the organization. The majority of them, however, insisted that their only thought was to have the ports opened and be permitted to return to their native land." (Hearings, p. 749.)

There was incorporated in the record a pamphlet written by one Constantine M. Panunzio, a minister of the Methodist Episcopal Church, and published by the Federation of the Churches of Christ in America, giving the result of a study made by the author of the records in 200 of these deportation cases and of an investigation conducted by him into the affair of the raids, in the course of which he visited many of the jails in which the prisoners were confined, and talked to and studied them. There are some inaccuracies in the report touching the disclosures of the record, arising from the fact that the author is not a lawyer. But as a whole it must impress the just mind by its temperate and highly judicial character. Among the interesting facts disclosed are those related in the following extract:

"Of the 200 cases whose records were examined, 7 were women and 1 was a minor. Ten nationalities were represented in the list. One hundred and forty-eight, or 74 per cent, were Russians. Next in number came the Poles, with 19, or 9.5 per cent; the Lithuanians, with 9, or 4.5 per cent; the Austrians, with 8, or 4 per cent; the Croatsians, with 6, or 3 per cent. There were also 3 Germans, 2 Yugo-Slavs, 2 Hungarians, 1 Italian, 1 Bulgarian, and 1 Hollander. (Hearings, p. 312.)

"The war record of the alien was frequently omitted. However, 37 are recorded as having purchased Liberty bonds and 24 as having bought thrift stamps or contributed to some patriotic fund. Two of the alleged radicals who were arrested and held for deportation had actually served in the United States Army. In the case of Steve Kerekoff (warrant No. 54860/156), a certified copy of his honorable discharge from the Army was introduced in the alien's defense. When questioned as to the organization of which he was a member he replied, 'The American Legion.' His personal effects consisted of a suit case and an Army uniform. (Hearings, p. 313.)

"In connection with the prison investigations four ex-soldiers were found at Detroit among those being held on a charge of belief in the overthrow by force of the United States Government. These men were Poles, and each had received his honorable discharge from the Army. One had served 17 months in France and had been discharged because of

disability. He had made application for citizenship while in France and remarked to the investigator: "They did not kill me in France; they get me here." A second had served 12 months at the front, and the other two had been in service 5 months each. Two of them had experienced difficulty in finding work after leaving the Army; one had been out of work for five months. Still another man said when interviewed that he had tried to join the Army, but had been rejected. He had volunteered for Government service and had his badge and certificate to prove this.

"Occupationally these persons represented the average run of immigrants in America. They were steel and brass workers, carpenters, painters, printers, restaurant waiters, teamsters, mechanics, shoemakers, and manual laborers. In over half of the cases no reference is found to the economic status of those studies. In only 19 of the records is it stated that the individual had no money. On the other hand, 45 persons were found to have sums ranging from a few dollars to \$2,000. The money was usually in a savings bank, but one man kept his savings in a Prince Albert tobacco box, and one stated that his wife was his savings bank.

"A number had interests in various kinds of business. One man had an interest in an ice and coal business; one owned stock in a mining concern, and another in a motor-truck company. One man owned an automobile, two persons owned a home, nearly paid for, while two others owned grocery businesses worth \$2,000 and \$7,000, respectively. Another man referred to his having lost \$1,700 in a business enterprise. The prison investigations showed similarly a considerable range in economic status.

"Four men stated that they had lost all they had since being arrested; one of these had given power of attorney to a fellow countryman who had taken all the money and disappeared.

"A personal testimony: It may be added that in some cases, both in the prison investigations and in the examination of the records, employers, social-service agents, pastors, and even a deputy sheriff, immigration inspectors, and Department of Justice agents spoke well of the men. In the case of four persons, a representative of the Ford plant in Detroit, where they had been employed, stated that he had always considered the men good workmen. An official physician at a certain detention station in a letter to the author, dated May 11, 1920, sums up the opinion of many persons who came into personal contact with the alleged radicals. This physician had had personal charge of all the aliens while they were being held pending their hearing or their deportation. I quote from his letter:

"Most of them impressed me as rather ordinary foreign workmen, a grade above altogether unskilled labor, of fair intelligence. A few had more intelligence and some were quite pleasant. A few also were obstinate, unreasonable, grouchy, and generally unpleasant. The few with whom I talked had fairly radical ideas of social change, advanced with varying degrees of skill. I never was able to corner anyone into an admission of a program of violence. None of the men pressed his views upon me until approached, and then only as a matter of statement. They quite resented some clerk's error in referring to them as anarchists. Order was kept fairly easily. The radicals chose their own committees, through whom they dealt with the authorities. They made rules for their own conduct.

"They complained occasionally of their food and the sanitation of their quarters; most of these complaints had at least some ground. I never heard of any violence against their guards or attempt at it.

"In general, a few of these people I should not care to have around me at all; they are a general nuisance. Most of them seem harmless." (Hearings, p. 314.)

It is not to be understood that it is contended that those who did not conscientiously embrace the principles of the Communist Party, knowing that it contemplated the overthrow of the Government by force, though they had in form become members of it, were not technically subject to deportation. We forbear entering upon this delicate question of law involved. Assistant Secretary of Labor Post, acting for his chief, held that something more must be shown than that the accused was technically a member of the proscribed party, or at least that if it appeared that he did not understand that the purpose of the organization was thus to overthrow our Government, he should be released. His view seems to have been quite like that of the Detroit committee and the lawyers upon whose recommendation it "paroled" many of those ordered deported. On this point, as well as upon the character of the Communist Labor Party as an organization affected by the deportation statute, a controversy arose between the Assistant Secretary of Labor and the Attorney General. But we unhesitatingly condemn the making simultaneously of thousands of arrests, including many such persons and multitudes of others who by no stretch of the statute were amenable to deportation, with not only the dire attendant consequences heretofore adverted to but with the result that the Department of Labor was so overwhelmed with the work of taking the testimony and reviewing cases that it was months before a final determination was arrived at; in many of them, the prisoners meanwhile, the innocent and the guilty, at least those not able to secure the excessive bail fixed, rotting in jail, and no relief at hand from the close confinement even when the order of deportation was made for most of those found subject thereto.

The following is quoted from the Panunzio report, which purports to speak from the records on file in the Department of Labor:

"Ignatz Maritzka (warrant No. 54860/734) was arrested on January 3, 1920. The warrant for his arrest was issued on January 16. Bond to the amount of \$1,000 was asked, which the alien was unable to furnish. Absence of evidence led to the cancellation of the warrant of this alien on April 1, 1920. He was therefore detained for a period of 88 days.

"Sam Kot (warrant No. 54860/787) was arrested on or about January 15, 1920. His warrant was issued on January 17. The testimony and evidence presented at the hearing were such that the warrant was ordered canceled on April 14. Since bail was set at \$1,000 and the alien was unable to furnish it, he was held from the time of his arrest until after April 14. He was therefore detained for a period of 90 days.

"Ivan Dudinsky (warrant No. 54810/346) was arrested on or about January 3, 1920. His warrant was issued on December 29, 1919. Bond to the amount of \$10,000 was asked, which alien was unable to furnish. Efforts were made to have the bail reduced, but without success. The case was closed on March 12 and ordered reopened on March 22. On April 12 bail was reduced to \$1,000, which was furnished, and the alien was released on or about that date. He was therefore detained for a period of 101 days. The alien had tuberculosis at the time.

"Wasil Lalajo (warrant 54709/190) was arrested on November 7, 1919, on warrant dated November 6. Bond was required to the amount of \$1,000, which he was unable to furnish. A hearing was held on November 9, and the inspector made the following summary of findings:

"Two of the special agents who have investigated Lalajo's case strongly recommend that the warrant be canceled. In fact, they wanted me to release this alien last night, but owing to the fact that the warrant calls for a bond I did not feel like doing it without authority from the department. I recommend that the work in this case be canceled and that the department notify the inspector in charge at Cleveland by telegraph that this alien can return to work and to support his family."

"This statement was dated November 9, 1919. When the alien was visited in the Youngstown jail on April 8, 1920, five months, less one day, from the date of this recommendation, Lalajo was still being detained. All warrant proceedings against this alien were canceled 11 days later, and if he was released immediately upon the cancellation of proceedings he had been detained for a period of 162 days. His wife and children were meanwhile reported to be destitute and suffering." (Hearings, p. 337.)

Not infrequently after the accused had been held or was out on bail for two or three months, the Department of Justice which assumed the rôle of prosecutor, announced, as the record shows, that it had no evidence to sustain the charge or that the only evidence it had came from its confidential informants or "under-cover men," whose identity it was deemed inadvisable to expose.

Attention has been called to the fact that about one-half of those arrested were discharged upon the preliminary inquiry. Subsequently the same ratio is noticeable in the number of those released on the final hearing. From the 200 records examined by Panunzio it appears that in 98 cases the warrants were ordered canceled, in 78 orders of deportation were issued, the remainder being disposed of in various ways. (Hearings, p. 324.)

The Department of Justice procured the issuance of the warrants, made the arrests, acted as prosecutor before the inspectors before whom the preliminary inquiry was conducted, and having swamped the Department of Labor with the cases running into the thousands, the Attorney General nonchalantly asserts that he is not responsible for delays in that branch of the service.

Even if the wisdom of the policy of a rigid enforcement of the law against every individual ascertained to be a member of one of the proscribed parties, whatever the degree of his culpability be admitted, the course pursued of arresting thousands of them simultaneously is indefensible. It has usually been considered wise, in the case of riot and other outbreaks of a mob participated in by great numbers of people, to apprehend and try the leaders and inciters of the lawlessness, exercising some forbearance toward those who were induced unreflectingly to join or who were deluded into joining the movement. Such was the course pursued in the "Gordon riots" and in the "whisky insurrection." The Government of the United States did not hold or try for treason every soldier of the Confederacy who surrendered at Appomattox. Evidently the propriety of following that course must have addressed itself to the Attorney General, for he reported to Congress in connection with his testimony before the House committee in support of the estimate for his department in the spring of 1920, that it had caused the arrest for deportation of the "officers" of the Russian Workers and the "leaders" of the Communist and Communist Labor Parties. Had he gone more into detail, the committee could not have failed to appreciate the humorous element in the issuing of six thousand-odd warrants to arrest only the "officers" and "leaders" of the organizations named.

But if a stern sense of duty impelled the Attorney General to proceed against every alien falling even technically under the ban of the statute, there was no occasion for precipitation in making the arrests. Conceding that the purpose of the proscribed parties was, as charged, to overthrow the Government of the United States by force, there is not the slightest evidence furnished by any of the "raids," nor has evidence from any source been adduced of any intent presently to carry out such purpose. No military organization seems to have existed, no guns or munitions of war were captured, none were assembled so far as appears, no plans for a military movement were disclosed. At best or at worst, the leaders in the movement seem to have contemplated that at some indefinite time in the future, near or remote, depending upon a concatenation of circumstances, a situation would arise offering an opportunity to accomplish their ends through a display of force which would then be made.

Those foremost in the advocacy of this course, even those mildly advocating it, as distinguished from those who merely accepted the doctrine they taught, could have been arrested in an orderly way, given a hearing in an atmosphere less surcharged with hysteria than must have prevailed under the conditions herein outlined, the proceedings being dignified and safeguarded from error by the application of those principles which have ennobled the administration of justice in England and America, in contrast to that of the countries from which most of those directly affected came. Unfortunately, the course taken could not have impressed them with the view that any just claim could be made to superiority in our system. It is quite likely that by the time it became convenient to arrest the less guilty most of them would have abandoned their affiliation with the proscribed party, so that there would be no occasion to prosecute.

It is appreciated that such a course would not have placed the Government in the possession of the documentary evidence it secured in the raids, tending to establish the lawless character of the organization proscribed or the membership of particular individuals in it. It is perfectly evident that to secure such evidence was the prime purpose with which the raids were made, but the searches and seizures were, as demonstrated, the lawless acts of a mob. The law does not tolerate the procurement of evidence by such means. The wise men who framed our Constitution and who had some experience with arbitrary government were convinced that such means were inconsistent with the spirit of liberty, and on the whole subversive of justice. They believed in the doctrine that "every man's house is his castle," and determined to make the law of the Republic they were establishing at least as liberal as that of the parent country, because of the protection of which the most eloquent orator of the day said:

"The poorest man may, in his cottage, bid defiance to all the forces of the Crown. It may be frail; its roof may shake; the wind may blow through it; the storm may enter; the rain may enter; but the King of England may not enter; all his force dares not cross the threshold of the ruined tenement."

Those who conceived the procedure here criticized were oblivious of the letter and wholly unappreciative of the spirit of the Bill of

Rights. It should be said, for what extenuation there may be in it, that the practice of making such unlawful searches and seizures is not without precedent in the department. It is an abuse of modern growth which repeated condemnation by the Supreme Court has been ineffective to stay. (*Silverthorne v. United States*, 251 U. S. 385; *Weeks v. United States*, 232 U. S. 383.)

It was singularly unfortunate that the campaign, for such it may appropriately be termed, against the proscribed organizations should have synchronized with the steel strike of 1919-20, popularly represented as a revolutionary movement contemplating the overthrow of the Government in line with the plans, real or supposed, of the parties against whose members the proceedings here reviewed were directed.

This view of that strike, industriously inculcated by the press, according to the report of the Interchurch World Movement on the strike, was, it is there asserted, wholly erroneous. Its investigators declared that the strike was the old-fashioned strike brought about by unduly long hours, inadequate pay, and untoward conditions, inaugurated to secure relief on those lines and for no other purpose and waged in old-fashioned way. The recent announcement of the United States Steel Co. that it has abandoned, or is about to abandon, the 12-hour day, to which, the report referred to says, approximately one-half of its employees, 69,000 in all, were subject, affords support to the conclusion therein reached.

It is quite likely that the leaders in the organizations proceeded against became officiously or otherwise prominent in the strike. It is a part of their plan to foment disturbances of that character. They profess to be the only true friends of labor, and to offer the only practical program for the relief of the wage-workers.

When they were arrested and their followers from the ranks of the strikers were jailed by the hundred, it was quite reasonable that the great body of those honestly in the movement to secure shorter hours and better wages should have reached the conclusion that the Government had taken sides with their employers in an effort to break the strike and even that the arrests were made to that end.

The participation in the deportation proceedings under inquiry on the part of the Department of Justice was a deliberate usurpation. Congress declined to give to the Department of Labor as liberal an appropriation for the conduct of such proceedings as is desired, but made a generous appropriation to the Department of Justice amounting to \$1,000,000, according to former Acting Secretary of Labor Abercrombie, which was utilized to that end. The only \$1,000,000 appropriation to the Department of Justice, available at the time in question, and therefore, the one which must have been referred to, was the usual appropriation for the "Detection and prosecution of crimes." The Attorney General when he appeared on March 18, 1920, before the House committee to ask for a similar appropriation for the fiscal year ending June 30, 1921, quite frankly told that it was out of the fund referred to that the expenses of the deportation proceedings referred to were met (hearings, p. 614), though it was reiterated, quite justifiably, during the hearing this committee, that the proceedings were not criminal in their nature and that the accused were consequently not entitled to the rights accorded to those accused of crime.

Some correspondence relating to this subject between a member of this committee and the Comptroller of the Treasury is set out:

UNITED STATES SENATE,
COMMITTEE ON DISPOSITION OF USELESS PAPERS
IN THE EXECUTIVE DEPARTMENTS,
April 25, 1921.

Hon. W. W. WARWICK,
Comptroller of the Treasury,
Treasury Department, Washington, D. C.

DEAR MR. WARWICK: From some testimony given by Mr. Abercrombie, formerly Acting Secretary of Labor, before a subcommittee of the Committee on the Judiciary of the Senate, the following is quoted:

"Mr. Chairman and gentlemen, you will recall that in response to a widespread demand Congress made an appropriation of \$1,000,000, or approximately \$1,000,000, or perhaps more than a million dollars, to the Department of Justice to be used for the purpose of detecting and prosecuting the so-called 'Reds.' The Department of Labor, through the Bureau of Immigration, had requested Congress to make an appropriation of some \$500,000—my recollection is that it was \$600,000—to be used by the Department of Labor through the Bureau of Immigration for a like purpose.

"The request of the Department of Labor was not granted. As a result, the Department of Justice had something like \$1,000,000 for that purpose, while the authority to arrest, try, and deport aliens was in the Department of Labor. That department was greatly embarrassed by its inability to function adequately on account of lack of funds. The country was wild on the subject of the suppression of anarchy, every newspaper was full of it, and in response to that popular demand Congress gave this appropriation to the Department of Justice."

Will you have the kindness to advise me to what appropriation to the Department of Justice Mr. Abercrombie refers, if you are able from his statement to specify? The committee was inquiring into the acts of the Department of Justice in making arrests through the Bureau or Division of Investigation of persons believed to be subject to deportation, with a view to the rendition of appropriate orders for deportation by the Department of Labor. Can you furnish me with a statement of the expenditures made by the Department of Justice in that behalf and give me a reference to the authority for the making of the same?

Very truly yours,

T. J. WALSH.

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE TREASURY,
Washington, April 27, 1921.

Hon. THOMAS J. WALSH,
United States Senate.

DEAR SENATOR: I have your letter of April 25, 1921, referring to testimony given by Mr. Abercrombie, formerly Acting Secretary of Labor, before a subcommittee of the Senate Committee on the Judiciary to the effect that Congress made an appropriation of approximately \$1,000,000 or more to the Department of Justice for the purpose of detecting and prosecuting the so-called "Reds."

I find no such appropriation upon the books of the Treasury Department, or in any of the laws of Congress. For many years the Department of Justice has had annual appropriations for "Detection and prosecution of crimes" generally, but has never had a special appropriation for detecting and prosecuting aliens who are subject to

deportation under section 2 of the act of October 16, 1918 (40 Stat., 1012), entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes."

Annual appropriations of the Department of Labor under the head of Immigration Service have carried provisions for the expense of enforcing this statute. (Act of July 19, 1919, 41 Stat., 221; act of March 6, 1920, 41 Stat., 518; act of June 5, 1920, 41 Stat., 936.)

Agents of the Department of Justice who were employed under the appropriation "Detection and prosecution of crimes" incurred expenses in connection with the apprehension, arrest, and hearing before immigration officials of aliens who were alleged to be of the classes subject to deportation under this statute. The Department of Labor refused to reimburse the Department of Justice for these expenses from its appropriation on the ground that the services had been rendered by these agents without request or authority from the Department of Labor. The expenses were paid by the disbursing clerk of the Department of Justice from the appropriation for detection and prosecution of crimes. In a decision dated June 26, 1920, the Comptroller of the Treasury approved credit of these payments in the account of the disbursing clerk for reasons stated in the decision, a copy of which is inclosed for your information.

The expenses thus incurred and paid by the Department of Justice have not been segregated and set apart from other expenditures under this appropriation, so the aggregate amount thereof can not readily be ascertained and reported to you by this office. I am informed by the Department of Justice that such payments have aggregated approximately \$55,000. That is probably a fairly correct estimate. If that statement is not sufficiently accurate for your purposes, the accounts and vouchers covering the payments are on file in the office of the Auditor for the State and Other Departments, who can examine them in detail and report as accurately as may be the sum total of these payments. The vouchers, however, are for salaries and expenses, and do not indicate the particular work on which each employee was engaged.

Probably the \$1,000,000 appropriation to which Mr. Abercrombie referred is that made by Congress in the deficiency appropriation act of November 4, 1919 (41 Stat., 337), for "Detection and prosecution of crime." The regular appropriation for that fiscal year (1920) was made in the act of July 19, 1919 (41 Stat., 207), in the sum of \$1,600,000. For the current fiscal year (1921) the appropriation is \$2,000,000, in the act of June 5, 1920 (41 Stat., 921).

The hearings before the committees of Congress no doubt will show the reasons given by the Attorney General for asking the \$1,000,000 appropriation.

Sincerely yours,

W. W. WARWICK, Comptroller.

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE TREASURY,
Washington, June 26, 1920.

The Auditor for the State and Other Departments submitted for approval, disapproval, or modification his decision of June 8, 1920, to the effect that certain payments made by the disbursing clerk of the Department of Justice on account of expenses incurred by agents of the Department of Justice in connection with the apprehension, arrest, and hearing before immigration authorities of aliens who were alleged to be of the classes subject to arrest and deportation by the immigration authorities under the provisions of section 2 of the act of October 16, 1918 (40 Stat., 1012), may lawfully be credited to the disbursing clerk under the appropriation for "Detection and prosecution of crimes," from which the payments were made.

It appears that the apprehension and arrest of these aliens by agents of the Department of Justice grew out of activities of that department in connection with the enforcement of criminal laws relating to aliens and were made voluntarily without request of the Department of Labor. Administration of section 2 of the act of October 16, 1918, is made by the terms of the section placed in the Department of Labor, and it is not, strictly speaking, a criminal statute. However, I am of the opinion that the circumstances of the case justify an allowance of credit to the disbursing clerk for these payments. While there may be some doubt as to the propriety of the use of the appropriation for detection and prosecution of crimes for expenses of this character, the expense now in question seems to have grown out of or to have been connected with other lawful activities of these agents and was ordered by the Attorney General to be paid from this appropriation. The services were rendered and the expenses incurred without request or authority from the Department of Labor, and therefore are not properly chargeable to the appropriation of that department.

The auditor's decision that credit for the payments which have been made may be given under the appropriation for detection and prosecution of crimes is approved.

W. W. WARWICK, Comptroller.

It will be noted that the Department of Labor, despite the claim of "cooperation," insist that "the services rendered by" the "agents" of the Department of Justice, herein considered, were so rendered "without request or authority" from the former.

The most charitable view to take of the affair is that the Attorney General was in no ordinary frame of mind because of the dastardly effort, partly successful, to dynamite his house in the summer of 1919, and like attempts upon the lives of other public or prominent men.

It is refreshing to note that the transactions reviewed have not been suffered to pass without emphatic condemnation from the bar, supplementary to the arraignment found in the pamphlet the publication of which gave rise to the inquiry, among the sponsors for which is the dean of the law school of perhaps the foremost university in America.

Ex-Senator Beveridge challenged the legality and the justice of the procedure in an address delivered before the American Bar Association. (Hearings, p. 86.)

John Lord O'Brien, late Assistant Attorney General of the United States in charge of the criminal business of the department during the war, a vigorous prosecutor and an able lawyer, reviewed the deportation cases in an address before the Maryland State Bar Association and unsparingly denounced the course pursued. (Hearings, p. 781.)

Secretary Hughes, at the time the foremost figure at the bar in America, at the Harvard Law School centennial declared the proceedings here reviewed to "savor of the worst practices of tyranny." Hon. Francis Fisher Kane, United States district attorney for the eastern district of Pennsylvania, a personal and political friend of the Attorney General, resigned his office because he could not conscientiously carry out the policy of the department concerning deportations.

Had any degree of trust or confidence been reposed in the ability, judgment, and discretion of the several district attorneys in the matters herein dilated upon, there probably would have been little occasion for criticism.

The transactions reviewed justify the fears the founders of our Government quite generally entertained of a highly centralized government. This country is too large to warrant the belief that a satisfactory administration of the criminal law can be had under detailed directions from the city of Washington, or that the Department of Justice can handle successfully from the same center analogous deportation proceedings in remote and populous centers. It will be remembered that the officers charged with the duty of making the arrests were not admonished to confer with the local district attorney, or report to him, but to report to Mr. Hoover in Washington by wire. The policy exemplified in the transactions under consideration is gaining continually in strength until the United States district attorney is being reduced to the status of a mere clerk, while the force of the Department of Justice continues to grow, that explicit directions may be given him in almost every case he is called upon to institute or try.

In view of the revelations made by the inquiry, the result of which is here reported, it is recommended:

1. That that part of the act of October 16, 1918, which makes aliens subject to deportation who are "members of or affiliated with any organization that entertains a belief in, teaches or advocates the overthrow of force or violence of the Government of the United States be repealed, or that it be amended so as to afford a locus penitentie, by virtue of which one who has not himself taught that doctrine or been otherwise instrumental in propagating it, upon proof before a Federal court that he never consciously embraced it or had in good faith renounced it, may avert deportation. Those who believe in such a policy or inculcate such belief would still be liable under the statute.
2. The Department of Labor should be directed to revise its rules so as to make them conform to the plain mandate of the Constitution.
3. The issuance of warrants in deportation proceedings by judges and court commissioners should be authorized so there may be no occasion for resort to the device of telegraphic warrants.
4. The right to have counsel from the time of the arrest in proceedings for deportation should be guaranteed by law.
5. A limit should be fixed on the time during which one arrested in deportation proceedings may be held in jail to await a determination by the Department of Labor, the period of delay occasioned by him not to be included.

CHARGES OF ILLEGAL PRACTICES OF THE DEPARTMENT OF JUSTICE.

Mr. STERLING, from the subcommittee of the Committee on the Judiciary, submitted the following report:

On the 10th day of December, 1920, there was referred to the Senate Committee on the Judiciary for investigation and report the "Report upon the illegal practices of the United States Department of Justice," prepared by a self-constituted committee of lawyers in May, 1920, under the auspices of the National Popular Government League. The report was signed by the following-named lawyers:

R. G. Brown, Memphis, Tenn.	Alfred S. Niles, Baltimore, Md.
Zachariah Chafee, Jr., Cambridge, Mass.	Roscoe Pound, Cambridge, Mass.
Felix Frankfurter, Cambridge, Mass.	Jackson H. Ralston, Washington, D. C.
Ernst Freund, Chicago, Ill.	David Wallerstein, Philadelphia, Pa.
Swinburne Hale, New York City.	Frank P. Walsh, New York City.
Francis Fisher Kane, Philadelphia, Pa.	Tyrell Williams, St. Louis, Mo.

The report is addressed "To the American people," and the opening paragraph of the report is indicative of the general tenor of the charges made therein against certain practices of the Department of Justice. It reads:

"For more than six months we, the undersigned lawyers, whose sworn duty it is to uphold the Constitution and laws of the United States, have seen with growing apprehension the continued violation of that Constitution and breaking of those laws by the Department of Justice of the United States Government."

The report alleges that the illegal practices charged against the department were committed under the guise of a campaign for the suppression of radical activities conducted by the office of the Attorney General, whose agents throughout the country acted under express instructions from Washington; that in this campaign many of the constitutional guarantees relating to personal liberty and property were ignored and constitutional rights violated. Among other things it is charged that these illegal practices of the department included: (1) A violation of the eighth amendment of the Constitution, which provides that—

"excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishments inflicted."

It is alleged that "punishments of the utmost cruelty and heretofore unthinkable in America have become usual"; "that great numbers of persons arrested, both aliens and citizens, have been threatened, beaten with blackjacks, struck with fists, jailed under abominable conditions, or actually tortured."

Certain exhibits annexed to the report are referred to as proof. To these and other exhibits some consideration will be given further on in this report.

(2) A violation of the fourth amendment to the Constitution, which provides:

"The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized."

It is alleged that many hundreds of persons have been arrested without warrant or pretense of warrant; that mass raids and mass arrests were made without warrant as a result of both oral and written instructions from Washington; that in "countless cases" the homes, offices, and gathering places of persons suspected of radical affiliations have been invaded and property seized and removed, without pretense of search warrant, for use by the Department of Justice, and that property which could not be removed or which was of no use to the department "was intentionally smashed and destroyed."

As proof of these charges further exhibits are referred to, and of which more later.

In this same connection, it is charged that the department made use of under-cover, provocative agents, "agents provocateurs," for the purpose not only of informing upon but of instigating acts which might be declared criminal.

(3) A violation of that part of the fifth amendment to the Constitution, which provides that—

"no person shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property without due process of law."

In this connection, the report calls special attention to the Cannone case, as shown by Exhibit 9 annexed to the report, and in which case the committee of lawyers charges that the agents of the department "committed assault, forgery, and perjury."

In addition to these very serious charges of illegal and unconstitutional practices on the part of the Department of Justice and its agents, the Attorney General is charged with "deliberate misuse of his office and a deliberate squandering of funds intrusted to him by Congress in carrying on a propaganda against radicals through the public press for the purpose of prejudicing the public in favor of his actions."

In proof of this charge, reference is made to Exhibits 17 and 18, annexed to the report.

The report apparently in conclusion seeks to minimize the results of the efforts of the Attorney General against the so-called red menace, in making the statement that prior to January 1, 1920, there were actually deported 263 persons; that since January 1, 1920, there have been actually deported only 18 persons; and that since January 1, 1920 (and up to the time of making the report, of course), there have been ordered deported an additional 529 persons, making a total of only 810 persons actually deported and ordered deported since the beginning of the campaign instituted by the Department of Justice some time prior to January 1, 1920.

It will thus be seen that the charges made against the Department of Justice and the Attorney General are of a very serious character. They, in effect, say that the sacred rights of citizens and residents under the Constitution and laws, and the principles which govern our free institutions, have been ruthlessly violated by that department, and that the Attorney General himself is largely responsible for such violation.

But, under the principles invoked by those who charge these illegal practices committed by or under the direction of the Attorney General, it is but fair and just that that official and the Department of Justice, of which he was the head, should have the right to be heard, either by way of complete defense or in mitigation of any of the charges made. It is proposed, therefore, to call attention to the law applicable to the exclusion and deportation of aliens and to the decisions by the courts construing the law, and also briefly to review the evidence submitted in support of the charges of the committee of lawyers, hereinbefore summarized, as well as those portions of the evidence submitted to the subcommittee of the Committee on the Judiciary, charged with the conduct of the investigation, which are deemed at all relevant to the issues.

In the first place, it should be noted that the arrests and seizures complained of were made in cooperation with the Department of Labor in two distinct campaigns, or "raids," against different classes of aliens: The first, the raid against the Union of Russian Workers, of November 7, 1919; and the second, that of January 2, 1920, directed mainly against the members of the Communist Party and of the Communist Labor Party, membership in which organizations was deemed sufficient to subject the alien to deportation under the provisions of the act approved October 16, 1918. Sections 1 and 2 of this act are as follows:

"That aliens who are anarchists; aliens who believe in or advocate the overthrow by force or violence of the Government of the United States or of all forms of law; aliens who disbelieve in or are opposed to all organized government; aliens who advocate or teach the assassination of public officials; aliens who advocate or teach the unlawful destruction of property; aliens who are members of or affiliated with any organization that entertains a belief in, teaches, or advocates the overthrow by force or violence of the Government of the United States or of all forms of law, or that entertains or teaches disbelief in or opposition to all organized government, or that advocates the duty, necessity, or propriety of the unlawful assaulting or killing of any officer or officers, either of specific individuals or of officers generally, of the Government of the United States or of any other organized government, because of his or their official character, or that advocates or teaches the unlawful destruction of property, shall be excluded from admission into the United States.

"Sec. 2. That any alien who, at any time after entering the United States, is found to have been at the time of entry, or to have become thereafter, a member of any one of the classes of aliens enumerated in section 1 of this act, shall, upon the warrant of the Secretary of Labor, be taken into custody and deported in the manner provided in the immigration act of February 5, 1917. The provisions of this section shall be applicable to the classes of aliens mentioned in this act irrespective of the time of their entry into the United States."

It was believed that the principles and constitutions of such organizations taught or advocated the overthrow of the Government by force and violence. It had been so held by the Secretary of Labor, whose decision upon the question is, under the law, final. (See sec. 19, immigration act of Feb. 5, 1917; *Fong Yue Ting v. United States*, 149 U. S. 698.)

No form of procedure is prescribed by the act of October 16, 1918, beyond this, namely, that any alien who is a member of any one of the classes enumerated in section 1 of the act shall, "upon the warrant of the Secretary of Labor be taken into custody and deported in the manner provided in the immigration act of February 5, 1917."

The act of February 5, 1917, is scarcely more explicit in regard to procedure in deportation cases. Section 19 provides that—

"At any time within five years after entry, any alien who at the time of entry was a member of one or more of the classes excluded by law; * * * any alien who at any time after entry shall be found advocating or teaching the unlawful destruction of property, or advocating or teaching anarchy or the overthrow by force or violence of the Government of the United States, or of all forms of law, or the assassination of public officials; * * * shall, upon warrant of the Secretary of Labor, be taken into custody and deported."

Aside from the proceedings before the special board of inquiry, provided for in the act of February 5, 1917, and which are not pertinent to the issues here involved, the only other reference in the act relating to procedure which may be construed to refer to procedure in cases like those in controversy is a provision relative to immigrant inspectors, found in section 16 of that act, as follows:

"Said inspectors shall have power to administer oaths and to take and consider evidence touching the right of any alien to enter, reenter, pass through, or reside in the United States, and where such action may be necessary to make a written record of such evidence; and any person to whom such oath has been administered, under the pro-

visions of this act, who shall knowingly or willfully give false evidence or swear to any false statement in any way affecting or in relation to the right of any alien to admission, or readmission to, or to pass through, or to reside in the United States shall be deemed guilty, etc."

The further provision is made that—
"Any commissioner of immigration or inspector in charge shall also have power to require by subpoena the attendance and testimony of witnesses before said inspectors and the production of books, papers, and documents touching the right of any alien to enter, reenter, reside in, or pass through the United States, and to that end may invoke the aid of any court of the United States."

But with these as apparently the only provisions of the statute governing the power of the Secretary of Labor relative to deportation and the issuance of warrants therefor, and the power of immigration inspectors and the proceedings they are authorized to conduct, the Secretary of Labor promulgated a system of regulations and rules governing arrests of aliens for deportation and the hearings upon such arrests. The particular rule bearing upon the questions here involved is rule 22, with its various subdivisions. We quote such parts of the rule as are pertinent.

RULE 22. ARREST AND DEPORTATION ON WARRANT.

"Subdivision 1 of this rule simply enumerates the different classes of aliens subject to deportation as provided by section 19 of the immigration act of February 5, 1917.

SUBDIVISION 2. INVESTIGATION AND REPORT OF CASES.

"Officers shall make thorough investigation of all cases when they are credibly informed or have reason to believe that a specified alien in the United States is subject to arrest and deportation on warrant. All such cases, by whomsoever discovered, shall be reported to the immigration officer stationed nearest the place where the alien is found to be.

SUBDIVISION 3. APPLICATION FOR WARRANT OF ARREST.

"The application must state facts showing prima facie that the alien comes within one or more of the classes subject to deportation after entry; and, except in cases in which the burden of proof is upon the alien (Chinese) involved, should be accompanied by some substantial supporting evidence. If the facts stated are within the personal knowledge of the inspector reporting the case, they need not be in affidavit form. But, if based upon statements of persons not sworn officers of the Government (except in cases of public charges, covered by subdivision 4 hereof), the application should be accompanied by the affidavit of the person giving the information or by a transcript of a sworn statement taken from that person by an inspector. Telegraphic application may be resorted to only in case of necessity or when some substantial interest of the Government would be subserved thereby, and must state (a) that the usual written application is being forwarded by mail; and (b) the substance of the facts and proof therein contained. The code supplied by the department should be used whenever practicable.

"Subdivision 4 relates to the proof in cases of aliens who have become public charges.

SUBDIVISION 5. EXECUTION OF WARRANT OF ARREST AND HEARING THEREON.

"(a) Upon receipt of a telegraphic or written warrant of arrest the alien shall be taken before the person or persons therein named or described and granted a hearing to enable him to show cause, if any there be, why he should not be deported. Pending determination of the case, in the discretion of the immigration officer in charge, he may be taken into custody or allowed to remain in some place deemed by such officer secure and proper, except that in the absence of special instructions an alien confined in an institution shall not be removed therefrom until a warrant of deportation has been issued and is about to be served.

"(b) At the beginning of the hearing under the warrant of arrest the alien shall be allowed to inspect the warrant of arrest and all the evidence on which it was issued, and shall be apprised that he may be represented by counsel. The alien shall be required then and there to state whether he desires counsel or waives the same, and his reply shall be entered on the record. If counsel be selected, he shall be permitted to be present during the conduct of the hearing and to offer evidence to meet any evidence presented or adduced by the Government. Objections and exceptions of counsel shall not be entered on the record, but may be presented by him in accompanying brief. If, during the hearing, it shall appear to the examining inspector that there exists a reason additional to those stated in the warrant of arrest why the alien is in the country in violation of law, the alien's attention shall be directed to the facts which constitute such reason, and he shall be given an opportunity to show cause why he should not be deported therefor.

"(c) At the close of the hearing the full record shall be forwarded to the bureau, together with any written argument submitted by counsel and the recommendations of the examining officer and the officer in charge, for determination as to whether or not a deportation warrant shall issue.

SUBDIVISION 6. RELEASE UNDER BOND.

"The amount of any bond under which an arrested alien may be released shall be \$500, unless different instructions are given by the department, which, prior to release, shall approve the bond, except that the approval of the local United States attorney as to form and execution shall be sufficient when the immigration officer in charge deems it proper, with a view to avoid delay, to submit the bond to such attorney for approval. United States bonds may be accepted in lieu of sureties on bail bond, or sureties may deposit United States bonds instead of justifying in real estate. Aliens who are unable to give bail shall be held in jail only in case no other secure place of detention can be found.

SUBDIVISION 7. WARRANT FOR DEPORTATION AND DEPORTATION THEREON.

"Upon receipt of the department's decision, or as soon thereafter as the circumstances of the case may require, the alien shall be taken into the custody of the immigration officials (if this has not occurred already) for deportation. Thereafter he shall be deported, previous notice of deportation having been given the steamship company concerned, together with a brief description of the alien and any other appropriate data, including the cause of deportation, physical and mental condition, and destination."

On December 31, 1919, the Acting Secretary of Labor, Mr. John W. Abercrombie, on the recommendation of the Commissioner General of Immigration, approved a modification of paragraph (b) of subdivision 5 of rule 22. The change made is the first sentence of paragraph (b) and as modified the sentence reads as follows: "Preferably at the

beginning of the hearing under the warrant of arrest, or at any rate as soon as such hearing has proceeded sufficiently in the development of the facts to protect the Government's interests, the alien shall be allowed to inspect the warrant of arrest and all the evidence on which it was issued and shall be apprised that thereafter he may be represented by counsel." (Hearings, pp. 397-399.)

But recurring to the execution of the warrant, it will be observed that neither the statute nor the rules and regulations thereunder provide in what manner or by whom the warrant of arrest in a deportation proceeding shall be served, or by whom the alien shall be "taken into custody" upon the warrant of the Secretary of Labor. The rules do not designate any class of agents or inspectors of the Department of Labor or of the Bureau of Immigration who are or who may be specially commissioned to make such arrests. Admittedly the proceedings for the deportation of an alien are not criminal proceedings.

It is not necessary, therefore, that the arrest be accomplished by a marshal, sheriff, or other peace officer. So far as anything in the immigration law or rules is concerned, the arrest might be lawfully made by any private person to whom the Secretary of Labor or an immigration inspector should direct and deliver the warrant for service, the act of delivering itself being sufficient authorization for taking into custody the alien named therein.

The inquiry follows: If any agent of the Bureau of Immigration not specifically authorized by law or regulation, or any private person to whom a warrant for that purpose is given, may execute the warrant by taking the party into custody, why may not an agent of the Bureau of Investigation of the Department of Justice be qualified to receive from the Department of Labor, or any of its duly authorized agents or inspectors, the warrant issued by the Secretary of Labor, and to carry out the mandate of the warrant by taking into custody the party charged?

Taking into consideration the statutes, rules, and decisions of the courts relating to deportation, and therewith recognizing the fact that the deportation proceeding is not a criminal proceeding, we see no illegal practice, nor the violation of any constitutional right, in the mere fact that many—perhaps the great majority of—warrants in the so-called raids of November 7, 1919, and January 2, 1920, were executed by agents of the Department of Justice, the warrants therefor having been issued by the Secretary of Labor. Neither would it appear that any constitutional right had been violated in the issuance of a telegraphic warrant for arrest or a warrant based on a telegram received by the Department of Labor from a sworn officer or agent of either the Department of Labor or the Department of Justice.

In these raids there was from the outset and avowedly a close and consistent cooperation between the Department of Labor and the Department of Justice. There was an apparent necessity for it, arising largely out of the insufficiency of the appropriations for the Department of Labor, which left that department with a force of men wholly inadequate for the undertaking. The situation as viewed by the Department of Labor is shown in part, at least, by the statement before the committee of Mr. John W. Abercrombie, former solicitor for the Department of Labor, and Acting Secretary of Labor, as follows:

"Senator WALSH of Montana. Just what do you mean by saying that it was being handled by the Department of Justice? Is not this a matter that was entrusted to your office?

"Mr. ABERCROMBIE. I mean that the Department of Justice and the Department of Labor were cooperating in their activities relating to aliens charged with anarchy—relating to the arrest of aliens charged with violations of the anarchy laws.

"Senator WALSH of Montana. Were you ignorant of the matter to such an extent that you did not even know the day of the arrests?

"Mr. ABERCROMBIE. Mr. Chairman and gentlemen, you will recall that in response to a widespread demand Congress made an appropriation of \$1,000,000, or approximately \$1,000,000, or perhaps more than a million dollars, to the Department of Justice to be used for the purpose of detecting and prosecuting the so-called 'reds.' The Department of Labor, through the Bureau of Immigration, had requested Congress to make an appropriation of some \$500,000—my recollection is that it was \$600,000—to be used by the Department of Labor through the Bureau of Immigration for a like purpose.

"The request of the Department of Labor was not granted. As a result the Department of Justice had something like \$1,000,000 for that purpose, while the authority to arrest, try, and deport aliens was in the Department of Labor. That department was greatly embarrassed by its inability to function adequately on account of lack of funds. The country was wild on the subject of the suppression of anarchy; every newspaper was full of it; and in response to that popular demand Congress gave this appropriation to the Department of Justice.

"Senator KING. Judge, may I interrupt you there? An appropriation was made, as I recall, for deportation purposes and investigations of the Department of Labor; but I am advised that somebody in the Department of Labor has devoted it—or at least a part of it—to other purposes.

"Mr. ABERCROMBIE. My recollection is that the increased appropriation made to the Department of Labor was for the purpose of deporting those who had already been ordered to be deported and who could not be deported on account of conditions incident to the war. We could not deport while the war was on, and as a result when the war closed there were many aliens—thousands of them, according to my recollection—who were held for deportation; and while I am not absolutely certain about it, my recollection is that the appropriation to which Senator KING refers was made for the purpose of deporting those who had already been found subject to deportation. At any rate the Department of Labor and the Department of Justice felt it their duty to cooperate, the Department of Justice having the money, the necessary appropriation, and the Department of Labor having the authority under the law to deport. So we cooperated to the extent that the Department of Labor issued warrants for arrests upon proper affidavits submitted by the Department of Justice.

"All the hearings, of course, under the law had to be conducted by the Department of Labor.

"Senator WALSH of Montana. But the arrests were actually made by the Department of Justice?

"Mr. ABERCROMBIE. In cooperation. The representatives of the Department of Justice and the Department of Labor acted cooperatively.

"Senator WALSH of Montana. And the expenses were met out of this appropriation for the Department of Justice?

"Mr. ABERCROMBIE. Their part of the expenses. Our officers were paid out of the regular appropriation of the Bureau of Immigration.

"Senator KING. All of the employees you had at your disposal for deportation purposes continued in cooperation with the Department of Justice employees?

"Mr. ABERCROMBIE. Yes. Our employees acted in cooperation with their employees."

"Senator STERLING. You had your regular force?"

"Mr. ABERCROMBIE. We had our regular force."

"Senator STERLING. Who were paid out of the general appropriation for the Department of Labor?"

"Mr. ABERCROMBIE. Yes; that is my understanding. It was simply an effort of the two departments to cooperate in the performance of important duties."

"Senator WALSH of Montana. Who else was there to pay in connection with the arrests besides your employees—the employees of the Department of Labor?"

"Mr. ABERCROMBIE. The employees of the Department of Labor and the employees of the Department of Justice cooperated in making the arrests. The arrests were made in large numbers, and whole clubs or societies were taken at one time; and just two or three immigration inspectors would not do it alone." (Hearings, pp. 403-407.)

"Mr. Charles T. Clayton, attorney at law, Washington, D. C., who had been an employee in the office of the Secretary of Labor, and whose duties for a time were to examine the records of immigration cases transmitted to the Secretary, was a witness at the hearings. He had been one of the subcommittee engaged in preparing the report of the committee of 12 lawyers, although he was not one of the signers of the report. Referring to cooperation between the Department of Labor and the Department of Justice on former occasions, he testified:

"Senator WALSH of Montana. * * * Did the department prior to the time of these raids have anything to do with the initiation of these deportation proceedings before the department?"

"Mr. CLAYTON. There had been times, I think, at intervals for many years, that field officers in the Department of Justice had worked with the field officers of the Department of Labor in such matters; that they got information about some persons already in the United States, having been admitted, who were engaged in practices not in conformity with the law, when they would bring the matter to the attention of the officers of the Department of Labor and cooperate with them in confining the guilty party, or in establishing such prima facie facts as to his guilt as would initiate processes in the Department of Labor."

"Senator WALSH of Montana. The Department of Labor had solicited the aid of the Department of Justice in connection with that work?"

"Mr. CLAYTON. That I could not answer."

"Senator WALSH of Montana. You would see no impropriety in that, would you? If officers of the Department of Justice, of the Bureau of Investigation, being out endeavoring to ascertain about criminal practices, found some man against whom no criminal charge could be brought, and yet he was in this country in violation of the immigration laws, you would see no impropriety in their calling the attention of the Department of Labor to that fact and rendering them such aid as they could in securing a ruling that that individual ought to be deported?"

"Mr. CLAYTON. I go further than that, and I should say there would be no impropriety in any citizen doing that." (Hearings, pp. 351-352.)

Further, as to cooperation and the need of cooperation between the two departments, Attorney General Palmer states as follows:

"Attorney General PALMER. The deportation statute, of course, is a statute to be executed, I may say, by the Department of Labor."

"But in December of 1919, when the situation in the country was pretty bad, Mr. Chairman, when violence had broken out in a great many places of a nature that gave all thoughtful citizens much concern, there was a feeling that there ought to be cooperation in the enforcement of this statute—of the closest kind—between the Department of Labor and the Department of Justice; and after conferences it was agreed that the Department of Justice would make the investigations and present the cases to the Department of Labor, laying the facts gathered by the Department of Justice before the Department of Labor and allowing the Department of Labor to act as the law provided."

"That course was proceeded with. Individual arrests for deportation were made, but the situation was too big to be met by that sort of thing. The Department of Justice came to the conclusion that there was an organized effort—or there were several organized efforts—of a quasi revolutionary character; efforts were being made to organize masses of people, as we believed and as the evidence showed, to attempt to injure the Government by force."

"The first organization that we investigated, which resulted in a number of arrests, was the Union of Russian Workers."

"Senator STERLING. This was after your understanding with the Department of Labor?"

"Attorney General PALMER. Yes."

"Senator BORAH. Was that understanding agreeable to the Department of Labor?"

"Attorney General PALMER. Yes. We made a large number of arrests of the members of the Union of Russian Workers, because their organization and its tenets, its purposes, its plans, its beliefs, brought them within the language of the deportation statute."

"Now, of course, we made simultaneous arrests. What is commonly called a 'raid' is really a large number of simultaneous arrests. That was not done because it had a sensational appearance. It was not done for any purpose of giving publicity to what was being done. It was done to protect the Government's interests in the matter. If there was a statute under which men had to be arrested—and there were large numbers, as the Government believed, that violated that statute—obviously we could not go and arrest one or two men and give all the rest of those men notice of what the Government was going to do, and get anywhere near the enforcement of the statute. So that the plan of simultaneous arrests was adopted, and several hundred of the members of this Union of Russian Workers were arrested and turned over to the inspectors of immigration and went through to the Department of Labor, and many of them were eventually deported under the statute."

"During the fall the formation and activities of the Communist Party and the Communist Labor Party proceeded, and by the end of the year 1919 we were convinced, and the Department of Labor agreed, that the Communist Party was an organization membership in which made an alien subject to deportation under the statute, and we organized our people for the purpose of making simultaneous arrests of the members of that party in 33 cities of the United States. Of course, larger numbers were involved, and the arrests, for the reasons I stated a moment ago, had to be simultaneous." (Hearings, pp. 7 and 8.)

"It is evident from the foregoing that both the public and Congress must have known of the activities of the Department of Justice in connection with deportation cases or in raids made for the purpose of apprehending criminals and aliens subject to deportation under the statute already quoted. But it is also to be observed that according

to the uncontradicted testimony all examinations of parties arrested and all hearings were before an immigration agent or inspector, who alone could hold an alien for deportation."

Attorney General Palmer in his statement before the House Appropriations Committee, when considering the sundry civil appropriation bill, March, 1920, gave a detailed account showing the number of warrants issued, arrests made, including the arrests of leaders of the Communist and Communist Labor Parties, and the deportations ordered. He also discusses the form of deportation proceedings. The statement of Attorney General Palmer before the House committee will be found at pages 614-630 of the hearings before this committee."

In addition to the statement made by the Attorney General to the Appropriations Committee in connection with anarchist and similar activities, attention is called to the fact that in the spring of 1919 there were great and prolonged strikes in many of the industrial centers of the country, and that in these strikes foreign agitators and propagandists were prominent. It may be recalled, however, that Mr. William Z. Foster, an American citizen, as secretary of the committee composed of the 24 international unions, was the chief figure in the management of the great steel strike of 1919. He was before the subcommittee of the Committee on Education and Labor, appointed to investigate that strike. Excerpts from his book on "Syndicalism" were put into the record made by the committee, showing that he believed nothing illegal if necessary to carry out his views, and that he advocated violence in strikes. His associates were Mr. Margolis, attorney for the I. W. W. at Pittsburgh, and Vincent St. John, formerly secretary of the I. W. W. The committee characterized such men as dangerous to the country and dangerous to the cause of union labor. (Rept. No. 259, 66th Cong., 1st sess., pp. 17 et seq.) The belief was prevalent that many of the agitators were paid out of Russian money furnished for the purpose of stirring a large alien element of our population to revolutionary action. About the same time internal machines were addressed to many different Government officials, resulting in serious injury to some individuals; and these outrages were followed about a month later by bomb explosions wherein the lives and homes of various State and Federal officials were imperiled."

As a result of this agitation and these acts of violence, including attempts at assassination and destruction of property, the public was much aroused. There was considerable impatience because of the apparent inactivity of the Department of Justice, and this was to some extent reflected in the unanimous adoption of a Senate resolution introduced by Senator POINDEXTER October 19, 1919, which resolution is as follows:

SENATE RESOLUTION 213.

"Resolved, That the Attorney General of the United States is requested to advise and inform the Senate whether or not the Department of Justice has taken legal proceedings, and if not, why not; and if so, to what extent; for the arrest and punishment of the various persons within the United States who, during recent days and weeks, and for a considerable time continuously previous thereto, it is alleged, have attempted to bring about the forcible overthrow of the Government of the United States; who, it is alleged, have preached anarchy and sedition; who, it is alleged, have advised the defiance of law and authority, both by the printing and circulation of printed newspapers, books, pamphlets, circulars, stickers, and dodgers, and also by spoken word; and who, in like manner, it is alleged, have advised and openly advocated the unlawful obstruction of industry and the unlawful and violent destruction of property, in pursuance of a deliberate plan and purpose to destroy existing property rights and to impede and obstruct the conduct of business essential to the prosperity and life of the community."

"Also, the Attorney General is requested to advise and inform the Senate whether or not the Department of Justice has taken legal proceedings for the arrest and deportation of aliens who, it is alleged, have within the United States committed the acts aforesaid, and if not, why not; and if so, to what extent." (Senate hearings, p. 580.)

In response to this resolution the Attorney General submitted to the Senate a report in detail in which, among other things, he pointed out the proposed plan of cooperation with the Department of Labor in the enforcement of deportation statutes."

The Attorney General also, during 1920, issued a document entitled "Red Radicalism as Described by Its Own Leaders," the same having been printed by the Government Printing Office. This pamphlet contains exhibits collected by the Attorney General and the foreword concludes:

"The whole is submitted for the furtherance of a more realizing popular appreciation of the menace involved in the unrestrained spread of criminal communism among the masses."

The report of the Attorney General in response to the Poinexter resolution is Senate Document 153, Sixty-sixth Congress, first session. The Attorney General, after stating that the administration of the deportation statutes is entirely within the jurisdiction of the Department of Labor, but that it seemed to be the only means at his disposal of attacking the radical movement, and as Congress had seen fit to refuse appropriations to the Department of Labor for its enforcement he had cooperated with the immigration officials to the fullest extent, and, among other things, says:

"Since the organization of the radical division a more or less complete history of over 60,000 radically inclined individuals has been gathered together and classified and a foundation for action laid, either under the deportation statutes or legislation to be enacted by Congress. I should, of course, communicate to you but little of this information. However, it is at the disposal of Congress for proper and confidential use. The record in the Emma Goldman and Alexander Berkman cases is marked 'Exhibit No. 6' and 'Exhibit No. 7.'"

"One of the first matters receiving the attention of the radical division after its organization was the various societies in the United States adhering to anarchistic doctrines. Principal among these was the organization known as the Federation of the Union of Russian Workers. The investigations made by this department soon led it to the conclusion that this organization was formed for the sole purpose of destroying all institutions of government and society. It was necessary, however, in order to prove the anarchistic nature of this organization, to secure copies of its constitution, as well as copies of documents and literature published and circulated by it. It is impossible for me to set forth the methods by which same were secured, owing to the extremely confidential nature of these investigations. After definitely establishing the fact that this organization was anarchistic in tendency and in teachings it then became necessary to locate the officers of each of the locals and to establish their membership to this society. Again this department experienced great difficulty in establishing membership, as the members had been advised to guard carefully against information connecting them with the organization."

"After thorough investigation in this matter the cases of the persons who were actively identified with the Union of Russian Workers were submitted to the Department of Labor, and that department issued warrants for the arrest of these persons. On November 7, 1919, simultaneous arrests of over 250 officers and members were made in 12 different cities of the United States upon the warrants issued by the Secretary of Labor charging these persons with advocating the overthrow of the Government of the United States by force and violence.

"I am attaching hereto, marked as 'Exhibits Nos. 8 and 9,' two translations of publications issued by the Federation of the Union of Russian Workers, one entitled 'Manifesto of anarchists-communists,' and the second 'Fundamental principles,' which clearly indicate the purpose of this organization and which justify the drastic action taken by this department in the matter."

The Attorney General then attaches to his report a copy of detailed instructions to all the agents of his department, setting forth the requirements necessary to satisfy the Immigration Bureau in a deportation case. From these instructions we quote the following:

"The character of the organization may be proven—

"(a) By authentic copies of its charter, by-laws, or declaration of principles, official publications, and possibly by membership cards therein, if any. Proof may be made by the affidavit of anyone personally knowing the facts showing authenticity of the document referred to. The strongest proof possible should be obtained, and a number of affidavits from creditable persons should be secured.

"(b) By affidavit stating in detail the facts upon which it is based of persons who are members of, or affiliated with, or who have attended meetings of these organizations and can swear, from occurrences or things said or done at the meeting or meetings, that the particular organization believes in, teaches, or advocates any of the doctrines set forth in section 1 of these instructions.

"Mere proof that one may in general terms be said to be a Bolshevist, either by his own admission or by other evidence, is not sufficient. Additional facts must be secured bringing him within section 1 of these instructions.

"Membership in an organization may be shown by—

"(a) Production of a membership card, together with proof and circumstances showing that it belongs to the person under investigation.

"(b) Admission by the person under investigation that he is a member of such organization.

"(c) Proof that the person under investigation, with more or less regularity, attended and participated in meetings of said organization.

"(d) Assuming to act as officers or agents of such organization by seeking new members, collecting or disbursing money, or distributing its literature.

"(e) Any other facts that would tend to prove or strengthen the proof of such membership.

"Special agents must not satisfy themselves with proof of membership in an anarchistic organization, but should seek further to establish against the individual himself a case under one of the clauses of section 1 of these instructions.

"Special agents will constantly keep in mind the necessity of preserving the cover of our confidential informants, and in no case shall they rely upon the testimony of such cover informants during deportation proceedings."

In the opinion of your committee, these instructions issued by the Department of Justice here at Washington to its agents in the field do not indicate any purpose on the part of the Attorney General or of that official of the department having the investigation of radical activities in charge to act or to countenance the agents of the Bureau of Investigation to act in violation of the Constitution or to deprive any person whomsoever of any legal or constitutional right. On the contrary, it seems apparent to your committee that the department was, in the interests of the personal liberty and security of the persons suspected or taken into custody, proceeding with due caution and in accordance with well-recognized rules of evidence.

Under the conditions which existed at the time, your committee find nothing to condemn in the cooperation of the Department of Justice with the Department of Labor in apprehending any number of aliens whose beliefs or practices rendered them subject to deportation under the law, neither does your committee believe that any wrong is done or constitutional right invaded by taking membership in an "organization that entertains a belief in, teaches, or advocates the overthrow by force or violence of the Government of the United States or of all forms of law, or that entertains or teaches disbelief in or opposition to all organized government," as *prima facie* evidence at least of a like belief on the part of such member. It is doubtful whether under any Federal statute it is a crime for the individual alone, whether citizen or alien, in the absence of a conspiracy to so believe, teach, or advocate; but certainly in the interests of national self-preservation there should be no hesitancy in exercising the right to arrest and deport any alien who on investigation is found to come within any of the classes proscribed by the statute.

But, granting that cooperation between the agents of the two departments does not of itself involve or imply any violation of law or illegal practice, there is yet the question as to whether in the manner of carrying out the purpose to apprehend and deport all aliens subject to deportation the persons taken into custody, or whose houses and premises were searched, were consciously subjected to any undue hardship or were deprived of any legal or constitutional right by the agents of the department, and for which the department should be held responsible. In other words, to what extent, if at all, are the allegations of the committee of 12 lawyers, first herein referred to, supported by the evidence adduced at the hearings before your committee?

But first it should be borne in mind throughout the consideration of this subject that it is for the executive department of the Government to put in force any act of Congress for the exclusion or deportation of aliens. In the case of *Nishimura Ekiu v. United States* (142 U. S. 651) it is laid down as an accepted maxim of international law—

"that every sovereign nation has the power, as inherent in sovereignty and essential to self-preservation, to forbid the entrance of foreigners within its domains, or to admit them only in such cases and upon such conditions as it may see fit to prescribe. In the United States this power is vested in the National Government, to which the Constitution has committed the entire control of international relations, in peace as well as in war. It belongs to the political department of the Government, and may be exercised either through treaties made by the President and Senate or through statutes enacted by Congress."

And in the case of *Fong Yue Ting v. United States* (149 U. S. 698) it is said:

"The power of Congress, therefore, to expel, like the power to exclude, aliens, or any specified class of aliens, from the country may be exercised entirely through executive officers, or Congress may call

in the aid of the judiciary to ascertain any contested facts on which an alien's right to be in the country has been made by Congress to depend."

In applying the foregoing principles to the case at bar, the court proceeded as follows:

"For the reasons stated in the earlier part of this opinion, Congress, under the power to exclude or expel aliens, might have directed any Chinese laborer found in the United States without a certificate of residence to be removed out of the country by executive officers without judicial trial or examination, just as it might have authorized such officers absolutely to prevent his entrance into the country. But Congress has not undertaken to do this."

The Fong Yue Ting case arose under the act of Congress of May 5, 1892, an act entitled "An act to prohibit the coming of Chinese persons into the United States." Section 6 of this act provided that— "any Chinese laborer, within the limits of the United States, who shall neglect, fail, or refuse to comply with the provisions of this act, or who, after one year from the passage hereof, shall be found within the jurisdiction of the United States without such certificate of residence shall be deemed and adjudged to be unlawfully within the United States, and may be arrested, by any United States customs official, collector of internal revenue or his deputies, United States marshal or his deputies, and taken before a United States judge, whose duty it shall be to order that he be deported from the United States as hereinbefore provided, unless he shall establish clearly to the satisfaction of said judge that by reason of accident, sickness, or other unavoidable cause he has been unable to procure his certificate, and to the satisfaction of the court, and by at least one credible white witness, that he was a resident of the United States at the time of the passage of this act."

Provision is made for cases where a certificate had been lost or destroyed, and for time in which to procure a duplicate, etc.

The court in the Fong Yue Ting case, in construing the act of 1892, says:

"The proceeding before a United States judge, as provided for in section 6 of the act of 1892, is in no proper sense a trial and sentence for a crime or offense; it is simply the ascertainment by appropriate and lawful means of the fact whether the conditions exist upon which Congress has enacted that an alien of this class may remain within the country. The order of deportation is not a punishment for crime; it is not a banishment in the sense in which that word is often applied to the expulsion of a citizen from his country by way of punishment; it is but a method of enforcing the return to his own country of an alien who has not complied with the conditions upon the performance of which the Government of the Nation, acting within its constitutional authority and through the proper departments, has determined that his continuing to reside here shall depend. He has not, therefore, been deprived of life, liberty, or property without due process of law; and the provisions of the Constitution securing the right of trial by jury and prohibiting unreasonable searches and seizures and cruel and unusual punishments have no application." (See also *In re Chin Wah*, 182 Fed. 256.)

These quotations from great and leading cases will apply with equal force to the law and the procedure thereunder as hereinbefore set forth, and to the specific complaints of illegal practices to which the committee calls attention. The committee would emphasize the fact, however, that not only the law and judicial decisions but also the conditions as they existed or were believed to exist before and at the time of the raids should have weight in determining whether the Department of Justice or the Attorney General was, under the circumstances, guilty of illegal practices which merit the public condemnation and censure of the Congress. The committee is entitled to consider the interest of witnesses, the bias or prejudice arising therefrom, the circumstances under which affidavits describing alleged outrages and injuries were made, and the interest or bias of those who prepared these affidavits, and this for the reason that the credibility of these affidavit witnesses is, as will appear from the record, necessarily involved.

Referring to the exhibits attached to the report of the committee of 12, Exhibit 1 being a statement of the committee itself, alleges that in Bridgeport, Conn., on November 8, 1919, various workmen had come together to discuss ways and means for buying an automobile to be employed for instruction purposes, and that the meeting was raided; that 63 men were arrested without warrants and taken to the police station, where they were held for three days; that they slept on iron bunks without covers or mattresses, and were fed little or nothing; and that persons who applied to the Hartford jail to see their friends were also taken up and confined in the jail, and that some of the men were beaten and treated with hanging or suffocation in order to obtain answers from them, and that most of the men remained confined for five months, until they were transferred by authority of Mr. Post to Deer Island. It is also charged that prisoners were allowed no reading matter; that they were kept alone in their cells, except for visits of agents of the Department of Justice or hearings before inspectors; that they were refused knowledge of the charges against them or the amount of bail; that they were allowed only two to five minutes a day to wash their faces and hands, and only five minutes once a month to wash their bodies; that they were given practically no exercise, and were fed with foul and insufficient food.

These statements are based upon Exhibits 1a, 1b, and 1c, being the affidavits respectively of Simeon Nakhwat, Peter Muzek, and Anton Dimitroff.

Nakhwat in his affidavit tells of his arrest along with 62 others, at Bridgeport, Conn., on the 8th of November, 1919, stating that the arrest was made by Edward J. Hickey, a special agent of the Department of Justice, who had helping him about 14 Bridgeport policemen in uniform and about 9 Department of Justice agents in plain clothes; that after 3 days he was removed from the police station at Bridgeport to the Hartford jail, where he remained for 6 weeks without any hearing, and that on the seventh week he had one hearing before the Labor Department, which hearing was held in the post-office building, and that he was then returned to jail. He further states in his affidavit that in the thirteenth week of his confinement, Mr. Hickey came into his cell and asked him to give the address of a man called Boyko, in Green Point, Brooklyn; that he did not know this man, and told Hickey that he did not, and that thereupon Hickey struck him twice with his fist, once in the forehead and once in the jaw, knocking him down, and that Hickey then kicked him until he became unconscious. He states in his affidavit that Hickey is a big man, weighing about 200 pounds; that for 3 weeks after that he suffered severe pain where he was kicked in the back; that afterwards he asked the guards to let him have a doctor to treat a finger which

had become infected; that he was refused, and, on a second request, they took him to the basement of the jail and put him into a pitch-dark room, the floor of the room being hot and the walls very warm to the touch, and that he was kept in the room for 36 hours, from 8.30 one morning to 8.30 the following evening, and that the only food received during these 36 hours was 1 glass of water and 1 slice of bread given him on the evening of the first day; that he was released from the jail on April 7, having been in confinement 5 months; that the only times he was allowed to be out of his cell, except on one occasion when he had an interview with a friend, was for 2 or 3 minutes every day when he was allowed to wash his face at a sink, and 5 minutes once a month he was allowed to take a bath in a tub. He charges that the food in the jail was very bad, some of it so foul that it could not be eaten at all, and not sufficient in quantity to maintain a person in health; that no books or newspapers were allowed him during the five months, although he asked for them. In his affidavit Nakhwat, while denying that he is an "anarchist, socialist, or Bolshevik," admits that he was a member of the Union of Russian Workers.

It seems incredible that any sensible and civilized human being would be guilty of the personal assaults and outrages alleged to have been committed upon and against the person of Semeon Nakhwat, and especially does it seem incredible that a wholly unprovoked and vicious assault, such as this is charged to be, should be committed by an agent or officer engaged in the enforcement of the law. One of the confidential instructions given to Agent George E. Kelleher, in charge of the Boston district, under date of December 27, is as follows: "Violence toward any aliens should be scrupulously avoided."

It is presumable that this was the attitude of the Department of Justice on the 8th of November preceding, when the Bridgeport arrests were made; and that if the assault, as described by Nakhwat, was committed it was absolutely contrary to the will of the Attorney General or of Mr. Burke, Chief of the Bureau of Investigation of the Department of Justice, who signed the instructions sent to Mr. Kelleher, as above stated.

It will be observed that this affidavit alleges that the arrest and subsequent assault was made by Edward J. Hickey, but on the 29th day of May, 1920, at the city of Washington, D. C., Mr. Hickey, a special agent of the Department of Justice of the Bureau of Investigation, assigned to official duty in the district of Connecticut, made an affidavit in which he states that he has read carefully the alleged affidavit of Semeon Nakhwat, as printed in the report upon the illegal practices of the Department of Justice, and after reciting those portions of the affidavit relating to the arrest of Nakhwat and the vicious and brutal assault made upon Nakhwat by Hickey, has this further to say:

"Deponent further states that he was not in the city of Bridgeport, Conn., on the date given, November 8, 1919, and did not participate in and had no knowledge of either the said Semeon Nakhwat or his arrest; that deponent never even visited the meeting place referred to and had no knowledge of its character or location. Deponent further states that at no time has he entered the cell in the Hartford jail occupied by the said Semeon Nakhwat, and that he has never struck or otherwise abused him."

But with reference to personal assaults and cruelties by the agents or officers making the arrests, either at the time of the arrest or afterwards, it is probable that all the cases of such alleged cruelty have perhaps no better foundation than the case of Lem Kosopud and 14 others, all apparently Russians, decided by Judge Westenhaver in the District Court for the Northern District of Ohio June 12, 1920, and which case is hereinafter more particularly referred to. In the last paragraph but one of his opinion Judge Westenhaver states as follows:

"All of the specific objections urged on this hearing are covered by the foregoing observations. In addition thereto, it is said that some of the petitioners were at the time of their arrest or during their examination by the arresting officers insulted, abused, or physically mistreated. The evidence to this effect is so unsubstantial that I do not deem it necessary to comment thereon. Certainly nothing appears to indicate that the petitioners, or any of them, did not have a fair hearing, or that the executive officers abused their discretion or took any advantage of the petitioners, or deprived them of any opportunity to make as full and complete a defense as desired. All of them were called as witnesses, said that they were informed by the inspector of their right to counsel, and that this right had been waived."

The case of Peter Musek, covered in Exhibit 1b, also refers to conditions in Bridgeport and Hartford. The Attorney General in reply to this affidavit submitted (see p. 96) a copy of his statement before the House Committee on Rules, in which his case was explained. It is shown that extreme care was exercised in accounting and receipting for money and valuables taken from the aliens. The so-called steam room in the Hartford County jail was substantially admitted by counsel for the National Popular Government League before the House Rules Committee, to exist only in the imaginations of the aliens.

The affidavit of Anton Dimitroff (Exhibit C1), also of Bridgeport, Conn., covers substantially the same matter as contained in the two preceding exhibits.

The testimony before your committee in this case appears on page 98, and shows that the Attorney General has twice answered this affidavit, once before the House Rules Committee. Dimitroff also mentions the so-called steam room and conditions in the Hartford jail generally. These conditions are explained by the Attorney General on pages 93 to 96. The evidence fails to show that the conditions of confinement at Hartford differed materially from those in the average penal institutions. It was complained that the aliens were not permitted to have newspapers and magazines. In reply it was claimed that the only newspapers or magazines they desired were publications of an extremely radical character, such as the official organs of the Communist Party, and in several instances they refused other matter.

The pamphlet which forms the basis of this inquiry devotes considerable space to the raid on the Russian People's House at 133 East Fifteenth Street, New York City. This raid was made in November, 1919, during the time action was being taken against the Union of Russian Workers, an anarchist organization distinct from the Communist parties. The affidavits of Mitchell Lavrowsky (Exhibit 2b), Nicolaï Melnikoff (Exhibit 2c), Varfolomey Ischenko (Exhibit 2d), Semeon T. Kravchuk (Exhibit 2e), and Peter Karas (Exhibit 2f), are set forth, charging brutality on the part of agents of the Department of Justice, and also the theft of money and other property. These charges of brutality and theft were met by affidavits from the officers who participated in the affair, denying the allegations.

The committee deem it proper to set forth the short statement of Attorney General Palmer as made before the House Committee on

Rules, followed by the affidavit of special agent of the Department of Justice, Frank Francisco, who had general charge of the raid on this house:

Mr. Palmer says:

"Now, as to the raid on the Russian People's House, New York, referred to on page 16 of the report. I have had a thorough investigation made of this so-called raid, and have in my possession affidavits from a number of individuals. Agent Francisco, who was in charge of the affair, with Sergeant Gegan, of the New York bomb squad, had entered the building and made known their identity. The two left one of the rooms to procure assistance, and as they left several bottles were thrown at them. Agent Edward Anderson, who participated, was on the third floor, where there were about 25 men in one room. After stating the purpose of his visit, and it appearing that the aliens involved were willing to accompany him, Anderson led the way. Upon reaching the head of the steps he was violently pushed and fell down the entire flight, causing bruises on his arm and leg. These two instances started a general disorder of the persons in the house, and it was necessary to call additional assistance in order to handle the men, who openly declared they were ready to fight. Under these conditions it was necessary to take all the parties involved in the affair to the offices of the department, where they could be examined with some order" (p. 106, House hearings).

Since Mr. Francisco was in general charge of all the proceedings at the Russian People's House, we deem it important that his affidavit should be set forth in full. It is as follows:

"Frank Francisco, of lawful age, being duly sworn, deposes and says that he is a special agent of the Department of Justice of the United States; that on the night of November 7, 1919, he was in charge of a squad of special agents, and, accompanied by Sergt. James Gegan, of the New York bomb squad of the police department, city of New York, the latter commanding about 25 detectives, proceeded to and entered a house known as the People's House, at 133 East Fifteenth Street, the door of which was wide open, and upon the first floor Sergeant Gegan and myself showed our shields and told the occupants who we were. When Sergeant Gegan and myself left the room to secure the help of other detectives, and our backs being turned, several pop bottles were thrown at us, some coming from the rear of the room. While Sergeant Gegan was obtaining assistance, agent informed the men that there was to be no violence or resistance; that we were there to make an investigation, and we wanted their cooperation; that we did not want to apprehend anybody that was innocent."

"After I had finished talking, I heard several voices in the rear call the Department of Justice and the police 'sons of b—' and other vile names, and one individual shouted: 'We are ready to fight.' At this time there was a commotion upstairs, and Sergeant Gegan left the ground floor to investigate the matter upstairs, and in his absence several detectives, whose names are unknown to me, came to my assistance, probably saving me from assault, and it was necessary for the police to resist about a dozen men who were in the rear pushing and crowding others in front of them to attack the police and myself. No violence was used on the men in the front of the room, but we forced our way to the rear, where we found the disturbers, and they were immediately taken out of the room, placed in a patrol wagon, and sent to the office of the bureau of investigation, at 15 Park Row, this city."

"After these disturbers had been sent to the office of the Department of Justice, there was no more trouble on this floor. Investigation showed that a number of these men were prepared for trouble, as various parts of the room contained various instruments such as black-jacks and small 'billys.'"

"Deponent then went to the third floor, which was being used as a school, and found in the front part of the building a class of about 25 men, together with a teacher. They were guarded by either police officers or special agents of this department, and I informed them they were to be taken to the office of the Department of Justice, where they would be questioned as to their identity. When conveyances were ready, these men were passed out in single file, marched down the stairs, being counted as they left the room, also being counted at the door up to a number as high as 22, as the patrol wagons would not accommodate more than 22 persons. It was necessary to take these precautions in order to get the number of persons apprehended, and great caution was taken so as not to cause confusion or a miscount. The stairs used were very narrow and steep, and I recall that I mentioned this fact to Sergeant Gegan, and he had one of his men light a gas jet that had not been lighted, so the prisoners could see where they were going. There was no confusion in removing these 22 men."

"As near as I can recall, the school-teacher was not sent away with these men, but was held downstairs and was brought to the office in a separate cab, accompanied by several women, including Ethel Bernstein and several others."

"Deponent then went to the fourth floor, and to the best of my recollection there were about four men on this floor, and they were sent downstairs unaccompanied to the ground floor, I notifying Sergeant Gegan and the rest of his men that four men were coming down unaccompanied."

"Deponent was instructed by Agent Charles J. Scully to obtain evidence, such as books, records, and cards of the organization known as the Union of Russian Workers, and in a small room on the top floor I found a quantity of books, cards, which were confiscated and brought to the office. In this room were two typewriters with Russian keyboards. The typewriters not being evidence, same were left behind. I was one of the last persons to leave this building, and as I was leaving there was a crowd of about 100 people on the outside, and I was asked if any objection would be made to their entering the building. I saw at least 25 people enter the building, including two reporters of the New York Call, the latter information being obtained from the two men themselves, but none of their credentials were shown to deponent."

"After all the prisoners had been sent away, I returned to the office of the Department of Justice. On the following day, November 8, 1919, en route to the office of the Workman and Peasant, a newspaper, at 241 West Thirteenth Street, I stopped at the People's House, found the door open, and there saw two men sitting in the room who had been brought to the office on the night before and questioned and later released. I asked these men what they were doing there, and they stated they had chased some boys out of the place after they had found them destroying the property. They said the boys had been kicking pictures, cooking utensils, etc., around the floors of the different rooms, and also had broken a number of windows in the rear of the house. I then went upstairs, where I had secured the organization records, and found the typewriters above-mentioned had been destroyed. Upon my arrival I noticed that the gas had never been turned out, but had re-

maintained lighted all night, making it possible for anyone to enter the building at any time they chose, especially as the house was mainly a place of curiosity for the people in the neighborhood, especially the children.

"In several bookcases, where we had removed books, the same had been thrown on the floor, thereby breaking same." (House hearing, pp. 100-101.)

This affidavit may serve to explain the charge made by the committee of 12 that "property . . . was intentionally smashed and destroyed."

The committee refers also to the affidavits of Special Agents Edward Anderson, Harry C. Leslie, and John L. Haas, found on pages 102 and 103 of the House hearings, and for specific denial of the affidavit of Nicolai Melikoff the committee refers to the affidavits of Frank Francisco, Harry C. Leslie, James A. Kennedy, and Charles J. Scully, found on pages 103 and 104 of the House hearings.

As a further answer of the department to the charge of brutalities following the arrests of members of the Union of Russian Workers and members of the Communist Party in New York, the committee calls attention to the affidavit of Mr. George F. Lamb, division superintendent in the Department of Justice, and assigned to the Bureau of Investigation in New York City, found on page 105 of the House hearings. Among other things, Mr. Lamb says in his affidavit that his attention had been called to charges made that various persons had been assaulted by agents of the department, either at the place where the arrest was made or after being brought to the office of the Bureau of Investigation. He says that he questioned all of the agents who had taken part in the arrests, and they denied having struck or otherwise assaulted any person on that occasion; that the examination conducted at the bureau was under his immediate supervision, and that he was present throughout the whole period of the examination, which did not terminate until about 4.30 o'clock a. m., November 8, the arrests having been made on the night of November 7. He describes how the examinations were held in various rooms of the bureau, all these rooms connecting, and that it would have been impossible to make a noise or create a disturbance in one room which would not have been heard in several of the adjacent rooms. He says that, being in charge of the bureau, he felt personally responsible for the proper conduct of the examinations, and all through the night visited each examiner in turn to see how he was progressing, and that at no time did he hear of anyone being assaulted or hear any improper language applied to any of the persons being examined. He says further that he has inquired of every agent who was connected in any way with the Union of Russian Workers matter on November 7 if he struck or assaulted or encouraged anybody else to strike or assault any of the parties arrested on that occasion, either in the rooms of the bureau or at any place outside of said bureau, and that every agent had denied having struck or assaulted anyone or having subjected a prisoner to improper treatment of any kind.

The committee also calls attention to the affidavit of Charles J. Scully, special agent of what is known as the radical division of the bureau, and who acted under the supervision of Director William J. Flynn and Division Superintendent Lamb, found on page 106 of the House hearings.

With these affidavits before them, the committee can not believe that the charges made of brutalities, or even improper conduct, on the part of the agents of the Department of Justice in the raid on the Russian People's House at 133 East Fifteenth Street, New York City, have been sustained. That if assaults on any of the men arrested were at any time committed by the agents of the department in any of the raids it is difficult to believe that they were committed without provocation or a first assault on the part of some of the men who were taken into custody.

Exhibit 3, in the pamphlet of the National Popular Government League, is an affidavit made by one Albert de Silver, who is an official of the National Civil Liberties Union, in regard to the alleged raid on the office of Novy Mir, one of the official organs of the Communist Party of America, a paper on which Leon Trotsky worked as an editorial writer prior to his becoming minister of war of Soviet Russia, and on which Ludwig C. A. K. Martens also held an editorial position prior to his becoming representative of the Russian Socialist Federated Soviet Republic, in New York City.

Mr. de Silver in his affidavit describes the confusion he found in the two rooms which had been occupied as editorial offices of the paper, saying that they were entirely covered with torn books and papers, some of them in Russian and some of them in English, and that there were pieces of broken typewriters mixed up in the wreckage, and that desks and tables had been upset and the contents removed and torn, and in some cases the panels and drawers of such desks and tables were smashed.

It is significant that Mr. de Silver, considering his position, did not appear before either the subcommittee of the Senate Judiciary Committee or the House Rules Committee, although he alleges that he was an eyewitness. In his affidavit he states that on his visit to the office of Novy Mir he recognized and spoke to Mr. Mortimer R. Davis, special agent of the Bureau of Investigation of the Department of Justice, who seemed to be in charge. He desired to know of Mr. Davis if he might go inside, and alleges that Mr. Davis said that he didn't care, but that he might get hit over the head if he did. In the hearing before the House Committee on Rules Mr. Palmer stated that Mr. Davis, who was then in St. Louis, had been communicated with by long distance, and that he denied emphatically that he had made any such statement to Mr. de Silver, and further stated that there was no undue destruction of property in the offices of the Novy Mir by agents of the Department of Justice on the night of January 6.

The circulation of the Novy Mir is estimated at 20,000. Two or three short extracts from editorials appearing in that paper may be of interest.

On March 8, 1917, under the title "Prepare soldiers of the revolution," among other things, is the following:

"It is important to establish everywhere reading circles of the Novy Mir, to read and discuss jointly the most important articles. It is necessary to rouse and push forward the proletarian mind. It is necessary to prepare soldiers of the revolution."

"A spirit of revolt spreads larger and larger over the working masses of the entire world. Neither threats nor curses of the high priests of the bourgeoisie society are capable of holding back the pressure of proletarian masses. Even in countries where heretofore the revolution has not yet unfurled its red flag and the bourgeois gods have not yet been deposed from their pedestals, over there grows a big wave of people's protests which may any day flare up with a red flame."

"But the revolutionary strike wave, extending more and more over the world, is raising the workingman of the United States, and

will teach him the European methods of struggle. His rôle is yet to come."

Again—

"What must interest us and what we must consider first is the sentiment of the broad circles of American working masses. Are they ready to do something in order to really better their condition? The problem of the high cost of living will be solved only so much, as much as the organized American proletariat is capable, not with words but with deeds, to measure its strength with American capitalists and the Government that is defending their interests. All 'accused problems' can be and must be solved only from this point of view."

Exhibit No. 4 of the National Popular Government League is a short statement with regard to the Salsedo and Ella cases, which were reported in the daily press, during the month of May, 1920. Salsedo having jumped from the fourteenth floor of the Park Row Building, New York City, where the offices of the Department of Justice are located. He was confined there with Ella, both being detained in connection with the investigation of bomb plots. Those two cases are distinct from the nation-wide raids in November and December of the same year. The Attorney General before the House Rules Committee went into detail on this case, his testimony appearing on pages 41, 42, and 161 of the House committee record for June 1, 1920, showing that they were confined with their own consent and the consent of their attorneys, and that important admissions were made by Salsedo. There is nothing whatever in the record before either committee to indicate that the death of Salsedo was due even indirectly to negligence or improper actions on the part of the Government officers.

Exhibits Nos. 5, 5a, 5b, and 5c of the National Popular Government League refer to conditions in Detroit, Mich. The charges are similar to those already set forth, and include particularly unsanitary conditions in places of confinement. Exhibits 5a and 5b also refer to brutality.

There was considerable testimony in regard to conditions in Detroit, and the assistant custodian of the Federal building submitted the floor plan of that building. Undoubtedly the facilities were too limited for the large number of aliens apprehended, although Mr. Arthur L. Barkey, special agent in charge, in giving account of the conditions in answer to the charges made by Attorney Solomon G. Paperno, stated that the corridor around the Federal building, where the arrested aliens were taken, extended around the four sides of the building, and surrounded an open court, at the top of which was an extensive skylight, which during the daytime provided the entire lighting for the interior of the Federal building. He further stated that this corridor was 18 feet wide, 12 feet high, and in the aggregate measured 4,512 square feet, which allowed approximately 8 square feet for the occupancy of every alien held, and that it is therefore untrue that those arrested did not have sufficient room even comfortably to stand. It had been alleged by Mr. Paperno that the flooring in this corridor was stone, but Mr. Barkey says it is a wooden floor, which extends on all four sides of the corridor. Mr. Barkey's statement is found in full on pages 458-463 of the Senate hearings.

In answer to the charge as to insufficiency of food, it was shown that after the aliens had been removed from the Federal building there were large quantities of food left by them.

One of the witnesses as to conditions in Detroit was a member of the citizens' committee, appointed by the Assistant Secretary of Labor, Mr. Post, and the committee had also before it a pamphlet issued by the Federal Council of the Churches of Christ, prepared by Mr. Panunzio, as well as the letter from Attorney Paperno, of Detroit, to which the statement of Mr. Barkey, above referred to, is a reply.

Admitting, however, that there was for a few days an unfortunately crowded condition in the Federal building in Detroit, which it would seem the department agents sought to relieve as rapidly as possible with the facilities at hand, through their examinations of the aliens arrested, yet such condition was largely the result of a campaign of this size and character, although your committee believe that much of the inconvenience and hardship to persons arrested might have been avoided by the exercise of reasonable care and foresight to begin with.

While not taking the position that the agents of the Department of Justice, or both the Departments of Justice and Labor, had no sufficient cause for arresting and holding, either for warrants or for examination, the persons actually taken, yet the committee is of the opinion that in the Detroit raids the number likely to be arrested should, if possible, have been ascertained in advance and provision made by those in charge of the raids for the housing under reasonable conditions as to room and sanitation of all who were arrested.

There were two houses raided in the Detroit campaign—one the South Slavic Hall, which was the headquarters of the South Slavic Branch No. 17, Communist Party of America, and was a rendezvous for all radicals of that nationality, according to the statement of Mr. Barkey; and the other was the House of Masses, said by Mr. Barkey to be owned by an association composed of all the well-known radicals in that district. "It was a place in which for a long period of time speakers openly advocated the overthrow of the Government of the United States by force and violence and was the distribution point for insidious propaganda against the country. When the agents visited these halls they found secret meetings in progress, and it was at these halls that the most active agitators were taken into custody for investigation."

The testimony of the Attorney General before the House Rules Committee on conditions in Detroit appears on pages 60 to 63, House hearings.

Exhibits 6 and 7 of the National Popular Government League refer to the subject of provocative agents, and the one notable instance cited purports to be given by Miss Pratt. Miss Pratt charged that one of the agents of the Department of Justice testified that as such he had joined the Communist Party of Buffalo and had become its recording secretary. He appeared as a witness against Miss Pratt before the board of education of Buffalo when she was suspended as a teacher in the public schools.

On page 87 of the House committee hearings this charge is branded by the Attorney General as a deliberate and unwarranted falsehood. He introduced a transcript of the record of the case before the board of education of Buffalo, and showed that the particular agent had no connection with the Department of Justice at the time, and, in fact, has never worked as an undercover agent. With regard to Petzold (Exhibit 7), the Attorney General replies to the House committee on page 95 of that record. This covers the same special agent referred to in the previous affidavit.

Exhibit 8 of the National Popular Government League is a general charge to the effect that the Department of Justice in western Penn-

sylvania and West Virginia at least followed the practice of using undercover informants employed by the private detective agencies, which in turn are employed by the steel and coal companies; the Department of Justice accepting the reports of these private detectives as the basis for action. No evidence of a substantial nature was presented to your committee on this point, either by the National Popular Government League or the witnesses who appeared. It is also charged in this connection that arrests were frequently made upon the unsupported statements of these private informants, the arrests being made by the local police without warrant, the police reporting the case to the Department of Justice, which then proceeds with an investigation. No facts are presented in this connection. Your committee can not censure the Department of Justice for making an investigation in cases reported to them by the police, regardless of how the arrest was made, provided the Government merely investigated and was not responsible for the initial arrest.

The pamphlet of the National Popular Government League devotes considerable space to the case of one Gaspare Canone, an anarchist of New York, there being included photographs purporting to show his condition after being subjected to brutal treatment by the Government agents and police as well as specimens of his handwriting purporting to show that his name was forged by Government agents, who placed the same on a statement alleged to have been made by him. The Attorney General referred to this case before the House Rules Committee, stating that he had ordered a special investigation of the same. He filed with your committee a number of affidavits of officers and employees in this department (see pp. 92 and 134 to 155 of Senate hearings) explaining the case in great detail. He also filed an authenticated photograph sworn to by a local police officer, who took the same just after Canone's arrest, and which shows the subject to be in an entirely different condition from that indicated in the exhibit filed with the charges. The charges are answered by the officers in the order made in this case and their affidavits appear in full. In addition, it is shown that Canone is an admitted anarchist.

Exhibits 10, 11, and 12 refer to the confidential instructions issued by the Bureau of Investigation of the Department of Justice to its agents at the time of the raids. This subject is closely related to the exhibits immediately following, referring to the Colyer case at Boston, a habeas corpus proceeding in the United States district court before Judge George J. Anderson. These instructions of the department appear to form the main basis of the charges of illegal practices against the department. The decision of Judge Anderson appears to be based very largely on these same instructions, although in that proceeding the court gave consideration to a great mass of other matter. That the Department of Justice and the Attorney General, as the chief law officer of the United States, had sufficient legal authority to act in the enforcement of the deportation statutes, particularly in cooperation with the Department of Labor, has been already discussed.

On the subject of arrest without warrant, it appears from the testimony that warrants were applied for in many hundreds of cases, and that while executing or attempting to execute these warrants the officers found large numbers of individuals in circumstances indicating they also should be held as fit subjects for action similar to that contemplated in the cases where warrants were in their possession. In this respect it is claimed that the officers followed an old practice of the Immigration Service in detaining the party or parties and applying immediately for telegraphic warrants of arrest, and that the Department of Justice in its participation merely followed the custom of the other department.

But in such case what difference in principle between the arrest of a party without a warrant who is found in the commission of a public offense and the arrest of a party without a warrant who is found participating in the meeting of an organization proscribed under the deportation statute, and who to all appearances is a member of such organization? Especially if warrants were in possession for the arrest of specifically named persons found at a meeting of the proscribed organization, would not the agents be justified under the law in taking into custody for examination others found at the meeting but for whose arrest no warrants had been issued or even telegraphed for before the arrests were made?

Confusion arose in some instances due to the misappelling of difficult names, which resulted in mistaken identities. The Iwanko case, a discussion of which is found on pages 542-560, Senate hearings, is an example. It is hardly a matter of wonder that in a movement of such proportions some mistakes were made or that in some cases American citizens were arrested. In comparison to the total number of warrants issued or arrests made, it would appear that the percentage in which there was a mistake as to citizenship was, after all, very small, and the record shows clearly that promptly upon the discovery of American citizenship the party was released. There has been some difference of opinion in the courts with regard to arrests without a warrant in possession. Judge Anderson, in the Colyer case, took the position that in such a case there was not due "process of law," and ordered the release of the petitioners on habeas corpus. On the other hand, Judge Westenhaver, on June 12, 1920, in the United States District Court for the Northern District of Ohio, in the case of Lem Kosopud, ruled in effect that an arrest in these cases without the officer having a warrant in his possession is not irregular. The opinion of Judge Westenhaver is instructive, and more particularly so because it involves a large number of arrests of aliens made on telegraphic warrants on the night of January 2, 1920, and at the same time raids and arrests were made in other cities of the United States. It bears on nearly all the points involved in this investigation.

We quote from the opinion as follows:

"Other grounds more strongly urged in argument are the following: That the petitioners were originally arrested without warrant; that some, if not all, were immediately interrogated, before obtaining counsel, with respect to the charges alleged in the warrants; that the answers then made were given in evidence against them in some, if not all, of the cases on the hearing before the immigration inspector; and that at the time of their arrest membership cards in the Communist Party and literature in their possession tending to support the charge made in the warrant were seized and afterwards introduced in evidence against them. The warrants in all except two cases were issued December 29, 1919. Telegraphic notice of the issuance of these warrants was given to special agents of the Department of Justice and arrests made January 2 or 3, 1920. At the time of such arrest the formal warrants were not in the possession of the arresting officers. It is also true that immediately thereafter some, if not all, of the petitioners were interrogated without the presence of any counsel representing them, and the statements then made were afterwards made in evidence, and that in some instances membership cards and other incriminating evidence found in their possession were seized and used."

"Nor is any sound reason suggested why the original arrest was unlawful because the arresting officer did not have in his physical possession the warrant of arrest. It had been issued and instructions to act had been received by the arresting officer. It would be a strong proposition in an ordinary felony case to say that a fugitive from justice for whom a capias or warrant was outstanding could not be apprehended until the apprehending officer had physical possession of the capias or the warrant. If such were the law, criminals could circulate freely from one end of the land to the other, because they could always keep ahead of an officer with the warrant. The practice in such cases is precisely that which was followed in these cases."

"Nor do I perceive any good reason why the arresting officer may not lawfully interrogate or examine the person arrested with respect to the charge made against him, even though the alien is not then represented by counsel and is under arrest. This is the usual course in criminal proceedings. Whether his statements thus made may be given in evidence against him depends upon whether or not they were voluntary. They will be presumed to have been made voluntary unless the contrary appears, and they will be held to be involuntary only when shown to have been induced by threat, promise, or encouragement of hope of favor. The absence of counsel, the fact that the prisoner may not have been warned that he was not required to make a statement, or that if he did it might be used against him, or that he was under arrest and restraint, do not by themselves prevent the statements from being voluntary or make them incompetent as evidence. (See *Wilson v. United States*, 162 U. S. 613.)"

"No objection was made on the hearing before the immigration inspector, or at any other time, to the use of this testimony because it was not voluntary or on any other ground. Likewise, as to the membership cards and incriminating literature seized at the time of their arrest, the petitioners on the hearings freely admitted the authenticity of the cards, their membership in the Communist Party, familiarity with the contents of the incriminating literature, and in many, if not all, cases a belief in the views therein contained. To make available the constitutional provision that unreasonable searches and seizures without warrant render inadmissible evidence thus seized an objection should be interposed at some time or another. Whether, if such an objection had been interposed on the hearing before the immigration inspector or before an order of deportation was made, these cards and this literature would be admissible presents a question which does not arise upon the record and as to which no opinion need be expressed."

"Another objection much urged is that the petitioners did not have a fair hearing because they were not represented by counsel. As already stated, they did not have counsel when interrogated by the arresting officer. The immigration inspector, however, testified that all of them were advised during their hearings before him that they were entitled to have the assistance of counsel in preparing their defense and in defending against any order of deportation. The proceedings show that the warrant was fully read and explained to each of them, and that they were advised of their right to counsel, and that each of them waived his right to counsel."

"The only legal inquiry upon the foregoing facts is whether or not the petitioners were denied counsel in such a way as to deprive them of a fair hearing. Manifestly, the absence of counsel when they were being interrogated by the arresting officers is immaterial. The situation in that respect is no different from that which exists in most cases of arrest on a criminal charge. The aid and assistance of counsel at or during the hearing before the immigration inspector and before the order of deportation is made is the privilege which the law accords to aliens charged with being unlawfully within the United States. Nor does it make a hearing before an immigration inspector unfair and subject to review because the alien may not have had the benefit of counsel at the beginning of those proceedings. It is sufficient if, during the hearing, he is advised of his rights or is accorded counsel, and no part of the evidence previously taken or used against him is concealed or withheld from his counsel and he is not thereby deprived of the privilege of bringing forward any explanation or rebutting evidence. It was so held in the following cases: *Low Wah Suey v. Backus* (225 U. S. 460, 471); *Mok Nuey Tan v. White* (9 C. C. A.; 284 Fed. 743); *Guiney v. Bonham* (203 Fed. 582, 585)."

Your committee believes in administrative cases involving the control of immigrants the Government through its executive departments has and must continue to have what might seem to be but which are really not extraordinary powers. So far as arrests on telegraphic warrants are involved in the present charges against the Department of Justice, it is very evident that the department was but following rule 22 of the Department of Labor governing the proceedings in deportation cases, which rule and the practice under it was sustained by Judge Westenhaver in the Kosopud case. The validity of a telegraphic warrant when issued in accordance with the rule of the Labor Department is recognized in *Jouras v. Allen* (222 Fed. 756). So far as arrests without warrant of any kind are concerned, they should be justifiable, no law prohibiting them, in cases and under circumstances analogous to arrests in criminal cases when permitted at common law and under the statutes of perhaps all the States.

Concerning the charge of unlawful searches and seizures in these raids, evidence was introduced showing that search warrants were secured in many instances, and that certain provisions of the espionage act were used as the basis for the issuance of the same. When Title II of the espionage act, relating to search warrants, was framed the Judiciary Committee endeavored to clearly fix the limits of action thereunder so as to insure a due regard for the constitutional rights of the citizen. However, if your committee are to be guided wholly by the principles so plainly laid down in the case of *Fong Yue Ting* (149 U. S. 698) and in the case *In re Chin Wah* (182 Fed. 256), it would seem unnecessary to discuss further the question as to whether searches and seizures without warrant in deportation cases were inhibited by the Constitution, for the language of the court in the first named of these cases, and which is followed in the *Chin Wah* case, is that "the provisions of the Constitution, securing the right of trial by jury and prohibiting unreasonable searches and seizures and cruel and unusual punishments, have no application" in deportation proceedings. However, it is but proper to say that the view and explanation of the Attorney General concerning the theory under which search warrants were issued and used was that the evidence procured would be used as the basis for possible criminal prosecution. He refers to the fact that the cases of *Silverthorne Lumber Co. v. United States* (251 U. S. 385), and *Ex parte John Jackson* (96 U. S. 277), referred to in the charges against the Department of Justice, were not decided until, in the *Silverthorne* case 24 days, and in the *Jackson* case 40 days, after these raids, and that in framing the confidential instructions to the agents of the department he did not have the guide

of these decisions, if they could have been of guidance at the time the instructions were framed.

Title II of the espionage act makes it incumbent upon the judge or commissioner, when proper grounds are shown, to issue the search warrant. It is only reasonable to suppose, therefore, that the officials considered the showing made sufficient to justify the issuance of the warrant. It should be observed that the evidence introduced by the Attorney General before both the House and Senate committees shows, among other things, that much of the radical propaganda material was disseminated through the mails. The espionage act makes it a penal offense to distribute certain described matter through the mails, and the Postmaster General in administering those sections had prohibited this class of matter. The Attorney General urges that the continued dissemination through the mails was, therefore, a violation of the penal statutes of the United States, in which the papers themselves were the means of committing the offense. He indicated his consideration of section 6 of the Criminal Code in connection with search warrants. Whether that section would apply to this class of matter has never been determined by any competent court, but the view of the Attorney General was that whether he actually uses the evidence procured on a search warrant for prosecution under one statute, or in the preparation of a case under another statute, or, in fact, whether he uses it in any prosecution at all, is a matter of administrative discretion for which he is not compelled to answer.

In the consideration of the written instructions issued by the Department of Justice in connection with the raids, and covering the matter of search warrants, the Attorney General contends that at least there were sufficient grounds upon which to base application for such warrants.

As to searches and seizures in the absence of search warrant, the Attorney General showed that in the average case searches and seizures were made with the consent either express or implied of the party whose premises were searched. It is but just to say that in many cases there was a conflict on this point between the testimony on behalf of the alien and that introduced by the Attorney General in reply. None of the aliens were examined directly by the committee, and it is a question under all the circumstances as to which is more worthy of belief. But the written instructions of the Department of Justice to their agents instruct that search warrants are to be procured "wherever necessary." The Attorney General explained this by stating that it was intended to cover those instances in which the alien objected to a search or stood upon his rights as to the search warrant. It should be noted that aside from the one case of Sedar Sarachuk, in which a denial is made by the Department of Justice, there was no case presented to your committee in which a search of the dwelling was made over the expressed protest of a householder.

Considerable attention has been devoted to the so-called immigration rule 22, before both your committee and the committee of the House Committee on Rules. The change made in this has been noted. Under the change aliens arrested on warrants of arrest for deportation were to be permitted to have counsel at such stage in the proceedings as would insure protection of the Government. It was shown that this rule was adopted because in many instances where a warrant of arrest was about to be served, and where the alien was permitted to have counsel from the very beginning, before identifying himself, he would refuse to answer even questions as to identity, on the advice of counsel. This rule was upheld by the United States Supreme Court in the case of *Low Wah Suey* (225 U. S. 460), where it is held that "a preliminary examination of an alien without counsel is permitted by the statute; and if at subsequent stages of the proceedings the alien has counsel, there is no denial of right." See also the *Koposud* case decided by Judge Westenhaver.

It seems necessary to quote again paragraph (b) of subdivision 5 of rule 22, as amended in December, 1919:

"Preferably, at the beginning of the hearing under the warrant of arrest, or, at any rate, as soon as such hearing has proceeded sufficiently in the development of the facts to protect the Government's interests, the alien shall be allowed to inspect the warrant of arrest and all the evidence on which it was issued, and shall be apprised that thereafter he may be represented by counsel."

It will be seen that the rule, in substance, requires that before the beginning or soon after the beginning of the hearing the alien shall be apprised that thereafter he may be represented by counsel.

Under the procedure authorized by this amended rule the Federal officer or officers conducted a preliminary examination of the alien, in which they used a form which had been prepared for that purpose, setting forth questions as to identity, birth, age, citizenship, address, and affiliations, if any, with certain specified organizations. The objection made to this procedure is wholly untenable under the authorities above cited.

But the record shows no case, so far as your committee is advised, where the alien was not, at least after the preliminary examination above mentioned, advised of his right to counsel, and no case in which he was prevented from securing counsel.

In view of the fact that these were not criminal cases, and because of the past experiences of the Government in even identifying the subjects, the committee is of the opinion that the rule was justified. In any event, the Department of Justice can not be charged with illegal practices, when it was following the rule of the Department of Labor, which rule already had been approved by the United States Supreme Court. However, the rule has since been changed.

In conclusion, on this particular subject, and with special regard to Exhibit No. 13 of the National Popular Government League, there has not only been a wide difference of opinion as to the regularity of process, but also on the question of whether the Communist and Communist Labor Parties fell within the provisions of the act of October 16, 1918, as proscribed organizations, membership in or affiliation with which subjected an alien to deportation. The Department of Labor ruled that the Communist Party was such a proscribed organization; but although the principles and teachings of both parties were identical, it saw fit to exclude the Communist Labor Party. This decision was made on the theory that the program of the Communist Party taught the overthrow of the Government of the United States by force.

Judge Anderson, in the *Collyer* case—a habeas corpus proceeding—endeavored to overrule the Department of Labor in this decision, he holding that the Communist Party did not teach the forcible overthrow of this Government. As stated above, he has since been overruled by the Court of Appeals; but prior to the decision of the higher court at least three Federal judges disagreed with him and ruled to the contrary (Judge Westenhaver, in the *Koposud* case, in Cleveland; Judge Knox, in the case of *Marina Abern*, in New York; and Judge Hough, of the Federal Court of Appeals for the Second Circuit, in the

case of *Georgian v. Uhl*), while Federal Judge Albert B. Anderson, of the United States District Court for Indiana, canceled the certificate of citizenship of Paul P. Glaser on the ground of membership in the Communist Party. (May 28, 1920, case No. 7926.)

Another portion of the confidential instructions of the Department of Justice, which was the subject of considerable question, is that instructing that confidential informants of the department should arrange, wherever possible, to have meetings fixed for the night on which it was contemplated to make the raids for the purpose of expedition. This, it was charged, was an evidence of the use of provocative agents. Your committee can not agree that the mere arranging for having subjects appear at a given time and place in order to expedite action by the authorities is a provocative act, so far as any offense is involved. The use of undercover informants is one of the oldest practices in criminal investigation, and it has the specific approval of the courts. In some cases the Supreme Court has refused to consider confidential informants and undercover agents as accomplices, even where they used decoys. (See *Grimm v. United States*, 156 U. S. 8, 604, and *Goode v. United States*, 159 U. S. 662.)

No evidence has been introduced before your committee showing that any of the undercover agents or informants of the Department of Justice ever actively participated in the framing of any portion of a platform or program or indulged in any speech or writing advocating or encouraging the teaching of violence or the use of force. The inferences drawn by Judge Anderson in the *Collyer* case, to the effect that Government agents were responsible for offensive portions of the platform and program of the Communist Party of America, certainly were not warranted from the evidence produced before your committee, including the record in the *Collyer* case.

Exhibit 16 of the National Popular Government League is merely the opinion of Assistant Secretary of Labor Post in the case of *Thomas Truss*, of Baltimore, canceling the warrant. The committee considers that this was put in for purposes of illustration, in view of the fact that the Attorney General before the House Rules Committee (see pp. 196-199) covered the facts in the *Truss* case in detail. Although several witnesses before your committee referred to the *Truss* case, no new evidence was introduced tending to show an illegal action on the part of the agents of the Department of Justice.

It is felt that your committee in this report has gone sufficiently into detail by referring to the charges presented in the order in which they appeared.

The inquiry included repeated demands upon the Attorney General for an explanation of the statutory authority for nearly every move made by the Department of Justice and the Department of Labor in the campaign. Your committee, however, feels that many of these details are of a character concerning which the Attorney General is permitted to exercise some administrative discretion along the lines indicated by the Supreme Court in the *McDaniel* case (7 Pet.), where it was said by the court that while the head of a department—

"... is limited in the exercise of his powers by law; * * * it does not follow that he must show a statutory provision for every thing he does."

Your committee, while not in any way impugning the motives or questioning the sincerity of any of the committee of 12 lawyers in making these charges against the Department of Justice, are disposed to believe that the special interests and affiliations of some of them are relevant to the inquiry.

Three of the most prominent of the committee of 12, namely, Felix Frankfurter, Ernst Freund, and Frank P. Walsh, were identified with the American Civil Liberties Union, a consolidation of organizations advocating unlimited free speech. This union was organized on January 12, 1920, the same being a reorganization of the National Civil Liberties Bureau. One of its directors was Mr. Roger N. Baldwin, who made a statement before the New York joint legislative committee, in which he set forth the purposes of the union and the scope of its activities. In the course of his statement he said, among other things:

"I would say on behalf of the entire committee that all of them disbelieve the legal theory of constructive intent, and that all of them believe in the right of persons to advocate the overthrow of government by force and violence, while all of the members of the committee totally disbelieve in any such doctrine themselves."

Mr. Baldwin gave some advice to Louis P. Lochner, noted for his pacifist activities after the war declaration, for his conduct of a lobby against the espionage act, and his connection with the Non-partisan League, a Socialist of German descent, in which Mr. Baldwin said:

"We want to also look like patriots in everything we do. We want to get a lot of good flags, talk a good deal about the Constitution and what our forefathers wanted to make of this country, and to show that we are the fellows that really stand for the spirit of their institutions."

One of the documents issued by the unions composing the American Civil Liberties Union has this to say:

"There should be no control whatever in advance of what any person desires to say. * * * There should be no prosecution for the mere expression of opinion on matters of public concern, however radical, however violent. Laws purporting to prevent the advocacy of the overthrow of the Government by force or violence are all violations of the right of free speech. The expression of all opinions, however obnoxious, should be tolerated."

Your committee think it has been rightly said that the "effect of the activities of the American Civil Liberties Union is to create in the minds of the ill-informed people the impression that it is un-American to interfere with the activities of those who seek to destroy American institutions. They seek to influence legislators and executives to repeal or veto any law calculated to protect the State or the Federal Government from the attacks of agitators" (pp. 1979-1982, Report of the New York legislative committee).

The conclusion of the New York committee is that the American Civil Liberties Union, in the last analysis, is a supporter of all subversive movements, and its propaganda is detrimental to the interests of the State. It attempts not only to protect crime but to encourage attacks upon our institutions in every form. Many of the members of its committee—that is, the committee of the American Civil Liberties Union—are undoubtedly sincere in their convictions, but the consequence of their activities is injurious to the public interest.

Zechariah Chafee, Jr., who testified before your committee, is a professor of law at Harvard University. He with Mr. Frankfurter were associated with other counsel for the aliens in the *Collyer* case. Although it does not appear that he is a member of the Civil Liberties Union, Mr. Chafee has written a book in which he declares that there

should be no law against sedition and anarchy (p. 187, Senate hearings).

The activities of Mr. Frank P. Walsh have been quite pronounced. He has been something else than cochairman of the War Labor Board. He first was a member of the Neutral Conference Committee, organized ostensibly to bring before the public the idea of a conference of neutral nations, irrespective of peace platforms, preparedness, and the terms of the war settlement. While cochairman with ex-President Taft, of the War Labor Board, he advised and assisted in putting out propaganda literature justifying the position of the I. W. W. in New York. Mr. L. S. Chumley, who had his offices with the National Civil Liberties Bureau, was in correspondence with Roger Baldwin, hereinafter referred to, and in writing Mr. Baldwin said that Mr. Walsh would do the same, and asked for suggestions how to raise \$25,000 bail for Haywood. It appears therefore that Mr. Walsh had his active relations with both the Civil Liberties Bureau and the I. W. W. (See p. 1901 of report of the New York legislative committee.)

Mr. Francis Fisher Kane, another of the 12, had on January 12, 1920, resigned his position as United States district attorney for the eastern district of Pennsylvania, stating as reasons therefor that he was out of sympathy with the antiradical policies of Mr. Palmer and his method of carrying them out. Entertaining the views he did and as expressed in a letter to the Attorney General of January 12, 1920, Mr. Kane acted most honorably in tendering his resignation, and his sincerity can not easily be questioned. He states in his letter that as he reads the manifestos of the Communist Party that party does not expressly stand for the overthrow of the Government by force; further that he "believes in the nationalization of the railroads, of the coal industry, and perhaps other public utilities." He disagrees with the Post Office Department in denying to the New York Call (Socialist) second-class mailing privileges and says that he would like to see section 3 of the espionage act die, etc. Mr. Kane's statement before the committee and the letter to the Attorney General, found on pages 294-350 of the Senate hearings, gives the impression that his tendencies are strongly Socialistic and serves to explain his part in the report of the committee of 12 and his appearance before the Senate committee.

Mr. Swinburne Hale is also a signer of the report of the committee of 12. While making no statement before the Senate committee, his testimony before the House committee was published in pamphlet form under the caption "Do we need more sedition laws?" He was a member of the platform committee of the committee of 48 at the St. Louis convention, December, 1919. He held the rank of captain in the National Army and was in the military intelligence section. He resigned when the New York legislative committee demanded information regarding Ludwig Martens. He is reported to have said during the course of a speech before the committee of 48 in Chicago, "I will never be drafted or serve again in another war of offense or defense."

Dean Tyrrell Williams, of the Washington University Law School, St. Louis, Mo., is also one of the complainants who appeared before the Senate committee. His statement is found at pages 207-224 of the hearings. The committee find nothing of value in the statement and little that is relevant to this inquiry.

Jackson H. Ralston, of Washington, D. C., one of the signers of the report, was responsible largely for the institution of the charges against the Department of Justice, as shown by his statement at pages 257-258 of the Senate hearings. Mr. Ralston communicated with the majority of those attorneys who signed the National Popular Government League report, and was counsel for some of the men arrested. He was counsel for Mr. Louis F. Post, Assistant Secretary of Labor, in a hearing before the House committee on charges against Mr. Post arising out of his actions and policies in connection with deportation proceedings. Impeachment proceedings against Mr. Post were threatened or imminent at the time, hence it does not seem far-fetched to say that the formal charges against the Department of Justice had their origin in the inquiry first made by the House concerning the course pursued by the Assistant Secretary of Labor. Mr. Ralston, as well as others who signed the report, are members of the National Popular Government League.

In conclusion, your committee is of the opinion there was no usurpation of power by the Department of Justice in its cooperation with the Department of Labor in the deportation proceedings which have been the subject of this inquiry; that the execution of warrants of arrest by the agents of the Department of Justice was lawful; that no constitutional right was violated in making arrests on telegraphic warrant, as permitted by rule 22 of the rules governing in deportation proceedings; that the change made in rule 22 in December, 1919, did not deprive any alien of "due process of law"; that in the matter of searches and seizures under warrant, or without search warrant, in deportation cases, the Attorney General could justify his course under the decision of the Supreme Court holding that in such cases the constitutional guaranties have no application. In any event, your committee do not find that any great hardship or deprivation ensued from the use of search warrants by the agents of the Department of Justice.

The question of simultaneous arrests or raids in different cities and sections of the country is largely a matter of policy. Reference has hereinafter been made to the conditions existing or believed to exist at the time these raids were made. The department evidently proceeded on the theory that simultaneous arrests was the most effective way of putting an end to extreme radical activities and ascertaining who among the great body of aliens in our country were subject to deportation because of their membership in organizations proscribed by the statute. Your committee can not say but that the policy thus adopted and carried out was an effective one. Subsequent events and conditions might very well indicate that it was effectual.

But, on the other hand, your committee are of the opinion that the arrests of aliens and their detention afterwards was in some instances accompanied by unnecessary hardships. In some instances, as at Detroit, for example, arrests in such large numbers should not have been made, or facilities should have been provided in advance for the accommodation, under reasonable conditions as to room and sanitation, of all who were arrested. It seems to your committee that there was a lamentable want of foresight on the part of those agents of the Department of Justice who were in charge of the raids in this respect. Further, more complete facilities should have been provided for the speedy examination of all who were taken into custody, in order that the work of those found not to be subject to deportation should not suffer or their families be deprived of their presence at home. There was, it seems to the committee, an unnecessary delay in making some of these examinations.

Further, we think that in some cases, particularly in the cases of the arrests at Bridgeport and Detroit, there was unreasonable delay in finally determining whether the aliens arrested were subject to deportation. But to what extent the Department of Justice should be

held responsible for these delays your committee is hardly in a position to say. Presumably the work and any supervision on the part of the Department of Justice ended when the arrests were made and the alien was turned over to the immigration inspector of the Department of Labor. If delays were thereafter caused by a failure of the agents of the Department of Justice to present evidence in the case, then the department or such agents are responsible, but as to whether delay of this kind was caused by the agents of the Department of Justice does not clearly appear. But, in any event, and whoever is chargeable with such delay, aliens should not be kept confined in jails, barracks, or elsewhere for months, as was done in some cases, without determination of the question as to whether they are liable to deportation or not, or without actual deportation if found subject to deportation under the statute.

Your committee are of the opinion that in the interests of certainty and to avoid confusion in the administration of statutes providing for the deportation of aliens there should be some additional legislation amending present statutes so as to provide:

(a) A more explicit definition of what shall constitute opposition to the Government by force or what shall constitute the advocacy of the overthrow of the Government by force or violence, either by the individual or by any association or organization of individuals.

(b) That the Department of Justice, through the Bureau of Investigation, be given specific concurrent authority with the Bureau of Immigration of the Department of Labor in the apprehension of aliens subject to deportation for any of the statutory reasons, the general jurisdiction of the Department of Labor to issue warrants for arrest in such cases and to hear and determine the same to remain in the Department of Labor as at present.

(c) That the Attorney General of the United States be given specific authority to be represented by a duly authorized assistant in all cases before the Department of Labor based upon evidence or information submitted by the Department of Justice and to have the right to examine and cross-examine witnesses.

(d) That in addition to agents of the Department of Justice warrants of arrest in deportation cases may be executed by any civil officer of any State or of the United States engaged in the enforcement of law to whom such warrant may be addressed and delivered for service.

(e) A limit should be fixed on the time during which one arrested in deportation proceedings may be held in jail to await a determination by the Department of Labor, the period of delay occasioned by him not to be included, and a limit also to the time within which he shall be deported if found subject to deportation.

CHARGES OF ILLEGAL PRACTICES OF THE DEPARTMENT OF JUSTICE.

REPLY BY SENATOR WALSH OF MONTANA TO THE REPORT HERETOFORE SUBMITTED BY SENATOR STERLING TOUCHING CHARGES OF ILLEGAL PRACTICES OF THE DEPARTMENT OF JUSTICE.

The report submitted by the Senator from South Dakota in the nature of a comment made upon the disclosures before the subcommittee directed to inquire into the charges of illegal practices by the Department of Justice would, if approved or acquiesced in, afford more occasion for alarm, in the view of the undersigned, than even the acts of the department he has heretofore felt compelled to condemn.

It will be noted that in no particular are the facts as recited in the report submitted by me disputed. Issue is taken on some of the legal propositions advanced, and in connection therewith views are expressed which, but for the exigency which their author conceives to exist, never would be asserted by him or by anyone who appreciates or prizes the essentials of liberty. To these the observations herewith submitted will be in the main addressed. In passing, however, it may be remarked that by every adroit method of approval the committee is by the report under review solicited to conclude that "the end justifies the means." Even the horrible condition which prevailed in Detroit in consequence of the wholesale arrests made there is, in a measure, condoned by the mildness of the criticism directed at those responsible for it. It was perhaps somewhat worse there than elsewhere, but in some degree the same dire consequences must have ensued wherever the hordes taken in the "raid" were assembled. It was not only at Detroit that some of the victims "went crazy."

I shall spend no time on those portions of the report in which there are considered at some length the alleged abusive treatment of individual aliens by the subordinates of the department, set out in the pamphlet of the Popular Government League, and the character of the lawyers assuming the authorship of the same, obvious attempts to divert attention from the serious matters revealed by the hearings. It is enough to say, with reference to the wrongs so complained of, that even if fully established it would be sufficient for the responsible superior officers to say, as they no doubt might truthfully say, that they had in no manner countenanced them and had no knowledge that they were perpetrated.

I can not forbear, however, from remarking that perhaps the state of the record in that regard might not be so satisfactory to the Senator from South Dakota had he made any effort to go into the charges in that line. The department came forward with its version of the affair, presented as was the showing in the pamphlet, as a rule, by affidavit. The writer thought it useless, and perhaps more than useless, to spend time upon such an inquiry. No other member of the committee proposed a searching inquiry or proposed to call the alleged victims or those likely to support their complaint. And now it is regarded persuasive that the charges were not backed up at the hearing.

This is no adversary proceeding in which the National Popular Government League or any individual or group of individuals is required to assume the burden of proof. In the pamphlet is an affidavit of one De Silver, telling of the way a raid upon and search of the office of the newspaper organ of the Communist Party was carried out, the place being described as being in a state of wreck thereafter. The report says:

"It is significant that Mr. De Silver, considering his position, did not appear before either the subcommittee of the Senate Judiciary Committee or the House Rules Committee, although he alleges that he was an eyewitness."

Mr. De Silver was not called before the subcommittee of which the Senator from South Dakota was the chairman. If the issue upon which Mr. De Silver testified was by the chairman deemed important, he had the power of the Senate to compel the attendance of the witness and to require him to subject himself to examination and cross-examination.

As to the alleged "radical" tendencies of the lawyers mentioned, their character neither in that regard nor in any other appears to have any relevancy whatever to the inquiry before this committee, either

with respect to the facts which, as stated, are not denied, or with respect to the law applicable to such facts.

It might reasonably be assumed that some at least of those making complaint of the treatment accorded those taken in the raids were upon one consideration or another more or less sympathetic with them.

The argument of the Senator from South Dakota proceeds upon the theory, not avowed but nevertheless clear, that the Department of Justice may do anything which the law does not forbid. He finds, for instance, that while under the act of 1892 a Chinaman may be arrested, with a view to his deportation, by any United States customs official, collector of internal revenue or his deputies, or United States marshal or his deputies, and, impliedly, by no one else, a white man may be arrested by anyone to whom the Secretary of Labor, or even an immigration inspector, may deliver the warrant for service or by anyone who may by either of such officials be directed to do so, there being in the law no class of officers expressly authorized to make service of the warrant upon white aliens. So he reasons concerning searches and seizures. Reaching the conclusion that the fourth amendment does not extend to deportation proceedings and finding in the law no express prohibition upon the perpetration, under the express command of the department, of such outrages as the evidence shows were committed, in order to secure documentary evidence, he finds nothing to condemn, in either the order or the manner in which it was carried out. I proceed to canvass the contention that searches and seizures such as those ordered and carried out as shown by the record before us are not forbidden by the fourth amendment.

It is indisputable that the Government may admit or exclude aliens in its discretion except as it may be restrained by treaty, and may, accordingly, prescribe the conditions under which they may enter or remain. It is likewise settled beyond controversy that no one is entitled to have tried by a court the question as to whether he is or is not subject to deportation—the determination of that question may be reposed in an administrative officer. That one charged with being an alien in this country in violation of its laws is entitled to a hearing before he can be deported would seem to need neither elucidation nor argument. It is monstrous to conclude, as one must conclude if the argument of the Senator from South Dakota is to be followed to its logical result, that the Secretary of Labor may deport anyone, even a citizen of the United States, whom he believes to be subject to deportation, without being required to observe the constitutional principle that no person shall be deprived of his life, liberty, or property without due process of law, implying, as it does, as declared by Webster, the right to be heard before being condemned. Indeed, orders of deportation come under review by the courts only upon the contention that by the proceedings resulting in them the petitioner has been, and that by the execution of such order they will be, deprived of their liberty without due process of law, the court being by section 753, Revised Statutes of the United States, authorized to issue and to hear writs of habeas corpus when a prisoner is in custody. "In violation of the Constitution * * * of the United States." The question was squarely presented to the Japanese immigration case (189 U. S. 86, 100-101), in which the conclusion of the court was expressed in the following language:

"It has been settled that the power to exclude or expel aliens belonged to the political department of the Government, and that the order of an executive officer invested with the power to determine finally the facts upon which an alien's right to enter this country or remain in it depended was due process of law, and no other tribunal, unless expressly authorized by law to do so, was at liberty to re-examine the evidence on which he acted or to controvert its sufficiency. (*Fong Yue Ting v. United States*, 149 U. S. 698, 713; *Nishimura Ekiu v. United States*, 142 U. S. 651, 659; *Lem Moon Sing v. United States*, 158 U. S. 538, 547). But this court has never held, nor must we now be understood as holding, that administrative officers when executing the provisions of a statute involving the liberty of persons may disregard the fundamental principles that inhere in "due process of law" as understood at the time of the adoption of the Constitution. One of these principles is that no person shall be deprived of his liberty without opportunity at some time to be heard before such officers in respect of the matters upon which that liberty depends, not necessarily an opportunity upon a regular set occasion and according to the forms of judicial procedure but one that will secure the prompt, vigorous action contemplated by Congress and at the same time be appropriate to the nature of the case upon which such officers are required to act. Therefore it is not competent for the Secretary of the Treasury or any executive officer at any time within the year limited by the statute arbitrarily to cause an alien who has entered the country and has become subject in all respects to its jurisdiction and a part of its population, although alleged to be illegally here, to be taken into custody and deported without giving him all opportunity to be heard upon the questions involving his right to be and remain in the United States. No such arbitrary power can exist where the principles involved in due process of law are recognized."

It will be noticed that the case first cited in the above quotation is *Fong Yue Ting v. United States* (149 U. S. 698, 713). The proposition determined therein is accurately stated in the opening sentence of the excerpt above set out. The counsel for the alien had insisted that the proceedings under review before a United States judge, as provided by section 6 of the act of 1892, were judicial in their character, criminal in their nature, and that the guarantees of the Constitution in reference to criminal proceedings were applicable. Attacking the views expressed by the court, Justice Brewer said:

"I utterly dissent from and reject the doctrine expressed in the opinion of the majority that 'Congress, under the power to exclude or expel aliens, might have directed any Chinese laborer found in the United States without a certificate of residence to be removed out of the country by executive officers, without judicial trial or examination, just as it might have authorized such officers absolutely to prevent his entrance into the country.' An arrest in that way for that purpose would not be a reasonable seizure of the person within the meaning of the fourth article of the amendments to the Constitution. It would be brutal and oppressive."

And again:

"His deportation is thus imposed for neglect to obtain a certificate of residence, from which he can only escape by showing his inability to secure it from one of the causes named. That is the punishment for his neglect, and that, being of an infamous character, can only be imposed after indictment, trial, and conviction."

These expressions from the dissenting opinion are not quoted in the belief that they, rather than the majority opinion, constitute the sounder view of the law, but simply to indicate the question that was before the court in the *Fong Yue Ting* case and what was decided therein. They were answered in the opinion of the court thus:

"The order of deportation is not a punishment for crime. It is not a banishment in the sense in which that word is often applied to the

expulsion of a citizen from his country by way of punishment. It is but a method of enforcing the return to his own country of an alien who has not complied with the conditions upon the performance of which the Government of the Nation, acting within its constitutional authority and through the proper departments, has determined that his continuing to reside here shall depend."

Then follows the remark so much relied upon by the Senator from South Dakota:

"He has not, therefore, been deprived of life, liberty, or property without due process of law; and the provisions of the Constitution securing the right of trial by jury and prohibiting unreasonable searches and seizures and cruel and unusual punishments have no application."

Justice Gray, for the court, was trying to make it clear that those provisions of the Constitution securing certain rights to defendants in criminal proceedings are inapplicable to proceedings for deportation. If what he said is to be considered as an asseveration that the fourth amendment applies only to warrants issued in criminal proceedings, it must be considered as having been overruled in *Weeks v. U. S.* (232 U. S. 392), referred to in the original report of the writer, in the opinion in which the court says:

"The effect of the fourth amendment is to put the courts of the United States and Federal officials, in the exercise of their power and authority, under limitations and restraints as to the exercise of such power and authority, and to forever secure the people, their persons, houses, papers, and effects against all unreasonable searches and seizures under the guise of law. This protection reaches all alike, whether accused of crime or not, and the duty of giving to it force and effect is obligatory upon all intrusted under our Federal system with the enforcement of the laws."

Indeed, no one who attends to the history of the times in which the amendment in question had its origin can have any doubt about the proposition thus stated by the court. It is perfectly well known that the amendment was proposed and adopted as a guaranty against practices like the issuance of writs of assistance, the controversy over which stirred the Colonies from Massachusetts to Georgia. Those writs were not issued in criminal proceedings, but were sued out by the customs officers to search for smuggled goods.

The question of the applicability of the fourth amendment to arrests with a view to deportation was not presented in the *Fong Yue Ting* case, and being a habeas corpus proceeding to test not the original arrest but the order of deportation could not have been presented. It is perfectly well settled that in such a proceeding the validity of the original arrest is not a subject of inquiry. In *Ekin v. United States*, 142 U. S. 651, 662, the court said:

"A writ of habeas corpus is not like an action to recover damages for an unlawful arrest or commitment, but its object is to ascertain whether the prisoner can lawfully be detained in custody; and if sufficient ground for his detention by the Government is shown he is not to be discharged for defects in the original arrest or commitment." (*Ex parte Bollman & Swartwout*, 4 Cranch, 75, 114, 125; *Coleman v. Tennessee*, 97 U. S. 509, 519; *United States v. McBratney*, 104 U. S. 621, 624; *Kelley v. Thomas*, 15 Gray, 192; *The King v. Marks*, 3 East, 157; *Shuttleworth's Case*, 9 Q. B. 651.)

To the same effect are *Moy Wing Sun v. Prentiss* (234 Fed. 24), *Ex Part Chin Him* (227 Fed. 131), and *Ong Seen v. Burnett* (232 Fed. 850).

The question to be determined is not whether the alien was or was not legally arrested, but whether he is or is not entitled to remain in the United States. The legality of his arrest can be determined only upon a motion seasonably interposed to discharge him or in an action for false imprisonment. So on an appeal from a judgment of conviction, the question to be resolved is the guilt or innocence of the defendant, and it is wholly irrelevant whether he was legally or illegally arrested.

Much is claimed for the opinion of Judge Westenhaver, referred to in the report which is the subject of this comment, and particularly it is asserted that it was by him decided that arrests in deportation proceedings may be made without a warrant. That is not what he held. What he asserted was simply that the arresting officer need not necessarily have the warrant in hand. No one will contend that when a sheriff goes with a posse to make an arrest under a warrant the member thereof who actually makes the capture must have manual possession of the warrant, but the rule applicable in such a case affords no justification for an arrest in Concord, N. H., because of a warrant in the hands of an officer in Boston, and a *fortiori* for an arrest without any warrant. But whatever was said by Judge Westenhaver touching the validity of the original arrest was as shown by the authorities cited above, wholly beside the question before him. Anything said on the subject is obiter in the extreme sense, irrelevant except that in considering the question of whether the hearing by the administrative officers was fair—that is to say, whether the prisoner had a hearing in a just sense—oppressive and illegal acts of the arresting officer appearing to act conjointly with his inquisitors may be taken into consideration. (*Whitefield v. Hanges*, 222 Fed. 745, 748-749.)

The Department of Justice did not have the view when it directed, nor did its agents when they carried out, the searches and seizures complained of, that the fourth amendment is inapplicable to and affords no guaranty whatever in deportation proceedings against either arbitrary arrests or unreasonable searches and seizures.

The general circular of instructions issued by the bureau of investigation to its agents who were to carry on the raids—which, by the way, though made the basis of much of the criticism in the report heretofore submitted by the writer, is not even mentioned in that here reviewed—admonishes them to sue out search warrants wherever "absolutely necessary" to secure the documentary evidence it was hoped would be captured. And such search warrants were sued out in pretended conformity to the requirements of the fourth amendment, but upon a showing that no lawyer could regard as sufficient, as shown in the earlier report to this committee. Not only was the showing no more than a pretense of compliance with the Constitution but the warrant, in its command, made no efforts at "particularly describing the * * * thing to be seized."

But let it be assumed that the fourth amendment has no application to deportation proceedings. Still there is no warrant in the law for entering a man's house, rifling his drawers, peering into his private papers, and walking off with any documents that are his, for any purpose, much less to use them as evidence against him.

Speaking of the great argument of James Otis against the oppressive writs of assistance, John Adams said: "Then and there the Revolution began." Otis, who appeared on the stage, of course, before the fourth amendment came into existence, contended that searches such as were contemplated under writs of the character against which he arraigned were contrary to the principles of elemental justice and violative of the spirit of the common law. But even the arrogant

minions of the Crown did not go so far as to insist upon the right to search without any warrant, nor to contend that, in the absence of any express provision in the law prohibiting searches without a warrant, they were at liberty to prosecute such.

The circular letter referred to, which the Senator from South Dakota chooses to ignore, says:

"I have made mention above that the meeting places and residences of the members should be thoroughly searched. I leave it entirely to your discretion as to the method by which you should gain access to such places. If, due to the local conditions in your territory, you find that it is absolutely necessary for you to obtain a search warrant for the premises, you should communicate with the local authorities a few hours before the time for the arrests is set and request a warrant to search the premises."

He informs the committee that no searches were made except with the consent of the inmates or the occupants of the dwellings. It can not be pretended that the subcommittee made any inquiry into the conditions under which each search and seizure was made—the command was to search and seize *volens volens* and to get a search warrant where "absolutely necessary."

Of what consequence is it that some of the subordinates of the department or all of them considerately disobeyed this command or executed it with some attention to the proprieties which their innate devotion to the principles of liberty suggested. The law, under any and all circumstances, forbade the searches and seizures for the purpose of securing evidence, and the pretense that they were made to secure the implement of crime ought to be left for exploitation to those who are responsible for them. It does not commend the report of the Senator from South Dakota that he does not frankly admit that they were entirely lawless. He advances, however, a new excuse for them, not heretofore thought of by the young man, Mr. Hoover, who, as shown by the famous circular letter, was acting as counsel in the prosecution of the raids, namely, that under the espionage act the circulars and other proselytizing literature being put out by the proscribed organizations having been declared by the Postmaster General to be unmailable, they became instruments for the commission of the crime of mailing the same. The fact that the Postmaster General held the matter to be unmailable is of no consequence. The statute reads as follows:

"SEC. 2. Every letter, writing, circular, postal card, picture, print, engraving, photograph, newspaper, pamphlet, book, or other publication, matter, or thing of any kind containing any matter advocating or urging treason, insurrection, or forcible resistance to any law of the United States is hereby declared to be nonmailable."

"SEC. 3. Whoever shall use, or attempt to use, the mails or Postal Service of the United States for the transmission of any matter declared by this title to be nonmailable shall be fined not more than \$5,000 or imprisoned not more than five years, or both."

No new feature is introduced into the question by this statute, except possibly the feature of forcible resistance to the law as distinguished from forcible overthrow of the Government. It is even less exact to speak of the literature as "property to be used in the commission of a felony" when appeal is made to this statute than when reference is made to section 6 of the Criminal Code. In my judgment it is not an instrument for the commission of either crime, though it undoubtedly might and probably would be evidence of the intent to commit either or both. But let that go. I inquire again, What justification can be offered—none has been—for the direction of the circular emanating from the department to seize membership cards, financial records, "all literature, whatever its character, books (minutes of the meetings of the society, even works in its library, if it has one), papers, and anything hanging on the walls," a print of Carl Marx or a picture of the fall of the Bastille, for instance?

I confess to some surprise that the Senator from South Dakota did not frankly admit that the claim that the searches and seizures ordered by the department and carried out by its subordinates is not a mere pretense and a very shallow pretense, the object—and the only object of them—being to secure evidence. Nor can I refrain from remarking that even in the zeal that he has displayed to exonerate the officials responsible for them he has had no word to say for either the absurd showing upon which the warrants were issued or the equally absurd character of the command they carry. He must justify them, so far as his own conscience is concerned, upon the theory that they are not expressly forbidden in the law, for in justice to him it should be said, with reference to the considerations just canvassed the report says, not that he maintains but that "the Attorney General claims" or "the Attorney General insists."

Not so with respect to arrests without a warrant. Here the Senator himself subscribes to the doctrine that the absence of a prohibition in the law affords room for the belief that they are justifiable. Here is his language:

"So far as arrests without warrant of any kind are concerned, they should be justifiable, no law prohibiting them, in cases and under circumstances analogous to arrests in criminal cases when permitted at common law and under the statutes of perhaps all the States."

The common law—the development of ages—authorizes the arrest of one caught *flagrante delicto*—in the actual commission of a crime. Upon what course of reasoning can the conclusion be arrived at that one who has committed no crime, but is subject to arrest under a purely statutory proceeding, with a view to his deportation, authorizing an arrest by authority of a warrant, can be arrested without a warrant? It is said that by analogy the right arises. Even if that were admitted, the conditions are by no means analogous. An officer may arrest one caught in the act, because all the facts necessary to the guilt of the prisoner takes place under the very eyes of his captor. His testimony alone will furnish proof of the guilt of the offender. But the officer who arrests one taken at a meeting of the Communist Party may, and probably will, be unable to say (1) whether the meeting was, indeed, a meeting of the Communist Party; (2) whether, though the prisoner was at the meeting, he was, in fact, a member of the party, or possibly a postulate who went with a view to determining whether to become a member or not, or went out of mere curiosity, or as a student of politics or sociology or as a reporter for some journal; or (3) whether the man is an alien or a citizen of the United States. Though it would be a strained inference to conclude that every man at the meeting is a member of the proscribed party, it would be wholly inadmissible to conclude that all members or all those attending are aliens. It is impossible to overlook the fact that many of those identified with the proscribed organizations are American citizens—the leaders often are. Bill Haywood and most of his associates, the moving spirits of the I. W. W., are such. Eugene Debs is a native American, and so, I believe, are Foster and Morgolis.

So much for arrests without any warrant. As to telegraphic warrants, the report of the Senator from South Dakota asserts that their

"validity" "when issued in accordance with the rule of the Labor Department is 'recognized' in *Jouras v. Allen* (222 Fed. 756)."

The value of the report under review in its discussion of the law involved may be gauged by the following from the opinion of the court in that case, written by Judge Sanborn:

"Gust Jouras is a Greek. He entered the United States in accordance with its law in 1903, when he was about 16 years of age, and has resided in it ever since. For five years prior to his arrest by the inspector he lived in Kansas City. He was, and long had been, engaged in operating restaurants and lunch wagons in that city, and at the time of his arrest he and his two partners were the owners of two restaurants worth \$1,500, which they were operating. The record convinces that he was a quiet, peaceable, business boy. There is no evidence that he was violent, passionate, or dangerous, or that he ever concealed, or intended to conceal, his whereabouts, or to flee or clandestinely escape from any charge or arrest. Prior to January 5, 1914, the inspector took the ex parte statements of Mrs. Brown and other prostitutes in reference to the charge subsequently made against Jouras, and on that day made a telegraphic application for a telegraphic warrant of arrest. He received such a warrant of arrest, which read in this way:

"Arrow Gust Jouras receipt or relay thirty.

"4.05 p. m.

"W. B. WILSON, Secretary."

"The meaning of this statement is said by the inspector to be:

"Arrest following named alien (Gust Jouras) and bring before yourself for hearing, forwarding record of proceedings to the department; alien found receiving, sharing in, and deriving benefit from the earnings of a prostitute or prostitutes. Authority granted for release under bond in the sum of \$3,000."

"Rule 22b of the Department of Labor requires that during the hearing the alien shall be allowed to inspect the warrant. The purpose of that portion of that rule is to inform the accused of the genuineness of the signature to the warrant and of the charges against him. But such a telegraphic warrant in a code of which the alien is ignorant accomplishes neither of these objects. The signature to it is not the genuine signature of the Secretary, or any officer, and the telegram gives the accused no information. Hence rule 22, subdivision 2, requires that 'Telegraphic application may be resorted to only in case of necessity.' There was neither necessity nor reason for a telegraphic application in this case. But the inspector having made a telegraphic application and procured the telegraphic warrant at about 4 p. m. on Saturday, January 5, 1914, went to Jouras's restaurant, seized him, and caused him to be thrown into and kept in solitary confinement in a dark cell at police headquarters 'for investigation' during Saturday night, Sunday, Sunday night, and until Monday at 11 a. m., when he took him to his room, handcuffed him, and with a weapon at his command gave him a hearing there without counsel or friend, which consisted of questioning him in an exceedingly threatening manner, and writing down what he succeeded in extracting from him. This course of action was arbitrary, contrary to the rule regarding telegraphic applications, a clear abuse of the discretion of the inspector, and a hearing thus conducted is unfair and contrary to the fundamental principles which inhere in due process of law." (*United States v. Ruiz*, 203 Fed. 441, 443; 121 C. C. A. 551.)

The case immediately preceding the Jouras case, as they are reported in 222 Federal, is *Whitfield v. Hanges*, which might, with equal accuracy, be said to "recognize" the "validity" of telegraphic warrants, for, as in the Jouras case, not a word is said as to whether such warrants are or are not valid. But some aspects of the proceedings assailed before this committee as they present themselves to the judicial mind are revealed in their repellent character by the following from the opinion in that case by the same eminent judge who wrote the opinion in the Jouras case:

"The appellant received a telegraphic warrant of arrest, caused the appellees to be arrested, and was examining one of them, and with his employees, Captain Campbell and another police officer, was holding them in confinement and preventing them from seeing or consulting with any other person, when their counsel appeared and demanded to see and consult with them and to take part in the examination. The inspector refused this request, permitted no one to see and consult with them until after he had examined each of them in secret. After their examination was completed he permitted them for the first time to see anyone but himself and the police officers and to have counsel and to introduce the testimony of witnesses. It will be noticed that the rule gives the inspector no authority secretly, in the presence of no one but himself and his police officers, whose presence and power unavoidably places the defenseless alien under fear and restraint, to examine or question him. It is limited to giving authority to the inspector to give the alien a hearing to enable him to show cause why he should not be deported, and by its terms it excludes a secret examination of the alien to extort a confession or evidence unfavorable to him. The provisions of the rule that the inspector shall grant the alien a hearing, that during the hearing he shall be permitted to inspect the warrant, and that at such stage thereof as the officer deems proper he shall be permitted to have counsel were made for the benefit of the alien for the purpose of giving him a fair trial. The liberty, and the property also—for if he is imprisoned and deported he must lose his business and sacrifice his property—of a permanent resident alien, like the appellees, as well as their deportation, are involved in the issue, and these provisions of the rule should be liberally construed to accomplish their plain purpose. To the same end the discretion of the inspector in determining when the alien shall inspect the warrant and when he shall have counsel should be exercised so that his hearing shall be full and fair. A denial of permission to him to see the warrant and to have counsel within five minutes of the close of the hearing would be a clear abuse of discretion and would render the provisions of the rule as administered 'inconsistent with law' and void. Although a law or rule be fair and just in appearance, yet if it is applied and administered by public authority with an evil eye and an oppressive hand, so as to deprive a person of his fundamental rights, it can not be sustained." (*Yick Wo v. Hopkins*, 118 U. S. 356, 374, 6 Sup. Ct. 1064, 30 L. Ed. 220; *Henderson v. Mayor of New York*, 92 U. S. 259, 23 L. Ed. 543; *Chy Lung v. Freeman*, 92 U. S. 275, 23 L. Ed. 550; *Ex parte Virginia*, 100 U. S. 339, 25 L. Ed. 676; *Neal v. Delaware*, 103 U. S. 370, 26 L. Ed. 587; *Soon Hing v. Crowley*, 113 U. S. 703, 5 Sup. Ct. 730, 28 L. Ed. 1145.)

"One of the objects of this rule was to give, not to deprive, the alien of the benefit of counsel. The time when an alien, who is ordinarily ignorant of the law, of legal procedure and of his rights, may derive the most benefit of counsel is when he is arrested and his hearing begins. It would have been no abuse of the discretion of the inspector to have permitted the appellees to have counsel to advise them immedi-

ately upon their arrest, to be present and to take part in the proceedings at and after the first stage of the examination and hearing of the aliens. Such a course would have been in accord with the fundamental principles of English and American jurisprudence, consistent with the law, and it should have been pursued."

The practice here so emphatically and so justly condemned was that regularly pursued in connection with the raids of November, 1919, and January, 1920. It will be noted that the court seems to regard the right of the prisoner, in custody in deportation proceedings, to counsel "when he is arrested and his hearing begins" as essential to a fair hearing and consequently that to deny it is to proceed without due process of law. If that be sound, and it certainly is sensible, then the midnight change in the rule regarding counsel, effected intervening the issuance of the warrants in anticipation of the raids of January 2 and their execution, was void, as it was applied, and the refusal to permit those proceeded against to procure or consult counsel until after what is referred to as the preliminary hearing was a censurable abuse.

In the Pannunzio report the author states that he found men who had been in jail for weeks and for months in some cases and were still held incommunicado because they had not yet had their preliminary hearing. (Hearings, pp. 335-336.)

The quotation last above will serve to dissipate an erroneous view, evidently entertained by a member of the committee, that the examination to which the persons taken in the raids were presently subjected, without the presence or assistance of counsel, was conducted by the arresting officer and that complaint in that regard had no better foundation than would be a criticism of a sheriff for talking with his prisoner.

The fact is that the examination was not in the nature of an informal conversation between the prisoner and the arresting officer, but was a formal inquiry before an immigration inspector, who, at the so-called final hearing, heard and recorded any additional evidence that might be adduced either for or against the prisoner and who, under the rules, was required, on transmitting the record to the department, to make recommendations as to the disposition which should be made of the case.

Though the Senator from South Dakota insists that the warrant authorized by the statute may be served by anyone to whom it is delivered for service, and consequently that it may be addressed to anyone, because the statute does not say to whom it shall be addressed or who may serve it—another application of the principle for which he contends that anything may be done which the law does not forbid—he is not so confident of the soundness of that position as to abandon the fiction that the officers of the Department of Justice were "cooperating" with those of the Department of Labor in making the arrests. This he asseverates and reasseverates, though he is significantly silent about the command of the Burke letter, "It is to be distinctly understood that the arrests made are being made under the direction and supervision of the Department of Justice," and so they were made. Neither does he think it worth while to comment on the statement in the letter of the Comptroller of the Treasury that the Department of Labor declined to reimburse the Department of Justice on account of expenses incurred by it in connection with the arrests, because the services had been rendered "without request or authority from the Department of Labor."

Enough has been said on the legal propositions advanced in the original report, successfully assailed, as it is insisted, in no particular, namely—

1. The agents of the Bureau of Investigation of the Department of Justice have no authority to make arrests in deportation proceedings, if, indeed, they have authority to make arrests at all.

2. The agents of the Department of Labor have no authority to make an arrest looking to deportation without a warrant.

3. The issuance of a warrant upon the unsworn statement of an agent of the Bureau of Investigation is a plain violation of the fourth amendment to the Constitution of the United States.

4. There is no authority in the law for the conduct of a search in deportation proceedings, either of the residence of the alien or of the meeting places of societies condemned by the immigration laws, or for the seizure of books, records, or papers of either.

5. There is no authority in the law for the issuance of a search warrant in deportation proceedings at all.

6. There is no authority in the law for the issuance of a search warrant to seize books or papers to be used as evidence, even of the commission of a crime, much less to establish a case in deportation proceedings.

Touching the inhumanity of arresting thousands of persons in one night, necessitating their being kept in fearfully overcrowded quarters, involving long delay in the preliminary hearing before the release of those who, upon no theory of the law or the evidence, could be deported, and still longer delay before the department, overwhelmed as it was, could finally decide whether the prisoner was or was not entitled to be released, the report has nothing to say except in feeble extenuation of the conditions admitted to have prevailed at Detroit, said to have been speedily relieved. It will be remembered that the jails of the city being crowded with those held after their escape from the fetid quarters to which they were originally confined in the Federal building, the city council spread upon its records a formal resolution demanding that they be removed, the health of the city being imperiled by the condition of the prisons occasioned by the presence of prisoners in such numbers.

Nothing is said in justification or excuse of the course of the department in that regard, save for a remark presently to be noticed, for it can not be said that the comment that the making of simultaneous arrests is an administrative matter resting in the discretion of the officers charged with the execution of the laws offers either excuse or justification. Undoubtedly it is an administrative matter—that is the nature of the complaint, that the discretion reposed in the department was frightfully, cruelly abused; that there was no exigency which required the simultaneous arrest of thousands of persons, including multitudes who were not legally subject to detention, and other multitudes who, though possibly technically subject to deportation, were perfectly harmless, deluded individuals, prospective citizens of a most desirable class, wanting only a rudimentary knowledge of our system of government with which they had had no opportunity to acquaint themselves. The committee is still unapprised of the reason for these wholesale arrests or why the generality of those held were not tolerated until in due course they could be proceeded against in an orderly manner, the "leaders" only in the revolutionary movement, if there was one, and the "officers" of the proscribed societies being apprehended, as the Attorney General with fine sarcasm advised the committee he had done. The course pursued had a virtue, how-

ever, in the opinion of the Senator from South Dakota—it was effectual. He says:

"The department evidently proceeded on the theory that simultaneous arrests was the most effective way of putting an end to extreme radical activities and ascertaining who among the great body of aliens in our country were subject to deportation because of their membership in organizations proscribed by the statute. Your committee can not say but that the policy thus adopted and carried out was an effectual one. Subsequent events and conditions might very well indicate that it was effectual."

That is the idea. Why quibble over the law or dwell upon rights guaranteed by the Constitution? Why cavil at the means if the ends attained are to be commended? Let that spirit have the slightest countenance from the Senate of the United States and the criminally inclined will cry, "Eie upon your laws." If we do not respect them, who may be expected to except from dread of the gallows or the dungeon?

Whether the course pursued, as it has been reviewed, to put "an end to extreme radical activities" was effectual or not is wholly beside the question before this committee, and varying opinions may well be indulged with respect thereto. For myself, I find it difficult to conceive of a course more powerfully calculated to excite widespread hatred of our Government and of all government, seeing that ours is, as we confidently believe, the best that the world knows. The indignities and outrages suffered by the victims, the majority of whom were released, will rankle in their breasts until their dying day, and their friends and relatives will share with them the conviction that justice "for a season bade the world farewell" when they went through the ordeal from which some of them emerged maniacal.

I am skeptical about the claim that the subsidence of radical activities is attributable to these lawless raids, particularly as the same change is noticeable all over Europe. That the change has ensued proves nothing to me. Post hoc non propter hoc. At the time the proceedings reviewed were in progress scare articles in the newspapers had excited the belief that Bolshevism was about to overrun Europe and to engulf America. It is quite probable that the founders of that political cult, with the ardor that has been often found to characterize the devotees of a new religion, went or sent their missionaries into remote countries to spread the faith which they had embraced and excited the enthusiasm and aroused the activities of those harboring related notions of government and of the organization of society in this country and other countries. It was claimed, and perhaps established, that very considerable sums of money were expended by the new Russian Government in propaganda, so widely and effectually pursued during the war, in disseminating the doctrines to which it was nominally attached. If Europe ever was alarmed at the prospect of being overrun either by the arms or the ideas of Russia, it has fully recovered its normal state; if there ever prevailed any general idea that the people of Europe were about to embrace Bolshevism, it has been dissipated.

Perhaps the initial enthusiasm of its advocates has waned; perhaps their pecuniary resources for purposes of propaganda have been exhausted; perhaps, in the distress which has calamitously come upon the people of Russia, they find better uses for their money at home; perhaps the ill success that has attended Bolshevik rule in Russia has hardened the hearts of those who might otherwise yield to the persuasive tongues of its evangelists in foreign parts or chilled the populace that might otherwise have heedlessly accepted their plan for the regeneration of the world; perhaps, and more likely, the public mind, overwrought by the war, has been restored to its normal operation and the plain common sense of the American people has again asserted itself. Perhaps it is one or all of these causes, or others not mentioned, rather than the lawless acts of the Department of Justice, that is responsible for the decadence of extreme radical activities in this country.

It is advanced that they should be condoned because both "the public and Congress must have known of the activities of the Department of Justice in connection with deportation cases or in raids made for the purpose of apprehending criminals and aliens subject to deportation." In that connection reference is made to the testimony of the Attorney General given before the House Committee on Rules in the month of March, 1920, and to the Poindexter resolution. The fact was evidently overlooked that the information given to the public by the hearings before the House committee was disclosed some months after the raids, and that the disclosure then made by the Attorney General was to the effect that he had caused to be apprehended the "leaders" and "officers" of the proscribed organizations. The response of the Attorney General to the Poindexter resolution of October 17, 1919, was timely, being transmitted under date of November 15, 1919. By the resolution he was requested to advise the Senate as to what steps he had taken to prosecute those guilty of the bomb outrages or of efforts to overthrow the Government by force, or of similar offenses, and also to advise "and inform the Senate whether or not the Department of Justice has taken legal proceedings for the arrest and deportation of aliens who, it is alleged, have within the United States committed the acts aforesaid; and if not, why not; and if so, to what extent."

To that part of the resolution he responded as follows:

"The administration of this law (the deportation statute) is entirely within the jurisdiction of the Department of Labor."

"However, under the existing conditions of our laws, it seemed to be the only means at my disposal of attacking the radical movement, and as Congress had seen fit to refuse appropriations to the Department of Labor for its enforcement, I have cooperated with the immigration officials to the fullest extent." (S. Doc. No. 153, 66th Cong., 1st sess., p. 10.)

The conclusion is a strained one that Congress either knew in advance or was later advised of the cruelties inflicted upon or the injustices suffered by the great multitudes caught in the raids.

Congress has not yet condoned the practices here condemned, and while it retains its right to the respect of the American people it never can condone them. We must either indorse the conduct of the department or we must repudiate its acts. There is no middle course. The offense, if offense there has been, was that of the Department of Justice. We become equally guilty if, being brought to our attention, and we find ourselves unable to commend it on the one hand, we refrain, from any cause, from denouncing it on the other.

Nor can we ignore the matter on the assumption that the affair is a closed incident. The same practices, or others of like character, are being even now pursued by the department officials. The New York World of August 6, 1921, has the following news item:

"After arresting Giuseppe di Filippi, the 23-year-old Bayonne (N. J.) truckman, on the charge of being the driver of the Wall Street bomb

wagon, and keeping him in a cell 14 days, practically incommunicado. Government officials went into court yesterday, 80 days following the original arrest, and asked that the charge be dismissed, virtually admitting that their suspicions were unfounded. Ellipio was taken into custody by agents of the Department of Justice May 17 last on information furnished by Thomas J. Smith, a former lieutenant of the New York fire department, who "positively" identified the young Italian as the driver of the hearse wagon. Smith had previously "positively" identified Tito Ligi in Scranton.

There was a time when it was fondly believed that nothing of the kind could occur in America, that the constitutional guaranty of a speedy public trial meant something more than a mere declaration, and imprisonment without an immediate hearing to determine whether there existed probable cause for holding the prisoner was unknown in this land of liberty.

Recently the offices of a committee directing a strike on a Georgia railway in the city of Atlanta were invaded upon the pretended authority of a subpoena duces tecum by the United States marshal, acting under the direction of a representative of the department, and all books, papers, and other documents therein seized and carried away to be used as evidence before a grand jury, at the time, on the initiative of the same department official, engaged in an inquiry as to whether the officers whose papers had thus been taken were not guilty of some offense cognizable by a Federal grand jury in connection with the strike then in progress. It is to the credit of the administration of justice in that jurisdiction that the court upon the petition of the parties whose rights were thus trampled upon, ordered the surrender of the documents and of all copies of the same which might have been made.

It has been said that though the clangor of arms had ceased, though actual peace had prevailed for more than a year when the raids were made, it was a time of high feeling, approaching hysteria, because of the general apprehension of the spread of Bolshevism, because of the dastardly bomb outrages, and the activities generally of the "reds." Of this state of mind the Poindexter resolution affords some evidence. There is no extension in that condition. It is only in such times that the guaranties of the Constitution as to personal rights are of any practical value. In seasons of calm no one thinks of denying them; they are accorded as a matter of course. It is rare except when the public mind is stirred by some overwhelming catastrophe or is agitated at some hideous crime, or otherwise overwrought, that one is required to appeal to his constitutional rights. If, in such times, the Constitution is not a shield, the encomiums which statesmen and jurists have paid it are fustian.

CREDIT EXTENSION FOR EXPORT OF GRAIN PRODUCTS.

Mr. NORBECK. I ask that an editorial which recently appeared in the Nation be printed in the Record in 8-point type. It relates to credit extension for the export of grain products.

There being no objection, the editorial was ordered to be printed in the Record in 8-point type, as follows:

[From the Nation of January 24, 1923.]

SENATOR NORRIS'S "SOCIALISM."

Of all the measures which have been put forward to help the poor farmer—who grows noticeably more militant in his poverty as the days go by—none has been so completely frowned upon by the pillars of normalcy as the Norris bill. The recent extended debate on this measure afforded us the gratifying spectacle of advocates of Government subsidies for ships, railroads, and banks denouncing Mr. Norris's proposals as the most "socialistic" agricultural program ever presented.

In the eyes of the administration spokesmen who are also engaged in formulating a prescription for the ills of the farmer (through the appropriate agency of the Senate Committee on Banking and Currency) the Norris bill was radically wrong. To these men the ideal remedy for the farmer is a remedy which halts the union now being cemented between the workers on the land and the workers in the city, a remedy appeasing the former while it does nothing to encourage the latter. The Norris bill, on the contrary, was specifically designed to "increase the price which the producer receives and decrease the price which the consumer pays." The essence of it was the proposal that the Government itself step in between the producer and consumer, eliminating some of the costly processes which eat up the farmer's profits and the worker's wages and stabilizing the great agricultural industry by stabilizing the marketing of its products. The Government was not to have a monopoly of the distribution of food, but through its competition was to force efficiency and economy. The bill would have created the farmers and consumers financial corporation, to be managed by a board of three directors appointed by the President with the advice and consent of the Senate. Capital stock, amounting to \$100,000,000, was to be subscribed by the Government. The corporation would have been empowered:

"To build, buy, lease, and operate elevators and storage warehouses; to buy agricultural products from any person or cooperative organization of producers within the United States and to sell such products to any person or cooperative organization of consumers within the United States, and to any person or cooperative organization of consumers, or to any government or subdivision of government without the United States; to act as agent of any person or cooperative organization producing or dealing in agricultural products within the United States in the sale of such products either within or without the United States; and to make advances for the purpose of assisting any person or cooperative organization in financing the sale, or exportation and sale, of such agricultural products,

but in no case shall any of the money so advanced be expended without the United States. Every such advance, and any sale of such products made on time, shall be secured by adequate security of such character as shall be prescribed by the board of directors."

The measure had another provision of special interest in view of the pending ship subsidy bill. This provision was thus explained by Senator NORRIS:

"It provides—and this has some relation to the ship subsidy bill that we are seeking to displace—that to this corporation shall be turned over by the Government any ship or ships that it owns, not chartered to any other corporation or not in use, with the provision that this corporation can use such ships as may be necessary in transporting the products it handles from this country to foreign ports, without any compensation for the use of those ships, except to keep them in repair and pay the expense of operation, and that in case of war, or when the President at any time believes there is danger of war, he shall notify the corporation, and the ships shall be immediately turned back, without the payment of any money. This will enable the Government to recuperate its merchant marine without any expense whatever."

Well, for the present the Norris bill is dead. The ship subsidy measure has been displaced by the Capper farm credits bill, which would extend the life of the War Finance Corporation and provide for the incorporation of various credit concerns, with power to buy and distribute farm products. But no appropriation for the accomplishment of these ends is included in the bill. Senator LENOX's measure, also awaiting consideration, would authorize the Treasury to advance \$5,000,000 each to the 12 Federal land banks. Both of these proposals aim at easier credit facilities for the farmer; neither goes to the root of the problem of distribution and fair prices. More credit for the farmer is all very well, but eventually mortgages or notes fall due, and as things stand the farmer has no cash with which to meet them, because it has cost him more to produce his wheat, his corn, and his potatoes than he has realized by their sale. Both farmer and labor groups in Congress supported the Norris bill. The Farmers' National Council aided in its drafting and backed it vigorously. The Cleveland conference of progressives indorsed its passage. And then when the vote came the progressives found themselves alone. Republicans and Democrats discovered their fundamental intimacy and voted to substitute for the ship subsidy bill the safe but ingratiating phrases of Senator CAPPER's measure. By this move the whole question of agricultural legislation is given over to the scant mercies of the Banking and Currency Committee.

Senator NORRIS had good authority for his "socialistic" bill, even though it antedated the Constitution:

"They shall build houses and inhabit them; they shall plant vineyards and eat the fruit of them. They shall not build and another inhabit. They shall not plant and another eat."

But it takes party support rather than authorities or precedents to pass bills, and the vote against Senator NORRIS's measure was 53 to 19. We hope that this easy fusion against the first radical proposal of the progressive bloc need not be taken as an omen; but, perhaps, after all the chief function of the progressives may be not to pass legislation nor even to block legislation, but to show the country and the old parties that valid political differences have little relation to party names.

VISÉ RESTRICTIONS AND FEES (H. DOC. NO. 547).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith a communication from the Secretary of State recommending that Congress confer upon the President authority to modify visé fees and requirements applicable to aliens temporarily visiting the United States. Such action is recommended to enable the Secretary of State to enter upon negotiations with foreign governments with a view to obtaining reciprocal modification of existing visé restrictions and fees. The recommendations of the Secretary of State have my full concurrence.

WARREN G. HARDING.

[Inclosure: From Secretary of State, as above.]

THE WHITE HOUSE, February 5, 1923.

HOUSE BILL REFERRED.

H. R. 13835. An act authorizing the Secretary of the Interior to appraise tribal property of Indians, and for other purposes, was read twice by its title and referred to the Committee on Indian Affairs.

REMOVALS IN BUREAU OF ENGRAVING AND PRINTING.

Mr. CARAWAY. Mr. President, I submit a resolution which I send to the desk, and I ask unanimous consent for its immediate consideration.

Mr. CURTIS. Let the resolution be read.

The VICE PRESIDENT. The Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 432), as follows:

Whereas pursuant to an Executive order of the President of the United States, issued March 31, 1922, and immediately effective, the director and 27 other officials of the Bureau of Engraving and Printing were summarily removed from their positions and stricken from the rolls of the civil service; and

Whereas it would appear from subsequent investigation that this removal was without just cause; and

Whereas said removal reflects upon the honor and integrity of the officials so discharged; and

Whereas those who were given the places from which said employees were removed have been publicly charged as being instrumental in having issued said Executive order; and

Whereas it would be for the best interest of the service that the whole matter should be made public; and

Whereas it would be helpful to know the character, reputation, and fitness of those removed and those appointed to succeed them: Now, therefore, be it

Resolved, That the Committee on Civil Service be, and is hereby, directed to inquire into the cause or causes of the removal of said employees; the right of the President to have made the order; the character, reputation, and fitness of the men and women so removed; the power of the President to name their successors; the character, reputation, and fitness of the men and women so designated as their successors, and all other facts and circumstances with reference to the matter, and to report to the Senate its findings and such recommendations as it may see fit before the 1st day of March, 1923.

The committee is hereby empowered to send for books and papers; to require the attendance of witnesses; to administer oaths, and do all things necessary to carry out the purpose of this resolution.

That the discharged employees, if they shall desire, may be represented by counsel of their own choosing and by them to be paid. The same privilege, under the same condition, is extended to the director of the bureau and those with him appointed to the places vacated by the said Executive order.

All expenses not otherwise herein provided for shall be paid out of the contingent expenses of the Senate, such expenses to include a stenographer to be paid not exceeding \$1.25 per printed page of said testimony.

Mr. STERLING rose.

Mr. CURTIS. Mr. President, I will yield to the Senator from South Dakota, the chairman of the Committee on Civil Service, if he desires to make a suggestion. However, if he will wait a moment, I was going to suggest that the resolution submitted by the Senator from Arkansas [Mr. CARAWAY] would have, first, to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WILLIAMS. Has the resolution for which the Senator from Arkansas desires consideration been referred to the Committee to Audit and Control the Contingent Expenses of the Senate?

The VICE PRESIDENT. It has not been.

Mr. WILLIAMS. I make the point of order that the resolution must be referred to that committee. It can not be called up for consideration in the Senate unless it has been so referred.

Mr. CARAWAY. If the Senator from Mississippi will yield to me for a moment, I wish to say that I am merely asking unanimous consent that the resolution may be considered. Of course, if the Senator wishes to make his point of order he may do so, but I hope he will not make it.

Mr. WILLIAMS. There is a rule of the Senate and of the House of Representatives requiring that all measures which necessitate the payment of money out of the contingent fund shall be referred to the Committee on Accounts in the House of Representatives and to the Committee to Audit and Control the Contingent Expenses of the Senate in the Senate.

Mr. CARAWAY. I am aware of that.

Mr. WILLIAMS. There can be no unanimous consent even given for the consideration of such measures unless they have taken that course. The reason of the rule, Mr. President, is perfectly plain, if Senators will stop to think a moment. It is that neither House should be allowed by itself to make appropriations ultimately out of the Treasury, for the appropriations out of the contingent funds do ultimately come out of the Treasury. I beg the Senator from Arkansas to believe that I do not even know what his resolution is nor what it is aimed at, but I do know that, as I caught the reading of the resolution, it provides that money shall be paid out of the contingent fund of the Senate.

Mr. SMOOT. The requirement as to the reference of such resolutions to the Committee on Contingent Expenses of the Senate is not a rule, but it is a law.

Mr. WILLIAMS. We have found frequently during the last 25 or 30 years that measures calling for appropriations have been passed in each House by unanimous consent which were not acts of Congress, but were merely the act of one House of

Congress, although having the effect of law. So the law requires that all measures making appropriations out of the contingent fund shall go to the Committee to Audit and Control the Contingent Expenses of the Senate and to the Committee on Accounts of the House of Representatives.

Mr. CARAWAY. Mr. President, of course I shall not attempt to argue with the Senator from Mississippi. I realize there is such a statute, but I know it is violated frequently. I shall ask, then, that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and I hope the committee will report it promptly to the Senate.

Mr. SMOOT. Mr. President, I desire to reiterate, merely for the record, that the requirement for the reference of such resolutions to the Committee to Audit and Control the Contingent Expenses of the Senate is not a rule of the Senate, but it is imposed by an act of Congress.

Mr. CARAWAY. I am conscious that it is an act of Congress; everybody knows that.

Mr. SMOOT. No; everybody does not know it.

The VICE PRESIDENT. The resolution submitted by the Senator from Arkansas will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. CARAWAY subsequently said:

Mr. President, I desire to take just a moment with reference to the resolution which I submitted a few moments ago and which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The importance of securing some action upon that resolution immediately arises from the fact that the Executive order removing the employees referred to in the resolution from the civil service was issued on the 31st day of last March. Their rights as civil-service employees will be gone if there is not something done with this matter before the year shall have expired. They have waited patiently for a statement to be issued by the President giving his reasons for their summary removal. The facts have been developed by investigation conducted both by the Treasury Department and by the Attorney General's Department, and the reports have been with the President now for two months. They show that there was no wrongdoing on the part of these people, and therefore that they have lived for a year under a suspicion and under a cloud that never ought to have been cast upon their fair names. One of them is dead. Another is thought to be stricken with a fatal illness. All of them are entitled that the world should know what the facts were. I sincerely hope, therefore, that no one will stand in the way of a full and free and thorough investigation.

The investigation goes further than ordinarily would be requested because of the fact that by the wording of the Executive order and the extraordinary nature of the order the country was led to believe that these officials had been guilty of some wrongdoing.

Therefore I say they have labored under a cloud of suspicion for a year; they are entitled to a thorough public examination of the causes of their removal, of their characters and reputations and fitness for the employment in which they were engaged; and since that is true and since it has been said over and over again that they were removed for political reasons and that those who succeeded them were the instigators of the order, the character and reputation and fitness of the people who succeeded them should also be gone into, and the public made to know just what the facts were.

I have been perfectly willing myself, though the resolution has been drawn for weeks, to defer its introduction until those people who were friendly with the administration—I refer to Republican Senators with whom I have counseled—should feel that the President had been given all the time necessary in order to make restitution to these discharged employees. The time has arrived, in their judgment, when some action ought to be had. The resolution is full. It gives every side of the controversy a chance to be heard. It gives the discharged employees, if they should wish it, the opportunity to be represented by counsel and provides that they shall pay for the counsel; it gives those who took their places an opportunity to be represented by counsel, if they shall see fit to employ one, to be paid by them as the others are to pay their counsel. There can be no political bias to it, because each side shall be represented; everyone whose interest has been jeopardized shall have his chance to be heard, and nobody, I take it, can object to its consideration.

I hope, therefore, that the Committee to Audit and Control the Contingent Expenses of the Senate will see fit to report back the resolution at once, and have the examination before the year shall have expired and these employees shall have lost all their rights.

MOBILE RIVER BRIDGE, ALA.

Mr. HEFLIN. Mr. President, on Friday last I introduced the bill (S. 4469) to extend the time for the construction of a bridge or bridges and trestles over the navigable channels of the mouth of the Mobile River, in the State of Alabama. I asked that the bill go over until to-day. It is on the Vice President's table, and I now ask unanimous consent for immediate consideration.

Mr. CURTIS. Mr. President, it would have to be referred to a committee.

Mr. HEFLIN. No; it would not.

Mr. CURTIS. Under the rules it must go to a committee.

Mr. HEFLIN. Not if unanimous consent is granted for the consideration. Mr. President, the time will be out on the 14th of the present month for the company to commence the work.

Mr. CURTIS. Let me remind the Senator that the Committee on Commerce reports such bills out almost immediately. I ask that the bill may be referred to the Committee on Commerce.

Mr. HEFLIN. Of course, if the Senator objects it will have to take that course.

Mr. CURTIS. It is not a question of objecting; under the rule it must go to the committee.

Mr. HEFLIN. Unanimous consent sets aside the rule.

The VICE PRESIDENT. The bill will be referred to the Committee on Commerce.

CONSIDERATION OF THE CALENDAR.

Mr. CURTIS. Mr. President, has morning business been concluded?

The VICE PRESIDENT. If there is no further morning business, morning business is concluded.

Mr. CURTIS. I ask unanimous consent that the call of the calendar may begin at Order of Business No. 975, where we left off when the calendar was last called, and that the Senate consider bills that are not objected to.

The VICE PRESIDENT. Is there objection?

Mr. WALSH of Massachusetts. Mr. President, I ask the Senator to consent that the call of the calendar begin with Order of Business 969, which is just ahead of the number indicated by him. Order of Business No. 969 was passed over at the request of the Senator from Utah.

Mr. CURTIS. I have no objection to that.

Mr. WALSH of Massachusetts. I thank the Senator.

The VICE PRESIDENT. Is there objection to beginning the consideration of the calendar at Order of Business No. 969?

Mr. NORRIS. Mr. President, I wish to make an inquiry of the Senator from Kansas. In the last call of the calendar was the suggestion included that no bills should be considered except by unanimous consent?

Mr. CURTIS. I do not remember; I was not in the Chamber when the request was made at that time.

Mr. NORRIS. The only objection I have to the Senator's request is that it embraces only unobjected bills.

Mr. CURTIS. I made the request in that form for the reason, if the Senator will permit me, that on the last occasion when the calendar was considered and there was no stipulation as to unobjected bills being considered, practically all the morning hour was devoted to the consideration of one bill, and others to which there was no objection were not reached. There are on the calendar a number of bills to which there is no objection, and I think it would be well to dispose of them, because it might be possible to have them passed by the House if the Senate should consider and act upon them now.

Mr. NORRIS. I appreciate the Senator's point, but at the same time, if we always do that when the calendar is called and only bills which are unobjected to are considered, it means that one Senator may prevent the passage of any bill.

Mr. CURTIS. That is true.

Mr. NORRIS. I am willing that we should proceed in the manner suggested by the Senator on the call of the calendar to-day and consider only unobjected bills, but I should like to have it understood that when we take up the calendar again the request for the consideration of only unobjected bills will not be made, but that the bills on the calendar will be considered under the rule.

Mr. CURTIS. That course will be satisfactory to me, so far as I am concerned.

FAMILY OF LIEUT. HENRY N. FALLON (RETIRED).

The VICE PRESIDENT. The Secretary will state the first bill on the calendar under the unanimous-consent agreement.

The bill (S. 3553) for the relief of the family of Lieut. Henry N. Fallon (retired), was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "\$2,078.93," and insert "\$1,500," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to the family of Lieut. Henry N. Fallon, United States Navy (retired), out of any money in the Treasury not otherwise appropriated, the sum of \$1,500 in full satisfaction of all claims for expenses incurred by them or under their direction in the locating and caring for Lieut. Henry N. Fallon, after his escape from St. Elizabeths Hospital, District of Columbia.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM J. EWING.

The bill (S. 3226) for the relief of William J. Ewing, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "\$2,000," and insert "\$1,560," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William J. Ewing, or his legal representatives, the sum of \$1,560, as full compensation for permanent injuries received by the said Ewing on the 18th day of December, 1901, at San Francisco, Calif., while in the performance of his duties as an employee of the United States Life-Saving Service.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Oregon [Mr. McNARY] to state briefly the reasons for the passage of this bill. I have not had time to read the report in full, but the Senator may know just exactly what the reasons are.

Mr. McNARY. Mr. President, the reasons are set forth in detail by the Secretary of the Treasury, Mr. Mellon; also in affidavits by those who were acquainted with the claimant.

Briefly, Mr. Ewing was in the service of the Government, working in the capacity of one connected with the life-saving station in San Francisco. While in the course of a drill, Mr. Ewing's shoulder was dislocated and many of the muscles were torn from the bones. He received treatment and finally was compelled to resign, and now is permanently injured, being unable to earn his living. The Secretary of the Treasury—and I think that is significant in itself—after making a careful and thorough examination of all the facts, has reported favorably, unconditionally so. The committee—and, by the way, that is the only grievance I have—have reduced the amount from \$2,000 to \$1,560, which I think is very small compensation for the injury sustained, permanent in its character as it is, while in the performance of his duty. I can not conceive of any objection that could be had to this claim, in view of the condition in which we find Mr. Ewing to be.

Mr. KING. Mr. President, as I read the report, this accident occurred many years ago, over 20 years ago. It seems to me the Government is put at a great disadvantage when claims for payment are presented 20 years after the alleged injury. I shall object to the consideration of the bill until we have further information in regard to it.

Mr. McNARY. Mr. President, what is the technical objection of the Senator from Utah?

Mr. KING. I object to its consideration.

The VICE PRESIDENT. The bill will be passed over.

ROBERT J. KIRK.

The bill (S. 3849) for the relief of Robert J. Kirk was announced as next in order and was read.

Mr. ROBINSON. Mr. President, I do not desire to object to the consideration of this bill, but I think the Senate ought to defeat its passage.

The statutes forbade, and still forbid, persons from holding the offices of referee in bankruptcy and United States commissioner at the same time. The policy of the law preventing one person from holding those two offices seems to me to be a good one. In any event, it is the statute which Congress enacted in 1896, and which is still in effect.

This is an appropriation to award the beneficiary, Mr. Kirk, a comparatively small sum of money for services rendered as United States commissioner while at the same time he was, in fact, a referee in bankruptcy in the same district. The justification for the bill in the committee report is that the beneficiary was ignorant of the law which forbade him to hold the two offices, and that he resigned when he discovered that he could not legally perform the functions of the two offices.

In my judgment, Mr. President, that is no justification at all. Aside from the well-established maxim of the law that every one is presumed to know the law, which we all admit is a legal fiction in many instances, it is important that one who assumes to exercise the functions of an office should know that he is eligible to perform those duties. The statute denied Mr. Kirk the right to become United States commissioner while at the same time performing the functions of a referee in bankruptcy, and I believe the bill ought to be defeated. I do not care to consume any great length of time in discussing it. If the policy of the law which forbids persons from serving as United States commissioners and referees in bankruptcy at the same time is wrong, we ought to repeal the law. We passed the law, however, believing it wholesome and in the public interest, and it is a wholesome and a beneficial statute; and instead of enforcing it we now propose to relax it in the case of an individual who was so ignorant that he did not know that under the law he did not have a right to occupy these two offices at once.

Mr. CAPPER. Mr. President, the Senator from South Carolina [Mr. SMITH], the author of this bill, is unavoidably absent to-day. He is very much interested in the measure; and I ask the Senator from Arkansas if he will not extend the Senator from South Carolina the courtesy of permitting the bill to go over until his return?

Mr. ROBINSON. The Senator from Kansas can ask that the bill go over; any Senator can do that; and I shall be glad to make the request myself, in view of the statement of the Senator from Kansas. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

CHARLES D. SHAY.

The bill (S. 2002) for the relief of Charles D. Shay, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Employees' Compensation Commission shall be, and it is hereby, authorized to extend to Charles D. Shay, who received injuries April 7, 1910, without fault or negligence on his part, while in the performance of his duties as locomotive engineer on the Panama Railroad, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, compensation hereunder to commence from and after the passage of this act.

Mr. SMOOT. Mr. President, I want to ask the Senator if this matter has not already been referred to the Employees' Compensation Commission. I judge, from a letter here from A. L. Flint, chief of office of the Panama Canal, that it has been. In his letter dated May 11, 1920, addressed to Hon. SELDEN P. SPENCER, chairman of the Committee on Claims, he says:

Sir: I am in receipt of your letter of the 8th instant, requesting a report in connection with the bill (S. 2599) for the relief of Charles D. Shay.

In reply I inclose herewith a copy of a letter addressed to this office by the auditor of the Panama Canal, dated December 31, 1917, in reference to Mr. Shay's case, which is self-explanatory.

In view of the reference in the auditor's letter to file 8883 of the Secretary of Commerce and Labor as giving the complete history of Mr. Shay's case, copies of your letter and this acknowledgment are being referred to the United States Employees' Compensation Commission, as it is understood that all files in the Department of Labor with reference to injury compensation cases have been referred to that commission.

So it seems to me that the bill as amended is of little use.

Mr. KING. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

PURCHASE OF SEED GRAIN FOR EASTERN WASHINGTON.

The bill (S. 4281) to appropriate \$500,000 for the purchase of seed grain to be supplied to farmers in the crop-failure areas of eastern Washington, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, for the crop of 1923, to make advances or loans to farmers in eastern Washington, where he shall find that special need for such assistance exists, for the purchase of wheat for seed purposes, and, when necessary, to procure such seed and sell same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed thus obtained by him for the production of grain. A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. All such advances or loans shall be made through such agencies as the Secretary of Agriculture shall designate. For carrying out the purposes of this section there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of \$500,000, to be immediately available, and not more than \$10,000 may be used in the District of Columbia and elsewhere, by the Secretary of Agriculture in the administration of this act.

SEC. 2. That any person who shall knowingly make any false representation for the purpose of obtaining an advance, loan, or sale under this act shall, upon conviction thereof, be punished by a fine of not exceeding \$1,000, or by imprisonment not exceeding six months, or both.

Mr. SMOOT. Mr. President, if I am not mistaken, this bill was incorporated in an appropriation bill, and the House, objecting to it, it went out.

Mr. McNARY. Mr. President, this amendment was offered by the junior Senator from Washington [Mr. POINDEXTER] to the agricultural appropriation bill. It went out in conference. This bill itself was introduced by the senior Senator from Washington [Mr. JONES], and while it proposes to do the same thing, yet it is a separate measure. Inasmuch as the Senator from Washington is here, he can explain it.

Mr. ROBINSON. Mr. President, the measure seems to be of an emergent nature; at least, it is framed upon the theory that an emergency exists. I think the Senate ought to consider the bill, but I would like to have an explanation of the circumstances and conditions which make necessary the passage of the bill.

Mr. SMOOT. Mr. President, what I rose to state was that the House absolutely refused to agree to a provision of the same character as the proposed bill, when attached as an amendment to the agricultural appropriation bill, the Senate having agreed to it, and it would seem almost a waste of time to pass this bill now, as it is a Senate bill, and send it to the House with the expectation of having it pass the House during the few remaining days of the present session.

Mr. ROBINSON. May I point out to the Senator from Utah that under the legislative practice now, an authorization should be made for the appropriation before the appropriation is actually embraced in the bill; so that the position taken by the House of Representatives was technically in compliance with the procedure of both branches of Congress at this time. If a separate bill should be passed authorizing the appropriation, the facts justifying the authorization, it must be that the body at the other end of the Capitol would pass the bill as an emergency measure.

Mr. McNARY. Mr. President, for the sake of accuracy I want to state to the Senator from Utah that the amendment was not defeated in the House. It did not come to a vote. It passed the Senate, however, and went into conference, the House conferees objected to the item, and the Senate conferees receded from the amendment. It did not reach the House, as a matter of fact, for consideration.

Mr. JONES of Washington. The Senator is in error about that. He will remember that we disagreed about the item, and it went to the House and was rejected by the House.

Mr. McNARY. On a vote?

Mr. JONES of Washington. They did not take a yea-and-nay vote, but upon a vote without a division it was defeated.

Mr. McNARY. In that particular I stand corrected.

Mr. JONES of Washington. May I say just a word, as I was called out of the Chamber when the matter came up. I think the suggestion of the Senator from Arkansas is a very proper one, and I believe the House would look at this matter in an entirely different light if it were presented in a separate bill rather than as an item in an appropriation bill which they had not considered at all. If this bill passes the Senate it will go to the House, and in the House will be referred to the proper committee, and will be considered; and I am very much in hopes that the Senate will pass it. The situation was explained quite fully when the amendment covering this matter came up during the consideration of the Agricultural appropriation bill. I do not want to take the time of the Senate this morning, during this unanimous-consent consideration of the calendar, to speak at length upon the bill.

I just want to say that in about five of the counties in eastern Washington there has been an absolute wheat failure during the last five or six years. The farmers there got only a little over \$1,300 or \$1,700 out of the loans we have made for that purpose heretofore, not because they did not need it but because the local banks took care of the situation as well as they possibly could. They have reached their limit now, however; they can not take care of the situation any further, and there are about 400,000 acres of land which have already been prepared for this year's seeding; that is, they expected to put in the wheat in the fall, and they could not get the seed, and they could not do it; but it is summer fallowed and ready to plant. The estimate is that there would be a production of about 4,000,000 additional bushels of wheat if these people could get the seed. They are in dire distress. There is probably greater need for it in this locality than in almost any locality that suffered when we made those loans heretofore, and the language of this bill is exactly the language of the preceding appropriation for this purpose. Of course, this applies to only one State;

it applies to eastern Washington alone. That is the section of the country that is affected; and I would like to have the Senate act as it did when the matter was presented as an amendment to the appropriation bill. It seemed to be convinced of the necessity for it then; and I hope the Senate will pass this bill as a separate measure, and I hope that the full committee, where the matter will probably be heard, will act favorably on it and that there will be favorable action also in the House.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ROAD CONGRESSES.

The joint resolution (S. J. Res. 263) to authorize the Secretary of Agriculture to accept membership for the United States in the Permanent Association of the International Road Congresses, was announced as next in order.

Mr. ROBINSON. Mr. President, there does not appear to be a printed or other report from the committee accompanying the joint resolution. I would like to ask the Senator who introduced the resolution, or the Senator reporting the same, what will be the approximate expense incurred by the passage of the joint resolution?

Mr. TOWNSEND. There is no report, as the Senator suggests, but there was filed with the committee a message from the President of the United States on December 14 last in response to a letter from the Secretary of State, that prompted by a letter from the Secretary of Agriculture setting forth a reason for membership as provided in the joint resolution. I wrote to the department for information in reference to the cost. It is set forth in Document No. 275, which I hold in my hand, and which I filed with my joint resolution, and a copy of which I had hoped to have laid before each Senator. In substance, this conference, or congress, was instituted, as I remember, in 1908, being held at Paris. Later, in 1910, it was held at Brussels, and somewhere else two years later. Then the war came on and the activities of the congress were discontinued. This year there is a meeting to be held at Seville, Spain, and our Government has received an invitation to attend. The Secretary of Agriculture brings the matter to the Secretary of State with the statement that under the law he is not permitted to accept membership in such an organization or to invite such organization to the United States.

It is provided in the joint resolution that we shall take the maximum membership, which is 15. The subsidy, as they call it, or the charge, is 1,000 francs for each member, which would mean 15,000 francs, which, with the franc at 20 cents, would be about \$3,000; but, of course, that is not the value of the franc now.

Mr. WARREN. An annual assessment?

Mr. TOWNSEND. An annual assessment.

Mr. WARREN. Of \$3,000?

Mr. TOWNSEND. It would be that if the franc were worth 20 cents, but as it is now worth about 7 cents, it would be about \$900.

Mr. ROBINSON. Out of what fund would the expenses of our members be paid?

Mr. TOWNSEND. They would be paid out of the fund which now goes to the road division of the Department of Agriculture for administration purposes.

Mr. ROBINSON. What would be the amount of that, approximately?

Mr. TOWNSEND. I have forgotten. I think the law provides that not to exceed 3 per cent of the appropriation for the road department is to be devoted to administration purposes.

Mr. ROBINSON. May I ask the Senator from Michigan, who I am sure has studied the question, what functions are performed by the international road congress? May I say, in connection with the question, that I can understand very well that the United States would have a direct interest in an international road congress which related to Canada and Mexico, perhaps, but it is very difficult for me to comprehend what benefit can accrue to the United States Government by representation in an international road congress assembled in Seville, Spain, or anywhere else on another continent. I would like to be informed by the Senator from Michigan why it is that the State Department and the Department of Agriculture have found it wise and essential that this Government have representation, and the maximum representation, too, at a road congress to be held in the city of Seville, Spain.

Mr. TOWNSEND. That congress is composed of representatives from practically every country in Europe, and from a large majority of the countries in South America. The general objects of the congress are set forth in the following statement:

1. By organizing road congresses.
2. By publishing papers, proceedings, and other documents.

3. By collecting the results of (a) tests carried out on roads; (b) laboratory tests throughout the world on materials which are used or are suitable for road construction and maintenance. These tests may be either in the form of mere records collected by the association or they may have been carried out by the association itself or through its instrumentality.

Its affairs are managed by a permanent international commission.

The Senator says he wants to know why we would be interested in a road congress attended by representatives from other countries, aside from Canada and Mexico. The Senator is well aware, I am sure, of the fact that road construction is one of the great subjects now under consideration throughout the world. The United States itself is expending millions of dollars upon roads. We are trying, through the department and otherwise, to prosecute investigations as to the character of roads, the character of road materials, and the methods which should be employed in construction.

Some of the nations of the Old World have built the best roads that have ever been constructed. It stands to reason that we could learn something and we could contribute something at the same time. The former Secretary of Agriculture, Mr. Meredith, urged upon Congress very strongly that this Nation take out membership in the association. The present Secretary of Agriculture sets forth in a complete document the reasons why we should be members and should participate in the congresses which are to be held, as we hope now, annually. There has not been one held since about 1912 or 1914 on account of the war, as I remember, but one is to be held this year in Seville.

Mr. ROBINSON. With the indulgence of the Senator from Michigan, the results of scientific experimentation, whether conducted by the delegates who assemble in an international road congress or the representatives of the governmental departments which ordinarily make such investigations, can be obtained without sending an expensive delegation to attend an international congress. If the Secretary of Agriculture wanted to find out, for instance, what the Government of Spain has accomplished in the way of discovering new or better road materials, he would ordinarily not send a junket representative of the Department of Agriculture to attend a general public conference but would send an expert, and that expert would be able to procure all the information which would be available for delegates to an international congress, and much more, in all probability. Here is a proposal to incur the expenses necessary for the sending of 15 delegates.

Mr. TOWNSEND. Oh, no; the Senator is entirely mistaken about that. It is not intended that there should be more than one or two delegates sent, but we would have our membership represented by the highest number, which is 15. There never would be more than one delegate. By the way, the Secretary of Agriculture, through the Department of State, has sent unofficial representatives to various of the congresses. They were not entitled to vote. We could not invite the congress to the United States under the law without having membership in the congress. It was thought desirable by the department that we should not only have official representatives at the congress but that we should also be in a position to invite the congress to meet in the United States on a subject, I repeat, which is second in importance to none other coming before the Congress of the country.

Mr. ROBINSON. If the Senator will pardon me, the joint resolution provides expressly that the United States shall be represented in the congress by the maximum number of delegates allowable. It seems that the policy of the joint resolution is not only to authorize but to require that the Government be represented by 15 delegates. Of course, if representation is necessary or desirable at all, it might be wise that the Government should have a full delegation at the congress, but I want to say to the Senator from Michigan in all seriousness that I very much doubt whether benefits to this Government would accrue corresponding to the expense that would be incurred under the joint resolution.

Mr. TOWNSEND. If I were not satisfied that the men who have given the closest thought and attention to the subject, and who have devoted a great deal of study to it, were right about the proposition which the department has recommended, and that the expense of it would be paid out of appropriations which they already have, thus involving no additional expense to the Government, I should not have urged the joint resolution.

Mr. STERLING. Mr. President, I think we are working under Rule VIII, and it seems to me Senators are exceeding the time limit in their discussions. There are other bills of importance on the calendar.

The VICE PRESIDENT. The limit of discussion is five minutes under the rule.

Mr. ROBINSON. Very well. I shall not object to the present consideration of the joint resolution, but I shall vote against it.

Mr. NORRIS. Mr. President, the proposition, it seems to me, is of considerable importance. It is true, as has been suggested, that it might be made a junket under the terms of the joint resolution. If it is carried out, however, in good faith and with the intentions of those who are behind it, none would go as delegates except experts. If they handle the matter right, it can be made very useful, it seems to me.

I appreciate the point that is made by the Senator from Arkansas. It is possible to send 15 delegates. We could easily remedy that by amending the joint resolution. It seems to me 15 are entirely too many, and that we should limit it to 3 or some such number. It might be well to have some provision in the joint resolution about the kind of people who should be delegates, but I think the committee have gone on the theory that it would be carried out in good faith, and I have no doubt that it would be so carried out. If it is, and the right kind of men are selected as delegates, we shall get great benefit from it.

Mr. ROBINSON. May I ask the Senator from Michigan by whom the delegates are to be selected under the joint resolution?

Mr. TOWNSEND. They would be selected by the Secretary of Agriculture.

Mr. ROBINSON. The joint resolution does not so provide.

Mr. TOWNSEND. That is the intention, however. That has been done. As I said, they have been doing it for some time without any official recognition. They want official recognition and want a vote in the congress. They want to have the right to invite the congress to the United States once in a while.

Mr. ROBINSON. There is nothing in the joint resolution to prevent the Secretary of Agriculture from making the selection, nor is there anything in the joint resolution which authorizes or requires him to do it.

Mr. NORRIS. I would suggest to the Senator from Michigan that he amend the joint resolution so as to limit the number of delegates to three, which I think would be ample.

Mr. TOWNSEND. The only object in having 15 the maximum representation is as set forth in the statement of the Secretary of Agriculture, that it gives us the highest standing with other countries of similar importance before the congress. I asked him particularly how many delegates would be sent. He said probably never more than one expert from the department, but he would have authority to vote there for the 15 memberships for which we pay the subsidy.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That the Secretary of Agriculture is authorized and directed to accept membership in the Permanent Association of International Road Congresses and that the United States be represented in that congress by the maximum number of delegates allowable, and that the Secretary of Agriculture is authorized to expend annually, out of the administrative fund provided by section 21 of the Federal highway act of 1921, the sums necessary to cover the membership fees and such other expenses as may be necessary in maintaining membership in said association.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMOS Y. STARBUCK.

Mr. NORRIS. Mr. President, I notice upon the calendar that bills providing for the restoration of injured employees under the retirement act, so they may get the benefit of it, have been referred to the Committee on Claims. The other day I introduced such a bill (S. 4460), following the usual form. I asked that it be referred to the Committee on Claims, but I found on getting a copy of the bill that it had been referred to the Committee on Civil Service. I would like to ask the chairman of the Committee on Civil Service whether such a bill has been referred to his committee?

Mr. STERLING. I hardly know to what bill the Senator refers.

Mr. NORRIS. We have just passed several on the calendar.

Mr. STERLING. Bills for relief?

Mr. NORRIS. Yes.

Mr. STERLING. Do they relate to the civil service?

Mr. NORRIS. For instance, Order of Business No. 977, the bill (S. 2002) for the relief of Charles D. Shay. I notice that bill is word for word, with the exception of one added clause with reference to the date when restoration shall be effective, with the measure which I introduced the other day. The bill was reported and is on the calendar as reported by the Senator from Indiana [Mr. New] from the Committee on Claims. I had no choice with reference to the bill I introduced. I would just as lief the bill should be referred to the Committee on Civil Service, but I realize that there may be some difficulty before

action is taken on the measure and I would like to have it follow the other bills, to whichever committee is the proper one.

Mr. STERLING. My attention has not been called to either of the bills and I do not know whether they are of such a nature that they ought to be referred to the Committee on Civil Service or not.

Mr. NORRIS. I will read the bill which I introduced:

That the Commissioner of Pensions shall be, and he is hereby, authorized and directed to extend to Amos Y. Starbuck, a former employee of the Railway Mail Service, the provisions of an act entitled "An act for the retirement of employees of the classified civil service, and for other purposes."

If the Senator will read the other bill to which I have called attention, reported by the Committee on Claims, he will see that it is a copy of the bill I have just read. I am willing that my bill shall go to either committee. I have no choice; but it seems to me it ought to go to the Committee on Claims. I asked that it be referred to that committee, but the Chair referred it, I notice, to the Committee on Civil Service. While the chairmen of both committees are both present, I would like to have the matter straightened out. If such bills as that are to be referred to the Committee on Claims, I want to ask that the bill I have introduced shall be so referred.

Mr. STERLING. I am not anxious that any particular bill shall be referred to the Committee on Civil Service or that the Committee on Civil Service shall have the work of examining and considering the bill, but on the face of it it would seem to me it is a bill quite appropriate for reference to the Committee on Civil Service, because it has to do with the civil-service retirement law and the rights of parties under it.

Mr. NORRIS. I am quite willing it should stay there, only I wanted to have the Senate know that I have called attention to it and I do not want objection to be raised afterwards that it should have gone to the Committee on Claims, which is reporting some bills just exactly like it.

Mr. CAPPER. Mr. President, I think the Senator from Nebraska is correct. A great many bills of that nature have been referred to the Committee on Claims and have been considered by that committee. Usually, I think, they have been referred to that committee at the request of the author of the bill. I think that has more to do with it than anything else, so far as the reference to the Committee on Claims is concerned.

Mr. NORRIS. Out of deference to the chairman of the Committee on Civil Service, I shall make no request. I will let the measure remain with his committee.

EDITH B. MACON.

The bill (S. 1678) for the relief of Edith B. Macon was announced as next in order.

Mr. KING. Mr. President, reserving the right to object, I should be glad to have the bill read.

The Assistant Secretary read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Edith B. Macon, the daughter of and sole heir of the estate of Davis W. and Elizabeth L. W. Bailey, deceased, the sum of \$3,127.85, one half of said sum to be paid out of the revenues of the District of Columbia and the other half out of the Treasury of the United States, in settlement of the claim of said Davis W. Bailey against the District of Columbia under his contract for laying asphalt pavement in said District: *Provided,* That the sum aforesaid, when paid, shall be accepted as a full and final settlement both of principal and interest of the award made July 18, 1892, for the sum of \$10,519.20, and duly filed in the Supreme Court of the District of Columbia in favor of the said Elizabeth L. W. Bailey as administratrix of said estate of said Davis W. Bailey.

Mr. ROBINSON. Mr. President, the bill is very unusual in form and substance. It appears on the face of the bill that in the year 1892 some tribunal made an award, finding these parties were entitled to \$10,519.20. After a lapse of a little more than 30 years a bill is brought into the Senate appropriating the sum of \$3,127.85, with the proviso attached that the parties must accept that sum in full accord and satisfaction of an award for three times that amount, made more than 30 years ago.

I wish to ask the author of the bill or the Senator reporting it for an explanation of the matter, and particularly why, if an award has been made in the sum of more than \$10,000, the parties who are the beneficiaries under that award should be required to receive one-third of the amount after the lapse of 30 years in full satisfaction of the award? By whom was the award made and under what circumstances?

Mr. MOSES. Mr. President, if the Senator from Arkansas would read the report accompanying the bill he would find two communications, in one of which—

Mr. ROBINSON. But I have not the time to read the report.

Mr. MOSES. He would find that is the sum agreed upon by the corporation counsel for the District of Columbia as being the proper sum to be paid. He would then find another letter which recommends that a reduced sum be paid, upon the ground that the profits which accrued from a contract then were larger than the profits which would accrue from a contract now made under circumstances more highly competitive than they were forty-odd years ago.

I introduced the bill, Mr. President, and I wish to say to the Senator from Arkansas that possibly one reason for accepting a greatly reduced sum from the award originally made by the courts thirty-odd years ago is that practically everybody connected with the case, both claimants and counsel, have died. The counsel in this case died within a few months, and there is nobody left but the daughter of the original claimant who received the original award. The report was prepared by the junior Senator from Delaware [Mr. BAYARD], and, after a careful examination of all the papers and communication with the District authorities, recommended to the full Committee on the District of Columbia that the bill should be reported favorably without amendment.

It is, to be sure, as the Senator indicates, an old claim, but the Senator knows perfectly well the heart-breaking experience of people who have done legitimate work for the Government and who have been years here in trying to get their pay for it. This is simply one of numerous similar cases. I think this bill has particular merit, inasmuch as it has been passed upon by the court and by the District authorities. I assume that the Senator has reference rather, when he speaks of the peculiar form of the bill, to the provision that half of the sum to be paid shall be paid out of the District treasury and half out of the Treasury of the United States.

Mr. ROBINSON. No; I have reference to the provision of the bill which specifies that a court judgment of \$10,000 and more which was entered more than 30 years ago shall be satisfied by a legislative enactment through the payment of a little more than \$3,000.

Mr. MOSES. Mr. President—

Mr. ROBINSON. If the Senator will wait for just a moment, I desire to say that his statement that the profits allowable under transactions of the nature involved in this bill were greater 30 years ago than they now are, and for that reason the requirements that the beneficiary shall receive one-third of the amount found to be due 30 years ago is justified, seems most extraordinary.

Mr. MOSES. No; I did not say that.

Mr. ROBINSON. The court—

Mr. MOSES. If the Senator will permit me right there, I desire to say that I do not advance that as an argument which I propose; that is stated in one of the documents which are embraced in the report.

Mr. ROBINSON. With no intention to reflect upon any individual, I desire to say that any governmental or legislative process which would assume to settle a court judgment rendered more than 30 years ago for one-third of the face of the judgment approximates dishonesty.

Mr. WALSH of Montana. If the Senator will pardon an interruption, I desire to say that the report discloses that the judgment referred to was reversed in the Supreme Court of the United States.

Mr. MOSES. It does.

Mr. WALSH of Montana. That decision was rendered upon the ground that the judgment was entered upon an award made by arbitrators, and that the Commissioners of the District of Columbia had no authority under the law to submit the claim to arbitration and award. So it goes back to the original cause of action, which arose earlier than 1879.

Here are some dates which are given in the report:

The contract was made July 30, 1879.

Suspended February 12, 1880.

Original suit for damages brought February 24, 1883.

The arbitrator made his award on July 18, 1892.

Suit was filed upon this award August 8, 1893.

Was confirmed by court of appeals November 3, 1896.

The award was reversed by the Supreme Court of the United States May 31, 1898, upon the ground that the commissioners had no power or authority under the law to submit the claim to arbitration. So we go clear back to a claim that originated in 1879, and that failed away back in 1898, because the judgment had been reversed.

Mr. MOSES. That does not change the essential fact that the work was performed.

Mr. WALSH of Montana. Certainly it does. By all of the rules of reason the statute of limitations long ago ran against the claim. As the Senator has stated, everybody who knew anything about the matter is dead—dead long ago—so that

every reason that is at the foundation of the statute of limitations may be urged against this claim.

Mr. MOSES. The only reason why it is brought here is because no action can be taken anywhere else.

Mr. KING. Mr. President, will the Senator permit an interruption?

Mr. MOSES. Yes.

Mr. KING. I invite the Senator's attention to the fact that the present commissioners state that there was a counterclaim against the contractor for defective work, and that in any event the board only recommended \$1,220.86.

Mr. MOSES. Yes; that is on the basis of their statement that, under present competitive conditions, the profits accruing from this work would not have been as much as they were. The Senator will find in earlier documents filed by the commissioners that the deduction of the countercharge had already been made from the sum of four thousand and odd dollars. I am stating the case only as I know it from the record.

Mr. KING. I reserve the right to object. I think we ought to have a little fuller explanation. Furthermore, I suggest to the Senator that in any event the Commissioners of the District of Columbia have no authority, as I am advised, to pay any amount which is properly payable out of the Treasury of the United States. I suggest to the Senator that he let the bill go over until the next calendar day.

Mr. MOSES. I have no recourse, Mr. President.

Mr. KING. I want the Senator to be entirely satisfied.

Mr. MOSES. I have to be.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

SOPHIE K. STEPHENS.

The bill (S. 1528) for the relief of Sophie K. Stephens was announced as next in order.

Mr. KING. I reserve the right to object to the bill after it shall have been read.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). The bill will be read.

The Assistant Secretary read the bill, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, to strike out "\$7,500" and in lieu thereof to insert "\$512.75," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to Sophie K. Stephens, of 2107 Beverly Road, Brooklyn, N. Y., the sum of \$512.75, out of any money in the Treasury not otherwise appropriated, as compensation for and in full satisfaction of all claims for damages against the United States for injuries sustained on December 4, 1918, by falling over United States mail sacks which had been left on the sidewalk in front of the Kensington post office, Brooklyn, N. Y.

Mr. KING. I should like to have some explanation from the committee with reference to this claim. In the absence of such explanation, I object, and ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

SUPREME LODGE OF THE WORLD, LOYAL ORDER OF MOOSE.

The bill (S. 4275) incorporating the Supreme Lodge of the World, Loyal Order of Moose, was announced as next in order.

Mr. WALSH of Montana. Mr. President, this bill comes from the Committee on the District of Columbia. It provides for the incorporation of the Loyal Order of Moose, the bill reciting that this organization is to become a corporation in the District of Columbia—not of the District of Columbia, but in the District of Columbia.

Heretofore, I think without exception, all of the very many bills introduced providing for Federal incorporation have gone to the Committee on the Judiciary. That committee has been so overwhelmed with applications for special corporate charters that it has been obliged to establish a rule for the exclusion from the benefit of Federal incorporation of any organization whose purpose is not to carry out some power granted to the Congress by the Constitution. Some relaxation in that rule, or at least some liberality in its application, has been urged in behalf of organizations associated with the conduct of the late war, such as the disabled veterans and the nurses whose services were so valuable in connection with the war. Up to the present time, however, the committee has not felt constrained to relax in any degree whatever its rule in regard to that matter. I shall submit at the earliest possible date an amendment to the rule which will authorize the incorporation of organizations which participated in the late war, including the nurses and the veterans, but I am perfectly certain that the Committee on the Judiciary, which has always handled this subject, will not consent to any further relaxation of the rule.

Now, apparently, organizations which desire incorporation endeavor to avoid that by having their bills referred to some other committee, and we have here a bill providing for the in-

corporation of the Loyal Order of Moose. If this bill shall pass, there will be nothing for the Committee on the Judiciary to do except to abrogate its rule and allow other similar measures to be considered exactly the same way.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Mississippi?

Mr. WALSH of Montana. I yield.

Mr. WILLIAMS. Will the Senator permit me to say that this particular request for incorporation goes a little bit further than ordinarily is the case? It is not a Federal corporation alone, but the bill proposes to incorporate "the Supreme Lodge of the World." I do not know exactly where American congressional power comes to organize anything as a "supreme lodge of the world" of any description.

Mr. WALSH of Montana. That is quite true.

I regret very much to be obliged to get in the way of the enactment of this legislation, but I am merely calling attention of the Senate to the door that it is opening, if the Committee on the Judiciary is to be deprived of a power it has always heretofore exercised to pass preliminarily upon these questions, and all these applications for incorporations are going to go to any and every committee that the projector or proposer of the bill may care to submit it to.

Mr. President, I wish to call attention to the fact that the Code of the District of Columbia makes ample provisions for the incorporation of fraternal organizations which desire to be incorporated as corporations of the District of Columbia. The provisions will be found in section 749 et sequitur of the Code of the District of Columbia. Of course, if this organization is to be a corporation of the District of Columbia, there is no need of a special statute, for we have made provision already for the incorporation of corporations under the District of Columbia. This will be a Federal corporation. It will enjoy the privilege, if this bill goes through, of having all of its cases tried in the Federal courts throughout the country, wherever they may arise—a privilege not enjoyed by other fraternal organizations.

In view of that situation, Mr. President, I move that this bill be referred to the Committee on the Judiciary.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to.

ADMISSION OF REFUGEES FROM NEAR EASTERN COUNTRIES.

The bill (S. 4092) providing for the admission into the United States of certain refugees from near eastern countries was announced as next in order.

Mr. McNARY. Let that go over.

Mr. STERLING. Mr. President, I hope the Senator from Oregon will withhold temporarily his objection to this bill.

Mr. McNARY. I withhold it for the present.

Mr. STERLING. The bill is a very important one, and it seems to me under the circumstances that this country can do no less than to admit these Armenian refugees to the number that the Commissioner General of Immigration estimates would come in under the terms of the bill.

Mr. McNARY. What is the number?

Mr. STERLING. The number, according to the estimate of the Commissioner General of Immigration, is perhaps between five and six thousand under the first part of the bill, besides the 25,000 orphaned or homeless children who might be allowed to come in.

Mr. President, the bill is confined to Armenian refugees alone. The Committee on Immigration modified the bill so that it would include people of that race alone, and it provides for the admission only of those who have relatives in this country within certain degrees. It provides, as I said, for the admission of these 25,000 orphaned or homeless children according to the terms of a bill introduced by the Senator from Mississippi [Mr. WILLIAMS], which was incorporated in the bill. They are admitted under such safeguards that no peril or menace can possibly arise to the people of this country. Every one of these immigrant refugees must be guaranteed against becoming a public charge. They are admitted under the closest restrictions as to relatives in this country and as to their being supported by those relatives in case there is need for their support.

With reference to the orphaned or homeless children, they may be taken into American or Armenian homes, their support being guaranteed, or they may be taken by some philanthropic institution or orphanage, their support being guaranteed. That pertains, of course, to orphaned or homeless children under the age of 16 years. No refugees would be admitted as orphans who are over that age, and no others would be admitted unless they come under the other terms of the bill, which, as I have stated, would admit between 5,000 and 6,000 at the utmost.

Mr. ROBINSON. Mr. President, will the Senator yield to a question?

Mr. STERLING. I yield.

Mr. ROBINSON. The bill expires June 30, 1924, I believe.

Mr. STERLING. Yes.

Mr. ROBINSON. No person can be admitted under its provisions after that time?

Mr. STERLING. That is correct.

Mr. ROBINSON. The Senator states, I believe, that it is expected that about 5,000 persons will be admitted under the provisions of the bill.

Mr. STERLING. Between five and six thousand, according to the commissioner general. He can not estimate it exactly, but he thinks that is a high estimate.

Mr. ROBINSON. What I desire to know particularly is how the estimate is arrived at—by what process.

Mr. STERLING. It can not be arrived at except by taking into account, of course, the Armenians in this country now and ascertaining as nearly as possible those who may have relatives who fled from Smyrna or that vicinity during the late disaster there.

Mr. ROBINSON. Any person who can qualify under the bill is entitled to admission at any time prior to June 30, 1924?

Mr. STERLING. Yes.

Mr. ROBINSON. So that in the administration of the bill there can be no discrimination? If the number should exceed the estimated number, that will make no difference in the administration of the bill?

Mr. STERLING. That is correct.

Mr. ROBINSON. The persons would be admitted without regard to the number who had theretofore been admitted?

Mr. STERLING. Yes.

Mr. WILLIAMS. Provided they qualified.

Mr. ROBINSON. Yes; I say, provided they qualified.

Mr. STERLING. The Commissioner General of Immigration appeared before the committee, and I can not think the number will exceed the number stated by him. According to the best information they have, it can not exceed that number.

Mr. FRELINGHUYSEN. Mr. President, may I ask the Senator from South Dakota a question?

Mr. STERLING. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. What is the limitation; how many?

Mr. STERLING. Between five and six thousand, the Commissioner General of Immigration says.

Mr. FRELINGHUYSEN. And 25,000 children?

Mr. STERLING. And 25,000 children, who will be taken care of in the manner provided for in the bill.

Mr. NEW. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Indiana?

Mr. STERLING. I yield to the Senator.

Mr. NEW. I am not objecting to the subject matter of this bill at all, but I think it is pretty evident that operating as we are for consideration of the calendar under Rule VIII, it will be impossible to dispose of this bill within the 25 minutes remaining. It will be impossible for us to give proper consideration to it. There are half a dozen Senators on their feet now with questions to ask about this bill. While, as I say, I am not objecting to the bill itself, it is perfectly evident that the further consideration of the bill now will effectually block the consideration of anything else that is on the calendar.

Mr. STERLING. Mr. President, I should like to say, in reply to that, that bills have been considered here this morning—private claim bills, I think—that have consumed much more time than we have consumed so far in the consideration of this bill. As to any questions that may be asked, I will say that the bill is brief, and I will endeavor to answer quickly and briefly any questions that may be asked by any Senator.

Mr. WILLIAMS. Mr. President—

Mr. STERLING. I yield to the Senator from Mississippi.

Mr. WILLIAMS. Mr. President, if the Senator will permit an interruption, I should like to make a few remarks. They will not take over three or four minutes. We have spent more time this morning upon the consideration of a claim for \$3,000, a claim 30 years old, than we have thus far spent on this bill.

What is this bill for? Here are these Armenians who went to Palestine and fought for the Allies and their associates during the late war, who have been decimated, to say the very least, perhaps more than that. In fact, some of the estimates go so far as to say that one-third of the entire population has been killed and more than a tenth of the women raped; and that the Senate of the United States can not give a few minutes to the consideration of a measure of this kind is a reflection upon American humanity and American patriotism. Even the Soviet Russian Government, I notice, set aside the other day a lot of

land in Russian Armenia for Armenian fugitives. The council at Lausanne has just surrendered to the Turks the demand for a homeland for the Christian Armenian people in Asia. The Turks positively refused it; and there was not enough spirit in France, Italy, and Great Britain to read an ultimatum to them to stop the murder and the rape and the deportation of these people.

All that this bill asks is that something like 5,000 or 6,000 adults shall be admitted, provided they are otherwise admissible under our immigration laws—remember that; they must not be diseased and they must not be illiterate—and that 25,000 little children, orphaned or homeless, shall be allowed to come to America and go to orphan asylums, whether religious or governmental or philanthropic, which shall give bond to prevent them from becoming a public charge until they are old enough to work for themselves. That is all the bill provides; and certainly the Senator from Indiana is not going to tell me that he will object to a few minutes being spent upon the explanation of the bill, and a request for unanimous consent, when we have spent twice that much time upon a little question of \$3,000 here this morning.

Mr. WILLIS. Mr. President, as the Senator from South Dakota knows, I am not opposed to this bill. Indeed, I participated in the consideration of it, and in the drafting of the amendments. If the bill is to be now considered, I am very strongly in favor of it. I want, however, to correct one misapprehension that Senators seem to have. The only positive limitation is as to the number of orphans that may be admitted. The so-called limitation of 5,000 adults really is not a limitation.

Mr. STERLING. Oh, no; I thought I made myself plain in that regard. I said twice, at least, that that was the estimate of the Commissioner General of Immigration.

Mr. WILLIS. I know, but I heard other Senators speak of it as a limitation. That is only an estimate. I am in favor of the consideration of the Senator's bill.

Mr. WALSH of Massachusetts. Mr. President, I think there is a very strong sentiment in this country in support of this legislation, and I hope favorable action will be taken to-day. The people of my State who have interested themselves in this question are among our most representative citizens, and numerous petitions and letters from church and philanthropic organizations have been sent me indorsing this measure.

I hope we will not delay longer, as it is now several weeks since this legislation was petitioned for. I myself introduced a resolution for this purpose early in December. It seems to me, as the Senator from Mississippi [Mr. WILLIAMS] has said, that this legislation is in the interest of humanity and a patriotic act. I wish the bill was somewhat broader in its scope, but it has been very carefully drawn, and it is more definite and restrictive than the resolution offered by me and fully protects the country against any abuses of our immigration laws. Mr. President, I sincerely hope the bill may be favorably acted upon to-day. It does not seem possible that there can be any serious opposition.

Mr. LODGE. Mr. President, I think the Armenians, in whom I have taken a very great interest for a long time, present a peculiarly tragic history. They have been deprived of their land. The Turks have absolutely refused to give them any land to live in. Probably half the population that existed at the beginning of the war has been massacred, and their situation is piteous in the extreme. I think this bill is carefully safeguarded.

Mr. WILLIAMS. Mr. President, will the Senator from Massachusetts pardon a suggestion? They are unlike any of the others of these refugees, in that they have no home land of their own.

Mr. LODGE. None.

Mr. WILLIAMS. The Greeks have a home land; the Italians have a home land. These people have none on the surface of the earth except what poor, barbarous, soviet Russia offered to them the other day; and we are not going to be shamed by letting Russia outdo us.

Mr. LODGE. That is very true; but the Senator has alluded to one point that I think of importance, because I take great interest also in the Greeks. The sufferings of the Greeks in the massacres at Smyrna have been simply terrific. There are some 1,100,000 Greek refugees. Of course they have a country to go to, but it is a very small country, and their situation is trying in the extreme. I do not suppose it is possible to add them to this bill, but I wish to make that allusion to the Greeks themselves.

Mr. STERLING. Let me say, in addition to what the Senator from Massachusetts has said, that there is little Greece, with its population of perhaps 4,500,000. It has been estimated

that there are as many as a million and a half refugees in Greece. Greece can not take care of all of them, yet she is doing the best she can, and without any discrimination whatever as between races.

Mr. KING. The Senator might add, speaking about the Greeks who were expelled from Asia Minor, that there have been over 400,000 expelled from Thrace and vicinity, and many of them, threading the mountain passes, have reached Athens and the surrounding territory, and in those congested districts thousands of them are dying from disease, starvation, and exposure.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported by the Committee on Immigration with an amendment, to strike out all after the enacting clause and to insert the following:

(1) That when used in this act the term "refugee" shall mean any homeless person of the Armenian race who shows that he has fled from his home in reasonable apprehension of death or bodily injury at the hands of Turkish troops or the Turkish civilian population since the 1st of August, 1914, and was resident prior to fleeing from his home in territory now occupied by the Turkish military or civil authorities.

(2) That when used in this act the term "relative" shall mean a husband, a wife, a parent, a grandparent, an unmarried or widowed daughter, granddaughter, or a sister, or a son, grandson, or a brother under 18 years of age.

Sec. 2. That any person resident within the United States, who is either a citizen of the United States or who prior to the approval of this act has made a declaration of intention to become a citizen, may petition the Commissioner General of Immigration for the admission into the United States of any relative who is a refugee.

Sec. 3. (1) That the petition for admission must contain (a) the name and address of the petitioner; (b) if a citizen, the date and place of his admission to citizenship and the number of his certificate, or if a declarant the date and place of his declaration of intention and number of his declaration; (c) the name and address of his employer, or the address of his place of business or occupation if he is not an employee; (d) the degree of relationship of the person for whom the application is made, and the name of the place where such person was resident prior to fleeing from his home, and the place of temporary sojourn of such person at the time the application was made if known to petitioner; (e) a statement that he is able to and will if required give bond or undertaking as provided by section 21 of the immigration act of February 5, 1917, that the person for whose admission the application is made shall if admitted not become a public charge; (f) a statement of the circumstances, as far as known, under which such person was compelled to flee from his home.

(2) The petition must be made under oath before some person having authority to administer oaths and must be supported by such further evidence as may be required by regulations issued under this act.

(3) Application may be made in the same petition for more than one person.

Sec. 4. That the petition must be accompanied by the sworn statements of two responsible citizens of the United States to whom the petitioner is known that to the best of their knowledge and belief the statements made in the petition are true, and that the petitioner is a responsible person, able to give the bond required by section 3 of this act.

Sec. 5. (1) That on the receipt of any petition the Commissioner General of Immigration may make such inquiries as to him may seem necessary, either in the United States or in any foreign country, to establish the truth of the statements made in the petition or in the accompanying statements.

(2) Any consul or consular officer of the United States shall give such aid to the Commissioner General of Immigration in carrying out this act as his other duties permit.

Sec. 6. The Commissioner General of Immigration may in his discretion consider as evidence the official statements of an agent of any corporation organized for philanthropic purposes under the laws of the United States or any State thereof engaged in the relief of refugees and affiliated with any committee appointed by the President for Near East relief, if the agent is delegated by his organization for the purpose.

Sec. 7. That if the Commissioner General of Immigration shall find that the persons named in the petition are refugees and relatives within the meaning of this act, and are otherwise admissible under the provisions of the act of February 5, 1917, and other laws relating to immigration, then upon approval of the Secretary of Labor such refugees shall be exempt from the provisions of the act approved May 19, 1921, entitled "An act to limit the immigration of aliens into the United States," as extended and amended by the public resolution of May 11, 1922, and they shall not be included in estimating the quota of alien immigrants of the nationality to which they belong established under such act as extended and amended.

Sec. 8. That any refugee as herein defined who has been permitted by the immigration authorities of the United States to land temporarily shall be finally admitted if a petition be filed and approved as provided herein in respect to such alien. That the admissibility to the United States of refugees under this act shall, so far as feasible, be determined prior to embarkation of such refugees at a foreign port, and to that end officers of the United States Immigration Service and of the United States Public Health Service may be detailed for service abroad, but any examination which may be conducted by such officers abroad shall not be in substitution for examination at a United States port.

Sec. 9. That in addition to the above the Commissioner General of Immigration, subject to approval of the Secretary of Labor, is hereby authorized to admit as refugees not more than 25,000 orphaned or homeless Armenian children under 16 years of age (if physically and mentally qualified under the terms of the immigration act of February 5, 1917, and other immigration laws) and who are now under the care of the Near East Relief or American or European missions and relief associations in Constantinople, Asia Minor, or elsewhere: *Provided, however,* That some responsible orphans' home, governmental,

religious, or secular, in the United States, or some family, American or Armenian, now living within the United States, shall agree to receive and care for them, giving proper guaranties to the Secretary of Labor that they will not become a public charge.

SEC. 10. That the Commissioner General of Immigration, with the approval of the Secretary of Labor, shall prescribe rules and regulations necessary to carry this act into effect.

SEC. 11. That any person who knowingly and fraudulently aids in any way to secure the admission under this act of any person not properly admissible under it shall be punished by a fine not exceeding \$1,000 or by imprisonment for a term of not exceeding one year, or both.

SEC. 12. That this act shall take effect upon its passage. No refugee shall be admitted under its terms after June 30, 1924, except those for whose admission petition has been filed previous to that date.

SEC. 13. That this act be cited as the Near East refugee act of 1923.

Mr. STERLING. I offer an amendment to the amendment.

The PRESIDING OFFICER. The Secretary will state the proposed amendment to the amendment.

The READING CLERK. On page 10, line 6, as the bill was reported, after the word "elsewhere," insert a comma and the words "and to this end such officials shall cooperate with the Near East Relief in selecting, protecting, transporting, and placing in the United States such children."

Mr. STERLING. The amendment is offered to give full responsibility for the care of those orphan children, and more responsibility to the determination as to who shall come. The Near East Relief is the one philanthropic agency in the East that has a charter from the United States Government.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question recurs upon the committee amendment as amended.

Mr. WALSH of Massachusetts. I would like to ask the Senator from South Dakota how many refugees the committee estimates are now living?

Mr. STERLING. Between five and six thousand adults, besides the 25,000 orphaned or homeless children.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER TO CLASSIFIED CIVIL SERVICE.

Mr. SHIELDS. Mr. President, I was unable to be in the Chamber at the beginning of the call of the calendar, and I wish to inquire what was done with Order of Business No. 927, Senate bill 3247, to transfer to the classified civil service agents and inspectors in the field service, including general prohibition agents and field supervisors appointed and employed pursuant to the national prohibition act, and for other purposes?

The PRESIDING OFFICER. That bill was not reached on the calendar. By unanimous consent the Senate commenced at Order of Business No. 969.

Mr. SHIELDS. The bill to which I have referred was not passed?

The PRESIDING OFFICER. No.

Mr. SHIELDS. I hope the Senate can go back to it when it finishes the call of the calendar.

The PRESIDING OFFICER. The Secretary will proceed to call the calendar.

TRAVELING EXPENSES OF UNITED STATES EMPLOYEES.

The bill (S. 4176) to amend section 370 of the Revised Statutes of the United States was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That section 370 of the Revised Statutes of the United States be, and the same is hereby, amended so as to read as follows:

"Sec. 370. Whenever the Solicitor General, an attorney, an assistant attorney, a special assistant to the Attorney General, or any other officer of the Department of Justice is sent by the Attorney General to any State, District, Territory, or country to attend to any interest of the United States the person so sent shall receive in addition to his salary and the necessary expenses of travel, his actual expenses incurred for subsistence, not to exceed \$7 per day, or a per diem of \$6 in lieu of such actual expenses, while absent from the seat of government, the account thereof to be verified by affidavit."

Mr. KING. I shall be glad to have an explanation from the Senator in charge of this bill.

Mr. NELSON. I will make a brief explanation. The employees of the Department of Justice, the Solicitor General, and all the agents whom they have to send throughout the country to investigate matters pertaining to the department find their expenses for subsistence much higher than the amount allowed by law. Under the existing law they are allowed a fixed sum of \$5 a day, or, in lieu thereof, their actual expenses, not to exceed \$6 a day. That means that they have the option of taking the \$5, or they can have the allowance of \$6 a day, but

in that case they must render their account to show they have expended that much. This increases the two items \$1 each, making them \$6 and \$7, respectively. That is all there is to the bill.

Mr. KING. May I say to the Senator that in most of the appropriations which have been made for the traveling expenses of employees of the Government, including officers of the Army and the Navy, my recollection is that \$4 a day is the amount allowed.

Mr. NELSON. Oh, no; as a matter of fact, they are allowed more than the amount here proposed. If the Senator will read the report made here, he will find that officers of the Navy and the Marine Corps are allowed \$7 a day. Federal judges are allowed \$10 a day. Stenographers are allowed as much as \$8 a day, and other officials are allowed \$6.

This is simply to allow them \$1 more in each case, \$1 more where they take the actual money, and \$1 a day additional where they render an account. An employee can take either. If he is satisfied to take the per diem, he is limited to \$6 a day. If he wants his actual subsistence, it is limited to \$7 a day, but in that case he must render an account.

Mr. KING. May I inquire of the Senator, because he is familiar with many of these appropriation bills, if there are not many officials of the Government and employees of the various departments whose expenses are limited to \$4 a day?

Mr. NELSON. There may be some of the minor clerks whose expenses are so limited, but these employees of the Department of Justice are usually experts, sent throughout the country to investigate and to obtain evidence in cases. They are more than the ordinary department clerks.

Mr. KING. This amount is to cover their hotel bills?

Mr. NELSON. It covers all except transportation. It covers their hotel bills, their board and room rent, and their subsistence.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL TERM OF COURT AT LIMA, OHIO.

The bill (H. R. 10817) to amend section 100 of the Judicial Code of the United States was considered as in Committee of the Whole.

Mr. NELSON. I desire to say that that is a long bill, which reenacts a whole paragraph of the Judicial Code. The only change in existing law is the establishment of a term of court in northern Ohio, at Lima; and there is no occasion to read the bill. The Senator from Ohio [Mr. WILLIS] will propose an amendment to the bill, to which there is no objection.

Mr. WILLIS. I desire to offer several amendments to the bill, on page 2.

The PRESIDING OFFICER. The Secretary will state the amendments.

The READING CLERK. On page 2, line 13, after the word "Lima," insert a comma and the words "if in the opinion of the court the public convenience so requires," and, on line 14, strike out the words "June and," so as to make the bill read:

Be it enacted, etc., That section 100 of the Judicial Code is hereby amended to read as follows:

"Sec. 100. The State of Ohio is divided into two judicial districts, to be known as the northern and southern districts of Ohio. The northern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Ashland, Ashtabula, Cuyahoga, Carroll, Columbiana, Crawford, Geauga, Holmes, Lake, Lorain, Medina, Mahoning, Portage, Richland, Summit, Stark, Tuscarawas, Trumbull, and Wayne, which shall constitute the eastern division; also the territory embraced on the date last mentioned in the counties of Auglaize, Allen, Defiance, Erie, Fulton, Henry, Hancock, Hardin, Huron, Lucas, Mercer, Marion, Ottawa, Paulding, Putnam, Seneca, Sandusky, Van Wert, Williams, Wood, and Wyandot, which shall constitute the western division of said district. Terms of the district court for the eastern division shall be held at Cleveland on the first Tuesdays in February, April, and October, and at Youngstown on the first Tuesday after the first Monday in March. Terms of the district court for the western division shall be held at Toledo on the last Tuesday in April and October, and at Lima, if in the opinion of the court the public convenience so requires, on the first Tuesday after the first Monday in September: *Provided*, That suitable accommodations for holding court at Lima be furnished free of expense to the United States.

"Grand and petit jurors summoned for service at a term of court to be held at Cleveland may, if in the opinion of the court the public convenience so requires, be directed to serve also at the term then being held or authorized to be held at Youngstown. Grand and petit jurors summoned for service at a term of court to be held at Toledo may, if in the opinion of the court the public convenience so requires, be directed to serve also at the term then being held or authorized to be held at Lima.

"Crimes and offenses committed in the eastern division shall be cognizable at the terms held at Cleveland or at Youngstown, as the court may direct. Crimes and offenses committed in the western division shall be cognizable at the terms held at Toledo or at Lima, as the court may direct.

"Any suit brought in the eastern division may, in the discretion of the court, be tried at the term held at Youngstown. Any suit brought in the western division may, in the discretion of the court, be tried at the term held at Lima.

"The southern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Adams, Brown, Butler, Champaign, Clark, Clermont, Clinton, Darke, Greene, Hamilton, Highland, Lawrence, Miami, Montgomery, Preble, Scioto, Shelby, and Warren, which shall constitute the western division; also the territory embraced on the date last mentioned in the counties of Athens, Belmont, Coshocton, Delaware, Fairfield, Fayette, Franklin, Gallia, Guernsey, Harrison, Hocking, Jackson, Jefferson, Knox, Licking, Logan, Madison, Meigs, Monroe, Morgan, Morrow, Muskingum, Noble, Perry, Pickaway, Pike, Ross, Union, Vinton, and Washington, which shall constitute the eastern division of said district.

"Terms of the district court for the western division shall be held at Cincinnati on the first Tuesdays in February, April, and October; and for the eastern division at Columbus on the first Tuesdays in June and December, and at Steubenville on the first Tuesdays of March and September. Grand and petit jurors summoned for service at a term of court being held at Columbus may, if in the opinion of the court the public convenience so requires, be directed to serve also at the term being held or authorized to be held at Steubenville. Crimes and offenses committed in the eastern division shall be cognizable at the terms held at Columbus, or at Steubenville, as the court may direct. Any suit brought in the eastern division may, in the discretion of the court, be tried at the term held at Steubenville: *Provided*, That suitable rooms and accommodations for holding court at Steubenville shall be furnished free of expense to the Government until the completion of the Federal building: *And provided further*, That terms of the district court for the southern district shall be held at Dayton on the first Mondays in May and November. Prosecutions for crimes and offenses committed in any part of said district shall also be cognizable at the terms held at Dayton. All suits which may be brought within the southern district, or either division thereof, may be instituted, tried, and determined at the terms held at Dayton."

The amendment was agreed to.

Mr. KING. May I inquire of the Senator from Ohio whether provision has been made for a suitable building, or whether this contemplates that the Government will sooner or later be called upon to make an appropriation to erect a building?

Mr. WILLIS. That matter was fully considered, and it is provided in the bill that this shall be done without any additional expense to the Government. I think I ought in fairness also to say that when this matter first came up, both of the judges of the northern district of Ohio were opposed to the bill. I have their letters here. They wrote to my colleague and to me; but they said, in response to an inquiry from the Representative who introduced the bill, that they would have no objection to it, providing the amendment which the Senate has just adopted were adopted. In other words, this makes it optional with the court. I think it quite likely that court will not be held there very often, at any rate, while the present judges remain on the bench, which I trust will be for a long time, because they are very competent judges.

Mr. ROBINSON. If that is the case, why should Congress pass the bill? If it is not expected that court will be held in this place, why not wait until there is an actual necessity for providing for a term of court at Lima?

Mr. WILLIS. The Senator did not understand me correctly if he understood me to say that it was not proposed to hold court there. Court will be held there, but under the terms of the bill as it originally stood it was made mandatory that they should hold two terms of court there, and the judge advised me by wire that if it were provided that there may be only one term, and it be left in the discretion of the court he would have no objection, and he thinks it would be a wise measure.

Mr. ROBINSON. The Senator from Ohio also said that while the present judges are on the bench, it is not anticipated court will be held there very often.

Mr. WILLIS. I think that is true, because there will not be a very great amount of litigation, but they do not object to it as it stands now. With this amendment the bill meets their approval.

Mr. ROBINSON. Then it would seem there is little necessity for this amendment to the existing statute.

Mr. WILLIS. I think it will be a convenience to litigants in that section of the State. It will not be used very often, and there will be no increased expense to the Government. That is the opinion of both judges. I think the legislation may be safely enacted, and I hope the bill will pass.

Mr. KING. I wanted to ask the Senator another question. By whom are the accommodations necessary for the holding of the court to be furnished?

Mr. WILLIS. Of course, there is a Federal building in the city of Lima now, so it is not proposed to build an additional building. I hope the Senator will not object to the bill.

Mr. KING. I am interested in knowing whether this is merely for the purpose of getting the head of the camel into the tent, and using this for the purpose of getting a large appropriation for a Federal building in Lima—

Mr. WILLIS. I assure the Senator that is not the object, and it will not be the result.

Mr. KING. Upon the theory that "We have a court; now we must have a suitable building to house it."

Mr. WILLIS. No.

Mr. KING. The Senator from Ohio assures the Government and this august tribunal that there will be no appropriation asked for to build a public building there to house the court?

Mr. WILLIS. I assure the Senator that there will be no such request flowing from this.

Mr. KING. I think the word "Tuesdays," on line 13, and the word "Mondays," on line 14, should be changed to "Tuesday" and "Monday," respectively, in view of the elimination of the words "June and."

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 2, line 13, to strike out the word "Tuesdays" and insert in lieu thereof "Tuesday," and line 14, strike out the word "Mondays" and insert in lieu thereof the word "Monday."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE MERCHANT MARINE.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. WALSH of Montana. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order of Business No. 1044, Senate bill 4061. It is a local matter of some very particular urgency. I ask the Senator from Washington [Mr. JONES] if he will not kindly lay aside the unfinished business temporarily?

Mr. JONES of Washington. If the measure to which the Senator refers can be passed without debate, I have no objection.

Mr. WALSH of Montana. If there is any debate, I shall withdraw the request.

Mr. JONES of Washington. I ask that the unfinished business be temporarily laid aside, in order that the Senator from Montana may present his request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

WATERS OF THE BLACKFEET INDIAN RESERVATION.

Mr. WALSH of Montana. I now renew my request for the consideration of Senate bill 4061.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4061) authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks, of the Indians of the Blackfeet Indian Reservation, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to enter into an agreement, jointly or separately, with the Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., and thereby to fix the extent of the prior right of the Indians residing and entitled to reside on the Blackfeet Indian Reservation, collectively, to the waters of Two Medicine, Cut Bank, and Badger Creeks: *Provided*, That said districts shall furnish in advance the entire cost to be incurred in determining the amount of the water of said streams to which such Indians are so entitled to priority.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EMPLOYMENT OF PRISONERS IN PENITENTIARIES.

Mr. NELSON. Mr. President, I ask unanimous consent for the present consideration of House Concurrent Resolution 53. Its consideration will lead to no debate. I think it is an urgent matter. It provides for the appointment of a committee of three Members from the Senate and three from the House to ascertain what shall be done to provide work for the convicts at Leavenworth, Kans., and McNeil Island, Wash. I ask the Senator from New York if he will allow me to call up the measure?

Mr. WADSWORTH. I have no objection.

Mr. JONES of Washington. I desire to say that this will be the last measure to the consideration of which I shall consent. If this one leads to no discussion, I have no objection.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 10, to strike out "1922" and insert "1923," so as to make the concurrent resolution read:

Resolved, etc., That a special joint committee of the Senate and House of Representatives be created, composed of three members of the Committee on the Judiciary of the Senate and three members of the Committee on the Judiciary of the House of Representatives, to be designated by the President of the Senate and the Speaker of the House of Representatives, respectively, that shall investigate and report to Congress, not later than the first Monday in December, 1923, as to employment of prisoners and what articles it is desirable to produce or manufacture in the United States penitentiaries at Leavenworth, Kans., and McNeil Island, Wash., the cost of erecting buildings and the equipment of such buildings with the necessary machinery for the production of any such articles, the probable cost of manufacture of such articles and the prices now paid under contract for such articles, and such other data as may be pertinent to the general inquiry. Such committee may employ clerical and stenographic assistance, and the expenses thereof and of the committee may be paid one-half out of the contingent fund of the Senate and one-half out of the contingent fund of the House of Representatives upon vouchers to be approved by the chairman of such joint committee, but such expenses shall not exceed \$2,000.

The amendment was agreed to.

The concurrent resolution as amended was agreed to.

WAR DEPARTMENT APPROPRIATIONS.

Mr. WADSWORTH. I ask unanimous consent that the Senate resume consideration of the War Department appropriation bill.

There being no objection, the Senate as in Committee of the Whole resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. NORRIS. Mr. President, pursuant to the rule, I desire to give the following notice, which I send to the desk.

The PRESIDING OFFICER. The Secretary will read the notice.

The ASSISTANT SECRETARY. The Senator from Nebraska gives notice, in accordance with the provisions of Rule LX, that he will move to suspend paragraph 3 of Rule XVI, in order that he may propose the following amendment to the bill H. R. 13793, the Army appropriation bill:

On page 104, after line 24, insert the following:

For the improvement of nitrate plant No. 1 at Muscle Shoals, Ala., by the installation of new machinery therein, in order that said plant may be utilized for experimental purposes in extracting nitrogen from the air with the view of lessening the cost of explosives in time of war and fertilizer in time of peace, \$2,000,000.

Mr. BORAH. Mr. President, may I ask the Senator in charge of the bill whether the committee amendments have been disposed of?

Mr. WADSWORTH. No. When we adjourned Saturday we were working on page 40 of the bill.

The PRESIDING OFFICER. The Secretary will state the pending amendment.

The ASSISTANT SECRETARY. On page 41, under the heading of "Roads, wharves, and drainage," in line 11, the committee proposes to strike out "\$650,000" and insert in lieu thereof "\$600,000," so as to make the paragraph read:

For the construction and repair by the Quartermaster Corps of roads, walks, and wharves; for the pay of employees; for the disposal of drainage; for dredging channels; and for care and improvement of grounds at military posts and stations, \$600,000: *Provided*, That none of the funds appropriated or made available under this act shall be used for the permanent construction of any new roads, walks, or wharves connected with any of the National Army cantonments or National Guard camps.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, under the subhead "Construction and repair of hospitals," on page 43, at the end of line 18, to strike out "\$497,000" and insert "\$772,000," so as to read:

For construction and repair of hospitals at military posts already established and occupied, including all expenditures for construction and repairs required at the Army and Navy Hospital at Hot Springs, Ark., and for the construction and repair of general hospitals and expenses incident thereto, and for additions needed to meet the requirements of increased garrisons, and for temporary hospitals in standing camps and cantonments; for the alteration of permanent buildings at posts for use as hospitals, construction and repair of temporary hospital buildings at permanent posts, construction and repair of temporary general hospitals, rental or purchase of grounds, and rental and alteration of buildings for use for hospital purposes in the District of Columbia and elsewhere, including necessary temporary quarters for hospital personnel, outbuildings, heating and laundry apparatus, plumbing, water and sewers, and electric work, cooking apparatus, and roads and walks for the same, \$772,000.

The amendment was agreed to.

The next amendment was, on page 43, line 20, after the word "hospitals," to insert "except that not exceeding \$275,000 may

be used for the construction of a hospital at Fort Benning, Ga.," so as to make the proviso read:

Provided, That no part of this appropriation shall be used for the construction of new hospitals, except that not exceeding \$275,000 may be used for the construction of a hospital at Fort Benning, Ga.

The amendment was agreed to.

The next amendment was, under the head "Office of the Quartermaster General," on page 44, line 16, before the word "messengers," to strike out "six" and insert "five," so as to make the clause read:

Five messengers at \$840 each.

The amendment was agreed to.

The next amendment was, under the head "Office of the Quartermaster General," on page 44, line 18, in the total, to strike out "\$532,000" and insert "\$531,220."

The amendment was agreed to.

Mr. HARRISON obtained the floor.

Mr. TRAMMEL. Mr. President, will the Senator yield?

Mr. HARRISON. I yield to the Senator from Florida.

Mr. TRAMMEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	France	Moses	Smoot
Ball	Frelinghuysen	Nelson	Spencer
Bayard	George	New	Stanfield
Borah	Gooding	Nicholson	Stanley
Brookhart	Harris	Norbeck	Sterling
Broussard	Harrison	Norris	Sutherland
Burnum	Heflin	Oddie	Swanson
Cameron	Johnson	Page	Townsend
Capper	Jones, Wash.	Phlipps	Trammell
Caraway	Kendrick	Polindexter	Underwood
Couzens	Keyes	Pomerene	Wadsworth
Culberson	Ladd	Ransdell	Walsh, Mass.
Curtis	Lenroot	Reed, Pa.	Walsh, Mont.
Dillingham	Lodge	Robinson	Watson
Ernst	McKellar	Sheppard	Weller
Fletcher	McNary	Shields	Willis

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, there is a quorum present.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate conclude its business to-day, it take a recess until 11 o'clock to-morrow morning.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

SENATE LEADERSHIP AND POLITICAL SITUATION.

Mr. HARRISON. Mr. President, we have all known that the Republican Party was very much on the down grade, because it has been evidenced in so many ways. We could read it in the faces of the distinguished leaders on the other side as well as in the returns of all elections that have been held in recent months. We thought that the Democratic Party was pretty militant and had rendered great service to the people in pointing out the defects of much of the legislation proposed in this body and in the House of Representatives and in constructive suggestions and cooperation, but we did not realize that the majority in this Chamber realized that we were so militant until Saturday last. We did not know that there was to be a confession upon the part of the Republican majority in this body that it was impotent, that it was leaderless, that it was "on the rocks," and that something must be done to rehabilitate it. No higher authority could be advanced to assure the truth of that statement than the action of the distinguished leader of the majority party in this body on last Saturday. I do not know, and I hope some one will be able to tell me before this discussion is over, whether he was acting single-handed and alone or after full conference with his colleagues; but this we do know, that there appeared in all the morning newspapers of yesterday a statement, evidently given out with authority from the rooms of the distinguished leader on the other side, that he had selected two Senators of the majority to act as assistant leaders in this body; that they were to enter more frequently into the debates in the Senate; and that he had not been able to be in his seat as often as he would have desired. The Senator did not in that statement say so, but between the lines you could read it. So he selects, without caucus action, two very distinguished and able Senators who are to be styled "assistant leaders of the majority party."

I am making these remarks in order to congratulate these two colleagues who have been so promoted by their leader, and at the same time to commiserate with others on the other side of the Chamber.

I had formed the idea from the action of my friend, the distinguished Senator from Kansas [Mr. CURTIS], that he was able to take care of himself; that he had earned the high honor that had been thrust upon him by his colleagues in the last

caucus, when he was named assistant leader of the Republican Party in the Senate, and that he had fulfilled every requirement and had made good in every detail.

I had thought that the distinguished senior Senator from Indiana [Mr. WATSON] had made pretty good as one of the assistant leaders on the other side of the Chamber, because we have read every other day in the newspapers that he has been at the White House conferring with the President and that he would express the views of the President on the following day upon the floor of the Senate. It seems, however, from the article which I have read, and which I am sure other Senators have read with an equal amount of interest, that those two distinguished Republican past masters in the art of debate are to be dethroned and that two others are to take their places.

Now, for what reason is that to be done, Mr. President? We are told in this statement that one of these Senators was selected because the conservative wing of the Republican Party must be taken care of and that the other was selected as the representative of the progressive wing of that party. If the distinguished leader of the Republican Party in the Senate is going to select Senators as his assistants to take care of the various wings and elements of the Republican Party he will need a good many more than just two assistants in this body, for there are about as many species of Republicans in the Senate at this time, and, perhaps, there will be just as many or more—no, not so many, because we got some of them in the last election—in the next Congress as there are species of birds found in that large cage out at the Zoo. There is a good deal of aptness in that comparison, for people come here as curiosity seekers to see the various species of Republicans comprising the Senate majority, and they likewise go out to the Zoo to see the different species of birds that are to be found there. [Laughter.]

I do not know whether or not the distinguished Senator from New York [Mr. WADSWORTH], who has been selected to represent the conservative wing of the party, appreciates the humor of the situation. I do not know that he will in the next campaign in New York admit that he is a conservative. Then, too, he will have to give his own definition of just what a conservative is.

Of course, if it were left to certain Senators on the opposite side of the Chamber to choose a progressive to represent the progressive element of the party, the choice might not have been different. If we should take, for instance, the group of Senators represented by the distinguished Senator from Iowa [Mr. BROOKHART]; the distinguished Senator from Michigan, who sits by his side [Mr. COUZENS]; the distinguished senior Senator from Wisconsin, who occupies a seat on the other side of the Chamber [Mr. LA FOLLETTE]; the distinguished Senator from Nebraska [Mr. NORRIS]; and other Senators making up that group; we know there would have been no question as to the selection of the junior Senator from Wisconsin [Mr. LENROOT] as the leader of that particular element in this body. Surely there would have been no doubt about it; it would have been unanimous. So I presume that the distinguished Senator from Massachusetts merely took it for granted that there would be no objection to the junior Senator from Wisconsin, as the assistant leader, representing that progressive group in this body.

I am sure that it was "glad tidings of good news" when those distinguished Senators read the statement that henceforth and forever in this body when some great progressive measure was to be championed upon the floor they must sit quietly in their seats; that the distinguished junior Senator from Wisconsin [Mr. LENROOT] would receive the nod of the distinguished Senator from Massachusetts, and he would come forward in debate to represent the great progressive principles of that group of the party. In other words, from now on we are going to have two kinds of music played. When progressive music, quick and devilish, whether "rag" or syncopated, is to be played, our friend the junior Senator from Wisconsin [Mr. LENROOT] is to come forward, throw himself in the fray, and dance by it; but when the slow and antiquated regular Republican music is to be played in this Chamber our friend the Senator from New York [Mr. WADSWORTH] is to receive the nod or the beck or the call of the Senator from Massachusetts, and he is to glide forward and take up the cudgel of debate.

I surmise, Mr. President, that there is more than I have indicated behind this movement. The word has gone down the line that Senators must not talk, that they must pass a ship subsidy bill, and that they must pass the Army appropriation bill; that Senators on the other side should keep quiet in order to hasten legislation. But they are evidently becoming so frightened at the chances for a vote on the ship subsidy that the policy is to be changed, and here, at the eleventh hour, in the closing hours of the Congress, these two talkative cham-

pions, one of the conservative and the other of the progressive element, are to come forward in the debate every time the Republican Party is attacked. It is peculiarly strange that the majority should start such a filibuster at this stage of the proceedings. [Laughter.]

Mr. President, why were the two Senators to whom I have referred selected as assistant leaders? The distinguished leader from Massachusetts says they were chosen to represent the two elements of the party. The same kind of statement appears in pretty nearly all of the newspapers, and care is taken to say that this did not mean the unhorsing of the Senator from Kansas [Mr. CURTIS]; but because he was whip and because he was assistant leader he had so much to do that he could not stay on the floor of the Senate and enter into these debates.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HARRISON. Certainly.

Mr. CARAWAY. Did the Senator say because the Senator from Kansas was "whip" or was "whipped"? I did not understand him.

Mr. HARRISON. It seems now that the "whip" is to be "whipped." I do not know how the Senator from Kansas feels about this matter. I am going to watch developments, but I am sure that some of his friends will come to his rescue here, because no Senator sits in the Chamber more patiently all the time responding to his name and telling his Republican colleagues how to vote when they come in and do not know how to vote, than does the Senator from Kansas. He always answers to the roll call louder than any one else, so that there may be no mistake as to how to vote. I recall some months ago when a delicate question was under consideration respecting the Panama Canal, the Senator from Idaho [Mr. BORAH] I think having offered an amendment, Republican Senators were running around on their side of the Chamber like chickens with their heads off, not knowing how to vote. The Senator from Massachusetts voted one way, but the Senator from Kansas spoke out with the voice of a lion another way and presently I saw leaders change their votes and vote as did the distinguished Senator from Kansas. He has performed his mission well. Mr. President, in the circumstances, do you understand why he should be dethroned at this time?

It is said that the two Senators who have been appointed leaders—splendid men—are selected to represent the different elements. Are the selections made because of their views on tariff rates on wool? The distinguished Senator from New York fought the high rates on wool and the distinguished Senator from Wisconsin likewise fought those rates; so that they were not selected because they had different views on the tariff as far as the rates on wool are concerned. If some Senator were going to be selected to represent the wool element, why was my distinguished friend from Idaho [Mr. GOODING] left out, or my distinguished friend from New Mexico [Mr. BURSUM], or the distinguished Senator from Utah [Mr. SMOOT]? He is all wool and a yard wide. [Laughter.]

It is very sure that if the appointments were based on the tariff measure otherwise, representatives of different elements were selected, because the distinguished Senator from New York voted for the tariff bill while the distinguished Senator from Wisconsin voted against it. There were only about five or six Republicans, I think, who voted against it; so I suppose the Senator from Wisconsin was selected to represent that element which condemned the tariff bill, which was sponsored by my friend from Indiana [Mr. WATSON]. Certainly that was one time he cast a wise vote, and it may be the Republican leadership now appreciates his wisdom for that act.

Is it because of the ship subsidy bill? I understand that the distinguished Senator from New York is for that, and that the distinguished Senator from Wisconsin has been trying to amend it over the protest of Lasker and the President of the United States. It may be that they were both selected because they both had condemned in the strongest language that element in this body, composed in large part of Members on the other side, known as the farm bloc, because no one has waxed more eloquent than the distinguished Senator from Wisconsin and the distinguished Senator from New York in condemning the farm bloc, so they need representation as assistant leaders in this body.

Mr. President, I am inclined to believe that the distinguished Senator from Massachusetts awarded this promotion to the Senator from New York because the other day, when a very important matter was before the Senate, and the Chair ruled according to precedent—there was no other way to rule—the Senator from New York appealed from that ruling. The Chair had ruled that we could vote on the question of 5-cent fares on

the street cars in the District of Columbia. He knew that he was following precedent when he made that ruling; but the Senator from New York immediately appealed, and, with the help of the distinguished Senator from Massachusetts and his party colleagues over there, overthrew the efforts and decision of the distinguished Vice President, so I presume that the leader over there was merely rewarding the distinguished Senator from New York for helping out the street railways in the District of Columbia. Then, too, I presume that this new-found honor was laid upon the tender shoulders of my good friend from Wisconsin—he deserves it; he is a splendid statesman, a fine debater—because he put through this body the other day a bill with 62 votes for it and not a vote against it; and because of standing by the farmers as he had in that instance he is to be rewarded by this place as assistant leader in this body.

So, Mr. President, I rose to commiserate with my friend from Indiana [Mr. WATSON], who no more can rise here with all his force and eloquence and power to debate, because when he does he may be told: "Sit down! Other assistants have been found more worthy than you. You are to be squelched. You just keep your seat. You were one of my assistants, but no more." Then, when my friend from Kansas [Mr. CURTIS] gets up, they can say: "Sit down! You are the whip. You have so many duties that you can not attend to this." Then I can see the Senator from Massachusetts wink at my friend, the Senator from Wisconsin [Mr. LENROOT], and say: "Go forward. It is your time. Represent the progressive element in the Republican Party. Go to them"; and when he has finished, and they need a conservative speech, the distinguished Senator from New York is to respond. Thus it is, Mr. President, that a new order of things has come about in the Senate of the United States.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HARRISON. Yes.

Mr. CARAWAY. What if the Senator from Massachusetts winks both eyes at once, and they both speak—will it be a joint debate? [Laughter.]

Mr. HARRISON. Well, I am afraid they are going to be tripping themselves up quite often.

It is a peculiar thing that in the same paper of yesterday, announcing the appointment of these two assistant leaders, there appeared an article from Indianapolis, Ind., headed in big letters: "Two presidential booms in Indiana. Beveridge and WATSON are mentioned as successors to Mr. Harding." And in the same paper there appears an article by Mr. Messenger headed: "President Harding's friends reject the idea that he can be Coué out of the renomination." They are putting something over on you. [Laughter.]

The PRESIDING OFFICER rapped with his gavel.

Mr. HARRISON. Mr. President, is this a movement to get the renomination of the Republican Party for Mr. Harding? Are they afraid of the distinguished Senator from Indiana? The papers are carrying the news that he may seek the nomination, and they are afraid to let him be assistant leader any longer. They are afraid his clarion voice will ring out, and he will make such a record in this body that it might "gum the cards" in the next Republican convention.

Over there sits my distinguished friend from Kansas [Mr. CURTIS]. There may be some method in this dethronement of him, because his distinguished colleague [Mr. CAPPER] is being mentioned in a large part of the press as one of the probable candidates for the Republican nomination for President, and he is liable to fool some of you over there. You had better begin to make up to him a little bit, like you are making up to the present President now. It may be that they thought that his colleague, the present whip and assistant leader in name only, not in practice any more, might be in too great a position here to help the junior Senator from Kansas secure the nomination for President. So it looks as though this must be a Harding proposition to blend all the elements in the Republican Party together to kill off opposition.

I wish you well. I hope that you have removed the discordant elements that have been playing so much within the Republican Party. Your leader now has fixed up the cards by the appointment as assistants of Senators WADSWORTH and LENROOT, one representing the progressive and the other the conservative element of your party. Everything is going to move along nicely. I suppose all are satisfied. There are going to be no more speeches from anyone over there except these two distinguished Senators, and they are going to be at the beck and call of the distinguished leader from Massachusetts [Mr. LODGE], who will tell them when to speak and when to hold their peace.

Mr. LODGE. Mr. President, when my friend from Mississippi [Mr. HARRISON] makes a comic speech he overlooks one proverbial saying, that "brevity is the soul of wit."

It would be quite possible for me, I think, with a little effort, to find the humorous side of the conflict now going on among my Democratic friends as to who shall be their leader. It would be perfectly possible for me to point out that variegated species of Democrats are, to say the least, quite as common as variegated species of Republicans. I do not care to waste the time of the Senate on matters so wholly trivial. It is enough for me to say that the only power that can create offices in the Republican organization is the Republican conference. They have created three officers there—the chairman of the conference, the vice chairman and whip, and the secretary. I have the honor to be chairman of the conference. The Senator from Kansas [Mr. CURTIS] is the vice chairman and whip; and I may say, after a long experience, that there never has been within my knowledge a more patient, diligent, dexterous, capable whip and vice chairman than the Senator from Kansas. The secretary is the Senator from New York [Mr. WADSWORTH].

Mr. President, I have no power whatever to create the offices of assistant leaders or any other offices for the conference, or to appoint such officers after their positions have been created. I have created none and I have appointed no assistant leaders. I try to consult with all the Republicans. I try to do everything I can to promote the business of the Senate and to promote harmony and teamwork on this side. I consult with all, and at different times I have asked many of the Republicans here to aid me, and shall continue to do so. As the Senator from Indiana [Mr. WATSON] has been particularly named, I believe, in some of the newspaper reports, let me take this occasion to say that there is no Senator on the Republican side with whom I have consulted more, or on whose advice I rely more than on that of the senior Senator from Indiana. Not a day passes that I do not consult with him and advise with him.

No statement was issued from my office, and from the confused reports in the newspapers almost any inference might be drawn. Their perfect unreliability is shown by a report I see this morning, that I am so enfeebled and so weary that I do not intend to be the leader of the Senate if my colleagues should be good enough to choose me again for that position. As that has been brought up, let me take the occasion to relieve the mind of the Senator from Mississippi and tell him there is no truth in it. There is no truth in any of these stories that have been filling the newspapers. The two Senators who have been named as having been designated assistant leaders are Senators who command in a high degree my confidence as well as my friendship, and whom I have repeatedly asked, as I have many other Senators, to assist me in the debates on this floor, as I shall continue to do. If the Senator is disturbed about divisions in our party, I suggest that he look at some of the divisions in his own.

Mr. WATSON. Mr. President, my jocose friend from Mississippi is always interesting and generally amusing, and never more so than on the present occasion. I do not know why he sought to bring me into this controversy, if there be controversy, because I am only an innocent bystander, one who always gets shot, beyond doubt.

I never know just how far to be facetious in replying to a speech by the Senator from Mississippi and how far to be serious. If the people of the United States understood the situation, and could see it here just as it has been portrayed to us, I should either not respond at all or else be jocular in my response; but when a speech by the Senator is carried out in cold type, and is read by the people, they may look upon it as a serious proposition and think that in reality there are some facts to substantiate the statements made by the Senator.

Let me assure my friend in the beginning that he need have no uneasiness about the future of the Republican Party in the Senate or in the country. I have heard my friend make these speeches before, on occasions quite similar to that which now confronts us, and always with the same result.

When 1924 comes around, the forces of the Republican Party, notwithstanding any seeming division which my friend may find in the ranks at this time, will be united and militant. They will stand upon a platform that will command the respect of the great body of the American people, and they will nominate as their candidate, in my judgment, the present President of the United States without any opposition in the Republican convention. My friend has been kind enough to mention my name in connection with that exalted position, largely in order to make his speech more facetious and more jocular.

Mr. HARRISON. I was in hopes it was true.

Mr. WATSON. I have no doubt that the Senator would be glad to see any sort of opposition created to the President of the United States, but it will not be. My own thought is that if Mr. Harding wants to be renominated for President he ought to be and will be, because the Republican Party must stand on

the record we have made, the record of his administration, and it is not possible to stand on the record of the administration and yet repudiate the head of the administration.

We stand upon the record made by Congress and by the President, by the legislative and by the administrative branches of the Government, and it is not possible for any party to nominate somebody else than the President of the United States and yet appeal to the people to support the party on the record made by the administration of which the President is the head. I have no doubt in my mind that the President of the United States will be a candidate for renomination, nor have I any that he will be renominated by the convention when it meets. So much for that. I am obliged to my good friend for having mentioned my name in connection with that exalted position. It is a compliment, even from him, in a jocular and facetious speech.

Mr. HARRISON. I am very glad that the Senator stopped at the renomination of Harding and did not venture to go farther.

Mr. WATSON. That is as far as is necessary to go now. The other details will be looked after in the future.

I may say to my friend, who was talking about the last election, that it might be well for him to look at the results of the very last election that was held, the by-election in New York, held only last week, where the Democratic candidate received but 206 majority, whereas in the November election he had 3,528 majority.

Mr. HARRISON. Will the Senator yield?

Mr. WATSON. Yes.

Mr. HARRISON. The Senator recalls that President Harding carried that district by something between thirty and forty thousand, does he not?

Mr. WATSON. Yes; I do.

Mr. HARRISON. A pretty big loss, from 40,000 down to 206.

Mr. WATSON. In November the Democratic candidate carried it by 3,528 majority, but last week by 206 majority. In other words, as Lincoln said, "You can fool all the people some of the time, but you can not fool all of the people all of the time," which, after all, is saving grace for this Republic; otherwise the Democratic Party would be in power all the time.

Permit me to say this in connection with the proposition of an assistant leader: I have not been the assistant leader here, nor have I ever sought to be at any time. If the Senator from Massachusetts wants to be leader—and there is no reason why he should not be—I am for him to continue as such in this Congress and in the next that is to come. Everybody understands about the ability of the Senator and his great knowledge of parliamentary law, his statesmanship, and his capacity for leadership, and I do not intend, in so far as I am concerned, even in a facetious speech, to permit my friend to have go out to the country that there is any division or discord on this side with reference to the leadership of the Senator from Massachusetts.

So far as I am concerned, the Senator from Kansas may be the assistant leader if he so desires. There is no more competent man. He and I served together in the House many years. I happened to be the whip over there, and at that time he was my first assistant whip, and we worked together admirably. So far as his work in the Senate is concerned, it has spoken, does speak, and will continue to speak for itself. In all respects he is admirably equipped and qualified for the position he holds. It is not necessary to have assistant leaders on this side, but if assistant leaders are to be chosen, where may we find two worthier than my distinguished friend from New York [Mr. WADSWORTH] and my other equally distinguished friend from Wisconsin [Mr. LENROOT]. It may be true that these men have not always voted together on various propositions which have been submitted, but after all each man on this side is a law unto himself. He thinks for himself, and while we get together in conference and thrash out our various propositions, and usually go along in harmony, after all, if no conference is held on a proposition, it is up to each man to determine his own course for himself as a free and independent Senator of the United States in this the greatest legislative body of the world.

Therefore I want to say to my good friend, of whom I am personally so very fond, that he is building up a beautiful man of straw, and then tearing it down with his usual skill, in the presence of filled galleries and of all the fine boys in the newspaper gallery. But let it be understood that, so far as the future of the Republican Party is concerned, there will be no division as to national leadership, and no discord as to leadership in the Senate of the United States.

ISLE OF PINES.

Mr. POMERENE. Mr. President, if the Senate will bear with me just a minute on a matter which is perhaps not directly in order, on January 3 I offered a resolution calling upon the Secretary of State for certain information with respect to American interests in the Isle of Pines. On January 29, the Secretary responded to that resolution, and his reply has been printed as Senate Document No. 295.

Without taking time to read the communication, it develops, in substance, that there are 10,000 American property holders in the Isle of Pines; that they own 90 per cent of the whole island; that there are 700 Americans now residing permanently on the island; that the citrus fruit groves in that island are worth about \$1,000 per acre; that there are 10,470 acres of those groves, valued at about \$10,470,000; that there are other lands owned by Americans estimated as worth \$11,280,000, making the American holdings in all worth \$21,750,000. General Crowder, who was also asked as to the value of those lands, said, in substance, that he thought they did not exceed \$15,000,000 in value.

The area of this island is about 800 square miles, or 512,000 acres. Americans own 90 per cent, or 460,800 acres. The other 10 per cent is owned by Cubans and others. Most of that land was acquired by the Americans shortly after the Spanish-American war, and under the representation and belief that the Isle of Pines belonged to the United States. There has been considerable contention about it, and it is now an open question, to say the least, as to what Government owns this island.

Whether the title belongs to Cuba or not ought to be finally determined. The State Department has been of the opinion that the island belongs to Cuba. There is a treaty pending before the Senate in executive session virtually quitclaiming to the Government of Cuba the title to this island. Without attempting to discuss this question, I want to submit to the Senate this proposition: With 10,000 Americans owning 90 per cent of the acreage of the island, valued at from \$15,000,000 to \$21,000,000 and over, should we not, out of deference to the rights of those American citizens, try to secure sovereignty over that island? To that end I submit the following resolution, and ask that it may be read for the information of the Senate.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 433) was read as follows:

"Whereas there is a dispute as to whether the Isle of Pines is territory of the United States or of Cuba; and

"Whereas a large number of American citizens purchased and acquired land and other property in and on the Isle of Pines under the representations and belief that it was territory of the United States; and

"Whereas it is estimated from the best available sources of information that 10,000 American citizens own in the aggregate 90 per cent of the whole island, or about 460,800 acres, variously estimated to be worth from \$15,000,000 to \$21,750,000; and

"Whereas only about 10 per cent of the area of said island, or about 51,200 acres, is now owned by Cubans, or others than citizens of the United States: Therefore be it

"Resolved, That the President be, and he is hereby, requested to enter into negotiations with the Republic of Cuba for the cession of the Isle of Pines to the United States upon such terms and conditions as may be equitable and just to the Governments and peoples of the United States and of Cuba and to the residents and property holders of the Isle of Pines."

MR. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. POMERENE. I yield.

Mr. WALSH of Massachusetts. I would like to ask the Senator where he got his figures about the number of Americans who own property on the Isle of Pines. Residents of the Isle of Pines who have been visiting in this country have furnished information which would indicate that the number is very much less.

Mr. POMERENE. The facts contained in the preamble to the resolution I have taken in substance from the communication which was sent to the Senate in response to my resolution by the Secretary of State. In view of the fact that the question is raised, I ask that the communication from the Secretary of State, which is found in Senate Document 295, may be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered. The communication is as follows:

To the Senate:

I transmit herewith a report by the Secretary of State in response to the resolution adopted by the Senate on January 3 (calendar day, January 4), 1923, requesting him to inform the Senate "how many citizens of the United States have landed or other property interests in the Isle of Pines, and the amount and value of such lands and other property owned by them."

WARREN G. HARDING.

THE WHITE HOUSE.

Washington, February 2, 1923.

The President:

The undersigned, the Secretary of State, has received through the Secretary of the Senate an attested copy of a resolution adopted by the Senate on January 3 (calendar day, January 4), 1923, as follows:

Resolved, That the Secretary of State be, and he is hereby, directed to inform the Senate how many citizens of the United States have landed or other property interests in the Isle of Pines, and the amount and value of such lands and other property owned by them.

In response thereto, the Secretary of State has the honor to lay before the President the following information with a view to its transmission to the Senate, if his judgment approve thereof:

The latest information received by the Department of State on the subject matter of the Senate resolution is contained in a dispatch, dated January 13, 1923, from the American consul at Nueva Gerona, Isle of Pines, and a telegram from Maj. Gen. Enoch H. Crowder dated January 26, 1923.

In his dispatch the consul reports as follows:

"It is manifestly impossible to estimate accurately the value of the land and other property belonging to American citizens without a long and expensive survey, but it may be possible to deduce from available data some idea of the amount and value of their holdings.

"As many land titles have never been recorded by American landowners in the local registry office, it is only possible to estimate the total number. From the best available sources of information it is estimated that about 10,000 Americans own Isle of Pines land and that their holdings aggregate 90 per cent of the whole island. As only about 700 Americans reside permanently in the island, it is obvious that the great majority of the landowners reside in the United States.

"A citrus fruit grove may be estimated as worth \$1,000 per acre, on an average. As there are 10,740 acres of groves their value would be \$10,740,000. The other land owned by Americans is estimated as worth \$11,280,000, including the growing crops and timber, making the total value of American-owned land \$21,750,000.

"The value of the land not grove property is arrived at as follows: The area of the island in round figures is 800 square miles, or 512,000 acres, of which Americans own 90 per cent, or 460,800 acres. Deducting from this 10,470 acres of grove property leaves 450,330 acres of other land. This is valued at anywhere from \$25 to \$75 an acre. Taking it at the lowest valuation it is worth \$11,258,250 without timber or crops. The growing crops of vegetables, etc., and the pine timber and other timber would easily bring this figure up to \$11,280,000. This does not take into account the value of mining rights owned by Americans.

"Besides lands Americans own a great variety of other property, such as buildings, hotels, fruit-packing houses, stores, dwellings, barns, warehouses, schools, and churches, also stocks of merchandise, household goods, and personal effects, the steamboat line with three steamboats, other boats and vessels, motor vehicles, farming equipment, stock in the bank and in the telephone company, all of which may be roughly estimated as worth not less than \$1,000,000. This is believed to be a very conservative estimate."

In his telegram of January 26, 1923, Maj. Gen. Enoch H. Crowder states as follows:

"From best available information the estimates made by the consul at Nueva Gerona are correct, with the exception of valuation. The value of American-owned property in the Isle of Pines would not exceed \$15,000,000.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, February 1, 1923.

Mr. McKELLAR. Mr. President, my attention was momentarily directed to something else, and I did not hear the request of the Senator from Ohio with reference to the Isle of Pines matter. Would the Senator kindly restate it briefly?

Mr. POMERENE. I have just presented a preamble and resolution requesting the President to enter into negotiations with the Government of Cuba for the purpose of securing the cession of that island to the United States under such terms and conditions as may be just and equitable, both to the Government of the United States, the Government of Cuba, and the residents and property holders of the island.

Mr. McKELLAR. As I recall, there is quite a dispute as to the present ownership of the Isle of Pines. It is held by some authorities that it is not Cuban territory and was not ceded to Cuba in the treaty which we entered into some years ago with Spain. Would not the passage of the resolution be an admission on the part of the Senate that we had no right to the Isle of Pines?

Mr. POMERENE. No; it would not. I have expressly recited in the preamble that there is a dispute with respect to the matter.

Mr. McKELLAR. I did not hear the preamble read.

Mr. POMERENE. The Senator will find it in the RECORD. I have a copy of it here, if the Senator would like to look at it.

Mr. WALSH of Massachusetts. Do the American residents go further than to claim that they located there under the apprehension that it was American territory? I do not understand them to claim that it really is American territory.

Mr. POMERENE. It was claimed by them that it was American territory. Senators who may be interested in the subject will find in Senate Document 205, Fifty-ninth Congress, first session, a majority report from the Committee on Foreign Relations, by Senator Foraker, former Senator from Ohio, and also a minority report which was presented by former Senator Morgan of Alabama and former Senator Clark of Montana.

I did not intend to discuss the matter, and I am not going to take time in view of the legislation that is pending. I may say, however, that about the time the Americans began to be-

come interested in the island letters and telegrams were addressed to the War Department, and the War Department answered some of the letters to the effect that the island was United States property. A map was issued by the War Department containing different colors, representing the sovereignty of the several countries and the islands of the Caribbean Sea, and the map showed this island to be United States territory. I think it is fair to say that upon further investigation by one of the committees of the Senate, and I think it was the Committee on Foreign Relations, it was contended that there was no authority for the printing of the map.

It was claimed by some of those people that the late President McKinley said that the island was American territory.

I have not been able to satisfy myself that President McKinley ever made such a statement. The Secretaries of State have contended, dating from the Roosevelt administration, that it was Cuban territory. The controversy arises rather out of the reading of the protocol with Cuba, following the cessation of hostilities with Spain, and later in the Paris treaty, where it was stated—and now I am speaking from memory—that Spain relinquished her title to Cuba.

Then the question arose as to what was meant by the construction of the word "Cuba." It was contended on the part of property holders and others who believed this to be American territory that the word "Cuba" in the Paris treaty and in the protocol meant only the island of Cuba. On the other hand it was contended that the word "Cuba" in the treaty and protocol included not only the island of Cuba but all of the lesser islands more or less immediately connected with this island. It is contended in favor of that construction that during the days when Cuba was a part of Spain they had a government of the province of Cuba, and they sent their representatives to the Parliament of Spain. It was claimed that the Isle of Pines was always subject to the jurisdiction of the province of Cuba, so that it is said that when our commissioners drafted the protocol and later the treaty of Paris with Spain, they had in mind the previous history of the island and its connection with Cuba.

It was the acceptance of that position, I think, that led the several Secretaries of State to hold that the Isle of Pines was, in fact, Cuban territory. Nevertheless, when the question came up afterwards in the Senate, I think it was in connection with the ratification of the treaty, the title to the Isle of Pines was reserved for future consideration. It also is a fact that from that day to this the Isle of Pines has been under the jurisdiction of the Cuban Government. Now, whether we should be of the opinion that the Isle of Pines is Cuban territory or United States territory, it has seemed to me, in view of the fact that many of our people—and they are distributed more or less all over the country—have acquired their title—

Mr. WALSH of Massachusetts. And were solicited by the Government to go there.

Mr. POMERENE. I was not advised of that, but I accept the statement. In any event, it was represented that this was United States territory, and I know that many of our people, and particularly residents of Ohio, made purchases in the Isle of Pines believing it was United States territory. I dare say they never would have made a purchase in the Isle of Pines had they not so believed. My distinguished colleague [Mr. WILLIS] will recall former Chief Justice John A. Shauck, now dead, who was for many years one of the leading jurists of Ohio and chief justice of the supreme court of that State for many years. He was one of the men who acquired some property in the Isle of Pines. He presented to me some years ago a brief on the subject. He seemed to have no doubt whatsoever, as a matter of law, that the Isle really belonged to the United States. I have had my doubts about it.

I felt, under these circumstances, knowing that 90 per cent of the acreage belonged to American citizens, and because there are other large investments down there in the form of public utilities and manufacturing plants, that our Government ought to enter into some negotiation with the Government of Cuba looking to the ceding of that island to the United States.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. POMERENE. I yield.

Mr. McKELLAR. The majority report, as I understand it, holds that it is not United States territory.

Mr. POMERENE. Yes; that it is Cuban territory.

Mr. McKELLAR. And the minority report that it is not United States territory?

Mr. POMERENE. That is correct.

Mr. WALSH of Massachusetts. Is the Senator asking for the immediate consideration of the resolution?

Mr. POMERENE. Oh, no. I could not do that now, because under the rule I think the resolution should go to the

Committee on Foreign Relations. I ask that it may be referred to that committee.

The VICE PRESIDENT. The resolution will be so referred.

Mr. TRAMMELL. Mr. President, I am not familiar with the history of the Isle of Pines from a legal standpoint, but I had rather gained the impression that possibly some of the American citizens, who are very anxious to have it placed under the jurisdiction of the United States, would like to relieve themselves from the imposition of the tariff duties imposed upon products of the Isle of Pines which come in competition with similar American products. I would like to have that point considered in connection with any investigation that is made of the subject.

I dare say that many of those citizens went there to grow products that would come in competition with American products just with the hope that they might have that territory become territory of the United States and thus be relieved of the tariff duties which are imposed. If we take into consideration the last tariff act and the rates which were increased upon a number of products, and properly so, because it was the general policy of the Congress to increase tariff rates, we might go to their help; but if we had allowed the tariff to remain as it was previously on products coming from the Isle of Pines coming in competition with the products of certain parts of the country, we would not do so. I am just a little apprehensive that a good many of those American citizens down there want it to be annexed to the United States so that they can be relieved of the imposition of the present tariff rates.

Mr. WILLIS. Mr. President, will the Senator permit an interruption?

Mr. TRAMMELL. Certainly.

Mr. WILLIS. Would the Senator object? I recall that he voted against all those tariff duties.

Mr. TRAMMELL. I would object to it most strenuously under the operation of a high tariff on the products coming from every other section of the country and coming in competition with the products produced in every other section of the country. I think the Senator himself would object to any such discrimination.

Mr. WILLIS. Certainly I should, for I voted for the tariff. I believe in it.

Mr. TRAMMELL. I voted to try to equalize the tariff. I do not believe in selling goods produced in one part of the United States in a free-trade market, and being compelled to purchase goods from a territory that enjoys protection. Nobody could contend that that policy is right. If we are going to have a system of high tariff, it must not be applied to the products of only one section, ignoring the products of another section.

Mr. POMERENE. Mr. President, if I may say a word in reply, I desire to say that I think it is true that some of these people are interested in getting their citrus fruits into this country. It is a sort of human desire to get a market. There are in the island, I think, 800 square miles or thereabouts. Its people raise pineapples, and some oranges and grapefruit, but the season for the Isle of Pines is over before the season begins in Florida, so I am advised, and all of their fruit should be marketed and could be marketed in the United States without in the least interfering with the Florida product.

I have a sort of an old-fashioned idea that the people here in some of the other States ought to be permitted to eat oranges or grapefruit once in a while without paying tribute by way of high tariff taxes to other people. It may be that is an old-fashioned view but, nevertheless, it is mine.

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 44, line 18, to decrease the total appropriation for the "Office of the Quartermaster General" from \$532,060 to \$531,220.

The amendment was agreed to.

The next amendment was, on page 44, line 19, after the words "sum of," to strike out "\$25,000" and insert "\$35,000," so as to read:

The sum of \$35,000 of the appropriation available for the fiscal year 1924 for the "Disposition of remains of officers, soldiers, and civilian employees" may be expended for personal services in the cemeterial division, office of the Quartermaster General, for compiling, recording, preparing, and transmitting data incident to bringing home and disposition of remains from abroad.

The amendment was agreed to.

The next amendment was, under the head "Air Service," on page 51, line 19, after the word "plants," to strike out "for the Regular Army," so as to make the proviso read:

Provided, That not less than \$50,000 of this amount shall be used for continuation of airplane bombing tests against obsolete naval craft; not exceeding \$500,000 may be expended for the production of lighter-than-air equipment; and not exceeding \$300,000 may be expended for improvement of stations, hangars, and gas plants.

The amendment was agreed to.

The next amendment was, on page 52, line 11, before the word "title," to strike out "the" and insert "this," and in line 13, after the name "War Department," to strike out "upon Government flying fields, and no public exhibition flights shall be given unless a bond of indemnity, in such sum as the Secretary of War may require for damages to person or property, shall be furnished the Government by the parties desiring the exhibition," so as to make the additional proviso read:

Provided further, That none of the funds appropriated under this title shall be used for the purpose of giving exhibition flights to the public other than those under the control and direction of the War Department.

The amendment was agreed to.

Mr. KING. I should like to ask the Senator from New York if we have now reached the provisions dealing with the Air Service?

Mr. WADSWORTH. We have.

Mr. KING. I wish to ask the Senator with respect to that service whether, in his judgment, the appropriation carried in the bill is sufficient for any practical or useful purpose; whether the appropriations which have been made during the last two or three years have resulted in any benefit; and, finally, whether the War and Navy Departments or the administration have recommended any plan or have any plan for consolidation of all of the air activities under a new bureau or a new department, or under some sort of Federal agency, so that there may be a coordination of all activities in relation to aircraft?

Mr. WADSWORTH. Mr. President, I know of no plans being made by the administration to unite all the aircraft activities of the Army or the Navy with any other branch of the Government. I will say to the Senator that I believe the appropriations which are carried in the pending bill are too small, but the condition of the Treasury is such that we can scarcely afford any larger ones.

The Senator has asked me if anything has been accomplished for the Air Service by appropriations which have been previously made. I think a great deal has been accomplished in the last two or three years. The new types of planes which have been developed since the World War in this country, under the guidance in part of the experts of the Army, assisted, of course, by experts in civil life, are probably unexcelled. The Martin bomber, as is well known, is one of the finest heavy machines in the world. The Thomas-Morse fast scout plane, which is the last approved design to be put into quantity production, is one of the best machines of its kind in the world. I also call the Senator's attention to the fact that at the races near Detroit last autumn the American flying machines, in part owned or operated by the Army and its personnel, broke five world records for speed. I think an instance of that kind is somewhat eloquent of the progress which has been made in this country.

It is true we have not enough machines to equip an adequate force, nor have we enough flying officers to man the machines that would be required for an adequate force, but, with the money which we have had, in spite of the very heavy restrictions, I think rather remarkable progress has been made.

Mr. KING. May I inquire of the Senator whether the progress made has been through the efforts of the Air Service of the War Department or through the efforts of private corporations engaged in the production of these machines?

Mr. WADSWORTH. It has been through the efforts of both. Of course, it is only the War Department that spends money out of this appropriation.

Mr. KING. Of course, I understand that.

Mr. WADSWORTH. Designs of new planes are invited from private manufacturers. Planes are also being made from time to time by the Government's own designers. When finally a very advantageous design is evolved a couple of machines are manufactured in accordance with the design as experimental types. Then they are tested, and if they meet the tests—and only the War Department can determine the nature of the tests—contracts are let for their production in quantity if the Congress appropriates the money.

Mr. KING. I have been advised by one or more persons that contracts recently were let for, I think, 100 machines, and there

was some question as to the utility of those machines. Is the Senator advised as to that?

Mr. WADSWORTH. I have never heard of it.

Mr. KING. Mr. President, without indulging in any criticism of the amounts we are appropriating for aeronautics both for the Army and for the Navy, I think those appropriations do not bring adequate results, and that we never will get adequate results with the present divided responsibility. It is obvious, to me at least, that there should be one organization, one agency to control the subject of aeronautics; that such agency, of course, should have representation upon it from the Army and the Navy and perhaps from the Post Office Department; that there should be developed perhaps some suitable factory for the construction of machines, and that the efforts of all the aeronautical agencies or activities of the Government should be focused and centralized in the interest of economy and in the interest of securing the best results. We spent last year, I think, some twenty-odd million dollars for the Air Service of the Navy and perhaps from \$12,000,000 to \$15,000,000 for the Air Service of the Army, and this year this bill will carry, directly and indirectly, in all more than \$20,000,000 for the Army for aeronautics.

Mr. WADSWORTH. There is nothing appropriated indirectly; it is all carried right here.

Mr. KING. I refer to the compensation of officers.

Mr. WADSWORTH. Oh, yes.

Mr. KING. And to the civilian employees as well as officers.

Mr. WADSWORTH. The appropriation is nothing like \$20,000,000. The civilian employees are provided for in the item which we are discussing.

Mr. KING. I refer to the overhead expenses and the number of officers and enlisted men whose compensation will be met by some other item of the bill; so that the aggregate doubtless will approach \$20,000,000. Whether more or less, at any rate it is a considerable sum; and I have some doubt as to whether or not under the appropriations of last year and this year and preceding years we have received any benefit commensurate with their magnitude, and, in my judgment, we will not do so until we have a reorganization and consolidation of these activities.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, in the item for salaries in the office of the Surgeon General, on page 56, line 16, before the words "of class three," to strike out "fourteen" and insert "fifteen"; in the same line, before the words "of class two," to strike out "thirty-four" and insert "thirty-five"; in line 17, before the words "of class one," to strike out "fifty-six" and insert "fifty-seven"; and, at the end of line 24, to strike out "\$215,080" and insert "\$219,280," so as to make the paragraph read:

Salaries: Chief clerk, \$2,250; principal assistant librarian, \$2,250; principal clerk, \$2,000; pathologist, \$1,800; microscopist, \$1,800; 2 assistant librarians, at \$1,800 each; anatomist, \$1,600; entomologist, \$1,600; photographer, \$1,500; translator, \$1,800; clerks—15 of class 4, 15 of class 3, 35 of class 2, 57 of class 1, 9 at \$1,000 each, 2 at \$900 each; multigraph operator, \$1,200; engineer, \$1,400; skilled mechanic, \$1,000; 2 messengers, at \$840 each; 6 assistant messengers, at \$720 each; chauffeur, \$840; 3 firemen, at \$720 each; 3 watchmen, at \$720 each; superintendent of building (Army Medical Museum and Library), \$200; 6 laborers, at \$660 each; 4 charwomen, at \$240 each; in all, \$219,280.

Mr. KING. I should like to ask the Senator from New York why there is such a large personnel required in the shape of clerks of various grades for the office of the Surgeon General?

Mr. WADSWORTH. Mr. President, of course it is a very large office, and it has highly important work to do. I hardly know how to answer the Senator's question, which seems to me to be rather vague; but the Surgeon General, as the Senator knows, has charge and supervision of the entire medical department of the Army, which extends from Portland, Me., to Manila. Everything that is done by the Medical Corps is done under the direction of this office, and its records necessarily are voluminous and its correspondence is great. There has been a steady reduction in the number of employees since the war. The figure at the foot of the page, \$219,280, is the Budget estimate.

Mr. KING. Of course, I appreciate the importance of this organization, and I would be the last one to restrict it by failing to give sufficient appropriations; but in view of the fact that we have but one hundred and twenty-odd thousand soldiers I was rather curious to know why it would require such a large number of clerks in order to dispose of the clerical work of the organization. May I inquire of the Senator whether the War Department avails itself of the services of the Public Health Service.

Mr. WADSWORTH. Not at all.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 59, at the end of line 23, to insert the word "purchase" and a comma, so as to read:

ENGINEER OPERATIONS IN THE FIELD.

For expenses incident to military engineer operations in the field, including the purchase of material and a reserve of material for such operations, the rental of storehouses within and outside of the District of Columbia, the purchase, operation, maintenance, and repair of horse-drawn and motor-propelled passenger-carrying vehicles, and such expenses as are ordinarily provided for under appropriations for "Engineer depots," "Civilian assistants to engineer officers," and "Military surveys and maps," \$90,000.

The amendment was agreed to.

The next amendment was, under the head "Corps of Engineers," on page 62, at line 6, to insert the following subhead: "Seacoast Defenses, Insular Possessions."

The amendment was agreed to.

Mr. KING. Mr. President, I should like to inquire of the Senator respecting the item here for the protection and repair of fortifications. There was considerable literature on the subject, the Senator will recall, during and following the war, by reason of the development of submarines, and so forth, as to whether our plan of fortifications was archaic, whether there was any necessity for the maintenance of many of these forts and fortifications along the Atlantic coast, particularly, and along the Gulf. May I inquire of the Senator whether this bill keeps all of those fortifications in esse and preserves them, or whether a new plan has been devised?

Mr. WADSWORTH. Mr. President, the majority of our seacoast fortifications are manned only by two or three caretakers. The guns in many of them, such as they are—and some of them are fairly modern guns—are covered with tarpaulins or wooden sheds, for the simple reason that we have not the personnel left in the Regular Army to man more than half the seacoast defenses of the United States. The most valuable ones, the most important ones, are still fully manned. I imagine that the General Staff and the Coast Artillery officers, together with the Navy, are constantly planning and revising concerning the seacoast defenses. I know of no new plan having been adopted which would result in the total abandonment of all the seacoast defenses. The amount appropriated here for repair and maintenance and preservation, \$274,000, is, of course, exceedingly small.

Mr. KING. Yes.

Mr. WADSWORTH. It is cut to the last limit. The committee's information is that a great deal of the Government's most valuable property is steadily going downhill in condition.

Mr. KING. The Senator refers to guns in fortifications?

Mr. WADSWORTH. Guns, range-finding apparatus, electric power plants to operate the guns and the ammunition hoists, the barbettes themselves, and the structures so necessary for keeping a seacoast defense in proper order. Severe complaint has been made by the Ordnance Department, especially, over the lack of funds to keep valuable property actually in repair.

Mr. KING. I was somewhat surprised at the smallness of this appropriation if it was to care for all of our seacoast fortifications.

Mr. WADSWORTH. This takes care only of the structural part of the fortifications under the Engineer Corps. There is another item under the Ordnance Department to keep in repair the guns themselves.

Mr. KING. I had in mind the fact that several years ago there was considerable talk about new plans being required, in view of the developments of the war, which would dispense with the necessity of maintaining many of our fortifications, and would perhaps call for the development of a different method of fortification.

The VICE PRESIDENT. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 62, after line 13, to insert:

For the installation and replacement of electric light and power plants at the defenses of the Philippine Islands, \$200,000.

Mr. KING. Mr. President, I should like to inquire of the Senator—and before we leave the bill I may offer an amendment on the subject, as I indicated the other day—if the War Department is devising any further fortifications in the Philippine Islands, other than those which seemed to be provided for here?

Mr. WADSWORTH. As I recollect, the four-power treaty forbids us to engage in the further fortification of the Philip-

pine Islands. I may be mistaken about that, but I think that is the fact.

Mr. KING. Nothing has been brought to the attention of the committee?

Mr. WADSWORTH. Oh, no; no money is being spent there on new construction. This item is in the nature of a replacement.

Mr. KING. Does the Senator believe that if we were to leave the Philippine Islands within a year, this appropriation of \$200,000 would be required?

Mr. WADSWORTH. It most certainly would not be; but we are not going to leave within a year.

Mr. KING. That is probably the view of the Senator, and probably the view of the administration. I hope, however, that both the Senator and the administration will change their point of view and will make provision for the United States to surrender the Philippine Islands and their government to the inhabitants on the 1st of January, 1924.

Mr. WADSWORTH. That is a very interesting suggestion.

Mr. KING. I shall offer that as an amendment to this bill if I can, and if a point of order is not raised against it.

Mr. WADSWORTH. It will be.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Field Artillery armament," on page 67, at the end of line 7, to strike out "\$425,000" and insert "\$448,500," so as to make the paragraph read:

For alteration and maintenance of the mobile artillery, including the purchase and manufacture of machinery, tools, and materials necessary for the work and the expenses of the mechanics engaged thereon, \$448,500.

The amendment was agreed to.

The next amendment was, under the subhead "Chemical Warfare Service," on page 71, at the end of line 19, to increase the appropriation for the purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas warfare purposes, etc., from "\$650,000" to "\$700,000."

Mr. KING. Mr. President, I should like some explanation from the Senator in regard to the increase in this item, and then generally an explanation as to the activities of this organization, and whether, in his opinion, the results are commensurate with the expenditures which have been made, and which are called for in this bill.

Mr. WADSWORTH. I assume that the Senator refers to the Chemical Warfare Service.

Mr. KING. Yes. The Secretary has just announced that as the heading.

Mr. WADSWORTH. As the Senator probably knows, nearly all this expenditure takes place at the Edgewood Arsenal, which is the experimental and research laboratory, as it were, of the Chemical Warfare Service. The Budget estimate was \$740,000. The House appropriated \$650,000, and the Senate committee proposes to appropriate \$700,000.

The great proportion of this expenditure is in the direction of research work, experimenting, of course, with gases of various kinds, and evolving methods of defense against such gases if our troops should ever be called upon to confront an enemy that uses so-called poison gases.

The work at the Edgewood Arsenal has been remarkably successful, and truly astounding improvements have been made in some of the things which some day may be of vital importance to the soldiers of the United States, and, indeed, to the country as a whole. The committee is convinced that the expenditure of \$700,000 a year for experiment and research, especially for the development of defensive articles, is well worthy of our support, and for that reason the committee suggests the sum.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, in the items for the office of Chief of Chemical Warfare Service, on page 72, line 5, after the word "exceed," to strike out "\$15,000" and insert "\$21,600," so as to read:

The services of chemists and such other services as the Secretary of War may deem necessary may be employed only in the office of the Chief of the Chemical Warfare Service to carry into effect the appropriation for Chemical Warfare Service, to be paid from such appropriation: *Provided*, That the total expenditures for this purpose for the

fiscal year 1924 shall not exceed \$21,600, and the Secretary of War shall each year in the Budget report to Congress the number of persons so employed, their duties, and the amount paid to each.

The amendment was agreed to.

The reading of the bill was resumed, and the reading clerk read to line 22 on page 72, the last item read being as follows:

NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE.

QUARTERMASTER SUPPLIES AND SERVICES FOR RIFLE RANGES FOR CIVILIAN INSTRUCTION.

To establish and maintain indoor and outdoor rifle ranges for the use of all able-bodied males capable of bearing arms, under reasonable regulations to be prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War; for the employment of labor in connection with the establishment of outdoor and indoor rifle ranges, including labor in operating targets; for the employment of instructors; for clerical services; for badges and other insignia; for expenses incidental to instruction of citizens of the United States in marksmanship and their participation in international matches, \$20,000.

Mr. BROOKHART. Mr. President, on the item for the National Board for Promotion of Rifle Practice, I thought I understood the Senator from New York to say that that was raised by committee amendment to \$89,000.

Mr. WADSWORTH. Yes. Mr. President, on behalf of the committee I offer an amendment to the paragraph headed "National Board for Promotion of Rifle Practice."

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 72, it is proposed to strike out lines 12 to 22, inclusive, and to insert in lieu thereof the following:

To establish and maintain indoor and outdoor rifle ranges for the use of all able-bodied males capable of bearing arms, under reasonable regulations to be prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War; for the employment of labor in connection with the establishment of outdoor and indoor rifle ranges, including labor in operating targets; for the employment of instructors; for clerical services; for badges and other insignia; for the transportation of employees, instructors, and civilians to engage in practice; for the purchase of materials, supplies, and services, and for expenses incidental to instruction to citizens of the United States in marksmanship, and their participation in national and international matches, to be expended under the direction of the Secretary of War, and to remain available until expended, \$89,900: *Provided*, That out of the said sum of \$89,900 there may be expended for the payment of transportation, for supplying meals, or furnishing commutation of subsistence of civilian rifle teams authorized by the Secretary of War to participate in the national matches, not to exceed \$80,000.

Mr. WADSWORTH. Mr. President, the language just read by the Secretary, with the appropriation proposed, is the exact language and the exact appropriation proposed by the Budget for 1923. It constitutes, in effect, a proposed increase over the appropriation carried in the bill as printed of \$89,900 for this purpose, and broadens the purposes for which that money can be used, and brings it back to the status of 1922 and years prior to that time.

Mr. BROOKHART. Mr. President, in reference to that appropriation, in 1922 for that amount we were only able to bring about 30 of the civilian teams to the national rifle matches. That made it necessary to rule out arbitrarily a considerable number of the States. In order to take care of all the States, about \$120,000 will be required for this item, instead of \$89,000. We had even more than that prior to that time, but from the experience we have had it will require that much, or else we will probably have the same trouble that we had before, and will have to say arbitrarily to this State or that State: "You can not come, because we have not the funds." I know that that was true in 1922, so I should like to move that that amount be raised to \$120,000.

Mr. WADSWORTH. Mr. President, the Senator from Iowa is better informed upon this subject than any other man in the Senate. I am very glad to take his word for the condition which he described as having existed at the national rifle matches, at which he has often been a principal instructor, and, so far as I may, I am willing to accept the amendment which he proposes, which would make the appropriation \$120,000. But the limitation in the amendment should probably be raised if the total sum is raised. The amendment reads that the appropriation shall be \$89,900, of which not more than \$80,000 shall be used for transportation, and so forth.

Mr. BROOKHART. That should be raised to \$100,000.

Mr. WADSWORTH. Yes. I accept those two modifications.

The VICE PRESIDENT. The Secretary will report the modified amendment.

The READING CLERK. On page 2, line 6, of the amendment, strike out "\$89,900" and insert in lieu thereof "\$120,000," and on line 11 strike out "\$80,000" and insert "\$100,000."

The VICE PRESIDENT. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The reading of the bill was continued. The next amendment was, on page 73, at the end of line 11, to increase the appropriation for the purpose of furnishing a national trophy and medals and other prizes to be provided and contested for annually, etc., from "\$6,500" to "\$7,500."

Mr. BROOKHART. With reference to that item, for many years we had an appropriation of \$10,000 for these purposes. The matches are much larger now than they were in those days, and I think that item should go back to the \$10,000, at least. There is no part of the national matches more valuable than the distribution of trophies and medals. At one time some of that was used for cash prizes, but that was abandoned years ago and trophies and medals adopted instead. I move that the appropriation be raised to \$10,000, as it was for so many years.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 73, line 12, in lieu of the amendment proposed by the committee, fixing the amount at \$7,500, the Senator from Iowa proposes to make the amount \$10,000.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BROOKHART. Should there not be an amendment in that next item?

Mr. WADSWORTH. That does not involve a committee amendment. Will the Senator postpone offering an amendment to that paragraph until amendments generally are in order? Under the unanimous-consent agreement, under which we are proceeding now, only committee amendments are in order.

Mr. BROOKHART. Very well.

The next amendment was, under the subhead "Chief of Infantry," on page 74, line 1, after the word "of," to strike out "technical, special, clerical, and temporary" and insert "temporary, technical, special, and," so as to make the paragraph read:

For the purchase of textbooks, books of reference, scientific and professional papers; instruments and material for instruction; employment of temporary, technical, special, and clerical services, including the services of one translator at the rate of \$150 per month, and for the necessary expenses of instruction at the Infantry School, Fort Benning, Ga., \$35,000.

The amendment was agreed to.

The next amendment was, under the subhead "Chief of Cavalry," on page 74, line 18, after the word "and," to strike out "materials" and insert "material"; in line 19, after the word "of," to strike out "technical, special, clerical, and temporary" and insert "temporary, technical, special, and," so as to make the paragraph read:

For the purchase of textbooks, books of reference, scientific and professional papers, instruments, and material for instruction; employment of temporary, technical, special, and clerical services; and for other necessary expenses of instruction at the Cavalry School, Fort Riley, Kans., \$17,600.

The amendment was agreed to.

The next amendment was, under the subhead "Chief of Field Artillery," on page 74, at the end of line 26, to strike out "matériel" and insert "material"; and, on page 75, line 1, after the word "of," to strike out "technical, special, clerical, and temporary" and insert "temporary, technical, special, and"; and, in line 4, after the word "Artillery," strike out "Schools" and insert "School," so as to make the paragraph read:

For the purchase of textbooks, books of reference, scientific and professional papers, instruments, and material for instruction; employment of temporary, technical, special, and clerical services; and for other necessary expenses of instruction, at the Field Artillery School at Fort Sill, Okla., \$18,000.

The amendment was agreed to.

The next amendment was, under the subhead "Militia Bureau, Arming, Equipping, and Training the National Guard," on page 79, line 11, to increase the appropriation for procurement of forage, bedding, etc., for animals, from "\$1,250,000" to "\$1,485,000."

The amendment was agreed to.

The next amendment was, on page 79, line 13, to increase the appropriation for compensation of help for care of matériel, animals, and equipment from "\$1,850,000" to "\$2,500,000."

The amendment was agreed to.

The next amendment was, on page 79, line 14, to increase the appropriation for expenses, camps of instruction, from "\$10,000,000" to "\$11,000,000."

The amendment was agreed to.

The next amendment was, on page 79, line 17, to increase the appropriation for expenses, selected officers and enlisted men, military service schools, from "\$300,000" to "\$350,000."

The amendment was agreed to.

The next amendment was, on page 79, line 19, to increase the appropriation for pay of property and disbursing officers for the United States from "\$70,000" to "\$75,000."

The amendment was agreed to.

The next amendment was, on page 80, line 4, to increase the appropriation for transportation of equipment, from "\$375,000" to "\$400,000."

The amendment was agreed to.

The next amendment was, on page 80, at the end of line 23, to strike out "\$2,250,000" and insert "\$3,250,000," so as to read:

ARMS, UNIFORMS, EQUIPMENT, ETC., FOR FIELD SERVICE, NATIONAL GUARD.

To procure by purchase or manufacture and issue from time to time to the National Guard upon requisition of the governors of the several States and Territories, or the commanding general National Guard of the District of Columbia, such number of United States service arms with all accessories, Field Artillery and Coast Artillery matériel, Engineer, Signal, and sanitary matériel, accouterments, field uniforms, clothing, equipment, publications, and military stores of all kinds, and a reserve supply of such arms, matériel, accouterments, field uniforms, clothing, equipment, and military stores of all kinds, as are necessary to arm, uniform, and equip for field service the National Guard of the several States, Territories, and the District of Columbia, \$3,250,000.

The amendment was agreed to.

The next amendment was, on page 81, line 13, after the word "arms," to strike out "Field Artillery, Engineer, or Signal matériel," so as to read:

Provided, That the Secretary of War is hereby directed to issue from surplus or reserve stores and matériel now on hand and purchased for the United States Army such articles of clothing and equipment and Field Artillery, Engineer, and Signal matériel and ammunition as may be needed by the National Guard organized under the provisions of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act approved June 4, 1920. This issue shall be made without charge against militia appropriations, except for actual expenses incident to such issue, which shall be charged against militia funds for both the fiscal years 1923 and 1924. None of the funds appropriated in this paragraph shall be used for purchase of arms, public animals, or chevrons.

The amendment was agreed to.

The next amendment was, in the items for salaries, Militia Bureau, War Department, on page 81, line 21, after the words "Chief clerk," to strike out "\$2,250" and insert "\$2,000"; at the end of the same line, to strike out "finance clerk, \$2,000"; in line 22, before the words "of class three," strike out "four" and insert "five," and at the end of line 25, strike out "\$82,850" and insert "\$82,200," so as to make the paragraph read:

Salaries: Chief clerk, \$2,000; clerks—three of class four, five of class three, ten of class two, twenty-six of class one, eighteen at \$1,000 each; messenger, \$840; two assistant messengers, at \$720 each; two laborers, at \$680 each; in all, \$82,200.

The amendment was agreed to.

The next amendment was, under the head "United States Military Academy," on page 82, line 5, to strike out "constructing quartermaster, in addition to his regular pay, \$1,000"; and at the end of line 8, to strike out "\$55,968" and insert "\$54,968," so as to read:

PAY OF MILITARY ACADEMY.

Permanent Establishment: For eight professors, \$30,000; chaplain, \$2,750; master of the sword, \$3,500; additional pay of professors and officers for length of service, \$13,900; subsistence allowance of professors and officers, \$4,818; in all, \$54,968.

The amendment was agreed to.

The next amendment was, on page 86, at the end of line 4, to reduce the total appropriation for pay, Military Academy, from "\$1,664,585" to "\$1,663,586."

The amendment was agreed to.

The next amendment was, in the items for miscellaneous and incidental expenses, at the Military Academy, on page 91, after line 8, to strike out "For supplying materials and painting and cleaning the cadet barracks, \$3,500," and in lieu thereof to insert:

For supplying materials, repairing, painting, and cleaning furniture in cadet barracks, \$3,500.

The amendment was agreed to.

The next amendment was, on page 95, after line 21, to strike out:

No part of the funds appropriated in this act for the supply, maintenance, and upkeep of athletic grounds and stands at the United States Military Academy shall be used for such purposes, unless the authorities at the Military Academy charge an admission to the principal public athletic contests on such grounds in which the cadets take part, and the funds so received shall be used solely for the improvement of athletic facilities at the said academy.

The amendment was agreed to.

The next amendment was, under the subhead "Finance Department," on page 96, line 17, after the figures "\$1,200," to strike out the comma and insert the following words: "but one-half of each monthly payment shall be deducted until an

amount equal to the aggregate of the amount of the pension which has been paid to him by the Pension Office contrary to law shall have been reached," so as to read:

For amount required to make monthly payments to John R. Kissinger, late of Company D, One hundred and fifty-seventh Indiana Volunteer Infantry, also late of the Hospital Corps, United States Army, \$1,200.

The amendment was agreed to.

The next amendment was, under the subhead "National cemeteries," on page 97, at the end of line 4, to strike out "\$350,000" and insert "\$370,220," so as to make the paragraph read:

For maintaining and improving national cemeteries, including fuel for superintendents, pay of laborers and other employees, purchase of tools and materials, and including care and maintenance of the Arlington Memorial Amphitheater and Chapel and grounds in the Arlington National Cemetery, Va., \$370,220.

The amendment was agreed to.

The next amendment was, on page 97, line 10, to reduce the appropriation for repairs to roadways to national cemeteries which have been constructed by special authority of Congress from \$24,000 to \$12,000.

Mr. BROOKHART. Was there not a committee amendment to be offered on page 95?

Mr. WADSWORTH. The committee amendment will be offered when the printed committee amendments are finished. Then it is my purpose to go back and propose six or eight committee amendments, which are legislative in character, but which must be proposed on the floor and unanimous consent asked for their consideration.

Mr. BROOKHART. Very well.

The amendment was agreed to.

The next amendment was, on page 100, line 4, after the name "France," to increase the appropriation for disposition of remains of officers, soldiers, and civilian employees from \$150,000 to \$160,000.

The reading of the bill was continued to line 22, page 101, the last paragraph read being:

For defraying the cost of such extensions, betterments, operation, and maintenance of the Washington-Alaska military cable and telegraph system as may be approved by the Secretary of War, to be available until the close of the fiscal year 1925, from the receipts of the Washington-Alaska Military Cable and Telegraph System which have been covered into the Treasury of the United States, the extent of such extensions and betterments and the cost thereof to be reported to Congress by the Secretary of War, \$140,000.

Mr. KING. A number of Senators are absent who are interested in some of the items we are approaching, and I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Hitchcock	New	Stanley
Bayard	Johnson	Nicholson	Sterling
Borah	Jones, N. Mex.	Norbeck	Sutherland
Brookhart	Jones, Wash.	Norris	Townsend
Bursum	Kendrick	Oddie	Trammell
Cameron	Keyes	Page	Underwood
Capper	King	Phipps	Wadsworth
Curtis	Lenroot	Pittman	Walsh, Mass.
Ernst	Lodge	Pomerene	Walsh, Mont.
Fernald	McCormick	Ransdell	Warren
Fletcher	McCumber	Reed, Pa.	Watson
George	McKellar	Robinson	Williams
Hale	McKinley	Sheppard	Willis
Harris	McNary	Smoot	
Harrison	Moses	Spencer	
Heflin	Nelson	Stanfield	

Mr. BROOKHART. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent attending a hearing before the Committee on Manufactures.

The PRESIDING OFFICER (Mr. WILLIS in the chair). Sixty-one Senators having answered to their names, a quorum is present.

Mr. WADSWORTH. Mr. President, I understand very well that many Senators are particularly interested in the so-called river and harbor item. We are now on page 104 of the bill, considering committee amendments. The rivers and harbors item appears on page 106. I desire to announce that when the rivers and harbors item is reached this afternoon, if it is reached, I shall ask that consideration thereof be postponed until to-morrow, and that the Senate shall proceed as long as it may be willing to stay in session to clean up what might be regarded as less important amendments in the bill.

Mr. BORAH. Then the rivers and harbors item will go over until to-morrow?

Mr. WADSWORTH. Yes.

The PRESIDING OFFICER. The Secretary will report the next amendment.

The next amendment of the Committee on Appropriations was, in the items for the Lincoln Memorial, on page 104, line 1,

before the word "watchman," to strike out "three" and insert "four," and at the end of line 8, to strike out "\$11,320," and insert "\$12,040," so as to make the paragraph read:

Lincoln Memorial: Custodian, \$1,200; four watchmen, at \$720 each; three laborers, at \$660 each; heat, light, miscellaneous labor, and supplies, \$3,910; extra services of employees and additional supplies and materials to provide for opening the Lincoln Memorial to the public on Sundays and legal holidays, \$1,750; for purchasing and supplying uniforms to the four Lincoln Memorial watchmen, \$320; in all, \$12,040.

The amendment was agreed to.

The next amendment was, on page 105, at the end of line 24, to increase the appropriation for construction and maintenance of military and post roads, bridges, and trails, Alaska, from "\$465,000" to "\$1,000,000."

The amendment was agreed to.

The next amendment was, on page 106, at the end of line 3, to reduce the appropriation for cost of survey and the preparation of plans and estimates for a Government dock at Juneau, Alaska, from "\$1,000" to "\$600."

The amendment was agreed to.

Mr. WADSWORTH. There is only one committee amendment having to do with rivers and harbors. I think in view of my statement a moment ago, that amendment should be postponed until to-morrow. The committee amendment, however, is not connected with the general rivers and harbors appropriation.

The PRESIDING OFFICER. The amendments on lines 15 and 17 on page 106 will be passed over together with the whole section, in accordance with the statement made by the Senator from New York, in charge of the bill.

The reading of the bill was continued at page 108, line 4.

The next amendment of the Committee on Appropriations was under the head "National Home for Disabled Volunteer Soldiers," on page 115, at the beginning of line 25, to strike out "general" and insert "surplus"; so as to make the paragraph read:

For the fiscal year 1925 and annually thereafter moneys allotted to the Board of Managers of the National Home for Disabled Volunteer Soldiers by the Veterans' Bureau for support, maintenance, and care of World War veterans shall not be used to augment or reimburse the appropriations made for the support of the National Home for Disabled Volunteer Soldiers, but shall be covered into the surplus fund of the Treasury, and the Budget for the fiscal year 1925 and thereafter shall contain itemized estimates covering the entire cost of the operation and maintenance of the National Home for Disabled Volunteer Soldiers, including the cost of the maintenance, support, and care of beneficiaries of the United States Veterans' Bureau in such homes.

The amendment was agreed to.

The next amendment was, under the head, "The Panama Canal," on page 117, after line 15, to strike out:

The limitations on the expenditure of appropriations for salaries and wages of civilian employees hereinbefore made in this act shall not apply to the appropriations for the Panama Canal.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, what is the purpose of striking out the language on page 117? Will the Senator in charge of the bill explain the purpose?

Mr. WADSWORTH. I am glad the Senator called attention to that. I desired to offer a modification of the committee amendment. I first ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered.

The PRESIDING OFFICER. Without objection, the vote is reconsidered.

Mr. WADSWORTH. The committee, in striking out lines 15, 16, 17, 18, and 19, on page 117, made an error. The intention was to strike out only the words "for salaries and wages of civilian employees," and to retain the rest of the language so that it would read:

The limitations on the expenditure of appropriations hereinbefore made in this act shall not apply to the appropriations for the Panama Canal.

The Panama Canal is an entirely separate business institution. It is under the direct jurisdiction of the President, who delegates the task to the Secretary of War.

Mr. McKELLAR. I recall how that is.

Mr. WADSWORTH. We do not want limitations as to salaries in the War Department made applicable to the salaries of civilians on the Panama Canal Zone, for a different set of statutes takes care of that.

Mr. McKELLAR. If the amendment were disagreed to, then the Senator from New York could offer his amendment.

Mr. WADSWORTH. That is what I am going to do.

Mr. McKELLAR. The amendment to strike out the four lines has just been agreed to.

Mr. WADSWORTH. My purpose is to restore the language and then strike out the words "for salaries and wages of civilian employees."

The PRESIDING OFFICER. The Chair suggests to the Senator from New York that the Senate disagree to the committee amendment, which would restore the House language.

Mr. WADSWORTH. I ask that that may be done.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. WADSWORTH. I move to amend, on page 117, in line 17, by striking out the words "for salaries and wages of civilian employees," so the paragraph would read:

The limitations on the expenditure of appropriations hereinbefore made in this act shall not apply to the appropriations for the Panama Canal.

The amendment was agreed to.

Mr. SMOOT. Mr. President, will the Senator from New York allow me to submit a Senate resolution and ask for its present consideration? If it leads to any debate whatever I will withdraw it.

Mr. WADSWORTH. I yield for that purpose.

LEASES UPON NAVAL OIL RESERVES.

Mr. SMOOT. I ask for the present consideration of the resolution which I send to the desk.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent for the present consideration of a resolution which will be read for the information of the Senate.

The reading clerk read the resolution (S. Res. 434), as follows:

Resolved, That Senate Resolution Numbered 282, agreed to April 21, 1922, and Senate Resolution Numbered 294, agreed to May 15, 1922, authorizing and directing the Committee on Public Lands and Surveys to investigate the entire subject of leases upon naval oil reserves, with particular reference to the protection of the rights and equities of the Government of the United States and the preservation of its natural resources, and to report its findings and recommendations to the Senate, and providing that the expenses of such investigation be paid from the contingent fund of the Senate, be, and the same hereby are, continued in full force and effect until the end of the Sixty-eighth Congress.

Mr. WALSH of Montana. Mr. President, I suggest to the Senator that there be added language authorizing the committee to sit during the recess of Congress.

Mr. SMOOT. I think the original resolution takes care of that. Senate Resolution 294 was an amendment to Senate Resolution 282, and provides as follows:

That the said committee is hereby authorized to sit and perform its duties at such times and places as it deems necessary or proper and to require the attendance of witnesses by subpoenas or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, and other assistants, and stenographers, at a cost not exceeding \$1.25 per printed page. The chairman of the committee or any member thereof may administer oaths to witnesses and sign subpoenas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law. The expenses of said investigation shall be paid from the contingent fund of the Senate on vouchers of the committee or subcommittee, signed by the chairman and approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WALSH of Montana. The Senator will observe that it does not cover the provision I suggested.

Mr. SMOOT. I thought the last provision mentioning the subcommittee authorized the subcommittee to sit, but it does not. Therefore if the Senator will offer his amendment I am perfectly willing to accept it.

Mr. WALSH of Montana. I offer the following amendment. Add to the resolution the following language:

The committee or any subcommittee thereof is authorized to sit during the sessions or the recesses of the Senate.

The amendment was agreed to.

The resolution as amended was agreed to.

Mr. WALSH of Montana subsequently said: Mr. President, the purpose which was intended to be accomplished by the resolution offered by the Senator from Utah [Mr. SMOOT] a few moments ago is not fully accomplished; and I desire to ask unanimous consent to reconsider the vote by which the resolution was adopted for the purpose of perfecting the resolution.

The VICE PRESIDENT. Is there objection to the reconsideration? The Chair hears none. The question is on agreeing to the resolution.

Mr. WALSH of Montana. I move to reconsider the vote by which the amendment offered by myself was agreed to.

The motion to reconsider was agreed to.

Mr. WALSH of Montana. Then, in lieu of that, I offer the following:

The committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate, and after the expiration of the present Congress until the assembling of the Sixty-eighth Congress, and until otherwise ordered by the Senate.

The amendment was agreed to.

The resolution, as amended, was agreed to.

CORONER'S INQUESTS IN DISTRICT OF COLUMBIA.

Mr. FLETCHER. Mr. President, I have had some inquiries respecting the method of holding coroner's inquests in the District where people have been killed by accident or otherwise. I have a letter from Commissioner James F. Oyster on that subject. It is a matter in which a few people feel a very deep interest. I think it is of some general concern likewise. It gives certain information which a great many people do not seem to have and, I might say, is somewhat at variance with the information I have on the subject. I ask unanimous consent that the letter may be printed in the RECORD.

The PRESIDING OFFICER. Without objection that order will be made.

The letter is as follows:

COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
Washington, January 31, 1923.

HON. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SENATOR FLETCHER: I have your favor of January 30 making certain inquiries regarding the office of coroner, and have endeavored to answer the questions you ask. In this connection I would like to invite your particular attention to the relatively small salary attached to this position of coroner when consideration is taken of the many duties of the office.

Answering your specific questions, I beg to reply as follows:

1. The coroner views all bodies and makes preliminary investigations, determines if autopsy is necessary, and conducts inquests. The deputy coroner performs autopsies and reports results to the coroner and coroner's jury.

2. The United States District Attorney is advised in advance of inquests, and a representative of his office attends all inquests. He examines all witnesses.

3. Captains of various police precincts supply the coroner with lists of names for jury service. The law fixes the number of jurors at six. The jury is discharged at the end of each inquest and not continued for a fixed period. Jurors receive \$3 a day for services.

4. Records of inquests are kept on file. Testimony is taken in shorthand only in exceptional cases; otherwise in long hand. Testimony so taken is submitted to the United States District Attorney's office.

5. Legal representatives of all parties concerned are permitted to attend and allowed unlimited scope in the conduct of their questioning.

6. Coroner's compensation is \$1,800 per annum. The deputy coroner receives no compensation.

If there is any further information you desire I will be very glad to obtain it for you if you will let me know.

Yours sincerely,

JAMES F. OYSTER,

Commissioner, District of Columbia.

FUNDING OF THE BRITISH DEBT—ARTICLE BY JOSEPHUS DANIELS.

Mr. McKELLAR. Mr. President, since the consideration of the War Department appropriation bill has been interrupted, I ask unanimous consent that an article by the Hon. Josephus Daniels, former Secretary of the Navy, on the British debt settlement may be printed in the RECORD in 8-point type.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

BRITISH HAVE GALL TO BEG OFF DEBT, ASSERTS DANIELS—FORMER SECRETARY OF THE NAVY DECLARES THAT AMERICA GREW IMPATIENT AT LONG DELAY IN SENDING MISSION TO ARRANGE SETTLEMENT OF DEBT.

(By Josephus Daniels.)

The return to London of the British mission which came to Washington to confer about the debt it owes to the United States, without reaching any agreement, recalls the fact that when the United States entered the World War in April, 1917, missions composed of distinguished statesmen and soldiers from the allied nations came to Washington for conference with American Government officials.

The able and charming Mr. Balfour headed the British delegation, which was the first to arrive. It was the first to come then to discuss how America could in the best and quickest way render its largest contribution to the allied cause.

Great Britain was the first country which secured a large loan of money. It was warmly welcomed and all that we could do to aid that Government was as freely given as they freely put at our disposal then and afterward all the information and aid they could render.

The first agreement of cooperation between the two English-speaking nations was made between Admiral Browning and the Secretary of the Navy on April 10, 1917.

Following closely came Mr. Balfour and his party and the beloved Joffre and the French leaders. What impressed me most about the British mission was the thorough and expert knowledge possessed by its members.

If Mr. Balfour wanted any information from the highest finance to the building of a dreadnought he had an expert at hand whose knowledge was full and accurate.

It is this thoroughness which has distinguished the British Government. Where other nations have as noble aims and even greater zeal, the British go into the minutest detail and that gives them a great advantage. They had more men in Washington at the conferences in the early days than any other nation and again the same thing was true at Paris.

Accurate information and thorough knowledge wins battles as truly as guns and ships. Full knowledge has won many victories.

BRITISH FIRST LOAN.

I have said that the British secured the first loan made by this Government to an allied nation. It had hitherto borne the brunt of financing the war.

Our declaration removed the strain that was almost to the breaking point. The big thing it asked the United States to do, in answer to our request to be advised what aid we could best render at once, was to supply money and patrol the coast from Halifax to Panama, so their ships could be released to go to European waters. We did both at once, beginning in April and carrying on to our utmost until victory.

As a British mission was the first to obtain money from us to finance the costly war—I had almost said extravagant war, for modern wars eat up money—so the British financial mission was the first to come to Washington to talk about paying its debt.

The visit had been postponed time and again. It was scheduled to reach Washington when Mr. Houston became Secretary of the Treasury and again toward the close of the Wilson administration. But it got here on a late train, so to speak.

It was in daily conference with the authorities at Washington for weeks. Then it sailed away. The people of both countries had little inkling of what was talked about in the meeting.

They had expected that at least in this matter, understandable to the average citizen, there would be "open covenants openly arrived at." But neither Congress nor the people knows any more than before they came. "Like the King of France, they marched up the hill and then marched down again."

The gossip around Washington is that they asked for a very long time to pay the debt, which request Congress would no doubt have granted upon the giving of bonds of their Government; but in addition to that they also requested that the rate of interest be fixed at 3 per cent.

I call that request, if the gossip is correct, unadulterated gall. The British know the United States did not have a dollar to lend them except what was obtainable from loans from the people or taxes imposed on them. Our taxes did not bring in near enough for our enormous expenditures to arm our own soldiers and sailors and pay the expense of a war 3,000 miles from home.

In order to obtain the billions we loaned Britain and the other allied nations, it was necessary to issue our own bonds and for Mr. McAdoo to carry on the most remarkable campaign in history to sell them to the American people.

In order to obtain the largest amount for these bonds, they were made tax exempt. That was a mistake if our own country was to be considered.

We entered upon this policy, not permissible on sound principles except in war, largely to give our allies the benefit of getting par when no other nation could float its securities without some reduction or commissions. It was done to aid Britain and the other allies to every cent possible.

FIRM AND POLITE NO.

We agreed to charge Britain no interest except what we actually paid to those who bought the bonds. After the war, when it was clear that the United States had withdrawn from European settlements, there came a near panic, saved only by the Federal Reserve Board, and bonds went below par because the interest rate rose from 6 to 8 per cent at the lowest.

In view of the fact that Britain obtained this loan at such a low rate of interest, the people were astounded when it was reported that the British mission had asked a reduction to 3 per cent. Of course, the Washington Government could do nothing but give a polite and firm no to the preposterous request.

We are ready to give every reasonable consideration to Britain with reference to the debt it owes, but its course has served to chill the feeling entertained for it.

I refer to its whole course with reference to debts; its delay in coming, preceded by Mr. Balfour's tactless statement that Britain would cancel all debts due it if the United States would do likewise. That was a world proclamation virtually putting up to us to shoulder the debts which should be paid by others.

We have gotten tired of hearing "America entered late and should assume its share of the debt contracted before it came in, and should wipe out all indebtedness due from us." Mr. Balfour "passing the buck" to the United States, followed by the British financial mission's request in the year 1923 to reduce the interest to a sum far less than we are actually paying, was not calculated to leave a good taste in the mouth.

BRITAIN SHOULD PAY.

It has done exactly the opposite. It has stiffened the backbone of Americans to say plainly that we will give every proper consideration, but we must insist upon payment of the same interest the Treasury is paying the holders of the bonds.

There is no reason why Britain should not pay. We bore our expenses of the war and we neither asked nor received anything in the way of money, coal, oil, or colonies, or anything else, even though at the time Senator Lodge said we ought to demand reparation from Germany. Later he was wiser and gloried that Woodrow Wilson had demanded nothing.

The people generally are not informed as to what Britain has received as a result of the war. The propaganda that France is the only country getting or trying to get reparations has made people forget the incomparably great things that Britain obtained. France asked too much and blundered in so doing.

What has Britain received? I have not the data as to the oil concessions and the advantages in countries that have large oil fields that will enrich Britain and be of inestimable value to its world commerce. When we reflect upon what it did obtain, we may well ask, What nation received most out of the war?

Here is what the war added to the British Empire: Five hundred thousand square miles of German Southwest Africa, 680,000 square miles of German West Africa, 75,000 square miles of Togo and Cameroon, 180,000 square miles of New Guinea and Bismarck. In addition many square miles in the colonies of Angola and Mozambique, 1,000,000 square miles in Persia, and 2,000,000 square miles in Mesopotamia have come under British influence.

BRITAIN'S ATTITUDE.

It is unfortunate that the British did not come to Washington long ago, or even on its recent visit, and say frankly: "While we have received great benefit in German colonies as a result of the war they are now liabilities and not present assets. While we are to receive 22 per cent of whatever sum Germany pays as reparation, Germany has as yet paid us nothing. Our oil concessions are yet to be realized upon. The cost of our armies to prevent wars in Europe imposes a heavy burden. We therefore would be glad to defer payments to a time when we can pay without the strain early payments would impose. We, of course, expect to pay the same rate of interest you must pay the owners of the bonds you issued to obtain the money to lend to us."

If the mission had come in that spirit and made the request, everybody would have approved acquiescence.

It was a mistake equal to a blunder, as was Mr. Balfour's tactless passing the buck to this country. However, these mistakes should not affect the cordial relations between the countries, and we should proffer to extend the loans for a long period. Britain has walked through deep waters, fought a great fight, and the two countries must be ever prepared to prevent such another holocaust of war as almost destroyed the world in 1914-1919. (Copyright, Twenty-first Century Press.)

THE MERCHANT MARINE.

Mr. BROOKHART. Mr. President, I ask unanimous consent to have printed in the Record in 8-point type an article entitled "Economic geometry versus legislative ship subsidy in the making," with reference to the operations of the Shipping Board.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

ECONOMIC GEOMETRY VERSUS LEGISLATIVE SHIP SUBSIDY IN THE MAKING.

The U-boat moved westward the center of gravity of the world's carrying trade. That center of gravity is still potential. A few more years of depreciation of the governmental fleet rotting in lay up precludes the conversion of potential to kinetic.

The World War also moved westward the international bullion center of gravity. Just so long as that bullion center of gravity rests with us, they (the alien), not we, will sweat. Therefore, why assist the eastward movement momentum of said center of gravity through the medium of a half-billion-dollar yearly ocean freight bill, distributed largely among foreign bottoms. Ditto, American marine cargo and hull insurance premiums.

The yearly appropriations for our national defense approximate one-half a billion dollars. Annual British unemployment doles are now of similar amount. America contributes in direct ratio to the building of British battleships, French submarines, and Japanese light cruisers, as is the proportion of her ocean-borne freights carried in the bottoms of the named nationals.

Island empires are international economic middlemen situated tangential to the ebb and flow of sea commerce from producer to ultimate consumer. Their adverse trade balances must be restored by carrying other peoples' goods in island bottoms by the expenditures of tourists and by the proceeds of international marine insurance, banking, and investments. If they fail to restore such adverse balances, they still have three other alternatives, to wit, war, starvation, or emigration. Britain's population has doubled in 100 years.

Displacement of foreign bottoms by idle American tonnage may smash Norwegian and British triangulation. There are more Norwegians in the United States than there are in Norway. Denmark is

currently reported as arranging emigration of her surplus workers to Madagascar and South America.

Section 34, Jones Act, sought, through imposition of 10 per cent discriminatory duties upon imports, to deflect return cargoes to American bottoms, and thus aid in the upbuilding of our merchant marine. Treaty complications have apparently been a deterrent to enforcement. Correct in principle, it apparently fails to articulate with present economic fact. Of what avail would it be against an increasing volume of imports capable of breaking through mountain-high tariff walls? The provision in the original pending ship subsidy bill of a 5 per cent of freights paid deduction from net income tax to American shippers shipping in American bottoms provided precise and effective impetus. Such deduction might well be 10 per cent for imports and 5 per cent for exports, as by value and volume our exports are three times our imports. The pulling effect of such percentage deduction should be in inverse ratio to volume movement. Legislative regulation of ocean freight rates becomes redundant.

Deductions to industrials shipping in their own vessels need not obtain. Not because they are rich. The nature of the traffic demands it not.

At present some three hundred and odd Government vessels are operated upon a cost-plus plan at a \$50,000,000 yearly deficit. The Government fleet totals some 1,400 vessels. The cost-plus plan of operation perpetuates economic farce. Many of the vessel operators operating Government tonnage are alleged to have a direct or an indirect interest in the various subsidiaries that furnish service to the plying merchant vessels touching our ports. Among these is stevedoring. If the boss stevedore complains to the vessel operator that stevedoring wages are insufficient, why quarrel when the Public Treasury pays all the bills? Both boss stevedore and vessel operator know that profits to subsidiaries are derived alike from American and foreign vessels, and that if the major portion of American vessels are tied up the foreign vessel will fill the vacancies within the limitations of the ability of the ultimate consumer to absorb high terminal charges plus ocean freights and insurance. The cost-plus effect upon terminal service is to keep it high, and to precisely that extent stultify the flow of commerce. A chain is no stronger than its weakest link, and interference with the law of supply and demand will be reflected up the line. The pending bill presupposes that a portion of the profit in excess of 10 per cent will be deducted back into the Treasury of the United States where a vessel participates in money subsidy. A subsidiary is prone to pump off profit from the parent company if the necessity demand. It may not be amiss to refer to subsidiaries and the railroads in a period not beyond the memory of man.

Aside from the capital-cost differential American versus foreign vessels, it may be well to take into account the ability of some foreign combinations to operate their vessels at a 5 per cent loss whilst deriving a 20 per cent profit from interlocking subsidiaries. With this in mind, visualize the mass effect of pegging American Government tonnage at a valuation lower than it ever was or ever again can be in world history. If it be so pegged, not for one year but for its lifetime, and a fixed earned double depreciation equivalent be yearly made tax exempt upon the passage of this tonnage to private ownership, then adverse capital-cost differential will be eliminated and replacement and reequipment will be stimulated—five-year trust fund—in perpetuity if vessel progeny by direct lineal descent be accorded like exemption.

Couple with such basic economic foundation the compelling pull of cargoes into American bottoms by the 5 per cent deduction from net income tax of freights paid as already outlined, the potential energy of 1,400 Government vessels becomes kinetic. There can be but one deterrent, and that an ocean freight rate breaking through the meshes of the net exemplified in the above 5 per cent deduction. With terminal charges remaining as they are, a further reduction in ocean freight rates is improbable, for, ergo, had such been possible, that fact would have been recorded in yet a higher governmental shipping deficit or the further displacement of privately owned American tonnage and governmental tonnage by foreign bottoms.

Pegging the Government's dry steel cargo tonnage, some 1,261 vessels, at \$30 per dead-weight ton and then renting these vessels to American citizens at 15 cents per dead-weight ton per month over a period of 15 to 17 years with the understanding that when accumulated rentals equal the pegged price of the vessel and that the vessel becomes such citizen's property without further governmental lien or encumbrance is rational solution. Rental equities to be not transferable nor capable of stock issue. Under this plan capital outlay by renter reduces to minimum. The small-vessel operator with the backing of his local community can attain sound achievement. The tendency will then truly be to make us once more a seafaring nation. The Government should require the renter to carry insurance to cover above valuation and inclusive of an adequate collision clause. Renter should also be required to furnish approved surety bond of \$200,000 per vessel, protecting the Government against marine liens, domestic or foreign, and abandonment of voyage in a foreign port.

Pegging the Government's tanker tonnage, some 90 vessels, at \$80 per dead-weight ton and fixing the monthly rental along above lines at 45 cents per dead-weight ton per month leaves the passenger tonnage still to be dealt with. The refrigerator tonnage, comprising a few vessels, might also be fixed separately.

Pages 507 and 644, Volume I, joint hearings, pending bill, sets forth an informative table. This testimony of record upon which proponents base plea for money subsidy for cargo carriers discloses an adverse yearly differential of some \$15,000. We quote verbatim the informative two columns of said table and alongside same place a third column, ours, illustrating the practicability of the rental plan of disposing of the governmental tonnage:

	Per month.		Tax-payers' plan.
	American.	British.	
Depreciation, at 5 per cent.....	\$1,100	\$1,100	
Insurance, at 5.5 per cent.....	1,210		
Insurance, at 5 per cent.....		1,100	\$1,100
Interest, at 7 per cent.....	1,540		
Interest, at 6 per cent.....		1,320	
Monthly rental, at 15 cents per dead-weight ton.....			1,320
Total.....	3,850	3,520	2,420

	Per month.		Tax-payers' plan.
	American.	British.	
Wages.....	\$3,165	\$2,299	\$3,165
Subsistence:			
41, at 75 cents per day.....	861		861
41, at 60 cents per day.....		738	
Repairs.....	900	900	900
Stores.....	750	750	750
Total.....	5,676	4,687	5,676
Grand total.....	9,526	8,207	8,096
For voyage:			
Owner's expense for 2 months.....	19,052	16,414	16,192
Fuel.....	9,614	9,614	9,614
Port charges.....	12,862	12,862	12,862
Total.....	41,528	38,890	38,668

Present adverse marine hull insurance differential is about one-half of 1 per cent. By fractional governmental participation this can be overcome and decisively reversed.

The foregoing table is the comparison of gross expenses of an American and a British steamer of 8,800 dead-weight tons (6,000 gross tons) on a single trans-Atlantic voyage—Gulf-Havre-Hamburg range—and return; book value of both ships, \$30 per dead-weight ton, or \$264,000; steaming days, 46; port days, 14; total, 60; burning 36 tons of coal per sea day; 5 tons per port day; coal at \$5.57 t. i. b.; standard pay roll as of May 1, 1922, for British ship, and American Steamship Owners' scale of January 1, 1922, for American ship; pound sterling converted at \$4.40.

The reduced involved capital outlay is obvious. The assertion that present vessel operators will not take the vessels for nothing, much less rent them for 15 cents a dead-weight ton per month, is bunk. They are now operating the cream of the cargo fleet, vessels adapted to their individual needs and organizations. They know well that if they did not, within the limits of the cargoes offered them or procurable, rent these vessels upon above basis that other domestic competitors would. On the contrary, it would be to their great initial advantage to have the first choice in the permanent retention of these vessels. Contrarywise, if the submitted method be adopted in lieu of a money subsidy it is equally palpable that with the increase in value of world tonnage in the face of a pegged nucleus that more money subsidy and yet more money subsidy will not be required to balance reflected mounting capital operating costs. That is one of the many fallacies of the pending bill concealed behind the inadvertent smoke screen of predicted ultimate greater return to the Public Treasury by the sale of Government tonnage under the stimulus of a direct money aid.

Page 506, joint hearings, apparently fails to adequately explain the port charges item of \$12,862 of foregoing table, other than to aver that the handling of cargo at both terminals is thereby covered. If under that table full cargoes both ways are included, an astounding profit is immediately disclosed in these days of extreme depression in ocean shipping. Page 644, joint hearings, gives a freight rate of \$4.10 per ton for above voyage. Assuming this vessel to fuel at both terminals, the available cargo capacity is 7,600 tons. The one-way gross voyage revenue is \$31,160. Twice that is \$62,320. Deducting gross voyage expense, \$38,668, the total of the third column foregoing table, there remains a net profit of \$23,652 for the voyage.

On the basis of five voyages a year, this net amounts to \$118,260 per year. If the handling charges for the return cargo have been omitted, we would be happy to have them deducted. A company operating 10 such vessels would clear, according to above figures, a yearly net of \$1,182,600. Page 406 of the CONGRESSIONAL RECORD of December 13, 1922, quotes the average September, 1922, revenue per ton for a million tons as \$5.45. On that basis, a company running 10 vessels as above would clear a yearly net of \$2,208,600. An inquisitive mind now desists, and assuming only one-third of cargo capacity filled for the return voyage on the first basis of \$4.10 per ton, there is deduced a voyage net of \$2,877 and a yearly net of \$14,385 and a further yearly net of \$143,850 for a company running 10 such vessels. Individual appertaining subsidiaries, of course, continuing to profit as at present. The foregoing deductions are not all necessary. The results displayed in the established columns are sufficient unto the day thereof. However, desired emphasis that the small ship operator has a chance is not amiss.

Fifty per cent of the world tonnage is currently reported to be more than 15 years old. At the age of 15 years a vessel commences to run out of her class. Marine insurance premiums rise. An indiscriminate money subsidy would thus subsidize inefficiency. An overcapitalized 20-year-old lame duck could continue forcing a virile 5-year-old vessel to rust in lay up.

One of the weak points in the pending bill is the large personnel that undoubtedly must thereunder be retained by the Government in the matter of audit. A large administrative overhead will be incurred in chasing the ephemeral 50 per cent of the excess over 10 per cent profit around desk corners and into waste-paper baskets. The substitute plan here advanced practically cuts out the present \$10,000,000 administrative overhead and quickly reduces that personnel from 4,500 to less than 500. This exclusive of the caretakers of the laid-up fleet. Governmental deficits are replaced by positive revenue. It has the further advantage of gradually absorbing into the trades laid-up Government tonnage, no matter what the degree of reasonable depreciation in the next few years. Such absorption would be accentuated if vessel operators and vessel owners were granted additional income-tax exemption to precisely the extent that they invested tax savings in any one year in betterments. A minimum of governmental supervision could quickly and accurately draw the line between betterments and normal depreciation inclusive of ordinary voyage repairs. Proper certification of such betterments would be sufficient evidence to the collector of internal revenue as to allowable deductions.

Under the submitted plan, geographical divisions of our coasts should have tentatively allocated to them such proportion of the whole Government tonnage as the total volume of their exports and imports bears to the national volume. The solely fuel-oil-burning geographical divisions would, of course, not draw coal burners. The number of our

transoceanic oil burners preponderates. If for reasons of state the Chief Executive should temporarily deem inexpedient the additional release of idle Government tonnage to the trades, he has but to call upon the commissioner of navigation, Department of Commerce, for the latest percentages of American commerce carried in American bottoms and thence issue control orders accordingly. Careless infringement of the well-being of privately owned American tonnage by the too fast release of idle Government tonnage is likewise controllable and statistically discernible. Firm control of governmental nucleus remains until all that is usable is absorbed from idleness.

There remains the problem of the passenger vessels. These should be subsidized with money. The equivalent of 5 per cent of our yearly custom dues would seem ample. A 10 per cent of passenger fare paid deducted from net income tax to American citizens traveling to or from abroad in American passenger vessels can not but help. The mails might be carried free. Subsidy should preferably be at a flat rate beginning at the 16-knot level of speed. Vessels of less speed may well be absorbed into the coastwise or island tourist trades when unable to maintain competition elsewhere. To neglect upbuilding a great passenger-carrying trade is tantamount to neglect of national defense. Fast passenger vessels have other uses than that of troop transports. If there be another war, it is not apt to be against a contained enemy or an enemy capable of being contained. One hundred fast surface raiders can each in time of war account for 10 enemy merchantmen within the short period of six weeks or three months. The loss of 1,000 merchant vessels is decisive. A proud people secure from invasion may be greatly disturbed, aye, brought to heel, by having their exportable surplus thrown back on them, and in the aftermath of another Versailles, through the medium of extortion by alien bottoms, pay a helot's tribute to an alien conqueror.

GEORGE JOERNS,

Lieutenant Commander, United States Navy (Retired),
Apartment No. 107, The Wyoming, Washington, D. C.

(Twenty-seven months with Division of Operations, United States Shipping Board Emergency Fleet Corporation, Washington, D. C.)

NOTE.—General cargo rate north Atlantic, \$6. (Letter chairman United States Shipping Board * * * December 8, 1922, CONGRESSIONAL RECORD, December 19, 1922.) Applying same to foregoing voyage estimate on basis of return cargo of one-third vessel's capacity it is obvious that resultant net leaves ample funds for steamship administrative overhead plus dry-docking expense of some \$2,000 * * * per vessel every eight months. However, income-tax deduction to shippers as outlined should insure full cargoes both ways most of the time.)

FISCAL RELATIONS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA.

Mr. PHIPPS. Mr. President, for the joint select committee created under the act of June 29, 1922, to investigate the fiscal relations as between the Federal Government and the District of Columbia, I ask leave to submit a report, which I ask shall be printed in 8-point type in the CONGRESSIONAL RECORD. This report has been signed by five of the six committee members. I further ask that the report itself, with the report of the auditors and the comments made thereon by the auditor for the District of Columbia, representative of the Comptroller General's office, and of the Department of Justice, and other comments, together with the hearings and minutes of the committee, be printed as a public document, under one cover, for the use of the House and Senate, and that 1,500 extra copies be printed for distribution through the document room.

The VICE PRESIDENT. Without objection, it is so ordered.

The report was ordered to be printed in the RECORD in 8-point type, as follows:

FISCAL RELATIONS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA.

To the Senate and the House of Representatives of the United States of America:

Your committee, appointed pursuant to the act of Congress approved June 29, 1922, which contains the following provision—

"A joint select committee, composed of three Senators to be appointed by the President of the Senate, and three Representatives to be appointed by the Speaker of the House of Representatives, is created and is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874, with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District. Neither the cost of construction nor of maintenance of any building erected or owned by the United States for the purpose of transacting therein the business of the Government of the United States shall be considered by said committee. And in event any money may be or at any time has been by Congress or otherwise, found due, either legally or morally, from the one to the other, on account of loans, advancements, or improvements made, upon which interest has not been paid by either to the other, then such sums as have been or may be found due from one to the other, shall be considered as bearing interest at the rate of 3 per cent per annum from the time when the principal should, either legally or morally,

have been paid, until actually paid. And the committee shall also ascertain and report what surplus, if any, the District of Columbia has to its credit on the books of the Treasury of the United States which has been acquired by taxation or from licenses. And the said committee shall report its findings relative to all the matters hereby referred to it to the Senate and House, respectively, on or before the first Monday in February, 1923. The chairman or acting chairman of said committee hereby is empowered to administer oaths or affirmations. The committee also is empowered to compel witnesses to attend its meetings and to testify, and also to compel the production of such books and papers as it may deem desirable. Any person who has been duly notified to appear before the committee either as witness or witness duces tecum, and fails so to do, shall be deemed guilty of contempt of Congress, and therefore may be punished to such extent as either the Senate or the House may determine; and said committee shall determine whether the proceeding for contempt shall lie with the House or the Senate. The committee may employ such accountants and stenographers to assist in the work as may be necessary, but the same qualifications for such accountants shall be required as was required of accountants by section 6 of the act of June 30, 1874, entitled "An act for the government of the District of Columbia and for other purposes," and no one shall be so employed as accountant who is or has been heretofore an officer or employee of the District of Columbia or the United States. No employee of said committee shall be paid more than \$25 a day while actually at work. The Attorney General of the United States hereby is authorized and directed to assign a competent attorney from his regular force of attorneys to represent the United States before said committee; and any Member of Congress shall be permitted to examine any witness and argue any question before the committee. For the payment of salaries of accountants and stenographers, for printing and binding, and other necessary expenses of the committee, there is appropriated 40 per cent out of the Treasury of the United States and 60 per cent out of the revenues of the District of Columbia, the sum of \$20,000, to be paid out upon vouchers approved by the chairman or acting chairman of the committee."—begs leave to submit the following report:

TITLE I.—FUNCTIONS OF THE COMMITTEE.

The committee met on July 1, 1922, organized, and elected LAWRENCE C. PHIPPS, a Senator from the State of Colorado, as chairman. Since said date numerous meetings and hearings have been held in the city of Washington. At a subsequent meeting, the chairman reported the appointment of C. Brooks Fry as secretary, under the authority conferred upon him by the committee, and the appointment was confirmed.

In accordance with the powers conferred under the terms of said act of June 29, 1922, the committee employed Messrs. Haskins & Sells, accountants and auditors, with general offices in New York City and Baltimore, Md., who have stated the account between the United States and the District of Columbia, in accordance with the instructions of the committee, as herein-after disclosed.

Among others there were called into conference the following: James F. Oyster, Cuno H. Rudolph, and Col. C. Keller, Commissioners of the District of Columbia; D. J. Donovan, District auditor; Herman J. Galloway, special assistant to the Attorney General, selected pursuant to the provisions of the act to represent the United States; Earl Taggart, of the general accounting office; L. G. Graesle, of the Division of Bookkeeping and Warrants, Treasury Department; and the Citizens' Joint Committee of the District of Columbia. The committee also had before it certain Members of Congress, including Senators JONES of Washington and GLASS and Representatives CRAMTON, and JOHNSON of Kentucky.

Messrs. Haskins & Sells made a preliminary report in writing on November 20, 1922, and filed a final report, containing conclusions, recommendations, and tables, on January 11, 1923. Subsequently written reports were received from Messrs. Galloway, Taggart, and Donovan, the citizens' joint committee, and Mr. Thomas Hodgson.

Your committee, after careful consideration of the entire subject, including more particularly the matters referred to in said reports of the accountants and others, has come to certain definite conclusions which are contained in this report.

At the outset the committee considers a brief statement of the peculiar relations existing between the Federal and the District Governments to be not only helpful, but necessary, in order to comprehend fully and fairly the questions involved.

Washington, the Capital of the Nation, is a city altogether under the control of the United States Government. Its administrative officials are appointed by the President, by and

with the consent of the Senate, and its laws are enacted by the Congress. From the start it has been the desire of that legislative body, as well as for that matter of the residents of the city and certain officeholders here who maintain a legal residence elsewhere, to make it a beauty spot of America of which our citizens might be justly proud. Hence the expenditures for public improvements have been inordinate as compared to those of other communities of approximately the same size and population.

In some cases these expenditures have been authorized upon the recommendation of the District Commissioners, who are local residents selected by the President. In many other instances the Congress in the exercise of its rightful prerogative, refusing to follow such recommendations, has appropriated more or less than desired, as the case may be, and for different purposes.

From 1878 to 1921, as a rule, 50 per cent of all the District expenses were borne by the Federal Government, and 50 per cent came from the residents of the city. However, the law at present provides that the share of the United States shall be 40 per cent, and that of the District 60 per cent. As in the case of the actual appropriations themselves, these proportions have been fixed by the Congress, in which citizens of Washington have no representation.

For many years liberal appropriations were made to carry out the program of city beautification, during which period of time the District was in debt to the Federal Government. The accountant's report shows that prior to 1914 there was a balance due the United States, but that at the end of that fiscal year the District had a credit balance of \$68,300.

Then came the war period and expenditures for further development were necessarily limited, yet no reduction was made in the rate of tax assessments. The District tax receipts increased, as a matter of fact; the money was deposited in the United States Treasury and a surplus created, largely due, as will be observed, from failure to continue the proper extension of streets, their paving and repaving, the building of public schools, and the upkeep of other city activities corresponding to the growth of the city.

It is with this surplus that your committee has to deal, among other things. On the one hand it is urged by some that the spirit of the entire system of fiscal relations between the two Governments, existing since 1878, was violated by the creation of such a fund. It is pointed out that had the 50-50 rule been adhered to, as provided by law, there would be no such surplus, as the money in question would have been expended for schools, streets, and other municipal activities and improvements. It is therefore claimed that the District is entitled to the entire fund, which should be applied to the maintenance of its government and other activities, and should be matched by Federal money, according to law.

On the other hand, it has been asserted that the District has no legal claim against any money now in the United States Treasury which has been accumulated in this fashion.

It is argued that there is no law upon which the District can predicate a legal claim to any sums of money in the Treasury, whether ascertained as to amount or not; such a claim is, to say the least, unenforceable at law and hence equitable or moral in its nature. Being merely equitable it follows from this reasoning that equitable defenses, counterclaims, offsets, and credits may be asserted to reduce the amount of said surplus, to wipe it out altogether, or possibly to show that the District is equitably or morally indebted in large sums to the Federal Government. Parenthetically, no one has urged before your committee, irrespective of the magnitude of the claim or offset insisted upon, that, inasmuch as the equitable balance might be considered as being in favor of the United States, collection of such balance from the District, therefore, should be recommended to the Congress.

The foregoing reveals the occasion for the creation of your committee, and is illuminating when the language of the act is under consideration, to determine the scope of the committee's work and the nature of the report which should properly be made to the Congress.

Briefly, it is the understanding of your committee that it is required to make such findings and recommendations as would bear directly upon this primary question of the District surplus, and could be used by the Congress, in its discretion, as a basis for settling for all time the claims and contentions arising out of this matter.

Of course, the scope of the committee's work has also been determined in other ways, including a close examination of the language of the act. On this point the committee submits its views, subject to the judgment of the Congress. A statement of same is deemed necessary at this time because it has been

contended that under the language of the act this is little more than a fact-finding committee, and that its object is mainly accomplished if it furnishes the Congress with a vast array of tabulated figures from which Members of that body may draw their own conclusions, with few, if any specific recommendations on the part of the committee. The following portion of the act is emphasized in this connection:

"A joint select committee * * * is directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874, with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District."

Certain witnesses have contended that this language properly includes all expenditures made by the United States for maintaining, upbuilding, and beautifying the District since July 1, 1874, whether or not the same had ever been considered by the Congress as in any way affecting the fiscal relations between the District of Columbia and the United States; and that it includes such activities as the erection of the Lincoln Memorial, statues of national heroes, the Congressional Library, and various other large expenditures.

At least one of the witnesses has declared that, while it was not incumbent upon the committee to recommend that such items as the Lincoln Memorial be considered under the above language, as matters to which the 50-50 or 60-40 ratio was properly applicable, yet it was the duty of the committee to report on all such items for the consideration of the Congress in the determination of this question.

Another witness, Congressman JOHNSON of Kentucky, after mentioning the Lincoln Memorial and similar public works, stated that "It is my unqualified opinion that the cost of the Congressional Library, and everything in it, and 3 per cent interest, must be offset against any claim of surplus. This language is mighty plain, when you come to read it carefully."

Other witnesses have insisted with equal emphasis that such things should not be considered for a moment in a report on the fiscal relations existing between the District of Columbia and the Federal Government.

Your committee has had the subject under advisement, and in this connection called upon Mr. Galloway, as the representative of the Department of Justice and of the United States, for his opinion. The committee submits to the judgment of the Senate and of the House of Representatives its conclusion that this provision of the act should not be given a strict literal interpretation, in disregard of the purpose and intention of the act as a whole and of other provisions of the act. In his opinion Mr. Galloway states:

"I am fortified in this conclusion by a consideration of the act as a whole, the title of which indicates that it is an act dealing with proportional appropriations for the Government and other activities of the District of Columbia. It is an act directed wholly toward the consideration of those things which are primarily and solely for the interest of the District of Columbia. All of the act preceding the paragraph quoted deals with an arrangement for proportional appropriations and for expenses primarily for the support of the District of Columbia. The committee is created 'to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874.' All past legislation upon the fiscal relations between the District of Columbia and the United States, so far as I have been able to ascertain, involves expenditures primarily for the benefit or for the maintaining, upbuilding, or beautifying of the District of Columbia and conducting its activities, and Congress seems to have had such things always in mind when it considered these fiscal relations.

"There is nothing in any of the acts indicating that Congress ever intended that such expenditures as for the Lincoln Memorial or the Congressional Library were made for the primary purpose of beautifying the District of Columbia, and even some of those urging a construction which would include such expenditures have stated that they do not think that the District should bear any proportion thereof. Can it be logically contended that Congress was directing this committee to do a useless thing? Further, should not this act have such construction as would make it reasonable and susceptible of execution? If it is held to include all of these expenditures it is conceded by most all that the task would be so enormous and the expense so great that the same could not be accomplished either within the time fixed by Congress or with the amount of money appropriated. All of these things sustain

the conclusion which I have heretofore expressed that this act should not have a strict literal interpretation in disregard of the act as a whole. It is my opinion that this requires your committee to report to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether expended primarily for the purpose of maintaining, upbuilding, or beautifying the said District or primarily for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of the District, excluding the cost of construction or of maintaining any building erected or owned by the United States for the purpose of transacting therein the business of the Government of the United States and that your report need not include expenditures which do have the effect of upbuilding or beautifying the District of Columbia but which were erected by Congress primarily for another purpose and which incidentally did in fact upbuild or beautify said District."

In a few words, your committee believes that the language contained in the clause in question, which reads "A joint select committee * * * is directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874," not only defines but limits the scope of the committee's investigation to matters that properly pertain to such fiscal relations; that the words "for the purpose" mean "for the purpose," and not "for the secondary purpose" or "having the incidental effect"; that in the act reference to the surplus is made in apt words; that the act must be construed as a whole; that the task assigned must be considered as possible of accomplishment; and that when all these factors are taken into consideration, including the occasion for the creation of the committee, the intent and meaning of all the language of the act is clear.

Your committee is anxious to carry out completely the mandate of the Congress, and hence deems it its duty to call attention to the various constructions which have been urged and to set forth its conclusions in some detail.

As a part of the findings required under the law, your committee has included in this report tabulated figures, secured as a result of its inquiry into all matters pertaining to the fiscal relations between the two Governments from July 1, 1874, to June 30, 1922, inclusive, which show what sums have been expended by the United States and the District of Columbia, respectively, for the purposes enumerated.

On the merits of the particular question which has been used as an illustration, it is the sense of your committee that no portion of expenditures made wholly out of Federal funds for the purpose of the construction of national memorials or monuments in honor of any national hero or character, or in commemoration of any national event shall, in making up the fiscal balance, be chargeable to the District of Columbia.

TITLE II.—WORK OF THE COMMITTEE.

At the beginning of its labors, your committee had its attention called to the fact that investigations had already been made under authority of the Congress, intending to cover the fiscal relations between the two governments during the period up to June 30, 1911, and that the reports on such investigations had been acted upon by the Congress. Messrs. Haskins & Sells were, therefore, directed to make a detailed audit and examination of the District accounts from June 30, 1911, to June 30, 1922, inclusive, and in addition to bring to the consideration of the committee any other items pertinent to the inquiry to which their attention was called or which came under their observation, and which existed during the period between July 1, 1874, and June 30, 1911. This detailed audit has been made, and a report submitted by the accountants, which includes references to certain outstanding items arising prior to the latter date.

It has been suggested, however, that the investigations made relative to these earlier years were not as thorough or comprehensive as they should have been; that errors may not have been detected in every instance, and that the reports of the investigators could not be considered complete. Your committee, therefore, after the report of Messrs. Haskins & Sells was received, seriously reconsidered the advisability, not to say the necessity, under the direction of the act of June 29, 1922, of authorizing the same kind of an intensive audit over the period already covered by these prior investigations. In that event it would have been necessary to ask the Congress for a year's additional time, at least, within which to make a final report, and for an additional appropriation of many thousand dollars. As will be recalled, \$20,000 was originally set aside for this purpose, a small portion of which remains unexpended.

In this respect also your committee desires to submit its conclusions with a brief statement of its reasons to the judgment of the Congress.

The act of March 3, 1909, enumerated certain advances made from time to time to the District government and directed that within five years the money should be repaid by the District into the United States Treasury, together with interest at the rate of 2 per cent per annum. The principal of the sum refunded was \$2,665,081.81, and the interest amounted to \$101,313.28. It was, therefore, desired to clear up all remaining questions, and certain accountants were detailed by the Sixty-second and Sixty-third Congresses, through the proper committee, to make an audit which would be final and conclusive.

One of these investigations was made into the general account of the District of Columbia with the United States by Messrs. L. Scott Mayes and J. R. Mayes, accountants who were employed by and reported to the special committee investigating the affairs of the District of Columbia under House Resolutions 154 and 200, of the Sixty-second Congress, and House Resolution 203, of the Sixty-third Congress (H. Doc. No. 1627). Said report stated the balance in the general fund of the District of Columbia on July 1, 1911, and was described by the committee as "a finished report." This was an investigation of the accounts between the two governments as they relate to the revenues of the District and to the appropriations made from the revenues of the United States to the District and the advances made from both by the Secretary of the Treasury of the United States, as authorized by the various acts of Congress since the passage of the act of June 11, 1878, and to including the fiscal year ended June 30, 1911; and also all appropriations and advances made by the United States to the District of Columbia from June 20, 1874, to June 30, 1878, inclusive, which affect the account between the two Governments. Said investigation required approximately three years' time and resulted in the discovery of certain items in considerable amount for which reimbursement was required by the United States from the District of Columbia. These were as follows:

Reimbursement on account unpaid balance of advances to defray District expenses for fiscal year 1878, required under act of July 11, 1919	\$75,000.00
Reimbursement on account of advances for support public schools, 1877, required under act of July 11, 1919	75,000.00
Reimbursement on account of constructing school building in Georgetown, required under act of July 11, 1919	50,865.00
Reimbursement for interest on 3.65 District of Columbia bonds for 1877 and 1878, required under act of Mar. 4, 1915	586,067.23
Reimbursement on account of Freedman's Hospital, required under act of Aug. 1, 1914	37,996.70
Reimbursement on account of support of insane in St. Elizabeths Hospital, 1881 to 1911, act of Mar. 4, 1913	719,536.07
Reimbursement on account of support of insane in St. Elizabeths Hospital, as in full, required under the act of July 1, 1916	282,764.26
Reimbursement on account of construction of District jail, required under act of Aug. 31, 1918	125,000.00
Reimbursement on account of advances to pay teachers in public schools in 1874, required under act of Aug. 31, 1918	97,740.50
Making a total of	2,049,969.76

A second investigation was made by W. W. Spalding, accountant, who examined the miscellaneous and general revenue accounts between the United States and the District of Columbia from 1874 to the date of the inquiry. These accounts were checked up carefully by Mr. Spalding, who was employed intermittently between the years 1913 and 1918. His recommendations were in every instance favorably acted upon by the Congress, and certain refunds to the United States were required from the District, as follows:

Reimbursements account of Washington Market Co., rentals 1878 to 1914, required under act of Mar. 4, 1915	\$158,437.50
Reimbursement account of fines in United States cases in criminal division of Supreme Court, District of Columbia, between July 1, 1878, and June 30, 1908, required under act of Apr. 17, 1917	24,300.76
Reimbursement account of fines in United States branch of police court between July 1, 1878, and Jan. 1, 1902, required under act of Apr. 17, 1917	211,450.12
Making a total of	394,188.38

Mr. Spalding appeared before your committee and testified that the work was done as thoroughly as practicable, but that he believed at the conclusion of his labors, and believes now, that certain other items, totaling possibly \$60,000 or \$70,000, should be investigated. Later on he furnished your committee with a memorandum of these items, and it was disclosed that, except in three instances, they had already been considered by it.

These three remaining items have since been investigated by your committee and are set forth under the head of Title IV of this report.

As heretofore stated, Messrs. Haskins & Sells were also required to call attention to any items noted by them arising during the period between July 1, 1874, and June 30, 1911, which might have a bearing on this investigation. In a summary of their report, dated January 17, 1923, they state:

"Certain of the items referred to in the foregoing synopsis would be affected by transactions prior to July 1, 1911. In order to complete the inquiry into such questions it would therefore be necessary that the examination be extended prior to July 1, 1911, so as to cover the entire period comprehended by the act creating your committee."

But as to each of said items arising prior to 1911 your committee has found, as will be hereinafter shown under the head of Title IV, that they were properly charged, and that there is nothing due from one government to the other. The ones concerning which adjustment is recommended by your committee, and which are listed under Title III, have no possible relation to transactions prior to June 30, 1911. Also, the committee's consultants, Messrs. Galloway, Taggart, Donovan, and the citizens' joint committee, are in complete agreement as to the existence of the surplus, and practically in accord as to the propriety of rejecting possible equitable credits between 1874 and 1911, suggested for consideration by the committee's accountants.

Again, your committee is advised that many of the official records and memoranda necessary to a satisfactory audit have long since been destroyed, and that, however great might be the diligence of the accountants, a complete and thorough audit for the entire period in question could hardly be secured.

We submit that the above statement of what the facts actually are speaks for itself, and we are content to leave it to the judgment of the Congress whether or not another audit at this late date would be at all justified. As practical men we can not escape the conclusion that the investigations made in this and prior audits are as thorough as required for the purposes of the act, and that, in the absence of certain records, they are as satisfactory and complete as any audit could ever be.

No witness appearing before the committee has testified that a further detailed audit would be advisable, while on the other hand the citizens' joint committee, Representative Johnson of Kentucky, and Mr. Thomas Hodgson, an employee of the Treasury Department who stated the account of the District for more than 30 years, have all spoken against the necessity for or advisability of the same. No witness who has testified before the committee has been able to bring up any items of dispute which have not been investigated.

Your committee, therefore, believes that a further detailed audit would be a decided waste of time and money, and would serve no good purpose. Neither is the same necessary, according to our belief, under the provisions of the act of June 29, 1922, which must be considered with reference to their practical effect.

Your committee, therefore, recommends that the investigations already made be taken as a basis upon which definite and final action should be had by the Congress.

TITLE III.—CLAIMS RECOMMENDED FOR ADJUSTMENT.

As a result of the inquiry, your committee finds that the various items appearing in the annual appropriation bills for the District of Columbia, enacted during the entire period specified in this act, have been properly allocated between the District of Columbia and the United States, with the exception of several small items. These have either been corrected by prior action of Congress or are included under this title in this report.

Your committee also finds that certain other items, which can not properly be considered as accounting and bookkeeping errors, and which are considerably larger in amount, have either been settled by prior legislation or are covered by the recommendations contained under this title in this report.

Your committee also submits that certain additional items, which have been called into question, have been considered by its members and reported under the head of Title IV of this report, with the recommendation that they should be held to have been properly accounted for, and that no changes in the account between the District of Columbia and the United States should be made in respect to the same.

1. The committee reports, as its first finding, that at June 30, 1922, the credit balance, District of Columbia general fund, in the United States Treasury, certified to by the Comptroller General of the United States, and as shown in Exhibit A of the report of Messrs. Haskins & Sells, certified public accountants, which is \$5,260.67 less than that shown by the records of the auditor of the District of Columbia. The committee under-

stands that the difference is being investigated and will be properly adjusted.

Your committee also finds that the records of the District appropriation ledgers show encumbrances against that balance on account of unexpended appropriations, aggregate \$2,077,616.24, and also further obligations to the amount of \$825,603.69, which will eventually have to be paid out of this fund.

That, subject to the correctness of the liability above stated, which can be accepted for all practical purposes, the free surplus at June 30, 1922, was \$4,671,196.97.

2. The accountants have called attention to certain errors in stating the account between the two governments and have recommended that the net amount of \$665.46 be credited to the District. Messrs. Galloway and Taggart also suggest adjustment of these matters on the basis of figures submitted by Messrs. Haskins & Sells, and in this recommendation the committee concurs.

3. As a partial offset against these credits the committee recognizes that the United States is entitled to reimbursement on account of the \$240 annual bonus paid to certain classes of District employees, and which, up to the present fiscal year, came solely from Federal funds.

The accountants, without definitely committing themselves, call attention to the fact that such general increases in compensations of certain employees have been charged wholly against Federal appropriations, while the regular salaries, other than the increases, have been charged proportionately against the United States and the District of Columbia.

Here is an evident oversight by the Congress, due, no doubt, to the fact that provisions for such bonus have been inserted from time to time in measures other than the District of Columbia bill. The appropriation act for the present fiscal year made the necessary correction as to the future. There is no doubt concerning the policy of Congress in the matter, and your committee recommends that the District should pay its proportionate share of increased compensation in such cases as enumerated by the accountants in their report. This share amounts to \$191,890.35.

The above is in accordance with the recommendations of Mr. Galloway and Mr. Taggart, while Mr. Donovan and the citizen's joint committee make no argument on the question.

4. Another item of somewhat similar nature arises in connection with appropriations of \$80,000 and \$2,500 made in the acts of June 5, 1920, and March 4, 1921, respectively, for the purchase of land in connection with the National Zoological Park. The cost of land previously secured for this purpose was charged proportionately to the Federal and the District Governments; and your committee can see no reason for an exception in these two cases. It is believed that this is another oversight, caused by the fact that the appropriation in question was not contained in the District bill.

In this position your committee has the support of Mr. Taggart and, by inference, of the accountants. Mr. Galloway states that the moral question is the only one involved, as legally the matter is settled, while Mr. Donovan is content to leave the matter to the determination of the Congress.

The citizens' joint committee, on the other hand, advocates not only that this sum be charged wholly against the Federal Government but also that there should be a refund to the District of moneys heretofore contributed for such park purposes. Your committee, however, is unwilling to disturb the evident intention of Congress in this respect, and, in addition, believes that sufficient benefits are derived from the park by local residents to justify the District's share in the expenditures involved.

The recommendation, therefore, is that \$41,500 be charged against the District as its proper proportion of such expenses.

5. The accountants show that the amount of \$634.33 was paid out of Federal revenues for the relief of Eldred C. Davis on account of loss occasioned by a larceny in the office of the collector of taxes. As there is no equitable reason why the United States should have borne the entire cost, your committee recommends that \$317.17, one-half of said amount, should now be charged against the District.

Mr. Taggart views the matter in this light, while Messrs. Donovan and Galloway make no recommendation. The citizens' joint committee can not understand why the District government should have anything to do with the matter.

TITLE IV.—ITEMS ALREADY PROPERLY CHARGED.

Certain other items have been pointed out by Messrs. Haskins & Sells, with the comment that although they may not be proper matters for adjustment, yet they should at least be interesting in connection with future legislation dealing with District fiscal relations.

In the opinion of your committee, all of the following have been properly charged and it is recommended that in all of such cases no sums shall be considered as being due, either legally or morally, from the one government to the other.

1. The first one is summarized by the committee's accountants in a letter to the chairman dated January 17, 1923:

In our opinion, the general fund should be charged with \$545,484.54, as follows:

Redemption of District 5 per cent bonds issued under the act of Congress approved June 10, 1879 (exclusive of participation in interest payments and premiums paid on redemption), charged against the United States in violation of provisions of the act of Congress, as shown on page 33 of our report (50 per cent of \$1,092,300)-----	\$546, 150. 00
Less adjustment of errors, as enumerated on page 9 of our report-----	665, 46
Remainder-----	545, 484. 54

The act in question authorized the District commissioners to issue certain bonds of the District, redeemable 20 years after date, to an amount not exceeding \$1,200,000. The committee's accountants base their contention on a provision contained in the act to the effect that it should not be construed to make the Federal Government liable for any part of the principal or interest on the bonds, and they point out that such payments were eventually made jointly from the revenues of the United States and of the District.

However, such reimbursement was made on the 50-50 basis, in accordance with the express authorization of the Congress, contained in several subsequent acts. In the opinion of this committee, Congress had knowledge, actual as well as constructive, of the provision contained in the act of June 10, 1879, and deliberately intended to place payment of the principal and interest of these bonds on the same basis as other District expenditures. Such is the view expressed by the District auditor and the Citizens' Joint Committee, while Mr. Taggart, of the General Accounting Office, does not give his opinion, because he believes the question is one of legal interpretation. Mr. Galloway, representing the Department of Justice, reiterates that in subsequent appropriation acts it is expressly recited that so much money be appropriated, 50 per cent from the revenues of the District and 50 per cent from the moneys of the United States, "for the payment of interest and sinking fund of the District." He adds that Congress certainly had a right to do this, and even though the provisions of former acts were in conflict with such appropriations the subsequent action of Congress must be held to control, the question being now legally settled. This position is supported by decisions of the Comptroller of the United States Treasury.

Your committee inclines strongly to this view and believes it worthy of note that the Mayes-Spalding investigations brought this matter fully to the attention of the Congress, which failed to include the item in those for which reimbursement was then required from the District.

2. The next principal item to which the committee's accountants invite consideration also dates back to the time when the present form of government was established in the District of Columbia by organic act of Congress. The United States then assumed 50 per cent of the debt of the District outstanding on June 30, 1878. There were, however, uncollected taxes amounting to \$1,622,739.75, which were later deposited in the United States Treasury solely to the credit of the District. The question arises whether such action was proper, or whether the Federal Government should have been credited with 50 per cent of such tax collections.

Here, again, in the opinion of your committee, the law controls, reflecting as it does the evident intention of the Congress. The purpose of the organic act was to wipe the slate clean; to provide for the payment of prior and future obligations on a 50-50 basis; and to turn over to the District authorities what assets existed at the time. Messrs. Galloway, Donovan, and the citizens' joint committee are in accord with this view, while Mr. Taggart takes a neutral position.

The following extract from the Galloway report states the situation clearly:

"The organic act of June 11, 1878, provides that the Commissioners of the District shall have power to apply the taxes and other revenues of the District to the payment of the expenses thereof, and that they shall take over the books, papers, records, money, credit, securities, assets, and accounts belonging or appertaining to the business or interests of the District, and another part of the same act provides that all taxes shall be paid in the Treasury of the United States, and the same as well as the appropriations to be made by Congress, shall be disposed for the expenses of said District on itemized vouchers, etc. In other words, it seems that there was an intention to change the forms of Government, giving to the new form whatever assets that had

accrued or were in the process of accruing for the purpose of beginning and carrying on the new plan. Even actual money then on deposit was transferred, to be used in accordance with the new plan, and it certainly was not the intention of Congress to deprive the District of all means during the first year of carrying out its duties under this new plan. Had these taxes, uncollected at June 30, 1878, been used for other purposes than the purposes of the new form of government, the District would have been unable to contribute one cent toward carrying out its part of said plan until it was able to assess and levy a new tax. Certainly Congress did not intend that by this legislation, and, in fact, the express provisions of the statute above referred to indicate a contrary intent; so that it is my opinion that from a legal standpoint this question is also settled, as Congress clearly showed that it intended that these uncollected taxes be deposited in the Treasury to the credit of the District exactly as they were deposited."

The above is another item which was called to the attention of the Congress in the Mayes-Spalding investigations.

3. The largest item to which the accountants refer, without making definite recommendation, consists of receipts from licenses, privileges, etc., totaling \$6,300,058.57 for the fiscal years 1912 to 1922, inclusive. These, in the opinion of your committee, fall clearly in the same category as local taxes, and were properly collected and deposited wholly to the credit of the District of Columbia. The organic act is specific on that point. After the requirement that annual estimates of proposed District expenditures should be transmitted to Congress, it provides that:

"To the extent to which Congress shall approve of said estimates, Congress shall appropriate the amount of 50 per cent thereof, and the remaining 50 per cent of such approved estimates shall be levied and assessed upon the taxable property and privileges in said District other than the property of the United States and the District of Columbia."

District Auditor Donovan, in his report, cites several decisions of the Comptroller of the Treasury which refer to this language and appear to settle the question conclusively in the District's favor. The arguments advanced under this head in the brief of the citizens' joint committee also appeal to your committee as being sound and based upon correct rules of legal construction.

It is, of course, quite within the province of the Congress to provide for a different disposal of future collections, and from time to time the receipts from certain privileges have been placed, by act of law, jointly to the credit of the District and the Federal Government. But except in cases where such specific provision is made the District has been entitled, according to your committee, to the full amount of such receipts.

Mr. Galloway, in his report, confirms this view that legally such fees and licenses should be credited wholly to the District, as has been done. Mr. Taggart "can see no reason why the District should now be charged with any part of these collections," with the exception of a small item known as special reimbursable taxes, amounting, during the period covered by the accountants' report, to \$9,014.23. It is admitted that according to the law these latter items should be collected in the same manner as general taxes in the District of Columbia, and the committee can not see how a valid distinction can be made as to this class of miscellaneous collections.

4. Another matter referred to by the accountants, without any specific recommendation, arises from the fact that certain United States Army officers have been assigned from time to time to duty in the District Government. Their compensation, consisting of pay and allowances, comes wholly out of the revenues of the United States. This is also true of civil employees of the General Accounting Office who have been called upon to work on District accounts. The full amount of such Army officers' compensation between the years 1912 and 1922 is given as \$282,422.18.

There is no question but that there is specific legislative authority for the payment of such Army officers by the United States and for their detail to the District government; neither is there any doubt as to the existence of statutes creating the positions held by employees in the General Accounting Office and the Treasury Department who keep the District accounts. These employees, of course, are selected primarily to safeguard the interests of the Federal Government.

More than this, the arrangement relating to Army officers carries out the general policy of the Congress. As pointed out by Mr. Taggart, who declines to make a recommendation, it has not been the policy to charge for the services of such engineer officers for river and harbor improvements, and for other purposes, even where the whole cost of the work is paid by States, municipalities, or by private interests.

Mr. Galloway, Mr. Donovan, and the citizens' joint committee concur in the views of your committee, that no part of this item should be properly charged to the District.

5. An item, to which the accountants have also called attention, is that certain collections made by the clerk of the Supreme Court of the District for the issuance of certain licenses and for fines assessed against jurors are covered into the Treasury wholly to the credit of the Federal Government. The accountants recommend that the committee consider the item, while Mr. Taggart suggests an apportionment between the United States and the District as to such collections subsequent to June 30, 1922, which the committee understand is covered under the terms of the District appropriation act for the present fiscal year.

There is no question but that there was sufficient authority of law to justify the deposit of these funds wholly to the credit of the United States, and your committee believes it consistent to recommend that they should not be disturbed. A ruling in support of this position was made by the Comptroller of the Treasury under date of December 13, 1920. The entire sum involved is \$175,870.99.

6. The cost of erecting and furnishing the District of Columbia Court of Appeals Building, provided for by the Act of May 30, 1908, aggregated \$263,600, all of which was paid by the Federal Government. Salaries of employees and miscellaneous expenses of this building since its completion have been apportioned between the United States and the District of Columbia.

Your committee's attention has been called to the fact that in addition to considering appeals from the Supreme Court of the District, this appellate court also has original jurisdiction in cases involving patents, and that this business is of considerable volume. Many suits are also brought in or carried to this court on account of the fact that one of the parties is an official of the United States Government. Neither of these classes of cases can be properly considered as District matters.

In view of the various phases of this question which have been presented, your committee does not feel justified in recommending that the matter of the cost of erecting this Court of Appeals Building should be reopened.

This item, as well as those which follow, has been brought to the attention of your committee in the conduct of its hearings, but was not commented upon in the various reports heretofore referred to.

7. The annual report of the Commissioners of the District of Columbia for the year 1896 (p. 96) refers to a judgment of \$65,740.47 secured in the old case of the District v. The Metropolitan Railway Co. for paving done in the years 1871 to 1875. The entire amount was paid to the collector of taxes of the District, and the case closed.

It will be observed that the greater portion of this transaction arose prior to 1874 and that the work was all done some time before 1878. Under the head of item No. 2 of this title your committee takes the position that all of these assets prior to 1878, even if uncollected, were to go to the District under the provisions of the organic act. This case apparently falls in that category.

8. Section 7 of the act of May 18, 1916, provides for an appropriation of \$25,000 for the repair and maintenance of the old Aqueduct Bridge until the bridge provided for in this same act should be completed. This money for such repair and maintenance was appropriated solely out of Federal funds.

In the preceding six sections of the chapter detailed reference is made to the erection of the new bridge, and what was appropriated in these sections was to be appropriated on the 50-50 basis. The amount appropriated to begin construction was \$25,000 and the amount authorized \$1,000,000.

It seems evident to your committee that the Congress clearly intended that the amount of \$25,000 for repair and maintenance was to be paid by the United States.

9. The reclamation of that portion of Potomac Park on which the speedway has been built has also been brought to the attention of your committee. This reclamation project extended over a period of years, and was, of course, directly under the control of War Department engineers. It was paid for by the Federal Government, although the District shared proportionately in the building and maintenance of the improvements constructed thereon, such as the Speedway itself.

Concerning the primary purpose or original object of this reclamation project there may be some question. One leading reason which has been assigned is the improvement of navigation in the Potomac River, while sanitation may also have had something to do with the matter. After consideration of the facts as disclosed your committee does not believe that it was the intention to call upon the District to share in this expense

or that any proportion of same should be charged at this time. However, it was deemed proper to make reference to the matter in this report for the information of the Congress.

TITLE V.—MORAL LIABILITY AND INTEREST.

In making its findings and recommendations, moral as well as legal obligations have been taken into consideration by the committee pursuant to the instructions of the act of June 29, 1922. The question of moral obligations has given its members some concern, as the language may conceivably be construed to cover an extremely wide field. In this, as in other matters, the scope of the committee's authority and duty is so broad under the terms of the act that its members felt impelled to submit the question to its legal adviser and the representative of the United States, Mr. Galloway, who rendered an opinion, which is here quoted in part:

"It happens that in this investigation practically all of the questions upon which it is contended a moral obligation should be predicated, as shown either by the report of your accountants or as suggested to your committee from other sources, are matters upon which Congress has by specific legislation provided or plainly pointed out the manner in which they intended that the certain expenditures therein provided for should be paid. This would seem to settle the question from a legal standpoint, even though there was prior legislation indicating a contrary intent upon the part of Congress, because the familiar rule is that the last legislation must control. Therefore the moral question involved would amount to little else than a determination by your committee as to whether or not Congress acted wisely when it enacted the specific legislation which is in question. In considering this question it is my opinion that you should closely question all suggestions that Congress in enacting certain legislation overlooked any facts or legislation upon the same subject and that you should not rely upon such suggestions until they are conclusively proven to you, but, on the contrary, you should indulge to a great extent in the presumption that Congress acted wisely with all of the facts before it, and after giving all of them due consideration and weight, and especially that Congress acted with a full knowledge of all prior legislation. While, of course, these considerations would not affect the right or wrong of the question in its inception, certainly they should have some bearing upon the equities of the question as it now exists, in view of the fact that the legislative body has once passed upon such question and that both of the parties to the controversy have long continued their activities in their reliance upon the settlement as therein provided.

"The application of the above rules would seem to remove from your consideration practically all of the moral questions except those wherein rather flagrant injustices appear to exist, and upon such questions as those it is my opinion that it is your duty to report to Congress with recommendations."

Your committee has had in mind the above opinion, to which it is bound to give most serious consideration, and believes that it contains a proper application of general principles to the particular case in hand.

There remains the question of interest. The language of the act of June 29, 1922, is quite specific, and reads:

"And in event any money may be, or at any time has been, by Congress or otherwise, found due, either legally or morally, from the one to the other, on account of loans, advancements, or improvements made, upon which interest has not been paid by either to the other, then such sums as have been or may be found due from one to the other shall be considered as bearing interest at the rate of 3 per cent per annum from the time when the principal should, either legally or morally, have been paid until actually paid."

Thus it is made a part of the duty of this committee to calculate interest at 3 per cent per annum on the sums concerning which readjustment is recommended in Title III of this report, and to report the amount thereof to the Congress. This has been done, and a detailed statement of such interest calculations may be found in part 2 of this report. It is assumed that interest should be figured on annual and not daily balances, as the latter would be a practically impossible task.

It is also the duty of your committee under the act to calculate interest at the same rate on any sums which have heretofore been found due by the Congress at any time since 1874 from one government to the other. As set forth under Title II of this report, all such sums on which a settlement has been made, with or without payment of interest, consist of reimbursements by the District to the Federal Government.

Items are expressly excluded, by the language of the act, on which interest has already been paid, irrespective of the rate. Such an item would be the one for moneys advanced by the

United States to the District for extraordinary improvements between 1902 and 1910. In this case, as hereinbefore set forth, the Congress not only required the payment of the principal, \$4,144,696.35, but also interest at 2 per cent, which amounted to \$586,702.83.

Between the years 1910 and 1920 the United States was apparently quite active in securing reimbursement from the District on account of advances made by the Federal Government, or for other reasons. In addition to the above item of \$4,144,696.35 and interest, at least 14 distinct items were collected, their total being \$2,814,947.76. On most of this amount interest was never paid, and it is now proposed that such obligations, long since settled, shall be resurrected for the purpose of calculating and charging interest. This, at any rate, was the contention of Congressman JOHNSON of Kentucky before your committee, and the language of the act would appear to bear out that construction. Your committee had no alternative but to prepare such tables, and has acted accordingly.

It will be observed that three of the items in question, enumerated in part 2 of this report, in the principal sum of \$125,865, on which it is now advocated by some that interest be collected, date prior to 1878, being for general expenses and the construction and maintenance of schools; while the majority of the others run through a period of years but have their inception prior to 1880.

Attention is also called to the fact that in the case of "reimbursement account of Washington Market Co. rentals, 1878 to 1914, \$158,437.50," the act in question, that of March 4, 1915, contained the expression "such sum being in full settlement of the amount due the United States for said market rentals."

Two other items should be noted, both headed, "Reimbursement account of support of insane in St. Elizabeths Hospital," and being for \$719,536.07 and \$282,754.26, respectively. In the case of the latter item, the language of the act is as follows: "To further reimburse the United States and in full." More than this, the accountant calculated interest and included it in his report; yet no interest was charged. What could be clearer than this to show that the Federal Government deliberately intended to waive and did waive any claim to interest?

This entire statement, as well as the others appearing in part 2 of this report, should be carefully examined by Members of the Congress.

While the Congress has, of course, extensive powers with relation to the District of Columbia, it is our firm conviction that the collection of interest on these paid-up accounts, particularly when it is specified that settlement is "in full" or "in full settlement" can not be supported, either on legal or equitable principles. In this connection the views of Mr. E. F. Colladay, of the citizens' joint committee, as expressed in the hearings, are quoted below:

"I would like to present just a few words by way of quotation from volume 15 of Ruling Case Law, which I believe is the best compendium of American law extant. I read from page 13, on the subject of interest as incident to or separable from the principal debt. (Reading:)

"The right to recover interest after the payment of the principal sum due, depends upon whether the interest is due by the terms of the contract, or whether it is merely implied and allowed by way of damages in an action for the principal.

"If interest is due by the terms of the contract, the payment of the principal is no bar to its subsequent recovery; but if it is not due by the terms of the contract, the payment of the principal sum is a bar to recovery.

"The reason for the rule is that interest being a mere incident to the debt, can not exist without it, and the debt being extinguished, the interest must necessarily be extinguished also."

"The relation between the District of Columbia and the Federal Government is such that the District of Columbia can only act as Congress acts for it, in the matter of payments or demands. Congress has acted in the matter of requiring the District of Columbia to pay back certain items. In one instance Congress requires 2 per cent interest on an item, and the interest was paid, with the item.

"In other instances Congress required the payment of principal without requiring the payment of interest. There was no contract obligation nor statute obligation to take the place of the contract obligation, prescribing interest. There was no interest separate and distinct from the principal obligation."

Your committee recommends that in all such cases where the Congress has acted and enforced collections of the principal sum such action should be treated as final and no interest whatever be charged at this time.

As to the other matters concerning which adjustment is recommended in this report, your committee takes the same

view, though for different reasons. The argument has been made, with much force, that if the United States has on hand money belonging to the District it should be considered a demand deposit, which would not be due until demand is requested in accordance with the law. Legally, therefore, interest could not be charged prior to such demand. Taking this view of the matter it would, of course, be inequitable to make interest charges against the District government, if interest was not collected when the balance was in the District's favor.

Furthermore, if equitable principles be held to apply, the doctrine of dilatory creditor could certainly be urged against the United States in any attempt to collect interest from the District of Columbia, even though time limitations may not run against the Federal Government.

Legal and equitable consideration, so far as they may be held to apply to the peculiar relationship existing between these two governments, cause this committee to recommend that, in making any settlement upon the basis of facts disclosed in this report, no interest should be held to be due from the one government to the other.

TITLE VI.—CONCLUSION.

Before concluding part 1 of its report, your committee wishes to call attention to part 2 thereof. This contains, as required under the provisions of the act by which the committee was created, a statement of the sums which have been expended by the United States and the District of Columbia, respectively, from July 1, 1874, to June 30, 1922, inclusive, for the purposes enumerated, as ascertained through the authorized inquiry into all matters pertaining to the fiscal relations between the two governments. In our opinion, the statement in question shows clearly, for the purposes required, the relative participation or contributions by the United States and the District.

Part 2 also contains the interest tables called for by the act of June 29, 1922. Among other valuable matters can be found in part 2 a statement of estimates submitted by the District Commissioners for the past 10 fiscal years, together with the amounts actually allocated in the annual District appropriation bills. It will be noted that the estimates total \$172,117,932.63, and the appropriations \$147,089,156.08. One-half of the difference of \$25,028,776.55 (or \$12,514,388.27) may be contrasted with the total amount of the free surplus now under consideration, namely, \$4,671,196.97.

It is believed that from the foregoing statements made by your committee a clear understanding of the situation, as revealed by its investigation, may be secured, and confirmation of same may be found in the documents which have been ordered to be printed. Among these documents are: The reports of Messrs. Haskins and Sells, containing tabulations; of Messrs. Galloway, Taggart, Donovan, Hodgson, and the citizens' joint committee; also your committee's hearings and other papers.

To summarize: Your committee recommends that the Senate and House of Representatives recognize the existence of a free surplus in the United States Treasury to the credit of the District of Columbia, as of June 30, 1922, in the—

Sum of.....	\$4,671,196.97
That there shall also be credited the sum of.....	665.46

(To correct certain errors in stating the account between the two governments).....	4,671,862.43
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That from these amounts should be deducted the following:

The District's proportion of the \$240 bonus paid to its employees.....	191,890.35
The District's proportion of cost of additional land for the National Zoological Park.....	41,500.00
One-half of amount appropriated by special act for relief of Eldred C. Davis.....	317.16
	<hr/> 233,707.51

And that the net balance of.....	4,438,154.92
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shall be held to be in the Treasury of the United States, subject to appropriation by the Congress, as a part of the District's share of the expenses of maintaining its government, in accordance with the law.

In connection with the items on which reimbursement has already been required by the Federal Government, and the items on which adjustment is recommended in this report, your committee recommends that no interest charges shall be made, either against the District of Columbia or the United States.

Your committee reports that the investigations which have been made into fiscal relations between the two governments are as full and complete, for all practical purposes, as can ever be secured, and recommends action by the present Congress that will definitely and finally set at rest existing contentions and conflicts between the District and Federal Governments.

From an accounting and bookkeeping standpoint, and giving due consideration and weight to the organic law of 1878, as well as other laws passed by Congress from time to time, and the rulings of the Comptroller of the Treasury, we believe this report to all practical purposes reflects the fiscal relations between the United States and the District of Columbia, and shows the surplus to the credit of the District in the Treasury of the United States. Some members of the committee believe that these laws, although binding, were in many instances more favorable to the District than they should have been, if due consideration had been given to the taxpayers of the United States, and that under these laws the United States has for a long time and is now contributing more than its just proportion to the administration of the District government and the upkeep of the District; and that this is especially true when consideration is given to the limited activities and interests of the United States in the District, which are not wholly maintained at the expense of the United States, as compared to the large, expansive, and growing interests of the residents of the District or those owning property therein, and taking into consideration also the low tax rate paid on property located in the District.

Respectfully submitted.

LAWRENCE C. PHIPPS,
L. HEISLER BALL,
WM. J. HARRIS,
GUY U. HARDY,
WILLIAM C. WRIGHT,
Committee.

PART TWO.

THE DISTRICT OF COLUMBIA.

Expenditures by the United States and the District of Columbia, 1874 to 1922, inclusive.

	United States.	District.
1874 to June 30, 1878, as furnished by the auditor of the District.....	\$3, 427, 477. 27	\$8, 902, 044. 33
Fiscal years 1879 to 1911, inclusive, from the report of T. Scott Mayes and J. R. Mayes.....	111, 110, 030. 08	117, 177, 292. 84
Fiscal years 1912 to 1922, inclusive, from the report of Haskins & Sells, certified public accountants.....	74, 326, 258. 17	93, 993, 465. 64
Increased compensation paid by the United States.....	345, 102. 52	
Relief of Eldred C. Davis.....	634. 33	
Total.....	189, 209, 502. 37	220, 072, 802. 81

Approximate simple interest at 3 per cent per annum on advances, reimbursements, credit balances, in general fund, etc., computed in accordance with the requirements of the act of June 29, 1922.

DEBITS.

Amount of interest.

Advance to defray District expenses of fiscal year 1878, \$75,000, 1878 to 1919, inclusive.....	\$94, 500. 00
Advance for support of public schools, \$75,000, 1878 to 1919, inclusive.....	94, 500. 00
Advance to construct and equip school building in Georgetown, \$50,865, 1875 to 1919, inclusive.....	68, 667. 75
Advance to pay interest on 3.65 bonds, 1877-78, \$586,067.23, 1878 to 1914, inclusive.....	632, 952. 61
Washington Market rentals, 1878 to 1914, \$158,437.50.....	51, 975. 00
Freedman's Hospital, 1906 to 1913, \$37,996.70.....	6, 332. 05
Support of insane at St. Elizabeths Hospital, \$719,536.07 and \$282,754.26, interest as computed by J. R. Mayes in his report to former congressional committee.....	203, 770. 01
Supreme court fines, 1878 to 1908, \$24,300.76.....	19, 636. 62
Police court fines, 1878 to 1902, \$211,450.12.....	174, 907. 72
Construction and equipment, District jail, \$125,000, June 25, 1866; reimbursed in 1919.....	202, 500. 00
Advance, pay of teachers of public schools, 1874, \$97,740.50, 1874 to 1918, inclusive.....	131, 949. 68
Relief of Eldred C. Davis, \$317.17, 1898 to 1922, inclusive.....	237. 88

National Zoological Park:

\$40,000, 1921 to 1922, inclusive.....	\$2, 400. 00
\$1,500, 1922.....	45. 00
Increased compensation, bonus, \$191,890.35, paid in fiscal years 1918 to 1922, inclusive.....	7, 515. 01
Total debit interest.....	1, 691, 889. 33

CREDITS.

Errors in stating account:

\$49.60, fiscal year 1917; 1917 to 1922, inclusive.....	8. 93
\$215.86, fiscal year 1920; 1920 to 1922, inclusive.....	19. 43
\$400, fiscal year 1922.....	

Credit balances in general fund:

\$68,300.24, beginning fiscal year 1915.....	2, 049. 01
\$731,786.74, beginning fiscal year 1916.....	21, 953. 60
\$2,664,717.77, beginning fiscal year 1917.....	79, 941. 53
\$4,056,547.40, beginning fiscal year 1918.....	121, 696. 42
\$6,053,634.98, beginning fiscal year 1919.....	181, 609. 05
\$7,142,189.70, beginning fiscal year 1920.....	214, 265. 69
\$7,376,244.49, beginning fiscal year 1921.....	221, 287. 33
\$7,573,235.84, beginning fiscal year 1922.....	227, 197. 08

Total credit interest..... 1, 070, 028. 07

Statement showing total of estimates of appropriations for the District of Columbia, submitted by the Commissioners of the District, for each fiscal year beginning with 1912 and ending with 1922; and the appropriation granted for each of said years as contained in the regular District of Columbia appropriation acts.

Fiscal year.	Estimates.	Appropriations.
1912.....	\$12, 741, 450. 90	\$10, 524, 096. 50
1913.....	12, 818, 935. 50	10, 550, 998. 50
1914.....	12, 739, 737. 60	11, 257, 054. 00
1915.....	14, 354, 754. 49	12, 042, 825. 06
1916.....	12, 771, 054. 23	11, 734, 429. 45
1917.....	15, 343, 196. 34	12, 581, 117. 20
1918.....	16, 278, 092. 66	13, 548, 567. 85
1919.....	17, 091, 029. 99	14, 234, 138. 66
1920.....	15, 781, 259. 90	14, 613, 211. 00
1921.....	18, 242, 006. 03	17, 436, 654. 87
1922.....	23, 956, 414. 99	18, 566, 062. 99
Total.....	172, 117, 932. 63	147, 089, 156. 08
Excess of estimates submitted by the commissioner over annual appropriations granted on the basis of such estimates.....		25, 028, 776. 55

[NOTE.—The foregoing figures do not include estimates submitted by Federal authorities nor appropriations based on such estimates. Beginning with the fiscal year 1923 all appropriations, of whatsoever character, chargeable in any part to the District are included in the District appropriation act. Prior to the current year, appropriations under the jurisdiction and control of Federal agencies were carried in the sundry civil and legislative appropriation acts. Neither are any deficiency appropriations included. The statement as submitted, therefore, merely presents the actual annual estimates prepared by and approved by the commissioners and the action of Congress in granting appropriations based thereupon.]

STATEMENT SHOWING REIMBURSEMENTS MADE TO THE UNITED STATES FROM THE REVENUES OF THE DISTRICT OF COLUMBIA BETWEEN 1919 AND 1920.

For moneys advanced by the United States to the District of Columbia for extraordinary improvements between 1902 and 1910..... \$4, 144, 696. 35
For interest at 2 per cent on above advances..... 586, 702. 83

(NOTE.—The above indebtedness, both principal and interest, liquidated in full between 1910 and 1916.)

Reimbursement under section 8 of District of Columbia act for 1920 (reimbursed in 1920)..... 75, 000. 00

"That the sum of \$75,000 shall be transferred to the credit of the United States from the amount in the Treasury of the United States to the credit of the District of Columbia to pay the indebtedness of the District of Columbia to the United States on account of the unpaid balance of the advances to defray District of Columbia expenses of the fiscal year 1878, as pro-

vided by section 17 of the act providing for the support of the District of Columbia for said fiscal year, approved March 3, 1877; and said sum shall be transferred to the credit of the United States from the amount in the Treasury to the credit of the District of Columbia immediately upon the approval of this act. (District of Columbia appropriation act for 1920, approved July 11, 1919, sec. 8.)

Reimbursement under section 9 of the District of Columbia act for 1920 (reimbursed in 1920)-----

"That the sum of \$75,000 shall be transferred to the credit of the United States from the amount in the Treasury of the United States to the credit of the District of Columbia to pay the indebtedness of the District of Columbia to the United States on account of advances for the support of public schools of the District of Columbia, as provided by a clause of the sundry civil appropriation act, approved March 3, 1877; and said sum shall be transferred to the credit of the United States from the amount in the Treasury to the credit of the District of Columbia immediately upon the approval of this act." (District of Columbia appropriation act for 1920, approved July 11, 1919, sec. 9.)

Reimbursement under section 10 of District of Columbia act for 1920 (reimbursed in 1920)-----

"That the sum of \$50,865 shall be transferred to the credit of the United States from the amount in the Treasury of the United States to the credit of the District of Columbia to pay the indebtedness of the District of Columbia to the United States on account of advances to defray the expenses of constructing and equipping a school building in Georgetown, District of Columbia, as provided in the act approved March 3, 1875; and said sum shall be transferred to the credit of the United States from the amount in the Treasury to the credit of the District of Columbia immediately upon the approval of this act." (District of Columbia appropriation act for 1920, approved July 11, 1919, sec. 10.)

Reimbursement for interest on 3.65 District of Columbia bonds for 1877 and 1878 (reimbursed in 1915)-----

"The Secretary of the Treasury, through the accounting officers of the Treasury, is authorized and directed to charge to the District of Columbia the sum of \$586,067.23, as a debt due the United States from the District of Columbia on account of money advanced by the United States to the District of Columbia with which to pay the interest on the 3.65 bonds of the District of Columbia for the fiscal years of 1877 and 1878; and in stating the account between the United States and the District of Columbia, the accounting officers of the Treasury and the accounting officers of the District of Columbia shall charge the District of Columbia with said sum; and the said sum of \$586,067.23 must be paid to the United States by the District of Columbia on or before June 30, 1915, out of the revenues of the District of Columbia derived from privileges and from taxation upon the taxable property in the District of Columbia." (Deficiency act approved Mar. 4, 1915.)

Reimbursement account of Washington Market Co., rentals 1878 to 1914 (reimbursed in 1915)-----

"Washington Market Co. rentals: For amount due the United States from the District of Columbia for collections made on account of the franchise rental of the Washington Market Co., fiscal years 1879 to 1914, inclusive, there shall be transferred from the revenues of the District of Columbia to the United States the sum of \$158,437.50, such sum being in full settlement of the amount due the United States for said market rentals under the decision of the Comptroller of the Treasury, Dec. 2, 1914, and to be covered into the Treasury as miscellaneous receipts." (Deficiency act approved Mar. 4, 1915.)

Reimbursement account of Freedman's Hospital, 1906 to 1913 (reimbursed in 1915)-----

\$75,000.00

50,865.00

586,067.23

158,437.50

37,996.70

"To reimburse the United States the amount due on account of one-half of the per capita cost of maintenance of indigent patients in Freedman's Hospital from the District of Columbia in excess of the number charged to and paid for by said District during the fiscal years 1906 to 1913, inclusive, there shall be transferred from the revenues of the District of Columbia to the United States, beginning with the fiscal year 1915, the sum of \$37,996.70, which amounts so transferred shall be covered into the Treasury as miscellaneous receipts." (Sundry civil act, Aug. 1, 1914.)

Reimbursement account of support of insane in St. Elizabeths Hospital, 1881 to 1911 (reimbursed in 1913 and 1914)-----

\$719,536.07

"The reimbursement required to be made to the United States by the District of Columbia under the provisions of the sundry civil appropriation act approved August 24, 1912, on account of deficiencies in payments for the care and maintenance of the insane of said District during the fiscal years 1881 to 1911, inclusive, is hereby fixed at \$719,536.09." (District of Columbia appropriation act for the fiscal year 1914, approved Mar. 4, 1913.)

Reimbursement account of support of insane in St. Elizabeths Hospital (reimbursed in 1917)-----

282,754.26

"To further reimburse the United States, and in full, the amount due on account of one-half of the per capita cost of maintenance of indigent patients in the Government Hospital for the Insane from the District of Columbia in excess of the number charged to and paid for by said District during the fiscal years 1879 to 1912, inclusive, there shall be transferred from the revenues of the District of Columbia to the United States the sum of \$282,754.26." (Sundry civil act, approved July 1, 1916.)

Reimbursement on account of fines in United States cases in criminal division of Supreme Court, District of Columbia, between July 1, 1878, and June 30, 1908 (reimbursed in 1917)-----

24,300.76

"Court fines: The sum of \$24,300.76, representing fines in United States cases collected on judgments of the criminal division of the Supreme Court of the District of Columbia during the period from July 1, 1878, to September 30, 1908, inclusive, and deposited in the Treasury of the United States to the credit of the District of Columbia, shall be transferred from the credit of the District of Columbia to the United States." Deficiency act approved Apr. 17, 1917.)

Reimbursement on account of fines in United States branch of police department between July 1, 1878, and Jan. 1, 1902 (reimbursed in 1917)-----

211,450.12

"The sum of \$211,450.12, representing fines in United States cases collected on judgments of the police court of the District of Columbia during the period from July 1, 1878, to January 1, 1902, inclusive, and deposited in the Treasury of the United States to the credit of the District of Columbia shall be transferred from the credit of the District of Columbia to the United States." (Deficiency act approved Apr. 17, 1917.)

Reimbursement under section 7 of District of Columbia act for 1919 on account of the construction and equipment of the District Jail (reimbursed in 1919)-----

125,000.00

"That the sum of \$125,000 shall be transferred to the credit of the United States from the amount in the Treasury of the United States to the credit of the District of Columbia to pay the indebtedness of the District of Columbia to the United States on account of the construction and equipment of the District Jail, as provided in section 1097 of the Revised Statutes of the District of Columbia." (District of Columbia appropriation act for the fiscal year 1919, approved Aug. 31, 1918.)

Reimbursement under section 8 of District of Columbia act for 1919 on account of advances to pay teachers in the District public schools in 1874 (reimbursed in 1919)-----

\$97,740.50

"That the sum of \$97,740.50 shall be transferred to the credit of the United States from the amount in the Treasury of the United States to the credit of the District of Columbia to pay the indebtedness of the District of Columbia to the United States on account of advances to pay teachers in the District public schools, as provided by the act entitled 'An act making appropriation for the payment of teachers in the public schools of the District of Columbia, and providing for the levy of a tax to reimburse the same,' approved April 18, 1874." (District of Columbia appropriation act for the fiscal year 1919, approved Aug. 31, 1918.)

Reimbursement account of Maryland School for Blind, 1899 to 1906 (with interest at 2 per cent, \$1,184.81) (reimbursed in 1907; interest paid United States in 1907)-----

52,973.64

Reimbursement account of Meridian Hill Park and Montrose Park (principal and interest at 3 per cent, \$12,952.15) (reimbursed in 1912, 1913, 1914, and 1915 in four equal annual installments)-----

317,825.98

Total----- 7,546,346.94

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The reading of the bill was continued.

The next amendment of the Committee on Appropriations was, on page 120, line 4, after the word "practicable," to insert: "and the purchase of artificial limbs or other appliances for indigent persons who were injured in the service of the Isthmian Canal Commission or the Panama Canal prior to September 7, 1916," and in line 11, to strike out "\$550,000" and insert "\$584,422.28," so as to read:

For sanitation, quarantine, hospitals, and medical aid and support of the insane and of lepers and aid and support of indigent persons legally within the Canal Zone, including expenses of their deportation when practicable, and the purchase of artificial limbs or other appliances for indigent persons who were injured in the service of the Isthmian Canal Commission or the Panama Canal prior to September 7, 1916, and including additional compensation to any officer of the United States Public Health Service detailed with the Panama Canal as chief quarantine officer, \$584,422.28.

The amendment was agreed to.

The next amendment was, on page 120, at the end of line 15, to strike out "\$930,000" and insert "\$1,006,200," so as to read:

For civil government of the Panama Canal and Canal Zone; district judge, \$7,500; district attorney, \$5,000; marshal, \$5,000; and for gratuities and necessary clothing for indigent discharged prisoners, \$1,006,200.

The amendment was agreed to.

The next amendment was, on page 120, line 16, to increase the total appropriation for the Panama Canal from "\$6,559,683" to "\$6,670,305.28."

The amendment was agreed to.

The next amendment was, on page 121, line 14, before the numeral "1922," to strike out "July 1" and insert "June 30," so as to read:

Except in cases of emergency or conditions arising subsequent to and unforeseen at the time of submitting the annual estimates to Congress, and except for those employed in connection with the construction of permanent quarters, offices, and other necessary buildings, dry docks, repair shops, yards, docks, wharves, warehouses, storehouses, and other necessary facilities and appurtenances for the purpose of providing coal and other materials, labor, repairs, and supplies, there shall not be employed at any time during the fiscal year 1924, under any of the foregoing appropriations for the Panama Canal, any greater number of persons than are specified in the notes submitted, respectively, in connection with the estimates for each of said appropriations in the Budget for said year, nor shall there be paid to any such person during that fiscal year any greater rate of compensation than was authorized to be paid to persons occupying the same or like positions on June 30, 1922; and all employments made or compensation increased because of emergencies or conditions so arising shall be specifically set forth, with the reasons therefor, by the governor in his report for the fiscal year 1924.

The amendment was agreed to.

Mr. WADSWORTH. On behalf of the committee I offer the following amendment.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Chair is advised that one amendment of the committee, on page 21, lines 22, 23, 24, and 25, was passed over.

Mr. McKELLAR. Mr. President, the Senator from Utah [Mr. KING] desires that amendment to go over.

The PRESIDING OFFICER. The Senator from Mississippi [Mr. HARRISON] requested before that it go over.

Mr. McKELLAR. The Senator from Utah spoke to me about it a moment ago. Will the Senator from New York let that go over with the other amendment until to-morrow?

Mr. WADSWORTH. I am willing that the amendment at the bottom of page 21 shall go over until to-morrow.

Mr. HARRISON. Is that the Harbord amendment, so called?

Mr. WADSWORTH. Yes.

Mr. McKELLAR. The Senator from New York has agreed that it shall go over until to-morrow. The Senator from Utah asked me a little while ago to ask that it go over if it came up this afternoon. I have no objection to considering it now, so far as I am personally concerned.

The PRESIDING OFFICER. The amendment at the bottom of page 21 will be passed over.

Mr. WADSWORTH. In behalf of the committee I offer the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 10, line 18, after the numeral "\$275,000," insert the following:

Provided, That the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not exceed 4 cents per mile: *Provided further*, That the laws providing for land-grant deductions shall not apply to travel at 4 cents per mile heretofore performed by members of the Officers' Reserve Corps under the War Department appropriation act for the fiscal year 1923, approved June 30, 1922.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York on behalf of the committee.

The amendment was agreed to.

Mr. WADSWORTH. On behalf of the committee I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The READING CLERK. On page 35, after line 23, it is proposed to insert the following:

Hereafter the cost of transportation of civilian employees and of material in connection with the manufacturing and purchasing activities of the Signal Corps, Air Service, Medical Department, Engineer Department, and the Coast Artillery Corps, and in connection with the construction and installation of fire-control projects at seacoast fortifications by the Coast Artillery Corps may be charged to the appropriations for the work in connection with which such transportation charges are required.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. McKELLAR. Will the Senator explain the amendment which has just been read? The amendment was read so rapidly that I did not fully understand it.

Mr. WADSWORTH. Under present law when the War Department purchases anything, either by direct purchase or by contract, the cost of transporting the finished article from the factory door to the place where the Government wishes to use it is charged against the appropriation for transportation of the Army. There is no authority for the charges of that freight bill to the cost of the article. The result is that the transportation appropriations are tremendously overburdened with such charges in the nature of freight bills on finished articles which are to be delivered at the place where the War Department or the Army wishes to use them. The Government loses a great deal of money by it.

For example, in the Air Service the only way in which the Chief of the Air Service has been able to have the freight bills paid on newly made airplanes is to invite the bidders who are seeking the contract to include in their bids the transportation cost from the factory door to the flying field, which may be 2,000 miles distant.

The Chief of the Air Service can not receive a sufficient allotment under the transportation appropriation to pay for the cost of transporting those airplanes by railroad. If he is given authority to charge that cost against the appropriation for the purchase of the planes, then, if he wishes, he can transport the plane from the factory door to the flying field over a land-grant railroad and receive the benefit of the reduced freight rates which are allowed to the Government. It is perfectly obvious that the amendment, if adopted, would save money.

Mr. McKELLAR. The Senator's explanation is entirely satisfactory to me, and I have no objection to the amendment.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from New York on behalf of the committee.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I offer the amendment which I send to the desk.

Mr. FLETCHER. May I inquire are the amendments now being offered by the Senator from New York offered on behalf of the committee, or are they individual amendments?

Mr. WADSWORTH. These are amendments which the committee have authorized the chairman of the committee to offer.

Mr. FLETCHER. But the Senator from New York himself had certain amendments which he proposed to offer which were printed, and I did not know whether or not the amendments which he is now offering were those amendments.

Mr. WADSWORTH. I have had most of the amendments printed for the information of the Senate. The amendment which I now offer, I will say to the Senator from Florida, has not been printed, but I can remind the Senator from Florida about the amendment as soon as it shall have been read.

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The READING CLERK. On page 52, after line 18, it is proposed to insert the following:

The sum of \$400,000 of the appropriation for the Air Service for the fiscal year 1921 contained in the "act making appropriations for the support of the Army for the fiscal year ending June 30, 1921, and for other purposes," approved June 5, 1920, shall remain available until June 30, 1924, for the payment of obligations incurred under contracts executed prior to June 30, 1921.

Mr. WADSWORTH. The amendment does not provide a new appropriation, but is merely to continue available an appropriation made two years ago, in order that the final payments on contracts for the building of airplanes, and which are almost finished, may be made this spring. If the former appropriation is not made available, it means that the War Department will not be able to pay the money which it owes to the contractors for the finished planes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. WADSWORTH. I offer another amendment on behalf of the committee.

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The READING CLERK. On page 52, in line 4, after the numeral "\$3,500," it is proposed to insert the following proviso:

Provided, That the present incumbent, upon the completion of his service, shall be entitled to be placed upon the retired list of the United States Army (with the rank of lieutenant colonel) under the same conditions as are prescribed by law for other officers of the Army.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from New York.

Mr. FLETCHER. Does that amendment refer to the master of the sword at the Military Academy?

Mr. WADSWORTH. It does.

Mr. McKELLAR. He has been there a long time.

Mr. WADSWORTH. He has been there for 40 years.

Mr. McKELLAR. And he should have this recognition, of course.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WADSWORTH. On behalf of the committee I offer another amendment, to which I call the attention of the Senator from Iowa [Mr. BROOKHART].

The PRESIDING OFFICER. The amendment proposed by the Senator from New York will be stated.

The READING CLERK. On page 95, after line 21, it is proposed to insert the following new paragraph:

That no part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch, or other time-measuring device, a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York.

Mr. BROOKHART. I offer an amendment to the amendment of the Senator from New York.

The PRESIDING OFFICER. The Senator from Iowa offers an amendment to the amendment, which the Secretary will state.

The READING CLERK. After the word "work," at the end of line 9, it is proposed to insert:

nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant.

The PRESIDING OFFICER. The question is on the amendment to the amendment.

Mr. BROOKHART. Mr. President, the amendment which I have offered to the amendment of the Senator from New York makes the same provision in the pending bill as that in the naval appropriation bill, which we have already passed. I believe also that the same words have been carried in former Army appropriation bills for a number of years.

Mr. McKELLAR. They have been carried in such bills for many years.

Mr. BROOKHART. Yes.

Mr. WADSWORTH. Mr. President, in the House of Representatives the provision relating to the so-called stop-watch method of factory management and relating to the payment of bonuses to workmen in Government arsenals and War Department arsenals was stricken out, as I recollect, on a point of order. The language, as the Senator from Iowa has stated, has been contained in Army appropriation bills for some time past.

The Committee on Appropriations reports to the Senate the provision prohibiting the use of the so-called stop-watch method but does not report to the Senate an amendment which would prohibit the payment of a bonus to an especially efficient workman. We do not believe that it is wise to install the so-called stop-watch or Taylor efficiency system in the arsenals; we join with those who want to have that prohibited by statute; but at the same time we do not believe that the Government should be denied by statute the right to give additional compensation to a workman for especially efficient work. That being the attitude of the committee, I can not, of course, accept on behalf of the committee the amendment offered by the Senator from Iowa, and I honestly believe that the amendment as proposed by the committee actually covers all conditions in the manufacturing plants of the War Department of which so many of the workmen are suspicious and to which they are antagonistic. I do not believe that the workmen of our arsenals have any real objection to the Government paying a little extra compensation now and then to their fellows who are especially efficient. So I hope the amendment offered by the Senator from Iowa to the amendment of the committee will not be adopted.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Iowa [Mr. BROOKHART] to the amendment offered by the Senator from New York on behalf of the committee.

Mr. McKELLAR. Mr. President, the amendment to the amendment proposes to incorporate in the bill a provision which has been in various Navy and Army appropriation bills for many years. It is a provision upon which the workmen lay great stress. It has been found to be appropriate heretofore, and I see no reason for changing the law. Therefore, Mr. President, if the Senate is ready to vote on the amendment, I ask for the yeas and nays.

Mr. WADSWORTH. Will the Senator be satisfied with a division?

Mr. McKELLAR. Very well; I will be satisfied with a division.

Mr. JONES of Washington. Mr. President, I wish to say merely a word in explanation of my vote. I have voted heretofore to prohibit the stop-watch method and in favor of the bonus provision because I thought that there was simply involved in the latter case the payment of the ordinary bonus. I have made some further investigation, however, during the last week with reference to the matter. I have looked into it more carefully than I ever did before, and I am satisfied that it is not the ordinary bonus at all which is involved, but that it goes much further than that. I think we ought to prohibit the payment of bonuses as well as the stop-watch method, and so I shall vote for the amendment offered by the Senator from Iowa to the amendment of the Senator from New York.

Mr. BROOKHART. Mr. President, the amendment to the amendment does not have in view the ordinary bonus payment at all, but that character of bonus which has behind it the idea of forcing or driving men to higher speed and a more rapid method of working, just as is involved in the case of the stop-watch method. There is no objection to a bonus in a general way being paid to everybody, so far as that is concerned; but it is a feature of the older efficiency scheme that we are trying to prohibit, as I understand. I think we had better have a roll call on the amendment.

The PRESIDING OFFICER. A division has been called for.

Mr. BROOKHART. Very well; let us have a division.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa to the amendment offered by the Senator from New York on behalf of the committee.

On a division the amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. WADSWORTH. Mr. President, on behalf of the committee I offer another amendment.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 108, after line 15, it is proposed to insert:

Notwithstanding the restrictive provisions of the act of February 26, 1896 (29 Stats. p. 21), the Secretary of War is authorized in his discretion to permit, without cost to the United States, the erection of monuments or memorials to commemorate encampments of Spanish War organizations which were encamped in said park during the period of the Spanish-American War.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I ask the indulgence of the Senate while I offer two amendments, not on behalf of the committee, because it so happens that the committee has had no opportunity to examine them. I am offering them as an individual Senator.

I send the first amendment to the desk.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 19, after line 3, it is proposed to insert:

Section 2 of the legislative, executive, and judicial appropriation act approved July 31, 1894, is amended by adding at the end thereof a new sentence to read as follows:

"Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard shall not be construed to hold an office within the meaning of this section."

Payments heretofore made to retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard under appointments to civil offices with a compensation of \$2,500 or more per annum are hereby validated.

Mr. McKELLAR. Mr. President, will the Senator explain that amendment?

Mr. WADSWORTH. Mr. President, the statute to which that amendment refers forbids the employment of certain personnel deemed to hold offices in the civil service of the United States at a wage higher than \$2,500 a year. There are about 12 retired Regular Army enlisted men now employed in places drawing more than \$2,500 a year. To the great astonishment of everybody the comptroller or somebody has ruled that a retired enlisted man of the Regular Army holds an office as such. The result of the ruling is that these 12 old soldiers are now called upon to pay back into the Federal Treasury the amount of money in excess of \$2,500 that they have been drawing.

Mr. McKELLAR. The Senator's amendment is entirely right. It ought to be adopted.

Mr. WADSWORTH. The Military Affairs Committee has examined into this matter and has reported favorably a bill for this purpose. The construction given to the word "officer" was so astounding in this case that the Military Affairs Committee is unanimous in its support.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I send to the desk one more amendment of a legislative character which will take just a moment to explain, and then I think I shall have finished.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 20, after line 16, it is proposed to insert:

Nothing contained in any existing laws or regulations or orders promulgated in pursuance of law shall be construed to authorize on or after July 1, 1922, the issue of heat or light in kind to any person in the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, while such person is receiving an allowance for rental of quarters under the provisions of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922.

Mr. WADSWORTH. Mr. President, under the new pay law passed last year the allowances known as heat and light were abolished, and in their place was substituted one allowance, known as the rental allowance. The rental allowance is paid to officers of the six services when they are not occupying public quarters. It is to cover their house rent if they have to rent houses, and their heat, and their light. We understand on very reliable authority that there are certain accounting or auditing officers who are expressing the opinion, or are about to express the opinion, that in certain cases officers may draw not only the rental allowance but also the old allowance of heat and light in kind. We do not want that duplication.

Mr. McKELLAR. Nor do I; so I have no objection to the amendment.

Mr. WADSWORTH. The intent of the Congress was to have the rental allowance cover all the old allowances.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, that completes the bill, as far as the committee is concerned, with one exception.

Mr. ROBINSON. Mr. President, will the Senator yield to me to submit a request for unanimous consent touching a vote to be had on a provision in this bill?

Mr. WADSWORTH. Yes.

Mr. ROBINSON. Mr. President, after consultation with a number of Senators whom I know to be interested in the matter, including the Senator from Florida [Mr. FLETCHER] and the Senator from Idaho [Mr. BORAH], I ask unanimous consent that at 2 o'clock and 45 minutes on to-morrow the Senate proceed to vote upon any amendment that may be pending or that may be offered to the rivers and harbors item; and I will state my reason for making that request.

A number of Senators—five Senators—desire to leave on the 3.15 train to go to the city of Savannah, including the Senator from Georgia [Mr. HARRIS], who is the author of the concurrent resolution that passed the Senate to-day; that is, assuming that his resolution passes the body at the other end of the Capitol. I have consulted with the Senator from Idaho [Mr. BORAH] and the Senator from Florida [Mr. FLETCHER], and they have indicated their acquiescence in this unanimous-consent suggestion. The Senator from Georgia [Mr. HARRIS] is now conferring by telephone with the Senator from Utah [Mr. KING].

Mr. SMOOT. Mr. President, I will say to the Senator that I shall object to it.

Mr. ROBINSON. The Senator from Utah makes it unnecessary to pursue the matter further.

Mr. WADSWORTH. I had hoped that we might get an agreement to vote on the river and harbor item. I was about to welcome with a good deal of cheerfulness the suggestion of the Senator from Arkansas.

Mr. ROBINSON. The Senator from Utah [Mr. SMOOT] was not in the Chamber when I first made the suggestion, or I should have consulted him about the matter. I hope he may see fit now to withdraw his objection, in view of the conditions.

Mr. SMOOT. No; I can not withdraw it at this time.

Mr. WADSWORTH. Mr. President, may I say—perhaps the Senator was not in the Chamber—that the committee amendments now are finished, with one exception. We are to recess until 11 o'clock to-morrow. We shall have between 11 and 2.45 o'clock, if the Senator's suggestion is adopted, to do nothing but debate the river and harbor item.

Mr. ROBINSON. That will afford practically three hours' debate on the item.

Mr. WADSWORTH. Does not the Senator think that is sufficient?

Mr. SMOOT. No; I do not, Mr. President.

Mr. ROBINSON. Mr. President, I suppose nothing remains but to say that perhaps in the morning the request may be renewed if the Senator from Utah thinks over the matter and concludes to consent to the arrangement I have stated. The train leaves at 3.15 o'clock, and in the event the concurrent resolution passes the House that will be the latest hour at which the committee can leave here to arrive in Savannah in time to attend the exercises which it is expected will be held there.

Mr. WADSWORTH. Mr. President, this completes the consideration of the committee amendments with the exception of one which has been put over until to-morrow, that one being found at the foot of page 21. I am not entirely certain what the pleasure of the Senate is at this time. Before the order for the recess is invoked I expect to move an executive session. I do not now move it.

Mr. HARRISON. Mr. President, I desired to address myself to the failure of the Senate to do anything touching the codification of the laws—a matter which has been before Congress for some time, and which passed the House some time ago, but apparently nothing has been done in the Senate. There are only a few days remaining, and if failure comes about all of the work that has been done in the House will go for naught.

I do not see the chairman of the committee having the matter in charge, the Senator from Kentucky [Mr. EANSER]. If he is in the Chamber in the morning I shall bring up this matter, so that we may know whether something is to be done, or whether the bill will die in the Senate, as it has heretofore.

I shall not say anything further at this time, because the chairman of the committee is not in the Senate Chamber.

Mr. SMOOT. Does the Senator have reference to the revision of the laws?

Mr. HARRISON. Yes.

Mr. SMOOT. I certainly hope that some action will be taken on it before the close of this Congress.

Mr. HARRISON. Yes; I knew the Senator felt that way about it. A great many Senators feel that way about it, but I do not care to discuss it in the absence of the chairman of the committee having the matter in charge.

Mr. SPENCER. Mr. President, are individual amendments to the bill now in order?

The VICE PRESIDENT. They are.

Mr. SPENCER. I ask for the consideration of the amendment which I send to the desk and which has been printed.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. In the proper place it is proposed to insert the following proviso:

Provided, That hereafter the engineer officer in charge of public buildings and grounds shall, during the term of his office, have the rank, pay, and allowance of a brigadier general.

Mr. SPENCER. Mr. President, perhaps I ought to say, in regard to that amendment, that the present occupant of that office is Col. Clarence O. Sherrill. The amendment meets with the approval of the War Department and the Chief of Staff. In addition to his duties as the officer in charge of public buildings, which are quite important enough to warrant the title of brigadier general, there is this further situation: He is also, by virtue of his office, aid to the President. The corresponding aid from the Navy is an admiral, and at public functions and in meeting with representatives of other governments there is a certain embarrassment in having the Army represented by a colonel and the Navy represented by an admiral. The cost is practically nothing. If the man in charge is 30 years in service, there is no difference in cost between the rank of colonel and the rank of brigadier general in this office. The average service of 27 years would make a difference in cost of \$200 a year.

Mr. FLETCHER. Mr. President, I shall not oppose the amendment by any extra effort. I shall not favor it. I expect to vote against it. There is nothing personal at all in my attitude, because I have no doubt Colonel Sherrill is a most efficient officer and deserving of every consideration. I think, however, that it is a mistake to proceed here to increase his rank to that of brigadier general simply because at social functions he is the aid to the President. I think he can perform the duties of aid to the President just as well as a colonel as he could as a brigadier general, and I can not see any real justification for this advance in rank to brigadier general simply for social reasons.

I can not support the amendment, although, as I say, I am not going to make any particular effort against it.

Mr. SMOOT. Mr. President, all I want to say is this: There is no question but that Colonel Sherrill does as much work, and perhaps more work, than an admiral of the Navy. I know of no officer of the Government who does more work than Colonel Sherrill. He is a splendid officer. He has good judgment. I would like to have him taken care of in some other way; but if this is the only way he can be taken care of, I have no objection.

Mr. WADSWORTH. It is fair to say this is not really a raise in pay.

Mr. SMOOT. It is, of \$200.

Mr. WADSWORTH. Just \$200. It is not for that purpose that the Senator from Missouri offers the amendment.

Mr. SMOOT. I take it for granted it is not for that purpose. I shall not object, if it is thought the proper thing to do.

The amendment was agreed to.

Mr. SPENCER. I ask that there be placed in the RECORD a list of the duties of the Engineer commissioner of the United States Army, assigned as officer in charge of public buildings and grounds, for information.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

DUTIES OF THE ENGINEER OFFICER, UNITED STATES ARMY, ASSIGNED AS OFFICER IN CHARGE OF PUBLIC BUILDINGS AND GROUNDS.

1. Military aid to the President and his personal escort on formal official functions; in charge of arrangements for all diplomatic, social, and military functions at the White House; represents the President in formal courtesies to diplomatic and other foreign officials.

2. In charge of the improvement, maintenance, and operation of the parks of Washington, including the administration of all activities therein, such as recreational features—bathing beach, golf courses, tennis courts, baseball fields, and so on. This work involves an expenditure of approximately \$1,000,000 a year.

3. In charge of the maintenance and operation of the public memorials, such as the Lincoln Memorial and the Washington Monument.

4. In charge of the maintenance and upkeep of the White House, the executive offices, and the White House grounds, including the disbursement of funds for the White House police force.

5. Executive officer and in charge of the construction and administration of the details of business for the following commissions:

Arlington Memorial Bridge Commission.

Lincoln Memorial Commission.

Grant Memorial Commission.

The Meade Memorial Commission.

The Rock Creek and Potomac Parkway Commission.

The Ericsson Memorial Commission.

6. A member of the Public Buildings Commission, which is charged with the duty of assignment of all office space to the departments and establishments in Washington. This commission has during the past year by detailed study committed to the officer in charge of public buildings and grounds saved over \$100,000 in rentals.

7. A member of the Zoning Commission, which is charged with the administration of the laws prescribing the character of use, height, and area of occupancy of all buildings in Washington.

8. Superintendent of the State, War, and Navy Department Buildings, which involves the operation, maintenance, repairs, and cleaning and general upkeep of 26 public office buildings with a floor space of approximately 6,000,000 square feet and involving the expenditure of approximately \$2,000,000 a year. Congress recently added to this office's responsibilities the Interior Department Building, the Patent Office Building, the Land Office Building, and the Pension Office Building.

Mr. REED of Pennsylvania. Mr. President, I offer an amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 18, after line 24, to insert the following:

Any officer whose name is now borne on the Army Register, and who served with credit as a general officer of the line during the World War, or who was recommended for appointment as a general officer of the line by the commander in chief, American Expeditionary Forces, prior to November 11, 1918, shall be eligible for selection to the general officers' eligible list provided for in the national defense act, approved June 4, 1920, notwithstanding the fact that he shall now hold a grade below that of colonel in the line.

Mr. REED of Pennsylvania. Mr. President, the only purpose of this amendment is to make eligible for appointment as general officers those officers who, during the World War, actually served as general officers of the line, and also those who, because of conspicuous service, were then recommended for appointment as general officers. This does not increase the number in any way, and it does not accomplish the promotion of anybody, but merely makes them eligible if the President shall select them. I believe the committee has no objection.

The amendment was agreed to.

ASSOCIATION OF PRODUCERS OF TURPENTINE AND ROSIN.

Mr. HARRISON. Mr. President, this morning when the calendar was being considered, the call was stopped just before we reached a bill in which I am very much interested, and which I hoped to have passed. The matter is one I offered in the form of an amendment to the Capper bill, I believe, to permit producers of rosin and turpentine to come under the provisions of the cooperative marketing bill, the same as the producers of nuts, the producers of cotton, and so forth. I presented the matter to the Senate at that time, and was told that I should try to have it passed in the form of a separate bill, so I withdrew the amendment for that reason.

The Committee on Agriculture and Forestry unanimously reported out the bill, and it is on the calendar. The only change it makes in the law is in allowing producers of rosin and turpentine to come under the provisions of that law. I ask unanimous consent for the present consideration of Senate bill 4324, to amend an act entitled "An act to authorize associations of producers of agricultural products."

The VICE PRESIDENT. The Secretary will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the first paragraph of the first section of an act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, is hereby amended so as to read as follows: "That persons engaged in the production of agricultural products, as farmers, planters, ranchmen, dairymen, nut or fruit growers, or producers of turpentine and rosin may act together in association, corporate or otherwise, with or without capital stock, in collectively processing, preparing, for market, handling, and marketing in interstate and foreign commerce, such products of persons so engaged. Such associations may have marketing agencies in common; and such associations and their members may make the necessary contracts and agreements to effect such purpose: *Provided, however*, That such associations are operated for the mutual benefit of the members thereof, as such producers, and conform to one or both of the following requirements."

Sec. 2. That this act shall take effect immediately.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

Mr. SMOOT. I do not know really why we should pass a bill affecting producers of turpentine and rosin.

Mr. HARRISON. When I offered this, it was to cover naval stores, rosin and turpentine being classed as naval stores, but the Senator from Massachusetts raised some objection to that term being employed, so I restricted it to rosin and turpentine. Rosin and turpentine, of course, as the Senator knows, are extracted from the yellow pine of the Gulf coast section, and the

small farmers down there and the small producers for 17 years, with one exception, have had difficulty in getting any fair prices for their turpentine and rosin. I can not really see any harm in their being permitted to collectively market their products any more than there would be wrong in allowing the producers of nuts to collectively market. It will aid them very, very much in disposing of their crops. They call these articles "crops," and the trees "orchards," just the same as you get crops of peaches from peach trees. That is about all I can say. It changes the law in no other particular except the one I have mentioned.

Mr. SMOOT. It seems to me that if the producers of rosin have the right provided for in this bill it ought to be extended to all industries. I do not see why the producers of rosin should have this privilege any more than the manufacturers of glue.

Mr. FLETCHER. That is really an agricultural product.

Mr. SMOOT. So is glue, made from the hoofs and hides of cattle. I do not see any difference at all between the two.

Mr. HARRISON. That might be a very good reason for including glue. I only know about this particular proposition. I know those products have always been carried in the Agricultural appropriation bill. They are considered agricultural matters. These crops are owned by small farmers. In thousands and thousands of instances, where they have, say, 40 trees, they will box them, and this is to allow them to organize and sell their product. There have been times in the past 10 years when they could not dispose of their rosin and turpentine at any price at all. They are just turned loose, and everyone takes care of himself. If the purposes of the other bill for the protection of those engaged in agricultural production were good, I can not see any harm, under the peculiar circumstances confronting these people, in passing this.

Mr. SMOOT. I shall not object, although I think it is going a long way outside of agriculture. I do not know where it will end.

Mr. HARRISON. The Senator is aware that rosin and naval stores have been taken care of under the Agricultural appropriation bills and have been considered as agricultural products.

Mr. SMOOT. I am perfectly aware of that. We have had legislation in regard to them on every Agricultural appropriation bill, and special legislation at times, since I have been in the Senate, but just because they are handled in an agricultural bill does not appeal to me in any way as an argument why they should be treated any different from glue or other articles which may be made from farm products. That is the way it looks to me; but I am not going to object to the consideration of the bill at this time.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DRAINAGE SYSTEM, PIUTE INDIAN LANDS.

Mr. SPENCER. Mr. President, the Piute Indians in Nevada have 4,047 acres of land, for which they have already secured water rights. Of this land 1,200 acres is water-logged and of no use unless it is drained. The State of Nevada under the Newlands Act has a drainage district which takes care of these 4,047 acres. All the land in the drainage district is now included in the project except these Indian lands.

House bill 10211, authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service is on the calendar. It authorizes the Secretary of the Interior to place these Indian lands within that drainage district. The cost of it, of course, is reimbursable. The Senate passed precisely the same bill a few weeks ago and it met with the approval of the Committee on Indian Affairs. I ask unanimous consent that the bill may be now considered.

Mr. UNDERWOOD. Mr. President, I do not intend to object to the consideration of this bill, and I really have no objection to it, but I do not think we should take up the calendar at this time in the evening. The main reason is that a good many Members of the Senate have gone. We usually transact business of this kind in the morning hour, and Senators are not apprised as to what is coming up when the calendar is brought up in the evening. I think it is very much better, if Senators are going to ask unanimous consent for the consideration of bills of this kind, that they should do it in the morning hour when those who may want to object or have an interest in them

are here and have an opportunity to object, but that it should not be done late in the evening when many Senators think we are proceeding with the regular order and that such things as these are not to be brought up.

I do not like to object to bills which are not of personal interest, and I am not going to raise any objection to this; but I will ask for the regular order after this bill is considered. I hope that when this bill is disposed of we will go on with the regular order, and not take up any other bill at this hour.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in the Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$41,077.05, payable in 20 annual installments of \$2,100 each, except the last, which shall be the amount remaining unpaid, for the purpose of meeting the proportionate expense of providing a drainage system for 4,047 acres of Piute Indian lands in the State of Nevada, within the Newlands project of the Reclamation Service.

The money herein authorized to be appropriated shall be reimbursed in accordance with the provisions of law applicable to said Indian lands.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION.

Mr. WADSWORTH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 5 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Tuesday, February 6, 1923, at 11 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 5, 1923.

ASSISTANT DIRECTOR OF BUREAU OF FOREIGN AND DOMESTIC COMMERCE.

Robert A. Jackson, to be Assistant Director.

COAST AND GEODETIC SURVEY.

Donal Bruksicker Pheley to be aid with the relative rank of ensign in the Navy.

Donald Wood Taylor to be aid with the relative rank of ensign in the Navy.

Carl Frederic Meyer to be aid with the relative rank of ensign in the Navy.

Henry William Hemple to be hydrographic and geodetic engineer with relative rank of lieutenant in the Navy.

PROMOTIONS IN THE ARMY.

Clarence Harvey Bragg, to be captain, Infantry.

Paul Rutherford Knight to be captain, Infantry.

DeWitt Clinton Smith, jr., to be captain, Infantry.

Edward Arthur Dolph to be first lieutenant, Coast Artillery Corps.

Joseph Kittredge Baker to be first lieutenant, Cavalry.

William Mason Wright, jr., to be first lieutenant, Field Artillery.

Herbert William Kruger to be second lieutenant, Field Artillery.

James Lewis Montague to be second lieutenant, Infantry.

Henry Dwight Fansler to be second lieutenant, Infantry.

William Earl Watters to be second lieutenant, Field Artillery.

Leo Henry Dawson to be second lieutenant, Air Service.

Michael Vincent Healey to be second lieutenant, Air Service.

Hilton Welborn Long to be second lieutenant, Air Service.

Milton John Smith to be second lieutenant, Air Service.

Carl Budd Wahle to be second lieutenant, Coast Artillery Corps.

James Eldridge Gardner to be second lieutenant, Air Service.

Leonard Loyd Hilliard to be second lieutenant, Infantry.

Lester Vocke to be second lieutenant, Field Artillery.

Frederick Vlehe Armistead to be second lieutenant, Field Artillery.

John Leon Dicks to be second lieutenant, Infantry.

Thomas Jefferson Randolph to be second lieutenant, Cavalry.

Harry Edwin Magnuson to be second lieutenant, Coast Artillery Corps.

Gerald Crofoot Williams to be second lieutenant, Air Service.

Robert Boyd Williams to be second lieutenant, Air Service.

James Fish to be second lieutenant, Infantry.

LaRoy Sanders Graham to be second lieutenant, Infantry.

Francis Lavelle Ready to be second lieutenant, Cavalry.
 Joseph Rexford Vernon to be second lieutenant, Corps of Engineers.
 David Hottenstein to be second lieutenant, Coast Artillery Corps.
 George John Kelley to be second lieutenant, Coast Artillery Corps.
 Ray Brooks Floyd to be second lieutenant, Infantry.
 Ray Eugene Marshall to be second lieutenant, Infantry.
 Morris Miller Bauer to be second lieutenant, Corps of Engineers.
 George Cabell Carrington to be second lieutenant, Infantry.
 Charles Henry Berle to be second lieutenant, Coast Artillery Corps.
 Harland Fremont Burgess to be second lieutenant, Infantry.
 Karl Clifford Frank to be second lieutenant, Coast Artillery Corps.
 Harry Munroe Leighley to be second lieutenant, Coast Artillery Corps.
 Clyde Anderson Burcham to be second lieutenant, Cavalry.
 Walter Raymond Miller to be second lieutenant, Infantry.
 Randall James Hogan to be second lieutenant, Ordnance Department.
 Herman William Fairbrother to be second lieutenant, Infantry.
 Robert Nicholas Young to be second lieutenant, Infantry.
 James Frederick Phillips to be second lieutenant, Corps of Engineers.
 Clement Thomas Gleason to be second lieutenant, Finance Department.
 John Bixby Shepard to be second lieutenant, Infantry.
 Theodore Allen Martin to be second lieutenant, Infantry.
 Allen Crabill to be second lieutenant, Chemical Warfare Service.
 Douglas Valentine Johnson to be second lieutenant, Field Artillery.
 George Joseph Hill, jr., to be second lieutenant, Infantry.
 Frederick Williams Watrous to be second lieutenant, Field Artillery.
 Charles Elford Smith to be second lieutenant, Infantry.
 Franz von Schilling, jr., to be second lieutenant, Field Artillery.
 Raymond Edward Culbertson to be second lieutenant, Field Artillery.
 Maynard Harper Carter to be second lieutenant, Infantry.
 LaGrande Albert Diller to be second lieutenant, Infantry.
 Robert Parker Hollis to be second lieutenant, Field Artillery.
 Isaac Davis White to be second lieutenant, Cavalry.
 Louis Edward Roemer to be second lieutenant, Infantry.
 Max Hesmer Gooler to be second lieutenant, Infantry.
 Joseph Howard Harper to be second lieutenant, Infantry.
 Emerald Foster Sloan to be second lieutenant, Infantry.
 Newton Farragut McCurdy to be second lieutenant, Cavalry.
 John Julius Dubbelde, jr., to be second lieutenant, Infantry.
 Joe Ford Simmons to be second lieutenant, Coast Artillery Corps.
 Clarence Turner Hulett to be second lieutenant, Infantry.
 Daniel Powell Poteet to be second lieutenant, Field Artillery.
 Edmund Kennedy Ellis to be second lieutenant, Infantry.
 Frank Henry Marks to be second lieutenant, Coast Artillery Corps.
 Ord Gariche Chrisman to be second lieutenant, Infantry.
 Gerson Kirkland Heiss to be second lieutenant, Ordnance Department.
 Grover Cleveland Kinney to be second lieutenant, Infantry.
 Ransom George Amlong to be second lieutenant, Quartermaster Corps.
 Paul Lawrence Martin to be second lieutenant, Field Artillery.
 Walter Howard DeLange to be second lieutenant, Air Service.
 Robert Kelsey Haskell, to be second lieutenant, Field Artillery.
 Walter Sidney Smith to be second lieutenant, Air Service.
 John Owen Colonna to be second lieutenant, Corps of Engineers.
 Walter Francis McGinty to be second lieutenant, Infantry.
 Ralph Adel Snively to be second lieutenant, Air Service.
 Claude Armenius Thorp to be second lieutenant, Cavalry.
 Everett Wilcox to be second lieutenant, Infantry.
 Richard Maxwell Spengler to be second lieutenant, Infantry.
 Rowland Reid Street to be second lieutenant, Infantry.
 John Marquiss Whistler to be second lieutenant, Field Artillery.
 Thomas Edward Meyer to be second lieutenant, Field Artillery.
 Howard Miller Fey to be second lieutenant, Infantry.

George Mandeville Brien to be second lieutenant, Field Artillery.
 James Howard Leusley to be second lieutenant, Field Artillery.
 John Francis McGowan to be second lieutenant, Air Service.
 William Henry Drummond to be second lieutenant, Field Artillery.
 Lester Mavity Rouch to be second lieutenant, Field Artillery.
 Charles Llewellyn Gorman to be second lieutenant, Quartermaster Corps.
 Edgar Nash, jr., to be second lieutenant, Coast Artillery Corps.
 Joseph Perry Cattie to be second lieutenant, Infantry.
 Albert Carroll Morgan to be second lieutenant, Infantry.
 Randolph Burt Wilkinson to be second lieutenant, Infantry.
 Perley Bernard Sancomb to be second lieutenant, Cavalry.
 John LaValle Graves to be second lieutenant, Field Artillery.
 Archie Arrington Farmer to be captain, Signal Corps.
 Emery Williamson to be captain, Signal Corps.
 Lloyd Chandler Parsons to be captain, Signal Corps.
 William Nimmons Davis to be first lieutenant, Signal Corps.
 John Henry Pirie to be major, Air Service.
 William Francis Donnelly to be captain, Air Service.
 Richard Derby to be captain, Air Service.
 Joseph Howard Barnard to be lieutenant colonel, Field Artillery.
 George Edgar Nelson to be major, Field Artillery.
 George Wesley Sliney to be major, Field Artillery.
 Joseph Scranton Tate to be captain, Field Artillery.
 Richard Ernest Dupuy to be captain, Field Artillery.
 Lawrence Archie Kurtz to be captain, Field Artillery.
 George Francis Wooley, jr., to be first lieutenant, Field Artillery.
 Edward Herendeen to be first lieutenant, Field Artillery.
 William Sawtelle Kilmer to be first lieutenant, Corps of Engineers.
 Hubert Stauffer Miller to be second lieutenant, Corps of Engineers.
 Garland Cuzorte Black to be first lieutenant, Signal Corps.
 Ellis DeVern Willis to be first lieutenant, Air Service.
 Robert Gale Breene to be first lieutenant, Air Service.
 Clarence Miles Mendenhall, jr., to be second lieutenant, Coast Artillery Corps.
 Grayson Villard Heidt to be colonel, Quartermaster Corps.
 Walter Herbert Neill to be lieutenant colonel, Quartermaster Corps.
 Fred Hayes Gallup to be major, Field Artillery.
 Rufus Wood Leigh to be captain, Dental Corps.
 William Adalbert Sproule to be lieutenant colonel, Veterinary Corps.
 Walter Fraser to be lieutenant colonel, Veterinary Corps.
 Benjamin Ralph Luscomb to be first lieutenant, Medical Administrative Corps.

POSTMASTERS.

ILLINOIS.

Mode Morrison, Manteno.
 William R. Watts, Paxton.
 Milton T. Hunt, Warsaw.

KANSAS.

Arthur F. Rader, Smith Center.

KENTUCKY.

George T. Joyner, Bardwell.
 James A. Leach, Beaver Dam.
 Emma M. Oldham, Bloomfield.
 James W. Burns, Catlettsburg.
 Anna Glascock, Flemingsburg.
 Martin Himler, Himlerville.
 Jasper N. Oates, Nortonville.
 Ulyses G. Willis, Versailles.

LOUISIANA.

Pierre O. Broussard, Abbeville.

MARYLAND.

Philip E. Hunt, Waldorf.

MICHIGAN.

Ernest Paul, Pigeon.

MISSISSIPPI.

Louis B. Philipps, Eupora.

NEW JERSEY.

Milton K. Thorp, Hackettstown.

OKLAHOMA.

Forrest L. Strong, Clinton.
Elmer D. Rook, Sayre.

PENNSYLVANIA.

Frank J. Woodward, Media.
Mary E. Leavitt, Sharon Hill.

VERMONT.

Vernie S. Thayer, Readsboro.

VIRGINIA.

Louis H. Stoneman, Columbia.
Ernest P. Burgess, Fork Union.
Francis L. Armentrout, Goshen.
Leonard A. Hodges, Rockymount.

WEST VIRGINIA.

Harry R. Adams, Spencer.

WISCONSIN.

Floyd D. Bartels, Blue River.
John B. Schneller, Neenah.

HOUSE OF REPRESENTATIVES.

MONDAY, February 5, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Father in heaven, a power full of mercy and compassion belongeth unto Thee, and we are not afraid. In coming unto Thee there is an inspiring comfort. Speak graciously to all hearts and reveal unto us that which we are unable to understand. Keep us close to the people, lest we lose the touch of sympathy and thus fail to know their real needs. The Lord quicken the public conscience. Make all men to know that the chief glory of a nation lies in its high moral tone. Preserve us as a people from all sins that bring destructive self-reproach. Lift us up to that high moral plane that would cause heaven to smile to see a country so blest. Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of Saturday, February 3, 1923, was read and approved.

MILITARY INTELLIGENCE DIVISION.

Mr. McKENZIE. Mr. Speaker, a few days ago there was some discussion in the House relative to the Military Intelligence Division of the War Department. The gentleman from Alabama [Mr. HUDDLESTON] made some remarks, and the gentleman from Texas [Mr. BLANTON] took occasion to make some remarks on that subject. I ask leave to extend my remarks by inserting in the RECORD a statement from the War Department defining the peace-time activities of the Military Intelligence Division of the War Department, and a letter from Secretary Weeks to Mr. W. G. Lee, president of the Brotherhood of Railway Trainmen; and also a letter to Mr. Samuel Gompers, of the American Federation of Labor.

Mr. STAFFORD. Will it be agreeable to have this go in the back part of the RECORD?

Mr. McKENZIE. Yes.

The SPEAKER. It ought to go there.

Mr. STAFFORD. The other day we had a dissertation on the dog and some other animals right in the body of the House proceedings. Let it go in the back part of the RECORD.

The SPEAKER. That is where it properly should go.

Mr. LONDON. Mr. Speaker, what has that dissertation on the dog to do with the Secretary of War? [Laughter.]

Mr. BLANTON. This is a dissertation on men. It has no reflection on that brave young lieutenant out in the Northwest who is trying to do his duty, has it?

Mr. McKENZIE. As I understand it this is simply a statement of facts. I am not acquainted with the young officer. I do not know him at all. I do not know whether he is a brave man or acts wisely.

Mr. BLANTON. There are letters there from the Secretary of War to the brotherhood chiefs and to Mr. Gompers concerning this matter.

Mr. McKENZIE. The purpose is simply to put before the country the correct status.

Mr. BLANTON. I have no objection to general rules going to the country, but the gentleman will remember that, because a man tries to do his duty as the Attorney General did, some of these people try to get him into hot water.

Mr. LONDON. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois that he may extend his remarks in the manner indicated, to be inserted in the back of the RECORD. There was no objection.

Mr. McKENZIE. Mr. Speaker, under the leave granted to me to extend my remarks in the RECORD I include the following statement of the Secretary of War given to press on incident at Vancouver Barracks, Wash.:

STATEMENT OF SECRETARY OF WAR GIVEN TO PRESS ON INCIDENT AT VANCOUVER BARRACKS, WASH.

It having recently come to the attention of the Secretary of War that the unauthorized activities of subordinate officers have in a few isolated instances occasioned the possibility of a public misunderstanding of the proper function of military intelligence in time of peace, he has directed the publication of the following statement.

The surveillance of domestic organizations or groups is not at all the purpose of the Military Intelligence Division, the authorized activities of which are clearly set forth in Army Regulations, 10-15, as follows:

"The Military Intelligence Division is charged, in general, with those duties of the War Department General Staff which relate to the collection, evaluation, and dissemination of military information.

"The Military Intelligence Division is specifically charged with the preparation of plans and policies and the supervision of all activities concerning:

- "(1) Military topographical surveys and maps.
- "(2) The custody of the General Staff map and photograph collection.
- "(3) Military attachés, observers, and foreign-language students.
- "(4) Intelligence personnel of all units.
- "(5) Liaison with other intelligence agencies of the Government and with duly accredited foreign military attachés and missions.
- "(6) Codes and ciphers.
- "(7) Translations.
- "(8) Relations with the press.
- "(9) Censorship in time of war."

During the World War our widespread military interests necessitated special measures which resulted in authority being given for the Military Intelligence Division to conduct investigations of far-reaching character. During the period of demobilization and contraction of the Military Establishment to a normal peace-time basis, activities of this nature were transferred as rapidly as seemed practicable to the proper civil agencies.

Not only have the instructions which were in effect for the operation of the Military Intelligence Service during the war and shortly thereafter been rescinded but repeatedly since that time instructions have been issued emphasizing the fact that the military authorities are expressly prohibited from making investigations in time of peace other than within the Military Establishment.

The following paragraphs quoted from the above-mentioned instructions indicate the intention of the War Department:

"At certain posts and stations along the coasts and frontiers where information in connection with actual or theoretical plans of defense is required the necessity for intelligence officers is clear. It is also necessary to appoint the intelligence officers prescribed by the Tables of Organization and to employ them in training their personnel in combat intelligence. But it is no longer necessary to have intelligence officers at all posts and stations in the United States, as the conditions requiring their employment have long ceased to exist.

"With the foregoing in mind, a corps area commander will appreciate the necessity for giving his personal attention to seeing that his staff are correctly oriented as to intelligence work in general and as to its extremely limited application to domestic affairs. It is a case of not only revoking obsolete orders and instructions but of guiding such intelligence officers as are retained to a correct mental conception of the duties of military intelligence within the United States."

WAR DEPARTMENT, Washington.

Mr. W. G. LEE,
President Brotherhood of Railroad Trainmen,
Cleveland, Ohio.

DEAR MR. LEE: It has recently come to my attention that the intelligence officer at Vancouver Barracks, Wash., has sent out a circular letter to law-enforcement officials of local communities intimating that the Military Intelligence Division of the Army is interested in the railroad brotherhoods as elements potentially hostile to the purposes of this Government. This letter was printed on page 122 of The Nation, January 31, 1923.

The Military Intelligence Division conducts no investigations in time of peace of the nature indicated in this young officer's letter. I feel assured that you will agree with me that his assertions are so absurd that the War Department should not accord the dignity of a denial to the suggestion that organized labor is looked upon as a hostile organization. I have directed a thorough investigation of the matter and shall apply such corrective and disciplinary measures as may prove warranted.

I sincerely regret this incident and trust that you will look upon it only as the immature action of a young man whose enthusiasm has completely dwarfed his judgment.

Yours very truly,

JOHN W. WEEKS,
Secretary of War.

WAR DEPARTMENT,
Washington, January 30, 1923.

Mr. SAMUEL GOMPERS,
President the American Federation of Labor,
901 Massachusetts Avenue N.W., Washington, D. C.

DEAR MR. GOMPERS: It was recently brought to my attention that a young intelligence officer at Vancouver Barracks, Wash., had sent out a circular letter to law-enforcement officials in the vicinity of that post. In this letter it is intimated that the Intelligence Service of the Army is interested in the American Federation of Labor as an element potentially hostile to the Government of this country. I have since learned that this letter has been printed on page 122 of the Nation of January 31, 1923.

The Military Intelligence Division does not conduct in time of peace any investigations of the nature indicated by the above-mentioned officer. I am sure you will agree with me that the utterly ridiculous

assertion that the American Federation of Labor should be considered as an organization having as its object the overthrow of the Government should not even be accorded the dignity of a denial. I have directed a thorough investigation of this matter and propose to apply such corrective and disciplinary measures as may prove to be merited.

I sincerely regret this incident and hope that you will attach to it only the importance which should be given to the thoughtless and immature action of a young man whose enthusiasm has completely dwarfed his judgment and discretion.

Yours very truly,

JOHN W. WEEKS,
Secretary of War.

GEN. ULYSSES GRANT M'ALEXANDER.

Mr. LEATHERWOOD. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Utah asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. LEATHERWOOD. Mr. Speaker and gentlemen of the House, many distinguished officers of the United States Army have at various times been in command of Fort Douglas, Utah. None has ever been held in higher esteem by the people of my State than the present commander, Gen. Ulysses Grant McAlexander.

The record of the part taken by the Thirty-eighth United States Infantry at the second battle of the Marne under command of General McAlexander is one that thrills every American citizen. For three days this particular regiment under the command of General McAlexander held in check the flower of the German army. Near the close of the third day the order came down to the general to fall back if he saw fit. Immediately he sent back an inquiry in this form: "Is it left to me to decide?" The answer came back, "Yes." Instantly he replied, "Then we shall hold our line." History records that this regiment did hold its line even though it was shot to ribbons, and the record of its heroism is one of the most glorious pages in the history of the World War. [Applause.]

To-night at 8.15 in the Caucus Room of the House Office Building General McAlexander, the Rock of the Marne, will tell the story of the second battle of the Marne and the part that the Thirty-eighth Regiment took in that battle.

Mr. STAFFORD. Will it be illustrated?

Mr. LEATHERWOOD. Not so far as I am informed. I trust that every Member of the House together with all the friends he may see fit to invite, may have the privilege of hearing this address by this distinguished patriot and soldier. [Applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had passed the following concurrent resolutions, in which the concurrence of the House of Representatives was requested:

Senate Concurrent Resolution 35.

Resolved by the Senate (the House of Representatives concurring), That the Attorney General be, and is hereby, authorized and instructed to print, as an appendix to his last annual report, full copies of all telegraphic and other correspondence between the Department of Justice and public officers and agents, private persons, railroad companies, and their officers and agents, in the year 1922, relative to the disorders in the United States of America during said year, and to the action taken by the Government of the United States in suppressing the same.

Senate Concurrent Resolution 36.

Whereas the United States transport St. Mihiel is expected to arrive at Savannah, Ga., on or about February 7, 1923, with last contingent of American troops from Germany; Therefore be it

Resolved, That a committee of five Senators to be designated by the President of the Senate and five Members of the House of Representatives to be designated by the Speaker is authorized to represent the Congress at Savannah, Ga., at such ceremonies as may be determined to be proper and appropriate; one-half of the expense of such committee shall be paid out of the contingent fund of the Senate and one-half shall be paid out of the contingent fund of the House of Representatives.

ORDER OF BUSINESS.

The SPEAKER. To-day is suspension day. The Unanimous Consent Calendar is in order.

Mr. FOCHT. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman asks unanimous consent to address the House for three minutes. Is there objection?

There was no objection.

Mr. FOCHT. Mr. Speaker, it seems that some misinformation has gone to the Members in regard to the business of to-day. I understood myself that this would be District of Columbia day, but it seems that my informant meant that we would have the regular order, which the Speaker has stated to be suspension day.

The Committee on the District of Columbia has been denied its day three times on account of the death of Members, and not less than three times on account of other matters which

were understood to be more pressing—broad national affairs, which were more important than anything that has to do with the District of Columbia. But I want to say, Mr. Speaker, that the Committee on the District of Columbia is here this morning and have been and will be, but without the power to designate a day for the consideration of their business or to set aside other business for that of the District of Columbia. And I want to say that if anything is to be done for the District of Columbia during this Congress we must get a day very soon. We have on the calendar a bill for the codification of the insurance laws of the District of Columbia which are now operating in a most haphazard fashion and concerning which I have been importuned by many people; also the accountancy bill. In every State of the Union except the District of Columbia there is an accountancy law. Then there is the school teachers' salary bill, which we hope may be considered. We know there is some objection to it, but at least we should have a framework, an organic act, which we have not had since 1906; also the opening of Fourteenth Street, and other measures of greater or less importance.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. FOCHT. Yes.

Mr. BLANTON. The newspapers of the city heralded it yesterday that the gentleman from Pennsylvania was going to give us a day for the District of Columbia to-day, and everyone has made plans accordingly. Has there been any change of that program?

Mr. FOCHT. Of course the distinguished parliamentarian from Texas knows that the gentleman from Pennsylvania has nothing whatever to do with the setting apart of a day for the consideration of District business.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent that the gentleman may continue for two minutes more.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. FOCHT. Of course every one knows—

Mr. LITTLE. Will the gentleman yield for a second?

Mr. FOCHT. Yes.

Mr. LITTLE. I notice the gentleman speaks of the codification of the laws of the District. I want to say that the Committee on the Revision of the Laws has had men at work codifying the laws of the District and we would be glad to have the assistance of your committee to tell us what ought to be done.

Mr. FOCHT. Well, with the aid of the gentleman from Texas we can tell you everything that ought to be done. Now, I want to say that I have waited and submitted patiently, in fact I have nothing else to do but submit patiently. There was a time when you could go to the Speaker and find out what was going to be done, but now as long as we have the Committee on Rules you can not find this most potent invisible agency. Of course, we must have a delegated power, but I have nothing to do with fixing the time, but am ready at all times to obey the will of the House. The Committee on the District of Columbia is here now, it has been here, and it will be here ready to do the business that pertains to the District. We are ready to-day and it is not the fault of committee members if the business is not taken up.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. FOCHT. Mr. Speaker, I ask unanimous consent for the present consideration of a joint resolution with reference to the Almas Temple, granting them space for the meeting here in June, when there will be many Masons from all over the United States.

The SPEAKER. The Chair has no right to entertain the request of the gentleman.

Mr. FOCHT. I ask unanimous consent for the present consideration of the resolution at this time.

The SPEAKER. That is not in order. The Chair has frequently stated that the rules have taken away from the Chair the power of recognition. The gentleman can put it on the Unanimous Consent Calendar and in that way bring it up.

Mr. BLANTON. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The Chair thinks that we had better proceed with the regular business.

Mr. BLANTON. I make the point of order that the regular business is the District of Columbia, that by the rules of the House to-day is District of Columbia day.

The SPEAKER. The Chair overrules the point of order. To-day is the first Monday of the month, and the order of business is the Calendar for Unanimous Consent.

Mr. BLANTON. Mr. Speaker, I withdraw the point of order. The SPEAKER. The Clerk will read the first bill on the Calendar for Unanimous Consent.

LAC DU FLAMBEAU BAND, LAKE SUPERIOR CHIPPEWA INDIANS.

The Clerk read as follows:

H. R. 6428, a bill for the enrollment and allotment of the Lac du Flambeau band of Lake Superior Chippewas in the State of Wisconsin and for other purposes.

Mr. STAFFORD. Mr. Speaker, I ask that that go over for two weeks.

Mr. A. P. NELSON. Mr. Speaker, this bill has been up twice before and was objected to. I have submitted because I have felt that it might be possible to get the information necessary to convince the gentleman from Wisconsin and lead him to withdraw his opposition. I have endeavored in every way to get the information for my colleague in order that he might be willing to consent to the bill being passed. I would like to ask him, in order that I may be able to bring the proper information, just what are his real objections.

Mr. STAFFORD. Mr. Speaker, before this bill was called up I assured the gentleman that I would go out of my way and see Mr. MERRITT. My colleague suggested last week that Mr. MERRITT would call upon me and give me the information. Mr. MERRITT has not called on me, and I am going to do my colleague the courtesy of calling upon Mr. MERRITT and getting the information to remove, if possible, the objections I have to the bill. I ask unanimous consent that the bill go over for two weeks.

The SPEAKER. The gentleman from Wisconsin asks that the bill be passed for two weeks. Is there objection?

There was no objection.

MISSISSIPPI RIVER COMMISSION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13459) extending the jurisdiction of the Mississippi River Commission and making available funds appropriated under authority of an act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917, for the purpose of controlling the floods of the Mississippi River from the mouth of the Ohio River to Rock Island, Ill., and for the purpose of controlling the floods of the tributaries of the Mississippi River between the mouth of the Ohio River and Rock Island, Ill., including levee protection and bank protection, in so far as said tributaries are affected by the flood waters of the Mississippi River.

Mr. KOPP. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice.

The SPEAKER. Is there objection?

There was no objection.

FIXING SALARIES OF AUDITOR AND DEPUTY AUDITOR, PHILIPPINE ISLANDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 3617) to fix the salaries of the auditor and deputy auditor of the Philippine Islands.

The SPEAKER. Is there objection?

Mr. OLDFIELD. I object.

Mr. TOWNER. Mr. Speaker, I ask unanimous consent that the bill may keep its place on the calendar.

The SPEAKER. Is there objection?

There was no objection.

CREATING TWO JUDICIAL DISTRICTS, STATE OF INDIANA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8573) to create two judicial districts within the State of Indiana, the establishment of judicial divisions therein, and for other purposes.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

Mr. HICKEY. Will the gentleman reserve his objection?

Mr. BLANTON. We have had this bill up several times. There are still 20 judges unappointed, and I object.

ASSAULT UPON LETTER CARRIERS.

The next bill on the Calendar for Unanimous Consent was the bill (S. 2573) to amend section 198 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I have given some consideration to this proposed amendment of the code. I would like to know why it is necessary to vest jurisdiction in the Federal courts over assaults committed upon letter carriers as is purposed in this amendment. I would think that the State courts would give ample protection to

carriers in the matter of assaults that might be made upon them. The report is not very illuminating in stating in what particular the State courts are inadequate to give the necessary protection.

Mr. STEENERSON. Mr. Speaker, I submit to the gentleman that the bill is reported by the Judiciary Committee of the Senate and passed the Senate. It is a Senate bill. It came over here and was referred to the Committee on the Post Office and Post Roads. We sent for the Solicitor General; and Mr. Donnelly, of the Post Office Department, in the Solicitor General's office, was heard at considerable length upon the very point which the gentleman very properly raises. The Penal Code passed in 1909 contains a provision exactly as is proposed in this bill, but, as stated by the Attorney General and by the Postmaster General, and repeated by Mr. Donnelly, who is in the solicitor's office, when the Penal Code was revised in 1916 this clause was inadvertently omitted. They have let it run along until recently, when there was a very aggravated assault upon a mail carrier which would not have occurred if he had been a private citizen. They found that there was no way to protect the mail carrier or the mail.

Mr. STAFFORD. Wherein would there be no protection extended by the State law in an assault committed on a letter carrier? I can not conceive of any State lacking in protection to any citizen of the State.

Mr. STEENERSON. This is a law to protect the mail carriers in the line of their official duties, and was the law long before the penal code was adopted.

Mr. JOHNSON of Mississippi. Is there not a statute now that prohibits anybody from interfering with the mail? It is a frequent occurrence to have people indicted for that. If a man assaults a mail carrier when he is not on duty, the State statutes prosecute him, and if he is on duty when the assault occurs there is a statute under which he can be prosecuted for interfering with the mail.

Mr. STEENERSON. This is strongly urged by both the Postmaster General and the Attorney General as necessary because of recent cases that have arisen, and they say that the original clause as it was in the Penal Code up to 1916 was omitted by inadvertence.

Mr. STAFFORD. They do not say that directly in the report.

Mr. STEENERSON. Yes; they do.

Mr. STAFFORD. My reading of it does not lead me to that conclusion.

Mr. STEENERSON. It was so stated by Postmaster General Work, and Mr. Donnelly repeated it. That is the explanation given by them and by the Attorney General. It was omitted by inadvertence.

Mr. STAFFORD. Will the gentleman kindly answer the question and tell us wherein the State law is inadequate to give protection.

Mr. STEENERSON. The Federal laws ought to protect the mail wherever it goes, and the Government ought to protect its own mail carriers. The State laws are all right, but this is no interference with State jurisdiction. This was the law for a long time and no State ever found any fault with it. It ought to be within the power of the United States Government to protect its own mail carriers from assaults which are occasioned through their performance of duty. This applies only where the mail carrier is acting in line of duty.

Mr. STAFFORD. Assuming that there is need for having this jurisdiction vested in the Federal courts, does the gentleman believe that the assailant of a letter carrier should be punished for assault when it is done through cause or provocation?

Mr. STEENERSON. In such case it would not be an assault.

Mr. STAFFORD. Oh, yes; it would. Mr. Speaker, this is but another instance of a very sloppy method of an attempt to reenact former provisions of the criminal code.

Mr. BLANTON. Mr. Speaker, I demand the regular order. Mr. STAFFORD. Mr. Speaker, I was about to address myself to the Chair—

Mr. BLANTON. Oh, I imagine that the gentleman is going to object.

Mr. STAFFORD. I have not said that I would object.

Mr. BLANTON. I withhold the demand for the regular order.

Mr. STAFFORD. When this provision was originally in the criminal code it did not provide "shall willfully or maliciously assault any letter or mail carrier." This bill has gone through the grist of the Department of Justice. Of course, I know that the Postmaster General is very busy in the matter of appointments to Federal office, and yet I am somewhat sur-

prised that they were not careful enough to have the law written as it really did exist previously. The law formerly read, "shall willfully and maliciously assault." That is the way the law read prior to the revision of which the gentleman speaks, as found in 35 Statutes at Large, page 1136. I can quite understand how the gentleman from Minnesota [Mr. STEENERSON] has great regard for the report of the Senate, particularly as this bill comes from the Committee on the Judiciary, presided over by that great Senator from Minnesota, whose eightieth birthday has just been fittingly celebrated, and how he should have accepted this without looking up the statute itself to find out how the original law read. As I say, it read "willfully and maliciously," and not "willfully or maliciously." If the gentleman can give any good reason why there should be such a change, I may not object, notwithstanding that I am strongly of the opinion that the State laws give adequate protection.

Mr. STEENERSON. We had this matter up before the Committee on the Post Office and Post Roads when Mr. Donnelly was there, and some members of the committee examined the old statute to see how it was. It seems to me that it is preferable to have it read "willfully or maliciously."

Mr. STAFFORD. I am not inclined to agree with the gentleman. I think the assault should be with malice. There may be an assault with provocation.

Mr. STEENERSON. I regret very much that the language does not receive the gentleman's approval.

Mr. BLANTON. Mr. Speaker, to make a long story short, I object.

The SPEAKER. Objection is made, and the Clerk will report the next bill.

CLOSING PINEY BRANCH ROAD BETWEEN SEVENTEENTH AND TAYLOR STREETS AND SIXTEENTH AND ALLISON STREETS NW.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 1066) to authorize the Commissioners of the District of Columbia to close Piney Branch Road between Seventeenth and Taylor Streets and Sixteenth and Allison Streets NW., rendered useless or unnecessary by reason of the opening and extension of streets called for in the permanent highway plan of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill be passed over.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

LANDS PURCHASED FOR INDIANS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 1926) to extend the provisions of the act of February 8, 1887, as amended, to lands purchased for Indians.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, will some gentleman of the Committee on Indian Affairs give me an explanation why this was not included in the omnibus private claims bill which we had up on Saturday last?

Mr. HAYDEN. It was reported out after that legislation, and being a Senate bill, we are handling it in this way.

Mr. STAFFORD. Will the gentleman give me some explanation of the bill? I do not on the spur of the moment just recall the purpose of the bill.

Mr. HAYDEN. The purpose of the bill can be briefly stated. Under the terms of the general allotment act of 1887 lands within a treaty or Executive order reservation may be allotted to Indians. Any qualified Indian may receive a half section of grazing land, a quarter section of ordinary farming land, or 40 acres of irrigated land. There are certain Indian reservations consisting of lands that have been purchased for Indians, or where treaties prevent allotments, so that the entire tract belongs to the tribe in common ownership. The committee believed that as a general policy it is the part of wisdom to divide such lands among the Indians. The gentleman will note in the report that certain lands have been purchased for Indians in California and that in Minnesota and other places specified there are treaties with the Indians which prevent allotments in severalty. The committee believed that this legislation should apply not only as to the past, but also to the future.

Mr. STAFFORD. I have some question as to whether it should be extended to lands purchased in the future.

Mr. HAYDEN. The situation is the same whenever we buy land for a tribe of Indians. Certainly Congress will intend to teach the members of that tribe, the same as any other tribe,

the virtues of individual ownership of property and get them away from their communal ideas. It is for the purpose of teaching the Indians individualism.

Mr. STAFFORD. Was not the original purpose of the purchase so it could be used for the whole tribe and not allotted to individuals?

Mr. HAYDEN. No; not in any instance. It merely happened that the law did not provide at the time of the purchase that the land could be allotted.

Mr. STAFFORD. I withdraw the reservation of the right to object.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That unless otherwise specifically provided, the provisions of the act of February 8, 1887 (24 Stat. L., p. 388), as amended, be, and they are hereby, extended to all lands heretofore purchased or which may hereafter be purchased by authority of Congress for the use or benefit of any individual Indian or band or tribe of Indians.

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. HAYDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONVEYANCE OF MARINE HOSPITAL RESERVATION, WILMINGTON, N. C.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 13046) authorizing the Secretary of the Treasury to convey to the city of Wilmington, N. C., a marine hospital reservation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and empowered to convey to the city of Wilmington, New Hanover County, State of North Carolina, by the usual quitclaim deed, at a fair valuation to be determined by the Secretary of the Treasury, the following-described tract of land with all structures and improvements thereon, being the marine hospital reservation in the city of Wilmington, which in the opinion of the said Secretary of the Treasury is no longer needed for marine hospital purposes, to wit: Fifteen acres, more or less, covering four whole and two one-half city blocks, lying between Eighth and Tenth Streets and extending from Ann Street on the north to a point about 125 feet north of the north line of Nun Street, in the city of Wilmington, county of New Hanover, State of North Carolina.

The committee amendment was read, as follows:

Page 1, line 7, after the word "Treasury," insert "but not less than \$20,000."

Mr. STAFFORD. Mr. Speaker, I offer an amendment to the committee amendment. After the word "but" insert "for."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. STAFFORD: After the word "but" insert "for."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment: Line 10, page 1, strike out the word "which" and insert "if," and after the word "Treasury," in line 11, insert the word "it," so as to read "if in the opinion of the Secretary of the Treasury it is no longer needed."

The SPEAKER. The Clerk will report the amendment.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries.

CONVEYANCE OF MARINE HOSPITAL RESERVATION, WILMINGTON, N. C.

The Clerk read as follows:

Page 1, line 10, after the word "Wilmington," strike out the word "which" and insert the word "if," and in line 11, after the word "Treasury," insert the word "it."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

Mr. BULWINKLE. Mr. Speaker, I move to reconsider the vote and—

Mr. STAFFORD. Mr. Speaker, I object. There is no necessity offering everyone of these motions to recommit. There is not going to be a reconsideration—

The SPEAKER. The Clerk will report the next bill.

ABANDONING AND DECLARING NONNAVIGABLE SOUTH FORK OF CHICAGO RIVER.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 9049) abandoning and declaring nonnavigable a portion of the west arm of the South Fork of the South Branch of the Chicago River.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may go over for two weeks.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that this bill be passed without prejudice.

Mr. DENISON. Mr. Speaker, will that prevent my moving to suspend the rules to-day?

The SPEAKER. The Chair would be disposed to recognize the gentleman if he made it now.

Mr. STAFFORD. The facts are these: Before the Chair recognizes the gentleman to suspend the rules, I only want to present my proposition—

Mr. BLANTON. Mr. Speaker, we threshed this out once before. I ask for the regular order.

Mr. STAFFORD. No. I ask the gentleman to reserve it for a minute.

The SPEAKER. The Chair will be glad to hear the gentleman from Wisconsin.

Mr. BLANTON. I will withhold my demand for the regular order, Mr. Speaker.

Mr. STAFFORD. In going over this calendar I was under the impression that this is the same bill that we considered three weeks ago under unanimous consent, so I informed the two gentlemen from Illinois [Mr. DENISON and Mr. GRAHAM] that as there was going to be a day set aside this week when bills from the Committee on Interstate and Foreign Commerce will be in order I would review this in the meantime, and I did not think there would be any objection. I have not gone over this in the meantime. I was laboring under the impression that this was the same bill that we passed a few weeks ago, but I was told a few minutes ago that it is different.

Mr. DENISON. Mr. Speaker, while there is a day set apart for the consideration of bills from the Committee on Interstate and Foreign Commerce, there is very important legislation pending from that committee that will take up all that time. I am sorry the gentleman has not had the time to look into this bill.

Mr. STAFFORD. Oh, I have time always to examine every bill placed on the Unanimous Consent Calendar.

Mr. DENISON. The gentleman is laboring under a misapprehension. I attempted to bring this bill up two weeks ago, but unfortunately it was not then on the Unanimous Consent Calendar. The Speaker will remember about this bill. I spoke to the Speaker about it. There are a number of Members interested in this bill, and it is of great importance.

Mr. BLANTON. It is practically the same as the other that we threshed out two weeks ago, is it not?

Mr. DENISON. Yes.

Mr. STAFFORD. There was objection to closing all the west fork of the south branch. This may include that very purpose. There was no objection to the other proposal acted upon three weeks ago. I only ask the privilege and opportunity of going over this report.

The SPEAKER. If this bill is considered to be important, it is evident that there is no time to waste, and therefore the Chair is inclined to recognize the gentleman from Illinois [Mr. DENISON] to ask for a suspension of the rules.

Mr. DENISON. Mr. Speaker, I move to suspend the rules and pass the bill.

Mr. STAFFORD. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is evident that there is no quorum present.

Mr. MAPES. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Michigan moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Chandler, N. Y.	Echols	Herrick
Anson	Chandler, Okla.	Edmonds	Himes
Arentz	Clarke, N. Y.	Fairchild	Hogan
Benham	Classon	Fairfield	Huck
Bixler	Cockran	Fish	Husted
Blakeney	Codd	Free	Hutchinson
Bland, Ind.	Connolly, Pa.	Gahn	James
Boies	Copley	Garrett, Tenn.	Johnson, S. Dak.
Bond	Crago	Gifford	Jones, Pa.
Bowers	Cramton	Gilbert	Kahn
Brennan	Crowther	Goldsborough	Keller
Britten	Cullen	Goodykoontz	Kendall
Brooks, Pa.	Davis, Minn.	Gould	Kennedy
Burke	Dempsey	Graham, Pa.	Kindred
Campbell, Kans.	Drane	Griest	King
Cantrill	Dunbar	Griffin	Kirkpatrick
Carew	Dyer	Hays	Kitchin

Klecza
Kline, N. Y.
Knight
Kraus
Kreider
Kunz
Lampert
Lea, Calif.
Lee, N. Y.
Lehlbach
Logan
Luce
Luhning
McArthur
McLaughlin, Pa.
MacGregor
Merritt
Michaelson
Mills

Morin
Mott
Mudd
Newton, Mo.
O'Brien
O'Connor
Olpp
Osborne
Overstreet
Paige
Park, Ga.
Patterson, N. J.
Paul
Perlman
Petersen
Pringley
Rainey, Ala.
Rainey, Ill.
Ramseyer

Reber
Reed, N. Y.
Reed, W. Va.
Riddick
Riordan
Rosenberg
Rose
Rosenbloom
Rosdale
Ryan
Sanders, N. Y.
Scott, Mich.
Shaw
Shelton
Shreve
Sisson
Smith, Mich.
Stiness
Stoll

Sullivan
Tague
Taylor, Ark.
Taylor, Colo.
Taylor, N. J.
Temple
Ten Eyck
Tucker
Upshaw
Volk
Ward, N. Y.
Wheeler
White, Me.
Wise
Wood, Ind.
Woodyard
Wurzbach

The SPEAKER. Two hundred and ninety-three Members are present—a quorum.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from New York moves to dispense with further proceedings under the call. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. DENISON. Mr. Speaker, I do not know whether the motion is pending or not, but I move to suspend the rules and pass the bill.

The SPEAKER. The gentleman from Illinois moves to suspend the rules and pass the bill.

Mr. GRAHAM of Illinois. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GRAHAM of Illinois. I did not understand that the gentleman from Wisconsin [Mr. STAFFORD] objected.

The SPEAKER. The Chair understood he objected.

Mr. GRAHAM of Illinois. I understood the matter was pending, and that he did not object.

Mr. STAFFORD. Oh, yes; I asked unanimous consent that the bill be passed over. Objection was made by the other side. The gentleman from Illinois then moved to suspend the rules, but did not get very far with that motion.

The SPEAKER. The Clerk will report the bill again.

The Clerk read as follows:

A bill (H. R. 9049) abandoning and declaring nonnavigable a portion of the west arm of the South Fork of the South Branch of the Chicago River.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

The SPEAKER. Objection is made.

Mr. DENISON. Mr. Speaker, I move to suspend the rules and pass the bill.

The SPEAKER. The gentleman from Illinois moves to suspend the rules and pass the bill which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the act of September 19, 1890, making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes (26 Stat., chap. 907, sec. 7, p. 454), and the act of March 3, 1899, making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes (30 Stat., chap. 425, sec. 9, p. 1151), and all acts amendatory of either thereof shall not after the passage of this act apply to that portion of the west arm of the south fork of the South Branch of the Chicago River, lying between the east line of Ashland Avenue and the north line of Thirty-ninth Street, in the city of Chicago, Ill., as the same now exists or may hereafter be extended.

All rights, authority, or control over that part of the Chicago River now possessed or assumed by the United States under said acts, or either of them or any amendments thereof, are hereby relinquished and abandoned, and all rights, authority, or control over the same that were possessed by the State of Illinois before said acts were passed are hereby fully restored to said State.

The SPEAKER. Is a second demanded?

Mr. STAFFORD. I demand a second.

Mr. DENISON. My motion should have been to suspend the rules and pass the bill as amended.

The SPEAKER. It was read in that way. The gentleman from Wisconsin demands a second.

Mr. DENISON. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. The gentleman from Illinois asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Illinois [Mr. DENISON] is entitled to 20 minutes and the gentleman from Wisconsin [Mr. STAFFORD] is entitled to 20 minutes.

Mr. SMITH of Idaho. Mr. Speaker, a parliamentary inquiry. Is it not very unusual for a bill to be brought up under suspension of the rules at the beginning of the consideration of the Unanimous Consent Calendar instead of at the end of the calendar?

The SPEAKER. No; the bill was reached and objected to, and the Chair recognized the gentleman at that time. The Chair usually does that.

Mr. SMITH of Idaho. It is certainly unfair to other Members having bills on the calendar.

The SPEAKER. The Chair hopes we can finish the calendar to-day.

Mr. DENISON. Mr. Speaker, this question involves simply a small part of the west arm of the south fork of the South Branch of the Chicago River, about 1,000 feet long, lying between Ashland Avenue and what would be the intersection of Thirty-ninth Street in the city of Chicago. A short distance from the lake the Chicago River divides into the North and South Branches, and then about 3 miles farther south it divides into the west fork and south fork of the South Branch, and the south fork again formerly subdivided into the west arm and the south arm. The south arm has been filled up already, leaving the west arm extending down as far as Ashland Avenue. Further on, beyond Ashland Avenue, it has also been filled up, so that that arm of the river stops at a bulkhead at Ashland Avenue, and there is now there a stub arm of the south fork of the South Branch of the river. There is no water flowing into it from the surface. It is a slip or stub end of that branch of the river. Thirty-ninth Street would intersect it, but it has never had a bridge over it, so that Thirty-ninth Street, running east and west, comes to this branch of the river, stops there, and then continues on beyond on the other side.

That section of the city of Chicago has been very much developed by manufacturing plants, and there is now no way to pass across the city from east to west, and vice versa, in a large area there except by detouring some distance to the north or some distance to the south. They want to extend Thirty-ninth Street over this part of the Chicago River, but before they can do so under the existing law they must go to the Secretary of War, submit plans for a bridge, and obtain his approval, and they must also get the consent of Congress to construct the bridge. To build a bridge over that part of the river, a draw or lift bridge would cost a very large amount of money; the Secretary of War would require such a bridge, and it was claimed in the hearings that it would cost something like \$2,000,000, to say nothing of the cost of maintenance. Such an expense would be prohibitive and would prevent the construction of the bridge, which is very much desired and needed.

Mr. TILSON. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. TILSON. Is there any real navigation on this stub end of the river?

Mr. DENISON. I will discuss that point now. In 1919 the city of Chicago wanted consent to fill up this stub end for 1,000 feet up to Thirty-ninth Street, so that they could run the street right over it. In other words, they wanted permission to cut off that much of the stub end of the river and fill it up. It has been used principally for sewerage purposes. It is offensive, insanitary, and unsightly, and there is no commerce on it. They made application to the Secretary of War for permission to fill it up; he rendered a decision that he could not give his consent, because it was a navigable waterway of the United States. It is because of that fact or that ruling of the Secretary of War that Representative RAINEY originally introduced this bill for the consent of Congress to fill up that arm of the river. That was the form in which the bill was introduced, granting the consent of Congress to declare it nonnavigable and fill it up. The bill was referred to our committee, and a subcommittee was appointed who held hearings in Chicago. The city of Chicago wants to fill it up so that it can make these necessary improvements, extend Thirty-ninth Street over it, and give the people in those two sections an opportunity to pass to and fro from one side of the city to the other.

Mr. BLANTON. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. BLANTON. Identically the same principles are involved in this bill that were involved in a Senate bill which we passed a short time ago concerning another portion of the river, are they not?

Mr. DENISON. Practically the same question.

Mr. BLANTON. If there was no objection to the other bill, why should there be any to this?

Mr. DENISON. I do not think there should be; the other bill involved the West Fork, which extended several miles onto

the west side of the city, while this bill involves a little slip of the South Fork just about 1,000 feet in length. If this bill carries, it means that the United States, so far as the Federal Government is concerned, withdraws the exercise of its jurisdiction over that little part of the river and leaves it to the city of Chicago and the State of Illinois to determine these conflicting questions as to sanitation and what improvements, if any, should be permitted over that particular part of the river.

As a matter of fact this part of the river has enough water in it and is of sufficient width to be navigable for tows, scows, or barges. There is no navigation on it—that is, there is no commerce on it. There are no docks and wharves on it now, and there has been no substantial commerce on it for the past 30 years, according to the testimony. But as a matter of fact it is navigable if a person wanted to so use it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. DENISON. I yield to my colleague.

Mr. CHINDBLOM. Would not a great deal of power be necessary to plow through the filth and dirt and scum that is in the river at this point.

Mr. DENISON. That is very true. Of course, the water is black and thick and has no flow. It is stagnant and offensive. Sewers discharge into it, and it is not fit for navigation or for any other purpose. It is practically a sewer. But the committee did not feel that we could recommend the passage of an act declaring a stream nonnavigable that is in fact navigable. There is some question as to whether such an act would be valid or not. I believe the courts have held that an act declaring a stream to be navigable which was in fact not navigable was not valid. So the committee concluded that the bill should be amended and that we should not pass a direct declaration that that part of the river was nonnavigable. So we decided to get at it in a different way.

Congress has jurisdiction over rivers of this kind under the commerce clause of the Constitution. In other words, the commerce clause of the Constitution gives Congress the power to regulate commerce on navigable rivers, and the courts have held that where a navigable waterway lies wholly within the boundaries of a State Congress has concurrent jurisdiction with the State over the regulation of commerce on that river. In the absence of action by Congress the State can control it absolutely, but whatever action the State takes is subject to such modification as Congress may afterwards decide to adopt. But where Congress has once acted, then the State can not take any action inconsistent with the act of Congress.

Now, in the report filed by the committee, we have reviewed at some length the legal questions and decisions of the courts, and we found that Congress has passed two acts dealing with this subject, in which Congress has assumed to exercise its jurisdiction over all navigable waterways in the United States. So the committee concluded that inasmuch as there is now practically no commerce on this part of the river and certainly none of an interstate character, and since there has been none for the past 30 years, and as there is no Federal question involved and the city of Chicago wants to fill up this part of the river and the State of Illinois objects to it, we would recommend that Congress dispose of the matter in the manner set out in the bill. The State of Illinois is engaged in the enterprise of aiding in the constructing of a deep waterway project from the Lakes to the Gulf, and has issued \$20,000,000 of bonds for that purpose, and is engaged in deepening the Des Plaines River, which will connect the Illinois River with the Chicago River through the Sanitary Canal; and they hope in the future to have a barge system connecting Lake Michigan with the Mississippi River. They think they will need all the branches of the Chicago River for terminal purposes. That is a matter that is one of the problems of the future for the State of Illinois. We do not know now to what extent these branches of the Chicago River will be needed.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. McLAUGHLIN of Michigan. I see there has been some communication between the authorities in Chicago and the Secretary of War. That was in 1919. Has this bill been referred to the Secretary of War or to the Chief of Engineers, so that we may have the benefit of their opinion? The only communication up to this time with the War Department or the Chief of Engineers has been by the authorities in Chicago, and that was several years ago, and that was not in relation to this bill. What I want to ask is, has this bill been referred to the War Department, and have you any communication from the Chief of Engineers or the Secretary of War as to the advisability of the provisions of this bill?

Mr. DENISON. The gentleman evidently thinks that this is a bridge building bill.

Mr. McLAUGHLIN of Michigan. No; I know it is not.

Mr. DENISON. In 1919 Congress by affirmative action declared that we would not spend any money on this part of the Chicago River; we adopted that as a policy. So we do not intend hereafter, according to that act of Congress, to spend any money on it as a Federal project. This bill as originally filed was to abandon that part of the river and permit it to be filled up. The recommendation of the committee is merely that the two acts of Congress by which the Federal Government exercised its jurisdiction over this and all navigable waterways be held not to apply to this particular part of the Chicago River. In other words, we withdraw all jurisdiction that we have assumed over that part of the Chicago River and leave the State of Illinois and the city of Chicago to dispose of the questions involved as they think best in the interest of the public welfare.

Mr. McLAUGHLIN of Michigan. That is exactly as I understand it. Now, I ask the question again, Has the matter been referred to the War Department and the Chief of Engineers, and have we anything from them in relation to it?

Mr. DENISON. I am unable to answer the gentleman's question at this time. I shall have to consult the chairman of the committee about that. Now, gentlemen, the simple question involved in this legislation is not whether we will grant permission to fill up this arm of the river, but whether, in view of the fact that the problems involved are of importance principally to the city of Chicago and the State of Illinois, and the further fact that no substantial commerce or interstate traffic is involved, we will let the Federal Government stand aside and let the State and local governments settle the questions as they think best. We simply repeal the acts of Congress which assume jurisdiction over that part of the river and leave the State of Illinois to deal with that branch of the river so far as the State thinks it needs protection from the acts of the city. The city of Chicago and the State of Illinois are the two parties who are most directly concerned. There seems to the committee to be no Federal question involved.

Mr. SABATH. Will the gentleman yield?

Mr. DENISON. Certainly.

Mr. SABATH. Can the gentleman inform the House whether if this part of the river is filled in the property would revert to the State or the adjoining owners?

Mr. DENISON. It would go to the adjoining owners, I think, under the law of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. STAFFORD. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. GRAHAM].

Mr. GRAHAM of Illinois. Mr. Speaker, this bill is necessary in order to permit a very much needed improvement in the city of Chicago. Thirty-ninth Street goes through a very populous part of the city, on the South Side, and for a stretch of a mile and a half north and south through that part of the city there is no way to get across the Chicago River by any bridge. A great manufacturing district has sprung up down there. The Government has built many large warehouses, quartermaster's depots on Thirty-ninth Street, and Thirty-ninth Street, a broad thoroughfare, goes from the west for several miles to the Chicago River and then stops. People who live in that section, hundreds of thousands of people, have to travel north or south to go across the river, over a stretch of a mile and a half. It is essential that this highway be continued toward Lake Michigan. There is not any way to do much under present circumstances except by the building of a very expensive bridge, which has been estimated to cost several million dollars. The river at that place is about 250 feet wide. Not very long ago the condition of this river was such that it was testified to before the committee that men could walk out on the sewage which was lying in that part of the stream, and that it would support their weight. It is the worst condition of water that I ever saw in my life. It is putrid, the stench is overpowering, and extends over all that country, and it lies there in that dead end of the river, where there is no circulation and where it is impossible to tell which is water and which is sewage. If this bill be passed it will permit the making of an improvement there which is very much desired.

We are more interested, I imagine, in transportation as a whole than we are in either the improvement of waterways or of railways or of any other particular kind of transportation. If the people of the United States have any particular need at this time, it is transportation. We have found that by this improvement millions of people can be provided an outlet through this city, and without it this whole arm or river will lie there and be of no importance, no value to anybody. This improve-

ment will provide the local authorities with a way in which they can condemn the river and have it filled if they desire to do so and make a way across it.

Under the law as it exists the situation is somewhat peculiar. I refer gentlemen now to the report on this bill, and incidentally pause long enough to say that the gentleman from Illinois [Mr. DENISON], of our committee, prepared this report. He went into the law extensively and has prepared a brief which ought to be a sort of textbook for Congress in the future on the question of the navigability of rivers and the control of the State and the Federal Government over such rivers. He has gone into the matter very exhaustively. The report has been prepared with much care. The law, in brief, is that the various States of the Union have full control over the navigability of the various streams within their boundaries, and if the jurisdiction of Congress is not superimposed upon that power of the State so that it takes it away under the interstate commerce clause of the Constitution, the State still has full power and authority to do anything and everything with reference to the navigability or use of the various streams in the various States. We are trying to take away from this stream the effect of the acts of Congress and leave it as it originally was, so that the State of Illinois may have full power to cope with the situation, if the State and the city can agree on the improvement whereby at some time they can remove this insanitary condition and make possible the building of this highway across there. If that can be accomplished, it is something devoutly to be wished for. We have so arranged by this amendment that the acts of Congress by which we took jurisdiction over this river are repealed and full jurisdiction is, therefore, left in the State of Illinois to handle the whole question.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. CHINDBLOM. Even if the State of Illinois should conclude to retain this stub end for the use of barges, the cost of a bridge under these circumstances would be much less than under Federal control?

Mr. GRAHAM of Illinois. Yes.

Mr. CHINDBLOM. Because there would be no necessity for making a drawbridge, or one of those rising bridges which must provide for the passage of ships of large size. In other words, so long as the Federal Government retains control if a bridge is to be constructed it would have to be a bridge of such character as would permit the passage through the stream of the kind of ships which never will pass through it.

Mr. GRAHAM of Illinois. Yes; and it is very likely that if the State concludes it wants to keep this piece of river open for any purpose, it will provide for a fixed bridge.

Mr. MONTAGUE. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. MONTAGUE. Would any costs or charges be imposed upon the United States by virtue of this contemplated improvement?

Mr. GRAHAM of Illinois. Nothing whatever.

Mr. MONTAGUE. Does the city of Chicago and does the State of Illinois favor this measure?

Mr. GRAHAM of Illinois. The city of Chicago is earnestly in favor of it and is doing everything to bring it about. The waterway authorities of the State of Illinois are opposed to it. That is, they state that under present conditions they would want to take some steps to preserve their rights before they would agree to it.

Mr. MONTAGUE. And the purpose of the bill is to leave that matter open for agreement between the city and the State?

Mr. GRAHAM of Illinois. Yes; and until the State of Illinois is satisfied, not a spadeful of earth can be removed.

Mr. CHALMERS. Does the brief prepared by Mr. Denison cover canals as well as navigable rivers?

Mr. GRAHAM of Illinois. No; it does not. He goes into a question which has been very confusing. That is just why Congress has this authority over these streams, and how much authority the States had before Congress stepped in. It covers all those questions. It is a very comprehensive brief and I think it is well worth reading.

Mr. CHALMERS. I was interested in the concurrent jurisdiction of the Federal Government and the State in the operation of canals.

Mr. GRAHAM of Illinois. He does not go into that.

Mr. ALMON. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. ALMON. I am interested in what the gentleman says about Mr. Denison's brief on this question of the rights of the United States in navigable streams. Could not the gentleman arrange to have the brief printed in the Record?

Mr. GRAHAM of Illinois. I think it would be very helpful, and I see no reason why it should not be done, and I think a little later I shall follow the suggestion of the gentleman and ask unanimous consent to have it incorporated. It is not very long, and it ought to be preserved in some way.

Under the leave to extend my remarks, I now include that portion of the report referring to the legal questions involved:

Several briefs on the legal questions involved were presented both by those favoring and those opposed to the bill. These briefs are printed in full in the hearings. The committee has considered carefully the cases cited and many others and finds that the legal principles applicable to the proposed legislation and to the action which the committee recommends are well settled.

Under the common law of England, title to the land under all navigable waters was in the sovereign in trust for the public, and this title gave to the sovereign exclusive right to regulate all commerce on the navigable waters of the realm.

That doctrine applied in the British colonies in this country, and the exclusive right to regulate commerce on the navigable waters of the colonies was in the British Government. At first the navigable waters were held to be confined to the tide waters, but later by analogy the principle was extended by the courts to include all of the navigable rivers of the interior, as well as those affected by the tide waters.

When the American colonies declared and won their independence the different States became themselves sovereign governments and succeeded to all of the sovereign rights that had theretofore belonged to the Crown, including the rights over the navigable waterways within their respective boundaries. When, therefore, the representatives of the different States met in the Constitutional Convention in 1787, the States possessed and exercised the sovereign right of controlling and regulating commerce on all their navigable waterways.

By section 8 of Article I of the Constitution the States surrendered to the Federal Government the right to regulate commerce with foreign nations and among the several States. This is the source and the only source of all the power that the Federal Government now has over the navigable waterways of the United States. The source and the extent of this power of the Federal Government have been given judicial interpretation and declaration in innumerable cases that are found in the reported decisions. And the law is well settled that by the commerce clause of the Constitution the States surrendered and the Federal Government received plenary power to regulate commerce among the States and with foreign nations, and that power includes the right to improve all the navigable waterways of the United States and regulate the commerce thereon.

It is also well settled that where Congress has assumed and exercises its jurisdiction over a navigable waterway within a State the State can not enact any law which would conflict with the Federal jurisdiction so exercised. But it is also well settled that Congress and the State legislatures have concurrent jurisdiction over the improvement of navigable waterways within the States. While the States surrendered to the Federal Government this power to regulate the navigable waterways and the commerce thereon, yet until Congress acts in the exercise of that power the States themselves have the right to improve and otherwise regulate the navigable waters and the commerce thereon within their respective borders, and after Congress has acted in the exercise of its power the States may still act so long as the exercise of their powers does not conflict with the action of the Federal Government.

Some of the courts state the jurisdictional question in substantially the following form:

"All rights over the navigable waterways within a particular State not surrendered to the Federal Government by the commerce clause of the Constitution are retained by the State government; but it is the exercise and not the mere possession of the powers conferred upon the Federal Government that limits the freedom of action by the State. Jurisdiction over the navigable waterways within the State is concurrent in the State and Federal Government, but that of the Federal Government, when exercised, is supreme. No action can be taken by the State which conflicts with any action taken by the Federal Government, and any action taken by the State is subject to change or nullification by any subsequent action that may be taken by the Federal Government in the exercise of its supreme jurisdiction."

The cases of *Cooley v. Board of Wardens* (13 Howard, 299) and *Covington Bridge Co. v. Kentucky* (154 U. S. 204) clearly state these principles. The *Minnesota Rate cases* (230 U. S. 352) assert the same doctrine with reference to the regulation of commerce on railroads.

In *Gould on Waters*, third edition, page 80, the author says:

"Under the Constitution of the United States a State has the right, if its legislation does not conflict with the action of Congress upon the same subject, to authorize bridges and dams across the navigable waters within its limits; to license wharves, piers, and docks intruding upon such waters; to establish harbor lines to which wharves may be extended; to prescribe the places and manner in which vessels may lie in a harbor, what lights they are to carry at night, or what course they shall pursue in navigating a river; to pass reasonable quarantine and inspection laws and pilotage or port regulations; to regulate harbor beacons, buoys, salvage, and similar matters of a local and limited nature; to improve the navigability of its waters and to authorize the collection of tolls in consideration of such improvements."

In *Cummings v. Chicago* (188 U. S. 410) the Supreme Court, through Mr. Justice Harlan, said, speaking of the Calumet River, which is also in the city of Chicago:

"Calumet River, it must be remembered, is entirely within the limits of Illinois, and the authority of the State over it is plenary, subject only to such action as Congress may take in execution of its power under the Constitution to regulate commerce among the several States. That authority has been exercised by the State ever since it was admitted into the Union upon an equal footing with the original States."

In the case of *Wilson v. The Blackbird Creek Marsh Co.* (2 Peters, 245), a case involving the authority of a State legislature to authorize a dam to be built across a navigable creek, the Supreme Court, through Mr. Justice Marshall, said:

"The act of assembly by which the plaintiffs were authorized to construct their dam shows plainly that this is one of those many creeks passing through a deep, level marsh adjoining the Delaware, up which the tide flows for some distance. The value of the property on its banks must be enhanced by excluding the water from the marsh, and the health of the inhabitants probably improved."

"Measures calculated to produce these objects, provided they do not come into collision with the powers of the General Government, are undoubtedly within those which are reserved to the States. But the measure authorized by this act stops a navigable creek and must be supposed to abridge the rights of those who have been accustomed to use it. But this abridgment, unless it comes to conflict with the Constitution or a law of the United States, is an affair between the government of Delaware and its citizens, of which this court can take no cognizance."

"The counsel for the plaintiffs in error insist that it comes in conflict with the power of the United States 'to regulate commerce with foreign nations and among the several States.'"

"If Congress has passed any act which bore upon the case, any act in execution of the power to regulate commerce, the object of which was to control State legislation over those small navigable creeks into which the tide flows, and which abound throughout the lower country of the Middle and Southern States, we should feel not much difficulty in saying that a State law coming in conflict with such act would be void. But Congress has passed no such act. The repugnancy of the law of Delaware to the Constitution is placed entirely on its repugnancy to the power to regulate commerce with foreign nations and among the several States, a power which has not been so exercised as to affect the question."

"We do not think that the act empowering the Blackbird Creek Marsh Co. to place a dam across the creek can, under all the circumstances of the case, be considered as repugnant to the power to regulate commerce in its dormant state or as being in conflict with any law passed on the subject."

Many more cases might be cited which affirm the power of the State to regulate, improve, or even destroy the navigable character of a waterway within its borders unless Congress has exercised jurisdiction over the particular waterway in question. In the case of *Huse v. Glover* (15 Fed. Rep. 292) the court, speaking through Mr. Justice Harlan, said:

"The doctrines of the adjudged cases sustain the authority of this State—there being no act of Congress forbidding it—to construct locks and dams upon the Illinois River. Her avowed object in so doing was to improve the navigation of that river and effect a reduction of freights to the headwaters of Lake Michigan and to the Mississippi River. The mode and extent of such improvement, in the absence of national legislation, based upon the power of Congress to regulate commerce, was for her determination. Her discretion in such matters is not to be controlled by the courts so long as Congress does not interfere."

And when that case went to the Supreme Court, that court, speaking through Mr. Justice Field (119 U. S. 543), said:

"The State is interested in the domestic as well as in the interstate and foreign commerce conducted on the Illinois River; and to increase its facilities and thus augment its growth it has full power. It is only when in the judgment of Congress its action is deemed to encroach upon the navigation of the river as a means of interstate and foreign commerce that that body may interfere and control or supersede it. If in the opinion of the State greater benefit would result to her commerce by the improvements made than by leaving the river in its natural state—and on that point the State must necessarily determine for itself—it may authorize them, although increased inconvenience and expense may thereby result to the business of individuals. The private inconvenience must yield to the public good. The opening of a new highway or the improvement of an old one, the building of a railroad, and many other works in which the public is interested, may materially diminish business in certain quarters and increase it in others, yet for the loss resulting the sufferers have no legal ground of complaint. How the highways of a State, whether on land or by water, shall be best improved for the public good is a matter for State determination, subject always to the right of Congress to interfere in the cases mentioned. (*Spooner v. McConnell*, 1 McLean, 337; *Kellogg v. Union Co.*, 12 Conn. 7; *Thames Bank v. Lovell*, 18 Conn. 500; *S. C. 46 Am. Dec. 332*; *McReynolds v. Smallhouse*, 8 Bush. 447.)"

It is clear from these cases and others that might be cited that so long as the right of the Federal Government to regulate navigable waterways within a State, conferred by the commerce clause of the Constitution, lies dormant the States may act for that purpose and to such extent as they choose, and after the Federal Government acts in the exercise of the power conferred upon it the States may still act in the exercise of their concurrent jurisdiction, but their action must not conflict with the action of the Federal Government.

Now, in the act of September 19, 1890, Twenty-sixth Statutes, chapter 907, section 7, page 454, Congress assumed jurisdiction over all navigable waterways in the following language:

"SEC. 7. That it shall not be lawful to build any wharf, pier, dolphin, boom, dam, weir, breakwater, bulkhead, jetty, or structure of any kind outside established harbor lines, or in any navigable waters of the United States where no harbor lines are or may be established, without the permission of the Secretary of War, in any port, roadstead, haven, harbor, navigable river, or other waters of the United States, in such manner as shall obstruct or impair navigation, commerce, or anchorage of said waters, and it shall not be lawful hereafter to commence the construction of any bridge, bridge draw, bridge piers and abutments, causeway, or other works over or in any port, road, roadstead, haven, harbor, navigable river, or navigable waters of the United States under any act of the legislative assembly of any State until the location and plan of such bridge or other works have been submitted to and approved by the Secretary of War, or to excavate or fill, or in any manner to alter or modify the course, location, condition, or capacity of the channel of said navigable water of the United States unless approved and authorized by the Secretary of War: *Provided*, That this section shall not apply to any bridge, bridge draw, bridge piers and abutments the construction of which has been heretofore duly authorized by law, or be so construed as to authorize the construction of any bridge, drawbridge, bridge piers and abutments, or other works under an act of the legislature of any State over or in any stream, port, roadstead, haven, or harbor, or other navigable water not wholly within the limit of such State."

And by the subsequent act of March 3, 1899, Thirtieth Statutes, chapter 425, section 4, page 1151, Congress further exercised its jurisdiction over navigable waterways by the following language:

"SEC. 9. That it shall not be lawful to construct or commence the construction of any bridge, dam, dike, or causeway over or in any port, roadstead, haven, harbor, canal, navigable river, or other navigable water of the United States until the consent of Congress to the building of such structure shall have been obtained and until the plans for the same shall have been submitted to and approved by the Chief of Engineers and by the Secretary of War: *Provided*, That such struc-

tures may be built under authority of the legislature of a State across rivers and other waterways the navigable portions of which lie wholly within the limits of a single State, provided the location and plans thereof are submitted to and approved by the Chief of Engineers and by the Secretary of War before construction is commenced: And provided further, That when plans for any bridge or other structure have been approved by the Chief of Engineers and by the Secretary of War it shall not be lawful to deviate from such plans either before or after completion of the structure unless the modification of said plans has previously been submitted to and received the approval of the Chief of Engineers and of the Secretary of War."

In the case of *Economy Light & Power Co. v. United States of America* (256 U. S. 113), the Government sought to enjoin the power company from constructing a dam in the Des Plaines River, Ill., and the question involved was whether or not the Des Plaines River was a navigable waterway of the United States, and if so, what was the effect of the provisions of these acts of Congress just quoted. In the opinion the court said:

"Since it (the Des Plaines River) is a natural interstate waterway, it is within the power of Congress to improve it at the public expense; and it is not difficult to believe that many other streams are in like condition and require only the exertion of Federal control to make them again important avenues of commerce among the States. If they are to be abandoned, it is for Congress, not the courts, so to declare. The policy of Congress is clearly evidenced in the act of 1899, and, in the present case at least, nothing remains but to give effect to it."

This case, which is one of the latest and leading cases, makes it clear, first, that it is within the power of Congress to abandon a navigable waterway if it does not think it wise to expend public funds to improve it; and, second, that by the acts of September 19, 1890, and March 3, 1899, just quoted, Congress has declared its policy and exercised its jurisdiction over navigable waterways conferred by the commerce clause of the Constitution.

In *People v. Metropolitan Railway Co.* (285 Ill. 246) the question arose as to whether or not, by the acts of September 19, 1890, and of March 3, 1899, Congress assumed exclusive jurisdiction over all the navigable waterways of the country and thereby deprived the States of any further right of control over them. In that case the people of the State of Illinois sought to compel the railway company to remove a certain bridge across the South Branch of the Chicago River on the ground that it had become an obstruction to commerce. After citing the case of *The Lake Shore & Michigan Southern Railway Co. v. Ohio* (165 U. S. 365), where the Supreme Court held that the State of Ohio still had the right to compel the removal of a bridge unlawfully constructed across a navigable stream, the court said:

"If the act of 1890 did not affect the power of the State to require the removal of an obstruction placed in the stream unlawfully, we do not see how it could affect the authority of the State to require the removal of a structure lawfully placed in a navigable stream, but which has since, because of changed conditions, become an unreasonable obstruction. The subsequent amendatory acts of Congress, including section 18 of the act of March 3, 1899, do not restrict or encroach upon the power the State had, previous to those enactments, been authorized to exercise. Conceding Congress has the power to take sole and exclusive jurisdiction over navigable waters wholly within a State, it has not done so."

The Legislature of the State of Illinois by an act approved June 30, 1913, created the rivers and lakes commission of the State and defined its duties and powers. Section 7 of the act provides as follows:

"Sec. 7. It shall be the duty of said commission to have a general supervision of every body of water within the State of Illinois, wherein the State or the people of the State have any rights or interests, whether the same be lakes or rivers, and at all times to exercise a vigilant care to see that none of said bodies of water are encroached upon or wrongfully seized or used by any private interest in any way, except as may be provided by law, and then only after permission shall be given by said commission, and from time to time for that purpose, to make accurate surveys of the shores of said lakes and rivers, and to jealously guard the same in order that the true and natural conditions thereof may not be wrongfully and improperly changed to the detriment and injury of the State of Illinois."

"The rivers and lakes commission of Illinois shall have power and authority to inquire into encroachment upon, wrongful invasion, and private use of every stream, river, lake, or other body of water in which the State of Illinois has any right or interest. The commission shall have power to make and enforce such orders as will secure every stream, river, lake, or body of water in which the State of Illinois has any right or interest against encroachment, wrongful seizure, or private use."

The committee concludes that the State of Illinois still has concurrent jurisdiction with the Federal Government to regulate that part of the Chicago River involved in the pending bill, and that in the exercise of its jurisdiction and for the purpose of protecting public interests in the navigable waterways of the State, there has been created a State commission, which has full authority to act for that purpose. But the committee further concludes that by the acts of 1890 and 1899, Congress has assumed jurisdiction over that part of the river in question and that neither the city of Chicago nor the State of Illinois can take any action respecting that part of the river except in compliance with those acts of Congress.

In the case of *Gillman v. Philadelphia* (70 U. S. 729) the court said: "It must not be forgotten that bridges, which are connecting parts of turnpikes, streets, and railroads, are means of commercial transportation, as well as navigable waters, and that the commerce which passes over a bridge may be much greater than would ever be transported on the water it obstructs."

"It is for the municipal power to weigh the considerations which belong to the subject and to decide which shall be preferred and how far either shall be made subservient to the other."

There can be no doubt that Thirty-ninth Street in the city of Chicago ought to be opened for traffic over this arm of the Chicago River, and that some appropriate action should be taken to make that part of the river more sightly and more sanitary. But whether traffic and commerce over a bridge, if one should be constructed, is of more importance than the traffic or commerce that may be hereafter transported over that part of the river, is not a question that Congress can well decide; these are largely local questions that ought to be settled in the public interest by State and local authorities.

The committee feel that Congress should not only not be expected to settle these local questions but that the general power over navigable waterways assumed by the Federal Government by the acts of 1890 and 1899 should not in this instance be permitted to interfere with full freedom of action by the municipal and State authorities. We are unable to see where there is involved any question substantially affect-

ing interstate commerce, and to the end that the city of Chicago and the State of Illinois may themselves freely settle all questions involved, we believe that Congress should abandon the authority it assumed over that part of the river by the acts of 1890 and 1899. Accordingly, we recommended that the pending bill be amended by striking out all after the enacting clause and inserting the following:

"That the act of September 19, 1890, making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors and for other purposes (26 Stat., ch. 907, sec. 7, p. 454), and the act of March 3, 1899, making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes (30 Stat., ch. 425, sec. 9, p. 1151), and all acts amendatory of either thereof shall not, after the passage of this act, apply to that portion of the west arm of the South Fork of the South Branch of the Chicago River lying between the east line of Ashland Avenue and the north line of Thirty-ninth Street in the city of Chicago, Ill., as the same now exists or may hereafter be extended. "All rights, authority, or control over that part of the Chicago River now possessed or assumed by the United States under said acts or either of them or any amendments thereof are hereby relinquished and abandoned, and all rights, authority, or control over the same that were possessed by the State of Illinois before said acts were passed are hereby fully restored to said State."

Mr. STAFFORD. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, I do not think there is much more to be said on this subject except this: The principal reason why it is necessary to close this stub end, a ditch that is stagnant, putrid, and menacing to health, is that for over 40 years or 50 years there has been an effort made to open to the western limits of the city a great avenue of traffic known as Thirty-ninth Street. There is no east and west traffic street between Thirty-fifth and Forty-seventh to the west. That is just a mile and a half; so that people who wish to get to the western limit either have to go across Thirty-fifth or a mile and a half south and cross on Forty-seventh Street. Thirty-ninth Street is right between the two. An investigation shows that the opening of this street will facilitate traffic to such an extent that millions of dollars annually will be saved in transportation costs and time that is almost impossible to calculate will be saved by reason of the opening of this street. Thirty-ninth Street is exactly in the center of the city of Chicago, counting from north to south. It passes through the stockyards territory. The stockyards, as everybody knows, is one of the most tremendous industries in America, but all the territory through this street will pass is occupied by great business, and to the west of that there will be a great residential territory opened on which homes can be erected by those who are employed in the stockyards industries.

Mr. STAFFORD. Will the gentleman yield?

Mr. MADDEN. I do.

Mr. STAFFORD. Is it proposed, if the State agrees to the closing up of this stub arm, to have the entire canal or slip used for street purposes?

Mr. MADDEN. Just across the point. I may say to the gentleman from Wisconsin that Thirty-ninth Street runs across the slip. The street crosses at right angles, and about 800 feet south of Thirty-ninth Street the slip stops. It is the stub end; and it is proposed to close up the slip from the stub end 800 feet south to the north line of Thirty-ninth Street.

Mr. STAFFORD. Then there is no question of the riparian rights of the property owners in the present slip?

Mr. MADDEN. Absolutely none whatever.

Mr. STAFFORD. Because the municipality will open it for street purposes if the State will accede?

Mr. MADDEN. It will be opened entirely for the development of Chicago and no other purpose whatever. Many of us have been working on that problem for 20 years, and I personally have been chairman of the improvement association having this development in view, and we have no object in the world except to carry out the Chicago plan of development, and without the opening of this street that plan would be impossible, and all we need now to do is to get authority to close up this menace, that is a putrid pest hole, which is endangering the life of that community, which has no purpose in the world that relates to navigation, does not have any reason to exist, and if there is nothing else in view except the importance of closing it up to relieve the sanitary situation it would be a good work. But it has another purpose in view, and that is the development of this section of Chicago which will enable the carrying out of a great plan for the development of that city.

The SPEAKER. The time of the gentleman has expired.

Mr. STAFFORD. Mr. Speaker, when the House was considering three weeks ago, under the Unanimous Consent Calendar, a bill providing for declaring nonnavigable a portion of the south branch known as the Loop, there was embodied in that report a suggestion that a proposition was being considered and agitated to close up the long stretch of the west arm which was seriously contested by some of the riparian owners. A scanning of this report showed that the bill had not been referred to the

War Department or the Chief of Engineers of late nor had any submission of this question been brought to the attention of the War Department since September, 1919.

Mr. MADDEN. Will the gentleman yield?

Mr. STAFFORD. I will yield.

Mr. MADDEN. In the hearings had on this subject my understanding is that the local Army engineer appeared before the committee and testified.

Mr. STAFFORD. I wish to compliment the gentlemen, Messrs. GRAHAM of Illinois, and DENISON, of the subcommittee, who, after adjournment of the last session, went to Chicago and made a personal investigation of all this territory, and I think their opinion, based upon the hearings then had, is sufficient to accept their view that navigation interests will not be affected, and as far as the local quarrel between the great municipality of Chicago, which wishes to close up one of the many cesspools of filth, and the State of Illinois, which wishes to irrigate some of these cesspools by having some of the good liquid water from Lake Michigan enter into it, why I am going to leave that battle to those respective contestants. I am not going strenuously to oppose it, in view of the excellent presentation made by the three gentlemen from Illinois. [Cries of "Vote!"]

The SPEAKER pro tempore (Mr. McARTHUR). The question is on agreeing to the motion of the gentleman from Illinois [Mr. DENISON] to suspend the rules and pass the bill as amended.

The question was taken; and two-thirds having, in the opinion of the Chair, voted in the affirmative, the rules were suspended and the bill was passed.

Mr. DENISON. Mr. Speaker, I move that the title of the bill be amended to conform to the text.

The SPEAKER pro tempore. The gentleman from Illinois moves that the title of the bill be amended to conform with the text. The question is on agreeing to that motion.

The motion was agreed to.

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including as a part of them the report filed in this case.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to extend his remarks in the Record in the manner indicated. Is there objection?

Mr. STAFFORD. Reserving the right to object, will the gentleman just limit it to the parts of the report pertaining to the legal phases of the question?

Mr. GRAHAM of Illinois. Yes; I will do that.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF CERTAIN HOMESTEAD ENTRYMEN.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 2347) for the relief of certain homestead entrymen.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, I would like to have some explanation of this bill before the objection stage is passed.

Mr. VAILE. Mr. Speaker, the bill is very simple. By the act of 1906 we allowed men to make homestead entries in the forest reserves of 160 acres on land which was designated by the Secretary of the Interior as chiefly valuable for agricultural purposes and not possessing any considerable value for forest purposes. Now we have enlarged the size of homesteads on land which men may take under other form of the homestead act. The stock raising act, for example, allows a homestead of 640 acres, and the enlarged homestead act allows 320 acres. We have done that on the theory that it is not possible for a man to make a living by stock raising on less than 640 acres.

Mr. STAFFORD. This is intended to give land to men who have hitherto homesteaded in the forest reserves and give others that land?

Mr. VAILE. This would simply give to those who have homesteaded in the national forests the same size of homestead as is possessed by those outside.

Mr. STAFFORD. I object.

Mr. SINNOTT. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. STAFFORD. I will withhold it.

The SPEAKER pro tempore. Does the gentleman withhold his objection?

Mr. STAFFORD. Yes.

Mr. SINNOTT. This bill, as the gentleman from Colorado [Mr. VAILE] states, is very simple. It does not give anybody any rights to land in the national forests.

Mr. STAFFORD. I am aware of that.

Mr. SINNOTT. The Secretary of Agriculture and the Secretary of the Interior, under this bill, are permitted to give to the man in the forest reserves the same rights under this bill that one outside the reservation has. That is, a man under the present law having land outside, not in a national forest, may take an additional 160 acres. A man having that land to-day may take an additional 160 acres, but a man owning the land within a national forest has not that right at present. So this is to give the man having land in the national forest, an ordinary nonirrigable, nontimbered, nonmineral piece of land, the right to take an additional 160 acres outside of a national forest. That is all it does.

Mr. VAILE. We ought to give a considerable inducement to lead men to make homesteads there.

Mr. STAFFORD. This applies to men who already have homesteaded on the national forests. They have already taken a homestead in the national forest, and now you want to give them 160 or 180 acres more.

Mr. SINNOTT. It is simply to enlarge it to the extent enjoyed by homesteaders outside.

Mr. STAFFORD. I have no objection to passing it over for two weeks.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent that the bill may retain its place on the calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

COLUMBIA BASIN IRRIGATION PROJECT.

The next business on the Calendar for Unanimous Consent was the bill (S. 3808) authorizing the Secretary of the Interior to investigate and report to Congress on the Columbia Basin irrigation project.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the consideration of this bill?

Mr. STAFFORD. I object.

Mr. SUMMERS of Washington. Mr. Speaker, will the gentleman withhold his objection?

Mr. STAFFORD. Yes; I withhold it.

The SPEAKER pro tempore. Does the gentleman from Wisconsin reserve the right to object?

Mr. STAFFORD. Yes.

Mr. SUMMERS of Washington. Mr. Speaker, this is an authorization; it makes no appropriation, of course. The first item in the bill has already been passed by the Senate. It is a project on which the State of Washington has expended \$150,000. They have made all the investigations that they could as a State. They have called in General Goethals—

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. STAFFORD. I am quite well aware of what the gentleman is saying. It is too important to be considered under unanimous consent.

Mr. SUMMERS of Washington. Let me say to the gentleman that the item in regard to the Colorado basin has already been eliminated by a committee amendment, as that item is already carried in the Interior Department appropriation bill. Of the last item \$100,000 is already carried in the Interior Department bill, so that this bill in reality is not what it seems on the face of it and does not carry the amount that the wording would indicate.

Mr. STAFFORD. You are proposing a permanent appropriation of \$250,000, a policy which the Congress has never heretofore adopted. I object.

The SPEAKER pro tempore. The gentleman from Wisconsin objects. The bill will be stricken from the calendar.

Mr. SUMMERS of Washington. I ask unanimous consent that the bill may retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Washington asks unanimous consent that the bill may retain its place on the calendar. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

RETIRED PAY OF CERTAIN ENLISTED MEN IN THE COAST GUARD.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 2187) to regulate the retired pay of certain enlisted men in the Coast Guard.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. WINSLOW. Mr. Speaker, this bill is one which is of particular interest to the gentleman from Connecticut [Mr.

MERRITT], who is ill, and I ask unanimous consent that it be passed for two weeks.

The SPEAKER pro tempore. Without objection, the bill will be passed without prejudice.

There was no objection.

BRIDGE ACROSS THE MERRIMACK RIVER.

The SPEAKER pro tempore. The Clerk will report the next bill on the calendar.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13135) to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent that S. 4288, which is identical with this bill and which has passed the Senate, be substituted for this bill.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent to substitute S. 4288, and which is now on the Speaker's table. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill (S. 4288), to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted for the special commission constituted by chapter 507 of the acts passed by the Legislature of Massachusetts during the session of 1922, and the county commissioners of Essex County, in the State of Massachusetts, acting jointly or separately, and their successors and assigns, to construct or reconstruct, maintain, and operate a bridge and approaches thereto across the Merrimack River at Main Street, in the city of Haverhill, in the county of Essex, in the State of Massachusetts, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, said bridge to replace the present or Haverhill lower bridge, so called, at said location.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. WINSLOW. Mr. Speaker, I desire to yield to the gentleman from Massachusetts [Mr. ANDREW] to explain this bill.

Mr. ANDREW of Massachusetts. Mr. Speaker, this bill asks the consent of Congress for the reconstruction of a bridge across the Merrimack River in Haverhill, which bridge burned some two years ago. The State Legislature of Massachusetts passed an act authorizing the appointment of a special commission to reconstruct the bridge, this special commission to consist of the three county commissioners of Essex County and two other appointees of the governor. The special commission is to reconstruct the bridge and apportion the cost between the city of Haverhill and Essex County. The commissioners in their turn will thereafter have authority to maintain the bridge. On that account the bill has been so worded that the consent of Congress is granted for the special commission constituted by the act of the Legislature of Massachusetts and the county commissioners of Essex County, in the State of Massachusetts, acting jointly or separately, and their successors and assigns, to reconstruct, maintain, and operate the bridge.

The bill has the approval of the War Department and has passed the Senate.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

By unanimous consent, the corresponding bill, H. R. 13135, was laid on the table.

CUT-OVER TIMBERLANDS IN THE STATE OF MONTANA.

The SPEAKER pro tempore. The Clerk will report the next bill on the calendar.

The next business on the Calendar for Unanimous Consent was the bill (S. 1878) to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I should like to inquire whether it is the purpose of the proponents of this legislation to impress upon the exchanged land the same conditions that were imposed on the original school lands received by the State under the enabling act?

Mr. McCORMICK. I assume that such is the case. There is nothing in this bill that takes the exchanged lands out of the operation of the statute under which the lands were originally set aside.

Mr. STAFFORD. Has the gentleman any information as to whether the funds received from the sale of the timber on the school lands were placed in a trust fund for school purposes for future use?

Mr. McCORMICK. The funds obtained from the sale of the lands under this statute?

Mr. STAFFORD. No; from the sale of the timber.

Mr. McCORMICK. The money obtained from the sale of the timber has been placed in the same fund set aside for the use of schools that arose from the sale of the land itself. The gentleman will understand that Congress has recently enacted legislation enabling the Federal Government to do to its own forest reserves what the State of Montana is asking to do with the lands which it owns.

Mr. STAFFORD. In order to carry out the intention which the gentleman states, has the gentleman any objection to inserting after the word "ownership," in lines 8 and 9, of page 1, the following limitation—

which exchanged lands shall be subject to the same requirements and limitations?

Mr. McCORMICK. I have no objection to the insertion of such language.

Mr. STAFFORD. I withdraw the reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. OLDFIELD. Reserving the right to object, I should like to ask the gentleman one question. I have not a copy of the bill before me. Is this exchange to be made under the supervision of the Secretary of the Interior, or of a commission, or how? The exchange is to be made, I assume, under the auspices of the forestry department of the government of the State of Montana following such directions as the legislature may impose. The gentleman will understand that all the lands are the property of the State, granted to the State by the Federal Government. The Federal Government will have nothing to do with the actual exchange of land.

Mr. WATSON. Will the gentleman yield?

Mr. McCORMICK. I will.

Mr. WATSON. What is the acreage of these lands?

Mr. McCORMICK. By the enabling act of February, 1889, the Federal Government set aside for the use of the State of Montana, for educational purposes, sections 16 and 32 in every township in the State not otherwise reserved. Under the operation of this act the State of Montana has in 34 years disposed from time to time of various parts of these lands so set aside.

Mr. WATSON. Is the amount received from the sale of the timber applied for educational purposes for State normal and county schools?

Mr. McCORMICK. For what is known as the common-school system.

Mr. WATSON. And not for State normal schools?

Mr. McCORMICK. Not for the university system or normal schools under this particular feature of the grant. Another section of the same act takes care of the higher school system.

Mr. WATSON. Is the amount received from the sale of timber in a certain township set aside for that particular township?

Mr. McCORMICK. No; it is put into a general trust fund to be administered under the rules laid down by the legislature and does not necessarily, as I understand it, go to any particular township or section of the State.

Mr. WATSON. Has the gentleman information as to the amount of money set aside from the sale of timber?

Mr. McCORMICK. I have no specific information as to the amount that has been set aside up to the present time. Of course, this amount has accumulated under transactions covering 34 years, consequently it would be hard to segregate the amounts received from the sale of timber and the amounts received from the sale of land. I have no specific figures on that point.

Mr. WATSON. Is it the gentleman's idea that the money so set aside has greatly reduced school taxes in Montana?

Mr. McCORMICK. It has aided in that purpose. The gentleman will understand that by the report of the Sage Foundation, I believe made two or three years ago, Montana has been accorded the premier position among the States of the Union for efficiency and general excellence in extending the benefits derived by children from the common-school system. The benefits obtained in this manner have been demonstrated in a manner which excites the admiration not only of the people of the State but of those outside. Of course, it took money or its equivalent to do this.

Mr. WATSON. My object in asking questions along this line is to find out what real benefit the proceeds from the sale of timber has accrued to the interest of public schools.

Mr. OLDFIELD. Will the gentleman yield for one more question?

Mr. McCORMICK. I will.

Mr. OLDFIELD. How is it, if the Federal Government has no jurisdiction, if the State owns all these lands, that you come here with this bill?

Mr. McCORMICK. The enabling act provided that the land should be sold at public auction at a price of not less than \$10 an acre. The enabling act did not provide that the State might exchange the land for any other land, and this bill is to enable the State to exchange its lands for other lands, in order to consolidate its forestry interests.

Mr. BLANTON. The United States Government has no interest in these lands?

Mr. McCORMICK. No interest whatever.

Mr. BLANTON. It is a matter wholly for the State of Montana to decide?

Mr. McCORMICK. Absolutely.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

A bill (S. 1878) to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value.

Be it enacted, etc., That tracts of timbered lands heretofore granted to the State of Montana for educational purposes, from which the timber has been cut or removed pursuant to State laws, may, under such rules and regulations as the legislature of said State shall prescribe, be exchanged for other lands of like character and approximately of equal value, in private ownership, to the end that the State may acquire holdings in reasonably compact form and reforestation be undertaken in an economic manner, anything in the enabling act of said State to the contrary notwithstanding.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 1, line 9, after the word "ownership," insert "which exchanged land shall be subject to the same requirements and limitations."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

TOOLE COUNTY IRRIGATION DISTRICT, MONT.

The next business on the Calendar for Unanimous Consent was the bill (S. 3790) authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the disposal of the waters of Two Medicine, Cut Bank, and Badger Creeks, not needed for domestic or irrigation purposes by the Indians of the Black-foot Indian Reservation.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

UNITED STATES COAL COMMISSION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13882) to amend the act entitled "An act to establish a commission to be known as the United States Coal Commission for the purpose of securing information in connection with questions relative to interstate commerce in coal, and for other purposes," approved September 22, 1922.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object to this bill coming up by unanimous consent.

Mr. MAPES. Will the gentleman withhold his objection?

Mr. BLANTON. Does the gentleman from Michigan think that this bill ought to come up by unanimous consent?

Mr. MAPES. I do. It is urgently recommended by the coal commission which was created in September. As the gentleman knows, the life of the commission is very short, and in order to get action it is deemed necessary to have this legislation passed.

Mr. BLANTON. I understand that the distinguished gentleman from Massachusetts [Mr. WINSLOW] is going to have the floor in about an hour, and we know him well enough to know that whatever is necessary to be passed will be put over.

Mr. MAPES. The distinguished gentleman from Massachusetts has other legislation which he no doubt will call up when even he has the opportunity to do so.

Mr. BLANTON. If it is very important, it ought to be more important than a bill that comes up merely under unanimous consent.

Mr. MAPES. Perhaps the gentleman does not understand. Mr. BLANTON. Oh, I understand.

Mr. MAPES. While this bill looks rather formidable, it is largely a reenactment of existing law for the purpose of putting it into sections—

Mr. BLANTON. I think the whole proposition from its inception up to this time has been a farce, so far as reducing the price of coal is concerned or giving coal to a family that is now freezing.

Mr. MAPES. But the commission has not yet made its report. The main feature of this bill and practically the only feature, so far as the new matter is concerned, is to enable the commission to send questionnaires to the 9,000 operators of bituminous mines, require them to answer the questionnaires, verify them, and return the same within the time required by the commission instead of requiring the operators to come here to the District of Columbia to testify in person before the commission. The bill further provides a penalty for making a false statement in filling out the questionnaires, the same as though the witnesses were giving testimony before the commission itself.

Mr. BLANTON. The whole object of the proposition from its beginning was to get coal at a reasonable price.

Mr. MAPES. Oh, no; not this legislation.

Mr. BLANTON. For families.

Mr. MAPES. Oh, no.

Mr. BLANTON. I am referring now to the commission. That was the primary object, and yet we are now suffering in a blizzard.

Mr. MAPES. Oh, the gentleman is mistaken about this. This coal commission was created for the purpose of studying the industry and making a report within a year from the time of its creation. It was created September 22, 1922, and, of course, has not had time to make a complete report.

Mr. BLANTON. The gentleman has forgotten what the President said to us from this platform.

Mr. MAPES. There were two pieces of legislation. One of them was the creation of a coal commission and the other was the appointment of a coal administrator, and it was under the administration of the other legislation that it was sought to regulate the price of coal.

Mr. BLANTON. But the two were intimately connected.

Mr. MAPES. Yes; but this has nothing to do with the price for the current year.

Mr. BANKHEAD. Has not this coal commission already been sending out these questionnaires in tremendous numbers and in such quantities as to entail, if answered, the employment by the coal concerns of thousands of additional clerks to fill them out?

Mr. MAPES. I can not answer the latter part of the gentleman's question. I will say to the gentleman that the former vice president—

Mr. BLANTON. Mr. Speaker, I object. There are other bills to come up.

Mr. BANKHEAD. I was going to object myself.

ABROGATING CERTAIN AGREEMENTS RESPECTING PANAMA CANAL.

The next business on the Calendar for Unanimous Consent was Senate Joint Resolution 259, authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 259) authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal.

Whereas it is provided in the act entitled "An act to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone," approved August 24, 1912, "that all laws, orders, regulations, and ordinances adopted and promulgated in the Canal Zone by order of the President for the government and sanitation of the Canal Zone and the construction of the Panama Canal are hereby ratified and confirmed as valid and binding until Congress shall otherwise provide"; and

Whereas among the orders so ratified and confirmed as valid and binding are Executive orders, issued by the Secretary of War, by direction of the President, on December 3, December 6, and December 28, 1904, January 7, 1905, and January 5, 1911, in which were embodied

the terms of an agreement reached between the Secretary of War and officials of the Panama Government to serve as a modus operandi during the construction of the canal; and

Whereas the purpose of the agreement in question has passed with the formal opening of the canal, and the agreement no longer provides an adequate basis for the adjustment of questions arising out of the relations between the Canal Zone authorities and the Government of Panama, and should be replaced by a more permanent agreement:

Resolved, etc., That the President be authorized to abrogate the international agreement embodied in the Executive orders issued as aforesaid, on December 3, December 6, and December 28, 1904, January 7, 1905, and January 5, 1911.

Sec. 2. That when the President shall exercise the authority hereby granted, such orders shall no longer be valid and binding, and the legal effect of these orders given to them by the said act of Congress approved August 24, 1912, shall be repealed.

Mr. WINSLOW. Mr. Speaker, this merely represents a technical procedure necessary to enable this Government to work out a treaty with Panama. There is nothing to be said about it more than is said in the resolution itself.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. STAFFORD. I think some criticism may be lodged to the phraseology of the second section. I call the gentleman's attention to the last sentence of section 2—

and the legal effect of these orders given to them by the said act of Congress approved August 24, 1912, shall be repealed.

Of course the word "repealed" is the wrong word used there. I think the gentleman will agree with me in that. I can not see any reason for that last clause at all, and as the phraseology is poor I suggest the striking out of that last clause or sentence, because I believe the first portion of the section gives full effect to the idea of the drafter of the resolution—

That when the President shall exercise the authority hereby granted such orders shall no longer be valid and binding.

Mr. WINSLOW. All I can say to the gentleman is that the State Department submitted this as what they wanted, and we felt it was no warrant for us to undertake to change it.

Mr. STAFFORD. Does the gentleman think it is good phraseology to provide "that the legal effect shall be repealed"?

Mr. WINSLOW. It does not strike me as being correct, but I would not want to say there was not some sense in the last clause of the section. We might agree upon a substitute for the word "repealed" if it is important.

Mr. STAFFORD. I thought it was not the purpose to make nugatory the actions under all of the orders; that what is desired is only to make nugatory the orders as to any future acts. There may be a considerable number of actions pending arising out of these orders. What is desired is to terminate their applicability when a new agreement is entered into. I want to see some legislation passed, but here you terminate action under these orders arising before they are substituted by a new agreement but perhaps not concluded.

Mr. WINSLOW. That is what they said is the necessary thing to do.

Mr. STAFFORD. They want to terminate everything, whether anything is pending or not?

Mr. WINSLOW. Yes; they can not ratify the treaty until these orders are abrogated.

Mr. STAFFORD. These orders, as I recall, were issued by the Secretary of War, Mr. Taft, to promulgate certain rules of conduct on the Canal Zone, and I thought what was desired was to only terminate them after a new substitute agreement had been entered into.

Mr. WINSLOW. If the gentleman will turn to the letter of transmittal from the President of the United States, I shall ask his attention to the following language:

As soon as the Congress grants the authority to abrogate the existing agreement, it will be possible to proceed with the negotiation which is desired on the part of both the Government of the United States and the Government of Panama.

That would seem to indicate that it could not be done before, and it would seem from the fact that the Senate had passed this bill and had debated it, and from all of the testimony of the State Department which we have in a communication from the Acting Secretary of State, that those who had most to do with it might likely be right as to the modus operandi.

Mr. STAFFORD. Considerable weight should be given to the fact that this was prepared by the State Department. I do not know whether it is prepared by an underling or what position such underling may hold in the State Department, but I am pointing out what perhaps was a difficulty that was not considered by the person drafting the bill. I am not casting any reflection—

Mr. WINSLOW. We had before us the communication from the President of the United States and from the State Department, regardless of who may have drafted the bill.

Mr. STAFFORD. I do not wish to refer to the recession of these orders. I do not think we should cancel them so that actions taken under them that are binding and not concluded would be declared nugatory.

Mr. WINSLOW. It is too much for me, I am free to say.

Mr. TILSON. If the gentleman will yield, let us get at what is really intended here. It seems to say that certain Executive orders issued prior to August 24, 1912, by that act certain legal effects were given to these orders. Is that correct?

Mr. WINSLOW. Quite right; that has been referred to.

Mr. TILSON. Certain legal effects which they practically did not have up to that time were conferred upon these orders by the act of Congress approved August 24, 1912. Now, it is the intention to repeal any such legal effects as that act conferred upon those orders, and it seems to me that may be the proper thing.

Mr. WINSLOW. In the communication between the State Department and the President of the Senate it appears—

By the Panama Canal act of August 24, 1912, these orders, together with all other orders and regulations promulgated in the Canal Zone by order of the President for the government and sanitation of the Canal Zone and construction of the Panama Canal, were ratified and confirmed as valid and binding until Congress should otherwise provide.

I understand the process is this: That whenever existing laws are repealed the State Department is free to go ahead and make a treaty.

Mr. STAFFORD. Surely, I thoroughly agree that some action should be taken by Congress so as to permit the administration to enter into a new treaty with the Republic of Panama. I am not going to press the suggestion that the word "repealed" is very awkward. It does say legal effect repealed; it would be better to say terminated, or would cease.

Mr. WINSLOW. I think it would be safer to leave it as it is.

Mr. STAFFORD. I shall pardon such State Department underling who uses such bad language. I am not going to press it, as this has passed the scrutiny of a great committee body at the other end of the Capitol.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. HUDDLESTON. As I recall, we had no hearings on this bill. Is that correct?

Mr. WINSLOW. We had no hearings, and none were called for by the committee.

Mr. HUDDLESTON. It is my recollection that the explanation made to us was that during the construction of the canal certain ordinances were promulgated by the Executive relating to the control of the canal, and those ordinances have been subsequently ratified by Congress, thus giving them the effect of law. And now that the canal has been completed, those ordinances are no longer applicable, yet the Executive can not change them because the Congress has made them law, and it was desired that they be repealed in order to promulgate ordinances which would be applicable to the present state of affairs.

Mr. WINSLOW. Quite so.

Mr. HUDDLESTON. I will say to the gentleman that I have no recollection of anything being said to the committee of its being necessary to get these ordinances out of the way in order to make a treaty with Panama.

Mr. WINSLOW. That clearly was said. The chairman distinctly read the report which we have here from the Senate.

Mr. HUDDLESTON. I had in my mind in voting the bill out we were simply freeing the hands of the Executive to deal with present conditions upon the Panama Canal Zone relating solely to the operation of the canal, and that the matter had no international aspect.

Mr. WINSLOW. Quite to the contrary. It was for the purpose of ratifying the treaty with Panama. That sticks out all over the bill and all printed matter in re.

Mr. HUDDLESTON. The gentleman means the negotiation of a treaty?

Mr. WINSLOW. Yes.

Mr. DENISON. This situation with respect to Panama is somewhat different from the ordinary treaty. There were certain contracts or agreements entered into by the Secretary of War under what was termed "orders" during construction days, and they were in the nature of working contracts or agreements with the Republic of Panama. Now, the act of Congress known as the Panama Canal act gave them the force of a statute or act of Congress by especially referring to the orders, and gave them the force and effect of a law or an act of Congress. Therefore the President can not abrogate them and can not negotiate a new treaty in their place without a specific act of Congress.

Mr. HUDDLESTON. What we are really doing in legal effect is to denounce the treaty with Panama.

Mr. WINSLOW. No; we are authorizing the President to do so.

Mr. HUDDLESTON. Let me suggest that it is unnecessary, as preliminary to the negotiation of a treaty, that we should repeal or take any action with reference to an existing treaty. That all comes within the scope of the new treaty.

Mr. STAFFORD. Will the gentleman permit a question, with the consent of the gentleman in charge?

Mr. WINSLOW. Go ahead.

Mr. STAFFORD. Congress having validated these orders of the Secretary of War by a confirmatory act in 1911, that makes them the legislation of Congress, so far as the government of the Canal Zone is concerned. I question very much, in view of the fact of Congress having passed legislation relating to the internal affairs of the Canal Zone, whether a treaty entered into between our Government and the Republic of Panama can supersede these existing enactments of Congress.

Mr. HUDDLESTON. I think that on further reflection the gentleman will not have that doubt, because the Constitution gives treaties equal effect with the laws of the land passed by Congress, and it has been held many times that laws may be repealed by the subsequent ratification of treaties inconsistent with them. There is no doubt about that. We can ratify a treaty with Panama which in a constitutional manner will become the law of the land and supersede and repeal all laws in conflict with it.

Mr. STAFFORD. This relates to what we consider to be almost the sovereignty of the country. It is true, the zone is held under a perpetual lease, but the Hay-Pauncefote treaty gives our Government virtual authority over it.

The very first act that I was called upon to pass upon more than 20 years ago in this House was an act validating the Cuban reciprocity compact entered into between our Government under President Roosevelt and the Republic of Cuba. The pact required a validating act. So far as the law applying to the Isthmus of Panama is concerned, Congress having passed legislation applying to that zone, I question very much whether the negotiation of a treaty would supersede that law over that which we consider as our own dominion.

Mr. HUDDLESTON. I was entirely satisfied with the explanation given in the committee, but I trust the gentleman from Massachusetts will pardon me for saying that I am not satisfied with the explanation given to-day on the floor.

Mr. WINSLOW. It is the same one. Perhaps the gentleman was paying more attention now.

Mr. HUDDLESTON. Perhaps I have brightened up from what I was in committee. I will say to the gentleman that I would like some one from the State Department to give me a better explanation of what is to be done than we have yet received.

Mr. WINSLOW. The committee was of opinion that we had received sufficient information.

Mr. HUDDLESTON. From the explanation given in the committee, I understood the bill had no relation to our international relations with Panama. I understood that it applied only to the Canal Zone, which is exclusively under American jurisdiction.

Mr. WINSLOW. It is a pleasure to hear that, because this is the first time the gentleman from Alabama has ever been caught napping in the committee. [Laughter.]

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

AIR MAIL SERVICE.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 11193) to encourage commercial aviation and authorizing the Postmaster General to contract for air mail service, and prescribing rate of transportation and postage thereon.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, I regard this bill as being too important to be considered on the Unanimous Consent Calendar. I object.

The SPEAKER. Objection is made. The Clerk will report the next one.

EXCHANGE OF LAND WITH THE CITY OF BOISE, IDAHO.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 12007) providing for the conveyance of certain land to the city of Boise, Idaho, and from the city of Boise, Idaho, to the United States.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc. That the Secretary of the Treasury be, and he is hereby, authorized and empowered to convey by quitclaim deed to the city of Boise, Ada County, Idaho, for enlargement of the State Capitol Park, and for no other purpose, all right, title, and interest of the United States of America in and to the alley running east and west through block 54, in which is located the post-office site in the said city: *Provided, however*, That the city shall not have the right to sell and convey the said premises, nor to devote the same to any other purposes than as hereinbefore described, and shall not erect thereon any structures or improvements except such as are incidental to boundaries and ornamentation as part of the State Capitol grounds; and in the event that said premises shall not be used as part of the said State Capitol grounds, and cared for and maintained as such, the right, title, and interest hereby authorized to be conveyed shall revert to the United States: *Provided also*, That the city of Boise shall convey to the United States for alley purposes, in accordance with a resolution of the city council of Boise, April 25, 1922, a strip of land in said block 54 as now laid out for such purposes, commencing at the northeast intersection of the post-office site (addition) with Jefferson Street; thence with said Jefferson Street, crossing said alley, 20 feet; thence in a southwesterly direction 78 feet 6 inches; thence in a reverse curve, following the curb now in place, to a north lot line of the said post-office site; thence along said lot line, northwesterly, approximately 49 feet to a point; thence northeasterly to the point of beginning.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next one.

STANDARD OF WEIGHTS AND MEASURES.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 7103) to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, this is too important a bill—

Mr. VESTAL. Mr. Speaker, will the gentleman withhold his objection?

Mr. STAFFORD. I will be glad to withhold the objection for a while.

Mr. VESTAL. Mr. Speaker, this bill, as the gentleman will remember, was threshed out on the floor of the House and passed by this House by a unanimous vote after a consideration of two days. It was amended and passed, and it went to the Senate and was favorably reported by the Senate committee just two days before the last session of Congress adjourned, and there was not time to pass it in the Senate. It is now presented, amended just as it passed the House before.

Mr. STAFFORD. Mr. Speaker, I have had some regrets in the past that I was not a Member of the last Congress. I may have some regrets later I am not to be a Member of the next Congress. When I am out of Congress in these intermittent periods between the terms of service which it has been my privilege to render here, I do not give any attention whatsoever to the affairs of Congress. I put the animal behind me. I was unaware until the gentleman apprised me of the fact that this bill had been considered in the last Congress and had been passed virtually by both bodies. I thought it was a new proposition. If it had been a new bill, I would have objected. True, this is a new Congress, but the last Congress perhaps might not have been just as good a Congress as this. And yet I am willing to accept the action of that Congress in its determination as to what should be the policy as to the size of the flour bag. I withdraw the reservation of objection.

Mr. BLANTON. If my colleagues are going to take any hope at all out of the gentleman's remarks they must not hope beyond two years, because very likely the gentleman will be back in the Sixty-ninth Congress. [Applause.]

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WINGO. Reserving the right to object, Mr. Speaker, as I understand the gentleman confines this standardization and the criminal penalties to the sale of original packages of grits, hominy, etc. There is nothing in the bill that would impose any liability upon the farmer or small local miller for selling his own products or the products of his neighbors.

Mr. VESTAL. Not at all.

Mr. WINGO. The gentleman has covered that point so that there is no doubt about it, has he?

Mr. VESTAL. Yes.

Mr. WINGO. Mr. Speaker, I withdraw any objection on my part.

Mr. BANKHEAD. How many sections are there in this bill?
Mr. VESTAL. Eight sections.

Mr. BANKHEAD. Is it unanimously reported from the committee?

Mr. VESTAL. Unanimously reported.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the standard of weights for the following wheat-mill products, namely, hominy, grits, and meal, and all commercial feeding stuffs, shall be 100 pounds avoirdupois, and the standard measure for such commodities, when the same are packed for sale, shipped, sold, or offered for sale in packages of 5 pounds or over, shall be a package containing net avoirdupois weight 100 pounds, or a multiple of 100 pounds, or one of the following fractions thereof: 5, 10, 25, or 50 pounds; and, in addition, for wheat flour only, 140 pounds; and for commercial feeding stuffs only, 60, 70, or 80 pounds; each of which packages shall bear a plain, legible, and conspicuous statement of the net weight contained therein.

With the following committee amendments:

Page 1, line 3, after the words "wheat-mill" insert the words "and corn-mill."

Page 1, line 4, after the word "namely," insert the word "flours."

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. VESTAL. Mr. Speaker, I desire to offer an amendment: On page 2, line 2, after the word "flour," add the words "and corn flour."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. VESTAL: Page 2, line 2, after the word "flour," insert the words "and corn flour."

Mr. WINGO. Mr. Speaker, will the gentleman please elucidate? I may be ignorant. Is that the same thing as what we know as corn meal?

Mr. VESTAL. Corn meal. The exception was made to the 140-pound sack of wheat flour and we want the same exception as to corn flour.

Mr. BANKHEAD. I think if the gentleman would say "corn meal" it would be much more universally understood. Down in our section of the country we would not know what was meant by corn flour.

Mr. WINGO. Is not corn flour a violation of the health laws of some States? Corn flour is corn meal, but in some States the State boards of health will not permit corn flour to be sold. They will permit corn meal but not corn flour. I think the gentleman means corn meal—ground corn out of which corn bread is made?

Mr. VESTAL. Yes.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Indiana.

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. That the standard packages for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over, shall be those containing net avoirdupois weight 100 pounds, or multiples of 100 pounds, or the following fractions thereof: 5, 10, 25, and 50 pounds; and, in addition, for wheat flour only, 140 pounds; and for commercial feeding stuffs only, 60, 70, and 80 pounds.

Mr. VESTAL. Mr. Speaker, I desire to offer an amendment in line 15, page 2, after the word "flour" insert the words "and corn flour."

The SPEAKER. The gentleman from Indiana offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. VESTAL: Page 2, line 15, after the word "flour" insert "and corn flour."

The amendment was agreed to.

The Clerk resumed and completed the reading of the bill.

Mr. GRAHAM of Illinois. Mr. Speaker, I move to strike out the last word. I understood the chairman of the committee to say that this would not apply to the small merchant.

Mr. VESTAL. This applies to the sale in unbroken packages.

Mr. GRAHAM of Illinois. Section 2 provides—

That the standard packages for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, when the same are packed, shipped, sold, or offered for sale in packages of 5 pounds or over, shall be those containing net avoirdupois weight 100 pounds, or multiples of 100 pounds, or the following fractions thereof: 5, 10, 25, and 50 pounds—

That includes feed, feed stuffs, grits, and meals. A man goes to a small miller, such as we have in pretty nearly all our little country towns, and buys some corn meal or buys some feed for stock to put in sacks. If I understand this act correctly, it is going to be necessary for this miller to weigh his stuff and

to mark on the sack what it contains. It must be 100 pounds, 50 pounds, 25 pounds, or some other prescribed weight. If there is any exception to that as regards the size of the business a man does, I have not been able to find it yet. I do not think the committee intended to make it necessary for the little fellow who runs a little business in a country town to have to comply with all these formalities, do you?

Mr. VESTAL. An exception is made of commercial feeding stuffs when they are packed, shipped, or sold or offered for sale in packages, that they shall contain certain weights. That is different from the rest of the bill.

These packages must contain 60, 70, or 80 pounds. This was put in for the purpose of taking care of the farmer who uses corn sacks in going to the mill to buy feed. But the original packages of flour or corn meal must have 100 pounds or a decimal part of 100 pounds. It all comes back to this proposition, that by custom in the United States a barrel of flour contains 196 pounds. We propose that the barrel shall contain 200 pounds instead of 196. It would be all right to have it at 196 pounds if they carried it out when they come down to the subdivision, but some eighths of a barrel will contain only 23½ pounds.

Mr. GRAHAM of Illinois. Let us concede all that to be true. You go to the mill or the place where they grind their own grist and buy a sack of corn meal or a sack of feed—

Mr. VESTAL. You can buy any amount you desire.

Mr. GRAHAM of Illinois. But where do you get it in the bill? Section 3 includes flours, hominy, grits and meals, and commercial feedstuffs, and says it shall be one of the standard measures in section 2. If that does not include the man who sells you a sack of corn meal, I do not know what it does mean.

Mr. VESTAL. You could go in and buy 26 or 18 pounds of corn meal, but if he puts it up in packages he must mark on the packages what those packages contain.

Mr. GRAHAM of Illinois. If he sells a sack of feed in the original sack, he must stamp the number of pounds in the package, and it must be of a certain weight.

Mr. VESTAL. Yes; but if you come in and ask for 15 or 18 pounds of corn meal, he can break a sack and put in what you ask for and sell you any amount.

Mr. GRAHAM of Illinois. I think you are entailing a lot of extraordinary work on the little country millers. I am not going to object to it, but I want to call attention to the fact that the little fellows over the country have got to go to a lot of expense and trouble to comply with the conditions of this law.

Mr. VESTAL. I do not believe that is true, because I do not know a single miller or a single jobber or commission merchant that objects to this bill. They all of them want the bill and think it would be for the interest of the people.

Mr. GRAHAM of Illinois. I think they would be for the bill; but if you ask the little fellows in the little towns, they will not be for it.

Mr. BLANTON. Mr. Speaker, both the gentleman from Illinois and the gentleman from Indiana have spoken about carrying the corn to the mill, when neither of them ever rode old Beck to the mill to get the corn ground, and how are they going to give us any information?

Mr. VESTAL. I will say that I have.

Mr. WINGO. Mr. Speaker, I move to strike out the last word. I would like to have the attention of the gentleman from Indiana and the gentleman from Illinois. I did not have time to read this bill fully before I found it was coming up, but the gentleman assured me sincerely that he believes the bill would do what he suggests, that it would not interfere along the lines that the gentleman from Illinois has been expressing a fear about. I want to suggest to the gentleman that I think he ought to put in some language like this at the end of line 10, page 3: "Provided, That the sale of irregular, broken lots sold by actual weight shall not be unlawful." I know what the gentleman wants to get hold of; it is the original packages put up in a fancy style, or feed in large shipments that he wants to prevent being sold by short weight. But you do not want to prohibit the small miller, the local merchant, who will grind meal, from selling the product in any quantity at his mill.

Mr. VESTAL. Not at all. That was discussed, and Judge Gard offered an amendment.

Mr. WINGO. Would the gentleman object to this language?—"Provided, That the sale of irregular, broken lots by actual weight shall not be unlawful."

Mr. VESTAL. I do not think it would do any good. I do not think it is necessary.

Mr. WINGO. I think it expresses the idea which I had in mind and which the gentleman from Illinois [Mr. GRAHAM] had in mind.

Mr. GRAHAM of Illinois. I do not want to interfere with the little fellows, and neither do you.

Mr. VESTAL. Certainly not.

Mr. RHODES. Will the gentleman yield?

Mr. VESTAL. Certainly.

Mr. RHODES. Is this the bill which the millers over the country are in favor of?

Mr. VESTAL. This is the bill.

Mr. WINGO. Mr. Speaker, I want to offer an amendment, and it is better to have it come in at the end of line 10, page 3, which we have passed.

Mr. VESTAL. I have no objection to it.

Mr. WINGO. Mr. Speaker, I ask unanimous consent that we return to page 3, line 10, in order that I may offer the amendment which I have indicated.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. WINGO. Mr. Speaker, I move to amend, at the end of line 10, page 3, by inserting the following proviso:

Provided, That the sale of irregular broken lots by actual weight shall not be unlawful.

Mr. VESTAL. I have no objection to that.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Wingo: Page 3, line 10, after the word "measure" strike out the period, insert a colon and the following language: "*Provided*, That the sale of irregular broken lots by actual weight shall not be unlawful."

Mr. STAFFORD. Mr. Speaker, what does the gentleman mean by "irregular, broken lots"? Of course, we have some concept in our mind as to what that means, but has the law enforcement officer that same thing in mind?

Mr. WINGO. You have to take it in connection with the language with which it is used. The original idea is to standardize these packages, that where they purport to be of certain weight they must be of that weight, and we are trying to regulate commercial packing. The merchant might want to sell a broken package of 7 pounds of corn meal, or the miller might have an odd lot, and he can say to his customer "I will sell you a hundred and odd pounds." The idea was to restrict it to the commercialized packing to be sold in original packages. My idea is to provide for a situation where the housewife wants to buy 7 pounds of meal, say. In that case the merchant may take it out of a barrel or he may break one of these packages and sell it without having to label it, as is provided with these standard-sized containers.

Mr. VESTAL. That is what we tried to do in the bill before, and I thought it had been done.

Mr. STAFFORD. The word "regular" or the word "irregular" did not occur in the bill at all?

Mr. VESTAL. No.

Mr. WINGO. You are trying to reach the regular sale of standardized packages, and the sale of others would be irregular and would be in broken quantities, which the small merchant or miller might want to dispose of.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I move to strike out the last two words for the purpose of making an inquiry. I notice that in the latter part of section 4 it is provided that when these packages are made up for export and it is later determined that it is not desirable to export the commodity, that they may be sold here in the packages in which they were originally packed for export.

Mr. VESTAL. By special contract.

Mr. SUMNERS of Texas. Does not the gentleman anticipate that there might be a good deal of confusion in the local market if he permits that exception?

Mr. VESTAL. No; I do not think so. The fact is that the sale of wheat flour and corn-meal flour to all European countries is in packages of 140 pounds. We have made this exception here of 140 pounds, and we have also made the exception further in section 4 just as the gentleman has mentioned, that when the packages are intended for export they can be placed in different sized packages than those named in the bill. The fact is that they will be put in 140-pound packages. The bakers of the country use 140-pound packages, so that we feel that if they were intended originally for export and then were not sold, that they would probably all be taken by the bakers, anyway, and there would be no confusion about it.

Mr. SUMNERS of Texas. Does not the bill authorize the sale of these packages of the size desired by bakers under the general terms of it?

Mr. VESTAL. Yes.

Mr. SUMNERS of Texas. If that is so, why is it necessary to make this exception?

Mr. VESTAL. I really did not think it was necessary, but to some foreign countries, outside of Europe, they sell in different sized packages.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

GRADE OF ENLISTED MEN.

The next business on the Calendar for Unanimous Consent was the bill (S. 4037) to amend the grade percentages of enlisted men as described in section 4b of the national defense act, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that this may go over for two weeks.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent that this bill may retain its place on the calendar and be passed over without prejudice. Is there objection?

There was no objection.

PECOS COUNTY, TEX.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6423) to detach Pecos County, in the State of Texas, from the Del Rio division of the western judicial district of Texas and attach the same to the El Paso division of the western judicial district of said State.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, as I recall, already in this Congress we arranged to have this county of Pecos made a part of the El Paso division of the western judicial district of Texas.

Mr. HUDSPETH. I will state to the gentleman that the bill was passed by both Houses of Congress, but an error was discovered in it and we had to have the President veto it.

Mr. STAFFORD. I was wondering whether they changed their minds frequently down there.

Mr. HUDSPETH. Oh, no; they never change their minds down there on the Pecos.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That Pecos County, in the State of Texas, be, and the same is hereby, detached from the Del Rio division of the western judicial district of the State of Texas and attached to and made a part of the El Paso division of the western judicial district of said State.

SEC. 2. That all process against persons resident in said county of Pecos and cognizable before the United States district court shall be issued out of and made returnable to said court at Pecos City, and that all prosecutions against persons for offenses committed in said county of Pecos shall be tried in said court at El Paso or Pecos City: *Provided*, That no civil or criminal cause begun and pending prior to the passage of this act shall be in any way affected by it.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. Before the redistricting of the State of Texas, at the time I represented the old sixteenth district, it embraced Pecos County, and I then introduced a bill myself to do just exactly what this bill does. Later, the State was redistricted and that splendid county was given to my distinguished colleague [Mr. HUDSPETH] to my loss. Later in this Congress he reintroduced the bill, and on one unanimous-consent day the preamble of the bill led me to believe that it was the bill creating new courts and providing for additional district judges. Inadvertently I objected to its consideration at that time, thinking it was that additional judges' bill.

As soon as I found out that I was in error, I withdrew all opposition, but in the meantime the rule was asked to be suspended. I just wanted to make this statement merely to indicate to these splendid, good people out there in Pecos County, because they are some of the best people in the State of Texas, that I have no opposition whatever to the changing of the district in which their court was held, in view of the fact that the press there indicated opposition from me.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. HUDSPETH, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS THE ALLEGHENY RIVER IN VENANGO COUNTY, PA.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 13808) granting the consent of Congress to the commissioners of Venango County, their successors and assigns, to construct a bridge across the Allegheny River in the State of Pennsylvania.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the commissioners of Venango County, Pa., and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Allegheny River, at a point suitable to the interests of navigation, at Oil City, Pa., connecting Petroleum Street, on the south side of the river, with North Petroleum Street, on the north side of the river, in the county of Venango, in the State of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

DRAWLESS BRIDGES ACROSS A CERTAIN PORTION OF CHARLES RIVER, MASS.

The next business in order on the Unanimous Consent Calendar was the bill (H. R. 13760) to amend an act entitled "An act to authorize the construction of drawless bridges across a certain portion of the Charles River, in the State of Massachusetts," approved November 14, 1921.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the act to authorize the construction of drawless bridges across a certain portion of the Charles River, in the State of Massachusetts, approved November 14, 1921, is hereby amended to read as follows:

"That the Metropolitan Park Commission, or any town or city, or any other public body authorized by the State of Massachusetts, all or any of them, be, and they hereby are, authorized to construct, at any time hereafter, drawless bridges across the Charles River, in the State of Massachusetts, connecting Massachusetts Avenue in Cambridge and Massachusetts Avenue in Boston, and at any other points upon said river at, near, or above said Massachusetts Avenue: *Provided*, That said bridges shall be at least 12 feet above the ordinary level of the water in the basin over the main ship channel, and the piers and other obstructions to the flow of the river shall be constructed in such form and in such places as the Secretary of War shall approve: *Provided further*, That before the construction of said bridges, or any of them, is begun, the State of Massachusetts shall, by legislative enactment, provide for adequate compensation to the owner or owners of wharf property used as such on or before the 1st day of January, 1921, situated on said river above any of said bridges, for damages, if any, caused to said property by reason of interference with the access by water thereto enjoyed on the 1st day of January, 1921, and theretofore, because of the construction of said bridge or bridges without a draw: *And provided further*, That said legislative enactment shall provide that any person or persons entitled to any such damages to property may have the same determined by a jury of the superior court for the county of Suffolk or for the county of Middlesex, in said State of Massachusetts, on petition therefor filed within two years after any of said bridges without a draw causing such damage have been opened to public travel.

"Except as inconsistent herewith, this act shall be subject to the provisions of an act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906."

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The committee amendment was read, as follows:

Page 2, line 15, strike out the words "or above."

The question was taken, and the amendment was agreed to.

Mr. DALLINGER. Mr. Speaker, I move to amend the bill in section 1 by striking out lines 11 to 25, inclusive, on page 2 and the first two lines on page 3.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, beginning with line 11, strike out all of page 2 and lines 1 and 2 on page 3.

Mr. DALLINGER. Mr. Speaker, I promised certain members of the Committee on Interstate and Foreign Commerce that I would offer this amendment when the bill came before the House. It seems that when this bill was heard before the Committee on Interstate and Foreign Commerce quite a number of the members of the committee who were not present when the bill, which afterwards became a law, approved November 14, 1921, was before the committee, objected to this damage provision on the ground that none of the other bridge bills reported by the committee had contained any such provision. When I drew the original bill I inserted this damage proviso because I understood that the War Department would require it. It seems that almost 20 years ago, when the first bill was introduced in Congress to provide for the construction

of a bridge across the Charles River between the cities of Cambridge and Boston without a draw, it being a new proposition, the War Department objected to granting permission to build any such bridges without a draw as all the bridges on the Charles River at that time had draws. Finally a compromise bill was passed with a provision requiring that before the bridge should be constructed the legislature of Massachusetts must provide by statute for the determination of damages, if any, to the riparian owners.

Now, as a matter of fact, the whole matter was litigated when this first bridge, which is located below this bridge, was constructed without a draw. That bridge was allowed to be constructed without a draw, and the owners or lessees of wharves along the river who considered that they had been damaged had an opportunity to bring their suits in the superior court of either Middlesex or Suffolk County, and the matter was adjudicated. Now it seems that, owing to the fact that Congress has already passed two acts permitting the construction of bridges without a draw, both above and below this proposed bridge, the War Department is no longer interested in having any such condition precedent inserted in this bill. And the War Department being agreeable in order to meet the objections of members of the Committee on Interstate and Foreign Commerce to the effect that Congress ought not to go into the question of damages, which is entirely a State matter, any parties who think that they may be damaged having the right under the State law to bring proceedings in the courts of Massachusetts, I agreed to offer this amendment.

Mr. STAFFORD. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. STAFFORD. Under the authorization providing for the erection of a drawless bridge below the Harvard Bridge, did any of the upper owners of property, utilizing the bridge, as I remember, for some 30 years back, bring damage suits?

Mr. DALLINGER. They did.

Mr. STAFFORD. Did all of them bring damage suits?

Mr. DALLINGER. All had an opportunity to bring them, and they again had the opportunity when the so-called Stadium Bridge bill was passed, which also had a damage clause to it.

Mr. STAFFORD. So the gentleman's contention is that if any of the upper property owners on the Charles had any claim for damages arising from the closing of the lower bridge they had full reparation under that bill in their claim for damages, and it is not necessary to pass this supplemental enabling provision?

Mr. DALLINGER. Exactly; and even if they have any possible claim for additional damages, they would have their remedy in the Massachusetts courts, regardless of any provision in an act of Congress. Moreover, there are no owners or lessees of land on the banks of the river who, in my opinion, can be affected. Practically all of the land on both sides of the river from Cambridge Bridge, which took the place of the old West Boston Bridge, clear up to Watertown, has either been taken as a public park or is about to be taken.

Mr. OLDFIELD. Mr. Speaker, will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. OLDFIELD. These are not drawbridges, as I understand?

Mr. DALLINGER. The bridges in between the Cambridge Bridge and the Stadium Bridge now have draws. As a matter of fact, however, for the last few years the draw on the Harvard Bridge has been seldom opened.

Mr. OLDFIELD. Does not the gentleman think that the Committee on Interstate and Foreign Commerce and the War Department ought to look into the question of doing away with drawbridges throughout the country? I notice in Europe they do not have bridges with draws and smokestacks and crow's nest when you go over a bridge. I do not understand why Congress does not give attention to that.

Mr. DENISON. The War Department has full authority to give attention to that now.

Mr. OLDFIELD. I know the War Department has authority to give attention to that, but the War Department ought to be instructed to look into this question.

Mr. DENISON. They do look into it.

Mr. OLDFIELD. We can certainly amend this bridge act here.

Mr. DENISON. We can not go into details. We give that department authority to look into it.

Mr. OLDFIELD. I know; but it seems to me we ought to take it up with the War Department and pass an act of Congress.

Mr. WINSLOW. Let us think it over and do that, some day.

[Laughter.]

Mr. OLDFIELD. It would be well to do it.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. TILSON. There is one drawless below this. What is that?

Mr. DALLINGER. The new Cambridge Bridge, so called, which took the place of the old West Boston Bridge.

Mr. TILSON. Then what is the other?

Mr. DALLINGER. It is the Stadium Bridge or Lars Anderson Bridge, near Harvard University.

Mr. TILSON. This is between the two?

Mr. DALLINGER. Yes; about a mile above the first bridge which I mentioned and about 2 miles below the Stadium Bridge.

The SPEAKER. Is there objection to the consideration of this bill?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. DALLINGER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

BRIDGE ACROSS THE NANTICOKE RIVER, DEL.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13807) granting the consent of Congress to the Delaware State highway department to construct a bridge across the Nanticoke River.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent that Senate bill 4346, now on the Speaker's table, may be considered in lieu of this bill.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] asks unanimous consent that Senate bill 4346 be considered in place of the House bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

A bill (S. 4346) granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the Nanticoke River.

Be it enacted, etc., That the consent of Congress is hereby granted to the Delaware State Highway Department and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the Nanticoke River at a point suitable to the interests of navigation at or near Seaford, in the county of Sussex, in the State of Delaware, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the similar House bill will be laid on the table.

There was no objection.

The SPEAKER. The Clerk will report the next bill.

BRIDGE ACROSS THE FOX RIVER, ILL.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13410) granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent that the Senate bill 4169, now on the Speaker's table, may be considered in lieu of this House bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the Senate bill 4169 be considered in lieu of the House bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Aurora, a municipal corporation situated in the county of Kane and State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the west branch of the Fox River, reaching from Stolps Island to the mainland and connecting the west end of Main Street with the east end of Galena Street in said city, county, and State, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That said city of Aurora be, and it is hereby, further authorized and empowered to construct all necessary abutments, piers, and other structures for the accomplishment of this end and to move, change, and reconstruct the existing dam if necessary.

SEC. 3. That the authority empowered to construct said bridge and to initiate and consummate the actual erection of said bridge shall exist for a period of five years from and after the date of the passage thereof.

SEC. 4. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

Mr. GRAHAM of Illinois. I ask unanimous consent, Mr. Speaker, that the House bill be laid on the table.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the House bill be laid on the table. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

BRIDGE OVER THE COLUMBIA RIVER.

The next business on the Calendar for Unanimous Consent was the bill (S. 4260) to extend the time for the construction of a bridge over the Columbia River, between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge, authorized by act of Congress approved January 21, 1922, to be built by The Dalles Oregon-Washington Toll Bridge Co., a corporation of the State of Oregon, its successors and assigns, over the Columbia River, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

Mr. SINNOTT. Mr. Speaker, I move to reconsider the vote by which the bill was passed and I move to lay that motion on the table.

The SPEAKER. The gentleman from Oregon moves to reconsider the vote by which the bill was passed and he moves to lay that motion on the table. Without objection it will be so ordered.

Mr. STAFFORD. I object, Mr. Speaker.

TEXAS PACIFIC RAILROAD CO.

The SPEAKER. The Clerk will report the next bill.

The Clerk read the title of the bill (S. 4029) amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HUDDLESTON. Mr. Speaker, I object.

The SPEAKER. The gentleman from Alabama objects. The Clerk will report the next bill.

Mr. RAYBURN. I move to suspend the rules and pass the bill.

The SPEAKER. The Chair thinks that before that is done the calendar ought to be called. The Clerk will report the next bill.

SECTION 3480 OF THE REVISED STATUTES.

The next business on the Calendar for Unanimous Consent was the bill (S. 1016) to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HUDDLESTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from Alabama makes the point of order that a quorum is not present. Evidently there is no quorum present.

Mr. MONDELL. I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Abernethy	Edmonds	Kreider	Reed, W. Va.
Anderson	Fairchild	Kunz	Riddick
Ansorge	Fairfield	Lampert	Riordan
Anthony	Fish	Langley	Roach
Aswell	Frear	Lea, Calif.	Robertson
Atkeson	Free	Leatherwood	Rodenberg
Bacharach	Gahn	Lee, N. Y.	Rose
Barkley	Garner	Leibach	Rosenbloom
Bixler	Gifford	Little	Rossdale
Blakeney	Gilbert	Lowrey	Rucker
Bland, Ind.	Glynn	Luce	Ryan
Boies	Goodykoontz	Luhning	Sabath
Bond	Gould	McArthur	Sanders, N. Y.
Brand	Graham, Pa.	McLaughlin, Pa.	Scott, Mich.
Brennan	Green, Iowa	MacGregor	Scott, Tenn.
Britten	Greene, Vt.	Maloney	Shreve
Brooks, Pa.	Griest	Mansfield	Siegel
Brown, Tenn.	Griffin	Martin	Smith, Mich.
Burke	Hays	Merritt	Snyder
Butler	Himes	Michaelson	Stiness
Byrns, Tenn.	Huck	Mills	Stoll
Cable	Hukriede	Moore, Ill.	Sullivan
Campbell, Kans.	Humphreys, Miss.	Moore, Va.	Tague
Cannon	Husted	Morin	Taylor, Ark.
Carew	Hutchinson	Mudd	Taylor, N. J.
Chandler, N. Y.	Jefferson, Nebr.	Nelson, J. M.	Taylor, Tenn.
Chandler, Okla.	Jeffers, Ala.	O'Brien	Ten Eyck
Clague	Johnson, Wash.	O'Connor	Thomas
Clarke, N. Y.	Jones, Pa.	Olpp	Timberlake
Classon	Jones, Tex.	Osborne	Tucker
Cockran	Kahn	Overstreet	Uphaw
Codd	Keller	Paige	Volk
Connolly, Pa.	Kelley, Mich.	Park, Ga.	Ward, N. Y.
Copley	Kelly, Pa.	Patterson, Mo.	Wheeler
Crago	Kendall	Patterson, N. J.	White, Kans.
Crowther	Kennedy	Paul	White, Me.
Cullen	Kindred	Perlman	Wise
Davis, Minn.	King	Petersen	Wood, Ind.
Deal	Kirkpatrick	Pou	Woods, Va.
Drane	Kitchin	Pringley	Woodyard
Drewry	Klecza	Raney, Ala.	Yates
Dunbar	Kilne, N. Y.	Raker	Zihlman
Dunn	Knight	Ramseyer	
Dyer	Kopp	Reber	
Echols	Kraus	Reed, N. Y.	

The SPEAKER. On this roll call 247 Members have answered to their names. A quorum is present.

Mr. STAFFORD. I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wisconsin moves to dispense with further proceedings under the call. Without objection, the motion will be agreed to.

There was no objection.

The SPEAKER. The Doorkeeper will open the doors.

TEXAS & PACIFIC RAILROAD CO.

Mr. WINSLOW. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4029) to amend and supplement the act entitled "An act to incorporate the Texas & Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874," with an amendment which I send to the Clerk's desk.

The SPEAKER. The gentleman from Massachusetts moves to suspend the rules and pass a bill which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That in addition to the powers conferred by the act entitled "An act supplementary to an act entitled 'An act to incorporate the Texas & Pacific Railroad Co. and to aid in the construction of its road, and for other purposes,' approved March 3, 1871," approved May 2, 1872, the Texas & Pacific Railroad Co. shall have power and authority at any time, or from time to time, by resolution of its board of directors, duly adopted at a meeting thereof held in accordance with its by-laws, and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a special meeting of said stockholders called for the purpose upon such notice as its by-laws require for the calling of such special meeting, to authorize an issue, or issues, of its bonds for the completion, equipment, maintenance, or repair of its lines of railroad, the funding of any debt, the making of any additions, extensions, or betterments to its property, or for any other lawful corporate purpose, without limitation in amount to \$40,000 per mile of its lines of railroad as prescribed by said act of Congress approved May 2, 1872, but not in excess of \$65,000 per mile, and to secure said bonds, or any of them, by mortgage or other lien upon all or any portion of its franchises and property.

SEC. 2. That the capital stock of the Texas & Pacific Railroad Co., heretofore fixed by its board of directors pursuant to the provisions of said act of Congress approved March 3, 1871, at \$50,000,000, may be increased at any time, or from time to time, not to exceed in the aggregate \$75,000,000, by resolution of its board of directors duly adopted at a meeting thereof held in accordance with its by-laws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as its by-laws require for the calling of such special meeting.

Any additional share of capital stock so authorized shall be entitled to such rights, privileges, and priorities and preferences and be subject to such limitations and restrictions as may be determined by resolution

of the board of directors with like consent of the holders of majority in amount of the then outstanding capital stock of the Texas & Pacific Railroad Co.: *Provided*, That each share of outstanding capital stock, preferred or common, shall be entitled to one vote at every stockholders' meeting, which may be voted in person or by written proxy.

SEC. 3. That all power and authority granted by this act, or by any of the aforesaid acts, shall be subject in its exercise to the provisions of the interstate commerce act, or any act amendatory thereof or supplemental thereto from time to time in force.

SEC. 4. That a copy of the resolution of the board of directors and of the stockholders, or of the proceedings at a stockholders' meeting, authorizing any such increase in capital stock, or the issuance of any such bonds, and of the order of the Interstate Commerce Commission or other governmental agency authorizing the same, certified by the secretary of the Texas & Pacific Railroad Co., shall be filed and recorded in the Department of the Interior, and when so filed shall be sufficient evidence of the power and authority of the Texas & Pacific Railroad Co. to issue such additional stock or bonds.

SEC. 5. That the Texas & Pacific Railroad Co., for the purposes of all actions at law by or against it, real, personal, or mixed, and all suits in equity, shall be deemed a citizen of the State of Texas and an inhabitant of the county of Dallas, in said State: *Provided*, That no civil suit in tort brought against said railway company in the State courts of Louisiana or Arkansas may be removed by said railway company to any court of the United States on account of diverse citizenship.

The SPEAKER. Is a second demanded?

Mr. HUDDLESTON. I demand a second.

The SPEAKER. The gentleman from Alabama demands a second.

Mr. WINSLOW. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Massachusetts [Mr. WINSLOW] has 20 minutes and the gentleman from Alabama [Mr. HUDDLESTON] has 20 minutes.

Mr. WINSLOW. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, this bill, as may be discovered from an examination of it, very clearly indicates its purpose. It was first introduced in the Senate. Some days thereafter I introduced it here. I am not as familiar with the facts as my colleague from Texas [Mr. RAYBURN], a member of the committee conducting the investigation and reporting the bill. I will make this very brief statement. The Texas & Pacific Railroad Co. is operating under a Federal charter. It is now in the hands of receivers. On account of the limitations upon the issuance of stock contained in its charter it finds itself under great difficulty in obtaining the funds necessary to discharge existing obligations and to make the betterments required in order to give the character of service needed in the territory through which it operates. In brief, this bill proposes an increase in the limitation of the stock which may be issued; that increase, however, to be operative only when application has been made to the Interstate Commerce Commission and approval had from that commission. In other words, the purpose of this bill is to give the Texas & Pacific Railroad Co. the same opportunity to go before the Interstate Commerce Commission and upon proper showing receive permission to execute its obligations and get money which the railroads of the country generally have. This bill is reported by the Committee on Interstate and Foreign Commerce of the House, and my colleague from Texas [Mr. RAYBURN] is more familiar with its details than I am. He will continue the explanation.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. WINSLOW. Does the gentleman desire more time?

Mr. SUMNERS of Texas. I do not know how to continue the control of the time on this side. I personally do not desire more time.

Mr. WINSLOW. Will the opposition kindly use some time?

Mr. HUDDLESTON. Mr. Speaker, I do not know that I will have more than one speech on this side. It occurs to me that it is nothing but fair that the proponents of the bill discuss it more at length than has been done.

Mr. WINSLOW. Perhaps the gentleman had better use some of his time.

Mr. HUDDLESTON. If that is the gentleman's idea of what is fair, I will take my time.

Mr. SPEAKER. If the gentleman from Alabama is going to conclude in one speech, the Chair thinks those in favor of the bill ought to use a little more time.

Mr. WINSLOW. Mr. Speaker, so far as the chairman of the committee knows there is but one more speech on this side.

Mr. HUDDLESTON. Mr. Speaker, a rather extraordinary situation is presented here. Those who propose this bill seem to think it ought to be accepted by a two-thirds vote of the House without any explanation of what it is about. By saying that I do not mean to disparage what has been said by the

gentleman from Texas [Mr. SUMNERS]. But manifestly a bill that requires debate at all can not have justice done to it by any Member, no matter how capable and no matter what his qualifications may be, by a mere perfunctory one or two minutes' talk about it.

I think these gentlemen ought to show their cards, lay them on the table, and let the Members of the House see what sort of a case they have got. They come in here and ask us to pass this bill. Why should we pass it? It seems that they do not dare tell you why you should pass it. If the bill is so meritorious that it speaks for itself and requires no advocacy, why do they reserve all their time for debate to answer anything that I may say? Surely nothing that I could say would affect a bill having such manifest merits as this measure has, as the attitude of these gentlemen would imply.

This is a bill to amend the charter of the Texas & Pacific Railroad Co. As the opponent of the bill, I am forced to take up the few minutes allotted to me in telling you what it is, since the proponents of the bill have failed to do so. It proposes to amend the charter in three respects—to increase the amount of the bonded indebtedness per mile, which it is authorized under the law to have; to increase its capital stock to \$75,000,000; and, third, to take away the jurisdiction which the courts of Arkansas and Louisiana now rightfully have over this corporation.

The bill, as was originally reported by the committee, proposed to allow this corporation to remove suits of all kinds into the Federal court because of diverse citizenship. By a change it is now in such form as to allow it to remove only suits on contract, suits *ex contractu* as distinguished from suits in tort. As far as suits in tort are concerned the State courts are to be left with the jurisdiction they now have, but so far as other suits are concerned the jurisdiction of the State courts of Louisiana and Arkansas is to be taken away by this measure.

As this railroad company now stands it holds a Federal charter and is therefore a Federal corporation. As such it has no local situs and is not a citizen of any State. It may be sued in any State in which it does business and where service may be obtained. The courts of any State by service of process may compel the corporation to respond just as any corporation of that State would be. But by this measure it is proposed to make this corporation a citizen of the State of Texas, so the courts of Louisiana and Arkansas will no longer have the jurisdiction which they now have, but that jurisdiction over contract suits may be taken into the Federal court because of diverse citizenship. That is the cool proposal that is being submitted to the Congress of the United States—it is submitted to the Representatives of the States of Louisiana and Arkansas.

Whether they will approve it or not is their responsibility and not mine. I feel it my duty to point out to them exactly what they are doing, so that there will be no misunderstanding about it, no plea of infancy put in when their constituents bring suit against this railroad corporation and the case is taken out of the State court, where it might heretofore have been tried, and removed for trial to some distant place, to a Federal court, and the constituents put to great inconvenience in asserting their rights against the corporation.

Mr. STEVENSON. Does this bill affect the jurisdictional amount at all?

Mr. HUDDLESTON. No; where the amount is sufficient and a suit arising out of a contract is brought against the railroad the case can be removed to a Federal court on account of diverse citizenship if the suit is brought in Arkansas or Louisiana. That is what is proposed by the bill. It can not be done now. Your States of Arkansas and Louisiana are good enough for the railroad to do business in. Your constituents are good enough for it to derive its profits from, your peace officers are good enough to give it the protection of your laws, but your courts are too low in standing and you are too lax in the administration of justice for this corporation to trust when it comes to suits on matters of contract.

Of course, I realize that it is a mere matter of necessity which induces the gentlemen who are pushing this bill to agree that even the tort suits may be left in the State courts. They are afraid that otherwise they can not get by with it. They caused it to be reported out of the committee in such a form that all forms of action could be removed, but now they are backing up on tort suits. They think perhaps that the Representatives of Arkansas and Louisiana are mere damage-suit lawyers and will have no interest in suits on contracts, and so they can get by with it. I wonder if they can. I wonder if the spirit of fairness of the House will allow them to get by.

Mr. WINGO. Will the gentleman yield?

Mr. HUDDLESTON. I will.

Mr. WINGO. Section 5 of the original bill provides:

That the Texas & Pacific Railway Co., for the purposes of all actions at law by or against it, real, personal, or mixed, and all suits in equity, shall be deemed a citizen of the State of Texas and an inhabitant of the county of Dallas, in said State.

Now, not only Texas is its legal citizenship but the habitat of the corporation is in one particular county. Did the committee discuss the possible legal effect of this restriction?

Mr. HUDDLESTON. All the hearings we held on this bill was a speech by the gentleman from Texas [Mr. SUMNERS], about as short as the one he made to-day, and the speech of the attorney for the receivers of the railroad company. We have had no real hearing on the bill; no adverse interests were heard.

Mr. WINGO. What is the gentleman's idea about the effect of not only making the corporation a citizen of the State of Texas but saying that it shall be an inhabitant of one particular county in Texas? What is the legal effect in case a suit should be brought in Miller County, Ark., and asked to be removed to the Federal court? Or suppose you wanted to bring a suit in Texas, could you bring it in Bowie County, Tex., or would you have to go to the Federal court in Dallas?

Mr. HUDDLESTON. That depends wholly on the laws of the State of Texas; I do not know—I say that frankly.

Let me get back to the principle that is back of my opposition to this bill. I would have trusted the Louisiana and Texas Representatives to see this point about the removal of suits without any reminder from me, but this bill involves a very important matter of principle that I want to present to the Members of the House.

In the seventies there was a great fever to develop the West. There was a great era of railroad building, much of it done out of the Public Treasury and at the public expense. Gentlemen are familiar with the history of that period of speculation, of promotion, and I might almost say of looting the public. Charters to numerous transcontinental systems of railroads were granted by the Congress, vast land grants were made, and various other subsidies granted. The credit mobilier is remembered and many other features that marked that period of extreme laxity in the protection of the public interest.

The Texas & Pacific Railroad Co. was one of the railroads that was chartered at that time. All the other railroads have gone under. They have been reorganized under State charters. Of all the railroads that had Federal charters granted during that period, the Texas & Pacific remains as the sole reminder. It is the last of that crop. It is the last rose of summer, left blooming alone. All her lovely companions redolent with the odor of the looting of the Public Treasury and the robbing of the Nation of a vast domain of public lands are "faded and gone." And this particular corporation has heretofore had occasion to have "faded and gone." These corporations were chartered largely on wind and water. They were built to "promote" railroads, not to build and operate them. They soon went into bankruptcy.

The Texas & Pacific is not an exception. It went into bankruptcy years ago, but those in control were able to carry on a voluntary reorganization among the stockholders by reductions, and so forth, not necessary for me to relate, and so, to hang on to their Federal charter, instead of taking the course of the other transcontinental lines, and taking State charters and taking a clean bill of health.

The Texas & Pacific is now again in bankruptcy. For four years it has been in the hands of a receiver. A receiver now represents it, and his attorney was the only one who made any argument for this bill before the committee. Why should it not take the course which the other railroads which had Federal charters took? Why should it not be reorganized under the laws of some State, just as the others were? I say to you that I have examined the facts touching this railroad carefully, and that there is no good reason why it should not.

I wanted the gentleman from Texas [Mr. SUMNERS] to get up and tell you some reasons why this railroad could not reorganize in Texas or in the other States it traverses, just the same as the other railroads have done, but you see what he does. He "drops the pigeon" on me, makes a blind opening, and I am compelled to state his reasons and then to answer them, and give him the opportunity to close. That is fair, or the gentleman would not have taken that course.

They say that a railroad can not be organized under the laws of Texas and operate in another State, and that railroads chartered under the laws of other States can not operate in Texas, and, therefore, they must have a Federal charter. It just so happens that this is not the only railroad that operates in Texas. They have not less than a dozen interstate lines operating in Texas. What do these other railroads do? They get charters under the laws of the adjoining State down

to the Texas line, and charters under Texas laws, so far as the road goes, in the State of Texas. The Southern Pacific, the International & Great Northern, all the numerous other railroads that operate in Texas are carried on under that system. Why should not this road do the same? Simply because it does not suit their convenience quite as well as to hold a Federal charter.

The statement made by the gentleman from Texas [Mr. SUMNERS] that they wish merely to be put on an equality with the other railroads operating in Texas represents to my mind a very gross misapprehension of the situation. No; the reason you want a Federal charter for the Texas & Pacific is to give it an advantage over the other railroads that operate in Texas. You do not want the Texas & Pacific to be put on an equal footing with the other railroads of Texas. That is exactly what is endeavored to be prevented by this bill. They do not want to reorganize and operate their lines in Texas under a Texas charter and their lines in Louisiana or Arkansas under a Louisiana or Arkansas charter. That is the whole thing in a nutshell.

It is just a little more convenient for them not to do it, and that is the purpose of this interference with the jurisdiction of the courts of Louisiana and Arkansas. They want to carry on foreclosure proceedings. Oh, great banking interests can do pretty well whatever they want to in this country. The great banking house of Kuhn, Loeb & Co. is the financial interest back of this railroad. They want to reorganize the railroad to suit themselves, and they want to foreclose their mortgages on it. They are the plaintiff and the defendant, they are the receiver, and I had almost said the judge, and often in these cases it does actually seem as though the bondholders were the judge, too. These financiers want to reorganize and to fix it so that no contract creditor can bring them into court in Louisiana or Arkansas, and that is why you are passing this bill. They want to fix it so that they can control the jurisdiction of the courts. That is why the Texas & Pacific is to be a citizen of Texas and an inhabitant of Dallas County. That is all there is to that feature. It is a little more convenient for these financial interests that preside from afar over the destinies of these great lines of transportation. It is a little more to their interest to have this with a Federal charter than to have the railroad under the two charters operating just as the other railroads of Texas are.

I would not vote to clothe any private corporation with a Federal charter, particularly any railroad corporation, by an act of Congress, and I will not vote to amend any charter. If I would not vote to grant a charter, I would not vote to amend a charter which has heretofore been improvidently granted. If an error was made in the seventies, there is no reason why 1923 should follow up that error, validate it, and make it good and give it out to the world as a proper course of procedure.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. WINGO. Mr. Speaker, will the gentleman from Massachusetts grant me five minutes?

Mr. WINSLOW. Mr. Speaker, I have every desire to do so, but I would stultify myself if I were to do it, for the reason that I stated plainly to the Speaker and to the House that I would have but one more speech on this side.

Mr. WINGO. I do not think it would be breaking faith with the House, for I am against the bill. It affects my district, and takes away the jurisdiction of the courts of my district. I knew nothing about that feature of it until it came up here on the floor of the House.

Mr. WINSLOW. I should think that those in charge of time against the bill would yield time to those who are opposed to it. My particular obligation is to those in favor of it. I feel that I shall have to keep my agreement with the House, and I yield the time to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, to those of you who have not served on a committee with the gentleman from Alabama [Mr. HUDDLESTON] and who have not heard this speech many times before, as those of us who have served with him, it may impress you just a bit for a moment, but when the cold facts of this situation are placed before you I am certain that practically every Member of the House of Representatives will be, as was every member of the Committee on Interstate and Foreign Commerce except the gentleman from Alabama, in favor of this bill. The gentleman from Alabama is a bit amusing. First, you find him on one side of the question of Government ownership of railroads arguing that the Government should take over all railroads and federally charter all of them, and then, when occasion arises and when it will serve its purpose best, he comes before you and says there should not be one railroad in the United States federally chartered.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. RAYBURN. I did not ask the gentleman to yield, but I will yield to him once.

Mr. HUDDLESTON. The gentleman is undertaking to state my position and he will certainly yield to allow me to say he is incorrect. Does not the gentleman recognize the difference between a charter conferred upon a corporation by act of Congress and a private business, profit-making corporation? The gentleman does not report me for consistency.

Mr. RAYBURN. Even I understand it. The Texas & Pacific Railroad Co. was chartered in 1871 by act of Congress. It is the only Federal chartered railroad now operating in the United States. At that time Congress said that this railroad could issue securities up to \$40,000 per mile, and its full capitalization should be \$50,000,000 and no more. We find now that all the other railroads of the country have the right to go before the Interstate Commerce Commission and make application for new issues of securities.

If they go there, and if that commission thinks it is for a proper purpose, and it is within their corporate powers, they grant them that authority. The Texas & Pacific Railroad Co. does not have that power or authority simply because it was held down by the charter, and the reason why the Texas & Pacific Railroad Co. has to come here to-day is that this is the only place where that authority can be granted to it. Now, I think there are five Members of the Texas delegation who ride upon the Texas & Pacific Railroad to-day. This railroad is in the hands of a receiver; it is practically bankrupt. We have poor service. If there is any objection on the part of anybody in Texas to-day I do not know it, or if in Louisiana I do not know it, or if in Arkansas until it developed under the speech of the gentleman from Alabama.

Mr. WINGO. Will the gentleman yield?

Mr. RAYBURN. I will.

Mr. WINGO. I will say to the gentleman the reason there was no objection from me was because I was told by a gentleman, who I thought was telling the truth about the bill, that all it did was to give the railroad the same rights before the Interstate Commerce Commission as to stock issues as any other railroads. I asked him if it affected any interests in Arkansas. He said "No," and the fact is he deliberately failed to give the information about the jurisdiction in the local courts, and it would naturally make me afraid about trusting the judgment of gentlemen—

Mr. RAYBURN. I hope the gentleman will not say that I misrepresented the facts to him.

Mr. WINGO. No; the gentleman did not.

Mr. RAYBURN. Yes; and I am going to offer an amendment right here to protect the State of Arkansas.

Mr. WINGO. The amendment is only in reference to torts.

Mr. RAYBURN. The only reason in the world why this railroad desires a residence somewhere is that there is not a railroad in the United States that does not have a residence except this one. These people are going to be sued upon their bond. They want somewhere to go to be sued. Seven-eighths of the mileage of this railroad is practically in the State of Texas. Their principal offices are there now. When they come to be sued, when they go into this and try to clear it up and reorganize, they do not want to be sued in three States; and I think I may assure the gentleman, after having talked with the people who are interested in this matter, that the only cases that this railroad expect to take into the Federal court, all damage suits and suits in tort, are going to be either in the State courts of Arkansas and Louisiana or—

Mr. WINGO. The gentleman is a very good lawyer and for whom I have very great respect. If he is right on one proposition it will relieve me greatly. He said, in order to be fair, they did not want to be sued in three courts. The gentleman does not mean to say if the Federal court of Texarkana, Ark., assumes jurisdiction in such a suit for one purpose, it will not have jurisdiction for all purposes, to the exclusion of the State courts of Arkansas and Louisiana and the Federal court at Dallas. Now, if you adopt this amendment, is it intended to give the Federal court of the Dallas district exclusive jurisdiction, excluding the State courts of Louisiana, Texas, and the Federal court of Arkansas? There is no force to the gentleman's argument if it is not true.

Mr. RAYBURN. Oh, I do not say this company could not be sued in the Federal court except the Federal court of Dallas, not at all, and I never intended to make such a statement.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. RAYBURN. Yes.

Mr. BLANTON. I want to ask the gentleman if it is not a fact that the giving to these corporations a residence is a

benefit to every attorney who wants to bring a suit against the railroad at any time he wants to bring that suit, and it is a benefit that they have not had before?

Mr. RAYBURN. I think that is right, and under the laws of the State of Texas this railroad as a corporation can be sued in any gentleman's State, in any State where they can get service upon it, wherever it has an office, and it is just like any other corporation. These people have the right to come to Congress when it does not cost the Federal Government a cent—and this does not cost the Federal Government a cent—and ask that they may be given the paltry authority to go before the Interstate Commerce Commission, like any other railroad, and ask, "May we not increase our indebtedness?" Every dollar of money they may receive from a new issue of securities will go into betterments and improvements, and will benefit every man who rides upon this road, and will benefit every man who works upon this road. It will not be used for exploiting.

The gentleman from Alabama [Mr. HUDDLESTON] talks about this being a Federal chartered railroad. There is no one in this country who despises a Federal charter more than I do, but these people have a Federal charter and they are not going to surrender it. The people in my home town of Bonham and the people in Clarksville, the home town of my colleague from Texas [Mr. BLACK], and the people of Abilene and the people of Dallas have a right to have that railroad put in proper condition for operation. They can not do it until this railroad gets money from somewhere to fix up its line and improve its equipment. This railroad runs through the town I live in.

Until last fall in that whole territory there never was a special car on that railroad. You would have to fight for seats, and the track has been so rough all these years simply because they have not had enough money to spend upon the roadbed and the track to improve it. Over that whole stretch of 243 miles you could not read a newspaper while riding on one of those trains because the riding was so rough. [Laughter.]

Mr. STAFFORD. How many more railroads are there like that in Texas? [Laughter.]

Mr. RAYBURN. That is the only one of that kind. This bill simply grants that railroad the power to come before the Interstate Commerce Commission and apply for permission to issue securities of \$40,000 per mile of its line of railroad. The book valuation of this railroad is \$130,000,000, and the tentative valuation given by the Interstate Commerce Commission is held at \$90,000,000. Yet this railroad is held down to \$40,000 a mile.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. HUDSPETH. This does not affect the institution of suits for damages against the railroad heretofore?

Mr. RAYBURN. Not at all. The House may take my assurance that the whole Committee on Interstate and Foreign Commerce believe as I do about it, that this railroad ought to have the right, as other railroads in the country have, to come before the Interstate Commerce Commission and ask for the right to issue securities in order to have something to invest in equipment, betterments, and improvements.

Mr. PARKS of Arkansas. Of course, the gentleman knows, as I understood it at the beginning, that I should be very glad, indeed, to take his side of the question, but I would like to ask him as to section 5. Do you understand that to mean that in the case of a suit on a contract you must go to Dallas to get service?

Mr. RAYBURN. On a contract?

Mr. PARKS of Arkansas. Yes.

Mr. RAYBURN. I rather think that is the case.

Mr. PARKS of Arkansas. And why should that great benefit be given to a railroad with hundreds of miles of track and hundreds of agents that might be served? I am serious about it; I am not trying to find fault.

Mr. DENISON. Of course, the gentleman did not mean to say that because the habitat or the home of the road happens to be fixed at one place, it could be sued only there?

Mr. RAYBURN. No; I did not mean that.

Mr. DENISON. You can sue this railroad anywhere you can get service?

Mr. RAYBURN. Yes.

Mr. WINGO. Yes; but where can you get service on it?

Mr. GRAHAM of Illinois. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. GRAHAM of Illinois. The question of service is a question that is settled by the laws of the States in which the roads are operated. The courts of Arkansas will have just the same jurisdiction as they had before. The question of residence has nothing to do with the question of where you can bring suit.

Mr. PARKS of Arkansas. What is the purpose, then?

Mr. GRAHAM of Illinois. Every other railroad corporation in the country has a residence except this one. By this bill they can get the advantage of the proposition of diverse citizenship and have cases transferred to the Federal court when the proper occasion arises under the United States statutes—a right that every other railroad has. For instance, if a railroad in Indiana sues an Illinois corporation in an Illinois court, that Illinois court can transfer the cause to the Federal court. This one can not do it. It has not the same right that other railroads have.

Mr. EVANS. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. EVANS. Is not this the fact, that you are going to give the corporation the right to take rights of way and then take that jurisdiction from the State court and try the issue out in the Federal court?

Mr. WINGO. Mr. Speaker, will the gentleman yield there?

Mr. EVANS. Yes.

Mr. WINGO. I think I have a very lively recollection that the State of Arkansas had some difficulty on this question of a foreign corporation designating an agent.

There is a clear distinction between the authority of the State legislature to determine how service may be obtained upon a corporation organized by another State and upon a Federal corporation, unless in the grant of the charter itself we give the State such a right, and you do not in this case. I fear they will run up against a decision that will make every man who wants to sue upon a contract in the city of Texarkana go to Dallas to get service and bring his suit.

Mr. RAYBURN. In what sort of a suit?

Mr. WINGO. In a suit on a contract in a civil action. Under this provision here it is very doubtful whether he might not find himself out of court at the end of the litigation on the ground that the court did not have jurisdiction and that he would have to go to Dallas to get service and find a court that had jurisdiction to try the case. Certainly he would have to go to Texas. I think the gentleman will agree to that. Certainly you do that by giving Texas citizenship and by giving a habitat as one particular county.

Mr. RAYBURN. What would be the use of giving them Texas citizenship unless you allowed them to go elsewhere for a residence? Their residence has got to be somewhere.

Mr. WINGO. What do your Texas statutes provide on that?

Mr. RAYBURN. They choose their residence, upon which their charter is granted, but they may be sued anywhere that service is had.

Mr. WINGO. Why do not you put in here a provision like that which is customary in most of the State statutes—that service may be had upon certain designated officials and employees? Your State statute and mine cover the question of service.

Mr. RAYBURN. If the Legislature of Arkansas will amend its statute so that it will contain a provision like that in the Texas statute, you can get service on them anywhere.

Mr. WINGO. The Legislature of Arkansas can not provide how you shall get service on a corporation that has its charter from Congress. Congress alone can fix that.

Mr. RAYBURN. The State court has jurisdiction wherever it can find them.

Mr. WINGO. I fear the Supreme Court of the United States will hold that they can be reached only at the place where they have their legal situs.

Mr. DENISON. If the gentleman will allow me, there is no corporation charter which determines where that corporation can be sued. There it not one such in the United States. The Illinois Central, which is a resident of the State of Illinois, runs down through Tennessee, Mississippi, and Louisiana, and it can be sued in any one of those States.

Mr. WINGO. I am familiar with that.

Mr. GRAHAM of Illinois. While the Illinois Central is a resident of the State of Illinois, it can be sued in those other States, and this act simply makes this Texas & Pacific Railroad a resident of the State of Texas.

Mr. WINGO. Yes, but the Illinois Central Railroad has a charter from the State of Kentucky.

Mr. DENISON. No, it has not. It has a charter from the State of Illinois, but it runs through Kentucky, Tennessee, and the States south.

Mr. WINGO. The point I am trying to bring home to the gentleman is that there is a distinction between a corporation that has a grant of power from the Federal Government and a corporation which gets its charter from a State. If you did not undertake to cover this question, then it might leave jurisdiction in the State; but when you attempt not only

to fix its citizenship but its local habitat, under the well known rule you exclude others, and you may not be able to get service upon a local agent; and I doubt whether a State authority would have the power to hold that service on a station agent at a little country station would be legal service, like it would be on the Missouri Pacific or any other company that had its charter under State authority.

Mr. RAYBURN. I think the gentleman is entirely incorrect about that, because I know in the State of Texas no question like that ever arises.

Mr. EVANS. Is it not a fact that to-day a man may live in the District of Columbia, but if he goes up into Pennsylvania and they get service on him there he can be sued there, and that a corporation having its habitat in Washington can be brought into the court of a State into which its line runs, in accordance with the State law?

Mr. WINGO. When it is incorporated under a State charter.

Mr. RAYBURN. That is the way we do in Texas. I do not know how they do in Arkansas.

Mr. WINGO. If it was incorporated under a State charter, it would be a different thing.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts [Mr. Winslow] to suspend the rules and pass the bill.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. WINGO. I ask for a division.

The House divided; and there were—ayes 86, noes 16.

Mr. HUDDLESTON. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Alabama makes the point of order that there is no quorum present. Obviously there is no quorum present. The Doorkeeper will close the doors, and the Sergeant at Arms will bring in absent Members. As many as are in favor of the motion to suspend the rules and pass the bill will, as their names are called, vote "yea," those opposed will vote "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 180, nays 61, answered "present" 2, not voting 184, as follows:

YEAS—180.

Ackerman	Drewry	Larson, Minn.	Shaw
Andrew, Mass.	Dupré	Lawrence	Siegel
Andrews, Nebr.	Ellis	Layton	Sinnott
Appleby	Evans	Lee, Ga.	Smith, Idaho
Arentz	Faust	Longworth	Smithwick
Aswell	Fess	McArthur	Snell
Barbour	Fisher	McCormick	Sproul
Beedy	Fitzgerald	McDuffie	Stafford
Beggs	Fordney	McFadden	Stephens
Bell	Freeman	McKenzie	Stevenson
Benham	French	McLaughlin, Mich.	Strong, Pa.
Black	Frthingham	McPherson	Summers, Wash.
Bland, Va.	Fuller	MacLafferty	Summers, Tex.
Blanton	Garrett, Tenn.	Madden	Sweet
Bowers	Gerner	Magree	Swing
Brooks, Ill.	Glynn	Maloney	Taylor, Tenn.
Buchanan	Graham, Ill.	Mapes	Temple
Burdick	Greene, Mass.	Michener	Thompson
Byrnes, S. C.	Greene, Vt.	Mondell	Thorpe
Byrns, Tenn.	Griest	Montague	Tilson
Cable	Hadley	Moore, Va.	Tincher
Campbell, Pa.	Hardy, Colo.	Moore, Ind.	Tinkham
Cannon	Hawes	Mott	Towner
Cantrill	Hawley	Murphy	Treadway
Carter	Herrick	Nelson, Me.	Tucker
Chalmers	Hersey	Nelson, A. P.	Turner
Chandler	Hickey	Newton, Minn.	Tyson
Christopherson	Hicks	Norton	Underhill
Clark, Fla.	Hill	Ogden	Valle
Cole, Iowa	Hoch	Parker, N. J.	Vestal
Cole, Ohio	Hudspeth	Parker, N. Y.	Watson
Colton	Hull	Paul	White, Kans.
Cooper, Ohio	Humphrey, Nebr.	Perkins	Williams, Ill.
Coughlin	Humphreys, Miss.	Pringley	Williams, Tex.
Cramton	Ireland	Purnell	Williamson
Curry	Jacoway	Radcliffe	Wilson
Dale	Jeffers, Nebr.	Rainey, Ill.	Winslow
Dallinger	Johnson, S. Dak.	Ransley	Wood, Ind.
Darrow	Johnson, Wash.	Rayburn	Woodruff
Deal	Ketcham	Ricketts	Woods, Va.
Dempsey	Kiess	Rogers	Woodyard
Denison	Kissel	Sabath	Wright
Dickinson	Kline, Pa.	Sanders, Ind.	Wurzback
Dominick	Laanham	Sanders, Tex.	Wyant
Doughton	Larsen, Ga.	Scott, Tenn.	Young

NAYS—61.

Abernethy	Cooper, Wis.	Huddleston	Lyon
Almon	Crisp	Jeffers, Ala.	Mead
Beck	Davis, Tenn.	Johnson, Miss.	Miller
Bowling	Driver	Jones, Tex.	Moore, Ohio
Box	Favrot	Kincheloe	Morgan
Browne, Wis.	Felds	Kopp	Nelson, J. M.
Bulwinkle	Foster	Lampert	O'Connor
Clague	Fulmer	Lankford	Oldfield
Clouse	Gensman	Lazaro	Oliver
Collier	Goldsborough	Lineberger	Parks, Ark.
Collins	Hammer	Logan	Quin
Connally, Tex.	Hardy, Tex.	Landon	Raker

Rankin
Rouse
Sandlin
Sinclair

Sisson
Speaks
Steagall
Stedman

Swank
Tillman
Voigt
Weaver

Wingo

ANSWERED "PRESENT"—2.

Schall

Steenerson

NOT VOTING—184.

Anderson
Anson
Anthony

Fairfield
Fenn
Fish

Knight
Knutson
Kraus

Reed, W. Va.
Rhodes
Riddick

Atkeson
Bacharach
Bankhead

Focht
Frear
Free

Kreider
Kunz
Langley

Riordan
Roach
Robertson

Barkley
Bird
Bixler

Barkley
Gahn
Gallivan

Lea, Calif.
Leatherwood
Lee, N. Y.

Robson
Rosenberg
Rose

Blakeney
Bland, Ind.
Boies

Garner
Garrett, Tex.
Gifford

Lehlbach
Linthicum
Little

Rosenbloom
Rossdale
Rucker

Bond
Brand
Brennan

Gilbert
Goodykoontz
Gorman

Lowrey
Luce
Luhling

Ryan
Sanders, N. Y.
Scott, Mich.

Briggs
Britten
Brooks, Pa.

Gould
Graham, Pa.
Green, Iowa

McClintie
McLaughlin, Nebr.
McLaughlin, Pa.

Sears
Shelton
Shreve

Brown, Tenn.
Burke
Burness

Griffin
Haugen
Hayden

McSwain
MacGregor
Mansfield

Smith, Mich.
Snyder
Stiness

Burton
Butler
Campbell, Kans.

Hays
Henry
Himes

Martin
Merritt
Michaelson

Stoll
Strong, Kans.
Sullivan

Carew
Chandler, N. Y.
Chandler, Okla.

Hooker
Huck
Hukriede

Moore, Ill.
Morin
Mudd

Tague
Taylor, Ark.
Taylor, Colo.

Clarke, N. Y.
Closson
Cockran

Husted
Hutchinson
James

Newton, Mo.
O'Brien
Olpp

 Taylor, N. J. Ten Eyck Thomas || Codd | Connolly, Pa. | Johnson, Ky. | Osborne |
Copley	Crago	Kahn, Pa.	Overstreet
Crowther	Cullen	Kearns	Paige
Davis, Minn.	Dowell	Keller	Park, Ga.
Dunbar	Dunn	Kelly, Mich.	Patterson, Mo.
Dyer	Edwards	Kelly, Pa.	Patterson, N. J.
Elliott	Fairchild	Kendall	Perlman
		Kennedy	Petersen
		Kindred	Porter
		King	Pou
		Kirkpatrick	Rainey, Ala.
		Kitchin	Ramseyer
		Kleczka	Reber
		Kline, N. Y.	Reece
			Reed, N. Y.
			Zihlman

So, two-thirds having voted in favor thereof, the bill was passed.

The following pairs were announced:

Mr. Roach with Mr. McClintie.

Mr. Kline of New York with Mr. O'Brien.

Mr. Fish with Mr. Bankhead.

Mr. Elliott with Mr. Cullen.

Mr. Davis of Minnesota with Mr. Rucker.

Mr. Reed of New York with Mr. Tague.

Mr. Lehlbach with Mr. Vinson.

Mr. Dunbar with Mr. Wise.

Mr. Hukriede with Mr. Kitchin.

Mr. MacGregor with Mr. Lea of California.

Mr. Kendall with Mr. Cockran.

Mr. Brennan with Mr. Hooker.

Mr. Bacharach with Mr. Ward of North Carolina.

Mr. Kennedy with Mr. Kunz.

Mr. Moore of Illinois with Mr. Swain.

Mr. Merritt with Mr. Martin.

Mr. Dunn with Mr. Barkley.

Mr. Gorman with Mr. Overstreet.

Mr. Fenn with Mr. Sullivan.

Mr. Clarke of New York with Mr. Garner.

Mr. Connally of Pennsylvania with Mr. Thomas.

Mr. Patterson of Missouri with Mr. Hayden.

Mr. Langley with Mr. Johnson of Kentucky.

Mr. Patterson of New Jersey with Mr. Kindred.

Mr. King with Mr. Mansfield.

Mr. Greene of Iowa with Mr. Lowry.

Mr. Newton of Missouri with Mr. Pou.

Mr. Free with Mr. Briggs.

Mr. Butler with Mr. Gilbert.

Mr. Graham of Pennsylvania with Mr. Taylor of Colorado.

Mr. Ramseyer with Mr. Gallivan.

Mr. Snyder with Mr. Stoll.

Mr. Burton with Mr. Griffin.

Mr. Shreeve with Mr. Upshaw.

Mr. Mudd with Mr. Sears.

Mr. Kahn with Mr. Riordan.

Mr. Edmunds with Mr. Park of Georgia.

Mr. Anthony with Mr. Brand.

Mr. Crowther with Mr. Carew.

Mr. Rhodes with Mr. Linthicum.

Mr. Dowell with Mr. Drane.

Mr. Bixler with Mr. Taylor of Arkansas.
Mr. Rose with Mr. Garrett of Texas.
Mr. Keller with Mr. Rainey of Alabama.
The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed the bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4439. An act to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argento, approved October 6, 1917.

SENATE CONCURRENT RESOLUTIONS REFERRED.

Under clause 2, Rule XXIV, the following Senate concurrent resolutions were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

Senate Concurrent Resolution 35.

Resolved by the Senate (the House of Representatives concurring), That the Attorney General be, and is hereby, authorized and instructed to print, as an appendix to his last annual report, full copies of all telegraphic and other correspondence between the Department of Justice and public officers and agents, private persons, railroad companies, and their officers and agents, in the year 1922, relative to the disorders in the United States of America during said year, and to the action taken by the Government of the United States in suppressing the same; to the Committee on Printing.

Senate Concurrent Resolution 36.

Whereas the United States transport *St. Mihiel* is expected to arrive at Savannah, Ga., on or about February 7, 1923, with the last contingent of American troops from Germany: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That a committee of five Senators, to be designated by the President of the Senate, and five Members of the House of Representatives, to be designated by the Speaker, is authorized to represent the Congress at Savannah, Ga., at such ceremonies as may be determined to be proper and appropriate. One-half of the expense of such committee shall be paid out of the contingent fund of the Senate and one-half shall be paid out of the contingent fund of the House of Representatives; to the Committee on Rules.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 13696, the independent offices appropriation bill, insist on the disagreement to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Indiana asks unanimous consent to take from the Speaker's table the bill H. R. 13696, the independent offices appropriation bill, disagree to the Senate amendments, and agree to the conference asked for by the Senate. Is there objection?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. WOOD of Indiana, Mr. WASON, Mr. DICKINSON, Mr. BYRNS of Tennessee, and Mr. GRIFFIN.

RETURN OF AMERICAN TROOPS FROM GERMANY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Concurrent Resolution 36.

The SPEAKER. The gentleman asks unanimous consent for the present consideration of the Senate concurrent resolution which the Clerk will report.

The Clerk read as follows:

Senate Concurrent Resolution 36.

IN THE SENATE OF THE UNITED STATES,
February 5, 1923.

Whereas the United States transport *St. Mihiel* is expected to arrive at Savannah, Ga., on or about February 7, 1923, with the last contingent of American troops from Germany: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That a committee of five Senators to be designated by the President of the Senate and five Members of the House of Representatives to be designated by the Speaker is authorized to represent the Congress at Savannah, Ga., at such ceremonies as may be determined to be proper and appropriate. One-half of the expense of such committee shall be paid out of the contingent fund of the Senate and one-half shall be paid out of the contingent fund of the House of Representatives.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER appointed as the committee on the part of the House Mr. JOHNSON of South Dakota, Mr. REECE, Mr. LINDBERGER, Mr. CONNALLY of Texas, and Mr. BULWINKLE.

The SPEAKER. The Clerk will report the next bill on the Calendar for Unanimous Consent.

REPEAL OF SECTION 3480, REVISED STATUTES.

The next business on the Calendar for Unanimous Consent was the bill S. 1016, an act to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States."

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, I recall that when the original act went through the House, I believe unanimously, it applied only to those who had served in the Civil War against the Confederate forces, as far as the Army was concerned. Now, as I understand, this does not affect in any way the longevity claim that former graduates of the Naval Academy might have against the Government.

Mr. MONTAGUE. No; not as I understand it. It puts the Marine Corps and the Navy on the same basis with the Army.

Mr. STAFFORD. The reason I asked the question is that there was reported from the committee very early in Congress the bill to validate claims of Army officers so as to give them credit for the time they served at the Military Academy as a basis for longevity claims. There have been some gentlemen on this side, notably the gentleman from Massachusetts, Judge WALSH, who bitterly opposed that legislation. I do not understand that this bill in any way extends the principle in the matter referred to, and I withdraw my reservation of objection.

Mr. MONTAGUE. The gentleman will notice that this is a Senate bill.

Mr. STAFFORD. Yes; but sometimes Senate bills need correction.

Mr. MONTAGUE. I had nothing to do with the preparation of the bill. My duty was to report it at the direction of the committee.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to repeal section 3480 of the Revised Statutes of the United States," approved July 6, 1914, be amended by adding after the word "Army" the words "Navy, and Marine Corps."

The bill was ordered to be read a third time, was read the third time, and passed.

BRIDGE ACROSS THE COLUMBIA RIVER AT HOOD RIVER, OREG.

The next business on the Private Calendar was the bill (S. 4341) granting the consent of Congress to the Oregon-Washington Bridge Co., and its successors, to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Under reservation of objection, I wish to have some explanation of the grant of this valuable franchise to a private corporation.

Mr. SINNOTT. The gentleman speaks about a private corporation. While the corporation named here is, in a legal sense, private, it is really organized for public community purposes. The people at Hood River, on the Oregon side of the river, and the people at White Salmon, on the Washington side, desire to construct this bridge. They are going out among the citizens of the two States and they are subscribing stock to the corporation in order to secure enough money to build this bridge. It is not a private corporation at all when you consider the public purpose of this bridge. It is really a community affair between the people living on the Washington side and the people living on the Oregon side. They are behind this corporation and bridge.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

Mr. STAFFORD. Then there are not going to be any tolls charged?

Mr. SINNOTT. Oh, I think they will have to charge tolls. The bridge will cost something like \$500,000.

The SPEAKER. The gentleman from Texas demands the regular order. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Oregon-Washington Bridge Co., a corporation organized under the laws of the State of Washington, and its successors, to construct, maintain, and operate a toll bridge and approaches thereto across the Columbia River at a point suitable to the interests of navigation at or near the city of Hood River, Oreg., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 6, strike out the word "toll."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "An act granting the consent of Congress to the Oregon-Washington Bridge Co., and its successors, to construct a bridge across the Columbia River at or near the city of Hood River, Oreg."

BRIDGE ACROSS FOX RIVER, ILL.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13616) granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent that Senate bill 4353, now on the Speaker's desk, be substituted for this bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the highway commissioner of the town of Elgin, situated in the county of Kane and State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Fox River in substantially a direct line, connecting Mill Street on the east side of the river with Spring Street on the west side of the river, in accordance with the provision of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1908.

Sec. 2. That said highway commissioner of the town of Elgin be, and is hereby, further authorized and empowered to construct all necessary abutments, piers, and other structures for the accomplishment of this end.

Sec. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read a third time, and passed.

The bill H. R. 13616, a similar House bill, was laid on the table.

SALARIES OF SENATORS APPOINTED TO FILL VACANCIES.

The next business on the Calendar for Unanimous Consent was Senate Joint Resolution 248, to provide for the payment of salaries of Senators appointed to fill vacancies, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk reported the joint resolution, as follows:

Resolved, etc., That the salaries of Senators appointed to fill vacancies in the Senate shall commence on the day of their appointment and continue until their successors are elected and qualified; and salaries of Senators elected to fill vacancies in the Senate shall commence on the day they qualify.

With the following committee amendment:

Page 1, line 7, after the word "qualify," insert a colon and the following:

Provided, That where no appointments have been made to fill such vacancies the salaries of Senators elected to fill such vacancies shall commence on the day following their election."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

CHIPPEWA INDIANS OF MINNESOTA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 14000) authorizing the Secretary of the Interior, with the consent of the Chippewa Indians of Minnesota, to transfer and convey to the State of Minnesota all lands, with the buildings thereon, now constituting the White Earth Agency, and school reserves.

Mr. STEENERSON. Mr. Speaker, this bill was included in the omnibus Indian bill which was passed on Saturday last, and I ask unanimous consent that the bill be stricken from the calendar and be laid on the table.

The SPEAKER. Without objection, the bill will be stricken from the calendar and laid on the table.

There was no objection.

JUDICIAL DISTRICTS, ARKANSAS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13571) to amend section 71 of the Judicial Code, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, let the bill be first reported. The Clerk read as follows:

Be it enacted, etc., That section 71 of the Judicial Code, as amended, is amended to read as follows:

"Sec. 71. (a) The State of Arkansas is divided into two districts, to be known as the western and eastern districts of Arkansas.

"(b) The western district shall include three divisions, constituted as follows: The Texarkana division, which shall include the territory embraced on July 1, 1920, in the counties of Sevier, Howard, Little River, Pike, Hempstead, Miller, Lafayette, Columbia, Nevada, Ouachita, Union, and Calhoun; the Fort Smith division, which shall include the territory embraced on such date in the counties of Polk, Scott, Logan, Sebastian, Franklin, Crawford, Washington, Benton, and Johnson; and the Harrison division, which shall include the territory embraced on such date in the counties of Baxter, Boone, Carroll, Madison, Marion, Newton, and Searcy.

"(c) Terms of the district court for the Texarkana division shall be held at Texarkana on the second Mondays in May and November; for the Fort Smith division, at Fort Smith on the second Mondays in January and June; and for the Harrison division, at Harrison, on the second Mondays in April and October.

"(d) The clerk of the court for the western district shall maintain an office in charge of himself or a deputy at Texarkana, Fort Smith, and Harrison. Such offices shall be kept open at all times for the transaction of the business of the court.

"(e) The eastern district shall include four divisions constituted as follows: The eastern division, which shall include the territory embraced on July 1, 1920, in the counties of Desha, Lee, Phillips, St. Francis, Cross, Monroe, and Woodruff; the northern division, which shall include the territory embraced on such date in the counties of Independence, Cleburne, Stone, Izard, Sharp, and Jackson; the Jonesboro division, which shall include the territory embraced on such date in the counties of Crittenden, Clay, Craighead, Greene, Mississippi, Poinsett, Fulton, Randolph, and Lawrence; and the western division, which shall include the territory embraced on such date in the counties of Arkansas, Ashley, Bradley, Chicot, Clark, Cleveland, Conway, Dallas, Drew, Faulkner, Garland, Grant, Hot Springs, Jefferson, Lincoln, Lonoke, Montgomery, Perry, Pope, Prairie, Pulaski, Van Buren, White, and Yell.

"(f) Terms of the district court for the eastern division shall be held at Helena on the second Monday in March and the first Monday in October; for the northern division, at Batesville on the fourth Monday in May and the second Monday in December; for the Jonesboro division, at Jonesboro on the first Monday in May and the fourth Monday in November; and for the western division, at Little Rock on the first Monday in April and the third Monday in October.

"(g) The clerk of the court for the eastern district shall maintain an office in charge of himself or a deputy at Helena, Batesville, Jonesboro, and Little Rock. Such offices shall be kept open at all times for the transaction of the business of the court."

Sec. 2. The following acts are hereby repealed:

(a) The act entitled "An act to fix the time for holding the term of the district court in the Jonesboro division of the eastern district of Arkansas," approved September 9, 1914; and

(b) The act entitled "An act to transfer certain counties in the several judicial districts in the State of Arkansas," approved March 4, 1915.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

AMENDING CRIMINAL CODE RELATING TO OBSTRUCTION OF PROCESS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13993) to amend section 140 of the Criminal Code of the United States, relating to obstruction of process and assaulting officers.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARRETT of Tennessee. Mr. Speaker, let us have the bill reported.

The Clerk read as follows:

Be it enacted, etc., That section 140 of the Criminal Code of the United States be, and the same hereby is, amended to read as follows:

"Sec. 140. Whoever shall knowingly and willfully obstruct, resist, or oppose any officer of the United States, or other person duly authorized, in serving, or attempting to serve or execute, any mesne process or warrant, or any rule or order, or any other legal or judicial writ or process of any court of the United States, or United States commissioner, or shall assault, beat, or wound any officer or other person duly authorized, knowing him to be such officer, or other person so duly authorized, in serving or executing any such writ, rule, order, process, warrant, or other legal or judicial writ or process, shall be fined not more than \$300 and imprisoned not more than one year; and whoever, in committing, or attempting to commit, any of the offenses in this section above described, kills any person, is guilty of murder, and shall be punished as provided in section 275 of the Criminal Code of the United States."

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I notice that the bill undertakes to define a certain offense as murder. Is that not now determined by the law of the State?

Mr. CHRISTOPHERSON. Mr. Speaker, there is a State law upon it, but there is no Federal law. The fore part of the section makes it a crime to assault an officer, but under the present Federal law, if the officer be killed, then the Federal court has no jurisdiction, and so the amendment consists of adding the words—

and whoever, in committing or attempting to commit any of the offenses in this section above described, kills any person, is guilty of murder.

This has been recommended by the former Attorney General and also by the present Attorney General, and what prompted me in introducing the bill was the fact that within this past month two Federal officers in my home town were assaulted in the performance of their official duties and were nearly murdered; and that was brought to my attention by the United States marshal there. It is recommended, as I say, by the present Attorney General in his last report, and I understand this amendment was recommended by the former Attorney General.

Mr. GARRETT of Tennessee. May I ask the gentleman—it seems to be a pretty far-reaching bill—is it a unanimous report of the Judiciary Committee?

Mr. CHRISTOPHERSON. Yes, sir; it is a unanimous report. The SPEAKER. Is there objection?

Mr. HILL. Mr. Speaker, reserving the right to object—

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask a question, unless the gentleman from Maryland desires the floor?

Mr. HILL. I simply want to ask a question about the attempt to murder. There is no Federal murder law—

Mr. BLANTON. I will yield to the gentleman from Maryland [Mr. HILL].

Mr. HILL. I would like to examine the bill.

Mr. BLANTON. While the gentleman is looking at the bill I want to ask a question. The gentleman from South Dakota does not mean that the things he has stipulated in this bill in his State would constitute murder, does he? The mere killing of an officer of itself in no case constitutes murder. There must be other ingredients of the offense, expressed or implied. Why, it would be an infamous proposition for the Federal Government to say by an act of Congress that the mere killing of a Federal officer, regardless of the facts or circumstances, would constitute murder.

Mr. CHRISTOPHERSON. Resisting and killing him in the execution of his duties.

Mr. BLANTON. Suppose a Federal officer should come to the door of some citizen in the gentleman's State, who might be absolutely unknown to the owner of that Dakota home, and in an abrupt and arbitrary manner would attempt to serve process under such an insulting demeanor as to create such a passion as would provoke an unpremeditated assault and death might ensue? It would not be murder in the gentleman's State or in any other State in the land. It would be some other degree of culpable homicide.

Mr. CHRISTOPHERSON. The bill does not say so. It says, "knowingly."

Mr. BLANTON. Knowingly, of course. He might knowingly shoot a man, and yet it might not be murder. It might be culpable homicide of some lesser degree.

Mr. CHRISTOPHERSON. "Knowingly and willfully."

Mr. BLANTON. To be murder it not only requires that the homicide shall be knowingly and willfully committed, but malice is one of the main ingredients of murder. There must be a premeditated killing. There must not be merely a hurried killing in the heat of passion, but it must be premeditated with malice to constitute murder in any State in this land.

Mr. CHRISTOPHERSON. There are degrees of murder, and these are already defined by law.

Mr. BLANTON. Of course, but even the second degree of murder requires premeditation, and malice is implied. The main difference between murder in the first and second degree is that in murder of the first degree there is evidence of premeditation and a formed intention to kill beforehand.

Mr. CHRISTOPHERSON. The degrees of murder are defined already—

Mr. BLANTON. Mr. Speaker, I do not want a Federal law of that kind passed to make every ordinary homicide of a Federal officer murder, and I object.

The SPEAKER. The gentleman from Texas objects.

SHASTA NATIONAL FOREST, CALIF.

The next business in order on the Calendar for Unanimous Consent was the joint resolution (S. J. Res. 226) authorizing the acceptance of title to certain land within the Shasta National Forest, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there any objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it resolved, etc., That the Secretary of Agriculture be, and he is hereby, authorized to accept, on behalf of the United States, and without expense to the United States, except for recording deed and for taxes for the current year, from Mary Burt Brittan, of San Francisco, Calif., a gift of certain land described as lots 1, 2, 3, and 4, section 18, township 39 north, range 4 west, Mount Diablo meridian, and the northeast quarter of section 24, township 39 north, range 5 west, Mount Diablo meridian, conveyed by deed dated July 4, 1922: *Provided*, That said lands shall thereupon become a part of the Shasta National Forest and subject to all laws relating thereto except the mineral-land laws.

Sec. 2. That the Secretary of Agriculture is authorized to pay the expense of recording of the deed and taxes for the current year from the appropriation made for general expenses of the Forest Service.

The Senate joint resolution was ordered to be read the third time, was read the third time, and passed.

Mr. RAKER. Mr. Speaker, I move to reconsider—

Mr. STAFFORD. I object.

The SPEAKER. The Clerk will report the next bill.

SALE OF MONTREAL RIVER LIGHTHOUSE RESERVATION.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 13032) to authorize the sale of the Montreal River Lighthouse Reservation, Mich., to the Gogebic County Board of the American Legion, Bessemer, Mich.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, I make the point of order that this is a Private Calendar bill and should be transferred to the Private Calendar.

The SPEAKER. The Chair has not looked into the bill and does not know.

Mr. STAFFORD. I ask unanimous consent that it be passed over for two weeks.

The SPEAKER. Without objection the bill will be passed over without prejudice.

There was no objection.

Mr. MAPES. Mr. Speaker, that will keep it on the calendar?

The SPEAKER. That will keep it on the calendar.

Mr. MAPES. Mr. Speaker, while I am on my feet may I ask unanimous consent that the bill relating to the Coal Commission (H. R. 13882), which was objected to, may keep its place on the calendar?

The SPEAKER. The gentleman from Michigan asks unanimous consent that the bill relating to the Coal Commission, to which objection was made, shall keep its place on the calendar. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

EXCHANGE OF LANDS IN NEW MEXICO.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3702) providing for the acquirement by the United States of privately owned lands situated within certain townships in the Lincoln National Forest, in the State of New Mexico, by exchanging therefor lands on the public domain, also within such State.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Public Lands wherein the general law authorizing the exchange of lands in public forests would not apply to the case provided in this bill?

Mr. SINNOTT. The general law relating to national forests requires the exchanges to be within the forests. This permits lands inside of the national forests privately owned to be exchanged for lands outside, so that there will be left no privately owned land within the forests.

Mr. STAFFORD. Mr. Speaker, I withdraw the reservation.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That whenever the owner or owners of any privately owned lands, situated within township 18 south, range 11 east, or townships 15, 16, 17, 18, and 19 south, range 12 east, New Mexico principal meridian, within the county of Otero and State of New Mexico, and within the present boundaries of the Lincoln National Forest, shall submit to the Secretary of Agriculture a proposal

for the exchange of said lands for lands upon the public domain situated in the county of Otero and State of New Mexico, and such Secretary shall be of opinion that the acquirement of the same by the United States for national forest purposes would be beneficial thereto, he is hereby authorized and empowered to transmit to the Secretary of the Interior such offer so made to him, together with such recommendations as he may see proper to make in connection therewith, together with a description of the property included in such offer and an estimate of the commercial or other value thereof, intrinsically or otherwise; and if he shall recommend the acquirement of the same by the United States under the provisions hereof, then, and in such event, the Secretary of the Interior shall be, and hereby is, authorized and empowered in his discretion to enter into and conclude negotiations with such owner or owners thereof and in exchange for such designated privately owned lands, and upon conveyance by the owner or owners thereof to the United States by a good and sufficient deed, to cause to be patented to such owner or owners such acreage of non-mineral, nonirrigable grazing lands not suitable for agricultural purposes except for raising grass, situated within the said county of Otero, State of New Mexico, of equal total value, as near as he may be able to determine, to the lands so conveyed to the United States.

SEC. 2. That any lands, conveyed to the United States under the provisions of this act shall, upon acceptance of the conveyance thereof, become and be a part of such Lincoln National Forest.

SEC. 3. That before any exchange of lands as above provided is effected, notice of such exchange proposal, describing the lands involved therein, shall be published once each week for four consecutive weeks in some newspaper of general circulation in the county in which such lands so to be conveyed to the United States are situated.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. STAFFORD. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present.

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. Will the gentleman withhold his motion for a moment?

Mr. STAFFORD. I will withhold it.

PRESIDENT'S MESSAGE—VISÉ FEES OF ALIENS TEMPORARILY VISITING THE UNITED STATES (H. DOC. NO. 547).

The Speaker laid before the House the following message from the President of the United States, which was read and, with the accompanying documents, referred to the Committee on Foreign Affairs:

To the Senate and House of Representatives:

I transmit herewith a communication from the Secretary of State recommending that Congress confer upon the President authority to modify visé fees and requirements applicable to aliens temporarily visiting the United States. Such action is recommended to enable the Secretary of State to enter upon negotiations with foreign Governments with a view to obtaining reciprocal modification of existing restrictions and fees.

The recommendations of the Secretary of State have my full concurrence.

WARREN G. HARDING.

Inclosure: From Secretary of State as above.

THE WHITE HOUSE, February 5, 1923.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. Several gentlemen about me, interested in the subject matter of the President's message, have asked me if the accompanying document will be published in the RECORD.

The SPEAKER. It will not.

Mr. GARRETT of Tennessee. Will it be published as a document?

The SPEAKER. Unless the Chair thinks it of special importance he will not order it printed. The Chair has not looked at it yet.

Mr. GARRETT of Tennessee. I understand the Committee on Immigration is interested in the subject, and if it is not too long I think it would be a good idea to have it printed in the RECORD. If that meets the approval of gentlemen on the majority side I will ask unanimous consent that that be done.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the document accompanying the President's message be printed in the RECORD. Is there objection?

Mr. MADDEN. Should not the gentleman ask unanimous consent to have it published as a document? I think that would be better.

Mr. GARRETT of Tennessee. That may be. Let the gentleman ask unanimous consent.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that it be printed as a document.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the document accompanying the President's message be printed as a document. Is there objection?

There was no objection.

SERVICES IN HONOR OF THE LATE REPRESENTATIVE MONTOYA.

Mr. THOMPSON. Mr. Speaker, I rise to submit an order which I send to the Speaker's desk.

The SPEAKER. The gentleman from Ohio asks unanimous consent for the immediate consideration of an order which the Clerk will report.

The Clerk read as follows:

Ordered, That Sunday, February 25, 1923, be set apart for addresses on the life, character, and public services of Hon. NESTOR MONTOYA, late a Representative from the State of New Mexico.

The SPEAKER. Is there objection. [After a pause.] The Chair hears none, and it is so ordered.

EXTENSION OF REMARKS.

Mr. JOHNSON of South Dakota. Mr. Speaker, in accordance with permission granted by unanimous consent of the House to extend my remarks in the RECORD and print this so-called "slacker lists," I desire to call attention to a letter from The Adjutant General's Office, dated January 31, 1923.

It is my intention to insert these lists on the 5th day of each month, until all of the names are printed. No good soldier will be injured by the publication of his name in these lists, but, on the contrary, if his military record is one to be proud of the publication will only serve to call attention to that record. If by mistake the names of good soldiers have not been eliminated from the record, it will be my pleasure and duty to insert in the RECORD the facts in each individual case and to see that the facts are brought to the attention of the Secretary of War, who is as anxious as any soldier of the late war with Germany to have the records correct. Mistakes ought to be corrected while the men are living and while there is evidence to substantiate any valid claim as to service.

The letter is as follows:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
Washington, January 31, 1923.

HON. ROYAL C. JOHNSON,
House of Representatives.

MY DEAR MR. JOHNSON: I have the honor to transmit herewith for publication in the CONGRESSIONAL RECORD of February 5 lists of alleged draft deserters, which lists were released by the War Department for publication between December 5, 1922, and January 4, 1923, both dates inclusive. A copy of the statement to be printed at the head of the lists is also herewith.

There is also transmitted herewith for insertion in the CONGRESSIONAL RECORD a list of the names of registrants which have been removed from the lists of alleged draft deserters heretofore published in the RECORD, the reasons for such removals being set forth in the second paragraph of the statement which is to precede the lists in the RECORD.

Very respectfully,

ROBERT C. DAVIS,
The Adjutant General.

The following names have been removed from the lists of alleged draft deserters heretofore published in the CONGRESSIONAL RECORD since the publication of such names:

- LOCAL BOARD FOR THE CITY OF MONTGOMERY, STATE OF ALABAMA.
417 Hudnall (Hudall) James, 219 Holcombe Street, Montgomery.
LOCAL BOARD FOR THE COUNTY OF DADE, STATE OF FLORIDA.
3522 L. L. (Leslie, Leslie Lee) Hardie (Hardin), 1013 Avenue A, Miami, Fla.
3308 Frank B. McCluney (McPluney), box 103, Lemon City, Fla.
LOCAL BOARD FOR DIVISION NO. 2, CITY OF MACON, STATE OF GEORGIA.
310 Earnest (Ernest) Brown, 116 Enterprise Street, Macon, Ga.
LOCAL BOARD FOR THE COUNTY OF ADAMS, STATE OF ILLINOIS.
662 Otto Füssehuan (Fusselman), Plainville, Ill.
LOCAL BOARD FOR DIVISION NO. 2, CITY OF DES MOINES, STATE OF IOWA.
2426 Arvil (Orvie) Wilson Knott, Palmis Hotel, Des Moines, Iowa, room 33.
LOCAL BOARD FOR DIVISION NO. 3, SOMERVILLE, MASS.
1741 Bernard J. (Bernard Joseph) Conlon, 47 Hinckley Street, Somerville, Mass.
LOCAL BOARD FOR DIVISION NO. 14, NEWARK, N. J.
240 Colagero Facciponte (Facciponte Colagero), Newark, N. J. (2981 Morris Avenue, Newark, N. J.).
LOCAL BOARD FOR DIVISION NO. 2, CITY OF TOLEDO, STATE OF OHIO.
569 James B. Schover (James Vincent Schaver, James Schover), Sixteenth and Monroe, Toledo, Ohio.
LOCAL BOARD FOR THE COUNTY OF ROANE, STATE OF TENNESSEE.
1647 Geo. W. Taylor (George Washington Taylor), Rural Free Delivery No. 5, Kington, Tenn.
LOCAL BOARD FOR THE COUNTY OF SULLIVAN, STATE OF TENNESSEE.
2330 H. Carl Hackady (Horchody, Hachrody), Rural Free Delivery No. 2, Bristol, Tenn.
LOCAL BOARD FOR DIVISION NO. 3, CITY OF NASHVILLE, STATE OF TENNESSEE.
2251 John Raach (John Roach), 1308 Twelfth Avenue south, Nashville, Tenn.

LOCAL BOARD FOR COUNTY OF LEWIS, STATE OF WASHINGTON.

1663a Fred J. Rosebrock (Fred James Rosebrock), Rural Free Delivery 2, Chehalis, Wash.

LOCAL BOARD FOR COUNTY OF YAKIMA, CITY OF YAKIMA, STATE OF WASHINGTON.

420a George William Ross, Moxee City, Wash.

The men whose names appear below and who were under the jurisdiction of the local boards named, were, according to the public draft records, classified and reported by the draft authorities as deserters from the military service of the United States. The lists in which these names were originally included have been given at least one month's publicity.

The name of any man who, since the publication of the lists, has been found to have actually served in either our own forces or in those of the Allies during the period between May 18, 1917, and November 11, 1918, is not included; nor is that of any man who, though he rendered no service during the period mentioned, has, since the publication of his name, been found to have been erroneously inducted or to have been erroneously certified as a deserter, nor that of any man who is known to be no longer living.

Every reasonable effort has been made by the War Department to eliminate from these lists names which, for any of the aforementioned reasons, should not appear thereon. Should it develop, however, that certain of the names listed below should, for any of these reasons, likewise be removed, notice to that effect will be published in each such case in a later issue of the CONGRESSIONAL RECORD.

LOCAL BOARD FOR DIVISION NO. 1, CITY OF BIRMINGHAM, STATE OF ALABAMA.

116 Ike McNab (McNabb), Route No. 6, Box 164, Hillside, Birmingham, Ala. (Birmingham City No. 1, Ala.; 1822 North Fiftieth Street, Birmingham, Ala.; Jefferson County Bank Building, Birmingham, Ala.; 1823 Fifth Street, Birmingham, Ala.).

LOCAL BOARD OF DIVISION NO. 2, CITY OF BIRMINGHAM, STATE OF ALABAMA.

3444 Solomon Alexander, 2118 Alley A, Birmingham, Ala.
 840 Ezekiel Allen, 233 Twenty-fourth Street, Birmingham, Ala.
 2737 Henderson Anderson, 2321 Seventh Avenue, Birmingham, Ala.
 227 Willie James Anderson, 2415 Third Avenue, North Birmingham, Ala. (care of Southern Hotel, Birmingham, Ala.).
 1142 Charlie Appleby, 2144 (rear) Highland Avenue, Birmingham, Ala. (Jefferson, Ga.).
 2669 Ed (Eddie) Arnold, 2220 Avenue G, Birmingham, Ala.
 2607 Paul Astor, 219 South Twenty-fifth Street, Birmingham, Ala.
 969 William Atwater, 2504 Avenue B, Birmingham, Ala.
 3466 Raphael Aunguzza, 2205 Avenue F, Birmingham, Ala.
 8198 Henry Baldon, 2408 Tenth Alley, Birmingham, Ala.
 1888 Johnie Banks, 2512 First Avenue, Birmingham, Ala.
 636 Ben Barber, 2206 Sixth Avenue, Birmingham, Ala.
 3215 John W. (John William) Barber, Alley Humbolt, between Twenty-second and Twenty-third Streets, Birmingham, Ala.
 2197 Richard Walter Barnsfield, 2222 Third Avenue, Birmingham, Ala.
 232 Edward Bell, Molton Hotel, Birmingham, Ala.
 2503 James Bell, 2829 Mountain Avenue, Birmingham, Ala.
 2415 Lemmie Betties (Bettios), 918 Twenty-fifth Street, North Birmingham, Ala.
 2797 Andrew Blackman, 211 South Twentieth Street, Birmingham, Ala.
 3553 Gazzie Bones, 2316 Avenue F, Birmingham, Ala.
 1141 Lee Booker, 2510 Third Avenue, Birmingham, Ala.
 2088 Willie Bradford, 2612 Second Avenue, Birmingham, Ala.
 741 Max Bresoff, 2121 Sixth Avenue, North Birmingham, Ala.
 2964 Hunter Brothers, 2506 Fourth Avenue, Birmingham, Ala. (2503 Fourth Avenue, North Birmingham, Ala.; care of J. C. Mattox & Sons, Vernon, Ala.).
 837 Eldridge M. Brown (Eldridge Melvin Brown, Eldridge Brown), 2311 Alley H, Birmingham, Ala.
 3372 George Brown, 2520 First Avenue, Birmingham, Ala.
 1281 Henry Brown, 308 Alley C, Birmingham, Ala.
 1839 James Brown, 2417 Avenue I, Birmingham, Ala.
 1662 Willie Brown, Alley C-Twenty-third Street, Birmingham, Ala.
 300 Wilson Brown, 2700 Fourth Avenue, North Birmingham, Ala.
 1272 John B. Bushard (John Bolar Bushard), Shannon, Ala.
 2024 Pete Cade, 2310 Alley B, Birmingham, Ala.
 3172 Willis Caldwell, Alley C between Twenty-third and Twenty-fourth Streets, Birmingham, Ala.
 2770 Robert Calhoun, 1215 Twenty-second Street, Birmingham, Ala.
 2491 Sam Canterbury, 2426 Third Avenue, North Birmingham, Ala.
 210 Thornton Carter, 2318 Avenue F, Birmingham, Ala.
 3457 Isaac Chatman, 3105 Avenue E, Birmingham, Ala.
 1959 Ellis Chism, 2220 Avenue C, Birmingham, Ala.
 1896 James Clark, 2218 Avenue C, Birmingham, Ala.
 1979 Henry Cole, 2305 Alley B (2305 Alley D), Birmingham, Ala. (care of Lockhart Iron & Steel Co., Pittsburgh, Pa.).
 3518 Palmer Chatman, 1708 Fourteenth Alley, South Birmingham, Ala. (1416 North Second Avenue, Birmingham, Ala.).
 3204 Charlie Collins, 2518 Second Avenue, Birmingham, Ala.
 2743 Frank Collins, 2631 Avenue D, Birmingham, Ala.
 2386 George Copeland, 215 Third Alley, Birmingham, Ala.
 2849 Clarence Craig, 217 North Twenty-eighth Street (217 North Twenty-third Street), Birmingham, Ala.
 948 See G. Vandergriff F. Cross (See G. V. Farmer Cross, See G. Vandergriff Farmer Cross), 2017 Avenue D, Birmingham, Ala.
 1441 Henry Curtin, 210½ North Twenty-second Street, Birmingham, Ala.
 1958 Will David, 117 Twenty-third Street (117 North Twenty-third Street), Birmingham, Ala.
 3246 Frank Davis, 210 Twenty-third (Twenty-ninth) Street, Birmingham, Ala.
 2282 Grant Deshazor, rear 3204 Seventeenth Avenue North, Birmingham, Ala.
 3622 Lester Dixon, 2515 Avenue E, Birmingham, Ala.
 2213 Guy Dobbs, 2618 Two Alley North, Birmingham, Ala.

1975 Lonny Donaldson, 526 North Twenty-sixth Street, Birmingham, Ala.
 618 Henry Dorsey, 2407 Avenue B, Birmingham, Ala. (H. Dorsey, 223 South Twenty-third Street, Birmingham, Ala.).
 3458 Kelly (Kelley) Dorsey, 2305 Avenue B, Birmingham, Ala.
 1066 John Dudley (Johnson Dudley), 2405 Avenue F, Birmingham, Ala.
 2005 Welton Dudley, 2249 Short 212 C. & D., Birmingham, Ala.
 1794 Willie Dureston, 3119 Alley F, Birmingham, Ala.
 3494 Johnnie Eleby, 306 South Twenty-sixth Street, Birmingham, Ala.
 522 George Elleby, 306 South Twenty-sixth Street, Birmingham, Ala.
 1579 Will Fielding, 2331 Avenue D, Birmingham, Ala.
 3452 Walter Fincher, Twenty-sixth Street between Third and Fourth Avenues, Birmingham, Ala.
 2162 William Flint, 2722 South Twenty-seventh Street, Birmingham, Ala.
 3059 Willie Ford, 2506 Avenue B, Birmingham, Ala.
 3428 Percy Forest, 2220 Avenue C, Birmingham, Ala.
 3134 Joe H. Foster (or Joe Ausburn Foster, J. A. Foster), Molton Hotel, Birmingham, Ala.
 2546 Austin Freney, 2509 Fourth Avenue, Birmingham, Ala.
 2880 Joe Fuller, 216 Twenty-fourth Street South, Birmingham, Ala.
 916 Frank Gaddis, 2513½ (2520) Second Avenue, Birmingham, Ala.
 3426 Ridgeway Gaines, 2305 Alley H, Birmingham, Ala.
 1126 Hubert Gardner (Herbert Gardener, Hubert Gardener), general delivery, Birmingham, Ala.
 1795 Lewis Gary, 2512 North Second Avenue, Birmingham, Ala.
 434 Johnie (Johnnie) Gee, 2330 Avenue I, Birmingham, Ala.
 2217 Charlie Gibson, 2221 Avenue B, Birmingham, Ala.
 2014 J. C. Gibson, 2224 Alley C, Birmingham, Ala.
 1540 Arthur Glenn, Sixteenth Avenue and Thirty-fifth Street, Birmingham, Ala.
 275 Charles Young Goosley (Goolsby), 2403 Third Avenue, Birmingham, Ala.
 957 Ed Gordon, 318 Twenty-second Street, Birmingham, Ala.
 1327 Tommie Green, 2416 Second Alley, Birmingham, Ala.
 3240 Ed Grier, 515 Thirty-second Street, Birmingham, Ala.
 3532 Will Griggs, 2315 Seventh Avenue (3315 North Seventh Avenue), Birmingham, Ala.
 1113 Henry W. (Henry Windham, H. W.) Grubbs, Reliance Hotel, Birmingham, Ala.
 2109 Lester Hale, Avenue C and Twenty-first Street, Birmingham, Ala.
 3174 Granville Hall, 530 Thirty-third Street North, Birmingham, Ala.
 2164 Will Hall, Twenty-fourth Street and Powell Avenue, Birmingham, Ala.
 3160 Arthur Harris, 2210½ Second Alley (2210½ First Alley), Birmingham, Ala.
 2850 Ben Harris, 2417 Avenue I, Birmingham, Ala.
 2728 George Harris, 2227 Avenue A, Birmingham, Ala.
 864 Mack Hayes, 2515 First Street (First Avenue), Birmingham, Ala.
 3255 Sylvester Hayes, 2516 Alley G, Birmingham, Ala.
 2842 Teliver (Tolliver) Herney, 2734 Alley E, Birmingham, Ala.
 409 Alcie Hill (Alcie Hall), Alley E and Twenty-eighth Street, Birmingham, Ala.
 622 Charles Hines, 2020 Tenth Avenue South, Birmingham, Ala.
 2210 Thomas (Thos.) H. Hines, 2731 Baron Avenue, Birmingham, Ala. (510 West Nineteenth Street, Chattanooga, Tenn.).
 2072 Geo. F. Hoggman, 2503 Twelfth Avenue, Birmingham, Ala. (George F. Hoffman (Geo. F. Hoffman), 2503 North Twelfth Avenue, Birmingham, Ala.).
 2355 Captain Holston, 3029 Seventh Avenue, Birmingham, Ala.
 373 Willie Hopper, 832 South Twenty-fourth Street, Birmingham, Ala.
 3107 Asey Horton, 807 South Twenty-third Street, Birmingham, Ala.
 3179 Chester Howard, 3301 First Avenue, Birmingham, Ala.
 1972 Harry Howard, 2017 Avenue C, Birmingham, Ala.
 3024 John L. Howard, 518 Twenty-first Street, Birmingham, Ala. (John Leonard, 518 South Twenty-first Street, Birmingham, Ala.).
 2947 Cornelius (Corneallus) Jackson, 324 South Twenty-fourth Street, Birmingham, Ala. (2509 Avenue D, Birmingham, Ala.).
 1111 John Jackson, 2417 2 Alley, Birmingham, Ala. (2417 7 Alley, Birmingham, Ala.).
 2176 Julius Jackson, 820 North Twenty-sixth Street, Birmingham, Ala.
 2353 Reuben Jackson, 2212 5 Alley, Birmingham, Ala.
 243 Willie Jackson, Thirty-second Street and First Avenue, Birmingham, Ala.
 2277 Lawson James (Lawson Jones), 602 South Twenty-second Street, Birmingham, Ala.
 1034 David Johnson, 2215 E Avenue, Birmingham, Ala.
 1533 Howard Johnson, 2446 Alley B, Birmingham, Ala.
 2265 John R. (John Raonell) Johnson, 308 Alley C, Birmingham, Ala.
 605 Jessie Jones (Jesse Zorres, Jesse Jones, Jesse Zones), 2524½ Second Street, Birmingham, Ala.
 619 Jim Jones, 1223 Iroquois Street, Birmingham, Ala.
 3062 John P. (John Percy) Jones, 2401 Fourth Avenue, Birmingham, Ala.
 2492 Marshall Jones, 2209 Eighth Avenue, Birmingham, Ala.
 264 Joe Judkins, 2223½ Alley B, Birmingham, Ala. (2223½ Avenue B, Birmingham, Ala.).
 1191 James Keeling, 2216 Fifth Avenue, Birmingham, Ala.
 2574 Thomas A. (Thomas Andrew) Keener, 2630½ First Avenue, Birmingham, Ala.
 602 Nathan Kennedy, 2408 Scruggs Alley, Birmingham, Ala.
 1253 Robert Kidd, 2106 Seventh Alley, Birmingham, Ala.
 889 Henry Kirk, 120 South Twenty-third Street, Birmingham, Ala.
 1912 Will Kirksey, 2504 Avenue B, Birmingham, Ala. (2301 Avenue A, Birmingham, Ala.).
 288 Alfred Knight, 949 College Street, Birmingham, Ala.
 2406 Elers G. Lawson, 2522 Fourth Alley, Birmingham, Ala.
 1802 Tom Lee, 2229 Tenth Avenue, Birmingham, Ala.
 1950 James Le Shore (James Leshore), 817 Ninth Street, Birmingham, Ala.
 3301 Finest Le Shore (La Shore, Lashore), 817 Ninth Street (South), Birmingham, Ala.
 1682 James Lett, 2320 First Avenue, Birmingham, Ala.
 3031 Eddie Lewis, 2413 Avenue F, Birmingham, Ala. (3413 Avenue F, Birmingham, Ala.).
 1590 Isalah Lewis, 2502 North Twenty-fifth Street, Birmingham, Ala.

- 2126 Jacob S. (Jacob Sam) Lewis, 2128 North Fifth Avenue, Birmingham, Ala.
- 2568 John Lewis, 2304 12 Alley, North Birmingham, Ala.
- 1805 Robert Lewis, 2506 First Avenue, Birmingham, Ala.
- 2824 Major Lisenha, 723 Twentieth Street, North Birmingham, Ala.
- 603b William John Logan, 2007 Avenue J, Birmingham, Ala.
- 449 Blaine Logan Lucas, 2131 Sixth Avenue, North Birmingham, Ala.
- 1644 Lee Luster, Alley B, between Twenty-third and Twenty-fourth Streets, Birmingham, Ala.
- 2223 Dock McAlpin, 2324 Alley C, Birmingham, Ala. (2309 Alley E, Birmingham, Ala.).
- 1503 David (Davis) McCombs, 2419 1/2 Alley D, Birmingham, Ala.
- 1693 Saul McCrays (McCray), 2110 C Street (2110 Avenue C), Birmingham, Ala.
- 2259 Will McLilly, 2406 Third Avenue, Birmingham, Ala.
- 3409 Carl L. McNaron, 2100 Fifth Avenue, Birmingham, Ala. (Carl Lammon McNaron, Albertville, Ala.).
- 2968 William Mackie, 2119 5 Alley, Birmingham, Ala.
- 2000 Charlie Malone, 122 Alley C, Birmingham, Ala.
- 1091 Charlie Mansell (Mansell), 2717 Alley B, Birmingham, Ala.
- 2251 Garner (Gardner) Martin, 2521 Avenue B, Birmingham, Ala.
- 2399 James Mathews (Matthews), Brown Marx Building, care of Alabama Power Co., Birmingham, Ala.
- 796 E. D. Mills, 2017 Avenue D, Birmingham, Ala.
- 45 Maxie Minnefield (Maxie Minningfield, Maxim Minningfield), Twenty-sixth Street, between Fourth and Fifth Avenues, Birmingham, Ala.
- 597 Ed. Miner (Minor), 2511 Alley E, Birmingham, Ala.
- 2535 Robert Mitchell, 2246 South Twenty-second Street, Birmingham, Ala.
- 325 Charley Moore, 2218 Sixth Alley, Birmingham, Ala.
- 28 John Moore, Avenue B and Twenty-third Street, Birmingham, Ala. (care of County Camp No. 14, Birmingham, Ala.).
- 3220 Henry Morgan, 306 Twenty-sixth Street (1306 Twenty-sixth Street), South Birmingham, Ala.
- 1671 Isiah Morris (Isiah Morris), 2416 Alley F, Birmingham, Ala.
- 3332 Oza Morrisette (Morissette), 2300 8 Alley, Birmingham, Ala.
- 2814 John W. Moss (Morse), Twenty-fifth Street, between C and B, Birmingham, Ala.
- 2378 Dave Mumford, 2421 Third Avenue, Birmingham, Ala.
- 1816 Semo Neely, 2119 5 Alley, Birmingham, Ala.
- 1621 Robert Oden, 2722 Alley E, Birmingham, Ala.
- 354 Frank Owen, 2325 Alley B, Birmingham, Ala. (R. F. D. 6, box 11, North Birmingham, Ala.).
- 2972 Eugene Pack, 4 north on alley between Twenty-third and Twenty-fourth, between Tenth and Eleventh Avenues, Birmingham, Ala. (4 north between Tenth and Eleventh, between Twenty-third and Twenty-fourth Streets, Birmingham, Ala.).
- 3340 Monroe Parker, in rear 1224 North Thirtieth Street, Birmingham, Ala. (1224 North Thirtieth Street, Birmingham, Ala.).
- 2478 Wesley Patterson, 217 Twenty-fifth Street, Birmingham, Ala.
- 2118 Christopher C. Perkins, 521 Thirty-second, North Birmingham, Ala. (Christopher Columbus (Christopher Perkins), 521 North Third Avenue, Birmingham, Ala.).
- 1180 Judge Phillips, 607 North Thirtieth Street, Birmingham, Ala.
- 1273 Will Porter, 3025 North Seventh Avenue, Birmingham, Ala.
- 2861 Sam Powell, 2421 Avenue D, Birmingham, Ala.
- 771 Bennie Quimby, 2321 Fifty Avenue, Birmingham, Ala.
- 2887 Willie Reynolds, 1827 Thirty-second Avenue, North Birmingham, Ala.
- 1087 Willie Reynolds, 1027 Twenty-first Street, North Birmingham, Ala.
- 2671 Ed Robinson, 2439 Alley C, Birmingham, Ala.
- 2878 Jasper Roden, 611 Twenty-first Street, Birmingham, Ala. (617 South Twenty-sixth Street, Birmingham, Ala.).
- 620 Will Rogers, 2422 C Street, Birmingham, Ala. (2422 Alley C, Birmingham, Ala.).
- 2051 Gus Roseman, 2505 Avenue B South, Birmingham, Ala. (Falkville, Ala.).
- 1832 Henry Rush, 2601 North Third Avenue, Birmingham, Ala.
- 2440 Pugh Rutledge, 3027 Seventh Alley, Birmingham, Ala.
- 1217 Edward L. (Louis) Sanders, 1620 Twenty-second Street, Birmingham, Ala.
- 3166 Walter Scheff, 820 North Twenty-sixth Street, Birmingham, Ala. (82 North Twenty-sixth Street, Birmingham, Ala.).
- 1504 1/2 Ramon Henry Scovella, 208 1/2 Twenty-sixth Street north, White Front Hotel, Birmingham, Ala. (521 John Street, Cincinnati, Ohio.).
- 2561 Walter L. Shaddix, 2304 Fourth Avenue, Birmingham, Ala.
- 2420 James Shafer, 2213 Alley B, Birmingham, Ala.
- 3540 Alva A. Sharp, 615 South Twenty-second Street, Birmingham, Ala.
- 2167 Willie H. (Hudson) Shaw, 618 Twenty-first Street, South Birmingham, Ala. (618 Twenty-first Street, Birmingham, Ala.).
- 2841 Jeff Sims, 717 South Twenty-first Street, Birmingham, Ala.
- 2989 Will Smart, 2224 Avenue A, Birmingham, Ala.
- 3074 Benny Smith, 2316 First Alley, Birmingham, Ala. (Newell Bros., Contractors, Anniston, Ala.).
- 268 Jim Smith, 908 Humbolt Avenue, between Twenty-second and Twenty-third, Birmingham, Ala. (908 Humbolt Alley, Birmingham, Ala.).
- 1265 John Smith, 1022 North Tenth Alley, Birmingham, Ala.
- 1258 Lonzie (Lonzie) Smith, 2604 Third Avenue North, Birmingham, Ala.
- 88 William (Willie) Smith, 2403 Avenue C, Birmingham, Ala.
- 1431 Joe Stephens, 303 North Twenty-sixth Street, Birmingham, Ala.
- 2583 Jim Stewart, 607 Twenty-third Street, Birmingham, Ala.
- 2874 Lovet Stoves, 2127 H Street, Birmingham, Ala.
- 2570 Milton Swann, 219 South Twenty-ninth Street, Birmingham, Ala.
- 3312 Frank Tanner, 2718 Avenue C, Birmingham, Ala.
- 2302 John W. Taylor, 2309 Fifth Avenue, Birmingham, Ala. (John Woffard, 225 Commerce Street, Montgomery, Ala.).
- 744 Will Taylor, 3220 Fifth Alley, Birmingham, Ala. (In Aviation Corps.).
- 1638 Will Taylor, 1030 Brittan Street, Birmingham, Ala. (1030 Britton Street, Birmingham, Ala.).
- 3153 Jesse Thomas, 2500 Fourth Avenue, Birmingham, Ala.
- 3186 Sam Thomas, Avenue B, between Twenty-fourth and Twenty-fifth Streets, Birmingham, Ala.
- 1833 Will Thomas, 2526 Avenue H, Birmingham, Ala.
- 2369 Son Thornton, 2320 Alley G, Birmingham, Ala.
- 2930 Herbert Truitt, 23 Avenue C, Birmingham, Ala.
- 3950 Hardy Turks, 3012 Sixth Avenue, Birmingham, Ala.
- 2609 Andrew Turner, 808 1/2 North Twenty-fourth Street, Birmingham, Ala. (1209 Scovill Avenue, Cleveland, Ohio.).
- 1372 Henry Turner, 2400 Twenty-fourth Street, Birmingham, Ala.
- 3434 Alfred Walton, 2103 Alley E, Birmingham, Ala.
- 3291 Barnett (Barnet) Warren, northeast corner Avenue F and Twenty-third Street Birmingham, Ala.
- 1324 Walter Washington, 203 Twenty-sixth Street North Birmingham, Ala.
- 3489 Abraham White, 832 Twenty-fourth Street, Birmingham, Ala.
- 1961 Ira White, 2500 First Avenue North, Birmingham, Ala. (2500 North First Avenue, Birmingham, Ala.).
- 130 Will White, 22 1/2 Twenty-sixth Street, Birmingham, Ala.
- 2961 James Whitsey, 2507 Avenue C, Birmingham, Ala.
- 465 Bill Williams, 1765 Twenty-first Street South, Birmingham, Ala.
- 1045 Bill Williams, Dobbins Quarters, Fifth Avenue, Birmingham, Ala.
- 2174 Charlie Williams, Avenue C, Twenty-fourth and Twenty-fifth Streets, Birmingham, Ala.
- 3560 Handy Williams, 916 South Twenty-sixth Street, Birmingham, Ala.
- 2224 John Williams, 1525 Beech Street, Birmingham, Ala. (1525 Beach Street, Birmingham, Ala.).
- 649 Mose Williams, 2119 Alley A, Birmingham, Ala.
- 2921 Osie Williams, Thirteenth Avenue and Thirty-sixth Street, Birmingham, Ala.
- 2744b Sam Williams, 208 1/2 North Twenty-sixth Street, Birmingham, Ala.
- 2996 Sam Williams, 3114 Avenue H, Birmingham, Ala.
- 2477 Walter Williams, 2112 Avenue F, Birmingham, Ala.
- 2622 Willie Williams, 2236 Avenue C, Birmingham, Ala.
- 1538 Ed. Wilson, 2213 Fifth Avenue, Birmingham, Ala.
- 2606 John Wilson, 2465 Avenue B, Birmingham, Ala.
- 1307 1/2 Dones Winfield, Twenty-sixth Street, Birmingham, Ala. (Dones Winfield, Brookside, Ala.).
- 294 Edmond (Edward) Winston, 2512 Twelfth Avenue, Birmingham, Ala.
- 3096 1/2 Wiley Woods, 2401 Fifth Avenue, Birmingham, Ala.
- 2435 Clarence Wright, 2523 Alley G, Birmingham, Ala.
- 483 Edward Young, 305 Twenty-fifth Street, Birmingham, Ala. (2407 Avenue D, Birmingham, Ala.).
- 627 Joseph Young, Twenty-sixth, between Third and Fourth Avenues, Birmingham, Ala.
- 667 Robert Curtis Zachry (R. C. Zachry), 2116 Fifth Avenue, Birmingham, Ala.
- 399 Elias Zarnes (Zornes), 739 Twentieth Street, Birmingham, Ala. (739 North Twentieth Street, Birmingham, Ala.).
- 637 James Zalner (Zelner), 2109 Fifth Alley, Birmingham, Ala. (2109 Fifth Avenue, Birmingham, Ala.).
- 3288 Frank R. Eastman (Eastmon), 2312 Fifth Avenue, Birmingham, Ala. (general delivery, Uniontown, Ala.).
- 1189 Will Jackson, 2412 Seventh Avenue, Birmingham, Ala. (care U. S. Pipe & Foundry, North Birmingham, Ala.).
- 1361 Charlie May, 2801 Fairview Circle, Birmingham, Ala. (2805 Fairview Circle, Birmingham, Ala.).
- 754 Will Jones, 2322 Avenue C, Birmingham, Ala. (Dolomite, Ala.).
- 122 Charlie (Charley) Pertis, 5701 First Avenue, Birmingham, Ala.
- 146 Rogers Prowell, 2500 First Avenue, Birmingham, Ala.
- 689 Robert Smith, 2513 Fifth Alley, Birmingham, Ala.
- 3163 William (Will) Wesley, C Alley, Birmingham, Ala. (Suspension, Ala.).
- LOCAL BOARD FOR DIVISION NO. 3, CITY OF BIRMINGHAM, STATE OF ALABAMA.
- 534 John Farley, 625 Fourteenth Street, Birmingham, Ala. (care Pullman Co., Terminal Station, Birmingham, Ala.; 711 Seventh Avenue, Birmingham, Ala.).
- LOCAL BOARD FOR DIVISION NO. 6, CITY OF BIRMINGHAM, STATE OF ALABAMA.
- 141 John Henry Parker, 115 Eighth Avenue, West Birmingham, Ala. (Johnie Heinie, 115 Eighth Avenue, Graymont; Jno. H. Parker, Birmingham, Ala.).
- LOCAL BOARD, COUNTY OF BULLOCK, STATE OF ALABAMA.
- 382 Isaac Banks, Hurtsboro, Ala.
- 311 Jean Banks, Union Springs, Ala.
- 305 Steven (Stephen) Baskin, Thompson, Ala.
- 1249 Ernest Lothis Blue (Ernest L. Blue), Perote, Ala.
- 1335 Allis Brown, Hurtsboro, Ala.
- 85 James Cargill (Corgil, Cargill), Fitzpatrick, Ala.
- 662 Edward Carter, Guerryton, Ala.
- 1110 Mose Coleman, Union Springs, Ala.
- 1346 Willie Coleman, Hurtsboro, Ala.
- 75 Milton Davis, Union Springs, Ala.
- 304 Jim Dixon, Suspension, Ala.
- 828 Biri Franklin, James, Ala.
- 118 Arthur Frazer, Fitzpatrick, Ala. (Flint, Mich.).
- 1166 Clarence Gholston, Fitzpatrick, Ala.
- 722 James Allison Godwin (James A. Goodwin), Union Springs, Ala.
- 574 Loyd Harvey, R. F. D., Three Notch, Ala.
- 136 John Clayan Henry, Union Springs, Ala.
- 344 Stanley Hollinhead (Hollinghead), Union Springs, Ala.
- 697 Tommie Johnson, Union Springs, Ala.
- 750 Sam Jones, Union Springs, Ala.
- 1020 William Jones, Perote, Ala.
- 112 Edmund (Edmond) Kendrick, Three Notch, Ala.
- 1065 Elijah Landers, Hurtsboro, Ala.
- 990 Dave Laster, Omega, Ala.
- 767 Alex Latimore, Thompson, route No. 1, Ala.
- 1118 Chester Laster (Chester Lester), Union Springs, Ala.
- 63 Joe Long, Peachburg, Ala.
- 320 Frank McBride (McBryde), Thompson, Ala.
- 486 Price McDaniel, Union Springs, Ala.
- 1063 Asbury McGee, Union Springs, Ala.
- 428 Allee Maddox, Suspension, Ala.
- 409 Nooby Mattox, Midway, Ala.
- 593 John Westley Menfee (Menefee, Minefee), Guerryton, Ala.
- 940 William Henry Onsley (William H. Onseley), Inverness, Ala.
- 1260 James Owen, Union Springs, Ala.
- 923 Will Owens (Will Owen), Omega, Ala.
- 766 James Pearson, Union Springs, Ala.
- 477 Alto Lee Pitts, Guerryton, Ala.
- 1255 James Posey, route No. 2, Union Springs, Ala.
- 636 Frank Reynolds, Fitzpatrick, Ala.

- 279 Will (Willie) Rogers, Union Springs, Ala.
 16 Milton Rowell (M. L. Rowell), R. D., Fitzpatrick, Ala.
 1308 James Scott, Union Springs, Ala., R. F. D.
 393 James Seay, James, Ala.
 826 Warren Hatcher (H.) Shipp, Inverness, Ala.
 1207 Dawson Smith, Suspension, Ala.
 738 Haggl Smith, Mathews, Ala., R. F. D. No. 1.
 282 Leroy Smith, Union Springs, Ala.
 108 Will Smith, Route No. 2, Union Springs, Ala.
 1184 Moses (Mose) Starks, Union Springs, Ala.
 89 Will Swanson, Union Springs, Ala.
 1325 Tom Tellis, Route No. 1, Union Springs, Ala.
 134 Glasco Thomas (Glasgo Thomas), Union Springs, Ala.
 92 Henry Thomas, Route No. 3, Union Springs, Ala.
 379 Normon (Norman) Lampley Thomas, Perote, Ala.
 922 Bennie James Turner, Union Springs, Ala.
 1212 Eugene Turner, James, Ala.
 756 Ed Walton, Thompson, Ala.
 931 Henry Warren, Route No. 1, Union Springs, Ala.
 1265 Henry Wess, Midway, Ala.
 1139 Will Willie, Fitzpatrick, Ala. (Will Willie, Thompson, Ala.).
 1183 George Williams, Union Springs, Ala.
 423 John Williams, Union Springs, Ala.
 829 J. B. Calhoun (Calhoun), Route No. 1, Fitzpatrick, Ala. (Montgomery, Ala.).

LOCAL BOARD FOR THE COUNTY OF CHAMBERS, STATE OF ALABAMA.

- 1541 Ollie (Oble, Odie) Parker, Route No. 1, Roadoke, Ala.

LOCAL BOARD FOR THE COUNTY OF CHILTON, STATE OF ALABAMA.

- 619 Robert McKinnon, Chilton, Ala. (Robert McKesson, Wetumka, Ala.).

LOCAL BOARD FOR THE COUNTY OF CLARK, STATE OF ALABAMA.

- 129 Will Washington, Grove Hill, Ala.

LOCAL BOARD FOR THE COUNTY OF COLBERT, STATE OF ALABAMA.

- 588 Ollie Way Campbell, Office Row, Sheffield, Ala. (Ollie May, Chattanooga, Tenn., Ollie Campbell, 916 White Side, Chattanooga, Tenn.).

LOCAL BOARD FOR THE COUNTY OF DALLAS, STATE OF ALABAMA.

- 1528 Leroy Brown, Minter, Ala.
 527 Willie Jackson, 1409 Fremont Street, Selma, Ala. (Tremont Street, Selma, Ala.).
 1797 Willie (Willis) Johnson, R. F. D. No. 2, Minter, Ala.

LOCAL BOARD FOR THE COUNTY OF ELMORE, STATE OF ALABAMA.

- 1436 Henry Wilson, Elmore, Ala. (Route No. 1, Elmore, Ala.).

LOCAL BOARD FOR THE COUNTY OF ETOWAH, STATE OF ALABAMA.

- 4058 Charlie Dickerson, Glenco (Glencoe), Ala.

LOCAL BOARD FOR DIVISION NO. 2, COUNTY OF JEFFERSON, STATE OF ALABAMA.

- 264 Will Mosley, Porter, Ala.

LOCAL BOARD FOR DIVISION NO. 3, COUNTY OF JEFFERSON, STATE OF ALABAMA.

- 1310 John Garner, Route 1, Box 237, Birmingham, Ala.
 387 Felix Harris, No. 8 Mines, Tennessee Co., Birmingham, Ala.
 1301 Frank Jones, 415 Washington Street, Birmingham, Ala.

LOCAL BOARD FOR THE COUNTY OF LEE, STATE OF ALABAMA.

- 771 Daniel Martin Allen, Phenix, Ala. (Phenix, Ala., care Swift Manufacturing Co.).

LOCAL BOARD FOR THE COUNTY OF MACON, STATE OF ALABAMA.

- 898 Will Crawford, Fort Davis, Ala.

LOCAL BOARD FOR THE CITY OF MONTGOMERY, STATE OF ALABAMA.

- 5471 William Clark, Montgomery, Ala.
 297 James Hall, 404 Chandler Street, Montgomery, Ala.
 3766 John Richardson, LeGrand, Ala.
 1890 Robert S. (R. S.) Stanford, Montgomery, Ala.
 2892 Elliot (Elliot) Starks, 1937 Wesley Avenue, Evanston, Ill. (406 West Lee Street, Montgomery, Ala.).
 1523 Clinton Jones Williams, 115 Catoma Street, Montgomery, Ala.

LOCAL BOARD FOR THE COUNTY OF PICKENS, STATE OF ALABAMA.

- 123 Lock Hill, R. F. D. No. 2, Alceville, Ala.

LOCAL BOARD FOR THE COUNTY OF PIKE, STATE OF ALABAMA.

- 215 Willie Woods (Wood), route No. 3, Troy, Ala.

LOCAL BOARD FOR THE COUNTY OF RUSSELL, STATE OF ALABAMA.

- 1230 Walter E. (Walter Edward) Lavender, Girard, Ala.
 125 James W. (Jas. Walter) Moore, 404 Second Street, Girard, Ala.

LOCAL BOARD FOR THE COUNTY OF TALLADEGA, STATE OF ALABAMA.

- 2260 Joseph William Cain, Sylacauga, Ala.

LOCAL BOARD FOR THE COUNTY OF TUSCALOOSA, STATE OF ALABAMA.

- 339 William Elisha (E.) Burchfield, Pratt City, Ala.

LOCAL BOARD FOR THE COUNTY OF PICKENS, STATE OF ALABAMA.

- 601 Earl (Early) Thurman, Muscle Shoals, Ala. (Catherine, Ala.).

LOCAL BOARD FOR THE COUNTY OF DADE, STATE OF FLORIDA.

- 370 Ben Harrison (H.) Lyon, 524 Clara Terrace, Jacksonville, Fla. (Abner, N. C.).
 1391 Luther Alexander (Luther A., L. A.) Parker, 518 Palm Avenue, Miami, Fla.

LOCAL BOARD FOR THE COUNTY OF DUVAL, STATE OF FLORIDA.

- 911 Harry Matthew Hurlbert, Duval Station, Fla.
 1751a John Dennis Kerns, Bell Court, Bayside, N. Y.

LOCAL BOARD FOR THE COUNTY OF ESCAMBIA, STATE OF FLORIDA.

- 2053 L. T. Gettings (L. T. Gettinger, Lewis T. Gettinger), 113 South DeVillier, Pensacola, Fla.
 598 Charlie Smith, Ernestville, Fla. (Earnestville, Fla.).

LOCAL BOARD FOR THE COUNTY OF HERNANDO, BROOKSVILLE CITY, STATE OF FLORIDA.

- 259 Will Jackson, Croom, Fla.

LOCAL BOARD FOR DIVISION NO. 1, CITY OF JACKSONVILLE, STATE OF FLORIDA.

- 486 Floyd Owens, 919 East Union Street, Jacksonville, Fla.

LOCAL BOARD FOR DIVISION NO. 2, CITY OF JACKSONVILLE, STATE OF FLORIDA.

- 2256 James Elbert, 827½ West Ashley Street, Jacksonville, Fla. (214 Turpin Street, Macon, Ga.).
 733 Benjamin Martin (Benj. M., B. M.) Hoffman, Albert Hotel, Jacksonville, Fla.
 1335 Roy J. Montgomery, Jacksonville, Fla.
 1882 Will Patton, 905 West Ashley Street, Jacksonville, Fla.
 741 Frank Wilson, 1011 West Ashley Street, Jacksonville, Fla.

LOCAL BOARD FOR DIVISION NO. 3, CITY OF JACKSONVILLE, STATE OF FLORIDA.

- 2752 Harrison Adams, 1636 Lee Street, Jacksonville, Fla.
 1412 Sam Adams, 329 West State Street, Jacksonville, Fla.
 3034 Will A. Adams, 1103 West Beaver Street, Jacksonville, Fla.
 831 Jas. (James) Albritton, 1449 West Duval Street, Jacksonville, Fla.
 194 Richard Alexander, 1068 West Beaver Street, Jacksonville, Fla.
 483 Marcelino Diaz Alfonso (Alfonzo), 510½ Board Street, Jacksonville, Fla.
 1736 Asie (Acle) Anderson, 48 Acorn Street, Jacksonville, Fla.
 2917 Ralph H. (Hubbard) Anderson, 1045 Adams Street, Jacksonville, Fla.
 1397 Toney Anderson, 507 West Beaver Street, Jacksonville, Fla.
 1516 Geo. Archie, 222 Lackawanna Avenue, Jacksonville, Fla.
 2241 Allen Armstrong, 1314 West Monroe Street, Jacksonville, Fla.
 3046 Rob't A. Atkins (Robert Anderson), 1514 Pelican Street, Jacksonville, Fla.
 2866 Paul Atkinson, 1241 Monroe Street, Jacksonville, Fla.
 622 Fred T. Baker, 1024 West Beaver Street, Jacksonville, Fla.
 2881 Joe Baker, 144 Davis Street, Jacksonville, Fla.
 3701 Abraham N. (Nathan'l) Ball, 136 Davis Street, Jacksonville, Fla.
 2297 Arch Bell, 1014 W. Beaver Street, Jacksonville, Fla.
 1472 Frank Bell, 1044 West Ashley Street, Jacksonville, Fla.
 146 Jack J. (Joseph) Bendehond, 600 Oak Street, Jacksonville, Fla.
 610 Pat Bens, 144 Davis Street, Jacksonville, Fla.
 116 Willie Berry, 319 West State Street, Jacksonville, Fla.
 1930 Purvis (Pervis) Bethel, 711 Jefferson Street, Jacksonville, Fla.
 2929 Jas. Bixby (James Busby), 220 Price Street, Jacksonville, Fla.
 1070 Sam Black, 308 Myrtle Avenue, Jacksonville, Fla.
 468 Jno. (John) Bradley, 726 West Ashley Street (726 West Church Street), Jacksonville, Fla.
 1170 Brokey Brayboy, Jefferson Street, Jacksonville, Fla.
 2582 David Brown (Bowen), 216 Magnolia Street, Jacksonville, Fla.
 1567 Jos. Brenen, Myrtle Avenue, Jacksonville, Fla.
 2784 Tave Bridges, 1333 Monroe Street, Jacksonville, Fla.
 965 Harold Briggs, 526 Broad Street, Jacksonville, Fla.
 1843 Jno. Brobham, 342 East Union Street, Jacksonville, Fla.
 1554 Eugene Brookfield, No. 1238 West Monroe Street, Jacksonville, Fla.
 473 Albert Brown, 635½ West Ashley Street, Jacksonville, Fla.
 2620 Eli Brown, 614 Dewdrop Street, Jacksonville, Fla.
 507 Frank Brown, 48 Acorn Street, Jacksonville, Fla.
 959 Freeman Brown, 422 Jackson Street, Jacksonville, Fla.
 215 Isaac Brown, 6 Forsyth Street, Jacksonville, Fla.
 1040 Jas. Brown, 222 Kings Road, Jacksonville, Fla.
 3453 Jno. (John) Brown, 523 Madison Street, Jacksonville, Fla.
 516 Julius J. (Joseph) Brown, 216 Riverside Avenue, Jacksonville, Fla.
 2705 Rose (R. M.) Brown, 605 Jefferson Street, Jacksonville, Fla.
 2032 Rob't (Robert) Brown, 1098 Cedar Street, Jacksonville, Fla.
 1630 Sidney (Sid) Brown, 1001 West Bay Street, Jacksonville, Fla.
 1701 Stephen Brown, 627 West Ashley Street, Jacksonville (Jacksonville), Fla.
 158 Eddie Bruce, 318 Broad Street, Jacksonville, Fla.
 714 Willie Bryant, 140 (1407) West Adams Street, Jacksonville, Fla.
 70 Jos. (Joseph, Joe) Bullard, 1110 West Church Street, Jacksonville, Fla. (United States post office, Camp Dix, N. J.).
 2256 DeWitt Burks, 1238 West Monroe Street, Jacksonville, Fla.
 2459 Luther Carswell, 4 Phillips (Phelps) Street, Jacksonville, Fla.
 743 Eddie Carter, 728 Madison Street, Jacksonville, Fla.
 398 Tom Chambers, 1108 West Church Street, Jacksonville, Fla.
 1442 Solomon Chatfield, 812 Ashley West, Jacksonville, Fla.
 3505 Cornell A. (Arnold) Chester, 213 Lee Street, Jacksonville, Fla.
 1499 Wm. (William) Chester, 1316 West Church Street, Jacksonville, Fla.
 2079 Edward Child, 50 Acorn Street, Jacksonville, Fla.
 2414 Oscar Chisolm (Chisolm), 732 West Beaver Street, Jacksonville, Fla.
 712 Paul Chisholm, 1005 Myrtle Avenue, Jacksonville, Fla.
 1477 Sandy Chisholm, 1120 West State Street, Jacksonville, Fla.
 853 Oscar Chisolm (Chisolm), 732 West Beaver Street, Jacksonville, Fla.
 220 Murray Christopher, 736 West Ashley Street, Jacksonville, Fla.
 2019 Louis Ennis Church, 1818 Lackawanna Street, Jacksonville, Fla.
 1452 Chester Clair, 1103 West Beaver Street, Jacksonville, Fla.
 159 William Clark, 235 Murray Avenue, Jacksonville, Fla.
 2753 Jas. O. L. (James Oswald Leonard) Clarke, 619 West Church Street, Jacksonville, Fla.
 2882 Will Coar, 321 (32) Price Street, Jacksonville, Fla.
 1956 Odie Coleman, 916 West Beaver Street, Jacksonville, Fla.
 1092 Lewis Coley, 751 First Avenue South, Jacksonville, Fla.
 2577 Woodie Colley, 1115 Illinois Street, Jacksonville, Fla.
 2474 Costa Cologeras, Jacksonville, Fla.
 1299 Jas. (James) Comer, 2027 State Street, Jacksonville, Fla.
 972 Wm. Cook, 751 Lee Street, Jacksonville, Fla.
 3513 Clarence Cooper, Dothan, Ala.
 1067 Frank A. (Frank Arthur, F. A.) Covington, 541 Park Street, Jacksonville, Fla.
 22 Jas. W. Cowart, 330 Charles River Side, Jacksonville, Fla.
 2374 Louis Crawford, 744 West Ashley Street, Jacksonville, Fla.
 1286 Jas. H. (James Henry) Culver, 1110 West Church Street, Jacksonville, Fla.
 3083 Rob't (Robert) Daniel, 1227 Ward Street, Jacksonville, Fla.
 1317 Elmore Daniels, 724 West Beaver Street, Jacksonville, Fla.
 2640 Jno. Darlington, 116 Jefferson Street, Jacksonville, Fla.
 1045 Lee Davenport, 515 Jefferson Street, Jacksonville, Fla.
 633 Arcelus Davis, 1060 West Church Street, Jacksonville, Fla.
 323 Ellis Davis, 209 Hanover Street, Jacksonville, Fla.
 164 Jno. Rawls (John Rolls, J. R.) Davis, 432 West Monroe Street, Jacksonville, Fla.
 2715 Jos. Davis, 720 West Ashley Street, Jacksonville, Fla.

- 2993 Samuel Davis, 1210 West Beaver Street, Jacksonville, Fla.
 2936 Walter Davis, 1214½ Davis Street, Jacksonville, Fla.
 1318 Jno. Davis, 219 Murray Avenue, Jacksonville, Fla.
 2527 Cicero (Cisroe) Dent, 211 Enterprise Street, Jacksonville, Fla.
 177 Frank Dikes (Dykes), 1220 West Church Street, Jacksonville, Fla.
 2120 Aaron Dixon, 1038 Beaver Street, Jacksonville, Fla.
 2546 Wm. (William) Dixon (Dixon), 1218 West Adams Street, Jacksonville, Fla.
 161 Sam Dorsey, 412 Elm Street, Jacksonville, Fla.
 2314 Ernest (Earnest) Duley, 1533 Oremtre Street, Jacksonville, Fla.
 178 Norman (Noremman) Eadie, 534 West Union Street, Jacksonville, Fla.
 660 Jas. (James) Eaty, 929 Clay Street, Jacksonville, Fla.
 943 Rob't C. (Robert C.) Edmond, Clyde Line S 3, Jacksonville, Fla.
 1419 Allen Edwards, 719 West Church Street, Jacksonville, Fla.
 600 Rob't (Robert) Edwards, 90 North Church Street, Jacksonville, Fla. (907 West Church Street, Jacksonville, Fla.).
 122 Stephen Edwards, Jr., 703 West Union Street, Jacksonville, Fla.
 3512 Glen Ellington, 1000 Church Street, Jacksonville, Fla.
 1183 Dover Elliott, 319 Jackson Street, Jacksonville, Fla.
 1619 Judson Emanuel, 524 Beaver Street, Jacksonville, Fla.
 2003 Oscar Epps, 29 West Monroe Street, Jacksonville, Fla.
 211 Henry Evans, 1008½ West Ashley Street, Jacksonville, Fla.
 3218 Herman Evans, 711 West Church Street, Jacksonville, Fla.
 669 Matthew H. (Matthew Henry) (M. H.) Evans, 324 Cleveland Street, Jacksonville, Fla.
 1181 Jas. Fazzier, 1455 West Monroe Street, Jacksonville, Fla.
 1582 Josh Fitch, 1042 West Bay Street, Jacksonville, Fla.
 8101 Henry V. (Virdell) Flipper, 18 Osceola Street, Jacksonville, Fla.
 2279 Arthur Folks, 533½ West State Street, Jacksonville, Fla.
 1915 Henry Ford, 1229 West Union Street, Jacksonville, Fla.
 2702 Jno. Fosten (John Fosten), Jacksonville, Fla. (Johnson Street).
 577 Will Frederick, 520 West Union Street, Jacksonville, Fla. (745 West State Street, Jacksonville, Fla.).
 2779 Oliver Gainey, 223 Price Street, Jacksonville, Fla.
 1588 Willie George, 719 West Church Street, Jacksonville, Fla.
 1072 Eugene Gilbert, Lee and Bay Streets, Jacksonville, Fla.
 753 Geo. Hill (George Hill), 1241 or 1341 West Monroe Street, Jacksonville, Fla.
 2986 Matthews Givens, 817 Jefferson Street, Jacksonville, Fla.
 3450 R. E. Gilbert (Robert Elberbe Gilbert), 925 Grape Street, Jacksonville, Fla.
 2895 Albert W. (Willie) Golden, corner Ashley and Broad Streets, Jacksonville, Fla.
 3563 Jessie Golden, 1029 West Church Street, Jacksonville, Fla.
 2029 Rob't M. (Robert Millard) Golden, 1602 Johnson Street, Jacksonville, Fla.
 1337 Taylor Goddlett (Goodlitt), 1100 West Church Street, Jacksonville, Fla.
 1140 Lee Goodman, 916 Dennis Street, Jacksonville, Fla.
 2559 Matthew Graham, 1522 Pelican Street, Jacksonville, Fla.
 2392 Jackson Grant, 728 Madison Street, Jacksonville, Fla.
 2470 Joe Grant, 1042 West Church Street, Jacksonville, Fla.
 1322 Ulysses S. Grant, 53 Acorn Street, Jacksonville, Fla.
 1697 Benj. (Benjamin) Green, 616 Myrtle Avenue, Jacksonville, Fla.
 1475 Ed Green, northeast corner Davis and Ashley Streets, Jacksonville, Fla.
 2682 Henry Green, 26 Raspberry Street, Atlanta, Ga.
 364 Mose Green, S. A. L. Shops, Jacksonville, Fla.
 167 Willie Green, 1236 West Church Street, Jacksonville, Fla.
 1990 Wm. (William) Green, 605 West Bay Street, Jacksonville, Fla.
 1507 Arthur Gregory (A. Gregory), 512 West Union Street, Jacksonville, Fla.
 152 Moses Grice, 22 Richard Street, Jacksonville, Fla.
 2207 Walter Griffin, 1218 West Duval Street, Jacksonville, Fla.
 1852 Emmett H. Griffiths, 453 Oak Street, Jacksonville, Fla.
 2220 Elliot B. (Elliot Bartow, E. B.) Gugir, 1115 Roselle Street, Jacksonville, Fla.
 379 Sheldon (Shelton) Hadley, Steelton, Pa. (1031 West Beaver Street, Jacksonville, Fla.).
 337 Edmund Hamilton, 616 West Church Street, Jacksonville, Fla.
 2390 Fred Hammock, 611 West Beaver Street, Jacksonville, Fla.
 1604 Willie Hampton, 917 Lewis Street, Jacksonville, Fla.
 2217 Surry W. (Wilson) Harmon, 615½ West Ashley Street, Jacksonville, Fla.
 686 Tuck (Puck) Harriel, 214 Lelia Street, Jacksonville, Fla.
 106 Archie Harris, 1044 West Church Street, Jacksonville, Fla.
 2110 Geo. R. (George Regan) Harris, 642 West Duval Street, Jacksonville, Fla.
 2484 Dan Haven, 631 Park Street, Jacksonville, Fla.
 1931 John Haywood, 12 Davis Street, Jacksonville, Fla.
 2972 Jno. (John) Henderson, 1026 West Union Street, Jacksonville, Fla.
 12 Sandy Henderson, 642 Union Street, Jacksonville, Fla.
 2231 Grant Hickson, 1537 Pelican Street, Jacksonville, Fla.
 1655 Frank Hill, 710 West Ashley Street, Jacksonville, Fla.
 2876 Wm. (William) Hill, 1499 Park Street, Jacksonville, Fla.
 2975 Willie Hill, 1001 West Church Street, Jacksonville, Fla.
 1173 Thos. Hinson, 219 Jackson Street, Jacksonville, Fla.
 833 Eugene L. (Eugene Lake) Hockaday, Virginia Hotel, Jacksonville, Fla.
 1460 Jas. (James) Holbert, 142 Davis Street, Jacksonville, Fla.
 405 Walter Holloway, 140 Davis Street, Jacksonville, Fla.
 56 Lewis Holmes, 120 Sherman Avenue, Jacksonville, Fla.
 3876 Thos. C. (Thomas Cleveland, T. C.) Holton, 2 Blanche Street, Jacksonville, Fla.
 2979 Cleveland H. Hopkins, 915 West Monroe Street, Jacksonville, Fla.
 599 Jas. (James) Horne, 1908 Enterprise Street, Jacksonville, Fla.
 1160 Herbert Houser, 214 Oak Street, Jacksonville, Fla.
 3465 Jno. (John) Houston, 740 West Church Street, Jacksonville, Fla.
 3072 Frank Howard (Howell), 1342 West Bay Street, Jacksonville, Fla.
 487 Henry Howard, 825½ West Ashley Street, Jacksonville, Fla.
 2022 W. H. Lesesne (Lesesne) Howard, 612 West Beaver Street, Jacksonville, Fla.
 3437 Henry Huff, 825 Ward Street, Jacksonville, Fla.
 2291 Isom Hughes, 1110 Ellis Street, Jacksonville, Fla.
 627 Edw. (E.) Hunt, Key West, Fla.
 373 Arthur Jackson, 746 Orangetree, Jacksonville, Fla.
 1773 David Jackson, 420 Lime Street, Lakeland, Fla.
 1650 Grant Jackson, 1247 West Bay Street, Jacksonville, Fla.
 2059 Henry Jackson, 2 South Myrtle Avenue, Jacksonville, Fla.
 1024 Jas. (James) Jackson, 874 Caroline Street, Jacksonville, Fla.
 1564 Lewis Jackson, 740 Church Street, Jacksonville, Fla.
 1033 Orlandus Jackson, 1326 West Duval Street, Jacksonville, Fla.
 1791 Randall Jackson, 4 South Myrtle Avenue, Jacksonville, Fla.
 1540 Rob't Jackson, 420 Myrtle Avenue, Jacksonville, Fla.
 1038 Will Jackson, 726 West State Street, Jacksonville, Fla.
 1187 Willie Dell Jackson (Willie Jackson), 753 Park Street, Jacksonville, Fla.
 2519 Clifford Jacobs, 136 Magnolia Street, Jacksonville, Fla.
 581 Adam Jenkins, 515 Davis Street, Jacksonville, Fla.
 1256 Osburn (Osborn) Jenkins, 3143 Margaret Street, Jacksonville, Fla.
 1491 Bedell Johnson, 1147 West Bay Street, Jacksonville, Fla.
 2500 Eddie Johnson, 1254 West Ashley Street, Jacksonville, Fla.
 2339 Louis (Lewis) Johnson, 630 Davis Street, Jacksonville, Fla.
 520 Sam Johnson, 749 West Ashley Street, Jacksonville, Fla.
 281 Willie (Will) Johnson, 810 Eagle Street, Jacksonville, Fla.
 1593 Willie Johnson, 939 West Ashley Street, Jacksonville, Fla.
 1772 Charlie Jones, camp car No. 2, Georgia Southern & Florida Railway, Jacksonville, Fla.
 1490 Eddie M. Jones, 1139 Corning Street, Jacksonville, Fla.
 1794 Frank Jones (James), 1224 West Duval Street, Jacksonville, Fla.
 756 Jeff Jones, 1247 West Bay Street, Jacksonville, Fla.
 506 Henry Jones, 923 (925) Lewis Street, Jacksonville, Fla.
 1262 Henry Jones, 1226 Ward Street, Jacksonville, Fla.
 2431 Jno. (John) Jones, Lackawanna Avenue, Jacksonville, Fla.
 2698 Rob't (Robert) Jones, 142 Davis Street, Jacksonville, Fla.
 1652 Sam Jones, 710 West Ashley Street, Jacksonville, Fla. (Crowder, Miss.).
 2504 Will Jones, 901 Cleveland Street, Jacksonville, Fla.
 1983 Willie Jones, 1411 West Adams Street, Jacksonville, Fla.
 150 Eugene Vellock Kelley, 825½ West Ashley Street, Jacksonville, Fla.
 2195 Ben Kennedy, 24 West Carling Street, Jacksonville, Fla.
 1531 Jas. (James) Kennedy, 818 West Church Street, Jacksonville, Fla.
 1113 Lindsey (Linsay) Key, 1639 Cemetery Street, Jacksonville, Fla.
 393 Herbert A. King (Herbert King), 541 Orange Street, Jacksonville, Fla.
 2512 Joel King, 573 Orange Street, Jacksonville, Fla.
 1657 Jno. King, 1524 Davis Street, Jacksonville, Fla.
 1918 Wm. King, 729 West Ashley Street, Jacksonville, Fla.
 1735 Willie King, 403 Stonewall, Jacksonville, Fla.
 928 Edw. Kinsey, 114 Cleveland Street, Jacksonville, Fla.
 1365 Cleve Kirkland, 1027 West Duval Street, Jacksonville, Fla.
 821 Joe Knight, 510 West Davis Street, Jacksonville, Fla.
 126 Ervin Landers (E. V. Landers), 752 West Church Street, Jacksonville, Fla.
 619 Walter Knight (Walter Knights), 5 McDuff Avenue, Jacksonville, Fla.
 1163 Geo. (George) Lark, 1004 West Duval Street, Jacksonville, Fla.
 2300 Willie Larkins, 554 Ward Street, Jacksonville, Fla.
 2218 Angel Calvo de La Torre (Angel Calvo, Celvo), 402 Stewart Street, Jacksonville, Fla.
 3518 Henry Latson, 1128 Cedar Street, Jacksonville, Fla.
 64 Jas. (James) Lee, 807 West Church Street, Jacksonville, Fla.
 174 Rob't Jas. Lee (Robert James Lee), 706 West Ashley Street, Jacksonville, Fla.
 136 Jno. Leese, 317 Jackson Street, Jacksonville, Fla.
 163 Jos. H. Lesesne (Joseph H. Lesesne), 1038 West State Street, Jacksonville, Fla.
 2788 Calvin Lewis, 800 Johnson Street, Jacksonville, Fla.
 3546 Nathaniel Linton, 514 West State Street, Lane, Jacksonville, Fla.
 805 Wm. Lee Little, 605 (685) Davis Street, Jacksonville, Fla.
 1266 Jordan Lloyd, corner Johnson and Forsyth Streets, Jacksonville, Fla.
 1635 Willie (Will) Logan, Third Avenue, Macon, Ga.
 198 Sandy Lokay, Gruos Manufacturing Co. (Grees Manufacturing Co.), Jacksonville, Fla.
 2422 Raymond E. (Raymond Earl) Lowe, 110 Broad Street, Jacksonville, Fla.
 391 Causey M. Lucas, 76 Claude Street, Jacksonville, Fla.
 1342 Earnest Lynch, 1247 West Bay Street, Jacksonville, Fla.
 2190 Jno. McArthur, 111 Cleveland Street, Jacksonville, Fla.
 10 Tommy Mack (Mac) McClain (Tommie McClaire), 1718 Windle Street, Jacksonville, Fla.
 706 Carlis McCoy, 101 Lee Street, Jacksonville, Fla.
 2912 Lenard McCoy, Lincoln Avenue, Jacksonville, Fla.
 3436 Thos. McCray, 720 West Ashley Street, Jacksonville, Fla.
 2119 Rubin McDaniel, 1029 West Forsyth Street, Jacksonville, Fla.
 2598 Charlie (Charley) McKier, 1219 Jessie Street, Jacksonville, Fla.
 757 Ed (El) McKier, 23 Myrtle Street, Jacksonville, Fla.
 1702 Thos. (Thomas) McKnight, 916 West Ashley Street, Jacksonville, Fla.
 1733 Will McLaure, 936 West Duval Street, Jacksonville, Fla.
 2669 Willie McLendon, 1015 Jefferson Street, Jacksonville, Fla.
 2567 Wm. M. (William Monroe) McNeill, 1239 West Bay Street, Jacksonville, Fla.
 1467 C. W. McRae, 557 West Ashley Street, Jacksonville, Fla.
 3583 Leon Mabry, 923½ West Beaver Street, Jacksonville, Fla.
 3579 Melvin Mack, 516 Broad Street Lane, Jacksonville, Fla.
 1716 Jno. Maddex (John Mattox), 112 State Street, Jacksonville, Fla.
 19 Jno. Mahone, 925½ Ashley Street, Jacksonville, Fla.
 425 Rob't Major, 146 Oak Street, Jacksonville, Fla.
 2746 Oliver Martin, 507 North Cleveland Street, Jacksonville, Fla.
 2824 Henry (Harry) Mathers, 182 Davis Street, Jacksonville, Fla. (116 Jefferson Street, Jacksonville, Fla.).
 2759 Lonnie Mathis, 725 West Union Street, Jacksonville, Fla.
 905 Walter R. (Walter Robert) Matthews, 725 North Church Street, Jacksonville, Fla.
 3698 Oscar Maxwell, 1229 Clay Street, Jacksonville, Fla.
 2325 Wm. May, 209 Hanover Street, Jacksonville, Fla.
 436 Barzellar Mayeo (Barzullar Mayers, Mayer), 1102 Jefferson Street, Jacksonville, Fla.
 3464 Allie Miller, 220 Myrtle Avenue, Jacksonville, Fla.
 2690 Jessie G. Miller, Jacksonville, Fla. (Centralia, Fla.; Toms Creek, Va.).
 2954 Josiah Miller, 614 Dewdrop Street, Jacksonville, Fla.
 1088 Will Miller, 1406 West Duval Street, Jacksonville, Fla.

- 3577 Sherman Mitchell, 446 Spruce Street, Jacksonville, Fla.
 2919 John (Jno.) Moore, 115 East Union Street, Jacksonville, Fla.
 335 Mack Moore, 626 Ward Street, Jacksonville, Fla.
 2667 Cleveland Morgan, 2 Enterprise Street, Jacksonville, Fla.
 1320 Stephen A. (Ambrosia) Morris, Starrsville, Va. (Shawsville, Va.).
 2493 Henry Morse, 441 Madison Street, Jacksonville, Fla.
 2635 Wm. Nelson, 1031 West Duval Street, Jacksonville, Fla.
 2950 Brook B. Norsworthy (Brooks Burton Norsworthy, Brooks Burton Norsworthy), 329 West Forsyth Street, Jacksonville, Fla.
 399 Johnnie Norwood, 1007 West Church Street, Jacksonville, Fla.
 2607 Charlie Odom, 1218½ West Bay Street, Jacksonville, Fla.
 2560 Arthur Ousley, Camerons Hill, Jacksonville, Fla.
 2749 Jno. M. (John Mitchell) Ousley, 617 Beaver Street, Jacksonville, Fla.
 812 Eugene Palmer, 928 West Adams Street, Jacksonville, Fla.
 978 Willie Palmer, 1042 West Church Street, Jacksonville, Fla.
 69 Lemuel Parlor, 1446 Cleveland Street, Jacksonville, Fla.
 3211 Anastasion Passapoulos (Anastasis Tassopoulos, Anastasion Passapoulos), 522 West Adams Street, Jacksonville, Fla.
 1614 Geo. Patillo (George Patillo, Geo. Patillo), 1224 Beaver Street, Jacksonville, Fla.
 18 Solomon Peters, 1038 West State Street, Jacksonville, Fla.
 1897 Arthur J. Peyton, 720 West Ashley Street, Jacksonville, Fla.
 3537 David Pinckney (Pinkney), 816 Palm Street, Jacksonville, Fla.
 2149 Sidney Polite, 1033 West Church Street, Jacksonville, Fla.
 2840 Ellmore Berry Powell (Elmore Berry Powell), 605 Davis Street, Jacksonville, Fla.
 1125 Cline Prestwood (Brestwood), 634 West Church Street, Jacksonville, Fla.
 889 Daniel Price, No. 16 Grant Street, Jacksonville, Fla. (1757 South Street, Jacksonville, Fla.).
 1958 Dink Pryor, Seaboard Quarters, Jacksonville, Fla.
 2147 Jas. N. (James N., James M. N.) Quinlan, 1000 West Church Street, Jacksonville, Fla.
 1955 Samuel Randall, 106 Julia Street, Jacksonville, Fla.
 2187 Geo. (George) Rawles, 1216 West Beaver Street, Jacksonville, Fla.
 388 Chas. (Clarks, Clarke) Reddin, 321 Hewart Street, Jacksonville, Fla.
 292 Wm. (William) Redding, 412 Orange Street, Jacksonville, Fla.
 153 Will Reed (Reid), 520 Jefferson Street, Jacksonville, Fla.
 1709 Jas. (James) Rice, 1027 West Duval Street, Jacksonville, Fla.
 2693 Charlie Richardson, 908 Johnson Street, Jacksonville, Fla.
 228 Earnest Richardson, 930 West Ashley Street, Jacksonville, Fla.
 3504 Edw. (Edward) Richardson, 1734 Pelican Street, Jacksonville, Fla.
 3038 Leo Richardson, 1734 Pelican Street (114 Johnson Street), Jacksonville, Fla.
 3413 Rob't (Robert) Richardson, 1711 Enterprise Street, Jacksonville, Fla.
 176 Geo. (George) Rivers, Key West, Fla. (Jacksonville, Fla.).
 2123 Mack Rivers, 127½ West State Street, Jacksonville, Fla.
 1332 Witt Robertson, 144 Davis Street, Jacksonville, Fla.
 2479 Chas. (Charles) Robinson, 1256 West Monroe Street, Jacksonville, Fla.
 2496 Fred Robinson, 624 Clay Street, Bainbridge, Ga.
 1613 Geo. (George) Robinson, 569 Oak Street, Jacksonville, Fla.
 3559 Jas. (James) Robinson, 307 West State Street, Jacksonville, Fla.
 2654 Jas. F. (James Fredrick, James Frederick) Robinson, 734 West Beaver Street, Jacksonville, Fla.
 736 Fred Roby, 1001 Lee Street, Jacksonville, Fla.
 2755 Wm. B. (William, W. B.) Rose, 225 Myrtle Avenue, Jacksonville, Fla.
 170 Harry Ross, Jacksonville, Fla.
 2273 Council (Council) Roundtree, 1402 Adams Street, Jacksonville, Fla.
 2124 Edw. Russell, 720 West Ashley Street, Jacksonville, Fla.
 3025 Geo. (George) Russian, 136 Magnolia Street, Jacksonville, Fla.
 3286 Arthur Ryan, 512 Union Street, Jacksonville, Fla.
 3534 Troutford Sapp, 1121 West Forsyth Street, Jacksonville, Fla.
 2437 Cornelius Scaff, Pipkin Section, Jacksonville, Fla.
 60 Charlie Scott, 417 Jefferson Street, Jacksonville, Fla.
 505 Marion L. Scott, 808 Jefferson Street, Jacksonville, Fla.
 1495 Nesbitt Scott, 709 Jefferson Street, Cuthbert, Ga.
 1929 Jos. Scriven (Joseph Scrivens), 1002 West Ashley Street, Jacksonville, Fla.
 3094 David Seawright, 1018½ West Adams Street, Jacksonville, Fla.
 789 Wm. Segers (William Segrese, William Segers), 1107 Julius Street, Jacksonville, Fla.
 1207 Tom Sharp, 1202 West Monroe Street, Jacksonville, Fla.
 221 Wm. Sherrick (Sherdrick), West Union Street, Jacksonville, Fla.
 2037 Fletcher Lenon Sherman, 530 Myrtle Avenue, Jacksonville, Fla.
 156 Julian Shields, 502 Jackson Street, Jacksonville, Fla.
 918 Enoch Simmons, 1121 West Church Street, Jacksonville, Fla.
 2348 Ed (Edward) Simmons, 720 Jefferson Street, Jacksonville, Fla.
 2379 Frank Simmons, 1107 (107) West Fourth Street, Jacksonville, Fla.
 739 Henry Simpkins, 1307 Davis Street, Jacksonville, Fla.
 2616 Wm. (William) H. Sims (Wm. H. Simms), West Ashley Street, Jacksonville, Fla.
 1812 Namon Siplin, 540 West State Street, Jacksonville, Fla.
 613 Dave Small, 210 Jefferson Street, Jacksonville, Fla.
 2747 Arthur Lee Smith, 416 West Union Street, Jacksonville, Fla.
 1385 Burnes Smith, 1045 Run Street, Jacksonville, Fla.
 1867 Earley Smith, 811 Jefferson Street, Jacksonville, Fla.
 843 Frank Smith, 820 West Union Street, Jacksonville, Fla.
 2949 Geo. (George) Smith, 1723 Enterprise Street, Jacksonville, Fla.
 1269 Henry Smith, 709 Estelle Lane, Jacksonville, Fla. (3 Enterprise, Jacksonville, Fla.).
 2889 Henry Smith, 826 Caroline Street, Jacksonville, Fla.
 2848 Jas. W. (James Wesley) Smith, 608 West Beaver Street, Jacksonville, Fla.
 3159 John P. (John Price) Smith, 1028 West Church Street, Jacksonville, Fla.
 3409 Will Smith, 636½ West Ashley Street, Jacksonville, Fla.
 1437 Horace Smith, 127 Hanover Street, Jacksonville, Fla.
 2021 Wm. (William) Smith, 1451 West Monroe Street, Jacksonville, Fla.
 3087 Wm. Smith, 6 Lee Street, Jacksonville, Fla.
 1777 Willie Smith, 1432 West Duval Street, Jacksonville, Fla.
 1268 Frank Solomon, Jefferson and Forsyth Streets, Jacksonville, Fla.
 1044 Fred Spaulding, 927 West Ashley Street, Jacksonville, Fla.
 328 Stetson Staley (Stoley), 919 West Church Street, Jacksonville, Fla.
 914 Jas. (James) S. Stanford, 529 West Beaver Street, Jacksonville, Fla.
 2131 Ned Stephens, 1217 West Duval Street, Jacksonville, Fla.
 2171 Ernest Stilwell, 754 West Adams Street, Jacksonville, Fla.
 3715 Alex (Alexander) Stockton, 326 Jackson Street, Jacksonville, Fla.
 2296 Riley Strickland, 1029 West Beaver Street, Jacksonville, Fla.
 1544 Jas. Sutton, 1431 Blumrose Street, Jacksonville, Fla.
 2036 Clarence A. S. Tarte (Clarence Albert Stewart), Armour packing plant, Jacksonville, Fla.
 360 Beauford (Beaufort) Taylor, Jacksonville, Fla.
 510 Joe Taylor, 226 Magnolia Street, Jacksonville, Fla.
 3631 Eddie (Edward) Terrell, 614 West Beaver Street, Jacksonville, Fla.
 888 Jas. (James) Terry, 325 Price Street, Jacksonville, Fla.
 2129 Arthur M. Thomas, 710 West Beaver Street, Jacksonville, Fla.
 2787 Ed Thomas, 912½ Beaver Street, Jacksonville, Fla.
 1884 Hezekiah Thomas, 1219½ Madison Street, Jacksonville, Fla.
 2707 Jas. (James) Thomas, 5 Hutchinson Avenue, Jacksonville, Fla.
 3475 Sam Thomas, 313 West Union Street, Jacksonville, Fla.
 3703 Ernest Thompson, 512 Biemark Street, Jacksonville, Fla.
 1689 Thos. S. (Thomas Smith) Thompson, 703 West Union Street, Jacksonville, Fla.
 1408 Jack Thornton, 1536 Kings Road, Jacksonville, Fla.
 709 Henry Thurman, 1025 West Ashley Street, Jacksonville, Fla.
 2462 Jno. (John) Tillman, 740 Lee Street, Jacksonville, Fla.
 1517 Frank T. Tolbert, 725 West Church Street, Jacksonville, Fla.
 1925 Sam Tomlin, 1064 West Union Street, Jacksonville, Fla.
 1143 Alfred Trent, 1000 Church Street, Jacksonville, Fla.
 2501 Sam Tukes, 312 Johnson Street, Jacksonville, Fla.
 1398 Ed A. (Ed) Turner, 1016 Duval Street, Jacksonville, Fla.
 2813 Alvin Tyler, 927 Jefferson Street, Jacksonville, Fla.
 679 Henry Tyson, 610 Lee Street, Jacksonville, Fla.
 2870 Matthew Valentine, 580 Bismark Street, Jacksonville, Fla.
 540 Summie Vance, 1024 Ward Street, Jacksonville, Fla.
 3660 Jas. (James) Walker, 220 Myrtle Avenue, Jacksonville, Fla.
 2615 Jos. (Joseph) Walker, 1639 Louisiana Street, Jacksonville, Fla.
 321 Moses Walker, 526 Charles (536 Grape) Street, Jacksonville, Fla.
 3063 Murphy Walker, 418 Jackson Street, Jacksonville, Fla.
 413 Richard Walker, 1247 West Bay Street, Jacksonville, Fla.
 91 Tom Walker, 144 Davis Street, Jacksonville, Fla.
 621 Wesley Walker, 1026 West State Street, Jacksonville, Fla.
 2906 Jno. Wall, 506 Jackson Street, Jacksonville, Fla.
 3544 Geo. (George) Wallace, 631 West Beaver Street, Jacksonville, Fla.
 2636 Henry Wallace, Atlantic Coast Line shops, Jacksonville, Fla.
 2806 Jno. (John) Walton, 5 McDuff Avenue, Jacksonville, Fla.
 1327 Abner Ward, 1301 West Church Street, Jacksonville, Fla.
 2802 James Washington, Atlantic Coast Line yards, Jacksonville, Fla.
 1864 Jerry Washington, 1806 Windle Street, Jacksonville, Fla.
 2922 Jos. (Joseph) Washington, 1221 Davis Street, Jacksonville, Fla.
 2071 Geo. (George) Watson, 1538 Enterprise Street, Jacksonville, Fla.
 883 Jack Watson, Moncrief Road, Jacksonville, Fla.
 1336 Edward Way, 510 Lee Street, Jacksonville, Fla.
 3619 Louis Wells, 633 West Orange Street, Jacksonville, Fla.
 485 Chas. (Charlie) West, 1022 Julia Street, Jacksonville, Fla.
 2492 Oliver West, 1107 West Forsyth Street, Jacksonville, Fla.
 3061 Bud (James) Wheeler, 102 King Street, Jacksonville, Fla.
 3078 Bud Whitaker, 614 Davis Street, Jacksonville, Fla.
 2274 Clifford White, 426 West State Street, Jacksonville, Fla.
 2441 Elbert White, Edmont Hotel, Jacksonville, Fla.
 2067 Rob't White, 1239 West Monroe Street, Jacksonville, Fla.
 2502 Jas. Irvin (James Irvin) Wiley, 27 West Union Street, Jacksonville, Fla.
 2287 Sandy Wilkins, 1529 West Church Street, Jacksonville, Fla.
 1048 Albert Williams, 1304 Ward Street, Jacksonville, Fla.
 310 Alex (Alex) Williams, 451 Charles Street, Jacksonville, Fla.
 1637 Alex (Alexander) Williams, St. Petersburg, Fla.
 354 Allen Williams, room No. 3, S. A. L. Ry. quarters, Jacksonville, Fla.
 1809 Chas. (Charles) Williams, 1210½ West Ashley Street, Jacksonville, Fla.
 1054 Daniel E. (Ederson) Williams, 539 Bever, West Jacksonville, Fla.
 2808 Dave (Davis) Williams, 2238 Dennis Street, Jacksonville, Fla.
 451 Eddie Williams, 826 Church Street, Jacksonville, Fla.
 315 Elzie Williams, 503 Oak Street, Jacksonville, Fla.
 3003 Geo. Williams, 206½ Myrtle Avenue, Jacksonville, Fla. (Tolledo, Ga.).
 807 Jno. (John) Williams, Johnson Street, Jacksonville, Fla.
 2944 Jos. (Joseph) Williams, 502 South Myrtle Avenue, Jacksonville, Fla.
 615 Lumie T. Williams, 816 West Monroe Street, Jacksonville, Fla.
 1780 Sylvester Williams, 625½ West Ashley Street, Jacksonville, Fla.
 2289 Isiah Williamson (Isiah Williams), 315½ Oak Street, Jacksonville, Fla.
 1707 Albert Wilson, 1042 West Ashley Street, Jacksonville, Fla.
 1608 Thos. (Thomas) Wilson, 333 Johnson Street, Jacksonville, Fla.
 155 Raymond (Raymad) Wood, 340 Charles Street, Jacksonville, Fla.
 347 Buerite Woods, Madison Street, Jacksonville, Fla.
 1732 Doc Woods, 56 West Ashley Street, Jacksonville, Fla.
 1473 Leroy Woods, 206 Hanover Street, Jacksonville, Fla.
 1362 Richard E. (Richard Edmund) Woodward, 625½ West Ashley Street, Jacksonville, Fla.
 258 Charlie Wright, 1247 West Bay Street, Jacksonville, Fla.
 397 Jos. (Joe) Wright, 226 Dennis Street, Jacksonville, Fla.
 1991 Peter Wright, 1022 Missouri Street, Jacksonville, Fla.
 2561 Joseph Young, 526 Charles Streets, Jacksonville, Fla.
 2423 Sam Golson, 1126 Ashley Street, Jacksonville, Fla.
 2627 Richard Long, 1508 West Church Street (1208 West Church Street), Jacksonville, Fla.
 1644 Willie Williams, 1719 Enterprise Street, Jacksonville, Fla.
 692 David L. Poole, 501 West Monroe Street, Jacksonville, Fla.
 LOCAL BOARD FOR THE COUNTY OF MONROE, STATE OF FLORIDA.
 1182a Thomas J. Hazelwood, Barrow, Ill.
 LOCAL BOARD FOR THE COUNTY OF PALM BEACH, STATE OF FLORIDA.
 1047 Henry Bryant, Jupiter, Fla.
 982 James E. Galloway, box 866, West Palm Beach, Fla. (Okecho-bee, Fla.).
 684 William Shaw, 504 Rosemary Street, West Palm Beach, Fla.
 1037 Willie Williams, Boynton, Fla.

LOCAL BOARD FOR THE COUNTY OF PINELLAS, STATE OF FLORIDA.

- 306 James Leonard Munden, Dorr Field, Arcadia, Fla. (819 Sixth Avenue North, St. Petersburg, Fla.).
 344 Hughey (H.) Samueles (Samuels, Samuel), Clearwater, Fla.
 87 Man Simmons, Largo, Fla.

LOCAL BOARD FOR THE COUNTY OF POLK, STATE OF FLORIDA.

- 559 Ben Campbell, Bartow, Fla.
 3321 Robert McCray, Winter Haven, Fla.
 1001 Otis Robinson, Winter Haven, Fla.
 2613 John Williams, Lake Alfred, Fla. (Lake Alford, Fla.).

LOCAL BOARD FOR THE COUNTY OF PUTNAM, STATE OF FLORIDA.

- 824 Joe Brown, Tenth Street, Palatka, Fla.
 1181 Jack Carl Dearrick, Palatka, Fla.
 16 William Smith, Florahome, Fla.

LOCAL BOARD FOR THE COUNTY OF ST. LUCIE, STATE OF FLORIDA.

- 535 John Jones, Gifford, Fla.

LOCAL BOARD FOR THE COUNTY OF SUWANEE, STATE OF FLORIDA.

- 729 James Sylvester Cobb, Live Oak, Fla.

LOCAL BOARD FOR DIVISION NO. 2, CITY OF TAMPA, STATE OF FLORIDA.

- 1055 Joseph Raneri, 1304 Eighth Avenue, Tampa, Fla.

LOCAL BOARD FOR THE COUNTY OF TAYLOR, STATE OF FLORIDA.

- 530 Dan Epps, Perry, Fla.
 907 Louis (Lewis) Everett, Perry, Fla.
 296 Benjamin Johnson, Springdale, Fla.
 153 Prince Lofton, Perry, Fla.
 559 James McFadden, Perry, Fla.
 210 James Williams, Boyd, Fla.
 24 Willie Williams, Perry, Fla.

LOCAL BOARD FOR THE COUNTY OF VOLUSIA, STATE OF FLORIDA.

- 342 Otis Harrington, Ariel, Fla.
 432 Jessie Hatcher, Oak Hill, Fla.
 873 Otis Yarbor (Yarber), Orange City, Fla.

LOCAL BOARD FOR THE COUNTY OF WASHINGTON, STATE OF FLORIDA.

- 483 Lyman Walter Boss (Lyman Walter Bass, L. W. Boss), Chip-ley, Ga.

LOCAL BOARD FOR DIVISION NO. 2, CITY OF ATLANTA, STATE OF GEORGIA.

- 881 James Harris, 316 Fulton Street, Atlanta, Ga.
 1825 Arthur (A.) Williams, Atlanta, Ga.

LOCAL BOARD FOR DIVISION NO. 4, CITY OF ATLANTA, STATE OF GEORGIA.

- 3048 Robert H. Boyle (Robert Boyle), 126 Forrest Avenue, Atlanta, Ga.
 971 Fred Hill (Frank Hill), 95 Hardridge Street, Atlanta, Ga.
 2111 Henry Moss, 125 Fort Street, Atlanta, Ga.
 2049 Claude Smith, 10 Valentine Street, Atlanta, Ga.

LOCAL BOARD FOR DIVISION NO. 5, CITY OF ATLANTA, STATE OF GEORGIA.

- 547 Harry Perkerson, 80 Orme Street, Atlanta, Ga.
 1513 Chas. W. Stallings, Fifth Georgia Regiment, anc. Building, Atlanta, Ga. (Charles William Stallings, Atlanta Ga.).

LOCAL BOARD FOR DIVISION NO. 6, CITY OF ATLANTA, STATE OF GEORGIA.

- 443 Chester V. Estill, Jones Crossing, West Point Railroad, Atlanta, Ga.
 1253 Carl Albert Pegerst, Jr., 424 Aline Avenue, Atlanta, Ga. (424 Allene Street, Atlanta, Ga.).

ADJOURNMENT.

Mr. MADDEN. Mr. Speaker, I renew my motion that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p. m.) the House adjourned until to-morrow, Tuesday, February 6, 1923, at 12 o'clock.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

949. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the War Department for the fiscal year ending June 30, 1923, amounting to \$395,500 (H. Doc. No. 548); to the Committee on Appropriations and ordered to be printed.

950. A communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriation for the Post Office Department for the fiscal year June 30, 1923, and for prior fiscal years, amounting to \$9,304,267 (H. Doc. No. 549); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JAMES, Committee on Military Affairs. H. R. 13434. A bill to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; without amendment (Report No. 1540). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. S. J. Res. 265. A joint resolution to stimulate crop production in the United States; with amendments (Rept. No. 1541). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARDY of Colorado: Joint Select Committee on Fiscal Relations between the United States and the District of Columbia, pursuant to the act of June 29, 1922. A report on fiscal relations between the United States and the District of Columbia. Referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KNUTSON: Committee on Pensions. H. R. 14200. A bill granting pensions and increases of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; without amendment (Rept. No. 1542). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 13903. A bill for the relief of the New York State Fair Commission; with an amendment (Rept. No. 1543). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1405. An act for the relief of William Collie Nabors; with an amendment (Rept. No. 1544). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 4028. An act for the relief of John N. Halladay; without amendment (Rept. No. 1545). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MCKENZIE: A bill (H. R. 14199) extending the provisions of the Federal highway act, approved November 9, 1921, to the Territory of Hawaii; to the Committee on Roads.

By Mr. KNUTSON: A bill (H. R. 14200) granting pensions and increases of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; committed to the Committee on the Whole House.

By Mr. LAMPERT: A bill (H. R. 14201) limiting the fare that may be charged by street railway companies in the District of Columbia to the maximum authorized in their charters; to the Committee on the District of Columbia.

By Mr. KIESS: A bill (H. R. 14202) to authorize the Public Printer to fix rates of wages for employees of the Government Printing Office; to the Committee on Printing.

By Mr. SIEGEL: A bill (H. R. 14203) to create a national police bureau, and for other purposes; to the Committee on the Judiciary.

By Mr. FOCHT: A bill (H. R. 14204) for the purchase of a site and the erection of a public building at Lewisburg, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14205) for the purchase of a site and the erection of a public building at Waynesboro, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14206) for the purchase of a site and the erection of a public building at New Port, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14207) for the purchase of a site and the erection of a public building at Selinsgrove, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14208) increasing the limit of cost for a Federal building at Lewistown, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. WOODRUFF: A bill (H. R. 14209) providing that it shall take the concurrence of at least seven judges of the Supreme Court of the United States to declare certain laws unconstitutional; to the Committee on the Judiciary.

By Mr. ANDREWS of Nebraska: A joint resolution (H. J. Res. 435) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. KIESS: A concurrent resolution (H. Con. Res. 81) to print as a House document the journal of the fifty-seventh national encampment of the Grand Army of the Republic for the use of the House and Senate; to the Committee on Printing.

By Mr. TILSON: A resolution (H. Res. 507) increasing the compensation of the chief janitor of the House of Representatives; to the Committee on Accounts.

By Mr. CRAMTON: A resolution (H. Res. 508) directing the Secretary of the Treasury to furnish to the House of Representatives certain information regarding the shipments of intoxicating liquors for beverage purposes consigned to representatives of foreign governments having a diplomatic status in the United States; to the Committee on the Judiciary.

Also, a resolution (H. Res. 509) directing the Secretary of State to furnish to the House of Representatives certain information regarding the shipment of intoxicating liquors for beverage purposes consigned to representatives of foreign governments having a diplomatic status in the United States; to the Committee on the Judiciary.

By Mr. BUTLER: A resolution (H. Res. 510) for the immediate consideration of Senate bill 4137; to the Committee on Rules.

By the SPEAKER (by request): Memorial of the Legislature of the State of Minnesota expressing the opinion that branch banking would be especially detrimental to rural banks; to the Committee on Banking and Currency.

By Mr. KELLER: Memorial of the Legislature of the State of Minnesota expressing its opposition to branch banking; to the Committee on Banking and Currency.

By Mr. HAWLEY: Memorial of the Legislature of the State of Oregon urging Congress to submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; to the Committee on Ways and Means.

By the SPEAKER (by request): Memorial of the Legislature of the State of Utah petitioning the Congress of the United States to assist the silver-mining industry; to the Committee on Mines and Mining.

By Mr. ROACH: Memorial of the Legislature of the State of Missouri protesting against the establishment of branch banks by national banks; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ATKESON: A bill (H. R. 14210) granting a pension to Pernina Abigail Morrison; to the Committee on Invalid Pensions.

By Mr. COLE of Ohio: A bill (H. R. 14211) for the relief of Lewis D. Stockton; to the Committee on Naval Affairs.

By Mr. GREENE of Vermont: A bill (H. R. 14212) granting a pension to Anna E. Baker; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 14213) granting a pension to Mariah L. Burch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14214) granting a pension to Sylvia M. Woods; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 14215) granting a pension to Julia A. Brown; to the Committee on Invalid Pensions.

By Mr. PATTERSON of Missouri: A bill (H. R. 14216) granting an increase of pension to Henrietta Geiger; to the Committee on Invalid Pensions.

By Mr. ROACH: A bill (H. R. 14217) granting a pension to Nancy J. Whitman; to the Committee on Invalid Pensions.

By Mr. SHAW: A bill (H. R. 14218) granting a pension to Mary Amonett; to the Committee on Pensions.

By Mr. Sisson: A bill (H. R. 14219) to reimburse J. W. Buford, William M. Mosley, Clifton E. Mosley, and William C. Mosley; to the Committee on Claims.

By Mr. WATSON: A bill (H. R. 14220) granting a pension to Charles J. Bice; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7181. By Mr. ANDREW of Massachusetts: Resolution adopted by the board of aldermen of the city of Medford, Mass., favoring legislation now pending before Congress placing an embargo on coal being shipped from this country to Canada; to the Committee on Interstate and Foreign Commerce.

7182. Also, resolution adopted at a public meeting held in the Salem (Mass.) Chamber of Commerce Hall on January 31, 1923, indorsing the proposed amendment to the Constitution of the United States giving Congress the right to control or prohibit the labor of all persons under 18 years of age; to the Committee on the Judiciary.

7183. By Mr. ATKESON: Petition of citizens of the sixth congressional district of Missouri, favoring aid being extended to the people in the famine regions of Germany and Austria; to the Committee on Foreign Affairs.

7184. By Mr. BROWNE of Wisconsin: Petition of Charles Prehe and others, favoring Joint Resolution 412, providing for relief of the distress and famine conditions in Germany and Austria; to the Committee on Foreign Affairs.

7185. By Mr. COLE of Iowa: Petition signed by Karl Fauth and 94 others, residents of Clarence and Tipton, in Cedar

County, Iowa, in favor of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7186. Also, petition of Martin Geiss and 51 others, residents of Cedar Rapids, Blainstown, and Marion, Iowa, in favor of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7187. Also, petition of Henry Hayes and 80 others, residents of Dike and Stout, Iowa, in favor of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7188. Also, petition signed by Riscie J. Oltman and 43 others, all residents of State Center, Iowa, to abolish discriminatory tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7189. Also, petition of Chris Wetzstein and 68 others, residents of Marshalltown, Iowa, in favor of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7190. Also, petition of Mrs. David Yordj and 32 others, residents of Melbourne, Iowa, in favor of joint resolution purporting to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7191. By Mr. CRAMTON: Petition signed by Tillie Palmreuter and other residents of Vassar, Mich., urging passage of the resolution to extend immediate aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7192. By Mr. DUPRÉ: Petition numerously signed by residents of New Orleans, La., urging favorable action on House Joint Resolution 412, for the relief of the famine-stricken areas of Germany and Austria; to the Committee on Foreign Affairs.

7193. By Mr. FISHER: Petition of citizens of Memphis, Tenn., opposing the passage of the compulsory Sunday observance bill (H. R. 4388); to the Committee on the District of Columbia.

7194. By Mr. FROTHINGHAM: Petition from board of aldermen, city of Medford, Mass., favoring legislation placing an embargo on coal being shipped from this country to Canada; to the Committee on Interstate and Foreign Commerce.

7195. By Mr. GALLIVAN: Petition of the National Guard Association of the United States, Indianapolis, Ind., urging Congress to replace in the current appropriation bill the sums of money as provided for in the Budget; to the Committee on Appropriations.

7196. By Mr. KISSEL: Petition of Brooklyn, N. Y., residents urging Congress not to pass the compulsory Sunday observance bills (S. 1948, H. R. 4388, and 9753) or any other Sunday law bills now pending in Congress; to the Committee on the District of Columbia.

7197. Also, petition of Police Commissioner Richard F. Enright, of New York City, president International Police Conference, favoring the passage of Senate bill 4202, creating a national police bureau; to the Committee on the Judiciary.

7198. Also, petition of Thomas Parliamentary Voting System, Washington, D. C., favoring the installation of the Thompson system in the House of Representatives; to the Committee on Accounts.

7199. Also, petition of Mary Ware Dennett, director Voluntary Parenthood League, New York City, N. Y., asking Congress to amend the law regarding the spread of contraceptive advice; to the Committee on the Post Office and Post Roads.

7200. By Mr. MacGREGOR: Petition of sundry citizens of the forty-first congressional district of New York, requesting the passage of a joint resolution extending aid to the people in the famine-stricken areas of Germany and Austria; to the Committee on Foreign Affairs.

7201. Also, petition of the Ladies' Catholic Benevolent Association, Branch 816, favoring legislation extending aid to the people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7202. By Mr. PAIGE: Petition of the board of aldermen, city of Medford, Mass., favoring legislation establishing an embargo on coal shipped from the United States to Canada; to the Committee on Interstate and Foreign Commerce.

7203. By Mr. VAILE: Petition adopted by the Cactus Chapter, No. 2, Disabled American Veterans, World War, urging further relief to veterans in certain instances; to the Committee on Interstate and Foreign Commerce.

7204. By Mr. WATSON: Petition adopted by U. S. Grant Council, No. 352, Order of Independent Americans, of Pottstown, Pa., protesting against the removal of the bodies of the 17 soldiers of the Revolution from the cemetery located at Ellis' Woods, in Chester County, Pa.; to the Committee on Military Affairs.

SENATE.

TUESDAY, February 6, 1923.

(Legislative day of Monday, February 5, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
Washington, D. C., February 6, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

CALL OF THE ROLL.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McCumber	Sheppard
Ball	Glass	McKellar	Shortridge
Bayard	Gooding	McLean	Smoot
Borah	Harrel	McNary	Spencer
Brookhart	Harris	Moses	Stanley
Bursum	Harrison	Nelson	Sterling
Cameron	Hefflin	New	Sutherland
Capper	Hitchcock	Nicholson	Swanson
Caraway	Johnson	Norbeck	Townsend
Colt	Jones, N. Mex.	Norris	Trammell
Couzens	Jones, Wash.	Oddie	Underwood
Culberson	Kendrick	Overman	Wadsworth
Curtis	Keyes	Page	Walsh, Mass.
Dial	King	Pepper	Walsh, Mont.
Dillingham	Ladd	Philips	Warren
Ernst	Lenroot	Pomeroy	Watson
Fletcher	Lodge	Ransdell	Willis
George	McCormick	Robinson	

Mr. BROOKHART. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent on business of the Senate.

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhul, its enrolling clerk, announced that the House had passed without amendment the following bills and joint resolutions of the Senate:

S. 1016. An act to amend an act entitled "An act to repeal section 3480 of the Revised Statutes of the United States";

S. 1926. An act to extend the provisions of the act of February 8, 1887, as amended, to lands purchased for Indians;

S. 3702. An act providing for the acquirement by the United States of privately owned lands situated within certain townships in the Lincoln National Forest, in the State of New Mexico, by exchanging therefor lands on the public domain also within such State;

S. 4169. An act granting the consent of Congress to the city of Aurora, Kane County, Ill., a municipal corporation, to construct, maintain, and operate a bridge across the Fox River;

S. 4260. An act to extend the time for the construction of a bridge over the Columbia River between the States of Oregon and Washington, at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon;

S. 4288. An act to grant the consent of Congress for the special commission constituted by an act of the Legislature of Massachusetts to construct a bridge across the Merrimack River;

S. 4346. An act granting the consent of Congress to the Delaware State Highway Department to construct a bridge across the Nanticoke River;

S. 4353. An act granting the consent of Congress to the highway commissioner of the town of Elgin, Kane County, Ill., to construct, maintain, and operate a bridge across the Fox River;

S. 4439. An act to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta," approved October 6, 1917;

S. J. Res. 226. Joint resolution authorizing the acceptance of title to certain land within the Shasta National Forest, Calif.; and

S. J. Res. 259. Joint resolution authorizing the President to abrogate the international agreement embodied in certain Executive orders relating to the Panama Canal.

The message also announced that the House had passed the following bill and joint resolution of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1878. An act to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value; and

S. J. Res. 248. Joint resolution to provide for the payment of salaries of Senators appointed to fill vacancies, and for other purposes.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 4029. An act amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplementary thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874; and

S. 4341. An act granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6423. An act to detach Pecos County, in the State of Texas, from the Del Rio division of the western judicial district of Texas and attach same to the El Paso division of the western judicial district of said State;

H. R. 7103. An act to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes;

H. R. 9049. An act declaring the act of September 19, 1890 (26 Stats., ch. 907, sec. 7), and the act of March 3, 1899 (30 Stats., ch. 425, sec. 9), and all acts amendatory of either thereof, shall not hereafter apply to a portion of the west arm of the south fork of the South Branch of the Chicago River, and for other purposes;

H. R. 12007. An act providing for the conveyance of certain land to the city of Boise, Idaho, and from the city of Boise, Idaho, to the United States;

H. R. 13046. An act authorizing the Secretary of the Treasury to convey to the city of Wilmington, N. C., marine hospital reservation;

H. R. 13571. An act to amend section 71 of the Judicial Code, as amended;

H. R. 13760. An act to amend an act entitled "An act to authorize the construction of drawless bridges across a certain portion of the Charles River, in the State of Massachusetts," approved November 14, 1921; and

H. R. 13808. An act granting the consent of Congress to the commissioners of Venango County, their successors and assigns, to construct a bridge across the Allegheny River, in the State of Pennsylvania.

The message further announced that the House had adopted the concurrent resolution (S. Con. Res. 36) providing for the appointment of a committee of Congress to meet at Savannah, Ga., the last contingent of American troops returning from Germany on the *St. Mihiel*, and that pursuant to said concurrent resolution the Speaker of the House had appointed Mr. JOHNSON of S. Dak., Mr. REECE, Mr. LINEBERGER, Mr. CONNALLY of Texas, and Mr. BULWINKLE as members of the committee on the part of the House.

PETITIONS AND MEMORIALS.

Mr. WILLIS presented the memorial of J. P. Wallace and 58 other citizens of Cincinnati, Ohio, remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. MCKELLAR presented a memorial of sundry citizens of Memphis, Tenn., remonstrating against the passage of legislation making Sunday performances of theatricals and motion picture shows illegal, which was referred to the Committee on the District of Columbia.

Mr. POINDEXTER presented resolutions adopted by a mass meeting held at the First Presbyterian Church of Spokane, Wash., favoring economic pressure by the United States for the relief of Armenia and the Armenians, which were referred to the Committee on Foreign Relations.

Mr. SMOOT presented the following memorial of the Governor and Legislature of the State of Utah, which was referred to the Committee on Finance:

STATE OF UTAH,
EXECUTIVE DEPARTMENT,
Secretary of State's Office.

I, H. E. CROCKETT, secretary of state of the State of Utah, do hereby certify that the attached is a full, true, and correct copy of senate concurrent memorial No. 2 as appears on file in my office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 31st day of January, 1923.

[SEAL.]

H. E. CROCKETT,
Secretary of State.

Petitioning the Congress of the United States to assist the silver-mining industry.

To the Senate and House of Representatives of the United States in Congress assembled:

Your memorialists, the Governor and Legislature of the State of Utah, respectfully represent that—

"Whereas the production of silver is an important industry of the United States, and affords employment directly to many thousands of persons and indirectly to thousands of others; and

"Whereas on account of its association with other metals, especially lead and zinc, in ores, and inadequate price for silver increases the cost of production of lead and zinc, and thereby adds to the cost of materials essential to many constructive activities; and

"Whereas it is also desirable to maintain silver-mining operations in the United States, so as to meet the coinage requirements of various countries in which commerce and industry are in process of rehabilitation and can not be fully reestablished without additional supplies of metallic money; and

"Whereas the prospective early completion of silver repurchases under the provisions of the Pittman Act is liable to disrupt the silver-mining industry of the United States and in part suspend silver production unless measures be taken to preserve the industry;

"Now, therefore, the Governor and Legislature of the State of Utah respectfully petition the Congress of the United States to give sympathetic and early consideration to this phase of the silver-mining industry and enact such legislation as may be necessary in the premises."

The foregoing memorial was publicly read by title and immediately thereafter signed by the president of the senate, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 30th day of January, 1923.

THOMAS E. MCKAY,
President of the Senate.

Attest:

H. L. CUMMINGS,
Secretary of Senate.

The foregoing memorial was publicly read by title and immediately thereafter signed by the speaker of the house, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 30th day of January, 1923.

WM. W. SEEGMILLER,
Speaker of the House.

Attest:

E. L. CROPPER,
Chief Clerk of House.

Received from the senate this 30th day of January, 1923. Approved January 30, 1923.

CHAS. R. MABEY, Governor.

Received from the governor and filed in the office of the secretary of state this 30th day of January, 1923.

H. E. CROCKETT, Secretary of State.

Mr. BROOKHART presented the following concurrent resolution of the Legislature of Iowa, which was referred to the Committee on Banking and Currency:

Concurrent resolution.

Whereas many million dollars of farm loans in Iowa are coming due March 1, 1923, and a large number of Iowa farmers are desirous of availing themselves of the opportunities offered in the amendment, now before Congress, to the farm loan act;

Be it resolved by the house (the senate concurring), That the Iowa delegation in Congress be requested to use all honorable means in securing the adoption of this Federal farm loan amendment at the earliest possible date.

J. H. ANDERSON,
Speaker of the House.
JOHN HAMMILL,
President of the Senate.

Introduced January 10, 1923. Adopted January 16, 1923. Messaged to Senate January 17. Adopted January 18, 1923.

A. C. GUSTAFSON,
Clerk of the House.

Mr. BROOKHART presented the following concurrent resolution of the Legislature of Iowa, which was referred to the Committee on Interstate Commerce:

Concurrent resolution.

Be it resolved by the senate (the house concurring), That—

Whereas it is impracticable for the Interstate Commerce Commission to attempt to supervise the distribution of cars as between individual shippers throughout the United States; and

Whereas there should be some governmental authority within reasonable reach to which appeal can be made to require equitable distribution of cars without regard to whether the same are to be used for shipments interstate or intrastate: Therefore be it

Resolved, That we respectfully urge upon Congress the amendment of the interstate commerce act in such way that the regulatory authorities of the States may make reasonable orders and regulations not in conflict with Federal law, or with lawful orders of the Interstate Commerce Commission, requiring cars within the respective borders of such States to be equitably distributed to shippers desiring the same, without regard to whether they are desired for use in shipments that are interstate or intrastate.

We urge upon Congress the repeal of section 15a of the interstate commerce act as amended by the Esch-Cummins Act and the making of such other amendments thereto as shall clearly limit and define the power as exists between the Interstate Commerce Commission and State commissions, that there may be no misunderstanding that the

State commissions definitely have the same authority over rates as existed before the enactment of the transportation act.

Resolved, That a copy of this resolution be mailed to each United States Senator and each Member of Congress from Iowa.

JOHN HAMMILL,
President of the Senate.
L. W. AINSWORTH,
Secretary of the Senate.
J. H. ANDERSON,
Speaker of the House.
A. C. GUSTAFSON,
Chief Clerk of the House.

Mr. BROOKHART presented the following concurrent resolution of the Legislature of Iowa, which was referred to the Committee on Interstate Commerce:

Concurrent resolution.

Be it resolved by the house (the senate concurring), That—

"Whereas, by section 19a of the interstate commerce act, providing for the valuation by the Interstate Commerce Commission of the properties of common carriers, it is provided that 'such investigation shall show the value of its property in each of the several States and Territories and the District of Columbia, classified and in detail as herein required'; and

"Whereas the commission in its valuation reports thus far made has shown the values of properties covered by such reports in each case as a whole only, and has failed to show the values thereof 'in each of the several States and Territories and the District of Columbia'; and

"Whereas the Bureau of Valuation of said commission has recommended to the commission that it request Congress to relieve it from showing the values of said properties by States; and

"Whereas it is desirable for various uses and purposes that such valuation shall be shown separately by States, as aforesaid:

Resolved, That the Fortieth General Assembly of the State of Iowa, now in session, expresses its view that the Interstate Commerce Commission should show as to each interstate carrier the value of its property in each of the several States in which said property exists, and that no change in the law to sanction failure to make such showing ought to be sought or made; and be it further

Resolved, That a copy of this resolution be mailed to each United States Senator and each Member of Congress from Iowa."

J. H. ANDERSON,
Speaker of the House.
JOHN HAMMILL,
President of the Senate.
A. C. GUSTAFSON,
Clerk of the House.

Introduced January 17, 1923; rules suspended, adopted; messaged to senate January 17; substituted for senate resolution; adopted by senate January 18, 1923.

Mr. NORBECK presented the following concurrent resolution of the Legislature of South Dakota, which was referred to the Committee on Commerce:

A concurrent resolution memorializing Congress and our Senators and Representatives in Congress to amend section 2 of House Resolution 8744, approved December 21, 1921, and enact in lieu thereof an act to require the completion of a steel bridge at Chamberlain, S. Dak., as required by act of Congress approved April 28, 1916, said bridge to be completed during the year 1923.

Whereas by an act of Congress dated April 28, 1916, the Chicago, Milwaukee & St. Paul Railway Co. was authorized to construct a steel bridge across the Missouri River at Chamberlain, S. Dak., and permission granted to continue the use of a pontoon bridge for the transportation of freight and passengers across said river until the completion of said steel bridge; and

Whereas the right to construct said bridge was extended by act of Congress approved February 25, 1919, and by a further act of Congress approved December 21, 1921, which last-named act extends the time for the completion of said bridge to April 28, 1925; and

Whereas said Chicago, Milwaukee & St. Paul Railway Co. began the construction of and completed a portion of said bridge in the year 1918, but has wholly failed to do anything toward the completion thereof since the early part of 1919; and

Whereas the use of said pontoon bridge is believed to endanger the lives of the employees of said railroad operating trains thereon and the lives of the traveling public; and

Whereas serious and costly accidents and delays in transportation have already occurred, to wit:

First. That on or about June 21, 1922, while a gravel train was crossing said bridge, the pontoon used as a draw upset and caused the engine and several cars to be thrown into the Missouri River, together with the engineer, who was seriously injured.

Second. That during the spring of the year when the ice is going out and during the June rise and in the fall of the year, and when the ice is forming or floating in said river, it is impossible to operate the draw in said bridge, and by reason of that fact all passenger, mail, freight, and express traffic to points west of the Missouri River is greatly delayed, especially when said bridge is out or draw open, and the development of the country deterred, and the business interests of the people located between Chamberlain and Rapid City, S. Dak., jeopardized: Therefore be it

Resolved by the Senate of the State of South Dakota (the House of Representatives concurring), That the Congress of the United States and our Senators and Representatives in Congress be, and they are hereby, urged to use all honorable means at their command to secure an amendment to section 2 of House Resolution 8744, which shall require the completion of said bridge not later than during the year 1923; and be it further

Resolved, That engrossed copies of this preamble and resolution be prepared by the secretary of the senate, signed by the presiding officers of the senate and house of representatives and forwarded to the Congress of the United States and to our Senators and Representatives in Congress and to the Secretary of War.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary.
E. O. FRESKOLN,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk.

Mr. NORBECK presented the following concurrent resolution of the Legislature of South Dakota, which was referred to the Committee on Agriculture and Forestry:

A concurrent resolution requesting and demanding modification and revision of the present Federal standards for grading grain.

Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring): That the Bureau of Markets of the United States Department of Agriculture in the spring of 1917 promulgated certain standards for grading wheat which revolutionized the system of grain inspection to such an extent that the markets were seriously disturbed and confused and the Federal rules were found unsatisfactory in commercial transactions, and as subsequent attempts by the said Bureau of Markets to amend the original standards and inspection rules have not removed the features objectionable to the wheat producers of South Dakota and the rural shippers of grain, with the result that the present standards are regarded by the farmers of the Northwest as unfair and unreasonable; and

Whereas the grades so established do not meet with the approval of the grain growers and shippers of this State and are believed to confer an undue advantage to the buyers, with a consequent discrimination against the farmers, thereby causing heavy losses every year; and

Whereas the States of Minnesota, South Dakota, North Dakota, Montana, Idaho, and Washington, at a meeting held in Helena, Mont., March 16, 1918, by Federal resolution proposed standards for grading spring wheat which were declared to be fair to all interests directly concerned; and

Whereas the South Dakota Farm Bureau Federation, the South Dakota Farmers' Grain Dealers' Association, and other farm and grain organizations repeatedly have declared in favor of substantial modification of the Federal standards so that grain may be tested and graded in accordance with its milling value, and representatives of the States of the Northwest having appeared before the Federal Department of Agriculture and the Committee on Agriculture of both Houses of Congress advocating and urging action favorable to the requests and needs of the farmers of South Dakota; and

Whereas the legislators of Minnesota and North Dakota directed the promulgation of State grades for use in the inspection of grain produced and marketed within those States, the purposes of such legislation being to give the wheat producers of those States all the benefit possible from the application of State rules and regulations, but this plan was found not feasible because of conflict with the Federal rules and laws; and

Whereas the Millers' National Federation has opposed the efforts of the farmers of the State to obtain a modification and revision of the Federal grain standards; and

Whereas HALVOR STEENERSON, Congressman from the ninth district of Minnesota, has introduced a bill in Congress to establish standards for the grading of spring wheat, which, if adopted, will virtually recognize the milling value of wheat and place the producers and the buyers on an equal footing in the grain markets of the country: Therefore be it

Resolved by the Legislature of the State of South Dakota, That it hereby, in behalf of the people of South Dakota, requests and demands that the Federal authorities, either in Congress or in the Department of Agriculture, do so modify, revise, or amend the present Federal standards for grading spring wheat as to comply with the requests of the farmers of South Dakota and the Northwest, and thereby remove the present discriminations and penalties in order to promote the prosperity and welfare of the agricultural interests of South Dakota and the Northwest; be it further

Resolved, That we approve the aforesaid Steenerson grain grading bill, and urge its immediate passage by Congress; be it further

Resolved, That copies of these resolutions be forwarded to the President of the United States, the Secretary of Agriculture, to both Houses of Congress, and to the individual Members of the South Dakota delegation in Congress.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. O. FRESKOLN,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk of the House.

Mr. NORBECK presented the following concurrent resolution of the Legislature of South Dakota, which was referred to the Committee on Interstate Commerce:

A concurrent resolution requesting and demanding modification and reduction of the present freight rates for grain and live stock.

Whereas the present freight rates for shipment of grain and live stock by the railroads are excessive and of such a nature as to render the prices received by producers of such commodities less than the cost of production; and

Whereas several efforts have been made by the railroad commissioners of the State of South Dakota to secure reductions that are necessary for the preservation of the great industry of agriculture in the State of South Dakota; and

Whereas the rates now in force are approximately 20 per cent higher than the rates in force prior to 1918; and

Whereas the prices of farm products to the producer in this State are approximately 20 per cent lower than the average prices received by such producers for such commodities during the 10-year period just preceding the year 1918: Be it

Resolved by the Senate of the State of South Dakota (the House of Representatives concurring): That it hereby, in behalf of the people of the State of South Dakota, requests and demands that the Congress of the United States, by appropriate legislation or otherwise, and the Interstate Commerce Commission and all other bodies of the Federal Government having in their power or discretion to modify, reduce, revise, or amend the present freight rates, perform such duties as to comply with the requests of the farmers of the State of South Dakota and the Northwest, and thereby remove this menace to the prosperity and welfare of the agricultural interests of South Dakota and the Northwest; and be it further

Resolved, That copies of these resolutions be prepared by the secretary of state and forwarded to our Representatives and Senators in Congress, to the Secretary of the Senate, and the Chief Clerk of the

House of Representatives of the United States, to the Interstate Commerce Commission, and to His Excellency the President of the United States, Warren G. Harding.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. O. FRESKOLN,
Speaker of the House of Representatives.
WRIGHT TARBELL,
Chief Clerk of the House of Representatives.

Mr. NORBECK presented the following concurrent resolution of the Legislature of South Dakota, which was referred to the Committee on Banking and Currency:

A concurrent resolution memorializing Congress to give immediate and careful consideration to Senate bill No. 4130.

Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring):

Whereas a bill raising the limit on Federal farm loans from \$10,000 to \$25,000 has been introduced in Congress and which is now in the Committee on Banking and Currency: Therefore

We urge our delegation in Congress to do their utmost to secure speedy and favorable action by the committee and thereafter its prompt passage by Congress, so that it may become the law before March 1, 1923, at which time there are many Federal farm loans to be closed exceeding \$10,000 in amount.

That the passage of this bill will not in any manner impair the operation nor the credit of the Federal land bank, but will result in extending its scope of usefulness so that a larger number of borrowers can be reached.

That all loans are made on the basis of the security offered, and borrowers of large amounts often offer the best security, owing to their executive ability and industry in the management of farm operation.

That the Federal land bank is seriously hampered in its operation owing to the \$10,000 limit; be it further

Resolved, That engrossed copies of this resolution be prepared by the secretary of state, signed by the presiding officers of the senate and the house of representatives, and forward one copy each to Senators NORBECK and STERLING and Congressmen CHRISTOPHERSON, JOHNSON, and WILLIAMSON, to the Secretary of the Senate and the Chief Clerk of the House of Representatives of the United States, and to His Excellency the President of the United States, Warren G. Harding.

CARL GUNDERSON,
President of the Senate.
A. B. BLAKE,
Secretary of the Senate.
E. O. FRESKOLN,
Speaker of the House of Representatives.
WRIGHT TARBELL,
Chief Clerk of the House of Representatives.

ELLEN M. STONE RANSOM FUND.

Mr. LODGE. I report back favorably, without amendment, from the Committee on Foreign Relations, the bill (S. 543) for the relief of contributors of the Ellen M. Stone ransom fund. A similar bill was elaborately reported on by the Senator from Ohio [Mr. POMERENE] and has passed the Senate several times. I ask for its present consideration. I think there will be no objection to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to return, out of any funds in the Treasury not otherwise appropriated, to such contributors, or, in the event of the death of any such contributor, to the legal representative thereof, as may file their claims within one year from the passage of this act, the money subscribed by such contributor to pay the ransom for the release of Miss Ellen M. Stone, an American missionary to Turkey, who was abducted by brigands on September 3, 1901, said total sum not to exceed \$66,000.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and by unanimous consent the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 4486) to amend section 5200 of the Revised Statutes as amended; to the Committee on Banking and Currency.

By Mr. NELSON:

A bill (S. 4487) making section 1535c of the Code of Law for the District of Columbia applicable to the municipal court of the District of Columbia, and for other purposes; to the Committee on the Judiciary.

By Mr. SUTHERLAND:

A bill (S. 4488) granting a pension to A. M. Nestor (with accompanying papers); to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 4489) for the relief of Roy A. Darling; and
A bill (S. 4490) for the relief of Charles D. Baylis, first lieutenant, United States Marine Corps (with accompanying papers); to the Committee on Naval Affairs.

DISTRICT STREET-RAILWAY FARES.

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 2589) to amend section 11 of the act entitled "An act for the retirement of public school-teach-

ers in the District of Columbia," approved January 15, 1920, which was ordered to lie on the table and to be printed.

He also submitted an amendment intended to be proposed by him to the bill (S. 3252) to amend paragraph 8 of the act entitled "An act relating to the metropolitan police of the District of Columbia," approved February 28, 1901, as amended, which was ordered to lie on the table and to be printed.

He also submitted an amendment intended to be proposed by him to the bill (S. 4012) to control the possession, sale, and use of pistols and revolvers in the District of Columbia, to provide penalties, and for other purposes, which was ordered to lie on the table and to be printed.

He also submitted an amendment intended to be proposed by him to the bill (S. 4283) to authorize the Commissioners of the District of Columbia to require operators of motor vehicles in the District of Columbia to secure a permit, and for other purposes, which was referred to the Committee on the District of Columbia and ordered to be printed.

He also submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 266) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by the Almas Temple, Washington, D. C., 1923 Shrine Committee (Inc.), and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED.

The following bills were severally read twice by title and referred as indicated below:

H. R. 7103. An act to establish the standard of weights and measures for the following wheat-mill and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 6423. An act to detach Pecos County, in the State of Texas, from the Del Rio division of the western judicial district of Texas and attach same to the El Paso division of the western judicial district of said State; and

H. R. 13571. An act to amend section 71 of the Judicial Code, as amended; to the Committee on the Judiciary.

H. R. 12007. An act providing for the conveyance of certain land to the city of Boise, Idaho, and from the city of Boise, Idaho, to the United States; and

H. R. 13046. An act authorizing the Secretary of the Treasury to convey to the city of Wilmington, N. C., marine-hospital reservation; to the Committee on Public Buildings and Grounds.

H. R. 9049. An act declaring the act of September 19, 1890 (26 Stat., ch. 907, sec. 7), and the act of March 3, 1899 (30 Stat., ch. 425, sec. 9), and all acts amendatory of either thereof shall not hereafter apply to a portion of the west arm of the south fork of the South Branch of the Chicago River, and for other purposes;

H. R. 13760. An act to amend an act entitled "An act to authorize the construction of drawless bridge across a certain portion of the Charles River, in the State of Massachusetts," approved November 14, 1921; and

H. R. 13808. An act granting the consent of Congress to the commissioners of Venango County, their successors and assigns, to construct a bridge across the Allegheny River, in the State of Pennsylvania; to the Committee on Commerce.

SALARIES OF SENATORS.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 248) to provide for the payment of salaries of Senators appointed to fill vacancies, and for other purposes, which was in line 7, after the word "qualify," to insert a colon and the following proviso:

Provided, That where no appointments have been made to fill such vacancies, the salaries of Senators elected to fill such vacancies shall commence on the day following their election.

Mr. SPENCER. Mr. President, the Senate passed this joint resolution to correct a little difficulty we had some time ago providing that the compensation of appointed Senators should run until their successors who were elected qualified. The House has passed it, but added a very wise amendment.

It might happen that a Senator died in the last of September and there would be no appointment, as the governor would wait, that at the election in November the vacancy might be filled. In that case, when the Senator was elected in November, there having been no appointment made, of course his salary ought to commence from the day of election rather than from the day of qualification. The amendment of the House cures that omission in our joint resolution, and I move that the Senate concur in the amendment.

The motion was agreed to.

EXCHANGE OF LANDS IN MONTANA.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1878) to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value.

The amendment of the House was, on page 1, line 9, after the word "ship," to insert "which exchanged land shall be subject to the same requirements and limitations."

Mr. WALSH of Montana. I move that the Senate concur in the House amendment.

The motion was agreed to.

TEXAS PACIFIC RAILROAD CO.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill from the Senate (S. 4029) amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co., and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874, which were, on page 2, line 11, to strike out "but not in excess of \$85,000,"; on page 3, line 17, to strike out "as far as applicable"; on page 4, line 8, after "State," to insert: "Provided, That no civil suit in tort brought against said railway company in the State courts of Louisiana or Arkansas may be removed by said railway company to any court of the United States on account of diverse citizenship."

And to amend the title so as to read: "An act to amend and supplement the act entitled 'An act to incorporate the Texas & Pacific Railroad Co., and to aid in the construction of its road, and for other purposes,' approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874."

Mr. SHEPPARD. I move that the Senate concur in the House amendments.

The motion was agreed to.

COLUMBIA RIVER BRIDGE NEAR CITY OF HOOD RIVER, OREG.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4341) granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a toll bridge across the Columbia River at or near the city of Hood River, Oreg., which were on page 1, line 6, to strike out "toll," and to amend the title so as to read: "An act granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a bridge across the Columbia River at or near the city of Hood River, Oreg."

Mr. JONES of Washington. Mr. President, under the act of 1906, providing the general conditions under which bridges may be built across navigable streams, toll charges are permitted, but they are subject, of course, to the control of the Secretary of War. Therefore I move that the Senate concur in the House amendments to the bill.

The motion was agreed to.

RETURN OF AMERICAN TROOPS FROM GERMANY.

The VICE PRESIDENT. Pursuant to Senate Concurrent Resolution 36, providing for the appointment of a committee of Congress to meet at Savannah, Ga., the last contingent of American troops returning from Germany on the *St. Mihiel*, the Chair appoints the following Senators as members of the committee on the part of the Senate: Mr. WADSWORTH, Mr. WARREN, Mr. REED of Pennsylvania, Mr. HARRIS, and Mr. ROBINSON.

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER (Mr. MOSES). The Secretary will report the first of the committee amendments passed over.

The READING CLERK. On page 21 the committee proposes to strike out lines 22, 23, 24, and 25, and on page 22 lines 1 and 2, in the following words:

None of the funds appropriated in this act shall be used for payment of any officer of the Army on the active or retired list while such officer is engaged in the business of selling supplies or services to the United States, or is employed by any individual, partnership, or corporation which engages in such business.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will report the next of the amendments passed over.

The READING CLERK. The next amendment passed over was, on page 106, line 15, to reduce the appropriation for examinations, surveys, and contingencies for rivers and harbors for

which there may be no special appropriation from "\$456,850" to "\$406,850."

The amendment was agreed to.

The next amendment passed over was, on page 106, line 17, after the word "law," to insert "or for investigations covering types of boats," so as to make the proviso read:

Provided, That no part of this sum shall be expended for any preliminary examination, survey, project, or estimate not authorized by law or for investigations concerning types of boats.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is as in Committee of the Whole and open to amendment.

Mr. McCUMBER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 106, at the end of line 12, insert the following proviso:

Provided, That \$250,000 of this appropriation, or so much thereof as may be necessary, shall be expended between Sioux City, Iowa, and Fort Benton, Mont., for the removal of obstructions, the revetment of shores where the same may be necessary, and for the maintenance of the channel to landing places and at points where the railroads intersect the Missouri River, said last-mentioned sum to be immediately available.

Mr. KING. Mr. President, a parliamentary inquiry. The amendment has to do with the figures found in line 12?

The PRESIDING OFFICER. It has.

Mr. KING. Then I move the following amendment, though I am not sure whether it is germane or not. I move to strike out the figures "\$56,589,910" and to insert in lieu thereof—

The PRESIDING OFFICER. The Chair will state to the Senator from Utah that his amendment is not in order at this time. The question is on agreeing to the amendment offered by the Senator from North Dakota.

Mr. McNARY. May I inquire what is the pending amendment?

The PRESIDING OFFICER. The amendment offered by the Senator from North Dakota [Mr. McCUMBER], which has been once reported. The Secretary, however, will read the amendment again for the information of the Senate.

The reading clerk again read Mr. McCUMBER's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from North Dakota.

Mr. WADSWORTH. Mr. President, this is an endeavor to provide by act of Congress that a certain portion of the \$56,000,000 appropriation shall be spent on a certain project. The amendment provides, in effect, that \$250,000 of the \$56,000,000 shall be spent at that particular place named. It is a grave question in my mind whether this is a good policy, in view of the action of the Congress during the last four or five years by which river and harbor appropriations have been made in a lump sum, and the Engineer Corps, under the direction of the Secretary of War and the President, have determined how that lump sum shall be spent on the various approved projects. If we are going to commence to single out certain projects and mention them in connection with the lump sum to be appropriated, it would only be fair that amendments should be offered for practically every separate project that has been approved by the Congress in the past.

I am not certain, Mr. President, whether this amendment is in order or not. Of course, the sum of \$250,000 is not estimated for that project, nor has this specific appropriation been reported from a standing committee. On the other hand, it may be said that the \$250,000 is not an increase of the appropriation, because it is to be taken out of the general appropriation.

The PRESIDING OFFICER. The Chair is of the opinion that the amendment is in the nature of a limitation upon the expenditure of the appropriation, and is therefore in order.

Mr. WADSWORTH. That the appropriation is in the nature of a limitation?

The PRESIDING OFFICER. Yes.

Mr. WADSWORTH. I notice that it does not say "that not more than \$250,000 shall be spent." That would be a limitation, as I understand the meaning of the word "limitation."

The PRESIDING OFFICER. Nevertheless, the Chair is of the opinion that the amendment is in order.

Mr. McCUMBER. Mr. President, this is a most important amendment in the sense that the money which is to be appropriated is to be used on the Missouri River for the purpose of navigation. I have assumed all the time that in framing bills proposing to appropriate money for rivers and harbors such appropriations were intended to promote navigation. I think for about 50 years some engineers have been stationed at Kansas City, Mo.; their homes are at that place. They have spent their time in making recommendations and in digging out one year a channel which fills up the next year; so that during all

of this time we have got nothing whatever, as I understand the situation, to show that the millions upon millions of dollars which have been appropriated and which have gone into the Missouri project have been used for the advantage of any navigation upon the Missouri River.

The only navigation, Mr. President, upon the Missouri River is on the upper Missouri or that portion of the Missouri between Sioux City, Iowa, and Fort Benton, Mont. There have been small boats plying between those two points for a great many years. A number of our transcontinental railway lines, including the Great Northern, the Soo, the Northern Pacific, the Milwaukee, and one or two other important railroad lines, all cross the Missouri River north of those points. Some coal, hay, wheat, and other grain are brought from warehouses along the river to the intersection with the railroads; so that the transportation of these commodities over the railroads is but a continuation of their transportation over the water. This kind of transportation has been carried on during all of these hard years. South of Sioux City, however, where there have been spent millions and hundreds of millions of dollars, there has not a single boat been in operation for the purpose of carrying any kind of commerce. The only commerce which is carried on the river in the vicinity of Kansas City is a small quantity of sand dug out of the river, loaded into barges, and used for building purposes. There is no real commerce south of Sioux City.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. McCUMBER. I yield.

Mr. WILLIS. Can the Senator inform the Senate as to whether or not this specific project has been authorized by law? I have not had time to look it up.

Mr. McCUMBER. No particular project has been authorized. The estimate made by the Budget Bureau upon the recommendation of the engineers has been that about \$15,000 could be properly used along that entire stretch of the Missouri River where there is commerce, and that fifty-odd million dollars can be used where there is no commerce, where there is no prospect of any commerce, and never has been any since we started on the project of digging out the sand one year in order to clear the channel, and the next year, because the upper Missouri has not been protected, and consequently the same amount of soil is washed down, doing the entire work over again. I am saying that much in reference to the matter of making the appropriation of any use to us at all.

Mr. McNARY. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oregon?

Mr. McCUMBER. I yield.

Mr. McNARY. I desire to ask the Senator from North Dakota if this project is one that has heretofore been authorized by the Congress?

Mr. McCUMBER. I can not say that the particular project has been authorized; but let me say to the Senator, suppose in the year 1922 a point between Bismarck and Williston, for instance, the river begins to cut in on the banks and to change its channel. The necessity for revetment work at that particular point of course is a project that has not been considered; there has been nobody there to consider it. The engineers with their families make excursions up the Missouri River once a year and locate a few snags, go up the next year and blow them out with dynamite, and pay \$15,000 or \$20,000 for running their boats up there for one trip. That is the extent of the work they consider necessary for commerce on the upper Missouri.

Mr. McNARY. Mr. President, let me ask the Senator has the Government ever recognized this project in the appropriation of any money?

Mr. McCUMBER. Yes. The Government has appropriated \$150,000 and sometimes as high, I think, as \$200,000 to be used above Sioux City.

Mr. McNARY. Let me ask the Senator another question. What is the volume of commerce that is carried up and down the stream?

Mr. McCUMBER. I can not give the Senator the volume of the commerce for the last year or two because of the fact that the failure of crops in that section of the country has made the commerce almost nil during that period. I understand, however, there are about four or five boats being run regularly on that section of the Missouri and that they will transport crops alone of about a million bushels of wheat from last year's crop.

Mr. McNARY. Does the Senator from North Dakota believe, the appropriation provided in the bill being in the shape of a

lump sum, that it would prevent the engineers from using a portion of it to do the very work described in his amendment?

Mr. McCUMBER. We have that inquiry and the answer is that they can not use over \$10,000, because of certain estimates that were made to the Budget Bureau. Therefore they are limited in their expenditures on the upper stretches of the Missouri.

Mr. McNARY. Is that the estimate of the Bureau of the Budget or of the engineers?

Mr. McCUMBER. It is the estimate of the Bureau of the Budget, made upon the recommendation of the engineers.

Mr. McNARY. I think the Senator is mistaken as to that. The Director of the Bureau of the Budget estimated an expenditure of \$26,000,000, while this bill carries \$56,000,000.

Mr. McCUMBER. The captain of one of the vessels plying on the upper Missouri applied to the department only two days ago, and he was informed by the engineers that they could not use more than the amount carried in their estimate to the Budget Bureau, and that was \$10,000 or \$15,000.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. McCUMBER. I yield.

Mr. KING. In view of the fact that the Budget Bureau recommended approximately \$27,000,000 or \$28,000,000 and the House entirely disregarded the recommendation of the Budget Bureau and the Senate committee also disregarded the recommendation of the Budget Bureau, I rise to inquire of the Senator how he can insist now that the engineers of the Government are bound by any appropriation which Congress may make, unless there be in the appropriation itself words of limitation?

The Budget Bureau made certain recommendations based upon an appropriation of \$28,000,000. That \$28,000,000, under the Budget estimate, I presume, was allocated to the various projects, new and old. If the House disregards those allocations and the aggregate amount of the allocations and gives a sum double the amount recommended by the Budget Bureau, I am not quite clear, and I should be happy to have the learned Senator advise me, how those who are to expend the sum would feel that the allocations set forth by the Budget Bureau constitute any limitation upon them?

Mr. McCUMBER. Mr. President, that question involves another question which I might ask of the Senator from Utah, and that is, who is to determine how much of this appropriation shall be used in any specific section of the Missouri?

Mr. KING. Mr. President, I presume that this appropriation goes to the Board of Engineers, or the Rivers and Harbors Commission, however they may be denominated, and they expend the money as they see fit.

Mr. McCUMBER. All right. Now, suppose the engineers have already reported to the Budget Bureau that they do not need more than ten or fifteen thousand dollars for use above Sioux City, Iowa, on the Missouri, where the only commerce is on the river. What may we expect in the way of expenditure on that section of the Missouri?

Mr. KING. I presume, if the Senator puts it that way, that if the engineers have allocated fifty-seven or fifty-eight millions, the amount that is found in this bill, and have allowed only \$10,000 for the project which the Senator is contending for now, they doubtless would be constrained to follow that recommendation which they had made; but the point I made a moment ago, and I still insist upon it, is this: Technically, the Budget Bureau having absolutely disregarded the recommendations of the engineers—the engineers having recommended approximately \$71,000,000, including certain work upon the Mississippi and the Missouri Rivers—and recommended an appropriation of twenty-seven or twenty-eight million dollars, it would seem to me, unless there were limitations expressed in the bill with respect to the disposition of that twenty-seven or twenty-eight million dollars, that the engineers could dispose of it substantially as they saw fit. I am not sure that they would be bound, technically or legally, by statements which they had made or recommendations which they had submitted to the Budget Bureau.

Mr. McCUMBER. The Senator now is getting right down to the root of the evil of the situation, and that is this: The engineers never have been able to see the value of the use of any sum of money in that stretch of the Missouri where we have river commerce, but they have some kind of a scheme with reference to a great waterway between Kansas City and the Gulf of Mexico, which scheme never has been brought into existence so far in the matter of development, for the reason that the dirt, the sand, the soil, the silt which flows down the Missouri one year is dug out of the channel the next year, and this course has been followed year after year with no appreciable

advantage to the commerce of the United States, while we go begging for a few thousand dollars to protect our shores and protect our landings and pull the snags and rocks out of the channel and keep the channel in its place where the only commerce on the Missouri now exists. It is a case in which the engineers seem to have in view some project for the future which may or may not develop, while those of us who believe that we ought to use some of the money to maintain the commerce that we now have, and to clear the river of obstructions in that section of the country, do not want to be left any longer at the mercy of these engineers, who make an estimate of \$10,000 for use on a stretch of twelve or fourteen hundred miles of the river which is navigated, and fifty-odd millions of dollars on a stretch of the river where there is no navigation.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Montana?

Mr. McCUMBER. I do.

Mr. WALSH of Montana. I think, if the Senator will pardon me, I might clarify the situation a little for the Senator from Utah.

The engineers reported that they could profitably expend, advisably expend, during the year ending June 30, 1924, \$56,590,410, which is substantially the sum appropriated by this bill as it came from the House. The Senator from Utah desires to see that sum reduced. The amendment offered by the Senator from North Dakota contemplates setting apart \$250,000 of this \$60,000,000 for this particular purpose. If the total amount is reduced, as contemplated by the Senator from Utah, I am perfectly certain that the Senator from North Dakota will be quite willing to reduce proportionately the amount which he seeks thus to set aside.

In other words, I am endeavoring to indicate to the Senator from Utah that the subjects which he is discussing have no relevancy to the amendment suggested by the Senator from North Dakota. Included in the \$56,000,000 thus recommended by the engineers are three items. One of them is the Missouri River, from Kansas City to its mouth, \$1,000,000; for improvement, \$500,000. That is a million and a half for the Missouri River, from Kansas City to its mouth. The mouth of the Missouri River is just above St. Louis, according to my recollection, so that \$1,500,000 is to be spent in the State of Missouri between Kansas City and the mouth of the Missouri as it enters the Mississippi; \$25,000 is to be expended on the river from Kansas City to Sioux City; and \$15,000 from Sioux City, 600 miles of river, to Fort Benton, Mont. The Senator from North Dakota is simply inviting attention to the fact that that distribution is eminently unfair, that is all. I am perfectly certain that the Senator will agree, if the amendment which the Senator from Utah proposes to offer should prevail and the amount should be scaled down, that the amount which he asks should be scaled proportionately. In other words, I can see nothing in what the Senator from Utah has to say concerning the aggregate sum that in anywise whatever militates against the amendment now tendered by the Senator from North Dakota.

Mr. STERLING, Mr. WILLIS, and Mr. KING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Dakota yield; and if so, to whom?

Mr. McCUMBER. I first yield to the Senator from South Dakota, who addressed me a moment ago.

Mr. STERLING. Mr. President, I just want to correct a statement that I understood the Senator from Montana to make as to the distance from Sioux City to Fort Benton. I understood him to say it was 600 miles. It is a distance of about 1,500 miles from Sioux City to Fort Benton, which is termed the "head of navigation," as I understand; and, according to the report of the engineers, only \$15,000 could be profitably expended for all that distance of 1,500 miles.

Mr. KING. Mr. President, will the Senator yield?

Mr. McCUMBER. I yield to the Senator for a question. Then I want to yield to the Senator from Ohio [Mr. WILLIS].

Mr. KING. It is a little more than a question. It was a brief reference to what has been said—

Mr. McCUMBER. As the Senator from Ohio rose first, will the Senator allow me to yield to him first?

Mr. KING. Certainly.

Mr. WILLIS. Mr. President, I desire to propound an inquiry to the Senator from Montana. What authority of law does the Senator claim there is for this proposed appropriation? When did the Congress by any act authorize an appropriation of funds for this purpose? Can the Senator cite that act?

Mr. WALSH of Montana. Mr. President, appropriations for this purpose have been made regularly for 50 years. It may not be known to the Senator that as early as 1866 there was

between my State and his a continuous line of river transportation. We bought supplies in endless quantities from his State that went down the Ohio River, up the Mississippi, and up the Missouri to Fort Benton. During all of that period appropriations were made for just exactly the purpose which this appropriation is for.

Mr. WILLIS. I am familiar with the commerce to which the Senator refers, but he does not quite respond to my inquiry. This amendment, I believe, contemplates the addition of a new project, where it says:

For the maintenance of the channel to landing places.

The Senator is perfectly familiar with the practice here, that Congress must and does pass an act authorizing appropriations for a certain purpose. If the Senator can refer me to the act in which this project was approved, I should like to have the reference.

Mr. WALSH of Montana. I have given it to the Senator.

Mr. WILLIS. What is it?

Mr. WALSH of Montana. An item for the improvement of the river above Sioux City has been a regular portion of the appropriation every year. Of course, there is no appropriation for taking a snag out of the river where the town line between townships 10 and 11 crosses the Missouri River. There is an appropriation regularly for the improvement of the river above Sioux City, and that is all that is asked here.

Mr. McCUMBER. Mr. President, if the Senator will allow me, I want to state to the Senator from Ohio that several times I have succeeded in having the river and harbor bill amended, and amended substantially in the language that I have employed here, namely, for revetment and for protecting the channel and the approaches of the upper Missouri. There is nothing new in the language that is used. In fact, the language I have used is the same that we have used in other amendments.

Now, I want to call the attention of the Senate to another feature of this bill and this proposed amendment. Since the creation, I presume, the Little Missouri, the Yellowstone River, the Knife River, and other important rivers have been pouring their silt down the Missouri River. Without that there would have been no Louisiana to-day. Louisiana and much of Mississippi and other sections of this country are made from the flow of the soil and the silt from the Missouri and its tributaries. Now, where does this come from? Not from the original source of the Yellowstone; but the moment that it strikes the level country there is somewhere above, I think, 1,500 feet of this silt that is washed down from the mountains, from that up to 1,700 feet, before you get down to a blue clay, and when you get down to the blue clay you are then at an altitude about the same as the bottom of the Gulf of Mexico.

Mr. FLETCHER. Mr. President—

Mr. McCUMBER. The channel first cuts on one side, and then, from some little obstruction or a sand bar, the whole force of the high water is thrown against the bank upon the other side, and not only acres but whole quarter sections of land are tumbled off into the Missouri and washed down the channel until it finally reaches the Gulf of Mexico, or the greater portion of it reaches around about Kansas City, and is then shoveled out of the channel again to make way for the new amount that will come in the next year.

Mr. FLETCHER. Mr. President—

Mr. McCUMBER. If the Senator will just let me finish the thought, how can we prevent this? One way in which we can prevent it, Mr. President, is by the revetment of the shores where the cave-in takes place. That will prevent whole sections of land tumbling into the Missouri, which must be taken out again farther down the Missouri, for which we are appropriating large sums every year.

I have here a photograph of a section of the Missouri River at Bismarck [exhibiting]. If Senators would look at this photograph, which is a picture of a scene above a new bridge which the Government, in connection with the State, has just built, they would find that the shores have been revetted, and they have been for a great many years. The engineers do not see fit generally to make the revetment properly, but when they have joined with the Northern Pacific or other railway in doing it, and when it has been done properly, it has been a success.

It is done in this way: In the wintertime, when the Missouri is frozen over, with sometimes 2 or 3 feet of ice, and when it is at its lowest depth, they put willows on the ice and pile large rocks on them, then more willows and rocks. Then they saw through the ice around this construction, and it sinks, and as the ice melts the whole mass settles down into the silt, the wash

of the spring flood comes in and fills it up with sand, and you have a revetment which stays and prevents the current washing the banks off again.

Let us look at the situation at Bismarck. Tapping the Missouri at this point is the Bismarck Water Co., and the banks there have been revetted. At this point there is the great railway bridge across the Missouri of the Northern Pacific, and a few rods below that is the wagon bridge which has just been built by the Government of the United States.

I would like to call attention to another angle of this photograph, and I will ask the Senator from New York [Mr. WADSWORTH] to glance at it for a moment. If he will look over to the northwest he will find a level piece of land, very low, running about 6 miles by the city of Mandan. All of this is made a part of the bridge project on the recommendation of the Government engineers. The flood is coming down and is cutting across at the point I mentioned. It may be that in a single year it will cut through there and the entire current of the river will run through on this side, and it will be necessary to build a bridge across another Missouri River in order to complete it. A little revetment at this time, not \$10,000 worth, not \$15,000 or \$16,000 worth, but enough to save that one little corner, would be worth millions and millions of dollars to the Government of the United States and to the State in putting the bridge through. But nothing is done. A little appropriation of \$15,000 would amount to nothing. We want to prevent not only the caving in at this section of the river, but we want to protect the Government property in the matter of these roads and bridges which the Government and the State together have builded across the Missouri.

If you go a little farther up the Missouri River you will find other sections which are not low, but are high, where the banks stand up 80 or 100 or 200 or 300 feet above the Missouri River, and the change of the current against those banks undermines them, and acres, aye, hundreds of acres, come tumbling off into the Missouri, to be shoveled up again at Kansas City and taken out of the bed of the stream. Here a great deal can be saved by proper revetting. Let us remember, too, that at this point there are farmers' grain elevators. The moment the current is changed no vessel can get up to a landing, of course, and no vessel getting up to a landing the commerce from that section of the country is cut out entirely. We can prevent that by a little revetting.

The Senator from Florida will pardon me; I now yield to him.

Mr. FLETCHER. Mr. President, I want to call the Senator's attention to the fact that while this project was adopted a good many years ago there have been no appropriations in recent years, I think probably since 1916, certainly not since 1919, for continuing the improvement, for the reason that it is not a problem of navigation so much as it is a question of saving land on the shore. This revetting work, the engineers have held, ought to be done by the people who own the land, rather than have the Government undertake to protect the shores of the Missouri River 1,100 miles in order to prevent the washing away.

Mr. McCUMBER. I notice, however, that the Government has spent millions of dollars to build dikes to keep the Mississippi River in its proper channel and prevent it from overflowing New Orleans and other great cities. If it can spend hundred of millions of dollars for those dikes, the Senator can well answer that the Government should not do it, but that the adjoining landowners ought to pay the expense of the diking. What is the difference whether you build up a dike to prevent the water from overflowing orrevet to prevent the stream from cutting any farther and undermining great sections of the country?

Mr. FLETCHER. I want to call attention to a statement in the hearings made by General Taylor. I read from the hearings:

Mr. STAFFORD. Then, as I understand, the river north of the mouth of the Missouri is navigable if there is a fair supply of water?

General TAYLOR. Yes, sir; the minimum depth throughout the entire stretch at ordinary low water is about 4½ feet.

General Taylor then said:

The project for the Missouri River from Kansas City to the mouth was adopted by the act of 1912 with a view to its completion in 10 years. The estimated cost of the project at that time was \$20,000,000, so that following out the intent of that law Congress should have given \$2,000,000 a year; there have been very much less sums than that appropriated and we have, consequently, been doing very little work. The project has reached the stage where it either ought to be proceeded with or it ought to be stopped, one or the other.

Mr. STAFFORD. When was the last substantial work done on the project?

General TAYLOR. In 1918, \$1,000,000 was allotted, and in 1919 \$100,000 was appropriated; those were itemized appropriation acts.

We have not had any itemized appropriation act since 1919. Since then we have had a lump-sum appropriation. General Taylor continues:

In 1920, 1921, and 1922 there were lump sums from which the Secretary of War made allotments, and from those acts there have been \$200,000, \$214,000, and \$100,000, respectively, allotted. In other words, for the last three years we have been simply endeavoring to maintain the work which had been previously done in order that it should not be entirely lost. If we are to go ahead with the work we ought to have \$1,500,000 at least, but if we are not to go ahead with it we need less money. The Missouri River runs through a very fertile bottom land; it naturally wanders from one side of the valley to the other, destroying farm lands as it wanders from one side to the other. Recently the farmers along the Missouri River, particularly in the vicinity of Omaha and above and a little below, have realized the inadvisability of waiting for the Government to protect their lands, and they have been forming protection districts under State laws, which they can do, and issuing bonds for the work, assessing the lands for proper contributions and doing the work themselves.

In the last year there has been over \$1,000,000 worth of work done on the Missouri River in that way. The value of the lands protected has been enormously increased by this work; it not only increases the value of the lands but the work holds the river in position. If the farmers all along the Missouri River would do that work and protect their lands as they should, the Government could then step in and do the work necessary to complete the improvements for navigation at comparatively small expense. I say at comparatively small expense; it would run, perhaps, to millions of dollars.

Mr. Sisson. There is a long stretch of river there?

General TAYLOR. Yes; there is. It is 398 miles from Kansas City to the mouth; from Kansas City to Fort Benton, Mont., the head of navigation, it is 1,887 miles. The expense for navigation per mile would be small, but that should properly be done after the people living along the banks have done the work which belongs to them to do.

Mr. STAFFORD. There is no navigation on the river to-day?

General TAYLOR. Above Kansas City there is practically nothing and below Kansas City there is little.

Mr. STAFFORD. Local or through?

General TAYLOR. It is all local at the present time. There was a navigation company organized to carry on through navigation between Kansas City and St. Louis several years ago; those boats were bought by the Government in 1917 and they form a part of the fleet of the Mississippi River-Warrior Transportation Line at the present time.

Mr. STAFFORD. There has been no proposal by the owners of the land along the river banks to revet their banks, through the legislature, the municipalities, or organizations, and have the Government do the work so far as dredging the proper channel is concerned?

General TAYLOR. No, sir; there has been no proposition of that kind from them to us. They have, as I have stated, improved the river banks in many localities.

Mr. STAFFORD. That was done for the purpose of protecting their lands?

General TAYLOR. Yes, sir.

Mr. STAFFORD. Where was this work done of revetting the banks along the Missouri River—between Kansas City and St. Louis?

General TAYLOR. Principally above Kansas City.

So it seems that the main work now necessary to be done is being proceeded with by the people who own the land, and the only appropriation recommended by the engineers is that for maintenance. These items of \$15,000 and \$25,000 and \$15,000 are simply maintenance items, and they are not intended to be used at all for new work. The engineers have said that we must go on with the improvement from Kansas City to the mouth of the river or abandon the whole project, and for that purpose they recommend \$1,000,000 for improvement and \$500,000 for maintenance for that stretch of the river. In the meantime, the real work to be done in the upper Missouri, it would seem, is the revetment work, to prevent the river from overflowing and washing away the land, and that is being done.

I merely wanted to call the Senator's attention to this testimony before the committee, and suggest also that perhaps he knows of the patent arrangement whereby they are taking down trees and anchoring them, and tying them together with wire, thereby really accomplishing very great results all along the Missouri. I think the Army engineers have approved that process, and it is working splendidly. But the main thing now is the revetment work, which the Senator has so graphically described as resulting in shifting the channel of the river from time to time, washing away great areas on one side and putting them on the other, and vice versa. That is the main thing to be stopped; but the thought is that it is incumbent on the owners of the land being affected to do that. They are proceeding to overcome those difficulties by this revetment process, and when they get that sufficiently well under way, then the Government ought to step in and take care of the channel, and I think that is their purpose. In the meantime, the appropriation they are asking for is for maintenance.

Mr. McCUMBER. Mr. President, answering the Senator most briefly, I do not suppose there is a landowner in my State, or in the State of South Dakota, or in the State of Montana, who asks the Government to expend one penny to protect his land.

Those who are operating boats on the upper Missouri are asking the Government to expend some of its money to protect the channels of the river. In the lands adjoining the river in my State where the caving process is most apparent I do not think that it would pay any farmer to revet it to protect his

land. It would cost more to do the revetting than the land would be worth. Therefore, if he finds that there is danger of caving and his buildings are too close to the river, he simply moves them back and allows the cave-in to follow its natural course.

But I call the attention of the Senator to another photograph of the end of the Bismarck Bridge, one of the great international bridges just completed [exhibiting]. There are 6 miles of very low land, covered with rocks and sand, and which overflows at every overflow of the river. That land is not worth anything for tilling purposes and is worth scarcely anything for any other purpose. The only good that we ever got out of it so far was to cut the willows from it and use the willows and rocks for revetting. No one is going to put up revetments at the point which I have shown the Senator upon the photograph in order to protect the channel. The Government has got to do it or the Government is bound to lose the benefit of its bridge across the Missouri River, and then would have to build another bridge across the new Missouri River that would undoubtedly in a few years be running at least 3 or 4 miles from the present channel.

Mr. WILLIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. McCUMBER. I yield.

Mr. WILLIS. I dislike to interrupt the Senator, but he has been very generous in yielding. I want to ask one other question for information. In speaking of the bridges he referred to the protection which the proposed appropriation would give to Government property. What Government property is involved? Have the bridges been built by the United States Government?

Mr. McCUMBER. We have appropriated \$150,000,000 a year for post roads, to be expended provided the States raise an equal amount. In the bridges across these great rivers the Government has a post road, has its half interest if it were measured by the amount of money it puts in, but has complete control over it as a State road.

Mr. WADSWORTH. Does the Senator think the Government has control of State roads?

Mr. McCUMBER. I say the Government has a right to control all the post roads of the country under its general law.

Mr. WADSWORTH. Oh, yes; but that does not mean that the Federal Government has control of the Federal-aid roads in the sense that it may do anything it wants with reference to them.

Mr. McCUMBER. Oh, no; but it has the right to control them, and has its money invested in them for governmental advantages.

Mr. WADSWORTH. I wonder if the Senator would give me some information on that point. The Government having put in its share in the building of the roads, including occasionally a bridge, although I think that is rather unusual—but it has been done in some instances, and undoubtedly was done in this instance—is it the Senator's idea that the Government should help maintain the bridge and the road?

Mr. McCUMBER. It is my idea that if the Missouri River cut through at another point, leaving high and dry that section where the present bridge is, and leaving the channel, perhaps 2 miles wide, at another section, the Government would be getting no benefit, and neither would the State be getting any benefit from it. If we are to have a bridge in that vicinity, we would then have to build another bridge across the river in the other section.

Mr. WADSWORTH. Has the State spent any money at this point in the way of revetments?

Mr. McCUMBER. The State has done its part in the building of the bridge.

Mr. WADSWORTH. I mean in the revetment work.

Mr. McCUMBER. The State is not interested that I know of in the revetment.

Mr. WADSWORTH. The State has a one-half interest in the bridge and has the entire obligation of maintaining it.

Mr. McCUMBER. I am not speaking now just with reference to the one bridge.

Mr. WADSWORTH. The Senator used it as an illustration.

Mr. McCUMBER. The revetment I am asking for is for the purpose of maintaining a channel for navigation, and I am simply speaking of the bridge as it affects not only the channel for navigation but also protects the post roads in which the Government has an interest.

Mr. WADSWORTH. Will the Senator tell us whether the State of North Dakota has appropriated any State funds for the purpose of revetments along the river to save the property of its own citizens?

Mr. McCUMBER. I can not answer that question. I do not know whether it has or not.

Mr. WADSWORTH. Does the Senator know whether the State of South Dakota has expended any State funds on revetments to save the property of its own citizens?

Mr. McCUMBER. I do not know; but the Senator from South Dakota [Mr. STERLING] can undoubtedly answer the question.

Mr. STERLING. I can answer the question. I will say to the Senator from New York that I do not think the State of South Dakota has made any appropriation yet for that purpose, but I am not saying that it would not if it had the proper encouragement from the Government.

Mr. McCUMBER. I think the State of North Dakota has done some revetment work at the point of the bridge in order to protect the channel more or less at that point, undoubtedly, but just to what extent it has been done I do not know. That would be done, of course, in connection with the work of the Government. But remember all the time that all we are seeking is to maintain a channel for navigation. If the channel is cut through at the point I have mentioned, it would not be a channel that would be navigable. There would probably be water on both sides and that strip of country would be an island.

When the Northern Pacific placed its bridge, which the Senator will see in the photograph, just below the point where the cutting is going on to-day, it maintained dikes at that point to protect against the flow of the ice and the ice gorges and to protect against the cutting. Those who are acquainted with the Missouri River objected to the use of the dikes, saying that they would not and could not be effective. But the Government engineers—and the Government did part of the work there and expended part of the money—insisted upon the dikes. The dikes would have been all right had they gone down 1,700 feet to get a foundation of the blue clay. In other words, if they had gone down to the level of the Gulf of Mexico they could have built the dikes; but they built them upon sand, and when the floods and the winds came they were destroyed. Wherever they have done any reasonable amount of diking they have generally been quite successful in maintaining the channel in its place. It would require considerable diking at the point of the bridge to which I have referred, as it would require considerable at other points.

The Senator stated if there are landing places, the State should maintain the landing places. Upon the same theory the State of New York should pay the entire expense of maintaining the dikes and maintaining open channels, and the Federal Government should put in nothing.

Mr. WADSWORTH. The Senator is mistaken. I did not mention landing places.

Mr. McCUMBER. I understood the Senator to state that that is one of the places the State should take care of.

Mr. WADSWORTH. I asked the Senator if the State, in the protection of its own highway bridge, had done any revetment work.

Mr. McCUMBER. We can not use our landing places unless we have the river maintained where it is now. We can not use the elevators and warehouses, which are built for holding coal and hay and grain, unless we are able to get up to them in boats. For that reason it is necessary to protect the channel. All I am asking in this instance is that, notwithstanding the prejudice of certain engineers who are located at Kansas City and whose only thought is deepening the channel between Kansas City and the mouth of the river, there shall be appropriated out of this sum a sufficient amount to keep our little boats of light draft going, by pulling out the snags and by revetting the shores where the channel is liable to change. It would help us and at the same time it would save very much of the cave-ins which are landed down near the mouth of the Missouri and which must be taken out there again.

Mr. KING. Mr. President, will the Senator yield?

Mr. McCUMBER. I yield.

Mr. KING. Would not the Senator's policy, if I understand him correctly, involve upon the Federal Government the obligation of protecting the banks of the Missouri and Mississippi Rivers from the source to the mouth?

Mr. McCUMBER. No; not unless the protection of a bank at a particular place was necessary in order to hold the channel in its proper place and make the river navigable. There would be no duty upon the Government to protect the adjoining lands. The duty would be simply that of keeping open the channel in the best way that it could be kept open. In my opinion the

only way in some of these instances would be by proper revetments.

Mr. KING. May I inquire of the Senator, in view of the broad statement which he makes, if it is his contention that it is the duty of the Federal Government to make navigable every stream in the United States which may possibly be utilized for commerce purposes for a few boats or the floating down of a few logs, or what not?

Mr. McCUMBER. No; and I may say, Mr. President, that I have grave doubt of any great advantage that may come from the navigation of the Missouri River below Kansas City down to its mouth. There is where all of the money is being expended, although there is no commerce there to-day. So long as the Government is engaged in the policy of attempting to maintain commerce upon its inland rivers, I insist that it ought to expend some of its money where the commerce is and where it is likely to be for many years to come, for the grain that is moved by boats along the Missouri River and in Montana will not—at least during the Senator's lifetime, much less during my lifetime—be carried down to the Gulf of Mexico. It will be brought to the railroad intersections of the river and there continued as a shipment over the railways to Minneapolis, Duluth, Chicago, and other cities.

I think, Mr. President, I have in a general way explained why it is necessary that Congress should determine that some of the money proposed to be appropriated for rivers and harbors—fixing a definite amount—should be expended where the commerce is. If any Senator thinks that the amount which I have designated in the amendment is too great, I certainly should like to hear him upon that subject.

Mr. WILLIS. Mr. President, I always regret to have to oppose any amendment or any legislation which is sponsored by the distinguished Senator from North Dakota, but I think this amendment, in the first place, might be subject to a point of order. I shall not, however, make the point. I have requested from the Senator from Montana [Mr. WALSH] some citation of the authorization for this appropriation. The only thing he has been able to suggest is that there have been for a number of years incidental appropriations. The point I make is that this is not a project which has been authorized in the regular way by act of Congress, but I do not press that matter and do not make the point of order, for I think the Senate ought to determine the question on its merits.

Mr. President, if we are to adopt the policy of stating in connection with the appropriations for river and harbor purposes where the money shall be expended, we are going to be very quickly in a quagmire. If this amendment shall be adopted providing that \$250,000 of this appropriation shall be expended in such and such a manner, then some other Senator will offer another amendment providing that one million of it shall be expended in such and such manner, and we shall find ourselves in inextricable confusion. I think the policy would be exceedingly bad. If this amendment shall be adopted, as one who is interested in the appropriation I shall feel it my duty to offer another amendment providing how certain other portions of the money shall be expended.

Mr. McCUMBER. Mr. President, may I ask the Senator from Ohio a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. WILLIS. I yield.

Mr. McCUMBER. If the Senator felt certain that the engineers would not use to exceed \$14,000 or \$15,000 on this 1,400 or 1,500 miles of the river, notwithstanding the necessity for a larger expenditure, would he be in favor of Congress saying that a sufficient amount—whatever that amount might be—should be used on that stretch of the river, notwithstanding the view of the engineers that they should use the entire amount below Kansas City?

Mr. WILLIS. I suppose in that case, situated as is the distinguished Senator from North Dakota, I would do just exactly as the Senator is doing, although I should not be able to do it with the great ability which he always manifests. I should try to make the fight for my people. I regret, however, that I can not agree with the view that the Senator has expressed. I am talking about the policy of this kind of legislation. I warn the Senate that if it shall adopt this amendment there will be other amendments, and very numerous amendments, offered providing just how portions of the aggregate appropriation shall be expended. That would be an overturning of the policy which heretofore has been adopted in connection with river and harbor appropriations.

I do not believe the Senate has the information which would enable it to determine without investigation what projects are

the wise ones to be adopted. The policy which heretofore has obtained is that the subject is taken up in the Committee on Commerce, and certain projects are adopted, after the very fullest consideration. If we are now to overturn that practice and begin the policy of adopting projects here upon the floor of the Senate, I think it will be found that such a scheme of legislation will be exceedingly unsatisfactory.

As suggested by the Senator from Florida [Mr. FLETCHER], the only justification for these appropriations, as I view them, is that they are going to be an aid to commerce.

I concede, of course, that the revetment of the banks of the Missouri River might be an indirect and inconsequential and somewhat speculative aid to commerce. If we should keep a wagonload of dirt from being washed into the Missouri River away up near its source somewhere, there would be one wagonload less of sand to take out down in the delta of the Mississippi River at some point; but I submit that that advantage would be rather remote and speculative. I doubt whether the Government ought to adopt a policy of the revetment of the banks of the Missouri River and the Mississippi River so as to protect the interests of navigation in the lower channel.

Mr. McCUMBER. Mr. President, may I ask the Senator another question right there?

Mr. WILLIS. I yield to the Senator from North Dakota, with pleasure.

Mr. McCUMBER. Why should we provide that a certain amount of the \$56,000,000, or whatever the sum may be, which is here proposed to be appropriated, shall be used on the Missouri River? Why should we not say that the \$56,000,000 shall be used on rivers and harbors, without designating a particular river or a particular section of the country?

Mr. WILLIS. That is precisely what the pending bill does. The bill carries simply a lump-sum appropriation and does not designate where it shall be expended.

Mr. McCUMBER. Does not the bill provide for the expenditure of \$1,500,000 on the Missouri River?

Mr. WADSWORTH. Oh, no.

Mr. WILLIS. Not at all. The bill carries merely a lump-sum appropriation.

Mr. McCUMBER. Very well; but can not the Senator from Ohio see that we are wholly at the mercy of individuals who may combine projects or put everything into a project that would not have the approval of Congress? Can not the Senator understand that we ought to protect what little commerce we have rather than expend all of the money in a certain section of the country in order to protect some future commerce which we may hope to develop?

Mr. WILLIS. As the Senator from New York very properly suggests to me, the money proposed to be appropriated can only be expended for the projects that have been approved by legislation enacted by the Congress. What the Senator says of course is true in this respect, that we have got to follow either one or the other system. We can follow the present system of making an appropriation and leaving the expenditure of it to men who have made a lifetime study of the general subject of aids to commerce and navigation; that is the policy that we have now embarked upon; or we can follow the policy involved in the amendment of the Senator from North Dakota, cast to the winds the information already acquired, and, instead of permitting the men who have the scientific information to settle the question, settle it ourselves, and provide that there shall be so much appropriated for this project and so much for that project. I submit that the former method is better.

Mr. McCUMBER. Mr. President—

Mr. WILLIS. I yield to the Senator.

Mr. McCUMBER. Suppose we have found that by adopting the policy which the Senator mentions the money which has been expended year after year in certain sections of the country has been of no avail whatever, while in other sections where there is commerce that commerce has been greatly crippled by the application of that rule. Is it not time then that we should change the policy and use our judgment as to where the funds should be expended, rather than continue a policy under which money is expended where it is not needed, where it is not doing any good, and projects that would be of benefits to commerce are left entirely unprovided for?

Mr. WILLIS. Mr. President, that is a question, of course, upon which the judgment of men will differ; but since the question has been fairly propounded I venture to say that the chief reason for the unwise expenditures that have been made heretofore has been the very policy of the amendment which the Senator now offers and defends.

While we are on that point I wish to say, Mr. President, that it seems to me that to get anywhere with the policy of internal improvements the money ought to be expended upon lines of transportation that begin somewhere and end somewhere. The same question is involved in expenditures for public roads. In a number of States public funds have been wasted because moneys have been expended for the reason that this interest or that Senator or that Representative or this community or that community have demanded that they should have a share, and as a result we have had roads constructed which began nowhere and ended nowhere. We have commenced to make progress only as we have adopted a system to construct great roads that really get somewhere. My notion is that the only way we are going to get very much good out of the improvement of rivers and harbors is by having a definite system. That system has been worked out by the Board of Army Engineers. Now it is proposed to take away from them that authority and to bring it back here into the Congress, where it shall be a matter of only cursory investigation on the floor of the Senate and the floor of the House. I think the policy is exceedingly unwise and that the amendment of the Senator from North Dakota ought to be defeated.

Mr. HITCHCOCK. Mr. President, I think the Senator from Ohio is in error in assuming that this is not a legalized project. I find in the report of the Chief of Engineers reference to the creation of this project under this title:

Existing project: This provides for the expenditure of from \$75,000 to \$150,000 yearly for five years in the removal of snags and rocks from the channel and in bank protection within easy boat reach of landings, towns, and railroad crossings between Sioux City, 807 miles above the mouth, and Fort Benton.

I also find in another portion of the same volume the creation of another project, having a similar purpose, from the mouth of the river up to Sioux City. So that in the past both of these stretches of the Missouri River have been incorporated into river projects for the purpose of maintenance of navigation. I think to that extent the Senator from North Dakota is warranted in claiming recognition and approval of these projects.

Mr. WILLIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. HITCHCOCK. I yield.

Mr. WILLIS. The Senator, perhaps, misunderstands my contention. Of course I know that appropriations have been made for various individual improvements at various times running through many years, as pointed out by the Senator from Montana, but my contention has been and now is that this improvement has not been adopted as one of the authorized projects by any act of Congress. I have not had time to hunt up the statutes, but I have requested that that be done, and thus far no one has been able to cite the authority. I do not concede from the information I have that it is an authorized project, but I do not urge that point; I am talking about the question of policy.

Mr. HITCHCOCK. The project was duly established in both cases—I think there is no doubt about that—but now I ask the Senator from North Dakota why he specifies in his amendment the stretch of river from Sioux City to Fort Benton? I might have been seduced into supporting this amendment if the Senator had incorporated the stretch of river from Kansas City to Sioux City, because I might feel that my constituents had a personal interest in the matter, placing myself in the same attitude that the Senator from North Dakota does, but the Senator specifies—

Mr. McCUMBER. I will answer the Senator, if he will allow me. I will answer him by saying, as the Senator from Ohio said a short time ago, that in all of these projects the money ought to be expended for something that begins somewhere and ends somewhere. I am in absolute agreement with the Senator from Ohio in that statement. The only real commerce to-day upon the Missouri River begins at Fort Benton and ends at Sioux City, Iowa; and that is the reason why I ask that this proportion of the sum should be expended in that stretch, and all the rest—any amount they want to expend—below Sioux City. The engineers at Kansas City have always been favorable to those projects below Sioux City and below Kansas City, and I considered that they would take care of that without any question.

Mr. HITCHCOCK. Mr. President, I am in some sympathy with what the Senator says in criticism of the policy which makes such large appropriations for the stretch of the Missouri River from Kansas City down to the mouth, a distance of about 400 miles, and such small appropriations for the stretch of river above Kansas City; but the Senator, I think, will have

difficulty in justifying his statement that the chief commerce on the Missouri River is above Sioux City. According to the testimony before the committee in the House and according to the report made by the War Department, the commerce in 1921 on the Missouri River from Sioux City to Fort Benton was 9,164 tons, whereas the commerce between Kansas City and Sioux City—

Mr. McCUMBER. I want to say that in that year and for two years there was an entire failure of crops along that section of the country and, as I stated when I opened the debate this morning, the commerce was almost nil during 1920 and 1921.

Mr. HITCHCOCK. Can the Senator state what the present commerce is? What is the tonnage?

Mr. McCUMBER. I could not tell the Senator; but I asked the captain of one of the boats, and he said that his line of boats would handle this year about three-quarters of a million bushels of wheat alone, besides the coal and other articles of commerce.

Mr. HITCHCOCK. I only know what figures are given in our public documents. According to them, the tonnage north of Sioux City on the Missouri was 9,000 tons, and the tonnage from Kansas City to Sioux City, which passes the great city of Omaha, was 110,000 tons; but I want to justify what the Senator says in criticism of the policy which has made the appropriations for the Missouri River almost exclusively from Kansas City to the mouth of the river, some 400 miles farther down. There, with a commerce amounting to only 139,000 tons, they have appropriated something like a million dollars a year recently; and they now propose to use a million dollars a year for improvement and \$500,000 a year for maintenance, although the tonnage from Kansas City to the mouth of the Missouri where it empties into the Mississippi, is only 20,000 tons greater than it is from Kansas City to Sioux City; so that the appropriations do not appear to be based upon the plan of recognizing and promoting commerce but upon some arbitrary rule which the engineers have established for themselves.

Mr. McCUMBER. Mr. President, the Senator said the commerce was 20,000 tons greater; but if he will examine the cargoes he will find that those many thousands of tons are nothing but sand that is dug out for building purposes along the Missouri.

Mr. HITCHCOCK. There, again, I am not able to state, because I only have the figures; but, according to the figures, the commerce, as reported by the Government officials—the very same officials who allot the money—is practically as important from Kansas City up to Sioux City as it is from Kansas City to the mouth of the river where it empties into the Mississippi. So I sympathize with what the Senator says—that there appears to have been a sort of blindness afflicting the engineers when they considered the project north of Kansas City, which has led them to devote practically all of the Missouri River appropriations to the stretch below Kansas City.

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

Mr. HITCHCOCK. I yield.

Mr. WADSWORTH. I am not certain that I am accurate in my understanding of this situation, but, judging from the testimony of General Taylor, I gathered the very distinct impression that from Kansas City to the mouth the project was a definitely adopted project, with a total expenditure estimated at \$20,000,000—

Mr. HITCHCOCK. I think so.

Mr. WADSWORTH. And apparently it was the purpose and intent of the Congress at that time to spend \$2,000,000 a year on that project for 10 years, until it was finished, at a total cost of \$20,000,000. Of course, they have not spent much more than a million dollars in any one year; but I think that will explain why it is that the engineers have spent so much more below Kansas City than above. They were, in effect, directed to do so.

Mr. HITCHCOCK. I think that is possible, and I am not now complaining, and I do not propose to offer an amendment to expend money on the stretch where the river washes Nebraska. I have not much faith in those appropriations; and I think the Senator from North Dakota, if he got an appropriation ten times as large as the existing appropriation, would be disappointed in the result. I have a good deal of doubt whether in these railroad days the Missouri River can be converted again to what it once was—a navigable stream. I remember that when I was a boy great flat-bottomed boats went up and down the Missouri River and carried a large commerce; but the advent of the railroad has practically driven those boats out of existence, and it is more the railroad competition than it is the unnavigability of the river that has wiped off that commerce. I doubt whether we can restore commerce to rivers of this sort

unless we adopt the German method of enforcing a rule by which certain commerce shall go on rivers and shall not be carried on the railroads. So that I have not much faith in the merit of dumping money into the Missouri River if it is proposed that the appropriation be increased along the stretch of the river with which I am familiar.

Mr. McCUMBER. Mr. President, I want to agree with the Senator that I have not much faith in the Missouri ever being a great thoroughfare; but there are certain stretches between the great continental lines where there will be boats running for the benefit of the grain and the coal and hay, and so forth, where they can be, as I have explained, sorts of extensions of the railroad lines. That is where the commerce has been for the last twenty-odd years, and there is where, in my opinion, it will be for the next 50 years, at least; and it is to help that commerce that I think we ought to provide that a sufficient amount should be expended that the commerce might be continued. If the Senator thinks I have made my limitation on the miles to be covered by this appropriation too short, and if he thinks that it ought to go down as far as Omaha, which is not very far below Sioux City, I have not the slightest objection to an amendment to that effect.

Mr. HITCHCOCK. I am not asking that, Mr. President. I have had pressure brought to bear on me by my constituents who think the Missouri River can be benefited by large appropriations, and, as a rule, I have not favored them. I know that the real motive for people along the Missouri River desiring appropriations by the Government is a real-estate proposition, just as the Senator from North Dakota has practically admitted. The river does cut into the shores; it does take off parts of farms; it does cause local loss; and if Congress could lawfully undertake the work of putting a stop to that on those rivers I should be in favor of the appropriations to do so, although I think it would result in enormous undertakings by the Government.

Mr. McCUMBER. I hope the Senator will not say that I have admitted that, because I have stated, to the contrary, that, so far as the landowners in my State are concerned, none of them has taken the slightest interest in the matter, and I did not believe that they would receive a sufficient protection to justify any expenditure at all. I simply stated that it ought to be done entirely for the purposes of navigation and without any regard whatever to any interest of any adjoining landowner.

Mr. HITCHCOCK. That is all that can be done legally under our form of government. Congress has not any right, under any constitutional provision, to undertake to protect the owners of riparian land against damage. All that Congress can do under the Constitution is to promote navigation; but we have used that fiction very largely to protect and assist local interests, and I am afraid it has been done a good deal in this bill, and done a good deal down South in the States that have suffered from the inroads of the Mississippi River, for which the Missouri River is partly responsible. So I do not favor the Senator's amendment, and I do not even desire to offer to incorporate in it that part of the Missouri River in which I might be interested.

Mr. STERLING. Mr. President, just a few words relative to the amendment of the Senator from North Dakota [Mr. McCUMBER]. I am in hearty sympathy with the amendment, and I hope it will prevail.

Mr. President, I am not here to argue that within a couple of hundred miles northwest of Sioux City and on the Missouri River there is now any great amount of commerce. It might be termed inconsequential, so far as that is concerned. I agree with the Senator from North Dakota that farther north, and as the Missouri River courses through his State of North Dakota, there is more river commerce than there is farther south. But, Mr. President, I am here to contend that every piece of revetment work on the Missouri River, while it will protect the banks from erosion and save valuable farms from being washed into the river, is at the same time directly in the interest of commerce and navigation wherever that revetment work may be placed.

These very Army engineers who have insisted upon a different policy, and who have objected, as I think they have from time to time, to revetment work along the Missouri River because it was not in the interest of commerce and navigation, have themselves said that the Missouri River carries down into the Mississippi River 400,000,000 tons of silt annually; and it follows that if that amount of silt is carried by the Missouri into the Mississippi River it impairs navigation, it interferes with commerce, and is the justification for the expenditure of many millions of dollars in the improvement of the Mississippi River. So, Mr. President, in the interest of

commerce and navigation on the Mississippi, as well as on the Missouri, the amendment here proposed is justifiable.

Annually snag boats are sent out to pull the snags from the Missouri River. I heard of a little incident which happened a few years ago. A snag boat was making its annual journey up the river and a few miles to the northwest of Vermilion pulled from the bank of the river a tree to which some revetment work had been fastened, or lashed, by farmers who were endeavoring to save their land by building a little revetment work of their own. The captain, looking out from the deck of the boat, saw the tree and thought that the banks would erode and the tree would be washed into the river within a year or so, and that as a measure of precaution he would have it taken out, so he summoned the crew, and it was taken out, and the revetment work which these farmers had tried to construct on their own account was destroyed by this effort of the people managing the snag boat.

We see need of this work in a very plain way at the city of Yankton, 26 miles from my own home town. The people there by private subscriptions and donations have built across the Missouri River a bridge for railroad purposes, and for wagon-road purposes as well, and on the south of the bridge there is great danger that the approaches may be washed away because of the erosion of the banks at that place by the Missouri River. Some revetment work upon the shore would protect those banks, and if not directly in the interest of commerce and navigation it would be directly in the interest of interstate commerce, because if the bridge is destroyed commerce over the bridge between the citizens of Nebraska and the citizens of South Dakota of course will fall with it.

I hope no narrow view will be taken of this proposition. The proper place to begin the improvement of the Missouri River, with commerce and navigation as the great end in view, is nearer the source and up the stream, rather than beginning down and dredging out year after year what is carried down the stream the year before, interfering with navigation there, and causing or helping to cause, in great degree, the overflow of the banks and the destruction of the farms along the Mississippi River below the mouth of the Missouri.

Mr. KING. Will the Senator yield?

Mr. STERLING. I yield.

Mr. KING. We have expended more than a hundred million dollars to date upon the Mississippi River. I want to ask the Senator whether he believes the results, viewed from any standpoint, have warranted the great expenditures which have been made by the Government of the United States?

Mr. STERLING. I am not to say as to that quite, Mr. President. I do not know but that those expenditures have been warranted from year to year; but there would not have been the necessity for those expenditures if the proper improvements had been made on the Missouri River farther north.

Mr. KING. The Senator knows that just in proportion as we have expended money there has been a diminution in the amount of commerce upon the river. As stated by the Senator from Nebraska a moment ago, when he was a boy a large number of flat-bottomed boats plied up and down the Mississippi River and the Missouri River, and we know that Mark Twain has described with great felicity the boats which were used upon the Mississippi River in his days.

There was much passenger traffic and a considerable amount of tonnage carried up and down the Mississippi and Missouri Rivers; but now, after we have expended nearly \$150,000,000 upon the two rivers, there is scarcely any traffic. There is perhaps a little up in the State of the Senator from North Dakota, perhaps ten or eleven thousand tons last year. Out in my State and in the other States in the West the little mining streams could float down more than that, and some of the little mines would carry upon their railroads twenty-five to forty thousand tons a day. We do not ask Government subsidies or aid of that character.

Mr. STERLING. There is yet considerable traffic, I think, on the Mississippi River, and along the river where such vast expenditures have been made for the improvement of the river; not great, we may say, in comparison with the traffic of the country generally or with the traffic carried by the railroads, but yet considerable traffic; and I would not favor a policy which would dispense with the improvement of our great waterways, like the Mississippi, like the Missouri, like the Ohio Rivers. Though the traffic may not at the present time be so great, I think it is essential to keep these rivers improved. There are great potentialities in keeping those waterways open for commerce and navigation.

So I think we ought to take this broader view: That we should not think now as to whether this little revetment work here and there, revetment work at the bridge at Bismarck, revetment work elsewhere along the Missouri River, in North

Dakota or South Dakota, is going to help navigation and commerce right at those points. The question is whether it will improve the river and save the vaster expenditures which will be required further on down the river and in the Mississippi River.

Just a word in conclusion. Two hundred and fifty thousand dollars is not a great sum for the improvements contemplated—the improvements which are needed now—and even though we should reduce this total appropriation from \$56,000,000 to \$37,000,000, I am inclined to think we yet ought to have, and we are justified in asking, the \$250,000 provided in this amendment.

Mr. McNARY. Mr. President, I am in great sympathy with this improvement, and I hope the engineers may make very generous allotments for the work. I have some familiarity with the value of the suggested work. I know that one of the best ways to preserve the navigability of our streams is to protect the banks from the erosive effects of water. It is not a new idea. It is a proper form for our expenditures to take in the way of protecting the navigability of our navigable streams. It is practiced in the Columbia River, the Sacramento River, the Mississippi and the Missouri Rivers, and the Ohio River. So I differ with the Senator from Ohio [Mr. WILLIS] when he says that the money should not be expended in that manner.

I think it is one of the most effective methods, and I know something of the commerce on this stream. I know what effect it has had on keeping freight rates down. It is something we can not measure in figures, though the Senator from Utah [Mr. KING] wants to know if a certain appropriation brings back to the Government a certain amount of money. No one can tell mathematically.

I must oppose this amendment, though I regret exceedingly to have to do so, on account of the form rather than the sum of money carried. I think it is a departure in legislation which is unfortunate. Heretofore, and I should say until two or three years ago, Congress appropriated money in river and harbor bills for specific, enumerated projects, and the sums were placed after the names of the projects, but since 1918, as I recall the year, Congress has seen fit to appropriate lump sums, leaving to the judgment of the engineers the amount of money to be expended on particular projects. I think that has worked very well. There is nothing in this bill carrying this lump sum which would prevent the War Department, working through their Board of Engineers, from expending \$250,000 on this very work.

Mr. McCUMBER (in his seat). They will not do it.

Mr. McNARY. The Senator says in a mild voice that they will not do it. I do not know anything about that, and I am inclined to think he does not know. I have known lump-sum appropriations to be made, and the department to come to the committee of Congress having charge of the matter with an estimate of an amount they would like to spend on various projects, but when they get into the work they use much less on one project and much more on another. So, if the Senator, with his great influence and power as a public official and an able Senator, would go with the distinguished Senator from South Dakota [Mr. STERLING], or let anyone go, and show the merits of this improvement, I have no doubt but that the Board of Engineers would allot to this improvement the sum of \$250,000.

Mr. STERLING. Mr. President—

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from South Dakota?

Mr. McNARY. I yield.

Mr. STERLING. As I sought to point out in the few remarks that I made, the trouble is that the question with the engineers will be as to whether it will improve commerce and navigation at that particular point. That is the question the engineers raise. But, as I tried to show, there is a broader question than that. The question is whether commerce and navigation will be helped elsewhere—not necessarily at that point, but elsewhere—and the engineers, it seems to me, have overlooked that fact.

Mr. McNARY. Mr. President, the whole thing is out now in the light. The Senator from South Dakota, capable and able as he is, desires to direct by legislation what the engineers shall do. Upon that point we differ. I say that is a policy which is not practical and not wise.

Mr. STERLING. I think where they take the entirely opposite view it is wise and it is just for Congress to say what they should do. That is the very point here.

Mr. McNARY. How can Congress tell what is wise and just and proper to do? When a bill is brought up in the morning some Senator offers an amendment which has never been considered by a committee or by the Director of the Bureau of the Budget, and which is in direct conflict with the ideas of the engineers, skilled in that line of work, and the Senator, in a 15-minute speech, attempts to show Congress, the Members of which have never seen the river, that we should increase an

appropriation because, in his humble opinion, it should be done. Is that the way legislation should be fashioned in this body? It is just to avoid such things that we appropriate the money in lump sums.

I would go a long way to help my fellow Senators get this appropriation for this project, which I think is an important one; but I can not see the wisdom of this practice, and I do not want to see established the precedent of designating particular projects in a bill carrying a lump sum. This is not the first time it has been tried. Such an attempt failed in the consideration of the last Agricultural appropriation bill. There was an item in that appropriation bill carrying, as I recall it, \$502,000 for the destruction of predatory animals, and a very distinguished Senator from the West offered an amendment providing that \$150,000 of that sum should be expended in a particular State. The conferees considered it only lightly.

We can not come here and say we will appropriate a certain sum of money, based upon the judgment of the engineers, and then adopt one amendment or a dozen amendments which specify particular projects. If we start in that fashion, every Senator who has a project in his State, every Senator who wants an increase, will attack the estimate of the Board of Engineers and propose an appropriation. Suppose I should come in and want to add an appropriation to improve the Columbia River by a system of revetments such as they are using on that river advantageously. Would the Senator from North Dakota say I was justified, simply because I thought the sum to be appropriated was larger than the sum estimated by the Board of Engineers? Shall we obtrude our individual opinions against those of skilled men who make a life study of that work?

Mr. STERLING. Mr. President—

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Oregon yield to the Senator from South Dakota?

Mr. McNARY. I yield with pleasure.

Mr. STERLING. Suppose the engineers had decided upon some revetment work on the Columbia River, or suppose they would not put any revetment work at any place where they should, and they continually held to that policy and refused to do any revetment work. Would the Senator feel justified in coming to Congress and asking Congress to correct the situation?

Mr. McNARY. There it goes again. I do not put up my ability as an engineer against the ability and skill of Army engineers who have practiced their profession for a lifetime. I might think there ought to be 400 pieces of revetment work on the Columbia River, when there were only 40 actually needed. I would not have the hardihood to come to Congress and ask that my judgment be substituted by legislation for the judgment of experienced engineers.

Mr. LENROOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Wisconsin?

Mr. McNARY. I yield.

Mr. LENROOT. In the illustration given by the Senator, would any committee think of overturning the report of the engineers without a full consideration by the committee and having the engineers before it to give it information as to the reasons for its action?

Mr. McNARY. I certainly would not proceed in that manner.

Mr. LENROOT. Would any committee of Congress make a recommendation that an adverse report of the engineers be thrown aside and affirmative action taken without a consideration of the matter in the committee at all?

Mr. McNARY. I do not think so. I know of a case in Oregon where a new project was desired and I offered a proposition in the form of an amendment to the legislative appropriation bill. I went before the committee. The engineers appeared before the committee. The matter was presented fully to the committee and finally reported, and the item was carried in the bill. But the objection I urge in a feeble way against the policy attempted to be inaugurated by the Senator from North Dakota is that that course is not pursued in this instance.

In conclusion, I again say that I regret exceedingly I find it necessary to speak against the project, because I know the money ought to be expended to the full amount, and I would join in any movement to bear upon the engineers so that they might give a more sympathetic expression in the matter.

Mr. STERLING. Mr. President, I wish to say just a word in reply, and it is suggested by the question asked by the Senator from Wisconsin [Mr. LENROOT]. The Senator from Wisconsin inquired as to what we would do or what we would not do with reference to the report of the engineers. Under ordinary circumstances of course we would say, "Let us have, and

perhaps follow, the report of the engineers." But we are familiar now, I think, with the established policy of the Army engineers in regard to these projects and these particular questions of improvement. We know what they have determined upon, and we know that the underlying principle by which they are guided is as to whether a particular piece of improvement or piece of revetment work would benefit commerce and navigation at that place. That is the principle which they follow. We are trying to insist upon their following another policy.

As I said, the policy advocated by the Army engineers is well known. It is competent for Congress, knowing that is the policy of the board, to determine upon another policy. That is what the amendment seeks to do. The amendment calls for the expenditure of \$250,000, mostly in revetment work, of course, between Sioux City and Fort Benton, a distance of 1,500 miles.

Mr. WILLIS. Mr. President—

Mr. STERLING. It is all in the interest of commerce and navigation. Of course, it would directly help the farmers who are having some of the best farm land in the world washed into the Missouri River. It would help them in that way. But we know we can not get an appropriation on that ground alone. It must be in the interest of commerce and navigation, and we are contending that it is.

I now yield to the Senator from Ohio.

Mr. WILLIS. The Senator admits, then, that this would be a new departure, that if the amendment should be adopted it would establish a new policy touching the matter and would overthrow a policy which upon full consideration has been adopted by the Government?

Mr. STERLING. No; I am not quite admitting that. It is asking for a specific amount out of the lump-sum appropriation of \$56,000,000 for this particular purpose. We used to call it all a project. As I remember, the old appropriation measures called it a project from Sioux City to Fort Benton and appropriated so much money for that project.

Let me give the Senator an illustration: Just before I came to the Senate an appropriation of \$75,000 had been made for revetment work at the town of Elk Point, 15 miles from my home town. That revetment work stands there to-day. It has probably saved the town as well as many farms adjacent the town. It has helped commerce and navigation to the extent that just that much less silt is carried down into the Mississippi River. That is true of every piece of revetment work placed along the Missouri River. That is what we are contending for in this instance.

Mr. LENROOT. Mr. President—

Mr. STERLING. We can not get it through the Board of Engineers, but it is for Congress to determine whether we shall pursue that policy. I yield to the Senator from Wisconsin.

Mr. LENROOT. I have been absent from the Chamber during a portion of the discussion, but I would like to ask the Senator from South Dakota as to how much commerce is carried upon the upper Missouri River?

Mr. STERLING. I can not say, though I think it is considerable. I rely more on the statement of the Senator from North Dakota [Mr. McCUMBER] in regard to that feature, but I understand there is a great deal of commerce carried there.

Mr. LENROOT. A great deal? Of course, it is set forth exactly in the report. The Senators proposing this must be familiar with what is done there.

Mr. McCUMBER. Mr. President, I will answer the Senator, if he desires me to do so. I talked with the captain of one of the boats in Bismarck and he told me the amount of commerce carried in his boats. I do not know what other boats there are there—

Mr. LENROOT. I know, but—

Mr. McCUMBER. The Senator asked me the question, and I would like to answer it. The captain stated that this year they would carry about 750,000 bushels of wheat and that all the boats of his line were capable of carrying about 1,000,000 bushels. He also stated that on account of the total failure of crops for about three years last past the commerce in the upper Missouri had been very little.

Mr. FLETCHER. Mr. President, the report of the engineers shows what the commerce has been from Sioux City to Fort Benton and shows that it was 9,164 tons for 1921. Whether the Senator from South Dakota [Mr. STERLING] admits it or not, if the amendment is adopted it would change the whole character of the bill; it would change the whole policy which we have adopted since 1919, because if the amendment were adopted other Senators would suggest other amendments to take care of particular projects here and there all over the country, and it would make of the bill the old-time

rivers and harbors appropriation proposition, where the Commerce Committee handled it in the Senate and the Rivers and Harbors Committee handled it in the House, taking care of the whole measure from the adoption of the project to the making of the appropriation, inclusive.

In 1919 we adopted the policy of making a lump-sum appropriation and allowing the engineers to expend the money where it was most needed. They set out in their report what their recommendations would be and where they think the money ought to go. But I take it that if any project that needs attention was laid before them and their minds directed to it, they would not be bound absolutely to every item mentioned in the estimates which they have furnished. They could use part of the fund for the purpose of taking care of an emergency condition or a condition that was meritorious in their judgment. I am inclined to believe that if they saw fit, after the appropriation was made as called for in the bill, they could allot a certain amount of the appropriation to take care of the matter in which the Senators seem so much interested between Sioux City and Fort Benton. If they saw fit to do it, if they thought it wise and proper to do it, they could allot a certain amount of the lump-sum appropriation for that purpose.

But to specify in the bill that so much of the money shall be used on that particular stretch of the river is to change the whole character from that of a lump-sum appropriation to that of a general rivers and harbors bill taking care of specific projects, because other amendments would follow, and, as I said, we would revert back to the old policy and abandon the policy of lump-sum appropriations entirely.

Mr. WILLIS. Mr. President—

Mr. FLETCHER. I yield to the Senator from Ohio.

Mr. WILLIS. I desire to have the opinion of the Senator from Florida touching certain language in the amendment which has not yet been referred to. If he has the amendment before him, he will observe in it this language:

The revetment of shores where the same may be necessary, and for the maintenance of the channel to landing places and at points where the railroads intersect the Missouri River.

What special reason can there be for providing for revetment of the shores at the specific points where the railroads intersect the river?

Mr. FLETCHER. Of course that is clearly beyond the province of Congress, which is to appropriate money for the purpose of promoting navigation. It is not a question of navigation. It seems to be a question of protecting the railroads or railroad bridges. That is entirely aside from any power of Congress to appropriate money for the purpose of promoting navigation.

Mr. McCUMBER. Mr. President, will the Senator allow me to correct what is entirely a misapprehension?

Mr. FLETCHER. Certainly.

Mr. McCUMBER. If the Senator had given attention to my statement, he would have remembered that I stated that the commerce on the upper Missouri was in all cases between the great continental railways brought down to a point where such railways join with the stream. There is where the warehouses are; there is where the elevators are; there is where the landing places are; and having a channel at the landing place is for the purpose of navigation. Here it is supposed that a landing place is for the benefit of the railways, but I have never heard that the railways are interested one way or the other, except in the matter of protecting themselves.

Mr. WILLIS. I do not charge that, of course.

Mr. McCUMBER. The reason why we covered the point is to show in the amendment itself that the navigation is in connection with the railways. Commerce is brought, for instance, all the way from near Williston, in North Dakota, where the Great Northern line crosses, all the way down to Bismarck, where there are a number of elevators. The boats come up and take the grain at the elevators and take it down to the Northern Pacific, where the Northern Pacific crosses the Missouri, and there it is loaded into cars and goes to Minneapolis and Duluth. That is the only connection the railways have with the matter in this case.

Mr. FLETCHER. Mr. President, clearly, in my judgment, the amendment ought not to be adopted for the reasons I have stated. It would violate the principle upon which the appropriation is based. From 1919 to 1922 we did not adopt a new project, but in 1922 we did pass a bill providing for a new project. We have continued the policy, however, of lump-sum appropriations notwithstanding the passage of the bill in 1922, and only a part of those projects adopted in 1922 will receive any portion of the appropriations provided here.

It might be well to give a better understanding of the theory upon which the appropriation is made and the purposes and uses to which the money is to be put, by referring to General

Taylor's statement before the committee. On page 162 the chairman of the subcommittee, the Senator from New York [Mr. WADSWORTH], asked General Taylor:

Tell us something about the situation.

This is what General Taylor said in reply, and I hope it will be borne in mind because it bears on the whole question relating not only to the pending amendment but to similar amendments which may be proposed. General Taylor said:

The situation, briefly, Mr. Chairman, is this: During the war the work ran very much behind, like lots of other work, and we have been gradually catching up. Last year we had a good-sized appropriation, and we have done a great deal of work with that. Congress, in the river and harbor act of September 22, 1922, adopted 35 new projects. To carry on the work authorized by those projects for the next year will require \$13,000,000. The maintenance of our old works will require \$13,000,000 more, and that will be a total of \$26,000,000—twenty-six and one-half millions, in round numbers.

Mind you, we had not been adopting projects for some years past, and the work had fallen, as General Taylor says, very much behind. The engineers have recommended some 200 projects in the years past, but they have not been taken care of. The war was on; we did not favor large appropriations, but tried to keep all expenditures down to the narrowest limits, not only in reference to rivers and harbors but as to other public works. It will be remembered that we have had no general public buildings bill since March, 1913. We were disposed to keep down those appropriations, as I have stated, to the very lowest point. So we passed over from year to year the 200 projects which have been surveyed and estimates for which have been put in and recommended by the engineers, until finally, in September, 1922, we adopted 35; we picked out the very choicest and most needed and most commanding as to necessity for improvement—35 projects out of the 200. General Taylor continues:

To carry on the work authorized by those projects for the next year will require \$13,000,000.

That is one of the items covered by the bill—an appropriation of \$13,000,000 to begin work on the projects which were adopted in 1922. General Taylor goes on to say:

The maintenance of our old works will require \$13,000,000—

That is mere maintenance. Two items in the estimates with reference to the Missouri River include \$25,000 for maintenance from Kansas City to Sioux City, and from Sioux City to Fort Benton, \$15,000. Those two items will be taken care of under this appropriation as estimated by the engineers.

The maintenance of our old works will require \$13,000,000 more, and that will be a total of \$26,000,000—twenty-six and one-half millions, in round numbers.

That means that of this entire appropriation \$26,500,000 will go merely to the maintenance of old works, not to continuing improvements, and the beginning of work on 35 new projects which were adopted in 1922.

General Taylor further says:

To carry on the work of the other projects we cut the amounts down as much as we could, and the report shows the amount that can be profitably expended on all the works, including the new work adopted by the September, 1922, act.

Senator WADSWORTH. Is it necessary, in your judgment, to start work on all the 35 new projects immediately?

General TAYLOR. Those projects, Mr. Chairman, were selected from probably 200 or 300 projects which were before Congress, all with favorable recommendations, and they were selected after very full and careful hearings as being projects upon which work should be started immediately. I think there is no question but that work should be started immediately on all of them.

Senator SPENCER. We had not had any new projects adopted for some years?

General TAYLOR. Not since 1919.

Senator JONES. I might say here that the Commerce Committee asked the War Department, before we entered into consideration of the bill, to study the proposed new projects very carefully, so as to be prepared to recommend to Congress those that they considered really vital to our commercial needs and asked them to submit such as they did consider of particular vital importance for early commencement, and it was upon that theory that the legislative act that adopted these new projects was framed and passed.

General TAYLOR. I would like to add to what Senator JONES said, that in reply to the Commerce Committee's inquiry we divided the projects into two classes, those that were of first importance and those that were of secondary importance, and that the Commerce Committee selected out of those of first importance only a small portion of the projects, so they did not adopt by any means all of those that we recommended as being of great importance.

Senator SPENCER. That is, those 35 new projects are only a small number of the first-class projects that in your judgment require immediate attention?

General TAYLOR. That is correct. I can mention a few of them.

Then he proceeds to mention them. Under the appropriation of \$56,000,000 proposed in the bill, \$13,000,000 must go to the beginning of work on the 35 new projects which were selected out of the 200 or 300 projects which had been recommended by the Board of Engineers as being of prime importance. Then \$13,000,000 of the appropriation must go to the maintenance of

old projects. That leaves about \$30,000,000 to be applied toward continuing improvements on projects which have been under way for some years, some of which will be completed by this time next year, so that the next bill will in all probability not be so large as is this bill, because, as I have stated, some of these projects will be completed out of this fund and will be ended, and that will finally dispose of them. They are old projects which have been under way for years, but have not yet been completed. We have \$30,000,000 in this bill for the completion of a good many of these old projects and nearly to complete others.

The present method of appropriating for rivers and harbors has been in the mind of Congress for the last few years. I have not always agreed with it. I would rather see the old-time practice of having a river and harbor bill considered by the Rivers and Harbors Committee of the House, projects adopted, and appropriations made to take care of the items specified in the bill, and have such a bill come here and the Committee on Commerce of the Senate act upon it and report it, and have the Senate act upon it, specifying each project and each appropriation. That plan, however, has been abandoned for several years, and we have got to the basis of a lump-sum appropriation, having been driven to it partially by the exigencies which arose during the World War. We have adopted that principle, and that is the principle which is involved here. If Senators undertake to offer amendments which will specify how much of the money or what portions of it shall be appropriated on each project, we shall change the whole basis of the appropriation and introduce another principle.

Mr. OVERMAN. I inquire of the Senator from Florida, who is to determine how much of the money shall be spent on any particular project?

Mr. FLETCHER. That is left to the Army engineers.

Mr. OVERMAN. Is it left to their discretion as to the amount which it is necessary to spend on any particular project?

Mr. FLETCHER. Yes. That is true in a broad sense, of course, but as to a number of the projects which were adopted in previous years we specified the total cost. That has been understood. Those projects are to be finished within a certain time, and, from the engineers' report, we know exactly what is going to be required in order to complete those projects. The engineers are bound, therefore, to apply the appropriations to the completion of the particular work where it has been adopted by Congress with the idea of completing the work within a certain time; but, broadly speaking, the expenditure of this money is left to the discretion of the engineers. They know what work may be prosecuted profitably and wisely; they can not spend any money on any project that has not been adopted by Congress; they must expend it where Congress has authorized it to be expended, but they make the allotment to meet the needs of particular conditions.

Mr. JONES of Washington. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Washington?

Mr. FLETCHER. I yield.

Mr. JONES of Washington. The Army engineers can not expend more on a project than it was estimated it would cost to complete it as adopted.

Mr. FLETCHER. That is true.

Mr. JONES of Washington. In other words, they can only spend within the limit of the amount authorized for the approved project.

Mr. FLETCHER. Precisely; but out of the total sum appropriated they make the allotment where necessary to complete a project.

Mr. OVERMAN. Do they give notice as to the allotments and when hearings are to be held in connection with the allotments to be made? Is there any way by which we may be advised as to how it is done?

Mr. FLETCHER. Yes. The Senator will find a statement in the hearings before the subcommittee of the House of Representatives, and the report of the engineers also furnishes that information. In the hearings on the War Department appropriation bill for 1924, on the subject of nonmilitary activities, part 2, at page 890, will be found an itemized statement of the engineers which will figure up what they recommended at that time. From that statement the Senator can see what projects they have in mind as calling for various amounts under the sum appropriated in the bill.

Mr. OVERMAN. As I understand, however, they are not bound by the recommendation but they can spend within the limit of appropriation any amount they conclude to be wise on a given project.

Mr. FLETCHER. I think they are not absolutely bound; they can vary the amount, so that if conditions arise under

which more ought to be expended on a particular project they may expend it.

Mr. OVERMAN. So that it is left to their discretion. I may say that I do not see how under the circumstances the work could be accomplished in any other way, provided they are honest, as I have no doubt they are.

Mr. FLETCHER. It appears to be the only feasible way to proceed. They know the conditions of the work. They know, for instance, in certain localities they can not do work in the wintertime at all, so that they must work somewhere else; that in some localities the need is not as great as it is in certain other localities, and that economies may be effected by completing a certain project now and not waiting, and so forth. All such matters are considered by the engineers, when they make the allotment to carry out the purpose of the Congress, in order to accomplish the greatest results at the least cost to the Government.

Mr. SWANSON. Mr. President, to what extent in past years have they carried out suggested projects?

Mr. FLETCHER. Quite generally, I think, they have followed the list that was furnished by them to Congress.

Mr. SWANSON. If the Senator will yield, I should like to say that I wrote to General Taylor and received from him an estimate of the proposed expenditures, which will answer in some detail the question asked by the Senator from North Carolina. The appropriation proposed by the pending bill is \$56,589,910. That appropriation is designed to provide for various improvements under four different heads suggested by the engineers. For instance, the first item is principal seacoast harbors. To take care of the various seacoast harbors under projects already adopted, according to the information furnished me, will take \$19,683,410. We merely appropriate the money, and the engineers consider that the most important expenditure from that appropriation is the item of \$19,683,410 to take care of the improvement of the seacoast harbors. Now, the next item—

Mr. RANDELL. Mr. President, if the Senator will permit me to make a suggestion there, the engineers also add for maintaining those principal seacoast harbors \$7,375,400.

Mr. SWANSON. As I understand, the aggregate for maintenance and improvement is \$19,683,410.

Mr. RANDELL. I beg the Senator's pardon. The two sums must be added together.

Mr. SWANSON. They are added together in the total I have given, as I understand.

Mr. RANDELL. I beg the Senator's pardon. The Senator is mistaken as to that. For improvement the item is \$19,683,410 and for maintenance \$7,375,400.

Mr. SWANSON. I see the Senator is correct. For maintenance there is an estimate of \$7,375,400.

The next heading is "Secondary harbors and coastwise channels." Of course, in their second list they consider the cost of taking care of these, naming specifically the projects and the pages of the report on which you can find out what is said in connection with each project. They will take for improvement \$7,860,900 and for maintenance \$1,509,600. That takes care of that class of work, as I understand.

Mr. FLETCHER. Yes.

Mr. SWANSON. The next most important work is the Lake harbors and channels. The great commerce on the Lakes ought to be taken care of; and, as I understand, in this estimate they furnish to me they itemize the places, the pages of the report where each one can be found, the reasons why they recommend it, and the work done. For improvement they estimate \$1,726,000 and for maintenance \$1,450,800.

The next consideration is the principal rivers, which work has been very much retarded. They name the river, they give the pages of this report where you can find when the project was established, the amount which has been expended on it, the commerce there, the necessity for it, and the reasons are given. To take care of the principal rivers they estimate \$13,726,000 for improvement, and for maintenance \$2,249,000. All those projects have been estimated and some of them maintained to completion.

Mr. NORRIS. Mr. President, has the Senator a list of them there?

Mr. SWANSON. Yes.

Mr. NORRIS. I think it would be interesting if the Senator would read the list and give the amount in the case of each river.

Mr. SWANSON. I will put it in the RECORD.

Mr. FLETCHER. I will say to the Senator that that is all set forth in the hearings before the House committee.

Mr. OVERMAN. I think it ought to go in the RECORD just the same.

Mr. SWANSON. This gives the pages of the report where each one is found.

Mr. NORRIS. I am not so much interested in having that in the Record as I am in having it stated here. It seems to me it would be very enlightening, as going to show the necessity of this appropriation. I should like to know myself what rivers there are and how much was spent on each one.

Mr. SWANSON. In the case of the secondary rivers in connection with the large rivers like the Mississippi and Ohio and others an estimate is given of the amount required for them, the names of the rivers, the amounts, the pages of the report where the survey can be seen, and the amount of commerce, from which we can reach a conclusion as to whether or not the commerce is sufficient to justify the expenditure. The aggregate of that is \$181,820—

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. SWANSON. I will yield in a few minutes.

Those are the secondary rivers. The aggregate of the secondary rivers, as I understand, is \$181,820 for improvement—that is all that is to be spent on these secondary rivers—and, for maintenance, \$826,980.

The aggregate of this \$56,000,000 is made up as follows: For the principal seacoast harbors, \$19,683,410; for the secondary harbors and coastwise channels, \$7,860,900; for lake harbors and channels, \$1,726,000; for the principal rivers, \$13,726,000; for the secondary rivers—which has been to some extent criticized—only \$181,820 is appropriated; total, for improvements, \$43,178,130.

For the maintenance of projects that are already in existence, and that must be maintained to keep up the present status, there is an estimate of \$13,411,780, which, added to the improvement and the maintenance, makes a grand total of \$56,589,910, which is the amount carried in the bill.

Mr. OVERMAN. I wish the Senator would put all of that statement in the Record.

Mr. SWANSON. Does the Senator from Florida object to having it put in the Record?

Mr. FLETCHER. I have no objection.

Mr. SWANSON. I ask to have this statement included in the Record.

The PRESIDING OFFICER. Without objection, it will be inserted in the Record.

The matter referred to is as follows:

Amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, for maintenance and improvement of river and harbor works, including commerce for 1921.

PRINCIPAL SEACOAST HARBORS.

Locality.	Pages of annual report, 1922.	Improve-ment.	Main-tenance.	Commerce 1921 (tons).
Boston Harbor, Mass.	125-134		\$40,000	9,752,841
Providence River and Harbor, R. I.	179-183	\$325,000		3,926,555
Bronx River, N. Y.	255-259		25,000	417,853
Flushing Bay, N. Y.	262-265		10,000	1,456,888
Jamaica Bay, N. Y.	281-285	600,000		203,734
New York Harbor, N. Y.	288-297	218,000	100,000	22,117,535
Coney Island Channel, N. Y.	297-300		20,000	191,566
Bay Ridge and Red Hook Channels	300-303	50,000		5,145,038
Buttermilk Channel, N. Y.	303-307	175,000	25,000	2,069,129
East River, N. Y.	310-322	3,000,000	25,000	32,071,134
Newtown Creek, N. Y.	324-329	100,000		4,628,396
Harlem River, N. Y.	329-334	250,000		4,680,040
Hudson River Channel, N. Y.	334-340	50,000	50,000	35,168,448
Newark Bay, N. J.	377-380	650,000		674,107
Passaic River, N. J.	383-387		30,000	1,084,714
Hackensack River, N. J.	389-393	100,000		1,453,025
Staten Island Sound	389-391	1,000,000		23,122,843
Haritan Bay, N. Y. and N. J.	391-394	500,000		4,688,014
Haritan River, N. J.	400-403		20,000	585,072
Delaware River, Philadelphia to the sea.	424-432	925,000	2,075,000	15,612,616
Harbor of Refuge, Delaware Bay.	444-445		35,000	
Wilmington Harbor, Del.	480-485	630,000	100,000	463,408
Baltimore Harbor and channels, Md.	517-523	300,000	350,000	11,911,846
Norfolk Harbor, Va.	589-595	500,000	50,000	11,623,673
Thimble Shoal Channel, Va.	595-598	74,500		
Cape Fear River at and below Wilmington	682-687	300,000	200,000	441,471
Savannah Harbor, Ga.	726-731	600,000	460,000	1,545,905
Brunswick Harbor, Ga.	767-771	160,000	70,000	780,522
St. Johns River, Jacksonville to the ocean.	775-781	223,000	380,000	1,925,060
Key West Harbor, Fla.	804-808	40,000	30,000	1,352,280
Tampa Harbor, Fla.	833-841	445,000	50,000	1,321,808
Pensacola Harbor, Fla.	889-892		20,000	457,080
Mobile Harbor, Ala.	907-912	132,000	244,400	1,411,164

¹ All are parts of New York Harbor.

Amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

PRINCIPAL SEACOAST HARBORS—continued.

Locality.	Pages of annual report, 1922.	Improve-ment.	Main-tenance.	Commerce 1921 (tons).
Southwest Pass, Mississippi River	950-964	\$992,000		
South Pass, Mississippi River	964-968		\$510,000	15,123,085
Galveston Harbor, Tex.	1045-1049		90,000	13,621,173
Galveston Channel, Tex.	1049-1055	670,000	200,000	8,900,553
Galveston Harbor-Texas City Channel, Tex.	1056-1059		150,000	3,661,049
Houston Ship Channel, Tex.	1062-1069	800,000	300,000	2,828,460
Harbor at Port Aransas, Tex.	1120-1125		180,000	458,100
Harbor at Sabine Pass and Port Arthur Canal, Tex.	1130-1135	400,000	400,000	8,197,714
Sabine-Neches Canal, Tex.	1135-1140		150,000	7,103,811
San Diego Harbor, Calif.	1748-1752	135,850		611,817
Los Angeles Harbor, Calif.	1752-1760	760,000		494,059
San Francisco Harbor, Calif.	1763-1768	330,000	10,000	8,382,723
Oakland Harbor, Calif.	1769-1772	200,000	35,000	1,945,422
San Pablo Bay and Mare Island Strait, Calif.	1778-1781	130,000		1,755,327
Coos Bay, Oreg.	1836-1841	1,051,000	150,000	273,205
Columbia and Lower Willamette Rivers.	1890-1896	1,000,000	700,000	7,336,102
Willapa River and Harbor, Wash.	1923-1927	200,000		557,928
Grays Harbor and Bar, Wash.	1927-1930		60,000	636,571
Seattle Harbor, Wash.	1946-1949		10,000	4,117,002
Lake Washington Ship Canal, Wash.	1949-1954	288,000	12,000	1,503,766
Honolulu Harbor, Hawaii.	1978-1980	150,000		1,709,336
Hilo Harbor, Hawaii.	1983-1985	374,000		287,443
Nawiliwili Harbor, Hawaii.	1985-1988	300,000		8,808
San Juan Harbor, P. R.	1989-1994	300,000		674,845
Total.		19,683,410	7,375,400	

SECONDARY HARBORS AND COASTWISE CHANNELS.

Beverly Harbor, Mass.	137-139	\$159,500		260,085
Plymouth Harbor, Mass.	157-160	51,000		51
Pollock Rip Shoals	164-167		\$50,000	
Block Island Harbor of Refuge	189-191	5,000	5,000	13,734
Pawcatuck River	194-197	3,000	30,000	35,311
Connecticut River below Hartford	206-209	50,000		423,572
Duck Island Harbor of Refuge	210-213		44,000	
Bridgeport Harbor, Conn.	222-227	71,000	26,000	
Norwalk Harbor, Conn.	228-230		20,000	115,106
Stamford Harbor, Conn.	230-233			200,081
Greenwich Harbor, Conn.	234-236	6,600	2,100	105,045
Port Chester Harbor, N. Y.	238-242	22,000	3,000	180,951
Mamaroneck Harbor, N. Y.	242-245	103,000		45,125
East Chester Creek, N. Y.	248-251	5,000	15,000	261,883
Westchester Creek, N. Y.	251-255	475,000		470,848
Harbor at New Rochelle, N. Y.	260-262	35,000		114,305
Mattituck Harbor, N. Y.	273-276		5,000	1,324
Tarrytown Harbor, N. Y.	342-344	7,000	8,000	74,151
Peekskill Harbor, N. Y.	345-347		5,000	95,580
Wappinger Creek, N. Y.	347-350		5,000	23,228
Rondout Harbor, N. Y.	352-355		5,000	267,673
Woodbridge Creek, N. J.	397-400		6,000	25,559
Keypoint Harbor, N. J.	408-410		10,000	9,007
Shoal Harbor and Compton Creek, N. J.	411-413		10,000	86,829
Shrewsbury River, N. J.	413-416		10,000	33,878
Delaware River, Philadelphia to Trenton	419-423		25,000	1,760,220
Mantua Creek, N. J.	450-453	10,000		120,402
Oldmans Creek, N. J.	455-458		10,000	10,791
Maurice Creek, N. J.	464-465		15,000	122,445
Cold Spring Inlet, N. J.	467-469		25,000	6,936
Absecon Inlet, N. J.	469-472	240,000		5,639
Chester River, Pa.	478-480	3,600	1,400	9,673
Chesapeake & Delaware Canal.	485-488	2,500,000		489,064
Smyrna River, Del.	491-493	16,000	5,000	6,909
Leipsic River, Del.	494-496		10,000	10,796
Little River, Del.	496-497		5,000	5,225
St. Jones River, Del.	498-500	45,000	5,000	2,229
Murderkill River, Del.	500-502		10,000	24,109
Mispillion River, Del.	503-505	10,000	5,000	13,029
Broadkill River, Del.	505-508		25,000	7,239
Waterway, Chincoteague Bay to Delaware Bay.	511-513		1,500	30,796
Potomac River at Washington, D. C.	566-570		74,000	891,792
Ocoquan Creek, Va.	572-575		6,700	23,943
Rappahannock River, Va.	577-580		42,700	192,125
Lockles Creek, Va.	587-588	4,100		
James River, Va.	602-605		40,000	288,545
Pagan River, Va.	610-613		2,000	22,418
Waterway, Norfolk-Beaufort Inlet.	622-627	500,000		261,420
Channel, Thoroughfare Bay-Cedar Bay.	665-667		5,000	3,972
Beaufort Harbor, N. C.	667-669		7,500	82,607
Waterway, Core Sound-Beaufort Harbor.	670-672	30,000		24,000
Waterway, Beaufort-Jacksonville, N. C.	672-675		10,000	56,600
Harbor of Refuge, Cape Lookout, N. C.	680-681		20,000	
Winyah Bay, S. C.	699-702		40,000	57,191
Santee River and Estherville-Minin Creek Canal.	707-710		4,000	8,730

Amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

SECONDARY HARBORS AND COASTWISE CHANNELS—continued.

Locality.	Pages of annual report, 1922.	Improvement.	Maintenance.	Commerce 1921 (tons).
Waterway between Charleston and Winyah Bay.....	714-716	.....	\$18,000	8,258
Wappoo Cut, S. C.....	723-725	.....	2,500	20,683
Waterway, Beaufort, S. C., to St. Johns River.....	740-744	.....	42,000	266,108
Satilla River, Ga.....	750-753	.....	1,800	50,097
Fernandina Harbor-Cumberland Sound.....	771-774	.....	3,000	198,636
Oklawaha River, Fla.....	789-793	.....	3,000	12,021
Indian River, Fla.....	794-797	.....	5,000	8,010
Miami Harbor (Biscayne Bay), Fla.....	799-804	.....	32,500	332,325
Charlotte Harbor, Fla.....	818-820	.....	5,000	303,576
Sarasota Bay, Fla.....	820-823	.....	15,000	5,069
Anclote River, Fla.....	825-828	.....	14,000	12,510
St. Petersburg Harbor, Fla.....	844-847	\$17,000	.....	24,877
Apalachicola Bay, Fla.....	853-856	.....	12,000	15,084
Channel, Apalachicola River-St. Andrews Bay.....	869-871	.....	21,500	3,432
St. Andrews Bay, Fla.....	873-876	.....	2,000	125,157
La Grange Bayou, Fla.....	893-895	28,500	.....	15,891
Pascagoula Harbor, Miss.....	932-936	.....	76,000	184,967
Gulfport Harbor and Ship Island Pass, Miss.....	936-940	.....	116,000	336,667
Bayou Plaquemine, Grand River, and Pigeon Bayous, La.....	993-997	.....	20,000	686,866
Bayou Grossetete, La.....	997-999	.....	5,000	154,467
Bayou Teche, La.....	1000-1004	125,000	.....	279,159
Waterway, Mississippi River to Bayou Teche.....	1009-1012	675,000	.....	.....
Waterway, Calcasieu River to Sabine River.....	1020-1023	500,000	.....	26,671
Bayou Vermilion, La.....	1026-1029	.....	10,000	28,287
Calcasieu River and Pass, La.....	1037-1040	25,800	.....	356,170
Port Bolivar Channel, Tex.....	1059-1061	.....	20,000	373,000
Double Bayou, Tex.....	1072-1075	.....	7,000	5,876
Anahuac Channel, Tex.....	1075-1077	.....	5,000	11,215
Mouth of Trinity River, Tex.....	1077-1079	.....	1,000	8,895
Turtle Bayou, Tex.....	1079-1082	.....	10,000	8,895
Cedar Bayou, Tex.....	1082-1084	.....	5,000	18,700
Clear Creek, Tex.....	1084-1087	.....	4,000	1,549
Dickinson Bayou, Tex.....	1087-1089	.....	5,000	.....
West Galveston Bay-Brazos River Canal.....	1095-1098	.....	5,000	12,165
Channel between Brazos River and Matagorda Bay, Tex.....	1098-1101	.....	10,000	5,077
Channel from Pass Cavallo to Aransas Pass, Tex.....	1105-1108	.....	20,000	79,240
Channel from Aransas Pass to Corpus Christi, Tex.....	1108-1111	750,000	10,000	11,042
Freeport Harbor, Tex.....	1112-1117	.....	100,000	206,329
Johnsons Bayou, Tex.....	1141-1143	.....	3,000	6,918
Richmond Harbor, Calif.....	1773-1777	128,000	.....	18,880
Suisun Bay Channel, Calif.....	1781-1784	.....	13,000	519,532
Petaluma Creek, Calif.....	1789-1792	.....	40,000	173,414
San Rafael Creek, Calif.....	1792-1794	.....	1,000	33,332
Humboldt Harbor and Bay, Calif.....	1797-1802	719,350	108,100	212,000
Noyo River, Calif.....	1807-1808	.....	16,000	.....
Yaquina Bay and Harbor, Oreg.....	1851-1857	139,000	.....	6,838
Umpqua River, Oreg.....	1865-1868	276,500	.....	3,456
Willamette Slough, Oreg.....	1897-1899	23,350	.....	.....
Lewis River, Wash.....	1909-1912	5,600	6,800	63,000
Cowlitz River, Wash.....	1912-1914	.....	6,000	179,000
Skamokawa Creek, Wash.....	1915-1916	.....	2,000	26,477
Grays River, Wash.....	1916-1918	.....	2,000	19,000
Puget Sound and tributary waters.....	1935-1937	.....	30,000	93,880
Waterway, Port Townsend Bay-Oak Bay, Wash.....	1937-1939	.....	5,000	80,747
Swinomish Slough, Wash.....	1959-1962	.....	2,500	24,626
Bellingham Harbor, Wash.....	1963-1965	.....	5,000	514,595
Nome Harbor, Alaska.....	1973-1975	.....	5,000	10,091
Wrangell Harbor, Alaska.....	1976-1977	50,000	.....	.....
Total.....	.....	7,860,900	1,509,600	.....

LAKE HARBORS AND CHANNELS.

Plattsburg Harbor, N. Y.....	370-372	.....	\$1,000	3,951
Grand Marais Harbor, Minn.....	1421-1424	.....	6,000	7,500
Agate Harbor, Minn.....	1425-1427	.....	2,000	3,980,097
Duluth-Superior Harbor, Minn. and Wis.....	1428-1434	.....	50,500	30,083,555
Port Wing Harbor, Wis.....	1434-1438	.....	1,000	893
Ashland Harbor, Wis.....	1438-1441	.....	6,000	3,183,453
Ontonagon Harbor, Mich.....	1441-1444	.....	9,000	80
Keweenaw Waterway, Mich.....	1444-1450	\$7,000	70,500	940,681
Marquette Bay Harbor of Refuge.....	1450-1452	.....	1,000	658,788
Marquette Harbor, Mich.....	1452-1455	.....	1,500	426,829
Grand Marais Harbor, Mich.....	1455-1459	.....	15,000	40
Warroad Harbor and River, Minn.....	1460-1463	.....	4,000	5,387
Zippel Bay, Lake of the Woods, Minn.....	1463-1466	.....	2,000	1,258
Baudette Harbor and River, Minn.....	1466-1468	.....	800	41,188
Manistique Harbor, Mich.....	1470-1473	.....	8,000	249,000
Menominee Harbor and River.....	1473-1476	.....	10,000	472,710
Green Bay Harbor, Wis.....	1477-1480	110,000	10,000	1,146,817
Sturgeon Bay and Lake Michigan Ship Canal.....	1480-1492	.....	33,000	579,800

Amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

LAKE HARBORS AND CHANNELS—continued.

Locality.	Pages of annual report, 1922.	Improvement.	Maintenance.	Commerce 1921 (tons).
Kewaunee Harbor, Wis.....	1495-1499	.....	\$11,500	192,202
Two Rivers Harbor, Wis.....	1499-1502	.....	8,000	27,160
Manitowoc Harbor, Wis.....	1502-1505	.....	120,000	616,332
Sheboygan Harbor, Wis.....	1505-1508	.....	7,000	436,903
Milwaukee Harbor, Wis.....	1511-1516	\$500,000	118,000	6,431,147
Racine Harbor, Wis.....	1516-1519	.....	9,500	242,551
Kenosha Harbor, Wis.....	1519-1522	.....	5,000	25,589
St. Joseph Harbor, Mich.....	1527-1530	.....	60,000	78,848
South Haven Harbor, Mich.....	1532-1535	.....	13,500	21,179
Grand Haven Harbor, Mich.....	1541-1544	.....	36,000	632,371
Muskegon Harbor, Mich.....	1547-1551	.....	18,500	309,938
Ludington Harbor, Mich.....	1553-1557	.....	150,000	1,830,263
Manistee Harbor, Mich.....	1557-1561	15,000	19,500	40,944
Frankfort Harbor, Mich.....	1561-1564	.....	20,000	1,132,000
Charlevoix Harbor, Mich.....	1564-1567	.....	5,000	18,963
Chicago Harbor, Ill.....	1569-1574	.....	21,000	2,632,343
Chicago River, Ill.....	1574-1578	.....	6,500	.....
Calumet Harbor and River, Ill. and Ind.....	1578-1584	.....	160,000	6,215,989
Indiana Harbor, Ind.....	1585-1589	286,000	38,000	2,395,962
Michigan City Harbor, Ind.....	1589-1593	.....	34,500	5,165
St. Marys River, Mich.....	1602-1610	.....	25,000	48,259,254
Channels in Lake St. Clair, Mich.....	1614-1618	.....	15,000	57,523,481
Detroit River, Mich.....	1619-1624	450,000	10,000	63,973,308
Alpena Harbor, Mich.....	1632-1636	.....	5,000	627,740
Harbor of Refuge at Harbor Beach, Lake Huron, Mich.....	1638-1641	.....	40,000	18,272
Black River, Mich.....	1641-1644	.....	2,500	79,376
Rouge River, Mich.....	1646-1650	.....	8,000	842,350
Toledo Harbor, Ohio.....	1653-1657	.....	50,000	9,202,109
Sandusky Harbor, Ohio.....	1660-1664	58,000	10,000	2,227,220
Huron Harbor, Ohio.....	1664-1668	.....	5,500	2,214,631
Lorain Harbor, Ohio.....	1670-1674	.....	5,000	4,941,882
Cleveland Harbor, Ohio.....	1674-1679	.....	25,000	6,200,362
Fairport Harbor, Ohio.....	1680-1683	.....	5,000	1,945,310
Ashtabula Harbor, Ohio.....	1683-1687	.....	5,000	6,401,667
Conneaut Harbor, Ohio.....	1687-1691	25,000	8,000	7,800,000
Erie Harbor, Pa.....	1692-1697	.....	10,000	2,325,067
Buffalo Harbor, N. Y.....	1700-1708	50,000	21,500	14,752,184
Black Rock Channel and Tonawanda Harbor, N. Y.....	1708-1715	200,000	25,000	1,216,743
Charlotte Harbor, N. Y.....	1722-1726	.....	15,500	575,929
Great Sodus Bay, N. Y.....	1726-1730	.....	25,500	160,612
Little Sodus Bay, N. Y.....	1730-1735	.....	28,500	81,534
Oswego Harbor, N. Y.....	1734-1739	25,000	20,500	377,139
Cape Vincent Harbor, N. Y.....	1739-1741	.....	500	3,058
Ogdensburg Harbor, N. Y.....	1742-1745	.....	2,000	927,760
Total.....	.....	1,726,000	1,450,800	.....

PRINCIPAL RIVERS.

Hudson River, N. Y.....	355-362	.....	\$220,000	1,936,901
Black Warrior, Warrior, and Tombigbee Rivers, Ala.....	916-922	\$64,000	.....	784,967
Ouachita and Black Rivers, Ark. and La.....	1161-1167	400,000	25,000	75,308
Mississippi River:	.....	.....	.....	.....
Between Ohio and Missouri Rivers.....	1220-1225	500,000	500,000	481,151
Removing snags and wrecks below mouth of Missouri River.....	1225-1228	.....	25,000	.....
Between Missouri River and Minneapolis, Minn.....	1229-1238	1,100,000	.....	761,522
Mississippi and Leech Rivers, Minn.....	1255-1258	25,000	.....	36,597
Total.....	.....	1,625,000	525,000	.....
Missouri River:	.....	.....	.....	.....
Kansas City to the mouth.....	1272-1279	1,000,000	500,000	139,544
Kansas City to Sioux City.....	1279-1282	.....	25,000	110,512
Sioux City to Fort Benton.....	1284-1287	.....	15,000	9,164
Total.....	.....	1,000,000	540,000	.....
Cumberland River, Tenn. and Ky.:.....	.....	.....	.....	.....
Below Nashville.....	1299-1304	460,000	.....	263,394
Above Nashville.....	1304-1311	535,000	.....	141,918
Total.....	.....	995,000	.....	.....
Tennessee River, Tenn., Ala., and Ky.:.....	.....	.....	.....	.....
Below Rivermont, Ala.....	1313-1317	122,000	8,000	348,840
Above Chattanooga, Tenn.....	1318-1322	.....	20,000	486,760
Chattanooga to Rivermont.....	1322-1330	255,000	.....	118,385
Survey of.....	1335	200,000	.....	.....
Total.....	.....	577,000	28,000	.....
Ohio River:	.....	.....	.....	.....
Lock and dam construction.....	1351-1367	7,000,000	.....	8,037,788
Open-channel improvement.....	1395-1398	.....	526,000	.....
Total.....	.....	7,000,000	526,000	.....

Amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

PRINCIPAL RIVERS—continued.

Locality.	Pages of annual report, 1922.	Improve-ment.	Main-tenance.	Commerce 1921 (tons).
Monongahela River, Pa. and W. Va.	1371-1376	\$2,000,000		16,100,824
Fox River, Wis.	1480-1489		\$180,000	285,500
Illinois River, Ill.	1593-1598	65,000	130,000	157,546
Sacramento River, Calif.	1820-1825		95,000	976,506
Total		13,726,000	2,249,000	

SECONDARY RIVERS.

Mattaponi River, Va.	582-584		\$8,000	96,543
Blackwater River, Va.	628-630		2,000	2,544
Meherrin River, N. C.	630-632		2,000	6,858
Pamlico and Tar Rivers, N. C.	644-647		12,000	644
Neuse River, N. C.	652-655		12,000	125,479
Swift Creek, N. C.	657-659		800	13,417
Contentnea Creek, N. C.	660-662		1,500	60
Trent River, N. C.	662-664		1,500	67,878
Cape Fear River above Wilming- ton	687-690		12,000	49,621
Northeast (Cape Fear) River, N. C.	690-693		4,000	36,590
Black River, N. C.	693-696		2,000	2,989
Congaree River, S. C.	710-712		10,000	10,000
Savannah River below Augusta	731-734		22,000	77,399
Savannah River at Augusta	735-737		2,000	
Savannah River above Augusta	737-739		1,000	323
St. Marys River, Ga. and Fla.	753-756		1,800	30,179
Altamaha River, Ga.	757-760		15,000	139,410
Oconee River, Ga.	760-763		12,500	93,721
Ocmulgee River, Ga.	763-766		12,500	60,442
St. Johns River, Palatka to Lake Harney	784-787		10,000	171,086
Kissimmee River, Fla.	809-812		5,000	2,215
Caloosahatchee River, Fla.	812-817		35,000	46,485
Water hyacinths in Florida waters	848-850		10,000	
Apalachicola River, Fla.	856-860	\$15,000	10,000	50,276
Flint River, Ga.	863-868	45,000	10,000	12,896
Chattahoochee River, Ga. and Ala.	866-869	35,000	90,000	5,373
Choctawhatchee River, Fla. and Ala.	877-879		7,000	43,418
Holmes River, Fla.	880-882		1,680	563
Blackwater River, Fla.	884-886		25,600	13,152
Escambia and Conecuh Rivers, Fla. and Ala.	886-888		3,200	9,763
Alabama River, Ala.	895-899	75,000	47,000	13,650
Cosco River, Ga. and Ala.	899-904		5,000	11,314
Tombigbee River, mouth to De- mopolis	922-925		18,000	619,391
Tombigbee River, Demopolis to Walkers Bridge, Miss.	926-929		4,000	27,883
Pascagoula River, Miss.	941-943		10,000	77,095
Water hyacinths in Alabama	952-955		2,500	
Water hyacinths in Louisiana and Texas	1041-1044		30,000	
Red River below Fulton, Ark.	1158-1161		100,000	13,049
Tensas River and Bayou Macon	1168-1170	4,200	5,000	6,709
Boeuf River, La.	1170-1172		5,000	1,495
Bayou Bartholomew, La. and Ark.	1173-1174		2,500	1,805
Saline River, Ark.	1174-1176		2,000	5,080
Bayous D'Arbonne and Corney, La.	1177-1179		2,000	1,660
Yazoo River, Miss.	1181-1183		16,000	118,452
Tallahatchie and Coldwater Rivers	1185-1187		10,000	5,291
Big Sunflower River, Miss.	1187-1191		12,000	39,182
Steele and Washington Bayous and Lake Washington, Miss.	1191-1193		2,500	4,662
Arkansas River, Ark. and Okla.	1197-1202		35,000	32,780
White River, Ark.	1203-1206		22,500	171,044
Black River, Ark. and Mo.	1207-1209		15,000	66,630
Current River, Ark. and Mo.	1209-1212		4,500	16,614
St. Francis and L'Angeuille Rivers and Blackfish Bayou, Ark.	1212-1216		9,000	320,242
Red Lake and Red Lake River, Minn.	1269-1271	3,000		
Osage River, Mo.	1290-1294		10,000	50,700
Allegheny River, Pa.	1377-1379		5,000	123,065
San Joaquin River, Calif.	1810-1815		26,000	646,657
Stockton and Mormon Channels (diverting canal), Calif.	1815-1817		5,000	
Mokelumne River, Calif.	1818-1820		800	88,320
Cosco River, Oreg.	1842-1844		3,000	13,021
Columbia River and tributaries above Celilo Falls to mouth of Snake River	1873-1877		13,500	
Snake River, Oreg., Wash., and Idaho	1877-1881		13,000	26,861
Clatskanie River, Oreg.	1900-1902	4,620	4,500	141,019
Willamette River above Port- land, and Yamhill River	1903-1906		29,600	1,187,896
Yuba River, restraining barriers	1998-2002		15,000	
Total			181,820	826,980

Amounts stated in the Annual Report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

RECAPITULATION.

	Improve-ment.	Main-tenance.
Principal seacoast harbors	\$19,683,410	\$7,375,400
Secondary harbors and coastwise channels	7,860,900	1,509,600
Lake harbors and channels	1,726,000	1,450,800
Principal rivers	13,726,000	2,249,000
Secondary rivers	181,820	826,980
Total	43,178,130	13,411,780
Grand total	56,589,910	

Mr. SWANSON. Mr. President, I have heard so much criticism of river and harbor bills, and it has been charged so often that there was a "pork barrel" connected with it, that I have taken occasion in the case of some of these rivers that I did not know about to look and see the commerce, the amount expended, and so forth, and I can not see where there is any waste of money in any of the projects that I have examined. Of course, I could not examine all of them, but if the Senator will take some one project, instead of speaking in a general way, and examine that project, the amount of commerce, the accommodation of the people, and the amount expended for what little work we have done in the past, I think he will agree with me that this is a very reasonable expenditure at this time.

I have examined especially some of the rivers included in the list of secondary rivers. I find a great many of these where it is impossible to build roads, where there are no railroads, where the people would not have any means of transportation at all unless there were transportation by water. The Government spends money for roads. If it were a section of the country where we had to have a road built by the State and Federal governments in cooperation, it would cost a great deal more than it would cost to improve these rivers. They are the only means of transportation in these sections.

Instead of making a general attack on this bill, I wish Senators would look at the various items, the amounts appropriated, the records of the engineers, the surveys, the estimate of the amounts required for maintenance, the number of people interested, the commerce that exists at present and what will be engendered in the future. In the light of those things, it seems to me that this is a very wise expenditure of money, and it seems to me that most of the measures that were the subject of criticism and adverse comment heretofore have been eliminated from this bill.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Nebraska?

Mr. FLETCHER. I yield to the Senator. I had just about finished what I had to say, but if the Senator wants to ask a question, I will yield.

Mr. NORRIS. The Senator from Virginia [Mr. SWANSON], in his interruption, has suggested several things that are interesting and that I think ought to be presented in a more detailed way than he has presented them. To say that so many millions are appropriated for one class of rivers and so many for another class of rivers is very indefinite.

Mr. FLETCHER. They are all itemized.

Mr. NORRIS. I know, but we have not heard the items. What good does it do to have the statement printed in the RECORD after we have voted on it?

Mr. FLETCHER. I shall be glad to read the items if the Senator desires.

Mr. NORRIS. We get the information after we have decided the question. It is like getting your verdict first and trying your lawsuit afterwards.

I was exceedingly interested in personal observation of some of these rivers. I remember some time ago when, as a member of the committee representing the Senate, I went down to examine the Muscle Shoals project, and in order to go up to the property owned by the Government near a coal mine in the mountains we had to go by river. We went on a Government boat that plies up and down that river all the way to New Orleans, I think. On that trip I went over the business with the captain of the vessel, and I was exceedingly interested in the business he was doing and the handicaps to which he was subjected. I can not give the figures now, but I remember the proportion of the figures. He went to New Orleans and loaded his boat with various kinds of produce and brought them up the

river to within, I think, about 50 miles of Birmingham, Ala., on the Warrior River. They shipped a good deal of stuff to Birmingham, and among other things was the item of coffee, I remember. He told me the freight rate by rail on coffee before the Government boat was built during the war. The Government was operating it there because it had no other use for it. It was not the only boat. There were several of them. He gave me the original freight rate on coffee by rail from New Orleans to Birmingham, Ala. Then they put on this vessel. They hauled coffee from New Orleans destined to Birmingham, and they hauled it on the boat to within, I think, 50 or 60 miles of Birmingham, where it had to be unloaded and put on a train.

Mr. McKELLAR. About 20 miles.

Mr. NORRIS. Is that all?

Mr. McKELLAR. And the coffee came from Mobile instead of from Birmingham, I think.

Mr. NORRIS. This, I think, came from New Orleans.

Mr. McKELLAR. I may be mistaken about that.

Mr. NORRIS. I think I remember that pretty distinctly. Now, as soon as that boat was put on the railroads cut down the freight rate on coffee from New Orleans to Birmingham very materially, but when this Government boat carried coffee from New Orleans up to a point almost within sight of Birmingham it had to utilize the railroad to get the coffee into Birmingham. That freight rate had to be divided. I have forgotten now the price and the proportion of the division, but for this little haul the railroad got very much more than half of the cost of transportation.

Mr. RANDELL. Mr. President, if the Senator will permit me—

Mr. NORRIS. Yes; I shall be very glad to have the Senator say what he remembers about that matter.

Mr. RANDELL. My recollection is that the railroad got 80 per cent of it and the river got about 20 per cent of it.

Mr. NORRIS. The proportion was 80 and 20, was it?

Mr. RANDELL. I think it was.

Mr. NORRIS. It was something like that.

I use Birmingham as an illustration, and I use coffee as an illustration. Of course, you must understand that they are only illustrations. They only demonstrate what is done with all other kinds of freight that the boats carry. Notwithstanding that division, which gave the water transportation almost nothing and the railroad pretty nearly all of it, they were about breaking even on expenses, and in the expenses they counted the overhead of the cost of that vessel, which was built during the war at a price double what it could be duplicated for now. If I am wrong about any of these things, I shall be glad to be corrected by the Senator from Louisiana, who heard at least a part of this conversation with the captain. I had several. I think, however, I remember distinctly his telling me—and he gave the cost, how much he could have that boat built for in a first-class establishment and how much it actually cost during the war—that if they would capitalize that vessel at what it was worth, and what it would cost to build another one just like it, he would have been making money for the Government on the transaction, notwithstanding the awful handicap that he was up against.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. McKELLAR. The Senator knows that that river service is under the same direction and control that the Mississippi River is under—the Mississippi-Warrior Barge Line?

Mr. NORRIS. Yes.

Mr. McKELLAR. The statement that the Senator has made about the Warrior River applies to the Mississippi River, and with a great deal more force, for the reason that the Mississippi River Barge Line has been uniformly not only breaking even but making money, and sufficient money to overcome any loss that has been made on the Warrior Barge Line. They had an accident last fall, but they are now making money, and they are transporting freights, especially heavy freights, at very much lower prices than the railroad. Of course, wherever there is a division between the railroad and the river lines, the railroad gets the large share of the freight; but enormous quantities of freight are being shipped up the Mississippi River and the Warrior River, just as the Senator has said, and I am glad to hear him refer to it.

Mr. NORRIS. I am giving this as an illustration, on the theory that it applies to all similar conditions of shipping.

Mr. President, there were two objections even to continuing this service. First, it was Government operation, and there are some people—very nice people—who are so opposed to Government operation that they would not have anything to do with Government operation even if it saved their souls from immortal terror. This boat was operated by the Government,

and some were in favor of discontinuing it because it is operated by the Government, and others are in favor of continuing the handicap because they would be glad to see Government operation of anything fail. I know a Senator who is so much opposed to Government operation that he will not eat down in the Senate restaurant.

Mr. RANDELL. Will the Senator yield?

Mr. NORRIS. I yield.

Mr. RANDELL. The Senator's argument appeals to me, and I wish to corroborate, in substance, what the Senator has said. I think he has stated the case fairly. I am not certain as to the exact percentages, but my recollection is that, although the boat going from Mobile to Birminghamport, which is a little port of the city of Birmingham, would travel 380 miles and the railroad would have to carry the freight about 20 miles, that the boat would receive 20 per cent of the freight paid and the railroad would receive 80 per cent of the freight paid. Of course the distance the freight was carried by the railroad was ridiculously short as compared with the distance it was carried by the boat.

Mr. NORRIS. I think the Senator from Tennessee was wrong and that the Senator from Louisiana is wrong in dividing the distance. Let me ask the Senator from Alabama [Mr. UNDERWOOD] how far Birmingham is from the Warrior River.

Mr. UNDERWOOD. The center of the city of Birmingham is about 18 miles from it.

Mr. NORRIS. Then the Senator is right.

Mr. RANDELL. I said about 20.

Mr. UNDERWOOD. Of course Birmingham runs out in that direction about 6 miles to Ensley, so that there is a part of the city which is within 12 miles of the river.

Mr. NORRIS. I think the Senator is right in the other figure he gave, 380 miles.

Mr. RANDELL. The railroads are making a very unfair division of rates with the boats; and, if I am correctly informed, the authorities in charge of that line have for three years had the question of a fair division of rates on that line up with the Interstate Commerce Commission, and have not been able to get it adjusted yet. Why the Interstate Commerce Commission are keeping it before them so long I do not know, but they have it before them.

Mr. NORRIS. I think the same captain whom I asked why they submitted to such a division told me that some legislation on the part of Congress was needed. That is what I rose to speak about, and what I have said is only preliminary. It is an exceedingly interesting question. I would not be opposed to making Federal appropriations for the improvement of rivers if they were utilized according to the theory advanced whenever we are making the appropriations; but to permit our own Government, which is plying its boats up and down these rivers, to be "skinned to death" by the railroads when they come to divide the freight return is almost abhorrent. If we are going to do that, we ought to cease appropriating money.

Mr. RANDELL. I understand the Interstate Commerce Commission has authority to adjust those rates and make a fair division between the water carrier and the rail carrier. Of course, the Interstate Commerce Commission is a court, and those are very intricate and difficult questions. It has been working on those questions and has taken a great deal of testimony, I understand, and I assume it is going to render a fair decision. I understand it has the power, and if it does not have it, then I am absolutely with the Senator from Nebraska in his suggestion that we ought to legislate. I do not believe that we need any more legislation; I believe that we need proper administration of the law we have. If we can get that, we will get a fair division of rates between the rail and water carriers.

Mr. NORRIS. We have been going on this way for years. In this case it happens that we are dealing with the Government, but I would say the same thing if it were a private corporation operating the boats, namely, that it does not take a student to tell that the division the Senator has mentioned and which I have mentioned is unfair. There is no necessity of getting an expert to tell that at least that is not right; but that is going on now, and has been for several years, at least. It seems to me that when we are appropriating money for the improvement of harbors and rivers, it is a good time, while we are doing it, to protect the very navigation we are providing for, which we are not doing now.

Mr. RANDELL. That is true. I want to be just to the commission and to the barge line as well. I believe, along that same line, there is an adjustment of rates on the Mississippi. I think they have the lines joined, although I am not positive as to that. There has been a great controversy as to the Mississippi and the Warrior, and Senators can see that it is a most difficult question.

Mr. NORRIS. There is some technicality which I think a witness before the committee called to my attention.

Mr. UNDERWOOD. If the Senator from Nebraska will allow me just a moment—

Mr. NORRIS. I yield.

Mr. UNDERWOOD. Permit me to state the real question involved here. I am not here trying to run down the railroad interests, but it is just as natural for a railroad management to try to put water transportation out of business as it is for a dog to chase a cat.

Mr. NORRIS. I think so.

Mr. UNDERWOOD. They have been doing it for 40 or 50 years. The difficulty is that these transportation lines, especially on the Warrior, in the first place would not make a joint rate through from New York or New Orleans, and when they were forced to do that, then they would not make the terminal joint rates, giving through bills of lading, and so forth, and when they were forced to do that the railroad took all the joint rate, or practically all of it.

The division is not 20 and 80 per cent. I think, on the average, where the joint rate through from New Orleans would be 5 cents the water route gets less than half a cent. An old railroad man who knows the business and knows of the transaction told me yesterday that these barges go from the Birmingham district loaded with coal to New Orleans. Of course, to make it pay they must have a return cargo. They come back partly loaded with coffee from New Orleans for Birmingham. That is unloaded at Tuscaloosa instead of at Birmingham port, Tuscaloosa being about 60 miles away. The return rate on the coffee was 43 cents, he told me. There was a transfer charge at Mobile which took out about 5 cents, leaving a net rate of 38 cents, and the railroad took the entire 38 cents, leaving nothing to the Government barge line.

I did not intend to bring that up now, but the Interstate Commerce Commission, a Government commission, has the absolute authority to fix this rate, and this is a Government proposition. The Secretary of War, so to speak, is the president of this barge line, because it is under his direction. Yet they allow a Government organization, to wit, the Interstate Commerce Commission, to sit here and permit a private corporation, a railroad, to take away the entire freight and make no division with the Government operation at all. No legislation is needed. It is entirely within the Government's hands to correct this matter if it will. I do agree with the Senator, however, that if our own Government will not protect its own operation, then there ought to be an investigation of somebody or there should be legislation to make them do what is right.

Mr. NORRIS. Mr. President, the Senator has said in reality what I was trying to say, and said it much better. If the Government will not see that a fair division of the charges for traffic is made between water transportation and rail transportation, there is no use in our improving rivers and harbors, especially our rivers. This is something which has been going on for years; and if it were allowed to continue indefinitely, like Jarndyce versus Jarndyce, any corporation, except a Government corporation, would be put out of business, because it would become bankrupt before justice could be rendered.

I can not understand, to begin with, how they could start in with that kind of a division of the rate. Who made the division to begin with, and why is it that all of it is going to the railroad and none of it to the boat, which carries the freight about five-sixths of the distance and does most of the work in connection with it?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. McKELLAR. Such a discrimination has been practiced by the railroads against the Warrior Barge Line service that the line has not made money. I think it is due almost entirely to the fact of these discriminatory rates which have been put into effect by the railroads joining the river with Birmingham. It can not make money under the present division. For that reason they are even talking now about discontinuing that line.

Mr. NORRIS. Of course, that is the next thing. That is what they want.

Mr. McKELLAR. I feel interested in it for the reason that on the Mississippi River, on which I live, that sort of a condition does not apply, in the first instance, because there is a volume of trade which goes on between the cities right on the bank of the river; and, of course, the railroads, on the direct business, have no right to any part of the rate. But, at the same time, it affects the Mississippi Barge Line, because heavy freights, like molasses and sugar and coffee, come up from New Orleans to cities as far away as Nashville, which is about 264 miles from Memphis, and cities that far away take advantage of the barge line and have these heavy freights come up on the

barge line as far as Memphis and then pay the regular rate from Memphis to Nashville in addition to the river rate and get their goods cheaper.

The Senator has put his finger right on the sore place, so far as the barge lines are concerned. A fair division of rates between the barge lines and the railroads would make those two barge lines of wonderful value to the people along their routes, and I think there should be an investigation, and, if necessary, there should be legislation by Congress, directing how these divisions of rates should be made as between the barge lines and the railroads.

Mr. NORRIS. Mr. President, the Senator says this barge line on the Warrior does not pay.

Mr. McKELLAR. I am so informed, and the reason is that there is discrimination.

Mr. NORRIS. I am not disputing the statement. There is a reason in addition to the one the Senator has stated, which I gave a while ago. I do not know whether the Senator was in the Chamber at the time or not. I have been told that notwithstanding the discrimination, notwithstanding the small part of the rates given to the boats, whenever they have to divide it with the railroad, they still would make money if the boats which are doing the work were capitalized at their fair value.

Those boats were all built during the war for war purposes. They are fine vessels, and they are well equipped for the business in which they are engaged. They were built for that, but they were built at war prices. They cost, in round figures, twice what they are worth now. I think 50 cents on the dollar would be a fair value for them, and I am not saying anything against the boats when I say that. They are modern in every respect; but the cost of them during the war was twice what it would be now. They are compelled, in making their returns, in discovering whether they make a profit or a loss, to carry those vessels at their actual cost to the Government during the war. Of course, all the freight they carry is not subjected to this discrimination, and that is one reason why there is a difference between the illustration of the haul from New Orleans to Birmingham, part water and part rail, and traffic on the big Mississippi River. Wherever freight is delivered to a city located on the bank of that river there is no division; the boat gets it all. Of course, they make more money, and they do not have to give the bulk of it to a railroad. On the Mississippi they do not have to divide with a railroad at all between New Orleans and the great city of Memphis, or any other river port.

Mr. McKELLAR. St. Louis, for instance.

Mr. NORRIS. This discrimination applies only where it is part rail and part water, and, as a matter of fact, a large percentage of the traffic is of that kind, as illustrated by the city of Birmingham, one of the largest cities in the South, where there is an immense amount of freight coming and going. They can not get to Birmingham without utilizing the railroad.

Mr. McKELLAR. Mr. President, may I make a suggestion? While it is true that the Warrior River line did not make money, according to the figures to which the Senator refers, at the same time the Mississippi River line, under the same management and control, made enough profits to make both ventures profitable.

Mr. LENROOT. Of course, the Senator would admit that if it is to be a continuing loss, the fact that one line makes money and the other line does not is not sufficient reason for keeping up the losing line. I think it is due to the division of rates.

Mr. McKELLAR. In this connection I want to call the Senator's attention to the fact that that shows what kind of rates the people along the Warrior River would have to pay if it were not for the barge line. As the Senator from Nebraska well said, the railroads put in another rate on coffee so as to compete with our line, and that was a benefit to the people of that section.

Mr. LENROOT. With reference to that situation, I do not think any investigation is necessary. I do not think any legislation is necessary for the Warrior River situation. The committee considered it very fully a year ago. A case was then pending before the Interstate Commerce Commission. It is my understanding that the case has been fully argued—

Mr. McKELLAR. It is still pending.

Mr. LENROOT. The decision is being awaited and has been awaited for six months or more. It would seem to me that if the Senators who are especially interested in the matter would ask the commission to expedite it they might get a very much earlier decision.

Mr. McKELLAR. I can assure the Senator I shall do that right away.

Mr. UNDERWOOD. I can assure the Senator from Wisconsin that the Senators who are interested in the division of freight rates have been very diligent in their efforts to get an

early decision. What is the reason for the delay I can not say. I can not attempt to criticize the commission, because I do not know the reason for the delay, but I do know with the Government operation on the one hand and the railroads on the other absolutely taking practically all of the freight rate, if the Government can function at all it is time to be doing something.

Mr. LENROOT. I entirely agree with the Senator. Certainly the matter ought not to run another year before decision. We ought to have the decision at the earliest possible moment.

Mr. McKELLAR. Before the Senator leaves that point, if after the decision comes for any reason they claim they have not the necessary power to make a proper division, I assume the Senator, of course, would be willing to vote to grant to the commission power to make a proper division?

Mr. LENROOT. Oh, of course.

Mr. McKELLAR. I think they have full power.

Mr. LENROOT. I have not any doubt of the power of the Interstate Commerce Commission to fix the division under existing law.

Mr. McKELLAR. Nor have I any doubt about the power of the commission, but I can not understand why it takes so long to decide a particular case.

Mr. LENROOT. Mr. President, with reference to the pending amendment, if we may return to it, I think it is subject to a point of order, because I can not find that the appropriation proposed is authorized by any existing law. However, I am not going to make the point of order. It has been fully debated, and I am willing that it should be voted upon.

But I do want to emphasize the precedent that the Senate would establish if the amendment were adopted. We would have, in the first place, an appropriation for which there is no authorization in existing law. Under the lump-sum appropriation the Board of Engineers would not have the right to expend the sum upon the improvement which the amendment seeks to require them to expend. In the second place, as a matter of commerce and navigation—and that is the only thing that has any bearing so far as the bill is concerned—the appropriation can not be defended for one single moment.

I asked what the commerce was upon this part of the river from Sioux City to Fort Benton. I find that in 1903 the commerce was 37,000 tons; in 1904, 28,000; in 1905, 52,000; in 1906, 43,000; in 1907, 45,000; and in 1921, 9,164 tons. In 1912 Congress adopted a project for the improvement of the river which contemplated the expenditure of from \$75,000 to \$150,000 each year for a period of five years. Under that authorization, which has been completely exhausted, there has been expended \$582,972.

Mr. STERLING. That is the project from Sioux City to Fort Benton.

Mr. LENROOT. Yes. Of course, I did not mean the particular spot which has been under discussion. There has been expended \$582,972, which has not increased commerce one single pound but has resulted, not because of the improvement but because of other causes, in a constantly decreasing commerce. What was it that the board of engineers say with reference to the improvement, to which the Senator from South Dakota takes exception? They said in their annual report:

The expenditures on this section have averaged about \$90,000 per annum for the past few years, and there has been no commercial development as a result of this expenditure, but, on the contrary, the commerce has declined very materially, so that the benefits to the general public are incommensurate with the outlay involved, and there seems to be little prospect of better returns in the near future.

Mr. McCUMBER. Will the Senator state what they said with reference to the commerce between Kansas City and the mouth of the Missouri?

Mr. LENROOT. It would take me a moment to find it.

Mr. McCUMBER. And how much they have had there? I would like to have the Senator also state what it consists of.

Mr. CURTIS. Mr. President, while the Senator from Wisconsin is looking up the figures will he yield to me to present a unanimous-consent request?

Mr. LENROOT. Certainly.

Mr. CURTIS. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 11 o'clock to-morrow morning.

The PRESIDING OFFICER (Mr. Ladd in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. LENROOT. Replying to the question of the Senator from North Dakota, the commerce was 139,444 tons.

Mr. McCUMBER. Of what did it consist? I know what it was, but I would like to have the Senator state.

Mr. LENROOT. I will state from my general recollection that it was sand and gravel that comprised the larger part of the tonnage.

Mr. McCUMBER. It was practically all sand that was used for building purposes.

Mr. LENROOT. I think that is true. But the point I am making, with reference to the stretch of river covered by the Senator's amendment, is that we have expended there over half a million dollars. The commerce has been constantly declining upon the stream until this year it was 9,164 tons as against between 30,000 and 40,000 tons 20 years ago.

Mr. WALSH of Montana. Mr. President, I inquire of the Senator if he would not find exactly the same situation with reference to the Mississippi River?

Mr. LENROOT. I think on the upper Mississippi that is true.

Mr. KING. Is not that true of the lower Mississippi?

Mr. LENROOT. I do not know as to the tonnage.

Mr. McKELLAR. What was the statement the Senator made?

Mr. LENROOT. I said there had been a decline in tonnage on the upper Missouri from between 30,000 and 40,000 tons to 9,000 tons, and I was asked whether the same proportion was not true of the Mississippi. I said I did not think that it would apply to the lower Mississippi.

Mr. McKELLAR. It would not apply to that part of the Mississippi River between St. Louis and New Orleans. On the contrary, the increase there has been phenomenal.

Mr. WALSH of Montana. But it is indisputable that from St. Paul down the decline has been at least proportionate.

Mr. LENROOT. The commerce from St. Paul down to St. Louis has practically ceased. I want to say to the Senator that I am just as much opposed to making large appropriations for the improvement of the Mississippi River under present conditions as I am to making appropriations for the improvement of any other stream.

Mr. BROUSSARD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Louisiana?

Mr. LENROOT. I yield.

Mr. BROUSSARD. I wish to ask the Senator whether, in his consideration of the subject, he has not ascertained it to be a fact that whenever a river is improved so as to make it navigable the railroads paralleling it allow what are commonly known along the river as water rates, in order to reduce their freight rates below the point where it would pay to operate a water-transportation line, and that therefore the money expended in the improvement of the rivers is reflected in the benefits which the people thus get who pay the freights, and they thus receive a benefit as a direct result of the improvement of the river?

Mr. LENROOT. I have very fully investigated that matter. I am quite familiar with the situation. It is true, or has been true, generally speaking, that where we have water competition the railroad rates were made so low, as long as competition lasted, as to drive water transportation out of business. But, Mr. President, to make enormous appropriations out of the Treasury of the United States for that purpose alone can not be defended for one single moment. That is to say, if the railroads can make a rate that is a fair rate of return so low that it is more profitable to ship by rail than by water, then we can not justify water transportation.

The trouble is and has been that railroads have made rates so low that in themselves they are lower than they ought to be to pay their fair share of operating expenses of the roads and a fair return on the investment. But there, again, whenever a railroad makes such a rate too low to pay its share of operating expenses, while it is a benefit to the people who are using that railroad, it is an injury to every other user of the railroads, because their rates then must be just that much higher than they ought to be, in order to make up the loss in this particular direction.

Mr. CARAWAY. Mr. President, I want to ask the Senator a question, if he will permit me.

Mr. LENROOT. Certainly.

Mr. CARAWAY. The Senator said the traffic on the upper Mississippi River was disappearing. Did the Government barges which were at one time constructed to operate above St. Louis go into operation?

Mr. LENROOT. They did not. They were taken to the lower part of the Mississippi River.

Mr. UNDERWOOD. I understand those barges are still in the hands of the companies that contracted to build them, and that the contract has never been canceled. Of course, up to this time, although the barges have not been used, the company has complied with the terms of the contract; so they are tied up, doing nothing at present.

Mr. WADSWORTH. Mr. President, may I interrupt the Senator?

Mr. LENROOT. Certainly.

Mr. WADSWORTH. The Senator spoke of the upper Mississippi River and its declining commerce. The proposal of the engineers under the \$56,000,000 river and harbor appropriation is that \$1,100,000 be spent for new work on the upper Mississippi. It is not a very cheerful prospect.

Mr. KING. How much for maintenance?

Mr. WADSWORTH. None for maintenance.

Mr. LENROOT. On the upper Mississippi it is all under the head of new work, because it is new work that maintains the river. I do not think there is any such thing as dredging upon the upper Mississippi.

Mr. KING. However, if I understand the Senator, there is \$500,000 for maintenance upon the Missouri River within the State of Missouri, and a considerable amount over a million, perhaps a million and a half, for improvements?

Mr. LENROOT. I do not remember the exact figures.

Mr. WADSWORTH. The amounts are \$1,000,000 for improvement and \$500,000 for maintenance.

Mr. KING. Then, the \$1,500,000 could be spent on the river in Missouri, where concededly the commerce has been declining for the past 50 or 60 years, until for many years there has practically been no commerce upon the river between the points referred to; that is, Kansas City and St. Louis.

Mr. WALSH of Montana. Mr. President, if the Senator will suffer a further interruption, the question really is as to where the \$1,500,000, the \$15,000, and the \$25,000 which are going to be spent on the Missouri River shall be expended; whether the \$1,500,000 shall be spent between Kansas City and the mouth of the river, where the commerce is equally declining, and but \$25,000 and \$15,000 shall be spent above Kansas City. That is the question that the Senate is called upon to determine.

Mr. LENROOT. That may be, but it is fair to say, with reference to that question, that the expenditure of \$1,000,000 on the Missouri River from Kansas City to the mouth can not, it seems to me, be thought of for a moment by anybody except upon the theory that here is an existing project for a completed improvement of the Missouri River from Kansas City to the mouth which is to give, I believe, an 8 or 9 foot channel.

Mr. WALSH of Montana. But let me call the attention of the Senator to the fact that that is what the engineers propose to do.

Mr. LENROOT. Yes; there is an adopted project. The Senator must see that there is a big distinction between a stretch of a river, its lower part, with an adopted project for an adopted improvement at a fixed expenditure of money that will make that river susceptible of navigation, and a proposition as to which there is no existing project, as to which there is no estimate of any kind, as to how much money would be required to make the river navigable. That is just the difference between the Kansas City proposition and the upper Missouri proposition.

I am frank to say that I do not believe we ought to expend that \$1,000,000 upon the lower Missouri. I have said a great many times upon this floor that I think we ought to complete the improvement of and put in the most perfect shape possible the Mississippi River from St. Louis to its mouth; and that we ought to complete the Ohio River, so that we shall have a system of navigation extending the full length of the Ohio and from St. Louis to the mouth of the Mississippi. Then I maintain that if that should not be a commercial success it would be a pure waste to expend further money on the Missouri River, on the Mississippi River, or on any other rivers similarly situated.

Mr. KING. Will the Senator accept an amendment or vote for an amendment to this effect:

Provided, That no part of this sum—

Referring to the \$56,000,000 plus—

shall be expended upon the Missouri River between the city of St. Louis and the city of Kansas City?

Mr. LENROOT. No; I would hardly wish to go that far.

Mr. KING. I shall offer such an amendment, and I hope the Senator from Wisconsin will vote for it.

Mr. LENROOT. I would, however, vote for an amendment providing that no part of the money should be expended for improvements other than maintenance on that part of the river. I should not wish to go so far as to say that we ought to let the river get in worse shape each year than it now is so long as we have the existing projects.

Mr. President, it was stated by the Senator from North Dakota [Mr. McCUMBER] that last year there were only 9,000 tons of commerce upon this part of the river, embracing a dis-

tribute of something like 1,000 miles. It was stated, however, that we had hard times last year, and commerce decreased for that reason.

Mr. McCUMBER. And there have been hard times for several years past.

Mr. LENROOT. Well, I will go back to a period when we did not have very hard times and see what the commerce then was. The year 1916 was not a period of hard times, as I recollect.

Mr. WALSH of Montana. Mr. President, if the Senator from Wisconsin will suffer an interruption, I will remark that the tonnage reflects exactly the productiveness of the fields in those sections. The year 1916 was a productive year and the tonnage was 22,151. Then came the seasons of drought in 1917, when the tonnage was 6,285; in 1918, when it was 3,986; in 1919, when it was 1,572; in 1920, when it was 3,261. Conditions improved last year and the traffic was 9,164 tons. As the country develops and as we have fair seasons the traffic increases.

Mr. LENROOT. Does the Senator dispute the figures that I have read as to the commerce of 20 years ago, when 25,000, 30,000, 35,000, and nearly 40,000 tons a year were transported?

Mr. WALSH of Montana. I am sure the Senator will find that the traffic 40 years ago was even more than it was 10 years ago.

Mr. LENROOT. That may be, but, of course, the reason the traffic was so heavy a half century ago was because there was no railroad communication at all and the river was the only way by which goods could be transported through those sections of country. However, for the past 20 years there has been no change so far as railroad accommodations are concerned, and one would naturally expect that the country has grown in 20 years. There are greater areas in production now than there were 20 years ago, and yet the commerce on the river has declined instead of increased.

Mr. STERLING. Mr. President, will the Senator from Wisconsin contend that because there is now railroad communication and products are shipped by railroad therefore we should let the river remain filled up and unnavigable? Will it not be of interest and benefit to producers that they have a navigable river there by which they can transport their commodities if railroad freights become exorbitantly high?

Mr. LENROOT. Mr. President, again I wish to get back to the railroad question. The idea that we are going to regulate railroad rates by large appropriations out of the Treasury for waterway improvements is a fallacy, and it seems to me that we ought to have passed the stage where we would make any such argument. If there were no way to regulate railroads, if we had no power of regulation, that argument might well be made, but when we have a Government agency whose duty it is to see to it that railroad rates shall not be exorbitant and that they shall be reasonable, I do not know how anyone can argue that for the purpose of bringing railroad rates down—and for that purpose alone—we should expend these tremendous sums out of the Treasury of the United States.

There is just one situation, Mr. President, where we are justified in expending large sums out of the Treasury, and it exists in every part of our country, and that is where water transportation can be carried on not only cheaper than railroad transportation, with just and fair rates, but where the cost of the improvement will be commensurate with the saving made in the rates. There are to-day, in the case of some rivers in this country, improvements upon which we are paying each year for maintenance not only three or four times the railroad rates, but there have been cases where we could have better afforded to have bought and paid for the entire value of the commerce upon the river. So, Mr. President, on the Mississippi and on the Ohio, I hope that when navigation is fully developed the saving, not as compared with railroad rates, but the saving between a just and a fair railroad rate and the water rate will be so great that it will justify the cost out of the Treasury of the United States. If an improvement can not be justified upon that ground, it ought not to be made at all.

Mr. BORAH. The Senator says that he hopes that will be the result when navigation is developed on the lower Mississippi and the Ohio Rivers. We all share that hope; but, in view of past experience, does he expect it to be realized?

Mr. LENROOT. I wish to say frankly that, while I have been very skeptical concerning any of our river improvements, I am more hopeful than I have been for years that the lower Mississippi may justify the expenditures which have been made under existing projects, and when the improvement of the Ohio is completed it is possible, I think, that it may justify the expenditure, but I do not believe the Government of the United States should be conducting at the same time a half dozen

experiments which can be nothing but experiments. If we conduct one, and that is a success, then it is time enough to move on to some other, but, if that one fails, who is there who can defend the waste of money upon four or five others, all doomed to failure?

Mr. President, with reference to this matter, can the Senator from North Dakota or the Senators from South Dakota give any estimate to the Senate of how much it would cost to improve the 1,000 miles of river to make it navigable, assuming there would be commerce developed upon it if it were navigable? They can not; no estimate has ever been made by anyone. To make a few hundred feet or a few miles of revetment here and there, so far as commerce is concerned upon the river, means absolutely nothing.

There is another feature of this question, of course, and that is the reclamation of lands belonging to abutting owners and the benefit to abutting owners; but, Mr. President, I submit that while an argument may be made that the Government owes a duty to participate in such work, the Government owes no duty to any man who has abutting upon a river land that has been valueless from the dawn of creation, because flooded during certain seasons of the year, out of the Treasury of the United States to make it the most valuable farming land in the country.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. LENROOT. I yield.

Mr. STERLING. I suppose the Senator understands that we do not base our contentions for this improvement or for this appropriation upon the ground that the Government owes such a duty.

Mr. LENROOT. The Senator spoke of that contention.

Mr. STERLING. I do not know but that we may yet come to it. We shall see, I hope, that from the standpoint of national interest and national welfare it would be the thing for this Government to do to protect the banks from waste and erosion and the washing of the best farms of the country into the Missouri River, and that from that standpoint alone we ought to improve the river and put in this necessary revetment work. However, we base our claim on the ground that it will benefit commerce and navigation. Of course by the revetment work and the dikes which may be built the banks will be protected, but it is alike in the interest of commerce and navigation that the improvement would be made.

Mr. LENROOT. What interest of commerce and navigation will be subserved if we spend a few hundred thousand dollars, if you please, when in order to get a navigable river it would require many, many millions?

Mr. STERLING. Mr. President, I thought I stated that a while ago. According to the estimate of the engineers 400,000,000 tons of silt are washed from the Missouri River into the Mississippi River annually, and there we expend the millions year after year for the purpose of improving the Mississippi River in dredging it and keeping it navigable.

Mr. LENROOT. How much money does the Senator think it would take to put revetments in the 1,000 miles of the Missouri River to prevent that silt from coming down? How much does the Senator think it would cost?

Mr. STERLING. Oh, well, now, that is a rather strange question to ask. Every bit of revetment work will help so much. It will at the same time protect the lands where the revetment work is placed, but it will help just so much in the interest of commerce.

Mr. LENROOT. That exactly gets down to the point. The revetment work will help the lands; that is true; but unless we have a project that means that we will go into this proposed revetment work, perhaps costing hundreds of millions of dollars, for all I know, and will not aid commerce and navigation.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. SMOOT. In 1915 I had a very eminent engineer make an estimate for me as to what the improvement of the Mississippi River would cost if the absolutely necessary revetment work were done.

Mr. STERLING. The Mississippi River?

Mr. SMOOT. The Mississippi River. The figures showed that you could build a four-track railroad following the Mississippi from the head to the mouth, equip it, and haul the freight for nothing for the interest upon the amount it would cost; so I made up my mind that that was not a very good investment, and I believe that if it is ever undertaken that will be the result. The trouble with this whole appropriation for rivers and harbors is that we dole out a few hundred thousand dollars here and a few hundred thousand dollars there, and

before the 12 months have gone it is all expended, and within a year the river is in just the same condition as it was before the money was spent.

Mr. LENROOT. I want to say to the Senator that we have already expended, during all the years of the past, \$3,447,000 upon the upper Missouri River, with a constantly decreasing commerce, until it has almost disappeared.

Mr. SMOOT. We have in this bill a lot of projects that are just exactly of the same kind. For instance, take the Jamaica Bay project. In 1910 the traffic on that project was 1,785,605 tons. In 1916 it fell to 736,775 tons. In 1917 it had lost 85 per cent of the amount that there was in 1910—only 15 per cent of the amount—and here this project is to cost \$11,806,000.

Mr. McCUMBER. The Senator must remember that that is New York, not in North Dakota.

Mr. SMOOT. I am not talking about New York or North Dakota or any other State. I am talking about the whole project. When we find rivers here with money appropriated for them where it costs \$150 a ton for all the merchandise carried over them, outside of the logs that can float down the stream, without any improvement whatever, it seems to me it would be much cheaper, as I said in 1916, for the Government of the United States to buy all the merchandise every year and give it to the people rather than to try to maintain here the appropriations for what are supposed to be rivers but are nothing more nor less than creeks.

Mr. BORAH. Mr. President—

Mr. LENROOT. I yield to the Senator from Idaho.

Mr. BORAH. The Senator from Wisconsin and the Senator from Utah know about as much about the machinery of legislation as any other two Senators, and I should like to ask either one or both of them how this thing has been arranged so as to put this appropriation for rivers and harbors into an Army bill. Of course, it was not intended so, but if anybody had intended to accentuate the extravagance and the waste with reference to the matter, that would have been the way to accomplish it. How did it come about, and how can we unscramble it?

Mr. LENROOT. We have no power over it, because the Senate has nothing to do with the matter of placing river and harbor items in the Army bill. The House originates general appropriation bills. The House adopted this plan and sent it to us, and we did nothing but consider the bill in the form sent to us by the House.

Mr. BORAH. Could not the Senate committee separate the two bills and bring in an Army bill and bring in a river and harbor bill?

Mr. WADSWORTH. We could not get them both into conference at the same time with the same people. That is the trouble. We thrashed that over last year, wondering if we could not do that very thing, and it is almost impossible.

Mr. SMOOT. I will say to the Senator from Idaho that the only excuse for it at all is because of the fact that the projects are under an Army officer. That is the only excuse for it.

Mr. BORAH. Of course, I understand that that is the reason though it is no excuse at all; but, Mr. President, it is a serious matter, because if this matter can not be arranged differently, if the river and harbor bill can not come in here upon its own merits and stand upon its merits and be debated and discussed as an individual and separate measure, there is no possibility of stopping this waste and extravagance. I suspect that in all probability, if this bill stood alone, the President of the United States would either stop it or change it, from what has been said; but he is powerless, the Senate is powerless, the taxpayers are undefended and unprotected, and the whole situation has been so arranged that there is absolutely no way in the world to prevent this waste.

Mr. SMOOT. Mr. President, the only success that we have ever had in cutting down river and harbor appropriations in the Senate of the United States since I have been a Member of this body was in the years 1915, 1916, and 1917, when a determined fight was made upon the floor of the Senate, and the amount appropriated by the House was cut in 1915 to \$20,000,000, in 1916 to \$25,000,000, and in 1917 to \$30,000,000, as I remember. I am speaking now just offhand.

Mr. KING. Mr. President, will my colleague yield?

Mr. SMOOT. That was the first time we have ever been able in this body to secure enough votes to change a river and harbor bill.

Mr. LENROOT. I yield to the Senator from Utah.

Mr. KING. Mr. President, I do not want to interrupt my colleague or the Senator from Wisconsin, but, apropos of the suggestion made by the Senator from Idaho, it seems to me, notwithstanding the action of the House, that we would have the power, unless we have made some rule that forecloses us,

to move to segregate this part of the bill and to assign to the Commerce Committee, or such committee as we deem proper, the items dealing with rivers and harbors and let the residue of the bill go to the Committee on Military Affairs. Of course, I can understand what the situation would be. We would pass the items dealing with military affairs and send the bill to the House; the House might refuse to accede, appoint conferees, and there might be a protracted disagreement.

Mr. LENROOT. Let me correct the Senator. No part of this bill would go to either the Military Affairs Committee or the Commerce Committee in any event. All bills go to the Appropriations Committee here, and all bills go to the Appropriations Committee in the House. What the Senator from New York refers to, however, is that there are different conferees from the different subcommittees of the Appropriation Committees, so that there would be one set of conferees from the Committee on Appropriations on military affairs and another set upon rivers and harbors affairs.

Mr. KING. I understood that. I used those two sets of conferees, one as representative of the Military Affairs Committee and one as representative of the Committee on Commerce; but I affirm now that that could be done. We could strike from this bill, if we wished, all items respecting rivers and harbors, and recommit them to the Appropriations Committee, to that branch of it that has to do with rivers and harbors, and they could report back such a bill as in their wisdom and judgment they deemed necessary.

Mr. LENROOT. The Senator can very readily see that that can not be done, because all we could do would be to strike the river and harbor item from the bill. Then it would go to conference, the conferees taking the position that there would be no agreement unless the river and harbor item is included.

Mr. KING. Does the Senator mean that the Appropriations Committee would have no authority to report a river and harbor bill?

Mr. LENROOT. We have no power to take it out of the bill. It is there. We may adopt an amendment disagreeing to it, but it simply goes to conference.

Mr. KING. The policy that I suggested, of course, would reach the same result—that we move to strike out those items—and it seems to me that there would be no rule—

Mr. LENROOT. But they will not be stricken out by the adoption of that motion. That is the trouble.

Mr. KING. If we should adopt it, they would be stricken out as far as the Senate is concerned.

Mr. LENROOT. They would be stricken out so far as the Senate is concerned; but the matter goes to conference, and if the House conferees take the position that they insist upon the items staying in or there will be no Army bill we have a special session ahead of us.

Mr. BORAH. Mr. President, I suppose the test would come on the question as to whether the House would rather have a river and harbor bill or no Army bill. I think, perhaps, as keen as the appetite is to reach the Treasury, there would be some embarrassment in refusing to agree to a bill making appropriations for the Army. There is no way in the world that I can see to meet this situation except that way. This may not be the time to do it, on account of the fact that we are all so anxious to get away after the 4th of March; but I doubt very much if the House would be any less anxious to get away than we are. I think it needs a Caesarian operation of some kind, and the only way to do it, in my opinion, is to meet it, and meet it now. I am not one of those who are opposed to river and harbor appropriations in their entirety.

Mr. SMOOT. Neither am I.

Mr. BORAH. I do not say that appropriations should not be made for this purpose. I have very much less faith in any of them than many of my associates. Nevertheless, it seems reasonable that there should be appropriations for some of these larger and more feasible propositions; but, Mr. President, intermingled with the appropriations which ought to be made are thousands of dollars—yes, millions of dollars—of appropriations which ought not to be made. The time had come in the discussion of river and harbor appropriations when those things to some degree were being managed, controlled, and eliminated; but this method of dealing with the subject has entirely prevented and will entirely prevent any such success in the future, and if we are not ready simply to surrender the proposition and permit this thing to go on its way and gather force as it goes, we shall have to meet it now.

Mr. LENROOT. Mr. President, during the past two or three years I have favored lump-sum appropriations to be allotted by the Board of Engineers; but, in view of what has happened

upon this bill, I am very frank to say that I am not in favor of continuing lump-sum appropriations for that purpose, because, without criticizing anybody, I think, perhaps, I am in the same position as anybody else. If a Senator or a Member of the House has an improvement of the highest merit with a lump-sum appropriation, he is not very much inclined to cut down the lump sum, because he does not know but that his own meritorious appropriation will be cut out and some appropriation less meritorious will be put in. So far as improvement is concerned—maintenance is a different proposition—so far as improvement is concerned, I think hereafter the bills ought to be itemized and specific appropriations made for each project, and then the Senate and the House can act intelligently upon the merits of the different projects and fight in conference for the elimination of such projects as they think are not wise.

Mr. KING. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. KING. I am rather disappointed in the results of what we believed to be a reform which was inaugurated.

I was one who contended for lump-sum appropriations, and I offered an amendment in 1917, and renewed it in 1918 and 1919, calling for the creation of a board, as I recall now, of two Army engineers and three civilians of business ability and knowledge of this question of rivers and harbors. I was not satisfied to leave the river and harbor appropriations in the hands of Army engineers. I make no comment upon their ability or their extravagance or lack of extravagance, or their competency to deal with these questions; but I was absolutely unwilling, and I am unwilling now, to leave with the Army engineers exclusively the handling of these stupendous sums.

The criticism which is made by the Senator from North Dakota that they stay in Kansas City and do not appear to be able to perceive the importance of the Missouri River, except in the vicinity of Kansas City, is an indictment of some of the Army engineers or their methods of procedure, which I think is entirely justified.

Mr. WADSWORTH. Will the Senator yield at that point?

Mr. KING. Let me just complete the sentence. A perusal of the hundreds of reports and of the thousands of pages which have been submitted by Army engineers demonstrates to my satisfaction, if not to the satisfaction of others, their absolute incompetence to deal with the great questions which are involved in the improvement of our rivers and harbors. I am not attacking their technical skill, but I am attacking their business judgment; I am attacking their methods of administration; I am attacking the methods which have been employed. I now yield to the Senator from New York.

Mr. WADSWORTH. I was going to ask the Senator if the fact that the Army engineers stopped at Kansas City, or are alleged to have stopped there, is not due to the fact, in turn, that the Congress adopted a project of \$20,000,000 worth of work to be done there? Where would they stop? Why go to the headwaters of the Missouri, in connection with which Congress has adopted no project for the expenditure of money? Congress goes ahead and adopts a \$20,000,000 project, the money to be spent between Kansas City and the mouth of the river. Is it the Army engineer's fault that he does not spend half or more than half of his time up at Fort Benton?

Mr. KING. If I may trespass further on the time of the Senator from Wisconsin—

Mr. LENROOT. I yield.

Mr. KING. The criticism of the distinguished Senator from North Dakota was a little broader, and rests upon a little broader foundation, as I interpreted his remarks, and as I interpret the position of the Senator from New York, from that upon which the Senator from New York is now predicated his inquiry. The position of the Senator from North Dakota was, in substance, that the Army engineers for years had directed their attention too much to that part of the river below Kansas City, and doubtless upon their recommendations large appropriations had been made for that part of the river, and they had not sufficiently perceived the relation of the river above Kansas City to the entire project, but had seemed to concentrate their attention and make their recommendations based upon the Missouri River within the State of Missouri.

Mr. LENROOT. Mr. President, I do not believe the engineers are properly subject to the criticism which has been made, and I had no thought, in saying I was not in favor of continuing the lump-sum appropriation, of reflecting in any way upon the engineers.

What is the situation? The Senator from New York has referred to the one project. Congress adopts projects, and that determines the policy of Congress, that each of these shall be improved in accordance with the estimates, and, once adopted

by Congress, the engineers then make their estimates of the sum that can profitably be expended upon each one of the projects which have been adopted.

My criticism is not of the engineers, but my point is that if we had separate appropriations for each project to pass upon it would give Congress some opportunity to review the matter of its previous action with reference to the adoption of the project and to refuse to grant an appropriation where the engineers would be perfectly justified in estimating for it.

Mr. SMOOT. Mr. President, I wanted to say to the Senator that the engineers are not always free from criticism. I have seen the time when a report of the engineers was made to this body, then an amendment offered in the Senate making a direct appropriation for the project, a Senator visiting the Engineer Department, and the engineers coming in the next day with a report favoring the very project on which they had reported adversely before.

Mr. BORAH. Mr. President, that all gets back to the proposition that the Congress of the United States can not shun or shunt its responsibility in this matter. It is up to us. Of course, I take it that an engineer is not considering the question of taxes or the question of the amount in the Treasury. That is not his business. He has a certain thing to do, and that is to engineer the proposition that is presented to him. But the responsibility for adopting these projects, approving them, and for the appropriation, is right here, and it is here apparently in spite of the fact that we created a Budget Bureau some time ago. Unless the Congress itself takes hold of the matter and deals with it upon the theory that it alone is responsible for the entire appropriation, we shall not hope to correct the evil.

Mr. LENROOT. Mr. President, I am in thorough accord with what has been said, and I hope that this will be the last year we will have lump-sum appropriations for such improvements. If we had each one of these items estimated for separately, anyone can see that the Senate would have an opportunity of striking some of them out, and standing in conference against them, and they would not stay in the bill, and it could increase other items if necessary.

Mr. McKELLAR. Mr. President—

Mr. LENROOT. I yield.

Mr. McKELLAR. A few moments ago, while the Senator was talking, a question was raised as to the volume of business on the Mississippi River from St. Louis down. I have gotten the barge line figures of business since it was created. It began business on November 1, 1919, and from that date to June 30, 1920, the end of the fiscal year, they carried 115,907 tons of freight. From July 1, 1920, to June 30, 1921, they carried 237,258 tons of freight. From July 1, 1921, to June 30, 1922, they carried 655,789 tons of freight. During the last fiscal year they nearly trebled the business of the preceding fiscal year.

Mr. LENROOT. That was my recollection, that the Mississippi River was beginning to make a very fair showing.

Mr. KING. May I be permitted to ask the Senator from Tennessee what that freight consisted of?

Mr. McKELLAR. Wheat, cotton, lumber, molasses, coal, tobacco, sugar, coffee, and merchandise generally.

Mr. KING. Between what points?

Mr. McKELLAR. Between St. Louis, Mo., and New Orleans, La.

Mr. KING. May I inquire whether all that had its origin at St. Louis or points above?

Mr. McKELLAR. I can not say where it had its origin. An immense amount of the up-river traffic had its origin at points in South America, Central America, and Cuba, for instance, heavy articles like sugar, black-strap molasses, and ordinary molasses, which, of course, the Senator knows is exceedingly heavy. A great deal of that business originated in Cuba.

Mr. KING. And was carried up the river?

Mr. McKELLAR. Carried up the river. Then, going back, the freights consisted largely of wheat, corn, cotton, and tobacco. It is quite remarkable that from the tobacco regions of the State of the Senator from Kentucky, western Kentucky, and northwestern Tennessee, which is a very prolific tobacco producer, enormous amounts of tobacco are sent by rail to ports along the river, and thence transported to New Orleans and to the outside world.

Mr. KING. I made the inquiry because I have found oftentimes a duplication of tonnage.

Mr. McKELLAR. I want to call the Senator's attention to the fact that this tonnage applies solely to the barge line. Of course, there is an enormous river traffic along that river outside of that.

Mr. KING. Are those privately owned barges?

Mr. McKELLAR. These are Government-owned barges, but there are other river craft which carry a very large amount of freight.

Mr. KING. While we are speaking of barges, the Senator will recall that during the war we made some appropriations, and Mr. Goltra and others in Missouri, as I understood, took a contract to construct these barges, and then they were operated under the direction of the Shipping Board or the railroad administration, I am not sure which. My understanding was that they were not being used now.

Mr. McKELLAR. My recollection is that there was some direct appropriation made for it. I think it applied to traffic on the Missouri River north of St. Louis and did not apply from St. Louis south; but the Government-owned barge line, under the direction of the Secretary of War, is run between St. Louis and New Orleans.

Mr. LENROOT. Mr. President, I do not want to seem to be holding the floor—

Mr. McKELLAR. I am much obliged to the Senator for yielding to me.

Mr. STANLEY. Mr. President, will the Senator yield for a moment?

Mr. LENROOT. Certainly.

Mr. STANLEY. The Senator from Utah asked the Senator from Tennessee a question to which perhaps he did not reply. I have heard the question asked several times with respect to the present operation of those barges. Some of those barges are now in operation.

Mr. McKELLAR. Which barges?

Mr. STANLEY. The Government-owned barges on the Mississippi.

Mr. McKELLAR. From St. Louis to New Orleans?

Mr. STANLEY. Yes. I was on the Mississippi River last December, just a few weeks ago, and saw those barges in operation. Of course, the Senator understands they are not the ordinary open barges. They are of steel construction, waterproof, and made in compartments. They carry silks, fine fabrics, and anything that can be carried.

Mr. LENROOT. Mr. President, if we may get back once more to the pending amendment, I said that, so far as the reclamation of lands was concerned, to make these appropriations out of the Treasury for the benefit of abutting landowners without any contribution upon their part could not be justified. It must be remembered that on the lower Mississippi now we require contributions on the part of the abutting landowners, and a few years ago an appropriation of \$75,000 was made for revetments such as are proposed in the pending amendment, with a provision that there should be a contribution upon the part of the abutting owners of one-third of the expense or upon the municipality in the vicinity.

Mr. STERLING. Mr. President, I would like to ask the Senator from Wisconsin if he would favor a policy of Government aid for the purpose of protecting the banks on the condition that the States contribute a part, and this irrespective of the benefit to commerce and navigation?

Mr. LENROOT. No; I do not say any such thing, but I do say that there was passed through Congress a few years ago an appropriation of \$75,000, with a provision that there should be a contribution of one-third of the expense by local agencies, and when that condition was met, the improvement was not found so necessary as was supposed, and the \$75,000 has never been expended, and has now been turned to surplus.

With reference to the Senator's question, I say this, of course I would not favor appropriations under a river and harbor bill where navigation was not the primary object, but I want to say, further, that where there is a combination of the two, there is no reason why the abutting owner should not pay for some of the benefits he receives from the improvements. But the trouble with the amendment is that there is no showing and can be no showing that the expenditure of the \$250,000 would be of any material benefit to navigation.

I want to repeat what I said in the beginning, that we have expended in the last 10 years \$582,000, with the result that the commerce has steadily declined until last year we had only 9,000 tons of commerce on a stretch of river over 1,000 miles in extent.

Mr. STERLING. I know something about the case to which the Senator refers. The people have wished a thousand times, I think, that they had not accepted the proposition made by the Government and involved in that appropriation, and raised the \$25,000 to meet the Government appropriation of \$75,000. Two hundred thousand dollars now would not make the improvement, because at the place where it was designed that the improvement should be made we have a lake rather than a river.

Mr. LENROOT. But that does not at all affect the point I made that where there were local interests whose interests were the primary interests, nevertheless when they had to make a contribution of 25 per cent of the total cost they did not want it badly enough to make the contribution. That is the point I make.

Mr. STERLING. They wanted it, but there were too many conservative citizens in that locality.

Mr. LENROOT. That may be. In conclusion, I want to say again that unless we are going to face amendments of this character, the same argument can be made with just as much ground for a million dollars at this point upon this same stretch of river, yes, for \$10,000,000, as is made for the item of \$250,000. If the Senate is now going to establish the precedent that it will make an appropriation not estimated for by the Board of Engineers, not adopted by Congress, not considered by the Committee on Commerce which has jurisdiction of the authorization, then we might as well repeal our Budget law entirely.

Mr. WADSWORTH. Mr. President, the discussion upon the amendment offered by the Senator from North Dakota [Mr. McCUMBER] has gone far afield at one time or another since 11 o'clock this morning. I do not criticize the variety of the topics discussed, because I am going to indulge in a very brief discussion of something which does not concern the Senator's amendment.

The Senator from Idaho [Mr. BORAH] has protested against the inclusion in the War Department appropriation bill of a river and harbor item. I desire to join him in that protest. Perhaps my reasons for doing so are not exactly the same as his, but they are nevertheless just as sincere. Briefly, let me sketch to the Senate what the increase in the river and harbor item does to the bill.

The estimates this year coming from the President of the United States through the Director of the Budget involved approximately \$27,000,000 for rivers and harbors. Apparently—and I say this in all kindness—the House Committee on Appropriations, believing that there was a demand in the House of Representatives for a larger amount than the Budget estimate, reported the bill to the House carrying \$37,000,000, an increase of \$10,000,000 over the Budget estimate. On the floor of the House the \$37,000,000 was raised to \$57,000,000 by a vote of something like 3 or 4 to 1, the Appropriations Committee of the House and the House leaders being swept off their feet and very little discussion having occurred.

The net increase for rivers and harbors alone over the figures of the Budget is almost \$29,000,000. A Senator interested in the proper balancing of the Government's expenditures in the course of a fiscal year, and, indeed, a Senator interested in a proper balancing of this great appropriation bill, can readily see what effect an increase of \$29,000,000 over the Budget figure in one single item has upon the whole bill.

I am not authorized to read the minds of the able and distinguished Members of the House who reported the bill to the House, but I think I am not very far wrong when I say that some of the items in the military activities of the bill, which relate to the Army, the National Guard, the Organized Reserves, and the general citizen soldier-training program, were cut below the Budget estimate, perhaps—and I use that word "perhaps" advisedly—in anticipation of an emphatic increase in the river and harbor item and in the hope that by keeping slashed down below the Budget estimate the appropriations actually considered necessary for the national defense some substantial increase could be made in the river and harbor appropriations. Whether that was in the minds of the House Committee on Appropriations I am not certain, but that was the result in the bill. We have more than doubled the figures of the Budget estimate in one single item, thereby making it almost impossible to treat fairly and decently and, indeed, patriotically, other items in the bill, such as those to which I have referred.

I know perfectly well that I am addressing a body of Senators who intend to support the \$56,000,000 appropriation items for rivers and harbors. I think it is no violation of a confidence that should be kept when I say that I made these remarks substantially to the Committee on Appropriations. But the \$56,000,000 appropriation was supported by that committee, and, of course, to use a colloquial expression, I had to take my medicine. And yet I think I owe it to myself and some other members of the committee to explain my attitude and that of those other Senators.

Last year, Mr. President, we sliced the Army probably more severely than it had ever been sliced in its history, and that on top of the slice the year before, which up to that time was the most severe in its history. We even went to the extent of dis-

missing from the Army—that is, dismissed from the active list—by retirement or discharge or by expedited resignations 1,400 Regular officers. More than that, we compelled the demotion of 1,800 others. We cut the enlisted strength down to 125,000 men, the smallest it has been since 1900 in proportion to our population and obligations. We have reduced it to the point where to-day there can not be mobilized in an effective manner in the United States 40,000 soldiers from the Regular Army. That is a serious matter, Mr. President, but its seriousness would not be so great if we were not threatened this year with the prospect of checking the logical and legal development of the National Guard. Having done away practically with the Regular Army as an army—for it is no longer an army in the true sense of the word; it is merely a military force scattered in tiny units over a huge continent and with garrisons overseas—having done away with the Regular Army as an army so far as mobilization effectiveness is concerned, we are confronted with the prospect of making it almost impossible to have anything else in the way of an army.

The Senate Committee on Appropriations wanted to raise the National Guard appropriation up to the Budget estimate. The House has cut it considerably below the Budget estimate, in some places very severely below, to such an extent that, in our judgment, the National Guard could not progress in accordance with the provisions of the national defense act. But we did not dare come up to the Budget estimate. Why? Because \$29,000,000 had been put on in excess of the Budget estimates on the one item of rivers and harbors. The same observation holds good with respect to appropriations for the Organized Reserves. We have increased and the Senate has adopted our increase of the appropriations for the Organized Reserves, but we did not dare come up even to the Budget estimate for the Organized Reserves and the civilian military training camp or the Reserve Officers' Training Corps in the schools and colleges. Why? Because the whole plan has been thrown out of balance by this extraordinary action in doubling the Budget estimates for rivers and harbors.

Mr. SMOOT. More than doubling it.

Mr. WADSWORTH. Yes; it is a trifle more than doubled. Of course, the whole idea of the Budget has gone if this method is going to prevail. If this can be done year after year, despite the advice of men who study as to where the estimated income of the United States can be most advantageously spent, if that advice is to be thrown overboard and the whole system dislocated on the score of one item which happens to control or sway a very large number of votes, we might just as well give up all idea of managing the finances of the Government of the United States in a businesslike manner in the future.

I may be swayed by my personal experience or contact with the thing when I say that I earnestly hope the river and harbor appropriations will be taken out of the bill next year. They have destroyed the effectiveness and the proper balance of the War Department appropriation bill. I can not go before the country and defend the total appropriation of \$340,000,000 on the War Department appropriation bill when the estimates were only \$319,000,000. How are the committees on appropriations as a body, regardless of the proclivities or special desires of some of them, going to explain to the country why they reported a bill \$21,000,000 higher than the amount the President and the Director of the Budget said we had available to spend, and why they distributed that \$21,000,000 excess in such a way as to crowd downward some items which should be brought upward and force upward some items which, it is conceded by the people who have studied the situation, did not need to be raised upward.

In the committee an effort was made to reduce the item very moderately. It was the ambition of some of us to report the bill to the Senate at a figure not exceeding the figure carried by the bill as the House passed it. The Committee on Appropriations found it absolutely necessary to add at least \$6,000,000. Unless we were to injure the effectiveness of the National Guard and to destroy the growth and effectiveness of the Organized Reserve, we could not help adding to the bill in the military items. I will say very frankly—and I think it is no violation of confidence—that I begged those Senators who are supporting the \$56,000,000 for rivers and harbors to agree to reduce the rivers and harbors item by \$6,000,000, so that the bill could come before the Senate at a figure no higher than that at which it passed the House. But I had no encouragement.

Mr. SMOOT. Mr. President, I think that it is fair to the committee to say that the amount reported out for rivers and harbors—approximately \$57,000,000—was not upon a unanimous vote by any manner of means, either in the subcommittee or in the whole committee.

Mr. WADSWORTH. That is true; but, nevertheless, I think the Senator will agree that the majority against us was somewhat substantial, and probably will be as to any effort made on the floor to reduce the \$56,000,000.

Mr. SMOOT. Let us give everyone a chance to express himself on it.

Mr. WADSWORTH. Oh, Mr. President, I am not criticizing the Senators who stood for the \$56,000,000 appropriation. They believe, of course, that that money should be spent, but where it is going to come from I do not know. The inclusion of \$56,000,000 for rivers and harbors brings the total of the money thus far appropriated by this Congress in the appropriation bills thus far passed above the total of the Budget Bureau estimates for those same bills, and the Budget estimates are based primarily on the estimated income of the Government of the United States. If we are going to appropriate more money than we have income ahead, where are we going to end? We can not go on in this way.

I had hoped that we might carve the appropriation down to a reasonable extent. It would not hurt the river and harbor projects if the appropriations should be reduced to the same figure which was provided this year, that is, \$42,000,000. That would be \$15,000,000 over the Budget estimates for this year, but it would bring the total of the bill within reasonable limits. It would bring the total of this bill, Mr. President, just about to the figure of the Budget estimate—a trifle over it.

It may be somewhat unconventional, Mr. President, for the chairman of the subcommittee thus to express himself when that same subcommittee has expressed an opposite opinion by their vote, but, notwithstanding, the matter is so important and my connection with it is so peculiar, that I thought I was justified in stating my own views on the effect which this astonishing increase has had upon the bill as a whole.

Mr. CARAWAY. Mr. President, it is not at all uncommon for one to become—I will not say obsessed with, but persuaded of, the wisdom of making expenditures to meet governmental activities with which he is in sympathy, and for that same person to be totally out of patience with the expenditure of public funds for projects that he happens not to approve. Senators on the other side of the Chamber are hastening the passage of this bill in order that they may reach the consideration of the ship subsidy bill, which will involve appropriations of \$30,000,000 or \$40,000,000 or \$50,000,000 a year, and not only necessitate annual appropriations, but establish a fixed policy that will be in existence for at least 10, 15, or 20 years.

If the Senator from New York is so distressed as to how the money is to be raised in order to meet the appropriations for river and harbor appropriations, if he will join with us we will defeat the ship subsidy bill and have a surplus over this increase in the rivers and harbors appropriation.

I am not in sympathy with the Budget plan as it has been administered. I do not conceive that two or three men whose training has not been that of business men, whose whole outlook on life has been that of men who draw salaries, who never created any wealth, are by such education and training qualified to control the activities of the American people, and that they know more about the needs of this vast country, with a population of 110,000,000, than do the representatives whom the people have elected. There is not a member of the Budget committee—and I am not criticizing them—who has ever associated himself with any section of this country to such a degree that he could be returned as a Member of Congress in either branch; not because they are not as good as the men who are elected, but because they have not had the opportunity to study the problems of the country and the people in their everyday life. They do not know the needs of the people of this country; they are not in sympathy with the aspirations of the American people. Therefore I do not attribute to them any divine right to control the activities of all the American people. I am not in sympathy with the Budget system. It never was a workable project under our form of government and it never will be.

Let me remind those who talk so much about the infallibility of the Budget system that there will be deficiency appropriation after deficiency appropriation coming along. There is one on the way now. Almost before the naval appropriation bill was out of the other House, and before it was through the Senate, there was another recommendation for a tremendous emergency appropriation for the Navy. There will be others for the Army; there will be others for every activity of the Government. It is all right to talk about the infallibility of the Budget system, but the very Senators who do so know that they will be on the floor of the Senate reporting deficiency bill after deficiency bill in order to take care of the items of which

the Budget Bureau never thought when they made the estimates.

I am in sympathy with the Senator from North Dakota [Mr. McCUMBER]. I am not informed as to his particular amendment, but I am going further than even that Senator went. The navigable streams of the country are under the exclusive and absolute control of the Federal Government. One can not improve them without the permission of the Congress of the United States. Then, can it be said that if the Government does not maintain a river and because of its failure private property is destroyed the Government is not at fault? I do not agree with such a contention. The Government controls the Missouri River and that river destroys the farm lands of North Dakota; inasmuch as that river is a Government stream, the Government owes something to the private property owners in North Dakota, not to maintain a public stream in such a way as to destroy their property.

It is a peculiar viewpoint that Congress seems to have. If the Government were to establish an industry and it was shown that it would damage private property, there is no Senator on this floor who would not vote for an appropriation to reimburse the owners of private property so damaged or destroyed. If we lay out a proving ground to use artillery for field practice we take care of the abutting property owners; and yet in the case of a great system of waterways that could be helpful, but are not, because the Government has been so parsimonious that those waterways are not only lying idle but are actually kept in such condition they destroy the property of people all along their length from source to mouth, we are told upon the floor of the Senate that the Government is under no obligation to maintain its property in such a condition that it will not destroy the private property, the lands that about the streams of individuals whom this very Government may tax. I have no patience with such a proposition. I do not expect the Congress to accept my theory, but I do say that no man upon any kind of equitable statement of the case can defend the attitude that Congress assumes of nonliability of the Government when it comes to the destruction of private property by reason of the failure of the Government properly to care for and maintain that which it uses, owns, and controls.

I think there is much merit in the amendment offered by the Senator from North Dakota. It may be true that it would be unwise and inexpedient to adopt it in view of the policy which is laid down in this particular bill of providing lump-sum appropriations. I never favored lump-sum appropriations. I prefer each item to stand upon its merits; and I voted in the Senate against the rule which placed river and harbor appropriations in the Army appropriation bill, while the Senator who so eloquently denounced it a moment ago voted for it.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. CARAWAY. I yield.

Mr. WADSWORTH. I think the Senator can not point to any rule of the Senate which does that. That was done in the House of Representatives.

Mr. CARAWAY. Here is what happened: When we consolidated the appropriations and put the various appropriation bills under the jurisdiction of one committee in the Senate this very suggestion was made. At that time it was earnestly insisted that when the appropriation bills came to the Senate we should send to the Committee on Commerce those items which had formerly been handled by that committee, to the Committee on Agriculture those items which had formerly been handled by that committee, and so forth. The Senator from New York was not in agreement with that policy, and wanted them all concentrated in one committee, and that has been done. Now he rises in his place and declaims against the policy for which he voted but against which many of us protested. I hope that we will find some solution of this question.

I do not believe in concentrated authority; I do not believe that three or four men possess all the wisdom in the world, however able they may be. I believe the collective wisdom of all the people is better than the judgment of some individual. I believe the ability of the entire Senate is more to be trusted than that of one committee, however able the membership of that committee may be—and I am not criticizing any committee. I believe that the Congress knows more than one Army officer—and I am not criticizing him, because I understand he is an excellent man, although I never saw him—and two or three hotel keepers. I should say, however, that if it were going to be left to them to get money, it was the wisest choice that could be made. [Laughter.] That system, however, is out of line with the policy of this Republic. It is an unworkable system which we have borrowed from the English Government. I am not in favor of it at all.

Here are some of the things that have happened under it: In connection with the Agricultural bill I saw the Senator in charge of that bill not make points of order against amendments which increased appropriations where it happened that he was in sympathy with the appropriation involved, and I saw him at the same time knocking down every other amendment proposing appropriations by points of order.

Mr. McNARY. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Oregon?

Mr. CARAWAY. I yield.

Mr. McNARY. I can not let that remark go by without correcting it.

Mr. CARAWAY. I will call the Senator's attention—

Mr. McNARY. Please let me finish my statement.

Mr. CARAWAY. Very well.

Mr. McNARY. I was in charge of the Agricultural appropriation bill on the floor of the Senate, and wherever I thought an amendment increasing or decreasing an appropriation came within the rule as it has been interpreted I made a point of order against it, without regard to party affiliations or individuals or sections.

Mr. CARAWAY. I shall accept that statement of the Senator, but I did not even have him in mind. I had in mind the appropriation for the destruction of the barberry bush. I think it was a good thing, and it went in the bill without a protest, although it provided an increase in the appropriation, the Senator upon my right insisting that the rule did not apply. Yet when there was an effort made to extend the same principle to another appropriation the Senator who had refused to make the point of order in the first instance said, "Of course, I was merely mistaken when I did not make it against the other," and he made the point of order against that last amendment.

Mr. SMOOT. The Senator does not refer to me, does he?

Mr. CARAWAY. I am not referring to the Senator from Utah; but I think that Senator was one who approved, and said that if the item was put in the bill in the House it was not subject to a point of order in the Senate. Did not the Senator say that?

Mr. SMOOT. I said nothing about the barberry bush in any way, shape, or form.

Mr. CARAWAY. The Senator probably was not here, then, because no item can be passed without his talking about it if he is present. However, I was mistaken about the Senator from Utah, but one Senator actually commented upon the two items, and the Senator from Oregon knows it, and they were on the same plane. Oh, I know how it is; how impatient we are with appropriations that do not meet our approval, and how tolerant we are with those that do.

I never expect to see the Senate and Senators change in that respect. It is not human. It is only a waste of public money when we do not approve of the manner in which the money is to be expended. It is a "pork barrel" if it is being expended for some activity that does not appeal to us as wise. It is statesmanship if the appropriation is made for some activity with which we are in sympathy.

A Senator the other day was reading an editorial about the wasteful expenditure of money on the Mississippi River, and yet I never in my life heard a Senator from that section criticize the effort of the Government to reclaim a vast desert, and I do not criticize it now. I am in sympathy with it; but here is what some people fail to understand. I am speaking now of the policy advocated by the Senator from North Dakota. This Government has not any wealth of its own creation. Every dollar in the Treasury came from somebody. Somebody's sweat and brawn created it. Some other activity produced it. The Government merely collected it; and men can not do business unless the facilities for doing business are created, or within their power to create. The reclamation of the waste lands in the West, the reclaiming of the river valleys in the South, have added hundreds and hundreds and hundreds of millions of dollars to the national wealth. They have paid back into the Treasury of these United States twenty times more than they cost, and yet the wealth is still there, and it is not destroyed by the fact that the Government is reaping the harvest of the taxpayer from it.

There are millions of acres of farm lands that are feeding and clothing people that were made suitable for cultivation and possible for farmers to till by reason of some expenditure of the public money. There is not a spindle now turning in a New England cotton mill that has not been benefited by the expenditure of public moneys that kept the Mississippi River from destroying that great fertile valley in which most of the cotton of this country is grown. It does not inure to our benefit alone. They get more than we out of it.

The Senator from North Dakota wants to save the rich wheat fields and corn fields of North Dakota. If it were not for the wheat and the corn fields the people in the cities would starve, and the Senator who so declaims against appropriations of this kind would not have anything to clothe and feed the armies that he is so anxious to create. And yet nobody ever heard of an unwise appropriation, according to his view, if it were to be spent upon the Army or Navy. It only becomes a "pork-barrel" measure if some humble farmer in North Dakota or in Arkansas or Louisiana may be helped to contribute his little toward the feeding and clothing of the peoples of the world.

I am not in favor of the policy that we seek to lay down. I know, and the Senator from New York knows, and all those who are so eloquently proclaiming about the benefits of the Budget system, that the men who thus estimate, who restrict and direct the expenditure of public money, are not acquainted with the many activities of this Government; and if we are to become hopelessly tied to a Budget and to be dominated and controlled by a Budget, I know that this country will be developed in a one-sided way.

Mr. WARREN. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Wyoming?

Mr. CARAWAY. I yield to the Senator.

Mr. WARREN. If I remember rightly, the Budget system did not originate or grow up in the first place with any individual in the Senate, or with the Senate itself, or with the Congress. As I remember, the great political party of which the Senator is an honored member, as well as the opposite party, both declared for a Budget and both voted in their conventions to ask Congress for a Budget law. The President—who was not an outlaw, as perhaps some of us are, about a Budget—took up the matter. We heard from President Woodrow Wilson not only that we were to have a Budget, but that the appropriation bills should all go to one committee in the House and in the Senate, which seems to be another transgression, in the Senator's mind.

I was one of those who had some doubt about a Budget. I did not vote against it and I did not vote for it; but so long as I did not vote against it I practically voted for it, we will say. That is my remembrance of the matter. But I am satisfied that the Budget has saved a great deal of money, and although it may not be a proper thing for me to state now, as it may interject my personality a little, I want to say to the Senator that I served here some considerable time before there was a division of the different supply bills and a distribution of them to different committees.

I know that General Cockrell—an honored member of the party of which the Senator from Arkansas is a member, from Missouri, who served here for years, and a fairer man never lived or served in the Senate, in my estimation—stated on the floor of the Senate then, as the rule was adopted which distributed the appropriation bills among several committees, that that act would mean anywhere from one to several million dollars a year extra expense, and it has proven to mean that, and many times more. It has been stated on the floor of the Senate from our side of the Chamber—I think it was urged by the then chairman of the Finance Committee, Senator Aldrich, who, of course, had to take care of the revenue, and so forth—that it was costing \$300,000,000 a year more than was necessary. This statement was made after a few years' trial of the changed rule.

Without any bidding of the Senate, so far as I know, and without any bidding on the part of any member of the Appropriations Committee, the House took up the matter of having but one Appropriations Committee. The Bureau of the Budget, which had been almost unanimously established by the votes of both branches of Congress, changed the system of estimates and provided that certain bills should carry certain items. It made a confusion and a commotion that could hardly be met by the old way of dividing up the appropriations here, and the consequence is that the rule was passed which recognized both ways—to take the old Appropriations Committee as it stood and to add to it three members from each one of the other appropriating committees of their selection to sit with the general Appropriations Committee in considering each of such committees' one bill.

So far as I am concerned, it has made a great deal of hard work for the Appropriations Committee, but I do not regret it, and I want to commend the way in which the committee has handled it, the way in which the clerks of the committee have worked nights and Sundays and long days—and so have the members of that committee. These ex officio members who have come in and worked with us on the subcommittees have taken up the subjects with more spirit than they were ever taken up, I think, by the committees when each of them had but one

appropriation bill. The facts were all there for them to obtain information as they went along; and I want to take this opportunity to commend the general committee itself and the employees of the committee, who have been so valiant in their work. I want to say that for 12 years we never have passed the appropriation bills in a short session—all of them. They have run on, even though there were only six in the Appropriations Committee, and the others were handled outside of it; every year the 4th of March of the short session has found us with a part of the appropriation bills not passed, and the consequence was the expense of an additional session.

There could not have been better service furnished in any way than has been furnished to that committee by some and in fact all of the members, the ex officio members. I have two of them in sight now, the Senator from Oregon [Mr. McNARY] and the Senator from New York [Mr. WADSWORTH], both of whom, I want to say, have given the best of service from first to last; and taking the expenses of this Government as a whole, as large as they may be, and as frightful as they are to look at, they would have been millions larger if this work had been divided, it does not make any difference who might have had charge of it. In my remarks concerning the division of the bills I do not allege that it is because of any intent on the part of those who have had, say, one committee and a great deal of other business; but where the committee has had only one appropriation bill it has been submerged, generally, with the other business of the committee, and it is approached by those from the outside who are designing, and the consequence is that when we have a Budget they are not infallible, it is true, but they spend the whole year in this work. Now, how much time can a Senator spend upon any one particular committee unless he is confined to one committee in this body? Yet this Budget Bureau spends the whole year in getting these things, these expense items, together, seeing what can be cut out, in the bureau's judgment, and what should be put in, and its officers then submit their work to us.

I know that the Senator from Arkansas does not want to proclaim that either he or I is an outlaw because originally we had some suspicions as to the Budget. We have to work together with those in our party, and those Budget ideas have become engrafted in the memories and thoughts of the country so that it is almost unanimous. We have to take the average, and we have to work it out, and I think it is working well.

Mr. CARAWAY. Mr. President, if the Senator from Wyoming thought I was criticizing him, I have been unhappy in what I said.

Mr. WARREN. Oh, no; not at all. I did not think that.

Mr. CARAWAY. I think we are exceedingly fortunate to have the Senator from Wyoming at the head of the committee in this exceedingly difficult transition from a people's government to a bureaucracy. It does not make the method holy, though, however wise the Senator himself may be.

Here is what I started to say, and I wish to complete the statement: If all the appropriations shall be controlled by a Budget Bureau, necessarily those activities of the Government with which it is most familiar or is most in sympathy will get the larger part of the expenditures of the public funds. That is one of the frailties of human nature. There is more merit in that project with which we have sympathy than in that project with which we have no sympathy. There is also the other weakness, inherent with us, that if we are brought into constant contact with people who are interested in some particular line of legislation or governmental activity, and we like them, and they are intelligent, eventually we fall more or less under their control. Therefore, those activities of this Government which are not able and are not suited to be represented by a lobby here in Washington 12 months in the year will necessarily suffer, and those activities of the Government which are centralized here or have the ability to represent themselves by great lobbies, social and otherwise, will profit.

That is apparent when we legislate for the District of Columbia. More money can be gotten for the District of Columbia's needs, according to the amount it contributes toward the wealth of the Government, than for any other activity of this Government, because the Members of Congress are brought constantly into contact with the conditions here and with the people here, and have sympathy with the people, and an interest in and appreciation of their necessities.

Those things with which people are not constantly brought into contact, usually, without being unfair, but through lack of information, and therefore no sympathy, that is easily demonstrated. For instance, everybody knows that the Senator from North Dakota [Mr. McCUMBER] is a splendid man, a just man, yet he has offered an amendment which he knows is

vital to the situation in his State, and members of his own party, but from different sections of the country, are pointing to it as an unjust and indefensible effort upon his part to localize expenditures which are contained in a lump-sum appropriation. That is the misfortune in this very system. He loves his country, and he knows its needs. He is not unmindful of the needs of the rest of the country, but under the Budget system he stands here with his hands tied, because the Budget did not know anything about the necessities of the farmers and the business men and the stock growers along the great valley of the Missouri River in North and South Dakota. They gave \$25,000 for an activity which he says is worthy of \$250,000, and I say that he knows more about it than General Lord, who never saw North Dakota, possibly, and, if it were not colored, I doubt whether he could point to it on the map; but I am not criticizing General Lord.

Mr. BORAH. He is color blind?

Mr. CARAWAY. It is one of the handicaps of life that men who devote all their activities to some particular line do not appreciate other activities in other localities. We all noticed quite a while ago the acrimonious discussion between two branches of the Navy, one branch insisting that the air was the best defense, and that they could show that the battleships were obsolete, or obsolescent; the other contending that the battleship was the first line of defense. One knew how to fly; the other knew how to sail. Neither appreciated the other, because their whole interest was wrapped up in the line of activity with which they were familiar.

The gentlemen who handle the Army appropriations believe the Army is the one essential thing, that if you could get everybody into uniform, and could get spurs on their boots, although they might not know a horse from a cow if the cow were dehorned, civilization would be safe. The other believes that if you could get all the wealth of this country into battleships everybody else could sleep securely at night. The centralization of authority is the thing against which I am protesting, giving a few men who can not know personally the needs and wants of this country the control of the resources of every man and woman, from mountain to sea, and from Canada to Mexico. It is wrong, and the system that puts into one committee all this power is wrong, although I will state, so as not to get into any argument with them, that that committee contains more than half the wisdom of the Senate.

I am satisfied that no more disinterested Senator sits on this floor than the Senator from New York [Mr. WADSWORTH]. I have a very high regard for him. I am sure that in his heart of hearts he believes that every dollar which is appropriated to be spent for the great harbor of New York is a wise appropriation of public money, and that it would be sacrilegious to cut one penny from it. Yet he has no patience at all with the Senator from North Dakota, and believes that the Senator from North Dakota is trying to raid the Treasury. It is because he does not appreciate the situation in North Dakota. It is the system against which I am proclaiming.

My good friend from Utah, sitting over there, who is going to vote against every item in this appropriation for rivers and harbors and be sorry there are not more of them to vote against, is one of the best men in the Senate. He is one of the few men who have the courage to vote against local measures and do it every time. The other day he was reading with approval an editorial from the Chicago Tribune which was "cursing" out the expenditures on the lower Mississippi, and he was approving that paper as a second Daniel come to judgment. In a subsequent paragraph it said we were committing a sublime folly in cutting to the bone the Army and Navy appropriations, and then the Senator from Utah said, "This man is exactly right when he talks about rivers and harbors, but he is feeble-minded when he is talking about the Army and the Navy." It depends on the viewpoint.

Mr. KING. Will the Senator yield?

Mr. CARAWAY. With pleasure.

Mr. KING. The Senator is so kind in his allusion to me that I want to ask if he would indulge me while I state that heretofore I gave notice that I would offer an amendment calling for an international conference with all nations with which we hold diplomatic relations for the purpose of reducing the Army and the Navy; and in view of the fact that a number of Senators have asked me whether I was going to ask for a vote on that amendment I want to give notice that I shall ask for a vote on it to-day or to-morrow.

Mr. CARAWAY. And the Senator will find the Senator from New York almost reading the Senator out of polite society for daring to lay his hand on the Army.

Mr. KING. Let me say to my good friend, with respect to his observation about my attitude upon rivers and harbors, that I am not quite as radical as my friend assumes. I think

there are some items in this bill which are quite admirable, and I should vote for a very liberal river and harbor bill. I think some of these items may not be justified, and may I say to my good friend from Arkansas, whom I love very dearly, that I should be glad if we could evolve a system of dealing with this very important subject that would be, if I may use the expression, scientific, reasonable, just, and fair, and for that purpose and to that end I had the honor to submit upon two or three different occasions an amendment to river and harbor bills calling for the creation by law of a commission consisting of two Army engineers and three men of ability in business and in engineering, to be appointed by the President, by and with the advice and consent of the Senate, who should have authority to survey the whole field and make reports as to what projects should be developed, and approximately the amount which should be appropriated from time to time for the development of those projects, submitting their reports to Congress for Congress's approval, and then that we should make appropriations in lump sums to that commission, and they should expend them according to their wisdom. I should heartily support a project of that kind.

Mr. WARREN. That would be passing the buck to the other fellow.

Mr. CARAWAY. Yes; that would be a still greater concentration of authority, and a surrendering of all the obligations and duties that rest upon us to legislate. Of course, the time will not come in my short life, but I wish we could get rid of bureaus, instead of multiplying them. I have never seen wisdom grow out of bureaucracy. As other countries get rid of bureaus and bureaucracy, we set them up.

Mr. WARREN. We provide for them by resolution.

Mr. CARAWAY. Of course. We will suspend anything to create a bureau, and turn over to it the administration of governmental functions for which it has no capacity and in the administration of which it displays no sympathy. Let us bear our own responsibilities without sheltering ourselves behind the Budget or any other bureau.

I am not talking about the Senator from Utah, but he suggests to me that a great many people refuse to project themselves into the future and exercise any imagination about advantages that may come from the expenditure of public funds. Unless they can see that there are so many thousand tons hauled on a river to-day, they say, "It is a waste of public revenue to appropriate for the improvement of that river because now there is no commerce."

Let us see that river improvements, both for the benefit of navigation and for the benefit of people who create the wealth of this country, have a fair chance. Here is a bill carrying three hundred and some odd million dollars. Fifty-six million of it is for the improvement of the waterways and harbors which are to care for the commerce of this country. Nearly \$300,000,000 is for an Army. The Senator from New York shakes his head. How much is for the Army?

Mr. WADSWORTH. Two hundred and fifty million dollars.

Mr. CARAWAY. What are the other things appropriated for besides rivers and harbors?

Mr. WADSWORTH. The Panama Canal Zone, national soldiers' homes, all the national military parks, all the national cemeteries, the Alaska roads and trails, and Alaska cable.

Mr. CARAWAY. I remember.

Mr. WADSWORTH. Quite a number of things.

Mr. CARAWAY. It all comes back to this, that the expenditure of \$250,000,000 for an Army is the part of wisdom, but the expenditure of \$56,000,000 to take care of the commerce of 110,000,000 people, and do something for the reclamation of this great country of ours, is an extravagant and indefensible waste of public revenue. Our attitude depends on our viewpoint, Mr. President.

Mr. RANDELL. Mr. President, I want to say merely a few words, and I shall detain the Senate only a few minutes.

I am sorry there has been much discussion about the river and harbor item in the bill. The item seems to come in every year for more or less talk, and I presume we are lucky in having adopted the lump-sum system, because if we had all the items in the bill, as we used to have, it would take us a week or so, as it used to take us, to pass the bill.

Mr. WARREN. Mr. President, may I ask the Senator a question?

Mr. RANDELL. I am delighted to yield to the Senator from Wyoming.

Mr. WARREN. In passing a river and harbor bill, wherever it originated or wherever it ended, have we ever escaped having a great many hours of discussion?

Mr. RANDELL. We have escaped passing a wise bill several times. We have many times escaped doing what the

Engineer Corps of the Army asked us to do in regard to the river and harbor items. The Engineer Corps of the Army is not responsible for these matters. They are charged with a duty and they have very wisely and well, in my judgment, performed the duty imposed upon them in this matter. We have told the engineers of the Army that they must look after the waterway improvements of this great Nation, and in the past, my senatorial friends, when they have said they needed a million dollars we have rarely ever given them more than \$500,000, and when they have said they needed \$50,000,000 we have rarely ever given them \$25,000,000.

I have been a close student of the subject during the 23 years of my congressional life, and I can testify that we have never heretofore given the Engineer Corps of the Army what they said could be wisely expended. This is the first time in the history of the American Congress of which I am aware, Mr. President and Senators, when the Congress of the United States has proposed to give to the Engineer Corps what they have said could be wisely and profitably and advantageously spent during the ensuing 12 months. If anyone can show me where we have done it before, I wish they would do so, because I do not recall it.

This time the engineers were specially questioned about it. They did not advocate it; they did not lobby for it; but when brought before the committees of Congress and asked what sum they could profitably expend on all the great waterways during the coming 12 months, they said the amount was \$56,590,000. They were asked then, "Where do you propose to expend that sum?" They gave the information in itemized form, and I am going to go over it to some extent in a few moments. They said, "The Members of Congress have approved the various waterways. You have said by your action that the waterways should be improved. You have told us to go ahead and improve them. If you want them improved, give us the money. We can not do it without the money. We can not make the success that was made at Panama unless you give us the money as the engineers of Panama were given the money."

It is "a shame for us to adopt these projects and hold the Engineer Corps of the Army responsible and to expect results from them and then not give them the money. We have gotten remarkable results in many of the great harbors of the country. Why? Because we have given to the harbors on the Great Lakes, on the Atlantic, on the Gulf, and on the Pacific the necessary sums of money to improve those harbors properly. Now, I do not say that there was anything improper or sinister in improving the harbors and not improving the rivers, but I wish to call it to the attention of the Senate that the harbors are railroad terminals and the rivers are railroad competitors. Senators can draw their own inference or conclusion from that statement. A harbor is a place at which the railroad runs its trains alongside the ship and unloads its cargo into the ship, or takes a cargo out of the ship. It is a terminal. The railroads have always assisted in securing liberal appropriations for the improvement of the harbors, and the harbors in the main have not suffered.

But, sirs, we have not improved the great rivers of the country which compete with the railways. In 1876 we began to improve the Ohio River much as it should be, though it is not now a great competitor of the railways. It should carry an immense volume of commerce. Since 1876 we have spent considerable money on the Ohio River, but we have never brought the project to completion. Finally in 1910 we adopted definitely a specific project of a 9-foot channel on the Ohio River from Pittsburgh to Cairo. That was 13 years ago. It was said we would finish it in 10 years. We are nothing like through with the project. If we would give the engineers all the money they should have, they could finish the Ohio project in five or six years more.

Now, Mr. President and Senators, the same engineers, who have lagged so long with the Ohio River from 1876 up to the present time, finished the Panama Canal, which is certainly as great an engineering work as there is on any one of our rivers, in a period of 10 years. Why did they finish the Panama Canal within 10 years? Why, sirs, it was done because we gave them the money; we permitted them to go ahead with the work; we acted in a businesslike, sensible way. If we would act in the same businesslike, sensible way in regard to the waterway improvements of the country, we would get similar results.

What would be the benefit to the Nation? The transportation people tell us that there have been no railroad lines of any consequence built in the last three or four years.

Mr. Rea, president of the Pennsylvania Railroad, in testifying about one year ago before a committee of Congress, said that the railroads of the United States during the previous year had constructed 400 miles and lost 700 miles. The net loss to

the railroad system of America was 300 miles. The best railroad experts of America say that transportation doubles every 10 years. The demands of this great country upon the transportation systems of the country double every 10 years, but there has been no railroad mileage doubling during the last 10 years, and there has been no doubling in the number of cars or engines on the railroads.

We need the waterways to help carry freight. A very large volume of freight could be carried on the waterways if properly improved. It should be so carried. The waterways were established by the Creator of the world thousands of years before there were any railways and thousands of years before there were any highways. They are natural carriers of freight. They carry freight cheaper than any other agency can possibly carry it, and we should utilize them to the fullest extent.

Mr. President and Senators, this is the first time in my experience that we are giving the Engineer Corps of the Army a fair show; that we are giving them the money to carry on their work. Do not let the Senate take a backward step now after the House has gone forward to give every dollar the engineers say they can spend wisely. After the Appropriations Committee of this body have recommended to us the giving of the same sum of money which the engineers need, do not let us take a step backward now by refusing to approve the item.

What is the money for? Some Senators do not seem to understand what is to be done with the money. I shall not go into all the items, but I wish to refer to just a few from the testimony of General Taylor, assistant to the Chief of Engineers. He prepared a table which was attached to his testimony and which shows, in the annual report of the Chief of Engineers, the amount that can be profitably expended during the fiscal year ending June 30, 1924, for the maintenance and improvement of river and harbor work, including commerce also for 1921. The table has already been placed in the Record by the Senator from Virginia [Mr. SWANSON]. I shall not put it in the Record again, but I wish to call attention to just a few items.

I see at the start, under the head of "Principal seacoast harbors," a proposed expenditure of \$318,000 for New York Harbor, N. Y., where there was a commerce in 1921 of 22,117,535 tons, a colossal commerce. The commerce of America, to a great extent, comes into that harbor.

For East River, N. Y., there is a proposed expenditure of \$3,025,000, and the commerce through that river was \$32,071,134. That was also a colossal commerce.

For Staten Island Sound, N. Y., there is a proposed expenditure of \$1,000,000. The commerce there in 1921 was \$23,122,843.

On the Delaware River, from Philadelphia to the sea, there is a proposed expenditure of about \$3,000,000. In 1921 the commerce was 15,612,616 tons. I have not the value of that commerce, but it was enormous.

For the Baltimore Channel there is a proposed expenditure of \$650,000, and the commerce during the year 1921 was 11,911,846 tons.

For the Southwest Pass of the Mississippi River, in my own State, there is a proposed expenditure of \$1,500,000. The commerce there in 1921 was 15,123,063 tons.

For Galveston Harbor there is a proposed expenditure out of this item of \$90,000. The commerce there in 1921 was 13,621,173 tons.

For San Francisco Harbor the proposed expenditure is \$340,000 and the commerce is 8,302,725 tons.

For the Hudson River Channel, N. Y., there is a proposed expenditure of \$100,000 and the commerce there in 1921 was 35,168,448 tons.

For Norfolk Harbor, Va., there is a proposed expenditure of \$550,000 and the commerce there in 1921 was 11,623,673 tons.

For Seattle Harbor, in Washington, the proposed expenditure is the infinitesimal sum of \$10,000. The commerce was 4,117,002 tons. The total amount proposed for all of the great harbors which I have named and for many others under this bill is \$19,683,410 for improvement and \$7,375,400 for maintenance, or a total of \$27,058,810. No man in the Senate, no man in the Union, can criticize one single dollar of all those items of appropriation for the great harbors in this country. I have not heard anyone even attempt to offer a criticism.

Then under the second heading are "Secondary harbors and coastwise channels." I will refer to a few of them. They are considered secondary, it will be observed. I find for Bridgeport Harbor, Conn., a proposed expenditure of \$97,000, while the commerce there last year was 762,419 tons. For the Delaware River, from Philadelphia to Trenton, there is a proposed expenditure of \$25,000. On that waterway there was a commerce of 1,760,220 tons. On the Potomac River, coming up from the sea to this city, there is a proposed expenditure of \$74,000, and the commerce last year was 891,792 tons.

I ask leave to embody in my remarks, without reading, some additional figures as to proposed river and harbor expenditures and as to the volume of commerce.

The VICE PRESIDENT. Without objection, permission is granted.

The matter referred to is as follows:

Locality.	Improvement.	Maintenance.	Commerce 1921 (tons).
James River, Va.		\$40,000	388,545
Waterway, Beaufort, S. C., to St. Johns River.		42,000	266,108
Miami Harbor (Biscayne Bay), Fla.		32,500	332,325
Charlotte Harbor, Fla.		5,000	303,576
Calcasieu River and Pass, La.	\$25,800		356,170
Port Bolivar Channel, Tex.		20,000	373,000
Suisun Bay Channel, Calif.		13,000	519,532
Bellingham Harbor, Wash.		5,000	514,595
Agate Harbor, Minn.		2,000	3,980,097
Duluth-Superior Harbor, Minn. and Wis.		50,500	30,083,555
Ashland Harbor, Wis.		6,000	3,183,453
Keweenaw Waterway, Mich.	7,000	70,500	940,681
Green Bay Harbor, Wis.	110,000	10,000	1,146,817
Milwaukee Harbor, Wis.	500,000	118,000	6,431,147
Ludington Harbor, Mich.		150,000	1,830,203
Frankfort Harbor, Mich.		20,000	1,132,000
Chicago Harbor, Ill.		21,000	2,632,343
Calumet Harbor and River, Ill. and Ind.		160,000	6,215,989
Indiana Harbor, Ind.	286,000	38,000	2,395,962
St. Marys River, Mich.		25,000	48,259,254
Channels in Lake St. Clair, Mich.		15,000	57,523,481
Detroit River, Mich.	450,000	10,000	63,973,308
Alpena Harbor, Mich.		5,000	627,740
Toledo Harbor, Ohio.		50,000	9,202,109
Sandusky Harbor, Ohio.	68,000	10,000	2,427,220
Huron Harbor.		5,500	2,214,631
Lorain Harbor, Ohio.		5,000	4,941,882
Cleveland Harbor, Ohio.		25,000	6,200,302
Fairport Harbor, Ohio.		5,000	1,945,310
Ashtabula Harbor, Ohio.		5,000	6,401,667
Erie Harbor, Pa.		10,000	2,325,067
Buffalo Harbor, N. Y.	50,000	21,500	14,732,184
Black Rock Channel and Tonawanda Harbor, N. Y.			
Ogdensburg Harbor, N. Y.	200,000	25,000	1,216,749
Hudson River, N. Y.		2,000	927,760
Black Warrior, Warrior, and Tombigbee Rivers, Ala.		220,000	1,936,901
Between Missouri River and Minneapolis, Minn.	64,000		784,967
Ohio River, lock and dam construction.	1,100,000		761,522
Monongahela River, Pa. and W. Va.	7,000,000		8,037,788
Sacramento River, Calif.	2,000,000		16,100,824
Mattaponi River, Va.		95,000	976,506
Neuse River, N. C.		8,000	96,543
St. Johns River, Palatka to Lake Harney.		12,000	125,479
Tombigbee River, mouth to Demopolis.		10,000	171,086
Pascagoula River, Miss.		18,000	619,391
White River, Ark.		10,000	77,095
St. Francis and L'Angeuille Rivers and Blackfish Bayou, Ark.		22,500	171,044
San Joaquin River, Calif.		9,000	320,242
Willamette River above Portland and Yamhill River.		26,000	646,657
		29,600	1,187,896

RECAPITULATION.

	Improvement.	Maintenance.
Principal seacoast harbors.	\$19,683,410	\$7,375,400
Secondary harbors and coastwise channels.	7,860,900	1,509,600
Lake harbors and channels.	1,726,000	1,450,800

Mr. WILLIS. Mr. President—

Mr. RANSEDELL. I have not concluded my remarks, I will say to the Senator.

Mr. WILLIS. I wish to ask the Senator a question.

Mr. RANSEDELL. I shall be delighted if I can answer the question.

Mr. WILLIS. If it will not interrupt the course of the Senator's argument, I should be glad if, before he takes his seat, he would call attention to the tremendous tonnage that is carried from certain ports in Ohio, together with the comparatively small appropriations which are made therefor. The Senator will find that on page 7. I particularly invite his attention to those figures, for it seems to me they are very interesting.

Mr. RANSEDELL. I will say to the Senator that I have every one of those ports marked, to be inserted in my remarks. Starting with Toledo Harbor, for instance, on which an expenditure is proposed of only \$50,000, the commerce was 9,202,109 tons. At Conneaut Harbor, where the proposed expenditure is \$33,000, the commerce was 1,800,000; and so on. I would gladly call attention to each one of them did time permit. There is a colossal commerce, let me say, at each one of these harbors, while the expenditure is very small.

Mr. President, I happened to be a Member of the House of Representatives many years ago when the improvement of those harbors was under way. It cost very considerable sums, let me say to the Senator, properly to improve those harbors; but they

were improved, and wisely improved, to the great advantage of the American people. The engineers were given the money to improve them. I called attention to the fact that I had never known any failure of appropriations for harbors which are railroad terminals. Let me repeat, whenever there is a harbor which is going to assist the railroad to unload its freight and to load its freight for that harbor liberal appropriations are provided by Congress. If the Senator will go back to the appropriation bills of 25 or 30 years ago, in which provision was made for the improvement of the various harbors to which he alludes, he will find that we were spending a great deal more money on them than is proposed to be expended now. They are completed works—they are finished—we do not have to spend money on them now, thank goodness. A great many of the projects for which the money in this bill is proposed to be expended will be finished in the reasonably near future.

Let me say that one of the greatest expenditures in this bill is about \$7,000,000 for the Ohio River in the Senator's own State. When that \$7,000,000 shall have been expended and about \$13,000,000 additional—for it will cost \$20,000,000 to finish the project—we shall have a permanent system of locks and dams on the Ohio River. We shall not have to spend any more money on the Ohio River. We shall have works made of concrete and steel that will last practically forever. The whole American Republic will derive the greatest benefit from the cheap freight that will go down the Ohio River from the Pittsburgh district.

Do Senators realize that the Pittsburgh district on the Ohio River is the greatest freight center in the world? There is nothing comparable to it anywhere on earth. It is said that the combined freight of the Pittsburgh district—by that I mean the city of Pittsburgh, up the Monongahela River a few miles, and down the river for 50 miles—is greater than all the freight of the five greatest ports on earth; greater than the freight of New York, London, Liverpool, Hongkong, and Antwerp combined. It is a marvelous section. That freight is composed largely of iron and coal and steel and the products thereof and many other minerals. That tremendous production will go down the Ohio River on this improved canalized stream, which will be 9 feet deep from Pittsburgh to Cairo. It will go down to the Mississippi on the improved Mississippi. It will cheapen transportation to a remarkable extent for all the middle and western sections of our country and for foreigners who buy our products, for, let me say to Senators, it is infinitely cheaper to carry freight 2,000 miles to the Gulf of Mexico by water than to carry it 400 miles across the mountains to the Atlantic Ocean. The whole country will derive benefit from that great improvement.

Again let me ask the Senator from Ohio to join in helping to complete the great work on that great river in his State, as we did complete the work on the great harbors in the northern part of his State.

Mr. KING. Mr. President, may I make an inquiry of the Senator?

Mr. RANSDALL. I will be delighted to answer the Senator if I can.

Mr. KING. While the Senator was referring to the tremendous quantity of freight which had its origin in and about Pittsburgh and his prophecy as to what would be the future of traffic upon the Ohio River, I was wondering what proportion of the freight which had its origin in the district to which the Senator refers goes to New Orleans and to territory that would be reached from the port in New Orleans. If the Mississippi River is so valuable for that purpose, why has it not been used in the past for the purpose of transporting coal and iron and steel and what not from the Pittsburgh district to New Orleans?

Mr. RANSDALL. For the simple reason that the river has never been completely improved. There is a period of several months during low water it is possible to wade across the Ohio River at many points. So the river can not be used except during the season of high water, which is a very limited period. When the improvement of the river is completed by canalization, as it will be under the existing project, the river will have an annual, all-the-year-around depth of 9 feet, except for a brief period when it may be closed by ice. Where there is a sure and certain period of navigation, commerce is bound to flow that way, because river transportation is so much cheaper than rail transportation.

In the early days, I may say to the Senator, before there were any railroads in operation and when the only means of transportation on land was by wagon, there was a very large commerce on the Ohio River which went down that river and the Mississippi in flatboats following the spring floods, and

then the boats were broken up at the city of New Orleans. However, after the railroads began operation, the Senator knows very well that a railroad which operates 365 days in the year is certainly going to be used instead of a river which can not operate anything like 150 days during the year. There must be certainty of transportation; it must be steady; it must be reliable. That is why the Ohio River has not been used, but it will be used when the improvement is completed.

Senators, I do not propose to discuss this measure any further. The House passed this item, it has been recommended by the Appropriations Committee, and is now before us. I think we should adopt it; I think we should give the engineers of the Army a chance to see what they can do with the various projects which have been approved. One thing is certain: We ought either to give them money to finish the improvement of our great interior waterways or we ought to make a declaration that we do not intend to improve them—one or the other. It is unwise, it is foolish in the extreme to carry on these works for an indefinite period, well knowing that we can derive no material benefit from them until they are completed.

Mr. WILLIS. Mr. President, I had not thought of saying anything at all concerning this item at this time, but the remarks which were indirectly addressed to me by my good friend, the able Senator from Louisiana, seem to make it necessary that I should say a word in order that he and others may not misunderstand my position.

I am delighted to know—indeed, I had no doubt about the matter—that the Senator from Louisiana is in favor of appropriations for really meritorious works in connection with rivers and harbors. I do not need, however, to be urged by him to support such appropriations, because I have always been in favor of them and have openly so stated.

The Senator, I think, knows the ground of my objection to some features of this bill. As I said this morning, I am in favor of appropriations for improvements that begin somewhere and end somewhere, that are part of a real system. There are items in this bill, Mr. President, that are open, I think, to proper criticism. Without referring to any particular one, except as I may refer to the figures as I glance over them, let me call the attention of the Senate to an appropriation of \$4,100 for a project where, so far as the figures show, there is no commerce at all.

Mr. RANSDALL. Will the Senator give the name?

Mr. WILLIS. Here is another item of \$4,000 for the improvement of a river where last year there were only 1,500 tons of commerce. I notice another item of \$10,000 for a project where there were only 5,000 tons of commerce.

Here is another interesting item, being an estimate of \$9,000 for maintenance of a project where last year there were only 80 tons of commerce. That is a large amount to pay for the transportation of 80 tons of freight. I note another item of \$15,000—

Mr. RANSDALL. Mr. President, will not the Senator kindly go a little more into detail, so that we may examine the facts as to the various projects? I do not know to what items the Senator is referring.

Mr. WILLIS. I am referring to page 6 of the report, a copy of which the Senator has. My eye caught on page 6 an item of \$15,000 for the maintenance of a project where there were carried last year 40 tons of commerce. It would seem to me that that would be a rather high rate to pay for the transportation of 40 tons of freight, and that expenditure is merely for the maintenance of the improvement. Here is another one, just a few lines below that, where \$2,000 was paid out last year and only twelve hundred and odd tons of commerce were carried.

It seems to me that those items are properly subject to criticism; but, since the Senator was referring to the matter, I desire to place in the RECORD at this point, without reading all of them, some items of appropriations relative to my own State.

The Senator very properly has referred to Toledo Harbor, which, as he has correctly stated, was improved a number of years ago. I invite his attention to the fact that there are only eight harbors in the whole United States that have a larger commerce than Toledo. Those eight harbors are New York, Boston, Philadelphia, Baltimore, Norfolk, Galveston, Duluth-Superior, and Buffalo.

The next one in point of importance is Toledo, with over 9,000,000 tons of commerce the last year, for which we have figures, and yet an appropriation for maintenance of only \$50,000 is made. As the Senator has correctly said, large amounts were expended in making that improvement, and yet, as I happen to know personally, the amount that is now provided for maintenance is not sufficient to keep that improve-

ment in workable condition. In other words, the channel that has been made at great expense is gradually closing up.

Here is another to which he referred—Conneaut Harbor. Last year that harbor had 7,800,000 tons of commerce, and yet for maintenance, as suggested here, there is given only \$8,000.

What I am complaining about is that we are liberal in the appropriations for places that have practically no commerce and no guaranty that there will be any, and yet we are parsimonious when it comes to making appropriations for places where there actually is some commerce and some probability that it may increase.

I ask unanimous consent to place in the Record at this time the statement of the appropriations proposed for the various Ohio projects on Lake Erie.

The VICE PRESIDENT. Without objection, it is so ordered. The statement referred to is as follows:

Locality.	Improve- ment.	Mainte- nance.	Commerce 1921 (tons).
Toledo Harbor, Ohio.....		\$50,000	9,202,109
Sandusky Harbor, Ohio.....	\$58,000	10,000	2,427,220
Huron Harbor, Ohio.....		5,500	2,214,631
Lorain Harbor, Ohio.....		5,000	4,941,882
Cleveland Harbor, Ohio.....		25,000	6,200,362
Fairport Harbor, Ohio.....		5,000	1,945,310
Ashtabula Harbor, Ohio.....		5,000	6,401,667
Conneaut Harbor, Ohio.....		25,000	7,800,000

Mr. WILLIS. It thus appears that for Ohio projects located on Lake Erie only \$83,000 is proposed to be spent for new work in the year for which appropriation is being made, and \$113,000 for maintenance, or a total of \$196,000 for the year, although the commerce of those ports in 1921 aggregated 41,000,000 tons, or over 200 tons of freight for every dollar spent for improvement and maintenance per annum.

Mr. McCUMBER. Mr. President, as I understand, the Senator is reading from the recommendations of the engineers?

Mr. WILLIS. Yes.

Mr. McCUMBER. And the Senator proposes in this case to follow their recommendations blindly?

Mr. WILLIS. If the Senator is referring to my opposition to his amendment which I voiced some time ago, I was replying to the suggestions that were made by the Senator from Louisiana [Mr. RANSDELL] touching the appropriations that were made for Ohio. Yes; I know of no other way. I will say to the Senator frankly that if we start in, if we adopt the Senator's amendment, then there are going to be amendments offered here touching a number of these items, and we probably will get no river and harbor bill, and may not get any Army appropriation bill at all. So I think it is unwise to adopt his amendment, though I think the items I referred to are unjust so far as Ohio is concerned.

Mr. WALSH of Montana. Mr. President, the debate nominally upon the amendment offered by the Senator from North Dakota [Mr. McCUMBER] has proceeded far afield. A large part of it has been devoted to the general policy of the appropriations for rivers and harbors rather than to the amendment that is before the Senate. I desire to say a few words in relation to that amendment.

The policy of making lump-sum appropriations was adopted by the Congress because of the scandal—and it can be described by no more temperate term—arising from log-rolling appropriations for creeks and little streams on which there never was any commerce and probably never would be any commerce, and many of which were of such a trifling character that the ordinary supply of water had to be augmented artificially in order to float any kind of a boat on them.

The Missouri River is not in that class, Mr. President, at any point below Fort Benton. It is a matter of history that early in the last century, immediately following the historic exploration of Lewis and Clark, a very considerable commerce was developed on the Missouri River. It was incident to the romantic fur trade that was carried on through all that Northwest country. Indeed, Mr. President, the navigation was not confined to the main stream, but extended up the great tributary, the Yellowstone, as far as where the city of Billings now is. It was so important, Mr. President, that Fort Benton was established by the Government as a military post away back in 1846, and became the distributing point for an enormous commerce that was carried on not only with the adjacent territory within the United States but with the Canadian posts in the Northwest Territory.

After gold had been discovered in Montana, the commerce reached very gigantic proportions; and accordingly the Missouri River has always been regarded as a stream worthy of

consideration in connection with the appropriations made in the annual rivers and harbors bill. In recent years, when the work has been carried on more systematically, the Missouri River has been divided for the purpose of making appropriations into three parts—the part extending from the mouth to Kansas City, the part extending from Kansas City to Sioux City, and the part extending from Sioux City to Fort Benton. Each of these is considered a project, and none of them are new projects at all. They are old projects, for the prosecution of which appropriations have been made for many years.

I turn, for instance, at random, to the statutes for the year 1912, and find at page 219, in the appropriation bill for that year for the improvement of rivers and harbors, the following in relation to the Missouri:

Improving Missouri River: For improvement and maintenance from Kansas City to Sioux City, \$75,000; for improvement and maintenance from Sioux City to Fort Benton, in accordance with the report submitted in House Document No. 91, Sixty-second Congress, first session, \$150,000; in all, \$225,000.

And for the succeeding year the appropriation, found on page 818 of the volume of statutes for 1911–13, includes the following item:

Improving Missouri River: For improvement and maintenance from Kansas City to Sioux City, \$150,000, of which amount at least \$75,000 may be expended for such bank revetment as in the judgment of the Chief of Engineers may be in the interests of navigation; continuing improvement and for maintenance from Sioux City to Fort Benton, in accordance with the report submitted in House Document No. 91, Sixty-second Congress, first session, \$175,000, of which amount, because of present emergency, an amount not exceeding \$75,000 may be expended for such bank revetment above Elk Point as in the judgment of the Chief of Engineers may be necessary to extend and protect existing revetments and regulate channel flow in the interest of navigation; in all, \$325,000.

But the question as to whether the project falls within the general description of the projects upon which improvements are to be made seems to be settled by the last report of the Chief Engineer of the Army, on page 1284, which speaks of the improvement of the Missouri River between Sioux City and Fort Benton as an existing project. The history of the improvement is there detailed, and it speaks of the original condition of previous projects and of the existing project, so that it is simply a question as to whether the allotment ought to be made here or ought to be made by the Army engineers.

It is now said that the tonnage in this part of the river is not extensive; and that is, of course, true. The appropriations that have been made have been proportionately small; but, Mr. President, the fact that the commerce in that part of the river is not as great as it once was does not distinguish it in any respect from other projects which have received favorable consideration from the Army engineers.

The simple question presented by this amendment is as to whether the total amount of \$1,540,000 to be expended upon the Missouri River shall be distributed as proposed by the engineers—namely, \$1,500,000 between Kansas City and the mouth of the river, \$25,000 between Kansas City and Sioux City, and \$15,000 between Sioux City and Fort Benton, a distance of nearly 1,500 miles—or whether a larger amount of that allotment to the Missouri River shall be expended above.

I called attention to the fact that the rather small commerce carried on in the upper Missouri during the last few years was due obviously to the paucity of the crop in that locality. As they improve, and as greater development takes place, we may reasonably hope that the commerce will increase; but I call attention to the fact—

Mr. McCUMBER. Mr. President, may I state right here that even to-day I was informed that the boat lines running and operating now would haul between 550,000 and 750,000 bushels of wheat alone of the crop of 1922, provided they can at all times get up to the landing places; and with 700,000 bushels that would be 21,000 tons of wheat alone, showing a vast improvement.

Mr. WALSH of Montana. Yes.

I desire to call attention to the amount of commerce on the river between Kansas City and the mouth of the river, upon which this very considerable sum of \$1,500,000 is to be expended.

In 1917 the commerce was 217,616 tons; in 1918, 142,981 tons; in 1919, 141,094 tons; in 1920, 203,153 tons; and in 1921, 139,544 tons. That is to say, in five years there has been a falling off in that commerce of something like 40 per cent, a very much higher falling off than there has been on the upper reaches of the river.

Accordingly, Mr. President, it becomes simply a question as to whether the Congress is going to surrender absolutely and without any control whatever the distribution of the funds which it provides as between different sections of one particular

river to the judgment of these Army engineers. As pointed out by the Senator from Arkansas, few of them are trained business men. It becomes a very serious question, a serious question of wisdom from a political and economical standpoint, as to whether this enormous expenditure ought to be made in that section of the country, which is rich, which is populous, which is densely settled, and leave entirely without consideration and without care those sections of the country which need development, which require assistance, and which ought to have the consideration of the Government in order to afford cheaper facilities for transportation.

Moreover, Mr. President, it is to be borne in mind that much of the region that is affected by the appropriation which is asked by this amendment is distant from the terminal markets. That portion of my State which would be benefited by the appropriation if it were made lies at least from 600 to 1,100 miles from the market, an enormous distance to carry the products, and necessarily a large amount of what is realized for the goods goes for transportation. It is an exceedingly great burden upon those people to have to carry their freight to the distant railroad points when it might conveniently be taken to river points and carried on boats down to the railroad crossings, whence they might proceed to the terminal markets. It is a question of policy which I undertake to say Army engineers are not very competent to pass upon.

Mr. WILLIS. Mr. President—

Mr. WALSH of Montana. I yield.

Mr. WILLIS. I am interested in the argument the Senator is making about reaching the terminal markets, and I am not able to follow him in it. As I understand it, the amendment which he is supporting provides improvement on the Missouri River from Sioux City to Fort Benton. Is that correct?

Mr. WALSH of Montana. Yes; that is correct.

Mr. WILLIS. But nothing is proposed for the section on down to Kansas City. How does the Senator expect the shippers to reach the terminal markets by such an improvement?

Mr. WALSH of Montana. The Senator from North Dakota made it perfectly clear that the carriage would be from the interior points to the points where the river is crossed by the railroads. The Missouri River is crossed by the Northern Pacific at Bismarck, and crossed by the Great Northern at Buford, so that both lines of railroads crossing the river would take up at those two points grain destined for Minneapolis or Duluth.

Mr. WILLIS. I understand the Senator's argument on that point, but I thought he was contending that this would help the development of a system whereby there would be water transportation to the terminal markets. I misunderstood the Senator's line of argument.

Mr. WALSH of Montana. No; never since the early days has there been any considerable amount of freight carried down the Missouri River to St. Louis, for instance, or to New Orleans. That is not a consummation that is likely to arise. I may say to the Senator, however, that I should think that in the distribution of these funds a very considerable amount might also be allotted to the improvement between Kansas City and Sioux City. It seems to me that of the amount appropriated for the improvement of the river the allotment of \$1,500,000 to that section of the river between Kansas City and the mouth is entirely unjustified, and I have not heard anybody upon this floor undertake to justify it as a matter of comparison with the other sections of the river. I undertake to say that the Senator from Ohio will not undertake to justify it upon anything found even in the report of the engineers upon the subject.

Mr. WILLIS. I make no comment about it. I was seeking to understand the Senator's argument.

Mr. WALSH of Montana. I am sure the Senator will not comment on it, nor has any other Senator undertaken to make any comment to justify that distribution of the amount which is set apart for the improvement of the Missouri River. Accordingly, I hope that this amendment will prevail.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota.

Mr. KING. I think, upon this amendment, a quorum should be present, and I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Capper	Fernald	Harrell
Bayard	Caraway	Fletcher	Harrison
Borah	Colt	Frelinghuysen	Heflin
Brandeggee	Couzens	George	Johnson
Brookhart	Curtis	Gerry	Jones, Wash.
Broussard	Dial	Glass	Kendrick
Bursum	Dillingham	Gooding	King
Cameron	Ernst	Hale	Ladd

Lenroot	New
Lodge	Norbeck
McCormick	Norris
McCumber	Pepper
McKellar	Philips
McKinley	Pittman
McNary	Poindexter
Moses	Ransdell
Nelson	Reed, Pa.

Sheppard
Smoot
Spencer
Stanfield
Stanley
Sterling
Sutherland
Swanson
Townsend

Trammell
Wadsworth
Walsh, Mass.
Walsh, Mont.
Warren
Willis

The PRESIDING OFFICER (Mr. LADD in the chair). Sixty-five Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. McCUMBER].

Mr. NORRIS. Let the amendment be reported.

The READING CLERK. On page 106, after the numerals in line 12, to insert the following proviso:

Provided, That \$250,000 of this appropriation, or so much thereof as may be necessary, shall be expended between Sioux City, Iowa, and Fort Benton, Mont., for the removal of obstructions, the revetment of shores where the same may be necessary, and for the maintenance of the channel to landing places and at points where the railroads intersect the Missouri River, said last-mentioned sum to be immediately available.

Mr. WADSWORTH. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HALE (when his name was called). I transfer my pair with the senior Senator from Tennessee [Mr. SHIELDS] to the junior Senator from Maryland [Mr. WELLER] and vote "nay."

Mr. KING (when his name was called). I have a pair upon this and all matters relating to the pending bill with the senior Senator from Arkansas [Mr. ROBINSON], who is necessarily detained from the Chamber. Not knowing how he would vote upon the pending amendment, I withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD], but I understand that he would vote as I am about to vote. So I feel at liberty to vote. I vote "nay."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Iowa [Mr. CUMMINS], and vote "yea."

Mr. TOWNSEND (when his name was called). I have a pair on the pending bill with the senior Senator from Georgia [Mr. HARRIS], but on this amendment he would vote as I shall do. So I feel at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. FERNALD. I have a general pair with the Senator from New Mexico [Mr. JONES]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Minnesota [Mr. KELLOGG] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Indiana [Mr. WATSON] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS].

Mr. GERRY. I wish to announce that the senior Senator from Arkansas [Mr. ROBINSON] and the senior Senator from Georgia [Mr. HARRIS] are absent on official business.

Mr. HEFLIN. I wish to announce that the Senator from South Carolina [Mr. SMITH] is necessarily absent. He stands paired on this vote with the Senator from Iowa [Mr. CUMMINS].

The result was announced—yeas 15, nays 46—as follows:

YEAS—15.

Brookhart	Heflin	McKellar	Sheppard
Broussard	Kendrick	Nelson	Sterling
Bursum	Ladd	Norbeck	Walsh, Mont.
Ernst	McCumber	Poindexter	

NAYS—46.

Ball	Fletcher	McCormick	Stanfield
Bayard	Frelinghuysen	McKinley	Stanley
Borah	George	McNary	Sutherland
Brandeggee	Gerry	Moses	Swanson
Cameron	Glass	New	Townsend
Capper	Gooding	Norris	Trammell
Colt	Hale	Pepper	Wadsworth
Couzens	Harrell	Philips	Walsh, Mass.
Curtis	Johnson	Pittman	Warren
Dial	Jones, Wash.	Ransdell	Willis
Dillingham	Lenroot	Reed, Pa.	
Fernald	Lodge	Spencer	

NOT VOTING—35.

Ashurst	Harrison	Nicholson	Shortridge
Calder	Hitchcock	Oddie	Simmons
Caraway	Jones, N. Mex.	Overman	Smith
Culberson	Kellogg	Owen	Smoot
Cummins	Keyes	Page	Underwood
Edge	King	Pomerene	Watson
Elkins	La Follette	Reed, Mo.	Weller
France	McLean	Robinson	Williams
Harris	Myers	Shields	

So Mr. McCUMBER's amendment was rejected.

Mr. WADSWORTH. Mr. President, it is now 5 minutes past 5, and it is desired to have an executive session this evening. I think probably the Senate is not in a mood to do any more work on the bill to-night. Therefore I desire to present a unanimous-consent request. I ask unanimous consent that the Senate, at not later than 2 o'clock to-morrow afternoon, shall proceed to vote, without further debate, upon all amendments which may be pending to the river and harbor item of the bill.

Mr. KING. A number of amendments will be offered to-morrow, among them one of which I am about to give notice, dealing with the Philippine Islands.

Mr. WADSWORTH. But I am not asking unanimous consent in connection with anything other than the river and harbor item. I know of other amendments, of course, which are to be offered to other portions of the bill.

Mr. KING. Let me say to the Senator that an amendment will be offered to strike out the entire appropriation carried in the bill for rivers and harbors. In order to emphasize the point that was made by the Senator from Idaho [Mr. BORAH], I will state that that will take some time. There will be several amendments offered with reference to the same item, for instance, proposing to reduce it to the amount provided in the Budget estimate. I have several other amendments with relation to the same subject matter. I have no objection, however, if the Senator would fix a later hour.

Mr. WADSWORTH. Does not the Senator think that in three hours of debate to-morrow we can dispose of the amendments which may be pending?

Mr. KING. If the Senator would make it 3 o'clock I would have no objection. I promise the Senator that I shall attempt to facilitate the disposition of the matter.

Mr. WADSWORTH. I will accept that suggestion.

Mr. KING. That is, as to items dealing with the river and harbor paragraph?

Mr. WADSWORTH. Just the river and harbor paragraph.

Mr. McCUMBER. To dispose of it finally at that hour?

Mr. WADSWORTH. Yes.

Mr. McCUMBER. I object.

Mr. WADSWORTH. May I ask the Senator from North Dakota if he has an objection to fixing an hour at any time on the river and harbor item?

Mr. McCUMBER. I think the debate we have had to-day signifies a great many views as to requirements for the use of an enormous amount of the fund that is proposed to be appropriated, and there ought to be time enough to debate it and to prepare for amendments to cut down the appropriation. I doubt if we can prepare them and have them debated properly during to-morrow.

Mr. BRANDEGEE. I understood the Senator from New York to ask consent to vote without further debate only upon the pending amendments.

Mr. WADSWORTH. Yes; pending amendments.

Mr. BRANDEGEE. Not those that may be offered hereafter.

Mr. WADSWORTH. No; if I spoke in that way I should have said amendments then pending. There are no amendments pending now. Of course, I know some will be offered to-morrow.

Mr. BROUSSARD. Why not vote now? There is nothing pending.

Mr. BORAH. There will be something pending if there is a necessity for something to be pending.

Mr. WADSWORTH. The inquiry of the Senator from Louisiana is an entirely intelligent one, except that the Senator from New York happens to know that amendments would be offered immediately. Anticipating that, I thought the Senate might like to get away from here this evening in a few moments after simply laying out a program for to-morrow. I desire to change my request, and I call this to the attention of the Senator from North Dakota. Would the Senator from North Dakota be willing to make it half-past 3 o'clock?

Mr. McCUMBER. I do not think that we should be bound, when it comes to the expenditure of some \$29,000,000 more than the Director of the Budget called for, to such a very short time. It does not seem to me that we ought to be limited to two or three hours of debate to-morrow.

Mr. WADSWORTH. That would give us four and one-half hours.

Mr. McCUMBER. I would think there ought to be some explanation of why it is necessary to ask \$29,000,000 over and above what the Director of the Budget estimated for and over and above the estimates of the engineers, when it has already been called to our attention that the engineers have made estimates for enormous expenditures where there will be no commerce whatever. I think it would take the Senator from New York more than three or four hours to explain why we should have the extra \$29,000,000.

Mr. WADSWORTH. Perhaps the Senator was not in the Chamber this afternoon when I attempted to explain why the appropriation was in the bill.

Mr. McCUMBER. I was in the Chamber all day, and I fully understand why the appropriation is in the bill, but unless we are to bow slavishly to whatever may be the dictate of the engineers, then we ought to have at least some reason given by the Senator in charge of the bill why we should more than double even the estimates of the engineers. We ought to go over the items for which they have estimated one after another and ascertain the necessity for them. Unless we are going simply to surrender to them, we ought to have the Senator from New York explain their necessity and what advantage would be obtained by the Government.

Mr. WADSWORTH. Before that task is put to me, I beg to say that I shall not undertake it. There are other Senators who are better informed.

Mr. McCUMBER. Does the Senator mean to say that he will advocate the swallowing of the pill, large as it is, without knowing what is in it?

Mr. WADSWORTH. Only this afternoon I protested against it. Why does the Senator ask that question?

Mr. McCUMBER. As the Senator in charge of the bill, I would suppose he would have something to say further than merely making a general protest, and that he would show why it is improper to allow this item and that item.

Mr. WADSWORTH. Is the Senator opposed to fixing any time to-morrow?

Mr. McCUMBER. Yes; any time to-morrow.

Mr. WADSWORTH. Then, there is no use making any further requests.

Mr. KING. Mr. President, I desire to give the following notice:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall move to suspend paragraph 3 of Rule XVI of the Standing Rules for the purpose of proposing to the Army appropriation bill H. R. 13793 the following amendment:

"At the proper place in the bill, insert the following:
 "That in conformity with the act entitled 'An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands and to provide a more autonomous government for those islands,' approved August 20, 1916, the Philippine Legislature is hereby authorized to provide for a general election of delegates to a constitutional convention which shall prepare and formulate a constitution for an independent republican government for the Philippine Islands, and that upon the ratification and promulgation of said constitution and the election of the officers therein provided for and upon satisfactory proof that the government provided for under said constitution is organized and ready to function, the President of the United States shall recognize and proclaim the independence of the Philippine government under said constitution and shall notify the governments with which the United States is in diplomatic correspondence thereof, and shall invite said governments to recognize the independence of the Philippine Islands; and that the President is directed to withdraw the military forces of the United States from said islands within six months after said proclamation recognizing the independence of said Philippine government."

Mr. HARRISON. Mr. President—

Mr. WADSWORTH. Does the Senator from Mississippi desire to make a request? I wish to move an executive session.

Mr. HARRISON. I understood the Senator from New York a few moments ago to ask that the Senate vote on the pending items in the bill not later than half past 3 o'clock to-morrow. I knew there was a disposition to rush things along on the other side of the Chamber, but I will ask, since there was objection to the Senator's former request, will he not now request that we vote, say, at 4.30 o'clock to-morrow?

Mr. WADSWORTH. The Senator from North Dakota [Mr. McCUMBER] made an announcement a moment ago that he would not agree upon any time for a vote.

Mr. HARRISON. I did not hear that statement.

Mr. NORRIS. I wish to inquire of the Senator from New York, does he contemplate making a motion to adjourn or to take a recess?

Mr. WADSWORTH. An order was entered by unanimous consent early to-day for a recess.

Mr. NORRIS. When was that done?

Mr. WADSWORTH. The Senator from Kansas made the request before luncheon, I think.

Mr. KING. The request was made about 2 o'clock.

Mr. NORRIS. I had spoken to several Senators who I thought would have charge of that matter, but I did not see the Senator from Kansas. I informed each one of those Senators if the request was made and I was not here that I desired to be notified and told them why. On yesterday I gave notice, as I had to do under the rules, of a motion which I intended to make to suspend the rule in order that I might offer an amendment. Under the rule such a notice must lie over for a day. The Senator from Utah [Mr. KING], as I understand, has given a similar notice.

Mr. WADSWORTH. Mr. President, the Senator from Nebraska did discuss this matter with me, and I understand, of course, the difficulty in which he finds himself with respect to being able to offer to this bill the amendment which he contemplates. I am going to make a suggestion in the open Senate. The Senator from Nebraska in good faith offered an amendment on yesterday and then gave notice that he would move to suspend the rule. The rule provides that such a notice must go over one legislative day in advance of calling up a motion to suspend the rules. I ask unanimous consent that the notice given by the Senator from Nebraska—

Mr. KING. I ask the Senator from New York to also include my notice in his request.

Mr. WADSWORTH. And also that the notice just given by the Senator from Utah [Mr. KING] be deemed sufficient under the rule.

Mr. FLETCHER. In other words, so far as the notices are concerned, that the taking of a recess shall not interfere with the calendar day?

Mr. WADSWORTH. Yes.

The VICE PRESIDENT. The Chair thinks the rule refers to the calendar day.

Mr. WADSWORTH. The impression has been that it meant legislative day, but I do not desire that there shall be any mistake about the matter.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION.

Mr. WADSWORTH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened; and (at 5 o'clock and 25 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Wednesday, February 7, 1923, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate February 6 (legislative day of February 5), 1923.

APPOINTMENTS IN THE REGULAR ARMY.

To be second lieutenants with rank from January 5, 1923.

Glen Trice Lampton, Air Service.

Vikings Torsten Ohrbom, Infantry.

(NOTE.—Mr. Lampton will reach the age of 21 years February 11, 1923, and Mr. Ohrbom February 14, 1923. Nominations will be again submitted on or after February 14, 1923.)

POSTMASTERS.

ARKANSAS.

Lena C. Bundren to be postmaster at Biggers, Ark. Office became presidential January 1, 1923.

CALIFORNIA.

Walter P. Cockley to be postmaster at Calexico, Calif., in place of F. W. Roach, removed.

John L. Steward to be postmaster at Monterey, Calif., in place of J. L. Steward. Incumbent's commission expired October 24, 1922.

Flournoy Carter to be postmaster at Oxnard, Calif., in place of G. R. Bellah. Incumbent's commission expired September 5, 1922.

CONNECTICUT.

Norman C. Kruer to be postmaster at Shelton, Conn., in place of D. J. Teevan. Incumbent's commission expired September 5, 1922.

FLORIDA.

Albert H. Maxwell to be postmaster at Eastport, Fla. Office became presidential January 1, 1923.

IDAHO.

Osmond Buchanan to be postmaster at Blackfoot, Idaho, in place of Gregory Jones. Incumbent's commission expired September 5, 1922.

ILLINOIS.

Paul M. Green to be postmaster at Bluffs, Ill., in place of P. C. Burrus. Incumbent's commission expired December 6, 1922.

Viola E. Buckingham to be postmaster at Washburn, Ill., in place of F. A. Ehringer. Incumbent's commission expired October 24, 1922.

IOWA.

Cornelius A. Rubly to be postmaster at Elma, Iowa, in place of J. W. Cannon. Incumbent's commission expired September 5, 1922.

KANSAS.

Lewis Pickrell to be postmaster at Minneapolis, Kans., in place of J. M. Brown. Incumbent's commission expired September 13, 1922.

MAINE.

James Mahaney to be postmaster at Cherryfield, Me., in place of F. E. Grant. Incumbent's commission expired October 24, 1922.

MASSACHUSETTS.

Nathaniel P. Coleman to be postmaster at Hyannis, Mass., in place of E. F. Maher. Incumbent's commission expired October 1, 1922.

MICHIGAN.

William C. Thompson to be postmaster at Midland, Mich., in place of L. D. Madill, removed.

Josephine O'Leary to be postmaster at Carrollton, Mich. Office became presidential January 1, 1923.

MINNESOTA.

Anna W. Isaacson to be postmaster at Palisade, Minn., in place of Lydia Bailey, resigned.

Samuel A. Nystrom to be postmaster at Watertown, Minn., in place of S. A. Nystrom. Incumbent's commission expired March 16, 1921.

MISSOURI.

Everett Drysdale to be postmaster at Butler, Mo., in place of J. E. Williams. Incumbent's commission expired September 5, 1922.

Margaret C. Lester to be postmaster at Desloge, Mo., in place of W. T. Newman. Incumbent's commission expired September 5, 1922.

Andrew L. Woods to be postmaster at Naylor, Mo., in place of J. M. Marlin. Incumbent's commission expired September 5, 1922.

NEBRASKA.

William R. Brooks to be postmaster at Campbell, Nebr., in place of L. H. Eastman. Incumbent's commission expired October 3, 1922.

Edward T. Best, jr., to be postmaster at Neligh, Nebr., in place of T. A. Davis. Incumbent's commission expired October 3, 1922.

Ray L. Mallory to be postmaster at Pierce, Nebr., in place of J. B. McDonald. Incumbent's commission expired October 3, 1922.

James W. Holmes to be postmaster at Plattsmouth, Nebr., in place of D. C. Morgan. Incumbent's commission expired November 21, 1922.

John Becker to be postmaster at Stanton, Nebr., in place of T. A. Sharp. Incumbent's commission expired October 3, 1922.

Percy A. Brundage to be postmaster at Tecumseh, Nebr., in place of E. D. Wright. Incumbent's commission expired October 3, 1922.

NEW JERSEY.

Horace E. Richardson to be postmaster at Cape May Court House, N. J., in place of E. C. Wheaton. Incumbent's commission expired October 24, 1922.

Lewis E. Matteson to be postmaster at Grantwood, N. J., in place of L. E. Matteson. Incumbent's commission expired October 24, 1922.

Thomas J. Raber to be postmaster at Hampton, N. J., in place of B. F. Apgar. Incumbent's commission expired October 24, 1922.

George F. Moore to be postmaster at Oradell, N. J., in place of G. F. Moore. Incumbent's commission expired October 24, 1922.

Frederick C. Docker to be postmaster at Oxford, N. J., in place of E. W. Sharps. Incumbent's commission expired October 24, 1922.

Richard Lufburrow to be postmaster at Middletown, N. J. Office became presidential January 1, 1923.

NEW MEXICO.

Vida B. Brittingham to be postmaster at Fort Sumner, N. Mex., in place of J. E. Pardue. Incumbent's commission expired October 14, 1922.

NEW YORK.

John J. Finnerty to be postmaster at Croton on Hudson, N. Y., in place of J. J. Finnerty. Incumbent's commission expired March 15, 1920.

Chauncey H. Brown to be postmaster at South Dayton, N. Y., in place of Verne Seeber. Incumbent's commission expired November 21, 1922.

James I. Fanning to be postmaster at Southhold, N. Y., in place of W. A. Cochraw. Incumbent's commission expired October 24, 1922.

Lester B. Dobbin to be postmaster at Wolcott, N. Y., in place of C. T. Metcalf. Incumbent's commission expired September 28, 1922.

Lillian D. Hill to be postmaster at Bayville, N. Y. Office became presidential January 1, 1923.

NORTH DAKOTA.

Alfred B. Welch to be postmaster at Mandan, N. Dak., in place of John Foran. Incumbent's commission expired September 5, 1922.

OHIO.

Charles S. McMaken to be postmaster at Covington, Ohio, in place of C. B. Maier, resigned.

Herbert E. Whitney to be postmaster at Danville, Ohio, in place of C. V. Burris, removed.

William M. Carlisle to be postmaster at Gambier, Ohio, in place of C. R. Jackson, resigned.

OKLAHOMA.

Dory E. McKenney to be postmaster at Custer, Okla., in place of T. P. Stone. Incumbent's commission expired October 24, 1922.

Ada Bartels to be postmaster at Denoya, Okla. Office became presidential January 1, 1923.

PENNSYLVANIA.

Whitfield Pritchard to be postmaster at Bangor, Pa., in place of David Burke. Incumbent's commission expired September 13, 1922.

Earl H. Hilgert to be postmaster at Cresco, Pa., in place of J. F. Henry. Incumbent's commission expired March 21, 1922.

Otto R. Baer to be postmaster at Irwin, Pa., in place of J. C. Shields. Incumbent's commission expired September 13, 1922.

SOUTH DAKOTA.

Truman C. Knott to be postmaster at Bristol, S. Dak., in place of Thomas McAllen. Incumbent's commission expired September 11, 1922.

TEXAS.

Charles J. Hostrasser to be postmaster at Hearne, Tex., in place of F. W. Easterwood. Incumbent's commission expired September 5, 1922.

Daniel B. Gilmore to be postmaster at McGregor, Tex., in place of S. R. Brown. Incumbent's commission expired September 5, 1922.

WASHINGTON.

Lillian R. Menkee to be postmaster at Hunters, Wash. Office became presidential January 1, 1923.

WEST VIRGINIA.

Charles E. Coleman to be postmaster at Curtin, W. Va. Office became presidential January 1, 1923.

WISCONSIN.

John C. Chapple to be postmaster at Ashland, Wis., in place of A. D. McDonald. Incumbent's commission expired September 5, 1922.

Edward Schroeder to be postmaster at Granton, Wis., in place of Edward Schroeder. Incumbent's commission expired September 5, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 6 (legislative day of February 5), 1923.

SOLICITOR FOR THE STATE DEPARTMENT.

Charles Cheney Hyde to be Solicitor for the Department of State.

UNITED STATES DISTRICT JUDGE.

Charles C. Simons to be district judge, eastern district of Michigan.

POSTMASTERS.

GEORGIA.

Corine E. Dickerson, Homerville.

KANSAS.

George K. Morris, Milford.

MASSACHUSETTS.

Elizabeth M. Benere, West Acton.

MICHIGAN.

Bruce W. Frantz, Algonac.

Robert Wellman, Beulah.

Robert E. Surine, Nashville.

Rob C. Brown, Stockbridge.

David F. Jones, Unionville.

MINNESOTA.

Charles F. Mallahan, Jackson.

Herman Herder, Jordan.

Bennie C. Vold, Maynard.

MISSOURI.

John L. Oheim, Kimmswick.

Anna T. Winchester, Sikeston.

NORTH CAROLINA.

James H. Carlton, Burgaw.

Ruley G. Wallace, Carthage.

William E. White, Colerain.

Lewis E. Norman, Elk Park.

Rufus W. Carswell, Forest City.

Ellenor C. Cleaveland, Highlands.

John W. Kelly, Jonesboro.

Leon A. Mann, Newport.

John C. Snoddy, jr., Red Springs.

OHIO.

Harley F. Hambel, Glouster.

Nancy Robison, Howard.

Harry L. Mefford, Ripley.

Gilbert M. Brehm, Somerset.

PENNSYLVANIA.

Howard M. Gardner, York Springs.

SOUTH DAKOTA.

John H. Deuschle, Ravinia.

TEXAS.

McDougal Bybee, Childress.

Ethel Milligan, Pittsburg.

Simpson I. Dunn, Port Arthur.

Tilmon Y. Allen, Rice.

Herman Eck, Schulenburg.

Surry S. Boles, Thorndale.

Edna Overshiner, Valley View.

WASHINGTON.

Elmer M. Armstrong, Washougal.

HOUSE OF REPRESENTATIVES.

TUESDAY, February 6, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Glory be to God and Father of us all. As Thy law is so just, Thy love so bountiful, and Thy wisdom so infinite may they command our unquestioned obedience and our full measure of devotion. Thou knowest us altogether, where we are weak and where we are strong. Lead us toward Thyself that our strength may grow. O wondrously sweet and helpful is the service inspired by Thy wisdom and blest by Thy grace. Continue to establish the ideals for which our fathers gave their lives and liberties. Bless our country, and may we build our very selves into the life and character of its righteous institutions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3553. An act for the relief of the family of Lieut. Henry N. Fallon (retired);

S. 4281. An act to appropriate \$500,000 for the purchase of seed grain to be supplied to farmers in the crop-failure areas of eastern Washington, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture;

S. J. Res. 263. Joint resolution to authorize the Secretary of Agriculture to accept membership for the United States in the Permanent Association of International Road Congresses;

S. 4176. An act to amend section 370 of the Revised Statutes of the United States;

S. 4061. An act authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks, of the Indians of the Blackfeet Indian Reservation;

S. 4324. An act to amend an act to authorize association of producers of agricultural products;

S. 4092. An act providing for the admission into the United States of certain refugees from near eastern countries; and

S. 4439. An act to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta," approved October 6, 1917.

The message also announced that the Senate had passed with amendments the bill (H. R. 10817) to amend section 100 of the Judicial Code of the United States, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed with amendments House Concurrent Resolution 53, providing for a special joint committee of the Senate and House of Representatives to investigate employment of prisoners at Leavenworth, Kans., and McNeil Island, Wash., and for other purposes.

The message also announced that the Senate had passed without amendment the bill (H. R. 10211) authorizing an appropriation to meet proportionate expenses of providing a drainage system for Plute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to joint resolution and bill of the following titles:

S. J. Res. 248. Joint resolution to provide for the payment of salaries of Senators appointed to fill vacancies, and for other purposes.

S. 1878. An act to permit the State of Montana to exchange cut-over timber lands granted for educational purposes for other lands of like character and approximate value.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4324. An act to amend an act to authorize association of producers of agricultural products; to the Committee on the Judiciary.

S. 3553. An act for the relief of the family of Lieut. Henry N. Fallon, retired; to the Committee on War Claims.

S. 4176. An act to amend section 370 of the Revised Statutes of the United States; to the Committee on the Judiciary.

S. J. Res. 263. Joint resolution to authorize the Secretary of Agriculture to accept membership for the United States in the Permanent Association of the International Road Congresses; to the Committee on Foreign Affairs.

S. 4092. An act providing for the admission into the United States of certain refugees from near eastern countries; to the Committee on Immigration and Naturalization.

S. 4281. An act to appropriate \$500,000 for the purchase of seed grain to be supplied to farmers in the crop-failure areas of eastern Washington, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture; to the Committee on Agriculture.

S. 4061. An act authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks, of the Indians of the Blackfeet Indian Reservation; to the Committee on Indian Affairs.

LAWS OF THE UNITED STATES.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting a statement relating to the old Revised Statutes and the laws prior thereto.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks for the purpose indicated. Is there objection?

There was no objection.

The statement referred to is as follows:

THE LAWS OF THE UNITED STATES.

BIOREN & DUANE.

An act of Congress of April 18, 1814, provided for the purchase of a thousand copies of an edition of the Laws of the United States, to be published by Bioren & Duane, of Philadelphia, and Roger Weightman, of Washington. The Secretary of State and Attorney General were directed to prescribe a plan for the books, the Secretary to appoint a competent person to look after it under his direction and that of the Attorney General. Richard Rush, Attorney General, outlined the plans for the work, which was to include every law, private and public, except with regard to the District of Columbia, as well as all treaties and the work of Congress under the Confederation, with an index but no annotations. James Monroe, Secretary of State, agreed to this and appointed John B. Colvin to edit the laws. The laws were arranged simply in chronological order, and this is a very interesting and valuable publication. This was followed by a somewhat similar series of books which had the approval of the famous Judge Story.

LITTLE & BROWN'S LAWS.

From 1845 until 1874 the firm of Little & Brown, of Boston, by contract, published the Statutes at Large of the United States, beginning with the first session of the First Congress. The work was under the charge of Charles C. Little, and Richard Peters, of Philadelphia, was their editor for several years, followed by George Minot and George F. Sanger. These publications, and this contract terminated when the Revised Statutes became the law of the land.

REVISED STATUTES OF 1874.

In the second session of the Fortieth Congress there was selected a committee of the House on revision of the laws, the Hon. Luke P. Poland, of Vermont, being chairman. This became a regular committee in the third session of the Fortieth Congress. In the Forty-first Congress George W. McCrary, George F. Hoar, Austin Blair, and Daniel W. Voorhees were members of the committee, of which Mr. Poland was chairman.

THE SENATE.

During the first, second, and third sessions of the Forty-first Congress Roscoe Conkling was chairman of the Senate Committee on Revision of the Laws of the United States, consisting of Roscoe Conkling, Charles Sumner, Mathew H. Carpenter, Thomas F. Bayard, and others.

In the Forty-second Congress Benjamin F. Butler was chairman of the Committee on Revision in the House and Conkling in the Senate, where George F. Edmunds and William M. Stewart had become members.

The Forty-third Congress passed the Revised Statutes of the United States. Conkling, Carpenter, Stewart, Alcorn of Mississippi, and Ransom of North Carolina were on the Senate committee, while Poland, Rockwood, Hoar, Alexander H. Stephens, and Lawrence of Ohio were among the members of the House committee.

THE COMMISSIONERS.

Under the act of June 27, 1866, a commission was appointed to revise and consolidate the statutes. They made reports in 1868 and in 1869. In 1871 Charles P. James, Benjamin Vaughan, and Victor Barringer, commissioners, made reports. In 1873 they made a full report to the committee, of which General Butler was chairman, having compiled and revised the statutes. Thomas F. Durant, a Washington lawyer, of Louisiana, was employed by the committee to revise them back again. The book was often called the Durant revision in the debates and generally. The committee met November 11 and proceeded with that work and continued it at night sessions of the House for several nights, until the bill passed the House and went to the Senate. The final chapter on the repealing provisions was passed by the House without ever having been printed at all, the written copy being presented on the last evening. The only purpose of the night sessions was to permit the Committee on Revision to present its own amendments to the Durant revision, making additions and corrections. The bill then went to the Senate. The chairman of the House committee feels that it might perhaps be of assistance to the Senate in considering this measure to place at its disposal what is thought to be a full, complete statement of everything said and done in the Senate in 1874 on legislation similar to this, and it follows below:

[FROM CONGRESSIONAL RECORD.]

CONKLING PRESENTS REVISED STATUTES.

MAY 25, 1874.

"Mr. CONKLING. Mr. President, the Committee on the Revision of the Laws have directed me to report to the Senate three bills which I will name by their titles: First, a bill (H. R. No. 1215) to revise and consolidate the statutes of the United States in force on the 1st day of December, A. D. 1873. This bill, one of three which I am going to report, contains 1,432 printed pages. I report also the bill (H. R. No. 3349) to revise and consolidate the statutes of the United States, general and permanent in their nature, relating to the District of Columbia in force on the 1st day of December, in the year of our Lord 1873, and a like act from the House (H. R. No. 2879) revising and embodying all the laws authorizing post roads in force on the 1st day of December, 1873. The three bills make an aggregation of matter which I hold up that Senators may see it.

"In reporting these bills I wish to give notice that I shall ask—I do not ask now, because of the absence of many Senators—unanimous consent to dispense with the reading of the bills, a thing not unknown in our parliamentary history, although no such occasion for it as this ever arose before. The Senate will see that to read these bills in extenso would take a week, perhaps a fortnight, and nobody would listen to them. They have all been put in print and furnished weeks ago to every Member of the Senate. Since that time, I should say, however, many changes have been made—made with a pen—erasing sections, amending sections, and changing throughout the numbers of sections, so that Senators, if they wish to see the very words of the act as it has come from the House of Representatives, will be compelled to resort to the Secretary's table and read for themselves from this copy, as to reprint it would be very costly and very onerous and not attended with any compensations of convenience or value. The committee, as

soon as the pending deficiency bill shall be disposed of, will ask the Senate to take up these three acts; and ponderous as they are, the work for the Senate will be, I might almost say, formal, because the Senate will be compelled to rely upon the action of the three sets of commissioners who have been employed upon this work and the action of the joint committees of the two Houses during the last year, along with the amendments adopted in the House pursuant to recommendations made by their committee. The Senate will be compelled to take as they are these bills, or I fear to abandon them for this session. If we amend them here, the bills may fall in the other House, and the committee believe that they are now as nearly right as we can hope to get them by any additional process to which they can be subjected.

"Mr. MORTON. I desire to ask the Senator from New York a question for information, as I do not know how this revision has been made. I inquire whether these commissioners of the joint committee have condensed the statutes, changing their phraseology and clothing them to any considerable extent in new language? I understand the Senator to say this morning that the whole statutes would be reduced to one volume in size, and from that I infer that there has been a condensation and necessarily a change in the phraseology of the laws.

"Mr. CONKLING. If I understand the Senator, he is right in his conjecture. The commission finding, if you please, a page of sections relating to a particular subject, have condensed the true intent and meaning of that page of sections into words as few as they could employ for that purpose. Such has been the aim and object of the work, and now the whole body of statute law is to be in a volume not as large as that which I hold up, because this print is larger in size and the margin wider than it will be when it becomes a law book. That portion of this volume [exhibiting to the Senate] will probably represent the size of the single volume into which the whole body of the statute laws has been carried, assuming the work to be perfect and effectual; and although phraseology, of course, has been changed, the aim throughout has been to preserve absolute identity of meaning, not to change the law in any particular, however minute, but to present in miniature or in condensation the law in all its parts as it was actually found to exist dispersed through 17 volumes of statutes.

"I will send these bills to the desk, saying to Senators that they will be left there, although they must not expect to see them printed and find them on their desks, in the hope that Senators will look at them; and I will say that I think it would be well for Senators to look at the last page and a half of the larger one of these acts, that page containing repealing and saving clauses, so that no rights shall be lost by any inadvertence or oversight, and at the same time repealing all statutes except those now to be found in these Revised Statutes, so as to make them complete in themselves without reference to anything else.

"The PRESIDING OFFICER (Mr. Ferry of Michigan). The Senator from New York, from the Committee on the Revision of the Laws, reports several bills to go on the calendar and gives notice that at the conclusion of the pending bill he will seek the floor to call up those bills.

"MAY 26, 1874.

"Mr. CONKLING. I now move to proceed to the consideration of the larger bill, a bill to consolidate the statutes of the United States, reported yesterday from the Committee on the Revision of the Laws.

"The PRESIDENT pro tempore. The Senator from New York moves to take up the bill (H. R. 1215) to revise and consolidate the statutes of the United States in force on the 1st day of December, A. D. 1873.

"The motion was agreed to.

"The PRESIDENT pro tempore. The bill is before the Senate.

"Mr. CONKLING. The Senate will remember that an invitation has been accepted to attend in the House of Representatives a funeral which occurs at 4 o'clock. Of course, therefore, no considerable progress can be made with this bill now. I shall, however, accomplish a very important object if I can obtain, as I now ask, unanimous consent to dispense with the reading in extenso of the bill, and before the Chair asks for consent I wish to suggest to one or two Senators who were not here yesterday that the proportions of the bill, which will now be seen in the hands of the Secretary, are such that to read it would occupy many days, and of course it would not be listened to. Therefore I hope that no Senator will object to waiving the reading of the bill.

"Mr. EDMUNDS. I think this matter had better go over until the morning. I do not expect to ask that the bill be read. I think myself that would be useless; but I think we ought to reserve the right to have any portion read that Senators may desire as a matter of right. All I wish to hear read is the last chapter or two, which relate to repeals.

"Mr. CONKLING. Then I ask that by unanimous consent the reading of the bill be waived, except so far as the reading of specific parts of it may be called for by Senators.

"The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the reading of this bill may be dispensed with, except as particular parts may be called for in the consideration of the bill before the Senate. Is there objection? The Chair hears none, and it is so understood.

"Mr. CONKLING. Now, to leave this bill the unfinished business, although I beg to say to Senators that it will take but a very short time to-morrow, and therefore it will not impede, as I think, seriously anything behind it, I move that the Senate do now adjourn.

"The PRESIDENT pro tempore. The Chairman will remind the Senator that the usual course on such an occasion has been not to adjourn, but for the Senate as a Senate to attend the funeral, and then return to the Chamber and adjourn.

"Mr. CONKLING. Then I make the motion in that form.

"The PRESIDENT pro tempore. The Senator from New York moves that the Senate now proceed to the House of Representatives to attend the funeral.

"Mr. SHERMAN. We have not been notified that they are ready to receive us.

"Mr. CONKLING. We have accepted the invitation to be there at 4 o'clock.

"MAY 27, 1874.

"The PRESIDING OFFICER (Mr. ANTHONY in the chair). The unfinished business of yesterday is the bill (H. R. 1215) to revise and consolidate the statutes of the United States in force on the 1st day of December, A. D. 1873, which is before the Senate as in Committee of the Whole.

"Mr. CONKLING. The Chair may not be aware that by unanimous consent the reading of the bill at large was waived, any Senator, of course, being at liberty to call for the reading of any part he desires.

"Mr. EDMUNDS. The repealing chapter was excepted, to be read.

"Mr. CONKLING. The Senator from Vermont calls for the reading of the seventy-fourth chapter.

"The Chief Clerk read: 'Title 74, repealed provisions.'

"The bill was reported to the Senate without amendment.

"CONKLING ANSWERS EDMUNDS.

"Mr. EDMUNDS. I wish to ask the chairman of the Committee on the Revision of the Laws, if he will not think it implies any inference on the committee, as it does not, how sure the committee is, as we necessarily take this revision entirely on trust, that it does embrace existing law and nothing new?

"Mr. CONKLING. That is not a very easy question to answer: 'How sure is the committee?' I scarcely know how to answer that. It is a question I have heard put to a witness sometimes, and always excluded when objected to, it relating to comparative degrees of assurance. Certainly I can only say, as the Senator from Vermont well knows, that this work has engaged the attention of three sets of commissioners, and the examination of the committees of the two Houses, and of the committees of the two Houses acting jointly, and of the House special sessions being set apart for many days for its consideration; and all those concerned, as far as I can judge, tried to do their duty in regard to it. But when the Senator asks me to state how sure I am or how sure they are that this immense volume, made of the gathered meaning of 17 or 18 volumes of statutes, contains no blunder, I repeat the question is difficult to answer. There is upon the second page of the bill, or preceding the second page as it stands, a list of errors called 'errata,' which are to be corrected in the reprinting; and many other errors have been found and have been corrected.

"Perhaps I should be more candid in my answer if I were to say to the Senator from Vermont that I have no expectation that this work is free from error. I have never known any revision of laws that was. We have had several revisions in the State of New York, conducted by very eminent and expert men usually, and we never had one which did not contain errors. I think the Senator from Massachusetts [Mr. Boutwell] will bear me out in saying that although they revise very carefully, in spite of all their processes, errors are found. I presume errors will be found here, and as they are developed they must be corrected by future legislation.

"Mr. SHERMAN. I would ask the Senator from New York—for I have not given sufficient attention to know—whether he has been careful to preserve rights which have accrued under the law as it stood at the time the revision took effect?

"Mr. CONKLING. I think the Senator will be satisfied that in that regard there is no danger from the bill. The repealing and saving clauses are very careful and very broad, preserving all accrued rights on both sides, preserving penalties where they have accrued, preserving rights and opportunities where they have accrued, and providing with, I think, very thorough carefulness of language that no person and no right shall suffer by any casus omissus or the like which may be found in this work.

"Mr. EDMUNDS. Of course, there does not seem to be any other way to dispose of this subject than the way recommended by the committee; at any rate, no practical way at this session. It would take all the rest of the session, no doubt, to go through with it in the ordinary way as theoretically and justly I think ought to be done. And when I say that, I mean also to add that I have no doubt the committee has given it the most careful criticism and attention; and the only advantage of going over it again, having entire faith in that committee, is the advantage of having 73 men having different ideas and thoughts, and different objects and motives in their minds, hear it read and examine it and criticize it, rather than 5 or 7. Of course, there would be a great advantage in that against error and slip over an examination by a smaller number of persons. Everybody understands that. But it is impracticable, as a fact, to do that at this session of Congress; and the question therefore recurs whether we are to let it go, or whether we are to take it, as the committee asks us to do, in bulk, without reading or knowing its contents otherwise. I am disposed, for one, to take it, because, as the Senator from New York says, it undoubtedly does contain in the main a mere condensation of existing law, and does contain a very carefully prepared saving of all created and existing rights of everybody; and if there are errors, of course they can be corrected hereafter, although that is not a good way to legislate, as a rule.

"On the other hand, one can not help remembering that two chapters of this revision—I do not mean of this particular book, but of the revision—have passed Congress already. Whether they are reenacted in this book, I do not know. I presume they are. I suppose that the chapter about the Post Office Department is in this book.

"Mr. CONKLING. Yes, sir.

"Mr. EDMUNDS. And the chapter about the Patent Office?

"Mr. CONKLING. Yes, sir. If you mean about the Post Office Department, that is here; but if you mean post roads, that is a separate bill.

"Mr. EDMUNDS. But the general post office act is here?

"Mr. CONKLING. Yes, sir.

"Mr. EDMUNDS. We passed under the revision idea a bill regulating Patent Office affairs and another regulating the Post Office. We passed those, although, of course, not a quarter as long as this is, without going through a careful revision in the Senate; I believe without even reading them. If they were read, it was a very formal and hurried reading indeed. It turned out that in the Patent Office act the statutes repealed by it were many of them most important to the interests of the United States and not having the slightest reference to patents except that in some section of one of them which I have in mind there was a provision that patent fees should be paid into the Treasury; and in the post office act it was afterwards discovered that there had been introduced what was not the existing law before, a provision conferring power upon the Postmaster General in reference to making contracts, which I do not think would have received the assent of a majority or even of a small number of the Senators and Representatives in Congress if they had understood its provisions.

"Of course, these are difficulties that we are obliged to meet, and this is the experience which we have had in respect to two chapters of the revision, not in this book, because I presume they are corrected in this, but I do not know. Of course, it is an unpleasant experience, and it is with a great deal of doubt as to the propriety of any Senator of the whole body of Senators not being willing to sit down patiently and have the committee go over with us the whole of this work, chap-

ter by chapter, and consider it and discuss it as if we were a committee of the whole to whom had been committed this business, that I, taking my share of the responsibility for passing it in the end, do not insist upon that and allow the thing to go. I do not say this to lay an anchor to windward, so as to be able to say hereafter, 'I told you so,' but to say, taking my share of the responsibility as one Senator that it is a kind of legislation which I hope will be very rarely resorted to at all; but I do not see any other way, as the Senator from New York says, at this time but to take it.

"Mr. MORTON. Mr. President, I can not but feel that this is a somewhat dangerous business. Conceding, as I have no doubt is the case, that the committee has devoted a great deal of labor and time to the consideration of this volume, it is, after all, substantially, and must be, the work of three commissioners. I believe that was the number appointed to codify the laws. We are told that some 15 or 16 volumes have been boiled down substantially into 1. This involves great condensation. It involves changing of phraseology, putting the statutes into new language, and shortening them as far as possible. This volume must in the nature of things, therefore, be a digest, and nothing more. We all know the difficulty the courts have, and sometimes it takes them years, to settle upon construction of a single statute; but here these commissioners are allowed to give their construction to all the statutes of the United States, and to change their language, to clothe them in new phraseology, and we take all their work upon trust. We take their construction, their views of the meaning of these laws. Where courts have long differed and will continue to differ in regard to the meaning of a single section, we are to take the views of three men, without consideration, without opportunity to review, in regard to the whole statutory code of the United States. It is a laborious business; there are great difficulties around it; but, for one, I feel that it is very unsafe business. If the language of the statutes is to be changed, it ought to be considered by Congress, and each session some part of the work should be done. We should not undertake to do it all at one session, but it should be divided out, running through a series of sessions of Congress. It is much more important to have this work done correctly than to have it done in a lump and all at once.

MATT. CARPENTER'S VIEWS.

"Mr. CARPENTER (Mr. Anthony in the chair). The Senator from Indiana says this is a dangerous thing. That is undoubtedly so. It is dangerous to pass any law, because there may be a mistake in it that will harm somebody. That danger is inherent. We can not avoid that difficulty. Every exercise of sovereign power is dangerous in that sense, that if there is an error lurking in it and if it is not discovered it may do harm.

"The Senator says this work has been done by three commissioners, and from that he derives an objection to it. I think it would have been an improvement if it could have been done by one competent man. Where you have got one thing to do, whether it be to carve a statue or paint a picture or revise the laws of Congress, if it can be done by one mind, you are more likely to have it correct than you are if it is participated in by more than one.

"Now, what does the Senator suppose would become of that revision if it were to come in here and take the fate of ordinary bills in the Senate Chamber? The youngest boy born in this country to-day never could live to see it disposed of. Suppose it were put into installments, part of it taken up one session and part another, by the time you had gone through two or three sessions your accumulated legislation would make a new revision absolutely necessary; you never could end anything, and never would come to any conclusion.

"Undoubtedly there will be found errors in this revision. There never was a revision made, as the Senator from New York has said, that did not have errors. It is not in the nature of things that the revision of so many statutes should be absolutely perfect. All that we can do is to give it every guaranty that such a work ever can have, that it is correct. The great benefit of it is that it gives us a starting point for the law, and if errors are discovered, as undoubtedly there will be more or less, they are to be corrected by subsequent legislation, and every man, every citizen, every lawyer, every judge, knows what he has got to start with to find what the law is. He is to start with that volume, and then subsequent legislation is all he has got to discover. Tell any common man in the complicated relations of official life, who is an internal revenue collector, if you please, or has something to do with the distilling business, that he is supposed to know all the law on that subject, and it is to be found in 17 volumes, and he is to be indicted if he omits a single particular or mistakes a single provision, and he would as soon go to the insane asylum at once as attempt to wade through it. Now, then, he has got a start; he has got the statute of revision; and then he has got to look to subsequent legislation and nothing else, and is certain he has all the enactments on the subject before him.

"Mr. SARGENT. I think it would be wisdom for the Senate to adopt the recommendation of the committee and pass the code as it is, for I think great care has been given to this revision. Nevertheless, on an examination of some parts of the code with which I am more familiar from my former occupations, I think I find that it is not an entire codification so much as it is the insertion of parallel passages, if I may so express myself; and I will illustrate by a single instance which I have in mind. I do not know but that I should be somewhat puzzled as a lawyer, perhaps anyone would be puzzled, to know exactly what the law would be in the instance which I call to the attention of the Senate on page 541 of the revision with reference to mining claims. Section 2354 in the original numbering reads, part of it, thus:

"But no location of a placer claim made after the 9th of July, 1870, shall exceed 160 acres for any one person or association of persons, which location shall conform to the United States surveys."

"That authorizes a person or an association of persons to take 160 acres, and that was the law for a number of years. Finally Congress thought that 160 acres of mining land was too much for one person. That might be a matter of doubt. At any rate they changed the law subsequently, as I remember by the history of the legislation as well as finding it here, and they provided that all claims located after the 10th of May, 1872, shall conform as near as practicable to the United States system of public land surveys and the rectangular subdivisions of such surveys, and no location shall include more than 20 acres for each individual claimant.

"Mr. CONKLING. Subsequent to 1872.

"Mr. SARGENT. No. The first act says subsequent to the 9th day of July, 1870, but the second one says subsequent to 1872.

"Mr. CONKLING. Does not the Senator see that there is an interval required to be covered by the first statute?

"Mr. SARGENT. Exactly; but that is not the principle of the original law. The second act which I have read was intended to repeal and did in fact absolutely repeal the former one.

"Mr. CONKLING. Then it contains something the Senator has not read.

"Mr. SARGENT. No, sir.

"Mr. CONKLING. He has read nothing that comes within eight rows of apple trees of repealing it, if the Senator will pardon me.

"Mr. SARGENT. I have been unable to find anything further on the subject. But I mean to say that the second law to which I have referred, which made this second regulation and confined the location to 20 acres, did contain a repealing clause of the former legislation, and since that time all locations have been made to each party of 20 acres. If, however, under a fair and reasonable construction of this law, it still remains at 20 acres, then my criticism would have no force.

"Mr. MORTON. It repeals the former law necessarily, without any repealing clause.

"Mr. SARGENT. But here both are reproduced. Which prevails, the first or second section of this bill? As they are passed contemporaneously, there is no question of time to assist the construction. I mention that to show that there are crudities in this revision. A person understanding that subject thoroughly, and his attention having been drawn to it, could put it in one section, so as to have no confusion. As it is now, we shall have to rely on the judgment of the executive officers in construing the law. This may be the only instance of the sort in this volume, but it is one that struck my attention more particularly.

"But, Mr. President, considering the very careful revision that has been given to this code and believing it to be the best thing we can do on the subject, I shall vote with the gentleman who reports it.

"Mr. CONKLING. If my friend from Indiana had not spoken so quickly and so positively about this one repealing the other without any repealing clause, I should have been ignorant enough to read this over a good many times without finding it out, and I should not be surprised if some other Senators, even the Senator from Indiana, should be in the same position if he will take this and look at it. Let us see:

"But no location of a placer claim made after the 9th day of July, 1870, shall exceed 160 acres for any one person or association of persons," etc.

"Then, in the next section we find:

"Where placer claims are upon surveyed lands and conform to legal subdivisions no further survey or plat shall be required, and all placer mining claims."

"Mr. SARGENT. It is the same thing.

"Mr. CONKLING. Not at all. My friend remarks that it is the same thing. I made no affirmation about it. I merely read what the bill says:

"And all placer mining claims located after the 10th of May, 1872."

"That is, located after a different day, more than two years after the first.

"Mr. SARGENT. Of course; that is what I said.

"Mr. EDMUNDS. That refers to the act of 1872, which was a general act on the subject of mining.

"Mr. MORTON. One law modified the other, of course.

"Mr. CONKLING. This is getting very interesting. The Senator from Indiana now says 'one law modified the other.' Of course it does; but what he said first was that one law repeals the other.

"Mr. MORTON. It does to the extent that it modified it.

"Mr. CONKLING. Even though there was no repealing clause, he said one repealed the other. He does not mean that. He does not mean that when one statute says, even if it relates to precisely the same thing—whether it does or not, I do not stop to consider, although apparently it does not—he does not mean, when a statute relating to one thing requires that after a certain day in 1870 certain claims and rights shall exist, and another statute provides that after a day two years, later than that all those rights shall be governed differently, one statute repeals the other. He means that it modifies, as he last says, the other, taking effect upon what shall be in the future the effect of the latter statute. A statute of a State which did that would probably be void by the Constitution of the United States; a statute of the United States which did it might be supposed to be void under another provision of the Constitution for taking away property without compensation. Therefore, the man who after 1870 took 160 acres under that statute had just as good a title to it forever as the man who after 1872 took 20 acres under the subsequent statute, and they would not repeat each other. I submit, at all.

"Mr. MORTON. I do not suppose anybody can have misunderstood what the Senator from California said about it, or my remark. The second statute was intended to change the first statute and reduce the number of acres in the way of a placer claim that anyone could take. The Senator from California called attention to the fact that both of these statutes are placed there together. A dispute has already arisen. The Senator from New York is on hand, of course, to make it all clear, but he will not always be on hand to make these things clear when these difficulties arise. That is a single instance of confusion already arising upon this code, and perhaps is an illustration of the danger of taking a codification made by three men involving a change of phraseology of all the statutes of the United States that have been carefully considered at different sessions of Congress for some 60 or 70 years. As I said before, I think it is a very dangerous business; and if we wanted an illustration of it we find it in the little colloquy that has just taken place.

"Mr. MORRILL of Vermont. May I ask the Senator from New York whether the reduction in the tariff made two years ago, of 10 per cent on certain articles therein specified, is taken off each article in this codification, or whether provision is made by which that reduction shall be made as it was in the act? I have not been able to find it.

"Mr. CONKLING. It is made by being incorporated in the chapter, so to call it, which relates to the collection laws.

"Mr. MORRILL of Vermont. I was not able to turn to it. I supposed that was the way it would be. I saw it was not on each specific article.

"The bill was ordered to a third reading, read the third time, and passed."

So we thus present the debate under which the Revised Statutes became the law of the land and the greatest law book in the world 47 years ago. It was suggested that in so big a book there would be mistakes, and of course there were. The question was whether they should make the mistake of continuing to be without a code, or continuing to have their laws scattered through many volumes, practically inaccessible, and, what was more important, of having laws thus scattered made at random without any knowledge at the moment of just what they repealed by implication. In our Federal legislation there is comparatively very little direct repeal. The committees have no time to run down everything with which their legislation might be incon-

sistent and conflicting, and it thus becomes the duty of the courts to interpret the laws and decide what legislation repealed something prior. The theory of this codification has been that it did not favor repeals by implication; that the law made by Congress should be restated, unless it was entirely evident that Congress intended a repeal. In such cases, when there seems to be conflict between sections of the law, it is for the courts to decide what is the law. The Committee on Revision of the Laws has not endeavored to make judicial decisions on such points, but rather to put in the law made and let the courts decide, as they would be compelled to if there be no code.

In many departments, bureaus, and elsewhere the administrative and executive offices have been compelled, perhaps, to reach conclusions on such questions. For that reason customs and practices have grown up in various places in the Government which have had the force of law, but which are not the law at all, because the interpretation was sometimes made by men without any serious legal equipment or experience, yet to them and their successors these erroneous interpretations of the statutes have become sacred and they have been very much surprised that they have been violating the law for years.

Before the Revised Statutes were completely printed in 1874, the committee discovered 67 errors and corrected them by a bill immediately presented and enacted, which was placed in the same book with the Revised Statutes as an appendix. The committee has thought best to comb this bill right now and present those points as suggestions for amendment in the Senate.

This bill is three times as big as the other, and there are probably some mistakes in it. The West Publishing House recently wrote the chairman that they proof read their publications of the statutes three times, but that if they proof read them forty times, there would still without doubt be mistakes in them. There are very many mistakes in the Statutes at Large that never have been corrected, as the committee has discovered. If the proposed code is enacted it will be a comparatively easy task to search its pages and to correct any mistakes that may be subsequently discovered. If thereupon future legislation is based upon a code and repeals are definitely and accurately made, Congress can go a long way toward avoiding many of the problems which are forced upon the courts as to just what legislation means when it seems to conflict with prior legislation. Faithful adherence to the laws enacted of course devolves upon the proposed code the apparent conflicts which various individuals have without authority settled to their own satisfaction. A law clerk down in a bureau looks at two or three statutes and repeals all of them he doesn't like, with as much graceful abandon as Richard cried, "Off with his head; so much for Buckingham." Then he is profoundly surprised when the Committee on Revision, whose members have enjoyed a practice at the bar which, when combined, reaches an experience of 250 years, decline to take the responsibility of repealing laws which Congress has never repealed. The committee prefers to leave those problems with the courts just as Congress did, presenting in the saving clauses of its last title everything that can possibly be said to preserve all rights, perpetuate all laws, and make clear the purpose of the laws. For 18 months the chairman of the committee, with a corps of able lawyers assisting, and under the supervision of the committee of learned lawyers, has assembled the general and permanent laws of the land and presented them in one great code. Expeditiously as it has been done, it only comes down to the beginning of the Sixty-sixth Congress, and if it be postponed, the next time if attempted it will be still further behind, and it should begin as near down to date as possible in order to be practically useful. The Revised Statutes of 1874 were very soon followed by a second edition which corrected all the errors practically of its predecessor and was able then to bring the Revised Statutes down to the date of their publication practically. It is quite possible that the same plan may be adopted if this bill becomes a law, and without doubt starting, as Senator Carpenter says, from the foundation of this collection of the laws, the next one can in many ways surpass the first edition.

The Codes of Justinian and Napoleon of course contained many mistakes, too, but those mighty law books formed the standard for a century of legislation in one case and for 13 centuries in the other, and have been absolutely invaluable to generations of litigants, courts, barristers, and nations. Mistakes in this code can easily be corrected, but to begin at the beginning and make another is a task that probably no one would care to undertake unless men are very differently constituted than they have been since 1874. Every year the laws accumulate without a code throws still more confusion into the interpretation of the statutes, and the committee which has so laboriously achieved this compilation and codification earnestly hope that the views of Conkling, Carpenter, Bayard, Edmunds, Beck, Butler, Poland, Lawrence, Sargent, Morrill, and Alexander H. Stephens may be considered worthy of consideration and approval now, when there is so much more confusion and necessity for such an assembly and determination of the laws. Every man has a right to know what the laws are, and half a hundred Federal judges and attorneys have told us that no man can know certainly what the laws are now after 47 years of continued legislation unchecked. The opportunity is here presented that was given then, and that great book of 1874 has never been seriously challenged upon any point of importance, and for nearly half a century has been the north star of all American litigation and legislation, as it is hoped by many this will be, if adopted.

TRAFFIC CONDITIONS IN THE DISTRICT OF COLUMBIA.

Mr. FULLER. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. FULLER. Mr. Speaker and gentlemen of the House, I noticed in one of the newspapers of the city last evening an article stating that there were 298 more arrests for speeding made in this city in the last month than in the month before. On a report from the superintendent of police it is stated that arrests for traffic law violations in this city in the month of January totaled 2,326 and that of these 924 were for speeding, an increase of 298 over the previous month.

In my judgment it is time that Congress and the public should take some notice of traffic conditions in the city of

Washington. They have become almost unbearable. The number of arrests stated by the superintendent of police might indicate that something was being done to prevent the constant daily and hourly violations of the speed regulations, but these arrests amount to nothing. There is nothing stated in this article as to how many were fined or sent to jail, but it is my understanding that few were fined and fewer punished by imprisonment; mere arrest and deposit of collateral, which is generally forfeited, amounts to nothing.

The usual practice is to take a small deposit, and the person who violates the law never appears in the police court at all. His deposit is forfeited, and that is all there is of it, and he goes on his way and commits the same kind of violations again. This practice is wholly ineffective so far as correcting conditions, which are constantly getting worse and which are a disgrace to the city.

Punishment should be of such degree as to deter not only the one punished but all others as well. Let it be known once for all that violation of the speed regulations will meet with certain punishment of a degree commensurate with the offense, and that is not by forfeiture of collateral, not by fine only, but by fine and imprisonment in every case, and operators of motor cars will soon learn that it is wise to obey the law. Where the death of an innocent pedestrian is caused by reason of the unlawful speed of a motor car the person so causing the death should be held to the grand jury and punished for the felony, for such it is. It is high time that the people of this city should awake to the fact that the city is getting the reputation of being an unsafe place for anyone to be upon its streets, that life is unsafe on the streets of the Capital City of the Nation, and unless conditions are remedied people will hesitate to visit the city.

Mr. HICKS. Will the gentleman permit a question?

Mr. FULLER. Certainly.

Mr. HICKS. Is it not a fact that a chauffeur, obtaining his license in the District of Columbia, after once obtaining it never has to go before the commissioners again to show whether he is qualified?

Mr. FULLER. I understand that to be the case; that almost all that is necessary in order to get a permit to drive an automobile is to make the application and pay the fee, and then it continues year after year without any renewal.

Mr. BLANTON. Will the gentleman yield?

Mr. FULLER. I yield to the gentleman from Texas.

Mr. BLANTON. Is not most of the trouble due to the fact that irresponsible chauffeurs employed on salaries, who do not own their cars, are permitted to drive, and they do not care whether they have accidents or not as long as they keep their own bodies whole?

Mr. FULLER. Undoubtedly that is frequently the case. One reason that has induced me to make these remarks this morning is that a few days ago the matter was brought home to me in such a way as not to be ignored. A member of my own family, the sister of my wife, visiting in Washington for a few days, had an errand on the street only a block away. Fifteen minutes after she left the home where she was staying her crushed and mangled body was in the hospital, murdered by a reckless and irresponsible automobile driver, who never ought to have been granted a permit to operate an automobile. And I say now that it is just as dangerous to give a permit to operate an automobile to a reckless, incompetent, and irresponsible person as it would be to give him a permit to carry a loaded revolver, because one is a dangerous weapon as much as the other; and more lives are endangered, more deaths result from violations of traffic regulations, from improper use of automobiles, and particularly from speeding, than from all other deadly weapons in existence, for the automobile is a deadly weapon when in improper hands, and permits should be granted only to proper persons, after the most rigid examination as to character and fitness to be intrusted with such a weapon; and in case of improper use, of negligence, or of demonstrated unfitness such permit should in every case be promptly revoked.

I have been told frequently that traffic conditions in this city are worse than in any other city in the United States. I do not know whether that is so or not, but I do know that in the past year I have had to jump for my life at least a thousand times to get away from speeding automobiles. What I would like now is to have these facts made public so that some remedy may be found to correct these conditions. I know something about the speed at which automobiles go. I have watched the speedometers on machines and I know when they are going beyond the proper limit. No automobile upon the streets of a city should be permitted to run more than 15 miles

an hour. A greater speed than that on city streets is always dangerous. Automobiles in this city are operated every day upon the public streets at a rate of speed as great as that of the average railroad train upon a track, and anyone knows that that is dangerous to human life. In my judgment three things should be done: First, permits should be granted only upon a rigid examination, and only to proper persons and under proper conditions, and no such permit should be extended beyond one year. Second, the practice of taking a deposit from a person who violates the speed regulations and allowing him simply to forfeit that deposit should be abolished. A man who violates the law and is arrested for that violation should be compelled to appear and stand trial, and let it be a public matter; and let him not only be fined, but if it is a willful violation let there be a jail sentence, and when life is taken by a man who is violating the speed law, the law presumes him to be responsible for the necessary consequences of his act and he ought to be indicted and punished for manslaughter or murder, because that is what it is. [Applause.]

I have also another clipping from a paper last night as to conditions in the city of Detroit.

Mr. MONDELL. Will the gentleman yield?

Mr. FULLER. I yield to the gentleman from Wyoming.

Mr. MONDELL. Have there been any cases where offenders have been given jail sentences for these violations of the traffic laws of the District of Columbia?

Mr. FULLER. I understand that only a very small number were given jail sentences. The rest were given either small fines or, in the great majority of cases, they simply forfeited their collateral and never appeared in court at all. Such a pretended enforcement of the law is a farce.

Mr. MONDELL. Does the gentleman realize that we will never have safety on the streets until the court begins to punish those who violate the law?

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. FULLER. Mr. Speaker, I ask that I may have five minutes more.

The SPEAKER. Is there objection?

There was no objection.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. FULLER. I will.

Mr. DAVIS of Tennessee. Does not the gentleman think it would be a good idea that when a driver is willfully convicted of violation of the traffic laws he should be deprived of his permit?

Mr. FULLER. He should be deprived of his permit. That should be one of the punishments. Another punishment that should be inflicted is that the man who violates the traffic regulations more than once, or becomes a chronic violator of the traffic laws, should forfeit his automobile as well as the right to drive?

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. FULLER. Yes.

Mr. MACLAFFERTY. Does the gentleman realize that Washington is the poorest lighted city of its size in the country, and that owing to the frequent circles pedestrians have to be in the fairway for such a great distance in crossing the street that it increases the danger, and that 80 per cent of the accidents are on account of the negligence of pedestrians?

Mr. FULLER. I do not think that is true at all. We had a safety week in Washington a few weeks ago and notices were posted all around reading "Don't get hurt." They were all against the pedestrians. I did not notice any except the cartoon of Berryman in the Star in which it said, "Don't hurt." Talk about pedestrians being at fault, every person that goes out on the streets of this city knows that he must be speedy and jump for his life, because there are only two classes of people in the streets—the quick and the dead. [Laughter.] If a person is not quick, he is very sure to be dead.

Personal safety induces every pedestrian to look out for himself. He knows that he must do so. When an automobile is coming at 30, 40, or 50 miles an hour, as they do sometimes in this city, a person has to look and act quickly. You see one coming 80 rods away and think there is plenty of time to cross the street, but before you know it the automobile is on you, or you escape by an inch, and such very narrow escapes are of daily and hourly occurrence—

Mr. BLANTON. Will the gentleman yield?

Mr. FULLER. Yes.

Mr. BLANTON. Does the gentleman know that my colleague, Mr. ZIEHLMAN, from Maryland, has a bill that covers every point the gentleman has made?

Mr. FULLER. I do not think so. In my judgment the bill mentioned would not help matters in the least. There is law enough now.

Mr. BLANTON. If the District of Columbia Committee can have a day in court we can give the gentleman a law that would protect pedestrians.

Mr. MONDELL. Will the gentleman yield? All the balance of the world is constantly shifting the responsibility to Congress, but I do not think a Member of this body ought to join in that course. There is plenty of law on the statute books now.

Mr. FULLER. That is true; there is plenty of law. The law is sufficient if enforced by the courts. They should send these violators to jail, as they do in Detroit. There they have almost eliminated accidents by the courts sending speeders to jail and the workhouse. I have an article here which states that millionaires as well as poor people have recently been sent to the workhouse for violation of the speed laws, and have been compelled to serve out their sentences.

Mr. BLANTON. But the judge here yesterday sent a man to jail for 60 days for speeding.

Mr. FULLER. Many more should have been sent.

Mr. STAFFORD. The case which the gentleman alludes to in Detroit was because Judge Bartlett has the guts to punish, and what we need here are judges to punish.

Mr. FULLER. Yes. What we need here are judges who are hard boiled and who will enforce the law and punish these violations. The law ought to be enforced, and those who violate the law concerning the operation of motor vehicles should be punished, as the law contemplates. Since the 1st of January last 10 persons have been killed in this city by speeding automobiles. In some cases it was nothing less than murder, and in such cases there is no suitable punishment but death or imprisonment in the penitentiary. If in every case of willful violation of the law the offender was punished by imprisonment there would not be many more unlawful killings, too often referred to as unavoidable accidents. There is no such thing as an unavoidable accident when it is caused by the unlawful act of the responsible person. If the driver of an automobile or any motor vehicle keeps it under control and does not go faster than the law provides, no one will be killed. Why, every street car in the city slows down at the crossing of an intersecting street, and if there is any indication of danger the car is stopped. The motorman must do this or he loses his job. But the driver of an automobile in almost every instance does not slow down at the crossing of an intersecting street, but keeps on at full speed. He does the same in going around corners; at least, this is the almost universal practice, as I have observed on many occasions. Why should not the driver of a motor vehicle be as careful as the driver of a street car? I think he should be compelled to observe the same degree of caution as the motorman on a street car; and if he would do so there would be fewer of the so-called unavoidable accidents.

Now, I wish to say just this: As the gentleman from Wyoming [Mr. MONDELL] remarked, the fault is not with Congress—there is law enough. All that is needed is to enforce the law, and that is up to the officials of this city.

I wish to quote from the article to which I have referred concerning the situation in Detroit, which was published in a newspaper of this city last evening, and which is as follows:

JAIL TERM PROVES CURB FOR SPEEDING—DETROIT'S "HARD-BOILED" COURT PUTS EFFECTIVE BAN ON JOY RIDERS.

When 240 persons were killed in 1920 by speed maniacs and careless motorists Detroit got "hard-boiled."

The result was a decrease of 40 per cent in the number of traffic fatalities in 1921—a total of at least 106 lives saved. And this sharp cut in traffic deaths was accomplished despite the fact that the number of automobiles in Detroit increased 25 per cent.

"How does Detroit do it?"

Louis Resnick, writing in the National Safety News, answers that question in two words—"cooperation" and "courage." Cooperation between the police department, the automobile club, the board of education, and the Detroit Safety Council. Courage on the part of Judge C. L. Bartlett, who presides over the Michigan city's traffic court, in sending careless motorists to jail and revoking their licenses in the bargain.

"I sat in the traffic court and watched Judge Bartlett dispense justice to speeders and other violators of traffic laws," wrote Mr. Resnick. "In one day he sentenced 29 speeders to manual labor in the house of correction. Among them were five men reputed to be millionaires, and every one of the 29 served his sentence. Almost without exception every speeder that has appeared before Judge Bartlett has received a fine ranging between \$25 and \$500 and has been sentenced to from 1 to 10 days in the house of correction."

"Then, to make the lesson complete, Judge Bartlett has in nearly all of these cases revoked the prisoners' automobile licenses for from three months to a year. That is courage."

A "hard-boiled" traffic court has been found to be not only a severe lesson to the man who is arrested but it is also the finest educational agency for the man who might be tempted to "step on it" now and then. He always has that vision of the rock pile or laundry tub for 10 days or a month before him, and loss of the privilege to

drive after he gets out. While statistics show that the court only comes into personal contact with 1 per cent of the motorists of Detroit, its effects are felt by the other 99 by imposing sentences that really hurt on the 1 per cent.

JUDGE BARTLETT'S POLICY.

Here is Judge Bartlett's personal description of his policy:
"My policy is and shall continue to be to give the speeder the maximum penalty allowed by law. During my first few weeks on this bench I followed the old system of assessing small fines and I noticed a good many repeaters appearing before me. I then stationed persons here and there about the court room and at the outer door to listen to the comments of speeders who had been fined.

"I found that no system of fines could be effective. And so I determined on the imposition of jail sentences. Since I have adopted this policy the number of speeders brought before me had been reduced from an average of 300 a week to 7 or 8. What we need throughout America is a more severe enforcement of existing traffic laws and greater publicity of such action by the courts. I might send 100 speeders to jail in one day and if the newspapers did not print the fact the lesson would be lost to all but the 100.

"When the daily press and the moving pictures report this event, the lesson goes home to thousands of potential violators who are restrained from recklessness and carelessness by the mental vision of a spell on the rock pile."

Detroit invests \$50,000 a year in the maintenance of an accident investigation bureau in its police department. "Invests" is the correct word, any citizen of Detroit will tell you, because it pays dividends in lives and limbs saved.

The bureau is comprised of 18 policemen. Their duty is to see that every accident resulting in a death or physical injury to any person is promptly and thoroughly investigated and the facts placed in the hands of the prosecuting attorney.

The minute that news of an accident is flashed to police headquarters—and it is the duty of every policeman to do that immediately—several members of the accident investigation squad rush to the scene. There they obtain statements from witnesses, distances are accurately measured, and a police photographer takes pictures of the wreck and the scene. As a result the police come into court with a case that is almost indisputable.

Mr. SMITH of Idaho. Mr. Speaker, I move that the remarks of the gentleman from Wisconsin [Mr. STAFFORD] wherein he used the word "guts" be expunged from the RECORD.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. LINTHICUM. Mr. Speaker, I ask that the gentleman be given two minutes more.

The SPEAKER. The gentleman from Idaho moves that the remarks of the gentleman from Wisconsin [Mr. STAFFORD] be expunged from the RECORD.

Mr. SMITH of Idaho. They are disgraceful and should not have been uttered on this floor.

Mr. BLANTON. Mr. Speaker, I ask recognition on the motion of the gentleman from Idaho. I think my colleague from Idaho [Mr. SMITH] has acted rather hastily. If he will examine the CONGRESSIONAL RECORD he will find that very expression which the distinguished gentleman from Wisconsin [Mr. STAFFORD] used at least in a dozen places.

Mr. SMITH of Idaho. That may be, but it has no proper place there.

Mr. BLANTON. Why, that is a favorite expression of my colleague from Arkansas, Mr. WINGO. [Laughter.] The gentleman's side of the House has placed it in the RECORD several times. I am sure that if the gentleman from Idaho had waited for a few minutes until the reporter's notes were handed to my friend from Wisconsin, he would find probably that the word had been deleted by the gentleman from Wisconsin.

Mr. STAFFORD. I question whether the gentleman from Texas has any authority to make that statement. [Laughter.]

Mr. BLANTON. But, if the gentleman from Wisconsin did not do it, I want to say that I am behind him anyway, because the gentleman from Wisconsin does not speak on this floor ill-advisedly. He is prepared on every subject that comes up, and he is one of the few men who is prepared on all measures that come on this floor.

The SPEAKER. The gentleman will confine himself to the subject of the debate.

Mr. BLANTON. I am not in favor of striking the language of the gentleman from Wisconsin out of the RECORD. There is surely some latitude in debate here. A Member does not have to get up here on the floor and imagine that he is out under timid, shrinking Idaho skies every time he opens his mouth. He is on the floor of the United States House of Representatives where he is supposed to speak his mind even if he has to use a good old-fashioned expression once in a while. I want to say that it is a good expression that my friend from Wisconsin used, and I wish that more of us on this floor had more of just what he mentioned.

Mr. STAFFORD. Mr. Speaker, I move the previous question on the motion of the gentleman from Idaho.

Mr. SMITH of Idaho rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. SMITH of Idaho. I rise to discuss the motion to strike out the language.

The SPEAKER. But the gentleman from Wisconsin has moved the previous question. That is a privileged motion. The question is on ordering the previous question on the motion of the gentleman from Idaho.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Idaho that the language used by the gentleman from Wisconsin be stricken from the RECORD.

The question was taken, and the motion was rejected.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 12473. An act granting the consent of Congress to the Winco Block Coal Co., a corporation, to construct a bridge across the Tug Fork of the Big Sandy River, in Mingo County, W. Va.

H. R. 11731. An act to provide for the renting of the first floor of the customhouse at Mobile, Ala., to the Mobile Chamber of Commerce.

INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT (H. REPT. NO. 1549).

Mr. WOOD of Indiana. Mr. Speaker, I submit a conference report upon the bill (H. R. 13696) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1924, and for other purposes, for printing under the rule.

BRIDGE ACROSS ARKANSAS RIVER AT LITTLE ROCK, ARK.

Mr. JACOWAY. Mr. Speaker, I call up from the Speaker's table the bill S. 4439, to revive and to reenact an act entitled "An act granting the consent of Congress for the construction of a bridge and approaches thereto across the Arkansas River between the cities of Little Rock and Argenta," approved October 6, 1917, a similar House bill being on the calendar.

The SPEAKER. The gentleman from Arkansas calls up from the Speaker's desk a Senate bill, a similar House bill being on the calendar before the Senate bill was returned to the House. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the act approved October 6, 1917, granting the consent of Congress for the county of Pulaski, in the State of Arkansas, its successors and assigns, to construct a bridge across the Arkansas River at the city of Little Rock on the site now occupied by the free highway bridge constructed by said county in the years 1896 and 1897 be, and the same is hereby, revived and reenacted: *Provided,* That this act shall be null and void unless the actual construction of the bridge hereby authorized be commenced within one year and completed within three years from the date of approval thereof.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill was laid on the table.

REORGANIZATION OF FOREIGN SERVICE OF THE UNITED STATES.

Mr. CAMPBELL of Kansas. Mr. Speaker, I present a privileged report from the Committee on Rules which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 501 (Rept. No. 1546).

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13880, a bill for the reorganization and improvement of the foreign service of the United States, and for other purposes. General debate shall be limited to two hours, one-half to be controlled by those in favor of the bill and one-half to those opposed. At the conclusion of the debate the bill shall be read for amendment, after which it shall be reported to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, the bill sought to be made in order under this resolution has been reported by the Committee on Foreign Affairs. It makes certain consolidations and changes in the Consular and Diplomatic Service. The rule provides for two hours of general debate upon the bill, one-half the time to be controlled by those favoring the bill and one-half by those opposing it. The resolution has the support of the entire membership of the Committee on Rules, I think. Does the gentleman from Tennessee desire any time on the rule?

Mr. GARRETT of Tennessee. I think not.

Mr. CAMPBELL of Kansas. Then, Mr. Speaker, I ask for a vote on the resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. PORTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 13880) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

Mr. GARRETT of Tennessee. Mr. Speaker, pending that motion, may I have the attention of the gentleman from Pennsylvania for a moment?

Mr. PORTER. Yes.

Mr. GARRETT of Tennessee. The rule provides for two hours of debate. I understand it to be agreeable all around that that time shall be controlled, one-half by the gentleman from Pennsylvania [Mr. PORTER], and one-half by the gentleman from Maryland [Mr. LINTHICUM].

Mr. PORTER. That is the understanding.

Mr. GARRETT of Tennessee. Will not the gentleman kindly make that request?

Mr. PORTER. Mr. Speaker, I ask unanimous consent that one-half the time shall be controlled by the gentleman from Maryland [Mr. LINTHICUM], and one-half by myself.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13880.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13880, with Mr. HICKS in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13880, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 13880) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

Mr. PORTER. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. According to the rule and unanimous-consent agreement the Chair recognizes the gentleman from Pennsylvania to control one hour in favor of the bill.

Mr. PORTER. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, every man thinks that a measure to which he has given a great part of his time for some years is an important measure. I do not wish to presume in making this statement, but I think it is perfectly fair and perfectly conservative to say that the adoption of some such legislation as is here proposed will very materially improve the efficiency and the businesslike organization of the foreign service of the United States. I do not ask you, of course, to accept that upon the authority of the sponsor of the bill. I should like to call your attention to some of those who, after having given it a great deal of study, are recommending this measure. The former Secretary of State, Mr. Robert Lansing, is very strongly in favor of the bill. We have the explicit and vigorous approval and indorsement of the measure from the present Secretary of State, Mr. Hughes. If members of the committee are in doubt as to the attitude which they should take upon this bill, I should like to call their attention to certain extracts from the testimony of Secretary Hughes which are reprinted in the report, beginning on page 10 and concluding on page 14. Then we have the testimony of men who are veterans in the foreign service and who are looking at the question from a technical viewpoint—men whom the House trusts, and whom I think the House has reason to trust. I refer, for example, to the present Undersecretary of State, Mr. William Phillips, to Mr. Wilbur J. Carr, director of the Consular Service, who is perhaps as well known to the membership of this House as is any man in the Government, and who never fails to convince us both of his ability and sincerity, as well as the value of his long experience. I refer to Consul General Skinner, one of the best men in the service of the United States. Former Ambassador Henry White indorses this bill. John W. Davis, formerly an honored Member of this House and more recently ambassador to Great Britain, made a special journey from New York so that he might state to the Committee on Foreign Affairs his belief in the measure and his reasons why he believed some such program is essential to our foreign service. I refer also to Mr. Frank L. Polk, former Undersecretary of State, who also came on from New York to testify, and who made a very

earnest appeal for legislation of this kind. I should like to call to the attention of the committee the fact that practically every chamber of commerce and trade organization in the United States and many of the American chambers and trade organizations functioning in other parts of the world have gone on record as favoring this particular reorganization of our foreign service. Almost all the business organizations which have foreign trade contacts are also on record to the same effect.

While I do not wish to seem to single out the views of any one Member of the House, I think it may interest my colleagues to know that the chairman of the Committee on Appropriations [Mr. MADDEN] has made a very careful study of this bill both with respect to its substantive provisions and with respect to the outlay which will become necessary under it. Mr. MADDEN authorized me this morning to say that he is heartily in favor of the bill, and hopes a little later, after his committee duties are concluded, to speak in its favor.

Mr. BLANTON. Will the gentleman yield?

Mr. ROGERS. Certainly.

Mr. BLANTON. Who wrote the bill?

Mr. ROGERS. The bill, like most reorganization bills, is an evolution. I think, perhaps, I wrote more of it than anybody else, but I have for weeks had the very valuable assistance of the members of the Committee on Foreign Affairs and of representatives of the State Department whom we called before us and who helped us materially.

Mr. BLANTON. The question I desired to ask the gentleman is this. There was no explanation given Members of the House on the rule which was very limited.

Mr. ROGERS. Yes.

Mr. BLANTON. The bill has not been read; we let it go by without a first reading. There has been no statement made as to what changes in the present law the bill makes. As one Member of the House, I think I would like to know the changes—

Mr. ROGERS. The gentleman will perhaps not be surprised to hear that I had intended to discuss the bill. It is for that purpose I have taken the floor.

The present foreign service of the United States is not a single foreign service. It is a dual service with the two sides of the system just as distinct as if they were in separate watertight compartments. On one side we find the Diplomatic Service of the United States; on the other side, separated from the Diplomatic Service by battlements and a moat, we find the Consular Service. A little later I shall show more in detail why I think the separation is unfortunate. At this point I would suggest simply one good reason. In the old days—and this separation is a relic of the early times of the Republic—in the old days the problems coming before our Diplomatic Service or our Consular Service were rather simple, narrow, specific things. Our world trade and our world politics seldom touched each other.

Nowadays every international question has both its diplomatic aspect and its business aspect. There is no question that comes before either side of our foreign service to-day which is not both commercial and political. And yet we have the diplomatic side of the service, the political side, completely distinct in every way from the business side of the service. That segregation arises, as I say, from historical reasons. But as the years have passed, and especially as the postwar period has more and more brought us into direct contact with world business problems, the vice of the present arrangement becomes increasingly apparent.

Let us try to visualize what these two isolated services involve. I am going to suggest that we picture the present Diplomatic Service as a tall pole, like a flagpole, sticking high up in the air, and the Consular Service a similar pole sticking up in the air a short distance away. There are no less than 25 salary and class graduations in the consular side of the service. There are six classes of consuls general; there are nine classes of consuls; there are three or four classes of consular assistants; there are three or four classes of vice consuls of career, and various others. Such a number of subdivisions for the Consular Service is manifestly unnecessary if not absurd. There are many anomalies in the arrangement of these classes which have developed from historical causes. For instance, some consuls general get higher salaries than some ministers, although they are theoretically, at least, of lower rank than ministers. For example, also, some consuls general get less salary than consuls, although naturally the title of consul general is of superior rank and authority. But aside from that there is no possible reason in theory or practice why we should have 25 classes of consuls general and consuls.

On the other side we have the diplomatic flagpole with only 4 subdivisions, as against 25. Four is too few, just as 25 is too many. But that also has arisen because of certain conditions of the past.

Here is the situation with respect to salaries: The salary range on the consular side is from \$1,500 at the bottom to \$12,000 at the top, but the salary range on the diplomatic side is from \$2,500 at the bottom to only \$4,000 at the top. A man enters the Diplomatic Service at the age of 25 or 30; he gives the 20 years which are the best years of his life to his work; he succeeds above the average of his fellows, and then he finds himself at the end of that 20 or 25 years elevated to class 1. He gets a salary of \$4,000. His colleague on the consular side, serving for the same period, performing no more important duties and with no greater ability, may hope to rise to a salary of \$12,000.

We suggest that both of these situations are anomalous and absolutely detrimental to the well-being of the service. So we take our two poles, put some rungs between them, and thus make them a ladder. We put in nine rungs to constitute the ladder, and we call the resultant apparatus "the foreign service of the United States." Each of these rungs represents a class. Each represents a merit promotion from the bottom class, which is class 9, up to the top class, which is class 1. Every efficient man, secretary or consul, now in the service is given an appropriate rung on the foreign service ladder. Every new man admitted hereafter starts at the bottom rung.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield.

Mr. HUSTED. I am very much interested in the bill. I think it is a perfectly splendid piece of legislation. But I wonder why the gentleman in section 4 carries the distinction which he calls anomalous. Section 4 provides that these foreign officers may be appointed as secretaries, or consular officers, or both. Why not have them simply appointed as foreign service officers and assigned to such work in the department as is best for it?

Mr. ROGERS. Because, as Secretary of State Hughes pointed out in his testimony, we can not, by writing a piece of domestic legislation, overcome world conditions and practice and nomenclature. Great Britain is not going to know our representative in London as a foreign-service officer. Our representative there must function as a secretary, or as a consul or consul general, as the case may be. All we can do is to erect this foreign-service superstructure for the purpose of making interchangeable the two sides of the service and for the purpose of establishing a uniform salary scale which will permit that interchangeability.

Mr. HUSTED. I must say that I can not quite see the force of the objection. It does not apply to ministers. It applies only to consuls and secretaries, and when accredited to any particular nation they would be assigned to certain duties, consular, or diplomatic, or clerical duties. Their status could easily be ascertained.

Mr. ROGERS. But a consular officer is a principal officer of the United States abroad. All our statutes and all the statutes and usages of every other country deal with these representatives as secretaries or as consuls. We have examined carefully the very point the gentleman makes. The views of every man with whom I have talked and the view of the committee, I think, was that while it would be desirable to get rid of the designations as secretaries and consuls, it would accomplish nothing so far as our fundamental purpose in this bill was concerned and might lead to very serious embarrassment as these officers tried to function in the cities of the world to which they went. The "foreign-service officer" designation must, I think, be a domestic matter, and it could scarcely pass current abroad.

Mr. HUSTED. I think it would not affect the fundamental purpose of the bill at all. I do not believe it would lead to any serious embarrassment. It would make them more harmonious simply to have them assigned as foreign-service representatives, and then they could be assigned to particular duties.

Mr. ROGERS. It can, in my opinion, do no harm to retain the old designations, and may easily do affirmative good.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes; I yield to the gentleman from Illinois.

Mr. CHINDBLOM. Will this bill frame our general foreign-service structure along practically the same lines as the foreign service of other countries?

Mr. ROGERS. Most of the other principal powers of the world have been tending more and more toward this interchangeable idea. Our principal trade rivals have almost complete interchangeability. We are the only principal power in the world, I think, that apparently thinks it is conclusive that a man who once starts as a consul shall, whatever his fitness,

never become a diplomatic officer and vice versa. Only one consular officer in a quarter of a century has been made a minister.

Mr. CHINDBLOM. Of course, many foreign countries now are bringing men of commercial experience and prominence into their foreign service.

Mr. ROGERS. Yes. That is precisely what we hope will result from this bill. We hope it is going to bring business methods and business men into the foreign service. We think it will tremendously broaden the range of selection of men who will desire to enter the foreign service. The wider the field of selection the better should be, and I believe will be, our personnel and our representation.

Mr. CHINDBLOM. If I understand the tendency in other countries, particularly the large commercial countries, it is toward a removal from the old bureaucratic system.

Mr. ROGERS. Yes; and to permit flexibility where flexibility is likely to help the service and the country involved.

Mr. CHINDBLOM. One other question: Does this bill relate to the work that is being done by the Department of Commerce in foreign lands?

Mr. ROGERS. It has no bearing whatever upon the agencies of the Department of Commerce. The House of Representatives and the Congress have very recently and by a decisive vote indicated that they wished to retain the foreign activities of the Department of Commerce. I think the Committee on Foreign Affairs would feel that it had no right to go against what seems to be an apparent mandate of the House in that regard.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Virginia.

Mr. MOORE of Virginia. As I recall, the Secretary of State said he believed this bill had the cordial approval of the Department of Commerce.

Mr. ROGERS. He specifically stated that in the hearing.

Mr. CHINDBLOM. May I make one other observation in connection with what I have said? For my part, personally, I think it would be advisable if we could coordinate the work of the Department of Commerce and that of the foreign service.

Mr. ROGERS. I have long shared the gentleman's feeling about that.

Mr. TOWNER. Will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Iowa.

Mr. TOWNER. I notice in section 3 a very succinct statement of the proposition:

That the official designation "foreign service officer" as employed throughout this act shall be deemed to denote permanent officers in the foreign service below the grade of minister, all of whom are subject to promotion on merit, and who may be assigned to duty in either the diplomatic or the consular branch of the foreign service at the discretion of the President.

Mr. ROGERS. Yes.

Mr. TOWNER. I call the attention of the gentleman to section 5, which states that—

hereafter appointments to the position of foreign service officer shall be made after examination or, after five years of continuous service therein, by transfer from the Department of State under such rules and regulations as the President may prescribe.

There is an extension, then, is there not, of the examination system, not only to the Consular Service as it already exists but also to the Diplomatic Service—to the undersecretaries, and so forth?

Mr. ROGERS. Since 1915 the Diplomatic Service has been filled as a result of examination also, excluding, of course, ambassadors and ministers.

Mr. TOWNER. Yes, certainly. Does it include all other officers in the Diplomatic Service?

Mr. ROGERS. All officers in the Diplomatic Service below the rank of minister are now selected by examination, and have been for some years.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. ROGERS. Yes.

Mr. DOWELL. Section 5 provides that hereafter they shall all be examined for appointment to the foreign service.

Mr. ROGERS. Yes; below the rank of minister.

Mr. DOWELL. Does that mean that those now in the Diplomatic Service, before appointment to the new foreign service, would be required to take an examination under this clause?

Mr. ROGERS. Section 7, line 14, specifically exempts those now in the service from further examination before reappointment in the foreign service.

Mr. DOWELL. Just one other question. Who makes the classification that is provided for, and on what basis is the classification made?

Mr. ROGERS. Does the gentleman mean the creation of the classes in the bill or the appointments to the classes under the bill?

Mr. DOWELL. I mean the appointments under the bill. I understand that there are now different classifications under this bill?

Mr. ROGERS. Yes.

Mr. DOWELL. I assume from the language that some one must place certain positions in certain classes. Who makes the classification under section 2?

Mr. ROGERS. I think if the gentleman will turn to section 7 he will find his question answered.

Mr. DOWELL. On what basis are they classified?

Mr. ROGERS. On the basis of efficiency, and also on the basis of the rank which they now hold, assuming they are found efficient.

Mr. DOWELL. Serving in different countries or different places, is there any difference in the classification in the various countries—for instance, in the Consular Service, in one country or in another?

Mr. ROGERS. In recent years there has been no classification of the Consular Service by posts. A man moves upward from class to class, first vice consul at the bottom, then consul halfway up, and then consul general. So the answer to the gentleman's question is no.

Mr. DOWELL. Is there the same classification and the same pay for the same position at one point as at another point?

Mr. ROGERS. There is no geographical element involved in the classifying.

Mr. DOWELL. But there is the rank, so far as the pay is concerned, and I assume that is with reference to the importance of the position.

Mr. ROGERS. Precisely.

Mr. DOWELL. And that is determined and the appointment is made and the classification made according to the importance of the place where they are serving?

Mr. ROGERS. Yes. Not merely, of course, the importance of the city as such, but its importance as a point of trade contact or political contact with the United States.

Mr. DOWELL. Is that based on trade questions as to classification?

Mr. ROGERS. Yes; so far as the consuls are concerned, it is governed almost exclusively by that consideration. That is naturally true, because only a few consulates have any political functions, those few being at places like Ottawa and Cape Town, and the like, where consuls general represent the United States at capitals of self-governing possessions of the British Empire or some other power.

Mr. DOWELL. The qualifications and pay are all based upon these considerations?

Mr. ROGERS. Yes.

Mr. TILSON. Will the gentleman yield?

Mr. ROGERS. Certainly.

Mr. TILSON. In the matter of promotion, does the bill provide that it shall be by blind seniority, so that a man starts in at the bottom, regardless of achievement, and goes along until he reaches the highest point, while another man, far superior in qualifications and performances, must be delayed? In other words, do they all go along together, without any chance of promotion for ability or for special merit of any kind?

Mr. ROGERS. There is no requirement in the present law, and no absolute requirement in this proposal, that promotion shall be either by selection or by seniority. So far as there is a requirement in this bill, the gentleman will find it in section 6, which provides:

That the Secretary of State is directed to report from time to time to the President, along with his recommendations, the names of those foreign-service officers who by reason of efficient service have demonstrated special capacity for promotion to the grade of minister, and the names of those foreign-service officers and officers and employees in the Department of State who by reason of efficient service, an accurate record of which shall be kept in the Department of State, have demonstrated special efficiency, and also the names of persons found upon taking the prescribed examination to have fitness for appointment to the lower grades of the service.

Our practice in the past has always been to move up men because they deserved to be moved up and not merely because they were older or had longer experience in the service. Every requirement of efficient service—of course, assuming proper administration—necessitates selection promotion instead of seniority promotion.

Mr. TILSON. The gentleman realizes that there is always danger when it comes to make a selection by merit or examination, and unless there is some means of selection, and blind seniority is followed, it means danger and death.

Mr. ROGERS. That is an age-old controversy in the Army and the Navy. I agree with the gentleman that as far as foreign service is concerned the selective basis is the lesser of the two evils.

Mr. BLANTON. That is not only in the Army and the Navy but in the House of Representatives. [Laughter.] The gentleman has alluded to the nine-rung ladder. Is that ladder social or political? [Laughter.]

Mr. ROGERS. It is one of true merit—an American ladder.

Mr. BLANTON. But the foreign agent who is on the ninth rung of the ladder would be nine places removed on social occasions from the one who occupied the first rung.

Mr. ROGERS. Not at all.

Since the gentleman has brought up the social question I will discuss it for a moment.

As between the present two services, the Diplomatic Service is primarily the social agency of the Government. In my judgment, the caste that has occasionally become manifest in the Diplomatic Service has been most unfortunate and un-American. If this bill passes, a young man upon entering the foreign service will, I hope, first be sent to a consulate. He will learn a lot of things at that consulate. He will learn things he could never learn from books.

Usually the young secretary in the past has gone from the law school or the college right into the foreign service. He has had no opportunity to know business or to learn business methods. He has had no advantage in age or experience which gives him a sufficiently level head to withstand the temptations of society abroad. I have seen very young men go into the foreign service. They were incessantly invited out to dinner, fêted and treated with distinction by people of fashion and position. They lost their heads and their Americanism at the same time. They lost their sense of perspective and values.

Do not think that I am speaking of all of them. I fear that I am speaking of a considerable portion of them. Now, if we start in a young man at the consulate he is not going to have a fuss made about him socially—he may be in Singapore or on the West Coast of Africa, or in Central America, where there is no society. He will learn business methods. He will acquire poise and sense and discrimination. He will learn to keep his head when later he is on duty at a European capital. He is going to be a more useful man to himself always, and that means that he is going to be a more valuable public servant to the United States. He will have a grasp of business and trade and politics. We shall get rid of the caste system, of a system where the diplomatic side of the service sometimes looks down on the consular side. We shall create a spirit of loyalty to a single unified foreign service and not primarily loyalty to the side of the service to which the individual member belongs.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. PORTER. Mr. Chairman, I yield to the gentleman from Massachusetts 10 minutes more.

Mr. FESS. Will the gentleman yield?

Mr. ROGERS. Certainly.

Mr. FESS. Is there any increased facility in educational institutions for the training which the gentleman has mentioned for the Consular Service?

Mr. ROGERS. More and more institutions are giving courses or groups of courses which are adapted to the training of young men for the foreign service.

But to my mind—and important as the academic training is—far beyond what any educational institution can do is the going to school in the consulate. I want to see a man enter the service with thorough knowledge of at least one foreign language, with knowledge of international law, with knowledge of the methods of foreign commerce and intercourse, and so forth, so that he will start as far along on his journey as possible. Then I want him to go to the most practical school in the world—the school in the consular office abroad.

Mr. FESS. Is it necessary in order to get into the diplomatic service to start in the Consular Service, if this bill should pass?

Mr. ROGERS. It is not necessary, but I hope that a wise administration of this bill will insist that every man when he enters the service as a young man shall get a good stiff course in the Consular Service. That is the business part of the Government abroad.

Mr. FESS. I am somewhat confused at a statement that Mr. Hughes made. I refer now to page 5 of the hearings. He said:

The bill does not make a diplomatic officer out of one who is not a diplomatic officer.

Mr. ROGERS. That is true. When a man is representing us abroad he is known to the country of his post as either a diplomatic officer or as a consular officer, because that is the only nomenclature they understand. The gentleman from New York [Mr. HUSTED] suggests that perhaps we could reform the situation in that respect by eliminating secretaries and consuls

as such. It is possible that we could. As I answered him, I think we get all the benefits of the change by creating a foreign service in which these men may be transferred freely as a matter of administration from one side to the other.

Mr. FESS. Will the two functions, diplomatic and consular, remain separate and distinct after we pass this bill?

Mr. ROGERS. Yes; in general. We shall still, in London, for example, have a consul general and also an embassy force, although the consul general will be a foreign officer of class 1 in our superstructure, so far as domestic classification and salary are concerned.

Mr. FESS. The gentleman understands that I am in entire sympathy with the bill.

Mr. ROGERS. I appreciate greatly the gentleman's support.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. HUSTED. Has the gentleman ever considered the desirability and practicability of maintaining a diplomatic and consular school in the State Department, just as we do for the Army service, just as we do for the Navy service, with instruction in a classroom, practical experience in the consulates and legations and embassies? It is a technical training, and I think it would be a wonderful thing to do.

Mr. ROGERS. I have given a great deal of thought to that question. In an earlier draft of this bill I had a provision for very much the thing the gentleman has in mind. Mr. Hughes, in going over my original proposal, recommended that for the present at least the school idea be not considered. If the gentleman has the opportunity he will find in a letter to me from the Secretary of State, which appears on page 61 of the hearings, an analysis of the reasons that led him to postpone the recommendation for the present, at least.

Mr. BLANTON. Mr. Chairman, will the gentleman tell us how much this bill is going to cost?

Mr. ROGERS. With pleasure. Before I mention the exact figure—and I will mention it—I should like to indicate why it is necessary to have a salary revision. As I have said, the salary scale of the consular service is from \$1,500 up to \$12,000, and of the diplomatic service from \$2,500 to \$4,000, although the top diplomatic officer is fully comparable in the importance of his duties and in his presumed ability with the top officer in the consular service. Suppose you have this situation: We have a counselor of embassy at London, with a salary of \$4,000, and we have a consul general at London with a salary of \$12,000. If for some administrative reason it is desirable to transfer that consul general to another post as a counselor, you would have to cut his salary from \$12,000 down to \$4,000. That is an extreme case, of course, but you find the same situation existing in some degree everywhere. So we have assimilated the two salary scales. We have started the top class of the foreign service officer at \$9,000, and we have graduated it down to \$3,000.

The total cost of this bill per year will be not far from \$325,000. Mr. Hughes said that in his judgment it was the most efficient expenditure of money which the United States could possibly make, and he closed his testimony with these words:

Protect the Government from wasteful outlay. I am for that strongly, but do not hurt your Government by foolish economy.

This is going to cost, as I say, about \$325,000 a year.

Mr. BLANTON. More than it now costs?

Mr. ROGERS. More than it now costs.

Mr. BLANTON. Then I am against it.

Mr. ROGERS. I thought so.

I want to call to the attention of gentlemen the fact that the foreign service of the United States is to-day practically self-supporting. Within the last three years it has been absolutely self-supporting, and only the passage of the Johnson 3 per cent immigration law has prevented it from being self-supporting during the last year. For the current year it is costing about \$3,000,000 net. I think when you consider the manifold agencies and usefulness of this department in representing the country all over the world you will see that it is not top-heavy either in salary or in the outlay it involves to the Government. Remember that this is the department of peace. Contrast the cost with that of the War and Navy Departments.

Mr. HUSTED. Might I say incidentally in that connection that the revenues of the Department of State cover the entire cost of maintaining the foreign service abroad.

Mr. ROGERS. I am not going to discuss the retirement provision at this time—

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. STAFFORD. The purpose of my rising was to ask the gentleman to make some explanation of the retirement feature.

Mr. ROGERS. But my time is almost up.

Mr. STAFFORD. I understood that the gentleman had yielded 30 minutes.

Mr. ROGERS. It was not my purpose to use so much time.

Mr. STAFFORD. The chairman of the committee is very considerate of the gentleman—

Mr. ROGERS. If the gentleman will yield me five minutes additional, I will try to answer.

Mr. PORTER. I yield the gentleman five additional minutes.

Mr. STAFFORD. I wish to inquire on what basis the committee arrived at the fixing of the maximum and minimum annuities for the retirement of the foreign-service officers?

Mr. ROGERS. We considered various factors in arriving at those particular figures in the retirement section. We considered, in the first place, what the other countries of the world were doing in the way of retirement, and found they were retiring their officers in general on a percentage which ranged from about 65 per cent to 87 per cent of their salaries. Our maximum, as the gentleman will notice, is 60 per cent after 30 years' service.

Mr. STAFFORD. Where is the determinate factor, so far as the legislation the gentleman has reported is concerned, as to the annuity that these various officers shall receive in the respective classes?

Mr. ROGERS. As I say, we were guided somewhat by the practice which has prevailed for some years in other nations. Great Britain has a maximum of 87 per cent for her retirement in the case of a long-service officer, and Great Britain, as I desire the gentleman especially to note, has a noncontributory system. She does not require a penny of contribution from her foreign-service employees. We require a contribution of 5 per cent of the salary calculated on the basis of the Lehlbach civil service retirement law.

Mr. STAFFORD. But what is the determinate factor of the rate they will receive between the maximum and minimum? Is that left entirely to the discretion of the department in determining the rate of retirement?

Mr. ROGERS. I think I did not understand the gentleman's question fully. In the first place, the determinate factor is the number of years he has served. That factor throws him into one of the classes lettered A-F, inclusive. The second factor is the average salary—which we call the "average basis salary" in the Lehlbach law—for a period of 10 years prior to the date of retirement. Suppose a man is getting \$3,000 for 3 years and \$4,000 for 4 years and \$5,000 for 3 years and then retires. His average salary for the 10 years would be about \$4,000. If he had served 30 years he would get 60 per cent of that.

Mr. STAFFORD. Where is your provision in the bill that states that he shall receive 60 per cent or any other percentage?

Mr. ROGERS. The gentleman will notice the Lehlbach law is made determinative except as amended. If he will refer to the Lehlbach law he will find that the method of computing the retirement allowance is set forth in full.

Mr. STAFFORD. Has any estimate been made as to the amount that will be required by reason of this retirement feature?

Mr. ROGERS. On that matter we have had the assistance of the actuaries in the State Department. We have also had the assistance of private insurance companies. The Bureau of Efficiency has very carefully charted an estimate in ways which, I am frank to say, are quite beyond my comprehension. For the first 20 or 25 years under the operation of the law it will cost nothing, because the contributions will exceed the outlay. After that there will be a gradual increase of cost which must be appropriated by the Federal Government, and which will ultimately rise to its peak of about \$400,000 per year.

Mr. STAFFORD. And is that in addition to the gentleman's estimate of \$325,000 to \$350,000 for salaries alone?

Mr. ROGERS. Three hundred and twenty-five thousand dollars is the cost in salary alone. About 1960 the retirement cost will rise for a time to about \$400,000. Then it is expected to decline somewhat gradually.

Mr. BLANTON. Then our great-grandchildren will not be taxed so heavily?

Mr. ROGERS. They will have to pay a little more for the retirement of foreign-service officers—

Mr. BLANTON. How much has been estimated it will require for the retirement during the first 10 years of this law?

Mr. MOORE of Virginia. The first 10 years it will not cost anything. They will meet the bill for the first 10 years, except \$50,000 as the initial payment.

Mr. ROGERS. If the gentleman from Wisconsin is interested—

Mr. STAFFORD. I am greatly interested.

Mr. ROGERS. Until 1944 the receipts from the 5 per cent payment of the employees will more than balance the payments of annuities. After that there will be necessary a gradually increasing appropriation until the sum of about \$400,000 is reached about 1960. Then it will begin to sag again.

Mr. DOWELL. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PORTER. I yield the gentleman two minutes additional.

Mr. DOWELL. Does this increase the number in the foreign service?

Mr. ROGERS. There is no intention in this bill of increasing by one man the number of the personnel of the foreign service. My authority is Director Carr, of the Consular Service. He testifies that the result of this greater flexibility will be to reduce somewhat the number of men necessary, because we shall be able to use the same man in more different ways than we have ever been able to do before.

Mr. DOWELL. And to better advantage?

Mr. ROGERS. Yes.

Mr. MOORE of Virginia. And the gentleman remembers Director Carr said in his testimony that we could confidently forecast that there would be no need of increasing the number of personnel.

Mr. ROGERS. I thank the gentleman. He made that explicit statement.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LINTHICUM. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. CONNALLY].

The CHAIRMAN. The gentleman from Texas is recognized for 15 minutes.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I am forced to announce an opinion contrary to that of my colleague on the committee, Mr. ROGERS, of Massachusetts. For years the gentleman from Massachusetts has been endeavoring to secure the enactment of legislation similar to that now before the committee.

In this connection I may say that I am not averse to legislation reorganizing the foreign service and increasing to a slight degree the compensation of the consuls and diplomatic secretaries. But this particular bill, in undertaking to establish what is called a unified foreign service, confuses, as I believe, and makes contradictory the provisions as they will be construed abroad, and, for that matter, here at home. One of the purposes of this bill is to unify—if I may borrow the language of the gentlemen who favor this bill—unify the service and create one foreign service and appoint officers in that service under the nomenclature of foreign-service officers. But, gentlemen of the committee, that will be purely a theoretical designation. It will have no force or effect anywhere on earth except on the books of the State Department. We frequently hear it said that a Treasury balance or fund is simply a matter of bookkeeping. In this instance the designation of foreign-service officer will simply be a matter of bookkeeping and administration in the State Department.

Now, why? Because the moment the foreign-service officer leaves the shores of the United States and comes in contact with the diplomatic or consular officers of other countries he ceases to be a foreign-service officer; he becomes a consul, or a diplomatic secretary, or a minister, or ambassador.

They know no other distinction; they know no other classification; and this artificial theory of a man being a foreign-service officer will be unknown abroad. The gentlemen who appeared before the committee and the gentleman from Massachusetts himself [Mr. ROGERS] will not dispute the fact that such designation is purely a fiction, purely a fictitious designation, which will obtain only in the State Department in its assignment of the personnel from one service to the other.

My idea about that is that if it is desirable to provide for the interchangeability of men from the Diplomatic Service to the Consular Service, simply write a clause into this bill saying so; saying that the President may transfer a man from the Consular Service into the diplomatic secretarial corps, or vice versa.

Now, let me show you with what you are going to be confronted in connection with this particular bill. The bill first provides that a man who is appointed in the foreign service shall be appointed as a foreign-service officer. He is appointed by the President as a foreign-service officer. That appointment goes to the Senate; he is confirmed; he is commissioned as a

foreign-service officer. And yet under that commission he can not perform a single duty. Why? Because under the Constitution and under the diplomatic and international law, if he acts as a consul, he must be reappointed by the President as a consul, reconfirmed by the Senate, and recommissioned.

Now, if after that officer is commissioned as a consul it is desired by the President that he be transferred into the Diplomatic Service as a secretary, he then must be appointed by the President as a diplomatic secretary, confirmed by the Senate, and have a new commission issued to him. So you are going to have the rather anomalous situation of a foreign-service officer lugging three commissions around. He is a foreign-service officer, he is a consul, and he is a diplomatic secretary.

Now, gentlemen, I want to ask, Why the necessity? If he must be commissioned otherwise finally, if he has to be commissioned finally as a diplomatic secretary or consul, what is the use of lugging in another commission as a foreign-service officer? Why not provide by law simply that the President may transfer from one branch of the service to the other at his will and end it there?

The gentleman from Massachusetts touched upon a delicate point. Those in the Consular Service desire an enlarged service because the diplomatic secretaries now take social precedence over all the consuls, vice consuls, and employees in the Consular Service. They desire a unified service, that social distinctions may be abolished. Why? Because in foreign countries diplomatic secretaries have the privilege of immunity. They have a certain social standing that does not attach to consuls and vice consuls. And so, upon the theory that by adopting this fiction, this theoretical structure in which there will be one unified foreign service, it is hoped by the Department of State to tear down those social distinctions.

Well, now, gentlemen, those social distinctions are created by the customs of foreign governments. We are not going to change that system, and I do not think it is any part of our duty to undertake to change it, because if this bill becomes a law the consul abroad will still be a consul in France, in Great Britain, and elsewhere. They will know whether you are a consul or a secretary in France and Germany and everywhere else under the bill. They do not know a foreign-service officer. A man will not be a foreign-service officer, but he will be a consul or a diplomatic secretary, just as he is to-day.

Now, another feature of this bill which does not meet with my approval is that wherein the act provides for a reclassification of everybody now in the service. Well, there is no objection to that in itself, but it provides for nine classifications, beginning with the maximum salary of \$9,000 and then going down toward the bottom.

There is nothing in the bill limiting the percentage of the different grades. By that I mean that according to my view class 1 should not contain in excess, say, of 10 per cent or 5 per cent of the total personnel. Class 2 ought to be a little larger, class 3 still a little larger, and so on down. But under this bill there is no limitation as to the classification, and we might be confronted with a situation in which under this bill the Department of State might have a top-heavy organization, with a great many men receiving \$9,000 and \$8,000 and a very few men receiving \$5,000, \$4,000, or \$3,000.

Mr. BLACK. The bill gives the Secretary of State the exclusive authority to make the reclassification, does it not?

Mr. CONNALLY of Texas. The President; but it would amount, of course, to the Secretary of State.

Mr. BLACK. The gentleman will recall that when we passed the reclassification bill we provided that the departments should reclassify subject to the approval and ratification of the Bureau of the Budget.

Mr. CONNALLY of Texas. I will say to the gentleman that I do not think the general reclassification bill covers officers covered by this bill and hereafter called foreign-service officers.

Mr. BLACK. No; it does not, though probably the principle would cover them. But if the reclassification was to be done by the President, probably he would consult the Bureau of the Budget or some authority of that kind.

Mr. CONNALLY of Texas. He probably would. The Bureau of the Budget seems to be occupying a very large part of the public eye now, and I am quite sure that the administration would call upon it.

Mr. BLACK. The point I had in mind was that of economy, because, as the gentleman has well said, the bill does not restrict the classification, and there would be room for a very great enlargement of the expenses of the Diplomatic and Consular Service by this reclassification.

Mr. CONNALLY of Texas. That is very true, and that is the point I was trying to bring to the attention of the com-

mittee, that the bill in its present form places no limitation on the percentages of those who occupy the different classes.

Mr. BROWNE of Wisconsin. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield to the gentleman from Wisconsin.

Mr. BROWNE of Wisconsin. Is it not a fact that the appropriations for the State Department, including the foreign service, would prevent the Secretary of State from making too many appointments in class 1? Salaries can not be paid unless they are appropriated, and, of course, the purpose of the Secretary of State would be to have his administration as efficient as possible, so that he would grade them down just as they should be.

Mr. CONNALLY of Texas. Of course, if everybody did right there would be no occasion for law. But let me state this to the gentleman, that if the law provides for the classification of an officer and vests in the Secretary of State the power to make that classification, then the officer placed in that classification becomes entitled to the salary of that class, because that then becomes a statutory position, and he becomes entitled to the compensation from the Government at that rate irrespective of whether Congress makes the appropriation or not.

Mr. BROWNE of Wisconsin. The gentleman does not mean to say that a man would get any salary if there was not enough money in the appropriation to go around?

Mr. CONNALLY of Texas. No; of course, he could not be paid out of the Treasury until Congress appropriated for it; but I do say that Congress would be guilty of a moral wrong if it made it possible for a man to be classified and entitled to a certain salary, and then did not appropriate the money out of the Treasury to pay it.

Mr. BROWNE of Wisconsin. I do not think there is any danger of the state of affairs which the gentleman seems to fear.

Mr. CONNALLY of Texas. Then why not let the Secretary of State do this whole thing?

Mr. BROWNE of Wisconsin. Because that would be contrary to law.

Mr. CONNALLY of Texas. If the gentleman does not want any limitations put upon the Secretary of State, then why not let him do as he pleases about this whole thing?

Mr. BLACK. I should like to ask my colleague one other question for information.

Mr. CONNALLY of Texas. I yield to my colleague.

Mr. BLACK. This bill provides for the retirement of these foreign-service officers after they reach a certain age?

Mr. CONNALLY of Texas. Yes.

Mr. BLACK. And it provides a very liberal scale of annuities and provides that they shall contribute 5 per cent to the annuity fund?

Mr. CONNALLY of Texas. Yes.

Mr. BLACK. Did any actuary give any figures as to what part of the retirement fund this 5 per cent would contribute?

Mr. CONNALLY of Texas. It is supposed to contribute 42 per cent. That is the amount estimated to be contributed by the employees when the system is in full operation, and 58 per cent is to be paid by the Government.

Mr. BLACK. Of course, we know that at the start it will not cost the Government anything.

Mr. CONNALLY of Texas. No.

Mr. BLACK. But, figuring it upon the basis of what the premium will really buy, ultimately the Government will contribute 58 per cent and the employees will contribute 42 per cent?

Mr. CONNALLY of Texas. Yes. I will say in answer to my colleague that the figures that were submitted to us by the State Department and which we accepted at their face value were based upon the theory that under the Lehlbach law, as modified so far as this act applies, ultimately the Government would pay 58 per cent of the retirement fund and the employees 42 per cent.

Now, since the gentleman has called my attention to the retirement fund, I should like to observe that this feature is rather seductive in that it is claimed it will not cost the Government anything until 1944 because of the fact that in the meantime the employees will be contributing a larger percentage than will be consumed by those who retire. That is a matter of speculation, and it may or may not be realized. But in 1944 the retirement feature will begin to cost the Government considerable, and it is estimated, even by the Department of State, that ultimately the retirement feature alone will cost this Government \$500,000 a year. The retirement provision is extremely liberal, more so than that which applies to any other Government service unless it be the Army and the Navy. I submit that there is no comparison between the foreign service and the Army and the Navy when it comes to the matter of retire-

ment. Besides, the Army and Navy have had the retirement system since early in our history, and they are not up for consideration now as to whether they shall be continued or abolished.

But I do believe that the retirement provision is more liberal than this Government ought to sanction. It is much more liberal than that which applies to any civil department of the Government. If we have a liberal plan as to the foreign-service officers it will be an inducement and an argument for the raising of the rate of all in the governmental service in Washington and elsewhere. My own view of the matter is that the system of itself is of extremely doubtful value. In this particular service I do not believe that the Government ought to undertake it.

Mr. BLACK. Will the gentleman yield for one more question?

Mr. CONNALLY of Texas. I shall be glad to.

Mr. BLACK. If the retirement provision was stricken out, the employment would come under the general retirement law.

Mr. CONNALLY of Texas. They claim not; they are not under the civil service.

Mr. BLACK. I thought this would bring them under the civil service; I knew that the present status was not under the civil service.

Mr. CONNALLY of Texas. No; this is a revision of the law of 1915; this has several civil-service features, but they are not under the civil service; the department conducts its own examinations.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LINTHICUM. Mr. Chairman, I yield to the gentleman five minutes more.

If you put the foreign service under the general retirement act they would only pay 2½ per cent instead of 5 per cent.

Mr. CONNALLY of Texas. That is true.

Mr. LINTHICUM. They would not pay so large a retirement pay.

Mr. CONNALLY of Texas. That is true.

Mr. BLACK. And the charge upon the Treasury would be very much less.

Mr. CONNALLY of Texas. Yes; so far as percentages go. Now, let me observe that the increase of salary alone under this bill—and I am not objecting to a reasonable increase of salary in the foreign service, because there are many positions in the foreign service that have not kept pace with other salaries. I do not object to an increase of salary, provided there are limits placed in the bill so that the Department of State can not have a great many high-salaried persons and very few with small salaries. The increase in salary alone amounts to \$528,000 annually.

Mr. LINTHICUM. Three hundred thousand.

Mr. CONNALLY of Texas. No; the \$200,000 is subtracted for post allowances. I am not talking about post allowances. The department estimates the increase in salary alone will amount to \$528,000. We have been providing for several years what is known as post allowances. The department subtracts the \$200,000 from the \$528,000 increase, and says that the net cost is only \$328,000; but from the standpoint of salary alone the increase is \$528,000, and in addition to that the bill provides for another increase of \$500,000 in the matter of retirement.

Mr. BLANTON. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. BLANTON. I am not sure but that my colleague is right; but when there is a difference between my colleague and the chairman of the committee, who introduced the bill, of \$175,000 in salaries alone, how does the gentleman expect us to follow him and vote for his bill?

Mr. CONNALLY of Texas. I will state that the confusion arises—

Mr. LINTHICUM. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. LINTHICUM. If the gentleman will turn to page 27 of the hearings he will find that Mr. Carr said that the total increase is only \$328,000. The amount for the first year would be \$378,000, because there is included \$50,000 to start the retirement system. The increase for the Consular Service would be minus the retirement fund of \$261,000. Take off half for post allowances and you would have \$161,000 really.

Mr. CONNALLY of Texas. I just explained to the committee that that was exactly the situation—that the increase in the matter of salaries is \$528,000. We have been in the habit of appropriating \$200,000 for post allowances, and that amount subtracted from the \$528,000 would leave a net increase of \$328,000.

Mr. STEVENSON. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. STEVENSON. If the salaries are increased \$500,000, necessarily we will have to appropriate the \$500,000, while if it is left with post allowances we could decrease them or leave them off altogether; so that the legal increase which is necessary is \$528,000?

Mr. CONNALLY of Texas. Exactly. The gentleman may remember that when the Diplomatic and Consular bill was recently before the House, I contended that post allowances should be abolished, because I think it is a reprehensible practice to place large sums of money in the hands of the department for this purpose without reference to the salary established by law.

The bill liberally increases salaries. Of course, if you consult a foreign-service officer he thinks he is not drawing enough money. If you consult any one of the Senators, I suppose there is not one who would not admit that he is worth more than the salary he is drawing. I am satisfied that in our blushing modesty here in the House Members will be found who think that they ought to draw more money. I dare say there is not a clerk in the department who does not think that he ought to have a better job and more money. It is inherent in the public service, but there is the great world outside that invites gentlemen to enter industrial or commercial pursuits if they are not satisfied with the jobs they have.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LINTHICUM. Mr. Chairman, I yield three minutes more to the gentleman from Texas.

Mr. CONNALLY of Texas. Mr. Chairman, it is always argued that gentlemen in the Diplomatic Service and in the Consular Service could get much higher compensation on the outside than they get in the service. Of course there are exceptional men in the Consular Service and there are exceptional men in the Diplomatic Service who might go out into other business and after becoming acquainted with it earn more money than they earn in those services, just as there are men on the floor of this House who if they should leave it and undertake to practice law would earn more money, possibly, than they receive here. So it is in all branches of the Government service. We can not compete with private business in the matter of salaries, and we ought not to attempt to do it, because it is impractical and because it is not a sound governmental theory. What are the services that a consular agent performs? He performs largely routine service. That service is largely standardized, dealing with commercial transactions and the viséing of passports and things of that kind. Of course, no man with a vaulting ambition, who wants to accomplish great things in the world, is going to be satisfied to be stuck off in some little foreign port with some \$2,500 a year salary, but if he is not he is not going to go there. We can not adjust the compensation of those in the governmental service with private service commanding large compensation, though this bill does make liberal allowances in the matter of increase.

Most of those in the service remain in the service not because of the salary but because they like this particular kind of work, just as you gentlemen keep these seats here because you like congressional work and congressional service. You need not be afraid that this service is going to be crippled if you strike from this bill the retirement feature. Gentlemen were before our committee saying that the foreign service was going to the bowwows unless we raised their salaries and unless we adopted a retirement feature. I said to one of them: "What is the matter with our foreign service? Is it the worst in the world? Have we not capable men?" He replied: "Oh, yes; our personnel is as fine as there is in the world." You see he was not looking for a question from that angle. They will admit that the United States has as competent and capable a foreign service as any nation, and in the next breath they will tell you that unless we raise these salaries and adopt this retirement feature, the service is going to vanish from the face of the earth.

I would not object to a reasonable increase in the salaries of these officers and I do not object to the reclassification of the consular and diplomatic secretaries into nine classes, but I would limit the percentage of those who could occupy the higher positions, and I would wipe out the provisions about the foreign service being unified into one service, when, as a matter of fact, some officers will have to have three commissions and have to be confirmed by the Senate three times, if interchangeability, so that they may change from one side of the docket to the other, is provided as defined in this bill. For these reasons I am going to vote against this bill unless it is materially modified or amended.

Mr. PORTER. Mr. Chairman, I yield half a minute to the gentleman from California [Mr. LINEBERGER].

Mr. LINEBERGER. Mr. Chairman, I am heartily in favor of this bill and expect to vote for it or be paired in favor of it in case I am not here. I consider that it fulfills a great requirement; in fact, a necessity, if we ever expect to build up the foreign service of this country.

I ask unanimous consent to extend my remarks in the Record by inserting therein certain correspondence and documents affecting our foreign affairs in 8-point type.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the Record by including therein certain letters to be printed in 8-point type. Is there objection?

There was no objection.

The correspondence referred to is as follows:

LONG BEACH, CALIF., January 31, 1923.

EDITOR OF THE TELEGRAM,

Long Beach, Calif.

DEAR SIR: Why do the citizens of this country keep so quiet about the French occupation of German territory?

I freely admit that it is not the place of the Government to voice the country's sentiment at this time, as for reasons well known. Our Government's inaction, however, does not signify that the people of America can not express their attitude during this trying time of France.

What is this measure France has undertaken?

Is France unjust in her requirements of Germany?

Should not this country stand as a unit back of France?

Are we afraid to speak?

Should we unfold our arms to a bandit that utilized every known method of science to deceive, in shrewd and cunning ways, to trample on, bleed, and destroy our very existence, who has not even said "I am sorry for what I have done"?

Why, then, should we give the blood of America's youth to batter down one of the arch criminals of nations in one breath and then, without repentance of any sort from that bandit or arch criminal nation, cast aside friends that have risked all and their sons died on the field of battle for us?

A bandit should have his punishment meted out to him in a lawful manner, and when once that sentence is given it should be carried out to its fullest degree.

The Germans started the war. The Germans disregarded all the treaties and agreements of other nations and started on their mad maniac rush to crush Belgium and France. The lives of Belgian and French peaceful citizens were mere pawns in their crazed onslaught.

The Germans devastated every piece of territory they could on Belgian or French soil.

When they saw they were whipped they came out like a beaten cur dog, with its tail between its legs, and asked "us" to stop the fight. We like fools did stop it before we got even one word of repentance from Germany.

What did we get for stopping the war? This is what we got: "A piece of paper from the German people guaranteeing certain indemnities to help restore France and Belgium for the fiendish acts of their own soldiers." This, by the way, was given not to fulfill but "just as a scrap of paper," as is the popular German phrase of to-day.

Had Germany fulfilled her promise or even acted in good faith on the matter, I will say France would not be on German soil to-day.

France and Belgium were burglarized, and Germany has the plunder or can help to make it good.

Germany's deceitful and cunning tactics are at work trying to win the United States' heart in their support.

Down with all of that cunning, and let the American citizens come out for the full and unaltered support of France and Belgium against a willful and dangerous neighbor.

I have not lost sight of the fact that there are many citizens of Germany that did all in their power to avoid the terrible war and that to-day are doing all in their power to have Germany live up to its word. These people, however, are in the minority and powerless to act.

France did not make this move for conquest. If she did, I would not be writing this letter, as I would not be a party to any such act.

France knows better than anyone else how to treat the situation and knows how and the only way to get results from a nation that has lost all honor of word and treaty except at the point of the sword.

How I have lauded France in her determination to get justice against Great Britain, which was weak-kneed; against, it seemed, with few loyal exceptions, all other nations, that were either afraid to speak or that had forgotten overnight that France buried millions of her sons and lost great expanses of

their beloved land through devastation to save the very land they called theirs and to save the standards of society for their own nation.

I am not alone in this interpretation of the situation.

The land is full of smoldering sentiment; and, scheme as the Germans may, the pot is going to boil over, and then and soon will come the true moral and, if necessary, financial support from the American people to the French and Belgians.

I dread war, and yet I believe that to check a disease it is a good plan to either entirely eliminate its cause or else shut off its wind.

Senator REED's frank and heated speech on this subject in the Senate a few days ago was one of the best treats to the American people in some time.

France is to be admired in the way she is using her power of arms on the German people. May she continue to be patient and just, as she has been; but if it is metal that Germany must have to bring her to justice, may France and Belgium have the power of God to lead them on.

Tell, please, dear editor, through your great voice *The Telegram*, how at least one citizen of America is back of my friends, your friends, and our friends, France and Belgium, that they may have courage to bring about justice that is due not only them but the whole world.

Above all, let us express ourselves now that Germany's apparent woeful tales are fully understood in this country, and that Germany's disease is "no honor," and that the "cure" she is trying to administer through propaganda against France has proven on some patients somewhat easing at times, but the patients have generally changed doctors in time to prevent death.

A bandit?

A proven friend?

Which for the American people?

Very truly yours,

GEO. S. WILSON,

728 Cedar, Long Beach, Calif.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, we are operating now under strange conditions. This morning, without even the majority leaders knowing what was coming up—because I asked several members of the steering committee, and they could not tell me—our friend from Kansas [Mr. CAMPBELL], chairman of the Committee on Rules, pulled out of his hip pocket a rule that made this bill in order. Under ordinary conditions there should have been at least 20 minutes of debate on a side to explain what the rule meant and what would be the result of its adoption. Yet no explanation of the bill was given to the House, and it was a long time after the rule was adopted and general debate began before we got even a partial explanation of the contents of this bill. The author of the bill—and I might say that it is one of his pet measures, which he has been fathering here for quite a while—when I asked him how much it was going to cost, said that it would increase present expenses about \$325,000 in salaries, and then later, when I asked my colleague from Texas [Mr. CONNALLY], who is also on the committee, the same question, he tells us that in salaries alone it is going to cost \$528,000 a year more than the present law, and in addition to that it is going to cost \$500,000 more for retirement features. Therefore, how can we safely follow the gentleman from Massachusetts? How can the gentleman from Massachusetts expect the ordinary Congressman, such as I am, to follow him and vote for the bill?

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I have not the time.

Mr. HUSTED. Just for one brief question. I want to refer to something the gentleman said awhile ago.

Mr. BLANTON. If the gentleman will get me more time I should be very glad to yield for 40 questions.

Mr. HUSTED. It will take only a very short time.

Mr. BLANTON. I regret that I can not yield; my time is limited. I do not fail to yield when I have plenty of time. If the gentleman will procure me extra time, I shall be very glad to yield.

We ordinary Members of Congress know that there has been pending before the Navy Department here for several years the question of seniority in social functions, of whether a rear admiral of the second class in going in to dinner outranks a brigadier general; and just within the last few days a decision has been handed down that it all depends upon which one got his commission first. In the great United States, exclusive of the great Commonwealth of Massachusetts, theoretically all men are presumed to be born free and equal; that is the presumption.

Now, the gentleman from Massachusetts has brought in a bill here which makes nine different ranks for these social dip-

lomats we have in the foreign service—nine different ranks illustrated by nine rungs on a ladder. Some men in our Diplomatic Service will have to stop and wait for nine different rungs of the social ladder to be formed before they can go in to dinner.

Mr. ROGERS. Would the gentleman abolish the distinction between a general and a private?

Mr. BLANTON. At social functions in peace time, yes. In America there ought not to be any distinction of rank in peace times at social functions. There ought not to be any such distinction. An American citizen is an American citizen. In war time it is, of course, different. But the humblest citizens in Massachusetts or Texas ought to have the same standing as Americans in this country or abroad, as the most prominent citizens of the United States have where they are the same color and of equal respectability. The people down in Texas feel that way, but the people in Massachusetts do not. They want these nine different rungs of the social ladder, these nine different rungs of social distinction in peace times; and I think we ought not to adopt such a policy. I think it is the biggest foolishness on earth for us to pass this bill. We talk about economy. Any man who votes for this bill ought never again to be allowed to preach economy in government. Why, our expenses are climbing up all the time—each day they are climbing up and getting larger and larger—and yet we are responsible when we continue to vote for bill after bill like this which in salaries alone raises the cost to the people who pay the taxes \$528,000 a year in increased salaries alone, and in its retirement feature about \$500,000 more. I am not going to vote for it, and I want to serve notice on the distinguished gentleman from Massachusetts right now that when we reach the five-minute rule I am going to require him to keep a quorum here every moment of the time until he passes this bill.

You can not pass it with a little handful of Members such as we have in this House to-day. I have not made the point of no quorum at this session for a filibuster, not one. I have sat here patiently—the only times I have made a point of no quorum was to get a record vote on a bill, but I am going to do it on this bill. I am going to require you to keep a quorum here, and if the Chairman gives us a good, honest count you are going to have 100 men here all during the reading of this bill.

The CHAIRMAN. The Chair will say to the gentleman from Texas that he will give an honest count.

Mr. BLANTON. I was sure of it.

Mr. CHINDBLOM. Will the gentleman yield?

The CHAIRMAN. And the Chair resents the insinuation just cast upon him.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. CHINDBLOM. Did the gentleman think it was necessary to get this assurance?

Mr. BLANTON. Well, I have heard it said, and it may have also happened before I came here, but I have heard it said that sometimes expediency and expediency may cause a quorum to be counted when possibly the employees of the House had to be added to make 100. Expediency and expediency—

Mr. CHINDBLOM. Will the gentleman yield again?

Mr. BLANTON. Expediency to proceed with business. When we look around and see about 40 to 60 Members sometimes I have heard it said that there would be a count of 100. That is the reason I mentioned the fact that I was sure the occupant of the Chair was going to give us a good count. I am sure the gentleman from Illinois is not willing on one proposition alone, in this day of retrenchment, to increase the expenses of this Government over \$800,000 a year. I am sure he is not willing to do that.

Mr. CHINDBLOM. I arose to express my disapproval of the gentleman's suggestion that the present occupant of the Chair at any time, or any other occupant at any time, would conduct himself in such a way as to warrant the aspersion of the gentleman from Texas.

Mr. BLANTON. Why, I think more highly of the present occupant of the Chair than the gentleman from Illinois does and all other chairmen, although I do not agree with the present occupant sometimes. I like him as much as anybody here does, but I have seen expediency cause even the expert parliamentarian, the gentleman from Connecticut [Mr. TILSON], when Chairman, to overlook the fact that some sitting back here might not be Members, might be the amiable Sergeant at Arms, or the Clerk or Doorkeeper, or some other distinguished-looking gentleman like our friend from Kansas—Assistant Sergeant at Arms—over here, who sits here to make a quorum sometimes. [Laughter.] That is the only reason I mentioned it. But this bill ought not to pass, and I think if we can get the membership here so they will understand it, it will not pass.

The CHAIRMAN. The time of the gentleman has expired.
Mr. LINTHICUM. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. LARSEN].

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, for several months past there has been a great deal of dissatisfaction regarding conditions existing in the Veterans' Bureau. On March 17 of last year I called attention to the matter in House Resolution No. 306, which I introduced at that time. The provisions of the resolution were such that I believe if action of the House could have been obtained at that time much of the criticism now being made of the Veterans' Bureau throughout the country, and much of the extravagance which undoubtedly exists, if newspaper reports are to be credited, would have been avoided. The resolution directs the appointment of an investigating committee and in part is as follows:

That said committee be, and is hereby, instructed and directed to inquire into the conditions and operations of the Veterans' Bureau in the management and control of claims for compensation, allotments, insurance, vocational training, and all other matters over which said bureau has jurisdiction, to determine whether or not said bureau is efficient and economical in the management of its affairs.

Said committee is especially directed to investigate the management, control, and operation of the several regional offices of the Veterans' Bureau authorized under the act of August 9, 1921, with view of determining whether the creation of said regional offices has resulted in efficiency, economy, and expedition in the management of claims submitted to it for adjudication, and generally to investigate and report on all things affecting the welfare, management, and results obtained by operation of the said bureau at its central and regional offices and suboffices.

The press dispatches of to-day are to the effect that Director Forbes has decided to resign. At least the indications are that his successor is about to be appointed. If he has at last obtained his own consent to retire from the bureau, it may now be considered as unanimous, for I am sure no one will object.

One of the press dispatches is as follows:

PREDICT DRASTIC CHANGES IN UNITED STATES VETERANS' BUREAU—SHAKE-UP IN PERSONNEL AND METHODS OF OPERATION DUE, SAY WELL-INFORMED OFFICIALS—LEGAL DIVISION IS CENTER OF STORM—BELIEVE FORBES, NOW IN EUROPE, WILL NOT RETURN AS DIRECTOR OF ORGANIZATION.

[By the Associated Press.]

WASHINGTON, February 1.—The administration of the Veterans' Bureau, for months a subject of bitter controversy, is undergoing an investigation which is expected by some well-informed officials here to result in important readjustments.

How far the proposed changes will go in the direction of a complete overthrow of bureau personnel and methods of operation remains to be determined by President Harding, but it would cause no surprise among his closest advisers if shifts recently made among bureau officials were followed by others more far-reaching.

The inquiry is understood to have been undertaken after many charges of improper administration had reached the White House from the American Legion and other sources and after Members of Congress had about perfected a plan to ask for a public congressional investigation.

The storm center of the controversy appears to be the legal division of the bureau, which has the final say on all contracts for hospital sites and other contracts involved in the Government's program of veteran aid. Charles R. Cramer, who, as general counsel for the bureau, was head of the legal division, retired to-day from office after he had announced that he would leave it to Col. Charles R. Forbes, the bureau director, to say whether his services were any longer considered desirable.

SEE FORBES'S SUGGESTION.

Now, Colonel Forbes himself is en route to Europe for a "rest" and administration of the bureau is in other hands. Some of the colonel's friends do not expect him to return to his desk, although administration officials insist that he is in no sense under "suspension." They are unwilling to predict whether he will be asked to step out or will voluntarily give up his directorship.

In any case, the question of selecting a new director is receiving serious consideration, and it is predicted generally that Col. Thomas W. Miller, now Alien Property Custodian, will be first choice for the place. Colonel Miller, however, is believed to prefer to stay at his present post, and it is said that the selection may fall ultimately on Frank D'Olier, who was the first national commander of the American Legion.

Officials will not talk about the facts already turned up by the present inquiry. William J. Burns, chief of the Justice Department's Investigation Bureau, declined to-day to discuss the case or to confirm reports that his agents had been at work on it. Officials of the Veterans' Bureau itself professed ignorance of whether any part had been taken in the inquiry by anyone connected with the Department of Justice.

HANDLE LARGE SUMS.

The legal division of the Veterans' Bureau is called on daily to pass judgment on expenditures that run into enormous totals. During the present fiscal year the money involved in contracts which pass through the hands of the general counsel and his subordinates has amounted to \$400,000,000. These expenditures are made from a "lump-sum" appropriation of Congress, and it has been pointed out that it would be surprising if in the handling of so large an amount some part of the appropriation was not diverted for purposes other than those Congress had in mind in authorizing the expenditure.

Another phase, that of the employment of civilians, is understood to be receiving the attention of the President's advisers. Thousands of claims of disabled veterans and others entitled to aid are passed upon by the legal staff, and not the least of the complaints of critics of the bureau have been aimed at what has been termed lack of sympathy within the legal department with the problems and needs of the veterans.

Bureau officials contend that the legal division employs 14 civilians to 17 World War veterans. If the former were all discharged and inexperienced former service men replaced them it would materially retard the work of granting proper claims, these officials assert.

It is a pity that so great an organization as the Veterans' Bureau should be so inefficient and should bring down, not only upon the administration but upon the country at large, such slanderous conditions as are indicated by the press. Let me call your attention to another article which appeared in one of the local papers, the Herald, I believe, under date of February 2. It reads as follows:

BURNS PROBES VETS' BUREAU EXPENDITURES—DRASTIC ACTION BY PRESIDENT MAY RESULT IF CHARGES OF ABUSE ARE PROVEN TO BE TRUE.

Investigations being made by the Department of Justice of expenditures for sites, rentals, and hospitals by the United States Veterans' Bureau probably will precipitate drastic action by President Harding, it became known yesterday.

SERIOUS CHARGES POSSIBLE.

The President has information concerning these outlays of Government funds made under the direction of certain bureau officials which, if proven, may result in serious charges being preferred.

Vast expenditures for rentals of buildings housing veterans' training schools, excessive purchase prices for hospital sites, and waste in connection with the use of hospital buildings after the projects had been completed are included in the matters under investigation by Director William J. Burns, of the Bureau of Investigation, and which have been placed before Mr. Harding.

Investigations so far do not connect the name of Director Charles R. Forbes with any of the irregularities.

PROJECTS UNDER PROBE.

While reports have been current in official circles for two weeks that a general clean-up of the Veterans' Bureau was to be expected, this is the first time that definite projects under investigation by the Department of Justice have been pointed out.

The following projects are said to be under investigation:

LIST OF RENTALS.

Rentals of \$60,000 per year paid for a training school at Stockton, Calif., in which, it is said, there were no trainees registered October 1. Rentals of \$12,000 per year paid for a training school at Richmond, Va., where 11 trainees are receiving instruction.

Think, gentlemen, of such extravagance as that, an expenditure of \$60,000 a year, \$5,000 per month, for rental of quarters in which not a single trainee is to be found; and of \$12,000 a year paid for training quarters at Richmond, Va., where only 11 trainees are receiving instruction. But I read further:

Rentals of \$152,000 per year at Nauvoo, Ill., where 176 veterans were receiving training on October 1.

A hospital site at Livermore, Calif., where a 400-bed hospital is authorized under the Langley bill at an expenditure of \$1,302,720.

Excessive rentals paid for a training school at Goshen, N. Y. Hospital sites at Aspinwall, Pa.; Tupper Lake, Pa.; and Northampton, Mass.

Sale of supplies stored at Perryville, Md.

May I explain some things that I understand to exist regarding sales made at Perryville, Md., and which heretofore have not been brought out by the press? There was turned over to the Veterans' Bureau for distribution, it is said, in round numbers, about \$3,000,000 worth of war material. It consisted of sheets, blankets, crockery, cutlery, and other articles, which were thought might be used by the Veterans' Bureau at hospitals, and so forth. It is said that Director Forbes concluded to dispose of it; that he went to one of the executive officers of the bureau and told him what his plans were, saying, in substance, "We will call a meeting of the executive officers, and you make a motion to sell the property." The meeting was called. The proceedings went off as per schedule previously prepared. A sale was had; but thereafter suspicion arose and General Sawyer went out to Perryville to see about conditions.

Here is what I understand he found the situation to be: The would-be purchaser of the goods was busily engaged in loading them on heavy trucks. In throwing a bundle it was burst. General Sawyer examined it and it developed that it was sheets of a high class, in every way suitable for use in the hospitals under operation by the Veterans' Bureau. The general made inquiries as to what they were sold for. He was told that they had been sold at 20 cents apiece. He, being an expert in such line, said, "They were worth \$2 apiece." There were also blankets sold for \$1 apiece, and which, as I am informed, were afterwards sold in Boston at wholesale for \$4 apiece. General Sawyer returned to Washington, as the report goes, and brought the matter to the attention of the President. Upon investigation it developed that the sale was illegal, in that rules and regulations require that at least three bids should be submitted. In this case only one was submitted. So the sale was canceled and the party was not permitted to remove the goods.

What a pity that the transaction did not end there; but, as the report goes, another sale was ordered. Other bids were called for. Three bids were made, as the rules and regulations

provide. Sale was had, and after it had been confirmed and the Government's property had been disposed of, a party who suspected the good faith of the transaction got into communication with one of the parties who submitted a bid. He told him that he understood the sale had not been had in good faith, and that if this were true some one would suffer, but that the person who told the truth about the matter would not be greatly punished, if at all.

The party is said to have admitted that he was one of the three who submitted bids; that he did not submit the bid in good faith; that he submitted it in order to make up the required number of three bidders; and that he received crockery ware worth about \$75,000 or \$100,000 for making the bid, although he did not purchase the goods. I understand that the person who first tried to purchase under the one-bid proposition was the successful bidder at the second sale, and obtained the goods from the Government.

I desire to be perfectly fair to the membership of the House and to the others concerned. Therefore I have endeavored to see if this statement could be substantiated. I have called upon the Veterans' Bureau two or three times for information, and as late as yesterday I was promised that I would be given it by 12 o'clock to-day. This morning, when I called again, some one—Mr. Brown, I believe it was; at any rate, an employee in the Veterans' Bureau—told me that the acting director had requested that all the papers pertaining to the transaction and the sale at Perryville, Md., be taken to his office in order that he might look into the matter, and that he wanted him or some other official at his office to go into the details of the transaction with him. Now, gentlemen, I have given you the information as I have it regarding that sale. I do not know what the facts are, but these reports are current and the truth should be known.

Mr. McSWAIN. Will the gentleman yield?

Mr. LARSEN of Georgia. I yield to the gentleman from South Carolina.

Mr. McSWAIN. Has the gentleman investigated the law to see whether or not, if the facts are true as he is informed, these two false bidders who merely pretended they were bidding for the purpose of joining in the conspiracy to defraud the Government have committed an indictable offense?

Mr. LARSEN of Georgia. I have made no special investigation, but I should say from my general knowledge of the law that all three of them were guilty of conspiracy.

Mr. McSWAIN. They would be indictable in my State under the common law.

Mr. LARSEN of Georgia. Yes.

Mr. McSWAIN. Is there any Federal statute that would reach them?

Mr. LARSEN of Georgia. I do not know. I have not made any special investigation as to that. If there is no such law there ought to be one.

Mr. McSWAIN. I will say that I will join my friend in swearing out a warrant for them if there is any such Federal statute.

Mr. LARSEN of Georgia. I am sure the gentleman from Georgia will go as far as the gentleman from South Carolina, and I believe we will go as far as the circumstances require.

Mr. McSWAIN. Good.

Mr. LARSEN of Georgia. But, gentlemen, here is a difficulty. In the resolution for investigation, which I offered last March, I tried to point out to the membership of the House the things that were occurring not only at the central office but at many of the regional and subregional offices. I am afraid it is too late to investigate now when the transactions appear to have been completed. We might at that time, by proper action, have at least saved the saddle, but I fear the horse and saddle are both gone now. It may be too late to lock the barn door.

Mr. JEFFERS of Alabama. Will the gentleman yield?

Mr. LARSEN of Georgia. I yield to the gentleman from Alabama.

Mr. JEFFERS of Alabama. The gentleman did not quite finish on the point of getting that information from the office of the acting director this morning. Did the gentleman ever get that information this morning?

Mr. LARSEN of Georgia. I was finally told by the gentleman to whom I was talking that I might call on the acting director for it. I said to him, "Well, if the acting director does not know what the situation is and is simply calling on you or other parties to bring information to him, I assume I would hardly be able to get it at this time"; and he said, "I think probably you are correct," or words to that effect.

Mr. JEFFERS of Alabama. So far as my colleague knows, all the data are in the hands of the acting director, who is supposed to be going over the matter now?

Mr. LARSEN of Georgia. So far as I know and believe, the acting director has the matter under consideration. I certainly trust he has.

Mr. JEFFERS of Alabama. But the gentleman never did get the information, according to the promise he got from them?

Mr. LARSEN of Georgia. I have never been able to obtain it yet, and as I could not obtain time to speak to-morrow I thought I ought to bring the information I have to the attention of the House to-day.

There are several other cases that perhaps are just as bad as this. There is a case said to be bad at Camp Kearney, Calif., and which needs investigation. I understand it has to do with the resignation of Mr. Cramer. I hope the House will bear with me while I state the facts with regard to the matter as I understand them. At Camp Kearney, Calif., the Government has been renting at a nominal sum of \$1 per year certain quarters—trainee's quarters, hospital facilities, or something of that kind; I am not quite sure which.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LARSEN of Georgia. Will the gentleman from Maryland give me time to finish?

Mr. LINTHICUM. How much time does the gentleman desire?

Mr. LARSEN of Georgia. About five minutes.

Mr. LINTHICUM. I yield to the gentleman five minutes additional.

Mr. LARSEN of Georgia. It is said that certain parties interested in Camp Kearney property recently came to Washington and submitted a proposition to Mr. Cramer, who was at that time the head of the legal department of the Veterans' Bureau. They are said to have submitted a proposition which was accepted by the Government, and whereby the rent for Camp Kearney property was increased from \$1 a year to \$35,000 a year, with the option that after one year the rent should be increased to either \$90,000 or \$99,000 per year. That within itself perhaps is not a matter that would excite such great suspicion, if it were not followed, as the report goes, by another circumstance that seems very unusual. It is said that when this \$35,000 contract and this option contract had been signed up, Mr. Cramer went down to the proper division where the checks or vouchers are issued and demanded that a check for \$35,000 be issued that day to the parties to the contract. The officer in the Veterans' Bureau, I am told, refused to issue the check, and told him that under the rules and regulations of the department it would take several days to get such a matter through. It is said that finally a threat was made by Mr. Cramer to the effect that if the check was not issued that day somebody would lose his job, whereupon the underlying official obeyed orders and issued the check. It is also said that Mr. Cramer and the parties from California left that night on a trip to New York City and were there for several days.

Not only that, but I have been told that when the check came to the Comptroller General some two weeks ago he refused to approve its payment. I have endeavored to obtain more definite information on this matter but as yet have been unable to do so. I do not know whether the reports are correct or not, but I know they sound mighty bad. I know the people of the country do not know the facts. The taxpayers of the Nation are entitled to know. I think a bureau that employs approximately 30,000 people and spends more than \$425,000,000 of the people's money per annum is an institution of sufficient importance that the Congress ought to take notice of what it is doing and so far as possible correct every evil connected with its administration.

Here may I be permitted to make a suggestion? It has been currently reported that there is an effort on foot to appoint a Veterans' Bureau committee. I want to give it my indorsement. I think it would be a good idea. There is pending before the House something like 200 bills affecting directly and indirectly the Veterans' Bureau. When they affect the Veterans' Bureau they affect every home and almost every individual in America. It is primarily for the benefit of the splendid boys who gave their services to the country in its hour of need. I think it would be the best thing for the House and for the country if we were to create a standing committee of the House to dispose of such matters. [Applause.]

[Mr. LARSEN of Georgia had leave to revise and extend his remarks.]

Mr. PORTER. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the general subject of tariff legislation.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The extension of remarks referred to is here printed in full as follows:

Mr. ACKERMAN. Mr. Speaker and members of the committee, I appreciate your graciousness in permitting me to present some observations concerning the operations of the Fordney-McCumber tariff. Having in mind the fact that there are numerous persons who can not grasp its full intent because of the fact that "politics" has hitherto been so associated with its consideration and the stress of campaigns has prevented an impartial consideration thereof, I venture at this time to present some concrete facts relative to the subject. If the line of the division between the two great parties is that of a protective "tariff" and a "tariff for revenue only," it seems to me that the only way for either of the great parties to secure the reins of government is by a candid presentation of what are the facts and not attempt to obtain office by distortion thereof or by innuendo or otherwise.

In attempting to present this matter in a clear and understandable manner permit me to use an argument advanced by a "free-trade" advocate.

At the other end of the Capitol one of the distinguished gentlemen who comes from a State that believes in a free-trade policy and a "tariff for revenue only" said recently that the operations of the Fordney-McCumber tariff would take "three billions out of the pockets" of the American people, meaning, I suppose, "unnecessarily and uselessly" so, thereby putting burdens which should not be inflicted upon the people. To the ordinary mind that is a large figure, but how can his statement be reconciled in the light of the clear facts when the amount of the money collected by the tariff law at the present time will not amount at the best to more than \$550,000,000 annually?

We note, however, that he does not say in what period of time this colossal sum is to be paid. If the amount of tariff collected averaged \$500,000,000 per year, it would have six years before the sum of \$3,000,000,000 would be reached, even if every cent were a tax upon the people. But no, he meant immediately; practically upon the signing of the bill, and that industry would be prostrated.

If manufacturers saw that prices were to rise to such heights as to exact that sum from the consuming public, would they not immediately increase the output of their factories in a wild scramble to get a part of these high profits, and thus by competition produce such a surplus of goods that the saturation point would be speedily reached? What other conclusion can be possible?

What constitutes the complaint at the present time is that the farmer is suffering because he can not get a more profitable price for his products. This in turn presupposes the fact that if there were factories employing more men there would be a greater demand for home consumption of what the farmer produces. Consequently, the farmer would be benefited and the purchasing power of his dollar would be greater, because of the competition among the producers of what the farmer desires in order to gratify his wants or satisfy his needs.

The farmer's trouble at present is that his products are adversely affected by world markets. About 85 per cent of farm products is consumed at home; the balance abroad. It is the 15 per cent exported that fixes the price. Is this not a fair illustration? The price of wheat in London, less freight, is also the price of wheat in New York. Therefore the more we encourage a larger consuming home market by active industrial conditions the more we benefit the farmer. Especially is this so at this time, when the ability of foreign markets to absorb and pay for these products may be seriously in question.

According to a Treasury Department statement as of January 1, 1923, there were in the continental United States, exclusive of our island possessions, 110,560,000 people, an increase over the previous month of 140,000 individuals. This is about the rate at which the population of the United States is growing at the present time. In a year the population increases approximately 1,680,000 persons.

If we divide the total amount of revenue received by the Treasury Department through the customhouses of this country of, let us say, \$550,000,000 per year, by 110,000,000 people, we will have \$5 per individual as a year's contribution to this amount. This is slightly over 1 cent per day, but certainly less than 10 cents per week. Who will declare that this is too much to pay to protect our home market and endeavor to preserve the high economic level of this country as compared with the economic level elsewhere?

It will be of value for purposes of comparison to mention in this connection the per capita rate of \$18 per year, or about 34 cents per week per individual in Canada; £3 19s. in Australia, which is about the same per individual as in Canada; and £2 18s. per year per individual, or 26 cents per week per

person in Great Britain, the so-called par excellence free-trade country.

"Less than a dime a week" is the highest possible tax that under these hypothetical conditions could be extracted from each inhabitant in the United States, predicated, of course, upon the assumption of the opponents of protection that the entire burden of the receipts at the customhouses are borne by the people. In reality everyone knows that this is not the case. For the purpose of argument let us assume that only a portion of the \$550,000,000 to be collected, say \$200,000,000, the increase over what was being collected before the Fordney-McCumber law became operative, is the amount of toll which is extracted from the patient consuming public. Considering it on a family basis, a hasty figuring will show 22,000,000 families in this country on a basis of five to each family.

For the purposes of quick calculation let us consider that there are 25,000,000 of families, and this number being used as a divisor for the \$200,000,000 of excess toll obtained would make it \$8 per family, or 16 cents per family per week. In the last analysis it comes down to a hypothetical expense of less than 16 cents per family per week if—and the "if" is made large—this additional sum should be taken from the people.

Conceding the premises, where is the fallacy in this argument or in its conclusion?

It is estimated by a competent authority that at least \$100,000,000 are collected annually from members of labor unions, and perhaps as much more by those who hold memberships in fraternal or other orders. That sum, if it were divided by the families in the United States, would equal the so-called tariff charge. Where is the individual who would not willingly pay such a tax or who is so poor that he could not afford so to do if by such payment adequate and continuous employment at generous or highly remunerative wages might be had for the asking? Such a condition now exists in our country; all surplus labor of a year ago is employed. The smoke of industry clouds the horizon.

Who desires the atmosphere clarified by the adoption of measures calculated to silence the hum of industry by flooding the market with competitive foreign goods? Certainly such will not be the case under Republican tariff policies. Who ever heard of a protective tariff putting up the shutters on a factory or putting people out of work? Who will be good enough to give an instance of such an occurrence?

Let us review the past and see whether or not the country has financially prospered since the celebration of the country's centennial, so graphically portrayed at the Philadelphia Exposition. The census of 1870 is as near as we can get to that historic date:

When the population was 38,000,000 in 1870 the wealth was \$24,000,000,000, or \$630 per individual.

When the population was 50,000,000 in 1880 the wealth was \$43,000,000,000, or \$860 per individual.

When the population was 62,000,000 in 1890 the wealth was \$65,000,000,000, or \$1,050 per individual.

When the population was 76,000,000 in 1900 the wealth was \$88,000,000,000, or \$1,160 per individual.

When the population was 81,000,000 in 1904 the wealth was \$107,000,000,000, or \$1,320 per individual.

When the population was 95,000,000 in 1912 the wealth was \$187,000,000,000, or \$1,990 per individual.

The figures for 1922 are not available as yet, but if the same rate of progress is conceded during the 10 years from 1912 our national wealth can not be far from \$400,000,000,000. This amount is 20 per cent less than the supposed inflation value was in 1920. In arriving at this conclusion inflation and deflation were taken into account, as was also the fact that our national income in 1912 was \$33,000,000,000.

If the average profit of industry in general is only 12½ per cent instead of a higher figure, and the income for 1922 is \$60,000,000,000, as economists assert it was, we will not be far afield in estimating the national wealth as very close to \$500,000,000,000, and that is what, I believe, the census figures will show when they are finally compiled.

In the publication entitled "The Things that Are Caesar's" the wealth of the world from the beginning of time down to 1780, as a surplus of production over consumption in all the thousands of years since time began, is given as approximately only \$100,000,000,000.

The wealth of the world to-day is probably one thousand billions of dollars. What is true about some countries having fared badly and others worse, in order to fairly estimate their value to get this grand total, is not in any sense applicable to the United States. Our progress, though temporarily arrested at times, has been fundamentally sound and consistently progressive and enduring.

The reason for this economic advancement was the form of tariff policy in effect. For more than 70 years with few exceptions a protective tariff was in force. Under its beneficial provisions American labor, industry, and commerce enjoyed unrivaled conditions. As a result our citizenship is of a higher standard because of the opportunities our public institutions were able to offer. What has benefited our people socially has in no lesser degree benefited them economically. This is abundantly apparent in the following statement made a few days ago by the American Bankers' Association.

SAVINGS DEPOSITS IN 1922 INCREASE \$1,500,000,000.

CHICAGO, February 2 (by Associated Press).—Savings deposits in the United States increased by about \$1,500,000,000 in 1922 as compared with 1921, according to preliminary figures tabulated by the savings-bank division of the American Bankers' Association and announced here through district headquarters.

The figures show that, compared to reported savings deposits on June 30, 1921, of \$16,818,695,000, the amount for the corresponding date in 1922 was \$18,087,493,000.

The number of savings accounts indicated by the partial data in hand was 28,957,526 on June 30, 1922, as compared to 26,637,831 on the corresponding date in 1921, a gain of 2,314,695. For both the amount of savings and the number of depositors later data of States from which complete returns have not yet been received are expected to show larger gains for 1922.

According to this report school savings systems reported deposits of \$5,500,000 during the last school year, an increase of 40 per cent over 1921 and 100 per cent over 1920. The number of school systems also increased by over 100 per cent during the last school year and the number of pupils reported as participating was 1,271,000, a growth of 50 per cent over the previous school year.

The data collected by the savings-bank division indicate that life insurance, not including beneficial societies or the Government bureau, now carried on American lives totals more than \$50,000,000,000. Premiums on new business during the year ended November 1, 1922, amounted to \$225,980,000. The total premiums, including the payments on annuities, paid during the year amounted to more than \$1,500,000,000. The amount of new life insurance purchased during the year 1922 was \$9,300,000,000, an increase of \$600,000,000, or 7 per cent, over 1921.

The Fourth Federal Bank of Cleveland, Ohio, offers additional evidence in the following announcement:

CLEVELAND, OHIO, February 2.—Business has discarded most of its hesitating attitude—the familiar 1922 trade-mark—and in its place is a spirit of confidence, according to the monthly business review of the Fourth Federal Bank.

"There are good things in store for us in 1923 if we know how to work and look for them," the review states. Aside from the foreign situation, it adds, there is little in the conditions outside of business that will prevent the continuance of good business; should a check develop, it will be due to conditions developed within itself.

In many ways this will be a critical year, the review predicts, a year where effective management, sales effort, better salesmen, more intensive training, and harder and more conscientious work will be necessary.

Many are asking: "Is business going to continue upward during 1923?" the review says, and answers that no one is fully capable of answering, because there are too many unsolved problems.

During the present year business will be good or bad, as we choose to make it, according to the review.

Conditions which might be cited as favorable to continued prosperity, the review states, can be listed as:

- Employment almost universal throughout the country;
 - Industry running at capacity, or nearly so;
 - Money and credit plentiful;
 - Commodity prices firming;
 - Order books filling;
 - Purchasing power of the farmer increasing;
 - Railroads believed to be large buyers of materials as year advances;
 - Large building programs;
 - Retail sales increasing.
- Conditions that might be listed as less favorable are:
- Export situation doubtful;
 - Transportation improving, but only slightly;
 - Fuel situation unsettled;
 - Labor becoming scarce.

The Federal Reserve Board dispels any doubt that may be felt as to the conditions and business outlook in the agricultural implement industry in the following announcement:

[From the Washington Star.]

FARM IMPLEMENTS IN GREAT DEMAND—SALES DOUBLE THOSE OF YEAR AGO—FARMERS IN MUCH BETTER CONDITION.

The Federal Reserve Board last night announced that reports from its country-wide sources indicated evidences of recovery in the agricultural industry from the months of depression, as sales of farm implements in December and January revealed a restoration of the buying powers of the farmers. December sales, according to the reports, were more than double those of December, 1921, and the increases were sustained in January.

The automobile industry may be judged—at least, on one class of cars—by the following announcement:

[Special dispatch to the Star.]

FORD PLANT HAS 25,000 UNFILLED ORDERS FOR CARS.

DETROIT, MICH., February 2.—One of the best indications of to-day's status of the motor industry is the fact that the Ford Co. went into February with more than 25,000 unfilled orders. Ford dealers have requisitions for 148,000 cars and trucks for February delivery, but the production schedule is being held down to 123,000 because of general conditions affecting manufacture.

The supply of labor available at automobile plants has not been so large as manufacturers could have wished, but production has not been notably held back on this account.

Turning to our export trade we find a thriving condition keeping step with domestic activities.

Director Klein, of the Bureau of Foreign and Domestic Commerce, described it in his annual report, on which the following is a news dispatch to the New York Journal of Commerce:

GROWING INTEREST IN EXPORT TRADE—COMMERCE BUREAU ASKS FOR LARGE FORCE—IN ANNUAL REPORT DIRECTOR KLEIN SAYS TRADE INQUIRIES HAVE INCREASED 400 PER CENT IN YEAR—DESCRIBES EXPANSION OF FACILITIES.

[Bureau of The Journal of Commerce.]

WASHINGTON, Dec. 18.—The increased desire of American firms to enter foreign markets with their wares is reflected by a 400 per cent gain in foreign trade inquiries directed to the Department of Commerce this year, as compared with last, Director Julius Klein, of the Bureau of Foreign and Domestic Commerce, declares in his annual report.

Describing the fiscal year 1921-22 as "one of the most crucial periods in the history of the Nation's foreign trade," Director Klein points to the complete reorganization of his bureau under Secretary Hoover's direction as the prime factor enabling it to help American export interests withstand the "inroads of recovering European competition in the world's markets."

Following out the policy of "better service with less meddling," Director Klein says that the Bureau of Foreign and Domestic Commerce now serves business on a commodity basis through 17 new divisions which specialize on America's great export products of the factories and farms. These divisions are headed by sales experts selected by the trades themselves and guided in their work by about 70 committees composed of business men representing over 150,000 manufacturers and merchants in the leading export industries of the country. This arrangement insures a maximum service to each industry at a minimum outlay of time, labor, and money.

Giving instances of the accomplishments of the bureau in its foreign work, Director Klein says: "The largest Italian contract awarded in years, amounting to \$13,000,000, was secured for an American firm through the help of the bureau's office in Rome. The rights of American shippers of goods valued at \$68,000,000 to \$80,000,000, caught in the port congestion in Cuba, were successfully safeguarded through the aid of the bureau's Habana representative. The Vienna office enabled an American concern to obtain an order for \$1,500,000, and the Madrid office saved for American exporters contracts in Spain covering 100,000 tons of wheat."

In concluding his report Director Klein states that if the bureau is to carry on and enlarge its work in the manner dictated by the economic situation of the country, its activities should be extended to cover the study and promotion of domestic commerce. Its foreign service should be strengthened by the establishment of offices in new markets. Experts in commodities not yet specifically provided for, such as tobacco, grain, and many manufactured specialties, should be added to its present staff to meet the increasing demands of the trades. The salaries of many statutory positions should be considerably increased, otherwise the bureau will continue to lose some of its more valuable help.

Further illuminating evidence is furnished in figures compiled in the Department of Commerce and given herewith:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, January 23, 1923.

Hon. ERNEST R. ACKERMAN,
House of Representatives, Washington, D. C.

MY DEAR MR. CONGRESSMAN: In response to your request of January 16 I inclose herewith a list giving the comparison of volume of production during the last three years.

Yours faithfully,
(Inclosure.)

HERBERT HOOVER.

Comparison of volume of production during the last three years.

Commodity.	Unit.	1920	1921	1922
Textiles:				
Textile mills—				
Wool consumption	Thousand pounds.		529,500	¹ 595,758
Cotton consumption	Bales.....	5,843,200	5,406,775	6,087,065
Production—				
Fine cotton goods....	Pieces.....	4,154,856	4,250,316	¹ 4,193,473
Knit underwear.....	Dozen.....	7,097,400	6,512,400	6,984,900
Silk consumption, raw..	Bales.....	213,960	323,286	367,620
Metals:				
Iron and steel—				
Iron ore movement *	Thousand short tons.	56,780	25,538	42,156
Production—				
Pig iron.....	Thousand long tons.	36,414	16,544	26,880
Steel ingots.....	do.....	40,881	19,235	33,284
Merchant pig iron.....	do.....	7,032	2,022	3,234
Locomotives—				
Total shipments.....	Number.....	2,388	1,349	1,274
Structural steel sales.	Long tons.....	1,496,500	997,200	¹ 1,929,400
Copper production....	Thousand pounds.	1,209,060	472,028	990,737
Zinc production.....	do.....	959,544	431,186	747,356
Fuel and power:				
Coal and coke production—				
Bituminous coal.....	Thousand short tons.	556,560	415,922	404,505
Anthracite coal.....	do.....	89,100	90,468	52,721
Beehive coke.....	do.....	20,976	5,643	8,039
By-product coke.....	do.....	30,780	19,918	28,497
Crude petroleum.....	Thousand barrels.	442,932	469,644	¹ 501,415
Gasoline.....	Thousands of gallons.	4,882,548	5,153,544	² 5,050,084
Public utility electric power mill.	K. W. hours.....	43,963	40,938	¹ 43,072

¹ Eleven months cumulative.

² On Sault Ste. Marie Canals.

³ Twelve months cumulative.

Comparison of volume of production during the last three years—Contd.

Commodity.	Unit.	1920	1921	1922
Paper and printing:				
Wood pulp production—				
Mechanical.....	Short tons.....	1,578,300	1,288,016	1,374,634
Chemical.....	do.....	2,257,872	1,532,928	1,812,603
Newsprint paper.....	do.....	1,511,964	1,226,184	1,328,284
Automobiles:				
Production—				
Passenger cars.....	Number.....	1,883,160	1,534,902	1,218,813
Trucks.....	do.....	322,044	145,080	120,276
Building and construction:				
Contracts awarded—				
Grand total floor space.....	Thousand square feet.....	401,892	387,204	572,944
Grand total value.....	Thousands of dollars.....	2,533,224	2,359,776	3,352,919
Lumber:				
Production—				
Southern pine.....	M feet b.m.....	4,296,372	4,505,256	4,828,786
Douglas fir.....	do.....	4,570,200	3,572,844	5,282,887
California redwood.....	do.....	530,916	475,416	528,887
California white pine.....	do.....	700,416	469,320	475,148
Michigan softwood.....	do.....	110,484	79,896	180,491
Michigan hardwood.....	do.....	224,388	151,824	143,856
Western pine.....	do.....	1,613,604	893,244	1,436,287
North Carolina pine.....	do.....	402,168	361,968	629,511
Northern hemlock.....	do.....	327,480	206,208	1261,804
Northern hardwood.....	do.....	410,472	343,896	1287,732
Northern pine lumber.....	do.....	483,276	410,433	534,144
Northern pine laths.....	do.....	114,972	104,027	150,884
Flooring:				
Production—				
Oak flooring.....	do.....	128,940	148,929	274,524
Maple flooring.....	do.....	124,596	100,534	137,020
Brick:				
Production—				
Clay fire brick.....	Thousands.....	728,580	384,348	1504,512
Silica brick.....	do.....	178,848	67,140	119,490
Face brick.....	do.....	541,440	428,172	547,664
Cement:				
Production.....	Thousand barrels.....	100,020	98,203	113,870
Shipments.....	do.....	95,051	116,563	116,563
Leather—Sole production.....	Thousand backs, bends, and sides.....	18,423	17,841	116,033
Chemicals:				
Production—				
Acetate lime.....	Thousand pounds.....	145,800	56,448	1102,436
Wood alcohol.....	Gallons.....	7,625,266	3,500,364	15,705,719
Beef—Inspected slaughter production.....	Thousand pounds.....	4,985,208	4,474,286	4,582,217
Pork—Inspected slaughter production.....	do.....	6,459,432	6,739,368	6,564,288
Mutton—Inspected slaughter production.....	do.....	423,060	493,608	1383,190
Tobacco:				
Production—				
Large cigars.....	Millions.....	7,937	6,798	16,332
Small cigarettes.....	do.....	44,622	50,835	150,020
Manufactured tobacco and snuff.....	Thousand pounds.....	399,888	386,496	1393,872

¹ Eleven months cumulative.

The record would be incomplete without a comprehensive statistical review of business during the last calendar year, which also shows a production record for 11 months with the percentage of increase and decrease fully tabulated:

DEPARTMENT OF COMMERCE,
Washington.

STATISTICAL REVIEW OF BUSINESS IN 1922.

At this time of the year it is customary for business to pause long enough to take account of the progress made during the 12 months just elapsed, and from this standpoint to make some conjectures as to the coming months of the new year. It is with a feeling of satisfaction that most industries can view the progress of the past year in spite of the many difficulties which have been experienced. At the close of 1922 there are no serious obstacles in sight which should hinder further advances during the early part of the new year. The unsettled conditions in foreign countries, particularly in Europe, are still depressing our trade; and, to a certain extent have, no doubt, kept the prices of agricultural products below the level of other commodities. Within the past two months this latter condition has in a measure been relieved.

Production of manufactured commodities in 1922 was about 50 per cent greater than in 1921, according to figures compiled by the Department of Commerce from latest reports to the Bureau of the Census made in connection with the "Survey of current business." Textile mills were about 20 per cent more active than in 1921, the iron and steel industry increased its output from 60 to 70 per cent over 1921; nonferrous metals, from 50 to 95 per cent; petroleum, 15 per cent; coke, 40 per cent; paper, 20 to 30 per cent; rubber, 40 per cent; automobiles, 50 per cent; building construction, 50 per cent; lumber, 35 per cent; brick, 50 per cent; cement, 15 per cent; leather, 20 per cent; sugar, 45 per cent; and meats about 5 per cent. Agricultural receipts were, in general, higher than in 1921. The only declines of outstanding importance were 7 per cent in bituminous coal and 47 per cent in anthracite.

The increase in production and the reduction in immigration improved the labor situation from a large surplus of labor at the end of 1921 to a point where shortages occur, while unemployment has almost been eliminated.

Transportation conditions changed from a huge surplus of idle freight cars to a considerable shortage, while car loadings were 11 per cent greater than in 1921.

Prices to the farmer increased about 17 per cent during the year, wholesale prices advanced 10 per cent, and retail food prices declined

5 per cent. This condition gives the farmer a greater purchasing power and narrows the margin between wholesaler and retailer.

The volume of trade was considerably heavier than in 1921. Sales of mail-order houses increased 6 per cent, and chain stores show a gain of 13 per cent. Debits and bank clearings also show about this same relation.

The following paragraphs compare the statistical data for various industries with the corresponding period of 1921. Usually the comparison covers the first 11 months of each year, but in a few cases figures for only 10 months are available.

TEXTILES.

The wool manufacturing industry was from 20 to 25 per cent more active in 1922 than in 1921. Receipts of wool at Boston for the first 11 months of the year were 21 per cent greater, due to the increase of 42 per cent in domestic receipts. Consumption of wool in mills exceeded last year, on a 10 months' comparison, by 25 per cent. The price of unwashed wool at Boston advanced almost 70 per cent during the year, yarns about 50 per cent, and finished goods advanced about 20 per cent.

Cotton consumption, with its November record since 1917, rose 13.5 per cent in the first 11 months of 1922 over the same period of 1921. Exports of raw cotton declined almost 6 per cent, and stocks were depleted, compared with a year ago, except at mills. The price of raw cotton rose about 12 per cent, both to the producer and on the New York Cotton Exchange, up to December 1, and further advances were made during December. Yarns, print cloths, and sheetings advanced about 20 per cent during the year.

The calculated consumption of raw silk increased 11 per cent over the corresponding 11 months last year. Stocks of raw silk on December 1 were about 150 per cent greater than a year ago. The price of raw silk increased about 10 per cent during the year.

METALS.

The iron and steel industry was from 60 to 70 per cent more active than in 1921, but about 25 per cent less active than in the boom year of 1920. Iron-ore movement was 65 per cent greater than in 1921, pig-iron production increased 60 per cent, and steel-ingot production 71 per cent. Unfilled orders of the United States Steel Corporation rose about 60 per cent during the year. Iron and steel prices rose from 15 to 50 per cent, with the highest relative increase in pig iron. Exports of iron and steel, based on 10 months' figures, declined 26 per cent.

Locomotive shipments by manufacturers for the first 11 months of 1922 were 16 per cent less than in 1921, owing to the decline of shipments for foreign account of 56 per cent. Domestic shipments increased 8 per cent. Unfilled orders for foreign locomotives on December 1 were less than a year ago, but domestic orders were over ten times as large. Orders for freight cars placed in 11 months of 1922 were over seven times as large as a year ago.

Production of steel sheets averaged about 75 per cent of capacity in 1922, as against 35 per cent in 1921. Sales of fabricated structural steel were about 88 per cent larger in 1922 than in 1921, based on 11 months' figures.

Copper production showed an increase of 96 per cent over 11 months of 1921, but was almost 30 per cent below the 1920 figures. Exports of copper were 29 per cent greater than in 1921, on the basis of 10 months' figures. The price of copper advanced about 10 per cent during the year.

FUELS.

In spite of the strike bituminous-coal production was only 7 per cent less than in 1921 for the 11 months' period, a decrease of 26,000,000 tons. Anthracite coal, however, showed a decline of 47 per cent, with a loss of 40,000,000 tons. Production of beehive coke increased 32 per cent and by-product coke production increased 41 per cent. Public-utility electric power showed an increase of 7 per cent on a 10 months' basis.

The petroleum industry has been about 15 per cent more active than a year ago. Crude petroleum on the basis of 10 months' figures, shows an increase of 16 per cent in production, 9 per cent in consumption, 11 per cent in imports, and 17 per cent in the number of oil wells completed. Shipments from Mexico increased 13 per cent. Stocks on November 1 were 100,000,000 barrels greater than a year ago, an increase of about 60 per cent. The price of crude oil declined about 20 per cent during the year.

The production of gasoline in 10 months increased 18 per cent over the 1921 period, exports increased 11 per cent, and consumption 16 per cent. Stocks on November 1 were about 60 per cent greater than a year ago.

PAPER.

The paper industry showed an increase of from 20 to 30 per cent in activity over 1921. Ten months' figures show an increase of 21 per cent in production of mechanical wood pulp and 34 per cent for chemical pulp. Stocks of mechanical pulp declined about 20 per cent, while chemical stocks increased about 50 per cent.

News-print paper production increased 19 per cent over the 1921 10 months' period, and total stocks increased slightly during the year, though mill stocks declined. Consumption by publishers was 15 per cent heavier than in 1921. Prices declined about 10 per cent. Total production of paper increased 34 per cent, with an increase of 55 per cent in fine paper. Total paper stocks at mills showed little change from a year ago.

RUBBER.

Production of pneumatic tires was 39 per cent ahead of 1921 on 10 months' figures, while inner tubes and solid tires increased 35 and 84 per cent, respectively. Domestic shipments of all three kinds increased from 24 to 35 per cent over last year. Stocks on November 1 were about 30 per cent larger than a year ago, except inner tubes, where the increase was only about half as great relatively. Consumption of rubber by tire manufacturers increased 56 per cent over the corresponding 1921 period. The price of rubber, through a recent rise, is about the same as a year ago.

AUTOMOBILES.

Automobile production made a new high record in 1922—about 50 per cent ahead of the 1921 output as regards passenger vehicles and about 75 per cent in trucks. The truck production was less than in 1919 and 1920, however.

BUILDING CONSTRUCTION.

Total volume of building contracts let in 11 months of 1922 was 52 per cent greater than in the corresponding period of 1921, and for the full year will undoubtedly exceed the 1919 building record. In value the 1922 contracts already exceed the total contracted for in any previous year, and the average number of projects greatly exceed previous years. Over half of the building volume increase over 1921

was due to the increase of over 100,000,000 square feet in residential buildings, or 56 per cent over 1921. The greatest relative increase, however, occurred in industrial buildings, with a gain of 86 per cent, while business buildings gained 48 per cent.

BUILDING MATERIALS.

Total lumber production will exceed the corresponding period of 1921 by about 35 per cent, but for individual species there is a decided variation. The western softwoods, such as Douglas fir, California white pine, and western pine, increased from 50 to 60 per cent over 1921, except redwood, which gained only 20 per cent. North Carolina pine production increased 83 per cent, but southern pine output was only 17 per cent greater than in the 1921 period. Pine and hemlock production in the Lake States showed increases of from 25 to 30 per cent, but hardwood production in that region was less than in 1921.

Production and shipments of flooring increased about 70 per cent in the 11 months' period, and orders gained 50 per cent. The increases were much larger in oak flooring than in maple flooring. Stocks on December 1 were less than a year ago and unfilled orders about 50 per cent greater.

The production of cement in 11 months of 1922 exceeded any previous full year's production and was 15 per cent greater than the corresponding output for 1921. Shipments increased 22 per cent and also made a new high record, exceeding production, and resulting in a decline of about 40 per cent in stocks on hand on December 1.

HIDES AND LEATHER.

Sole leather production, based on 10 months' figures, was slightly less than in 1921, but upper leather production was about 30 per cent greater. Stocks of leather declined during the year, as did also stocks of hides. Exports of leather exceeded 1921, with upper leather exports more than double the previous year. Prices of hides rose from 30 to 50 per cent during the past year, but leather prices tended to decline slightly. Exports of boots and shoes were only a little more than half as large as a year ago, and prices were reduced slightly.

CEREALS.

The final estimate of the 1922 wheat crops shows an increase of 41,000,000 bushels, or about 5 per cent over the 1921 crop, due to the increase in winter wheat. Receipts and shipments of wheat for 11 months were 9 per cent less than in 1921, and the visible supply on December 1 showed a slight decline from last year. Exports of wheat and flour, on 10 months' data, showed a decline of 38 per cent. The production of wheat flour was about the same as a year ago, while consumption increased about 7 per cent. Prices of wheat were slightly higher than a year ago, but flour prices were lower.

The 1922 corn crop shows a decrease of 178,000,000 bushels, or about 6 per cent. Receipts, shipments, and grindings into glucose and starch all increased about 18 per cent over the 11 months of 1921, while the visible supply showed a decline of almost 30 per cent. Exports of corn in 10 months showed an increase of 31 per cent, and the wholesale price increased about 50 per cent.

The oats crop of 1922 was 137,000,000 bushels larger than the 1921 crop, or about 13 per cent. Receipts were about the same as in 1921, but the visible supply was less than half as great. Exports in 10 months were over four times as large as a year ago, and the price increased about 25 per cent.

MEATS AND DAIRY PRODUCTS.

The movement of cattle and calves showed a large increase over 1921, receipts increasing 16 per cent; shipments, 24 per cent; and stocker and feeder shipments, 39 per cent. Slaughter increased about 10 per cent, while exports of beef products declined 9 per cent in 10 months. Cold-storage holdings were about the same as a year ago, and prices in general were higher.

Receipts, shipments, and slaughter of hogs were all about 5 per cent greater than in 11 months of 1921, but stocker and feeder shipments were 18 per cent larger than in 1921. Exports of pork products declined 18 per cent on a 10 months' comparison, and cold-storage holdings increased slightly. The price of hogs was 20 per cent higher than at the end of 1921, while pork prices were about the same as last year.

SUGAR.

Meltings of raw into refined sugar made a new high record in 1922 and were 45 per cent larger than in 1921. Exports of refined sugar also made a new high record and were more than double the 1921 exports. Stocks of raw sugar were slightly smaller than in 1921 at this time and prices of sugar were higher. Receipts in and exports from Cuba were slightly greater than a year ago, but stocks in Cuba on December 1 were only 49,495 tons, as against the huge stocks of 967,515 tons held on December 1, 1921.

WATER TRANSPORTATION.

Panama Canal traffic was 19 per cent larger than last year and made a new high record; traffic in American ships increased 26 per cent. Traffic through the Sault Ste. Marie Canal was 25 per cent larger than in 1921.

RAILROAD TRANSPORTATION.

The average surplus of 282,926 freight cars on December 1, 1921, has almost disappeared, and in its place the average shortage has increased from almost nothing to 133,786 cars. The number of cars in bad order has been considerably reduced during the year. Total car loadings for 1922 increased about 11 per cent over 1921, in spite of the drop in coal loadings, and were almost up to the high mark of 1920. Railroad revenues declined 2 per cent from 1921 on a 10 months' basis, due to a decrease of 1 per cent in freight revenue and 9 per cent in passenger revenue. Operating expenses were reduced by 6 per cent, resulting in a gain of 23 per cent in net operating income.

LABOR.

Employment in factories, as reported from both New York and Wisconsin, showed a gain of about 15 per cent during the year and total pay roll increased about 20 per cent. Estimated unemployment in Pennsylvania was reduced from 269,322 to 28,398 during the year ending December 1. The average applications per job at State and municipal employment agencies show a change from a surplus of 57 per cent in workers to a shortage of 3 per cent.

Immigration and emigration both show declines of about 50 per cent from the corresponding 1921 figures.

PRICE INDEX NUMBERS.

The average price paid to farmers for crops on November 15 was 20 per cent higher than a year ago, and the live-stock price index was about 14 per cent higher.

Wholesale prices have made a gradual rise in 1922, and the index number of the Department of Labor is over 10 per cent greater than a year ago. Farm products and metals had the greatest relative gains. The index numbers of Dun's and Bradstreet's showed larger increases during the year, the former rising 13 per cent and the latter 21 per cent.

The retail food-price index declined 5 per cent during the year and showed about the same relative increase over 1913 as the wholesale food index. The cost of living on December 1, as compiled by the National Industrial Conference Board, was still 3 per cent lower than at the end of 1921. The principal decrease was in food, while fuel and light was 4 per cent higher than a year ago.

DISTRIBUTION MOVEMENT.

Mail-order houses on 11 months' business showed a 6 per cent increase over 1921. Chain-store sales averaged 13 per cent larger than a year ago and were the highest recorded for any year.

Magazine advertising was 6 per cent greater than in 1921, while newspaper advertising, based on 10 months, showed a decline of 6 per cent. Postal receipts for 11 months were 9 per cent greater than in the 1921 period and made a new high record.

PUBLIC FINANCE.

The total United States interest-bearing debt was reduced by \$667,000,000 during the 12 months ended December 1, or about 8 per cent; Liberty and Victory loans were reduced by \$2,153,000,000, or about 11 per cent. Customs receipts increased 46 per cent and were far greater than in any previous year. Total ordinary receipts of the Government declined 24 per cent and disbursements were reduced by 30 per cent, with a balance of ordinary receipts of over \$300,000,000 in 11 months. Per capita money circulation declined slightly during the year.

BANKING AND FINANCE.

Debts and bank clearings for New York City increased 17 and 13 per cent, respectively, while for the rest of the country the increases over 1921 were only 6 and 8 per cent, respectively. Bills discounted by Federal reserve banks were only half as large as a year ago, but investments were twice as great. Note circulation showed little change, but the reserve ratio stood at 76.4 per cent on December 1, 1922, as against 72.7 a year ago. Member banks of the Federal reserve system had slightly smaller loans and discounts outstanding than a year ago, while investments increased by \$1,100,000,000 and deposits by \$800,000,000. Interest rates fell during the year.

Saving deposits in banks increased uniformly throughout the country by about 5 per cent. Postal savings declined about 10 per cent. Sales of life insurance increased 5 per cent in number of policies and 11 per cent in amount of new insurance.

The number of business failures was 27 per cent larger than in 1921 and exceeds any previous year since 1915. The amount of defaulted liabilities exceeded the huge defaults in 1921 by 5 per cent.

Security prices rose considerably during the year, industrial stocks averaging an increase of about 34 per cent, railroad stocks about 17 per cent, and bonds about 20 per cent. Stock sales were 55 per cent greater than in the 1921 period, and bond sales increased 26 per cent. Liberty-Victory bond sales declined 18 per cent, but other bonds increased in volume by 92 per cent.

FOREIGN EXCHANGE AND TRADE.

The general index of foreign exchange compiled by the Federal Reserve Board increased about 10 per cent during the year, and now stands at 67 per cent of par. The principal changes during the year were the increases in the pound sterling, the Canadian dollar, and the Argentine, Dutch, and Swedish exchanges, and the continued rapid fall in German marks.

Exports were about 16 per cent less than in the 11 months' period of 1921 and the lowest in value since 1915. Imports up to the time the new tariff law went into effect were above the 1921 corresponding period by approximately 16 per cent. Imports of gold declined 62 per cent and exports increased 57 per cent, but an export balance of \$21,000,000 still remained for the 11 months of 1922.

Business record for 11 months of year.

Commodity.	Unit.	Production for 11 months of year.		Per cent increase (+) or decrease (-) in 1922 from 1921.
		1921	1922	
Foodstuffs:				
Corn products (consumption).....	Thousand bushels.	52,503	62,237	+18.5
Sugar (meltings).....	do.	3,344,558	4,856,509	+45.2
Fish (catch).....	Thousand pounds.	154,229	185,612	+20.3
Clothing:				
Cotton (consumption).....	Bales.....	4,895,850	5,559,120	+13.5
Silk (consumption).....	do.	302,356	336,578	+11.3
Fine cotton goods.....	Pieces.....	3,801,377	4,193,473	+10.3
Fuels (coal):				
Anthracite.....	Thousand short tons.	84,270	44,291	-47.5
Bituminous.....	do.	384,295	358,055	-6.8
Beehive coke.....	do.	5,139	6,807	+32.5
By-product coke.....	do.	18,058	25,417	+40.8
Metals:				
Pig iron.....	Thousand long tons.	14,895	23,793	+59.7
Merchant pig iron.....	do.	1,781	2,806	+57.6
Steel ingots.....	do.	17,604	30,106	+71.0
Unfilled orders, United States Steel Corporation.....	Thousand long tons.	14,251	16,840	+60.9
Copper.....	Thousand pounds.	453,433	886,640	+95.5
Zinc.....	do.	387,160	661,674	+70.9
Lumber:				
Southern pine.....	Thousand feet b.m.	4,115,427	4,828,786	+17.3
Douglas fir.....	do.	3,226,213	4,918,451	+52.5
North Carolina pine.....	do.	318,780	584,780	+83.4
Northern pine.....	do.	391,248	514,925	+31.6
Western pine.....	do.	856,104	1,369,002	+59.9
Michigan softwood.....	do.	74,515	86,491	+16.1
Michigan hardwood.....	do.	144,243	143,856	-0.3
Oak flooring.....	do.	131,419	251,051	+91.0
Maple flooring.....	do.	88,821	123,372	+38.9

*Condition November 30 of year indicated.

Business record for 11 months of year—Continued.

Commodity.	Unit.	Production for 11 months of year.		Per cent increase (+) or decrease (—) in 1922 from 1921.
		1921	1922	
Paper:				
Corrugated boxes.....	Thousand square feet.....	739,692	1,352,566	+82.9
Solid fiber boxes.....	do.....	501,342	606,180	+20.9
Buildings, etc.:				
Building contracts.....	do.....	351,931	534,341	+51.8
Cement.....	Thousand barrels.....	91,734	105,199	+14.7
Fabricated steel (sales).....	Long tons.....	686,763	1,287,401	+87.5
Brick—				
Face brick.....	Thousands.....	389,730	502,383	+28.9
Silica.....	do.....	58,201	119,490	+105.3
Clay, fire.....	do.....	350,347	504,512	+44.0
Sanitary ware—				
Baths (enamel).....	Number.....	459,299	787,529	+71.5
Lavatories (enamel).....	do.....	652,857	980,381	+50.2
Sinks (enamel).....	do.....	740,063	1,021,461	+38.0
Transportation vehicles:				
Locomotives—				
Shipments.....	do.....	1,260	1,064	—15.6
Unfilled orders.....	do.....	1,318	1,619	+409.1
Freight cars (orders).....	do.....	21,500	156,720	+628.9
Distribution movement:				
Magazine (advertising).....	Thousand lines.....	17,761	18,881	+6.3
Postal receipts.....	Thousands of dollars.....	222,381	243,331	+9.4
Customs receipts.....	do.....	287,760	420,857	+46.3
Mail-order houses.....	do.....	229,903	243,254	+5.8
Chain stores.....	do.....	206,643	233,857	+13.2
Exports (total value).....	do.....	4,198,933	3,490,627	—16.9
Labor:				
Number on roll of New York State factories.....	Thousands.....	1471	1540	+4.6
Unemployment in Pennsylvania.....	Number.....	1,269,322	1,283,398	—89.5
Securities:				
Stock sales.....	Thousand shares.....	154,387	238,958	+54.8
Bond sales.....	Thousands of dollars.....	3,057,569	3,836,697	+25.5
Municipal bonds (long term).....	do.....	1,106,870	1,172,552	+5.9
Life insurance (new business).....	do.....	5,117,761	5,672,542	+10.8
Stock prices, closing—				
25 industrials.....	Dollars per share.....	\$79.14	\$106.09	+34.1
25 railroads.....	do.....	\$54.19	\$63.46	+17.1
Banking:				
Debits to individual accounts, outside New York City.....	Millions of dollars.....	173,419	183,688	+5.9
Bank clearings, outside New York City.....	do.....	127,230	136,768	+7.5
Price index numbers:				
Farm prices—				
Crops (15th of month).....	Index number.....	198	2118	+20.4
Live stock (15th of month).....	do.....	192	2105	+14.1
Wholesale prices, Department of Labor, all commodities.....	do.....	141	156	+10.6
Retail prices, food.....	do.....	152	145	—4.6

¹ Condition November 30 of year indicated.² Average of weekly closing prices for November of year indicated.³ Average as of the 15th of November of year indicated.

This recital of facts indicates a very healthy, prosperous, and growing condition, and, to my mind, is attributable in no small measure to the confidence created by the outlook afforded by the Fordney-McCumber Tariff Act. For 134 years, since the first act on July 4, 1789, was enacted, we have enjoyed for the greater part of the time protective tariffs. According to authorities about 62 per cent of the imports in value are on the free list. About 30 per cent more are of a class that are unaffected by such changes in rates that would materially interfere with their free importation, this leaving only 8 per cent upon which the operations of the tariff laws may be conceded to have some effect. Many instances could be cited where this present tariff has received the approval of those who opposed it during its formation and who are being greatly benefited by its operation.

In some remarks I made to the House on July 21, 1921, I advocated the revival of a confident and optimistic spirit in the future of America. That day has already arrived. All industry is girding up its loins in anticipation of the busiest time ever known. The railroads are ordering locomotives and cars in greater numbers than ever before, and already the cry is heard that there are not enough hands to do the work in sight.

Five billions is the amount that is conservatively estimated will be spent by the building industry the coming year, we are assured of no cessation in the work of mining coal, and the net-

work of good roads is like a spider web radiating in all directions.

There is plenty of sunshine visible, and while occasional clouds flit across the sky, yet they are melting one by one, and if we will embrace the golden opportunities that are ours to-day we will not only benefit greatly ourselves but will be a blessing and comfort to those who are for the moment not so fortunate. In the words of Doctor Coué: Every day in every way America is growing better and better.

Mr. LINTHICUM. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman and gentlemen of the House, I am in favor of this legislation. My reason for supporting this bill is that I believe that it will materially aid in developing our foreign service. I am of the opinion that our foreign service ought not only to compare with the service of other countries but that it should excel that of any other country. We must take into consideration, Mr. Chairman and gentlemen, the fact that our foreign commerce has increased and is increasing from year to year. Formerly the Diplomatic Service had very little to do with our foreign commerce, but to-day under the conditions that exist I am satisfied that efficient foreign service will greatly stimulate and aid our foreign commerce. We know that other nations spend tremendously large sums of money to secure the very best and the most capable men to look after their commercial interests. We have been to a certain extent neglectful of our duty in that regard. We ought to have attempted before this time to have made an effort to improve, strengthen, and solidify the service upon which our country must depend not only for its foreign political but commercial affairs as well. I believe this bill goes quite a way in bringing about the greatly needed improvement. It also provides for classification of all in the service, their advancement, and increase in salaries. This provision is absolutely necessary if we desire to keep the experienced and efficient men in this important service. This bill, I am satisfied, will make it possible for young men of poor families, who are capable and aspiring to this service, to continue in the service. Under these provisions we will give the poor lad—the young man who has not income of his own or who can not draw on his parents—the chance and opportunity to obtain the salary that will make it possible for him to exist in his position. I believe we will thereby secure some of the most efficient and most capable young men who up to now have been deprived of an opportunity of seeking this service in foreign lands.

I think this is legislation in the right direction. I am of the opinion that nearly all of us are in favor of bringing an improvement in the service. If there should be anyone in doubt about this bill, I request him to read the evidence by former Ambassador Davis, as was so ably stated by him before the committee. I quote his remarks:

EXTRACTS FROM TESTIMONY OF JOHN W. DAVIS, FORMERLY AMBASSADOR TO GREAT BRITAIN.
(Hearings, 89–92.)

I really do not think that, so far as I know the Government service, there is any one place in it that needs this sort of reform so badly as the Diplomatic and Consular Service, the foreign service, speaking as a whole. Speaking generally, of course, the diplomatic branch of that service is the first line in the country's defense, and the Consular Service is the spearhead of the country's trade.

I have read this bill, and it seems to me it presents four features which, if I may use the phrase, are cardinal points of reform in this question. Manifestly, if we are to get good men in the service, and hold them after they get there, we must set them to work under conditions which are agreeable, that will stimulate their personal ambition, and that will induce them to remain in the service after they have had the experience which makes them valuable. Over and over again, while I was in London, young men and good men in the Diplomatic Service would come to me in great personal concern and ask me frankly whether I thought they ought to stay in the service. I always asked them what their financial condition was.

If I found that they had no—or at best meager—resources beyond their official salary, I told them with great regret that I thought they were doing an injustice to themselves, and that at the earliest opportunity they ought to leave the service and get into something that was not a blind alley. I did that because I felt sure that the time would come when they would want to marry, in the normal course of affairs, and would have children to take care of, and I knew they could not hope to raise a family on the salary they were receiving, and that the time would come, as it comes to all men who stay too long on salaries, when they would find it difficult to get away, and would drag out the rest of their lives in discomfort to themselves and discomfort to their families.

It seemed to me then, and it seems to me now, that if we are to avoid the tremendous "labor turnover" there is in the Diplomatic Service, we must do three things: first, give them an adequate living salary, a salary which will keep them in respectable comfort as long as they are in the service; second, give them a fair chance of promotion. Every man in the service ought to be like Napoleon's foot soldiers, marching with a marshal's baton in his knapsack. They can not all become heads of missions. A great many of them will not become qualified to become heads of missions. That is always true in the nature of things, and I personally believe it would be a great mis-

fortune to the service if the heads of missions should all be taken from the so-called diplomats of career. I think it would be quite contrary to the genius of our institutions and would deprive the President of a field of selection he ought to have; that he should be unable to reach out into the general body of the citizens to make a man ambassador or minister. But there ought to be the incentive, the possibility that an ambassadorship or ministerial position is open to every man who enters the diplomatic career if he has the necessary qualities.

There ought also to be a fair chance of promotion in the lower grades and there ought to be a sufficient number of the lower grades to give him from time to time the stimulus of an advance from one grade to another whenever he has done some creditable piece of work or has shown a fair amount of faculty. We must do something, if men are to be kept working, to stimulate their ambition. In the third place, it is not possible, it seems to me, that the Government will ever be able to pay a salary on which a man can hope to accumulate any reserve fortune. So far as I know there is no post in the whole Government that gives a man much chance to save and probably never will be. The Government will never be able to compete with private enterprise in that respect, and that being true, if the Government expects a man to give his life to the service to take up a presumably fixed career, you must take away from him the fear of a dependent and penniless old age. You must give to these men the same prospect of retirement that you give to the Army and Navy and to the permanent civil service of the executive departments.

Granted adequate pay or reasonable pay, granted a reasonable chance for promotion, as a recognition of merit, and then granted a retirement allowance which will enable a man when he is no longer useful to be assured against want, you will not only get good men but you will be able to retain them because the foreign service does offer, of course, a great many things that are attractive. It is highly intellectual labor. A man who really enjoys intellectual labor can find in the Diplomatic and Consular Service all the field that he needs. It is interesting because it is constantly taking him into new phases of work and there is a certain element of pride about it because it is a dignified position to stand among foreigners as representing a dignified and powerful Nation. This consideration will draw men to the service and will hold them there if they are given a fair chance to live the sort of life that they should live and at the same time make a provision for their old age. I read all these three things in this bill and read them with great satisfaction.

Mr. Chairman, I am for economy. I do not desire to vote a cent of our money where it will not be properly expended. But I do believe that the amount that will be required to take care of these advances in this bill for this very important service will not be so great.

I am under the impression, Mr. Chairman and gentlemen, that the foreign service is self-sustaining. Two years ago we passed a bill increasing the visé fees from \$1 to \$10, and it is bringing to the Treasury a large sum of money—I believe a larger sum than that which will be required to take care of the increase in the salaries provided in this bill.

Up to now I think it has been stated by others that it has been rather hard to get young men, unless they came from rich families, to accept a position in our foreign service.

Ambassador Davis sets forth the reasons why this legislation should be enacted, and I am satisfied that he is right. I also desire to call attention to extracts from the letter of Secretary Hughes, wherein he expresses his views in favor of the passage of the bill:

LETTER OF SECRETARY HUGHES TO AUTHOR OF BILL.
DEPARTMENT OF STATE,
Washington, October 13, 1922.

The diplomatic service is greatly underpaid. It is well known that a man without private means, whatever his ability, can not accept the more important posts of ambassador or minister, but of more immediate importance is the fact that the salaries of secretaries in the diplomatic service are so low that the choice of candidates is largely restricted to young men of wealthy families who are able and willing to a considerable extent to pay their own way.

It follows that there must be an increase in the salaries of diplomatic secretaries as a means of broadening the field of selection by eliminating the necessity for private incomes and permitting the relative merits of candidates to be adjudged on the basis of ability alone.

Furthermore, if young men of the greatest ability and intellectual ambition are to be attracted to the service there must be the prospect of career, recognition, and distinction; in other words, they must feel that conspicuous ability and fidelity will be rewarded by promotion to the higher grades. The classification of ministers as proposed in H. R. 10213, to which reference has already been made, would be most helpful in this regard.

The Consular Service, on the other hand, while better paid, suffers from great limitations as a public career. There is no prospect of promotion beyond the Consular Service, and it is with difficulty that many of the best men are retained because of tempting offers constantly made to them by the business world.

There would be two distinct advantages to be realized from an amalgamation of the two services on an interchangeable basis: First, those highly desirable benefits of economy and efficiency which would accrue through a system of combined administration; second, a more effective coordination of the political and the economic branches of the service.

It is not my desire to take up any more time of the House, because I believe we are all in favor of this legislation. I yield back the balance of my time, and I ask, Mr. Chairman, permission to revise and extend my remarks in the Record.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to revise and extend his remarks in the Record. Is there objection?

There was no objection.

Mr. LINTHICUM. Mr. Chairman, I am in favor of this bill, and I am largely in favor of it because it amalgamates the two services which heretofore have been and are now absolutely separate. This gives a young man desiring to enter the foreign service a chance to do so whether he has an income of his own or not. It provides him a sufficient salary wherewith to live. At the present time, with salaries of secretaries in the diplomatic service ranging from \$2,500 to \$4,000 a year, a young man can not stay in that service and comply with the requirements thereof. He must leave the service after a certain time in order to make a living, and, therefore, the turnover in the diplomatic service is tremendous and extremely injurious to the service and to the country. Just as soon as men are trained for the work they find the salaries are too small to make it a life work, a life career, and retire from the service. Under this foreign service bill a man can go in and be placed in the consular service perhaps as a minor clerk. He would get an experience; he would become qualified in business matters; he would become qualified in dealing with foreign people, and after a while, when qualified, will be promoted, and eventually, perhaps, if showing great fitness, will go into the diplomatic service. Young men in this way can start on the lower rungs of the ladder and continue until they reach the top; so that it gives everybody a chance whether he is provided with large means or not.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. CONNALLY of Texas. The gentleman spoke of employees in the department going out into private business. Is it not the case that generally it is not so much the individual that the companies who employ them are after as it is the man who has had this training which the Government has made it possible for the man to acquire?

Mr. LINTHICUM. Very largely, because he has had the training. That is why the private business man wants to get him into his business, but the reason the man leaves the service is because the salary is not sufficient to maintain himself and his family, whereas the salary offered by the individual firm does. Just the other day I had a young man particularly fitted for the consular service, but was told that he could not enter the service because he was a married man. Upon inquiry I found that the salary was so small that the consular bureau could not employ married men to go into that particular service. The salary was not sufficient to maintain a man and his wife. Shall our Government be a party to a service which compels celibacy?

Mr. TOWNER. While it is true that men do go from the civil service because of special qualifications which they acquire in the service, it is also true that it is an immense loss to the Government to lose such skilled service, because a new man can not go into the service with special adaptation for the work equal to that of the man whom we lose. We ought to do everything we can within reason to keep those who are really qualified in the service.

Mr. LINTHICUM. The gentleman is entirely right about that. The Government loses all that valuable training which the young man has received. The gentleman from New York [Mr. HUSTED] awhile ago said that perhaps we ought to have some school to teach young men in the foreign service. I think the best school will be provided under this bill, because it will make it possible to appoint young men to consular positions and in the Diplomatic Service under very able, experienced consuls and diplomats; under that leadership. Under the tutelage of such men of experience at the head of the Diplomatic and Consular Service they will get exceptionally good training and active experience and become proficient and capable of carrying on the work. They will become highly qualified through actual work and experience.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. HUSTED. I agree with the gentleman that if this bill becomes a law and young men are admitted to the service under its provisions they will in the consulates and legations get the practical experience of the trained men, but I think a great deal would be added if we maintained a school where we could teach the theoretical side as well, where they could get instruction in economic and other technical subjects which they must know both practically and theoretically if they are to function to the best advantage of the Government as consular officers or as diplomatic officers.

Mr. LINTHICUM. I have no objection to a proper training of these young men before they enter the service, but the gentleman must realize that men who enter the service are compelled

to pass an examination which must show a large degree of fitness and aptitude in the beginning and before appointment.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. BANKHEAD. On account of other engagements, I have not been able to follow the debate on this bill. Some criticism was formerly made of the duplication of work on the part of the commercial attachés and the consular agents. Does this bill undertake to take cognizance of that consideration in any degree?

Mr. LINTHICUM. It does not; and I am sorry to say that it does not, because I, too, think there is great duplication of work in the Consular Service and the Department of Commerce commercial attachés. Personally I can see no reason for these commercial attachés, and I think they ought to be done away with and their work covered into the Consular Service.

Mr. BANKHEAD. Was that phase of the matter given attention by the committee in framing this bill?

Mr. LINTHICUM. No; it was not before our committee.

Mr. BANKHEAD. How much is the approximate increase in the cost to the Government for this consolidation?

Mr. LINTHICUM. This consolidation will cost the Government \$578,000 additional in salaries, from which you deduct the \$200,000 known as the post allowance, which will be discontinued, and also deduct \$50,000 which is applied to the retirement feature, leaving a net additional cost to the Government of \$328,000 that is the correct increase. The gentleman from Texas [Mr. CONNALLY] has raised considerable objection to this bill because he says they all should be placed in one class. That might be true, if Congress would agree to appropriate the higher salaries for every man in the Consular Service. Such has been possible ever since 1915, when the salary class bill was passed. In 1915 Congress passed an act by which it specified the salaries for certain classes of consuls, and ever since that time all could have been placed in one class, but I know the Committee on Appropriations would not appropriate for such a catastrophe, and I am quite sure this House would not ratify any bill which would tend to that end.

I am particularly anxious about the passage of this bill and want to see it become a law because this amalgamation of the Diplomatic and Consular Service will rectify the present uncalled-for social feature.

I believe that if these young men starting in the Consular Service know they can be transferred to the Diplomatic Service, or if a secretary in the Diplomatic Service knows that he can be transferred to the Consular Service, that the cleavage between them will not exist and their social position and prestige equalled.

Mr. BLANTON. If the gentleman will yield right there for a question. There is to an extent probably just as much social aspect and prestige in the Consular Service as there is in the Diplomatic Service—that is, so far as the officers are concerned—is there not?

Mr. LINTHICUM. I do not exactly understand; in what respect?

Mr. BLANTON. Well, probably 60 per cent of the function of our Consular Service is social in foreign offices.

Mr. LINTHICUM. In the Consular Service?

Mr. BLANTON. Yes.

Mr. LINTHICUM. No; I should say very little is social in the Consular Service. The Diplomatic Service are compelled to reciprocate for attentions paid, but the Consular Service is not on the same social footing at all.

Mr. BLANTON. Suppose the gentleman visits some point where we have a consular office. He has no business in the world at that office. He goes there to pay his respects to our consular agent; and there are certain social responsibilities resting on the consular agent to pay some attention to the gentleman, is there not?

Mr. LINTHICUM. Well, I should think if he did not pay some attention he would be rather disrespectful to me.

Mr. BLANTON. But, after all, there is a certain amount of social responsibility.

Mr. LINTHICUM. Of course, there is a certain amount of it, and that is one reason why they require more salary than general employees. Now, on this same question—

Mr. FESS. Will the gentleman yield right there?

Mr. LINTHICUM. I will.

Mr. FESS. Is not the true explanation there that it was not made by our own people, but the standard set up by other countries has made it impossible for a man without money to accept an appointment, and therefore we are retrograding to a point where those gentlemen who will give more attention to

social matters than anything else are filling the appointments. Is not that our own mistake there?

Mr. LINTHICUM. Absolutely so. The question of the gentleman from Texas and the gentleman from Ohio can be best answered by the statement on page 15 of the report by our very distinguished ex-Ambassador John W. Davis to the Court of St. James, who practically spent his fortune trying to carry out the will of the people of the United States and trying to keep up his end; and even during war times, when social affairs were very scarce, he spent practically his entire fortune in London. Now, there are certain social features which we must adhere to. I am not strong on the social features myself, I admit; but I think everybody here will admit that if we send a representative to the Court of St. James or anywhere else in the world he must keep up his end of social affairs if he wants to accomplish anything.

Mr. FESS. Will the gentleman yield again?

Mr. LINTHICUM. I will.

Mr. FESS. Suppose he should decline to do it. What would be the effect upon our own country?

Mr. LINTHICUM. Well, I do not know whether there would be any real effect upon our country, inasmuch as we are a very strong and powerful nation and the creditor nation of the world, so perhaps there would not be any direct results; but when he went to accomplish something and found that he was talking to a man he had never met, he would not be able to accomplish the same degree of work or result as if he could speak to him on the basis of having met him on various occasions and having discussed matters socially; and the gentleman from Ohio knows the advantage of being able to go up to a man and shake hands with him over the disadvantage of not knowing him and having to be introduced to him. Even a book agent when he comes into your office now brings somebody with him to introduce him.

Mr. FESS. Will the gentleman permit me to read three lines from Page's Life?

Mr. LINTHICUM. Certainly.

Mr. FESS. It reads:

Dingy with 29 years of filth and dirt and utterly undignified, I did not understand then and I do not understand now how Lowell, Bayard, Phelps, Hay, Choate, and Reid endured that cheap hole.

Referring to our ambassador's quarters in London. That is Mr. Page writing.

Mr. LINTHICUM. I will say to the gentleman from Ohio, he who was quite a professor, I dare say that his school is better known by its graduates throughout the country than the people know the school itself. In other words, a young man who graduates from a school and goes into the community and makes a splendid record, the whole community thinks his school must be a very fine school; and just so with the diplomatic agents who go from this country into foreign service and they make a splendid impression—why, the people judge the country very largely by its representatives. I want to say something about this retirement feature, of which I am also in favor, because what I want, and what I believe is the aspiration of the gentleman from Massachusetts [Mr. ROGERS], is to promote a foreign service which will continue and in which men will enter for life work, enter on the lower rung, if it be necessary, and continue in there until their day of usefulness has perhaps expired, and every year they put into the service they become more valuable to this country, just as I believe that every year a man has been in Congress he becomes more valuable not only to his country but to his district and to his people.

And just so it is in the foreign service. If we can once establish a system whereby men can make this their life work and enter into it with that intention and continue in it with that intention, we shall have accomplished a great work in constructive legislation. As it is now, if a man is sent to some foreign country and spends a great deal of time there, it is almost impossible for him, with the salary he receives, to save anything; and as a usual thing he comes back much poorer than when he went, unless he has a private income to draw upon. Therefore I am in favor of this retirement feature, because under it a man can go out and perform his life work, as I have said, and at the end he knows that his country will look out for him in case of sickness, or in case his age limit retires him he knows that he will be taken care of.

It is my opinion that one of the greatest works in constructive legislation that this Congress has done in many years is the enactment of the retirement bill for civil employees. We have practiced it in the Army for a good many years, and we have practiced it in the Navy, also in our courts. Great corporations have adopted it. Only in the last few years has this Congress

seen fit to provide the retirement feature for its employees. I believe that when these men who go into foreign countries, many of whom go into regions that are not healthy and many of whom travel long distances, all those things not only prevent them from saving money and laying up money for the days when they shall become old and can not work, but they are also a great drain upon their physical powers and endurance. So I believe that this retirement feature is going to be a great asset in the foreign service, and I sincerely hope that this committee will see it in the same way. It will not take one dollar from the Treasury, except the \$50,000 at the present time to establish the working machinery. After that working machinery has been established it will not cost the Government anything for the next 20 years.

It seems to me that a service which is now practically self-supporting will, in 20 years from now, likewise be able to support the retirement feature without cost to the Government. I do not believe when the time comes 20 years from now, if the foreign service grows just half as rapidly and remunerative in the next 20 years as it has grown in the last five years, it will not require one dollar of appropriation by this Congress; I believe, as I say, that we shall have accomplished a great thing and placed these men whom we send to all parts of the world on a basis where they will know that they will be taken care of.

Now, gentlemen, I do not want to take up any more of the time of the committee. I feel very earnest in my support of this bill. It is a great constructive piece of work. It is a piece of constructive work about which we have been talking in the committee for several years. And when the bill is passed and put on the statute books and the foreign service established in accordance therewith, I believe every member of this committee will see that it is a wonderful piece of legislation of which we shall all be proud, and of which the gentleman from Massachusetts [Mr. ROGERS] will have reason to be particularly proud. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. PORTER. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, the distinguished chairman of this committee has been very frank with us. He has convinced me that no matter what kind of a fight we put up against this bill, he is, nevertheless, going to pass it. He has enough votes to pass it, by 3 or 4 or 5 to 1. So, whenever I am up against a stone-wall proposition like this, I am not going to but my head up against it uselessly. We have 38 Members here present, considering a bill that increases the salaries of our foreign service in the aggregate \$528,000 a year. We have a retirement feature here which my colleague on the committee [Mr. CONNALLY of Texas] says is going to cost \$500,000 more. Then there are provisions in this bill in addition to pay of all the traveling expenses, increasing the allowance for their daily subsistence from \$5 to \$8 a day. There is that increase additional.

If by doing so I could stop passage of this bill I would force debate—and I could force it under the rules—I would force debate after every section of this bill is read under the five-minute rule. I would force you to keep a quorum here every moment of the day, if it would stop the passage of this bill, because I am for economy beyond mere lip service, beyond merely preaching economy here on the floor.

I hope the bill will not be passed. I have just one hope for the people of this country as to this measure, and that is that when this bill goes to the Senate it will die in the pigeon-holes there at the close of this Congress. That is my only hope of preventing this increase of expenses to the extent at least of \$900,000 a year on the taxpayers of the land.

I wish all the Members of the House could know just what this bill does. I wish they could be here and vote the sentiment of the people in their districts. But unfortunately they are not here. However, I am not going to punish them by demanding roll calls every five minutes.

I am not surprised at the Committee on Foreign Affairs allowing a bill like this to go by. Here is the situation: Whenever you have a big diplomatic social function in Washington they have to attend, and they have to touch elbows with the leaders in this foreign service. They become intimately acquainted with them.

When they go abroad they are treated like lords of the land. They become close, fast friends of the entire service. They

naturally feel interested in them. When my friend from Massachusetts [Mr. ROGERS] goes abroad and is entertained over there at these big social functions and walks in ahead of big generals and admirals it makes him feel that up here, not only in Massachusetts but elsewhere in the United States, there should be nine rungs on the social ladder of distinction, nine different rungs of distinction that shall divide the social castes of American citizens. I am not surprised at this coming from the great old Commonwealth of Massachusetts, but I can not stop the bill, and, as I said before, I have got to sit down here and watch it pass.

Mr. PORTER. I yield two minutes to the gentleman from West Virginia [Mr. GOODYKOONTZ].

Mr. LINTHICUM. Mr. Chairman, I wish to know how much time is remaining to this side.

The CHAIRMAN. The gentleman from Maryland has nine minutes remaining.

Mr. GOODYKOONTZ. Mr. Chairman, I do not propose to take up the time of the committee, but I ask unanimous consent to extend my remarks in the RECORD on certain phases of the work of the Coal Commission. You know that commission is trying to figure out some plan whereby coal will cost less to the consumer. I should like to extend my remarks on that subject and perhaps incorporate in my remarks certain excerpts or papers from men who happen to know something of that subject. I want to be frank with the committee and to state my exact purpose.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to extend his remarks in the RECORD on the subject of the coal inquiry, with the privilege of inserting certain excerpts if he cares so to do. Is there objection?

There was no objection.

Mr. Chairman, by virtue of the authority granted me by the House I desire to place in the RECORD a statement addressed to the United States Coal Commission, prepared by Col. William D. Ord, of Landgraff, McDowell County, W. Va., who is chairman of the joint committee of seven associations of coal operators engaged in the mining and shipping of coal from southern West Virginia, all of which, excepting the New River Association, are located within the district I represent. Of the many splendid, patriotic men engaged in the coal industry in the region covered by my district, Colonel Ord ranks among the foremost. I cordially invite Members of the House and all those who are interested in the solution of the coal problem to read Colonel Ord's statement. It is informative and at the same time very entertaining. But few men within my acquaintance are better qualified to elaborate upon the coal proposition in West Virginia than Colonel Ord. His statement follows:

UNITED STATES COAL COMMISSION,
Washington, D. C.

GENTLEMEN: These operators of West Virginia have no proper place before your board. Our own labor difficulties have never deprived the people of their coal; rather we have always supplied the Nation when there were labor disturbances elsewhere. Our mines are not overdeveloped; instead, we must constantly expand them to meet the demand for our coal. Our business is not seasonal; on the contrary, we have the central west throughout the year, and the Lake trade to serve in summer, the industries of the East and New England to support, and a foreign commerce to sustain, all of which keeps us constantly engaged. Our prices, as a whole, have created no scandal; rather we have always joined hands with the Government in every effort to control the whole market in the interest of the public. And on only rare occasions—and then due to outside influences—have our transportation difficulties risen to the dignity of a public menace. On these accounts we do not belong in the throng which crowds your anteroom to explain their misdeeds.

And yet we men of West Virginia are here. You have drawn us in. The public will not be satisfied unless we appear. We have come therefore, and gladly, to say this one thing and to prove it:

West Virginia's difficulties have all been imported. They were carried into our borders. And they originate in the fact that others having fallen into a quagmire are and have been trying to drag us in with them.

That this may be apparent we recite our simple story from the beginning.

The coal bearing part of southern West Virginia is extremely mountainous and rough; a country of deep and narrow mountain gorges which afford the only low level routes through which the railroads and the public roads can be driven. Only three practical passageways across the State from the seaboard to the Ohio River Valley are available. Because of the mountain peaks direct rail communication between the north and south portions is so difficult as to be next to impossible. There is little level ground.

In these gorges the coal veins outcrop. Here is found the coal of the greatest variety and of the best quality in any district of similar size in the world.

At the eastern outlet of these gorges is the port of Norfolk, the gateway to the commerce of New England and the world. At the western end of these gorges begins the great coal-consuming district of the Middle West.

The people in both directions from these mines have come to depend upon this assortment of coal. Three great railway systems were built on and sustained by the commerce which these mines create.

Prior to the opening up of the mines the country generally was an almost unbroken forest, practically none of it was or is fit for agriculture. Towns and even hamlets were small and few because there was

nothing to sustain community life. The tide of emigration seeking the fertile plains to the west flowed around this barren mountain section. Those who eked out an existence there were descendants, generally speaking, of the trappers and hunters who made our post-colonial days romantic with their pioneer spirit.

With the advent of the coal operator in this region came the modern community life. Coal mining demands labor in quantity. None being available the operator had to carry his workmen with him. He had to provide for them all the creature comforts—houses, food, clothing, water supply, light, medical attention, sanitation, and later roads, schools, churches, recreation, and amusement.

The uncertainties of any new commercial venture accompanied these early mining operations. In addition, the pioneers were under the handicap of having to try to introduce an unknown coal to patrons already supplied. For years they struggled for existence. The operator and his employee ventured together into this field. There was hope, but hardly that either would there establish a permanent home. Even with land available few cared to make investment in homes. For this reason the residences of officers and employees alike were constructed by the mining companies as parts of the plants. This practice remains.

Under these conditions the railroads, the mining industry, and the communities grew together.

Of the group of mines here represented the New River Coal Field was first developed. Then followed Pocahontas in 1880, and the Tug River, Thacker, Logan, and Winding Gulf fields at much later dates.

The close contact inspired by a common risk and a primitive life brought naturally an intimate and friendly relationship between owners and employees such as arises between captain and crew of a ship in peril from a storm. This relationship has always existed, exists to-day, and will continue to exist unless ruptured—as has frequently been threatened—by outside influences. Many of the employees of former days are the employers of to-day; relations entered into in these fields are enduring.

This relationship developed into community action. Prior to the development of the coal mines school facilities were of the most primitive type; the teachers were poorly qualified and poorly paid, while the school terms lasted but two or three months a year. In their places to-day are up-to-date school buildings which compare favorably with similar institutions of larger towns. The teachers are well educated and well trained; in most instances they are graduates of normal schools. Their salaries are as large as those paid in many cities, and quite frequently their services are obtained in competition with the larger communities.

With the development of this community spirit came frequent meetings of a public, semipublic, and social nature for the promotion of the common welfare. All communities have their churches around which center many of these activities. These churches were erected and are maintained by joint contributions of employers and employees.

Again the same community spirit inspired modern roads built with money raised by bond issues directed by popular vote. So large a proportion of the employees own their automobiles that finding suitable ground for garages is difficult. Their children are carried to school in motor busses operated at public expense.

In addition to assuming their share of expense for community development, each coal company provides competent physicians whose services, including medicines, are furnished the employees at a small fixed charge—usually \$2 per month per family. Many of the companies provide at their own expense, without any charge whatever to employees, trained and certified nurses and adequate emergency hospital facilities at the mines.

House rents are usually based on a charge of \$2 per room per month. Electric power and lights are furnished at prices less than half the rates paid in cities. Employees are permitted to use all the coal they want for culinary and heating purposes, for which a small fixed charge is made, usually about \$1 per month per family.

These items entail a heavy fixed charge upon the coal companies, for which the only compensation is satisfied and contented employees.

The necessities from the beginning have demanded that the companies maintain stores. In these the prices of food, clothing, and other necessities of life are so low as to call forth protests and criticism from independent stores in neighboring small towns and to induce customers from the larger towns frequently to go considerable distances to patronize these company stores.

Athletics, including baseball, football, and other outdoor sports, play an important part in the life of these communities. Athletic grounds exist practically everywhere, and local and interplant contests frequently occur. Other recreation facilities include moving-picture theaters and other indoor entertainments.

We have gone fully into these details not to boast but to depict the spirit which has grown because employers and employees sustained the proper relations to one another. We have had from the beginning the spirit which great corporations everywhere are trying to build by all the arts of modern welfare work. Because of it, we employers and employees found, together, a wilderness and caused it to blossom into an advanced community.

Up to this point we have shown our relations among ourselves. We begin here to show what our relations have been to the rest of the country—what our internal accord has meant to the national community.

In her natal year, 1863, West Virginia began to contribute to the bituminous coal needs of the Nation. She produced that year 4½ per cent of the total national consumption. The increase in production thereafter was naturally slow, owing to the difficulties and handicaps heretofore described. It was not until the coal fields, heretofore mentioned, began to be developed that its percentage of production materially increased. But in 1889 the State produced 6½ per cent of the bituminous coal of the country, and by 1915 had made such progress that it produced 17.4 per cent of the Nation's coal. In tonnages West Virginia produced, in 1863, 444,648 tons; in 1889, 19,252,995 tons; in 1915, 77,184,069 tons; and in 1918, 89,935,839 tons.

Beginning shortly after the Civil War and down to 1915, with certain temporary exceptions, the average price of West Virginia coal seldom, if ever, varied more than 25 per cent. That is to say, from the time when West Virginia coal first entered the market until the Great War in Europe, fluctuation in the price of this coal was small and unimportant.

When in 1916 it became evident that this country would become involved in the Great War—a year previously it had become involved in it in an economic way—bituminous coal became of the first importance. By reason of the excessive demand for it by the manufacturers who were struggling to fill war orders from Europe as well as America, and by reason of the growing shortage of railroad transportation and the inability of the carriers to purchase equipment for prompt delivery, all

the coal which was needed could not be supplied. Therefore the price was forced, by urgent buyers, to unheard of heights.

Our country's entry into the Great War in 1917 brought the coal industry under Government control. With it came the incessant demand from the United Mine Workers of America for increased wage scales. The granting of these demands; the increased wages conceded to other unions by manufacturers who furnish the materials used at the mines; the consequent increase in railroad rates; and the increases in vessel rates, so increased the prices of coal that our American customers were, and have been, compelled to pay from two to three times the former price for coal. They can not understand it. Nor will they be satisfied until prices are deflated, not only on coal at the mines but of the railroad rates and all other distribution charges accruing between the mine price and the consumer's door.

Deflation did start in promptly on Armistice Day, November 11, 1918. It became apparent to buyers early in 1919. The downward trend was halted sharply in the fall of 1919, when the United Mine Workers of America—demanding an increase rather than a decrease in wages—called a general strike, which after six weeks again increased the price of coal. Doctor Garfield, then United States Fuel Administrator, insisted that the United Mine Workers Union modify its demands. It refused. And it succeeded in securing a substantial increase effective November 1, 1919. It won a still greater increase August 16, 1920, through the United States Bituminous Coal Commission appointed by the President.

Peace restored, after the 1919 strike, the law of supply and demand began to assert itself in 1920. The tendency toward lower prices was short-lived. The outlaw strike of the railroads came in April. Terminal congestions and a stoppage of coal movement resulted. Public officials and the newspapers became alarmed and incited panic among the people. And at the critical time Europe, to save itself from Bolshevism which was sweeping into western Europe from Russia, where it was finding a ready foothold because the factories were idle from lack of coal, began to plead with American producers for coal. We did not have the coal to spare, but our public officials were convinced that the peace of the world depended upon our getting coal to Europe, and we did it. At this critical time the gambling middlemen, at home and abroad, descended upon this distressing situation and created panic and prices which have shamed the industry.

This wild demand began to slacken in November, 1920. Early in 1921 it had entirely passed. Then again the inexorable law of supply and demand commenced to work. Again deflation started. And for the first time since 1916 prices went back to low levels and in many instances greatly below the then cost of production.

Again the United Mine Workers of America, unalterably opposed to doing its share in this deflation, called a strike effective April 1, 1922, with the result known to all.

After the nation-wide strike of 1922 was called and after it became apparent that a runaway market was inevitable, Secretary Hoover appealed to the nonunion operators, on May 15, 1922, to increase production to the uttermost and voluntarily to keep the price of coal on a fair basis. Several conferences were held at Washington, at all of which the nonunion operators showed a willing inclination and intention to comply with the request as made. What was known as "fair prices" were established at Mr. Hoover's request and were approved by him. These prices were generally maintained and adhered to, by the smokeless operators so thoroughly as to receive the hearty commendation of the Secretary of Commerce. Notwithstanding these facts, a distinguished United States Senator, on the floor of the Senate, made a severe attack on the coal industry, accusing those engaged in it of profiteering. In response to that attack and in response to a letter, Mr. Hoover, on August 18, 1922, addressed a letter to the Hon. WILLIAM E. BORAH setting forth the facts as to the fixing of the prices of coal. In that letter he states:

"Through these arrangements approximately 70 per cent of the coal is moving to-day from the mines on a fair-price basis. * * * I inclose, for example, a statement showing the coal sold under the fair price in the smokeless fields as compared with profiteer coal from those districts."

That statement is as follows:

SHIPMENTS FROM POCAHONTAS FIELD—

West Virginia, showing entire product and amount thereof sold during June, July, and to August 15, at or below and above the fair price:

	Tons.
June: At and below fair price.....	1,981,776
July: At and below fair price.....	1,225,930
Over fair price.....	50,370
To August 15: At and below fair price.....	708,215
Over fair price.....	25,185

President Harding made the coal situation, in connection with the strike of 1922, the subject of a message to Congress on August 18, 1922. After discussing the various efforts made to settle the strike and their failure by reason of the defiance by the United Mine Workers of America of all sense of obligation to the public and to the Government, the President says:

"The simple but significant truth was revealed that, except for such coal as comes from the districts worked by the nonorganized miners, the country is at the mercy of the United Mine Workers."

We have now shown our relations and their fruits. We have produced coal in season and out of season. We have received modest prices, except when a world upheaval created conditions beyond our control. Our record is that as soon as an abnormal situation disappeared, the normal tendency asserted itself and prices declined. We now come to a new set of conditions which were imposed upon us from without and for reasons which we will recite.

From the beginning of the coal industry in West Virginia it has been the policy of the operators to conduct the business on a non-union basis. This policy on the part of the operators is shared by a great number, if not all, of their employees, many of whom frankly state they will not work under the union; they will abandon mining rather than do so and will seek other occupations. Notwithstanding the legal right of the operator and the miner to agree upon terms of employment satisfactory to themselves, we have for a generation been interfered with almost without cessation in every way the United Mine Workers of America could devise to accomplish the conquest of our State. They have employed all means from noisy oratory and false representations in private and in public to leading armed groups numbering many thousands of men across the State in open defiance of the State and Nation. Let us give you a brief outline of the history

of the United Mine Workers of America's conspiracy to conquer West Virginia and its consequences.

The initial conspiracy had its origin in a contract entered into at a joint conference between the miners and operators of the central competitive field in Chicago, January 17-28, 1898. From that contract we quote the eighth clause, which is as follows:

"That the United Mine Workers' Organization, a Party to This Contract, Do Hereby Further Agree to Afford All Possible Protection to the Trade and the Other Parties Hereto Against Any Unfair Competition Resulting from the Failure to Maintain Scale Rates." (See hearings before the Committee on Education and Labor, United States Senate, Senate Resolution 80, p. 394.)

The true meaning of the clause just quoted, as understood by the parties thereto, appears in the minutes of the various joint conferences held after that time, from which we give only three excerpts out of many which might be given.

At the conference held in Pittsburgh, January 18, 1899, John Mitchell, national president of the United Mine Workers of America, said:

"I want to say to the operators that an effort has been made in the past year to curtail the West Virginia coal by preventing its sale on the market." (See hearings before the Committee on Education and Labor, United States Senate, Senate Resolution 80, p. 395.)

At the same meeting Mr. Batchford, whose term of office as president of that organization had just expired, said:

"I want to make a proposition here—That the interest of the West Virginia miners, by reason of the efforts of our organization, have been hampered and injured more in the past year than in any year since they have been operating in the State of West Virginia." (See minutes of joint conference of January 17-24, 1899.)

At the joint conference of 1902 John Mitchell, then president of said organization, further said:

*"We want the check-off system for several reasons: First, * * * because the Pennsylvania operators come here this year and raise Cain with the miners because they do not organize West Virginia."* (See hearings before the Committee on Education and Labor, United States Senate, Senate Resolution 80, p. 399.)

This "conspiracy" of 1898 was referred to at practically every joint conference from that year forward, as the minutes of said conferences will show. It has been set up and proven in numerous suits in various courts of the country. It has never been denied, and the courts have uniformly held it to exist and that it was unlawful.

That it has continued to the present is shown by the statement made by Mr. Fred Mooney, secretary and treasurer of district No. 17, United Mine Workers of America, and published in the United Mine Workers' Journal of December 1, 1920, from which the following quotation is taken:

*"For the struggle in Mingo County is an economic one. * * * In fact, it is the continuance of a struggle begun in West Virginia some 23 years ago and extending throughout this period."*

The struggle to which he refers is, of course, the struggle to unionize the coal miners of West Virginia which the United Mine Workers of America had promised the operators and miners of the central competitive field to do, in order to raise the cost of production of coal in West Virginia to such a point that it could not compete with the coal produced in the central competitive territory. This was a part of the consideration for the joint wage scale and the check-off which had been granted to the organization by the operators of the central competitive field.

A further effect of the joint agreements in the central competitive field has been to fix the wages of coal miners throughout the United States wherever the union exists and has control, because wages elsewhere have been fixed by the union with relation to the wages in the central competitive field. This control of mine labor by one organization has materially affected the selling price of bituminous coal everywhere.

The United Mine Workers of America is frankly and fully committed to the theory of a monopoly of mine labor in all the coal mines in the United States and has never omitted any act, lawful or unlawful, within its power to bring about that situation.

So tremendous and menacing is its power, by reason of the very large percentage of coal mines in the United States it now dominates, that when it arbitrarily calls a strike, as it did in 1919 and again in 1922, approximately 60 per cent of the coal production of the country stops instantly and nothing except the production of coal in the nonunion fields has saved the country from national calamities.

This enormous and widespread curtailment in production naturally and inevitably results in unduly high prices to the consumer for the coal being produced, because consumers become panic stricken and bid against each other for the available supply. This reduced production and the panic of the buyers are not the only things that then contributed to the high price of coal, for the union, in order to increase the chances of making the strike a success, directed every possible effort and attack against the nonunion fields to hamper and reduce their production, which efforts and attacks had to be resisted, including protection of the rights of nonunion men to work—an expense which increased greatly the cost of production in the nonunion fields. It may fairly be said that except as to the unusual situations heretofore referred to, the high prices of coal during recent years have been the direct result of the actions of the United Mine Workers of America in calling nation-wide strikes, such strikes being made possible by its absolute control of mine labor in such a large part of the country.

Not only does it aim at the absolute control of all mine labor in the United States, but it has further declared its intention to secure a world-wide control. In line with this object, this organization made efforts during the past summer to influence British coal miners to prevent the shipment of any British coal to the United States while this organization was on strike.

The history of the efforts of the united mine workers' organization to organize West Virginia is made up of a series of crimes against persons and property without any parallel, certainly in the United States. Short reference will be given to some of the outstanding acts of violence.

In 1912 the union made a determined effort to organize the Kanawha field. Trouble first broke out on Paint Creek and then spread to Cabin Creek and New River, both being nonunion fields. Martial law was declared on September 2, 1912, and the whole of the State's militia was stationed on the two creeks mentioned. This trouble was made the subject of a very exhaustive investigation by a committee of the United States Senate. The whole issue was whether or not the union would be recognized by the operators. The trouble continued for more than a year, during which time there was a great deal of violence of all kinds, including the shooting up of mines by members of the union.

On November 16, 1917, members of the United Mine Workers of America on strike shot up the town of Glen White, W. Va., under a well-devised and well-carried-out plan, preceded by the purchase of high-power rifles for that purpose. Six of these men were tried and convicted of attempt to commit murder in the first degree, including Toney Stafford, international organizer of the United Mine Workers of America, and Ed. Snyder, president of Glen White local of that organization, each of whom was sentenced to five years in the State penitentiary, the other four pleading guilty and receiving one-year sentences. Three of them were ordered deported by the United States Government on account of their being undesirable aliens. Four others were not prosecuted because they turned State's evidence, and it was upon their testimony chiefly that the above convictions were had. One of the men implicated was never apprehended. It will be observed that this shooting up of the town of Glen White occurred during the war when all patriotic citizens were straining every nerve and energy to supply the fuel needs of the country and had for its direct object the stopping of production of the mine situated there, notwithstanding that a representative of the Federal Government had made an investigation and had decided that the miners were wrong in their contention.

Perhaps the most consistent, persistent, and typical example of the length to which this organization will go to accomplish its purpose is that of Willis Branch, in Fayette County, W. Va. The original difference involved six or eight coal companies and was confined to one issue, namely, the refusal of the companies to enforce the closed union shop (by refusing work to applicants not members of the union) and the check-off, having agreed to the union wage scale and all other conditions imposed by the union. The village of Willis Branch and the mine situated there seemed to have been selected for the violence, to be here described, by reason of the local situation, being in a very isolated position—a village in a narrow valley surrounded by mountains, from the tops of which the village was within rifle range. Beginning in the latter part of the summer of 1919 and ending in the early part of the summer of 1921, this village and mine were subjected to a series of attacks by rifle fire and the burning and dynamiting of buildings. The rifle fire from the mountains recurred at frequent intervals during the whole of the period mentioned, as many as 1,000 shots being fired in single instances. The hoist house near the mine was broken into and the machinery destroyed, putting the mine out of business for several months. About the time it was repaired and the mine ready to start up again the head house was burned down, again putting the mine out of business. Finally, on the 22d of May, 1921, the tippie was saturated with gasoline or kerosene, set on fire, and destroyed, together with many railroad cars belonging to the Virginian Railroad Co. and much trestlework, railroad ties, etc., from which damage the company has never recovered. The superintendent's house was dynamited. The poles on which the power lines were strung were cut down. The head house at the mine was burned. The power house, a stone building, was blown up.

For these Willis Branch outrages Walter Romine, secretary of the local union of the United Mine Workers of America, was tried, convicted, and sent to the penitentiary for six years. George Barret, international organizer of the United Mine Workers of America, was tried and convicted, after he procured a change of venue, and sent to the penitentiary for six years, where he now is. John Kidd, Lee Donald, and Clarence Donald were also convicted and sentenced to the penitentiary. A large number of other members of the organization have been indicted but have not yet been tried, including Lawrence Dwyer (otherwise known as "Peggy" Dwyer), international executive board member; James Gilmore, who was president of district 29 (in which Willis Branch is located) during a part of the time mentioned; John Sprouse, who was also president of district 29 during a part of this time; and Frank Williams, a member of the district board of district 29. Along with them were indicted George Lafferty and Tom Lewis, alias Tom Canadian, who were not members of the United Mine Workers of America, but who were desperate characters used by the United Mine Workers of America in making these attacks, and their families participated in the relief fund provided by the above union for families of their members.

Another man deserving special mention for his activities in connection with the Willis Branch violence is David Robb, stated in numerous written confessions of members of the union who participated in said violence to have acted as financial agent of the union in supplying guns and ammunition. He afterwards participated in the Mingo violence in the same capacity. His history is said to take him back to the Coronado Coal Co. destruction and to the Colorado strike.

The union also made an effort to organize the miners in Mingo County, W. Va., and the means they adopted were to make night and day attacks on the mining camps and tipples by shooting into them and at the miners who remained at work with high-power rifles and guns of every description. Several tipples were dynamited or burned and a great deal of property was ultimately destroyed and 28 lives lost. Here again the only issue was recognition of the union by the operators.

The armed march on Logan County in 1921 was an effort to intimidate the nonunion miners of Logan County and to forcibly organize them. This march was the most pretentious effort to force unionization on nonunion men that has yet been made. The marchers, estimated to be 10,000 in number, fully armed and equipped with all the arms, ammunition, and supplies necessary to fit out an army, started in Kanawha County in the unionized fields and marched thence 50 miles or more across the country, commandeering arms, supplies, and train en route. They were met on the border of Logan County by the nonunion miners and other supporters of law and order and their march was stopped. The Federal Government soon after that sent United States soldiers to maintain law and order and the marching miners finally were sent home.

Your commission is considering the industry as a whole. From others you have received a recitation of their situations. From us you here received an exposition of our own case. Speaking now as part of the whole industry, we believe you will find all operators and all miners in substantial agreement on the following facts:

The shortage of coal in no period is or has been due to lack of capacity in the mines to produce coal; no one can seriously contend that this is the case. There were in 1910, according to Geological Survey figures, 5,818 mines in the United States, and in 1920, on the same authority, 14,766; an increase in the decade of 154 per cent. During the same period and on the same authority the production of coal in the country in 1910 was 416,000,000 tons and in 1920 was 569,000,000 tons, an increase of only 37 per cent. We think that production and consumption are sufficiently close to one another for figures to be interchangeable for present purposes. The disparity shown above

between the 37 per cent increase in consumption and the 154 per cent increase in the number of producing mines is, in our opinion, a complete answer to any suggestion that the mine capacity is insufficient.

If the supply of coal is insufficient after this show of capacity the cause must be sought in some other direction. To assist you in that direction we recite:

Our mines to-day are running at less than 50 per cent capacity. This is due solely to a lack of transportation. We can not supply our market if the railroads can not carry more than half of what we can produce.

As we have shown, every period of shortage, except that caused by the war demand, has been preceded by a strike of the union miners.

This leads us to suggest: Stripped of all nonessentials, the two questions before you are:

(1) How can the periodical interruptions of coal production be stopped?
(2) How can the wild fluctuations of coal prices be brought to an end?

Answering these questions categorically, the interruptions of production can be stopped if you can arrange to prevent, forever, the union from calling a nation-wide strike. In this connection your particular attention is called to the vital distinction in the principals involved between a "local" and a "national" strike. In a "local" strike the effects are confined to the employers and employees directly concerned in a personal or local issue; whereas in a "national" strike the issues are political rather than economic in character, and bring suffering, loss, and disaster to the general public.

The price fluctuations will disappear if and when the great strikes cease and when the railways can carry our coal to market.

Your commission represents the whole people of the United States. If you feel that the consumer should continue to pay present—or higher—prices for coal, the miners' union should be encouraged by new concessions. If you feel that the people are paying prices which are too high, an effective curb should be put upon its activities—by removing exceptions to the anticonspiracy laws and by protecting all American citizens in their right to work unmolested under such conditions as they elect.

Respectfully,

SMOKELESS COAL OPERATORS' ASSOCIATION OF WEST VIRGINIA,
POCAHONTAS OPERATORS' ASSOCIATION,
NEW RIVER ASSOCIATION,
WINDING GULF COAL OPERATORS' ASSOCIATION,
TUG RIVER COAL OPERATORS ASSOCIATION,
LOGAN COAL OPERATORS ASSOCIATION,
OPERATORS' ASSOCIATION OF WILLIAMSON FIELD,

By WM. D. ORD,

Chairman Joint Committee.

BLUEFIELD, W. VA., P. O. Drawer 868.

Mr. Chairman, the sum and substance of the recommendations of Colonel Ord, one of the highest authorities in the coal business, and speaking for the seven associations of one of the greatest coal regions in the world, is that coal can be made cheap to American consumers and the volume of export coal can be increased if a general strike of coal miners can be obviated. In plain language, the whole proposition can be solved if the United States Coal Commission will recommend and Government departments will carry into execution a plan whereby nation-wide strikes can be prevented. The whole matter is reduced into one problem—how may coal strikes be obviated? If the coal commission will meet with and solve this problem, then it shall have accomplished the purpose for which it was established, and there will flow from its action benefits of immeasurable value. The operators and the men who dig the coal are equally interested in this matter along with the consumer.

Mr. LINTHICUM. I yield the remainder of my time to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, there is no warrant, in fact, for my friend from Texas [Mr. BLANTON] suggesting that the members of the Committee on Foreign Affairs find their work pretty much altogether of a social character and are affected by social influences in the conclusions which they reach. I doubt whether they more extensively cultivate society than do the gentlemen who serve on the Committee on the District of Columbia, including my friend from Texas [Mr. BLANTON]. Certainly the Committee on the District of Columbia get into the headlines and stories of the newspapers much more frequently than our committee.

This bill comes to the House after very elaborate consideration, after the committee had heard men who are supposed to be best posted on this particular subject, and omitting no opportunity for those who may be in opposition to be heard.

Many days were taken in listening to a presentation of facts and arguments, and then days were taken in considering carefully the details of the proposed legislation and trying to put the bill in the best possible shape. I do not mean to say for a minute that, because this or that outstanding man appears before a committee and gives his views in favor of or against legislation, the committee for that reason should necessarily fall in with his views and make their report accordingly; but I do mean to say that when such a man as the Secretary of State—who is certainly a man of very great ability and who studies every subject with which he deals—tells the Committee on Foreign Affairs that he deems this measure vitally essential, and when there comes forward later a former ambassador to Great Britain who has had the sing-

ular good fortune never to incur any adverse criticism, so far as I know, in any office that he has held, who is a man of superlative talent and very great experience, and adds his commendation to that of the Secretary of State, I think at least any gentleman who entertains doubts should carefully examine the evidence that has been presented. And then Mr. Hughes and Mr. John W. Davis are supported by extremely competent men who have long served in the State Department; men whose record is tinged in no way by partisanship; men who in their years of experience have learned to give the Government the best that is in them.

My strong reason for supporting the bill is this: We are in a world of more severe competition, in respect to diplomatic and economic matters, than any generation of men have probably known. It is no secret that our principal competitor in that regard is Great Britain. Unless this measure, or some similar measure, is passed we will continue in the future, as to a large extent we have been heretofore, at a disadvantage in competition with our principal competitor. Gentlemen talk about this bill as if it concerned only individuals or small groups. But if it be true—and I assume it is true—that by the enactment of this bill we will be placed on a more favorable footing in competition with the other nations of the world, can anybody fix a limit to the benefits which may accrue to the United States by legislation of this character?

The benefits will not be confined to the classes concerned about social functions who are in the mind of my friend from Texas [Mr. BLANTON]. They will extend to all the manufacturing interests of America who have or should have business with other nations. They will extend to the farmers of America, who are anxious that our foreign markets shall be widened out, realizing that an enlargement of our foreign markets will perhaps do more for them than all the new credit facilities that can be supplied.

Now, in a word, what do we do by this bill? Nothing novel. The essential principles of the bill are contained in the legislation of 1915 suggested by the former administration and enacted by a Democratic Congress.

Mr. BLACK. Will my friend yield for just one question?

Mr. MOORE of Virginia. Yes.

Mr. BLACK. If I recall that fact correctly, it did not provide retirement for the employees of the Diplomatic and Consular Service.

Mr. MOORE of Virginia. I except the matter of retirement. Save the retirement feature of the bill and, I may say further, the representation-allowance feature of the bill, the principles carried in this bill closely parallel the principles that were carried in the legislation of 1915.

Mr. TILSON. Will the gentleman yield?

Mr. MOORE of Virginia. I yield to the gentleman from Connecticut.

Mr. TILSON. And the retirement feature has already been accepted and put into practice in the other departments of the Government.

Mr. MOORE of Virginia. That is true.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PORTER. Does the gentleman from Virginia desire more time?

Mr. MOORE of Virginia. Just a few minutes more.

Mr. PORTER. I yield to the gentleman 10 minutes.

Mr. MOORE of Virginia. It was the design of the legislation of 1915 to detach the diplomatic secretarial service and the Consular Service from party politics, the legislation being in line with regulations theretofore put in effect and observed. That general principle is carried in this bill. It was the theory of the legislation of 1915 that men appointed to the Diplomatic Service below the rank of minister and ambassador might be transferred from post to post by the President at will. And the same thing was the theory with respect to the Consular Service.

Now, what does this bill do? It does not amalgamate the two services, but it facilitates the transfer of a man from one field of service to the other field of service, and, in the way which the gentleman from Massachusetts has explained, produces a flexibility which does not exist at this time. In other words, it says to a young man, "Come into the foreign service; you may be employed two or three years as a consul or a diplomatic secretary, and then have the opportunity of entering the other branch." That is something that will stimulate the ambition and hope of the young men who have an inclination to serve the Government in foreign countries.

Now, that can not be done, as gentlemen have explained, without readjusting salaries, because, as they have explained, if there is to be no readjustment of the salaries a man might be serving to-day in a consular office and transferred to-morrow to a diplomatic post of no greater importance and dignity at a very

much lower salary. There has got to be a consolidation, so to speak, of the salaries in order to bring about in a practical way the flexibility that is desirable. Now, in respect to that, we are only doing what I understand Great Britain has done for a long time. In providing for increase of salaries, assuming that the number of men in our foreign service will not be increased, the annual increase of salaries will be \$328,000 distributed among about 600 men—not a large per capita increase. In making the increase of salaries we have not gone as far in fixing the totals as Great Britain has gone.

I have had some hesitation about the retirement provision, but when I came to reflect that a similar provision is carried in what we know as the Lehlbach bill, applying to the civil-service employees of the Government; that for years and years it has been recognized as a proper thing to apply such a provision to the Army and the Navy, for the reason that the Army and the naval officers specialize and unfit themselves for other duties ordinarily and are often called upon to serve abroad; that retirement allowances are provided for judges of the United States courts, and for the reason that serving as judicial officers unfits them for other duties; when I think how far we have gone in that direction and how important it is to make our foreign service as strong as possible, and certainly as strong as that of any other nation that flies a flag, I waive my doubts as to the retirement feature and am willing to support the bill as a whole. And when there are adopted the retirement allowances that are fixed by this bill, nevertheless we will still lag behind Great Britain in that respect.

Mr. BANKHEAD. Will the gentleman yield?

Mr. MOORE of Virginia. I will.

Mr. BANKHEAD. Does the gentleman mean to say that the average compensation paid British diplomatic officers of a similar rank is larger than that in this bill?

Mr. MOORE of Virginia. That is my understanding from the record; there can be no question about that.

Now, if this measure is enacted, still the British foreign service will be on a higher basis as to the call it makes on competent young men, as to salaries paid if they enter the service; as to a reasonable guaranty of being taken care of when they become disabled. If you examine the British legislation, you will find that it takes into account the fact that men are very often, early in life, incapacitated physically and sometimes mentally by being subjected to the excessive heat and unhealthy conditions of the Tropics. We propose nothing like that. We do not attempt to equalize with Great Britain in that respect.

Mr. ABERNETHY. Will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. ABERNETHY. I would be glad if the gentleman would explain how the retirement fund is made up so that it may go into the Record. As I understand, it comes from the 5 per cent contribution from the salaries of these various men.

Mr. MOORE of Virginia. There is a contribution of 5 per cent from the salary. The effect of that is that until about 1945 the annuities from the employees themselves will make up the sum except the initial sum of \$50,000. The British official makes no such contribution whatever.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. TILSON. I note that it is very properly provided that the salary of no official shall be decreased by this reorganization.

Mr. MOORE of Virginia. Yes.

Mr. TILSON. But that any amount that a man now receives above what a particular office will receive later on shall cease when the present incumbent goes out of the service.

Mr. MOORE of Virginia. That is true.

Mr. TILSON. So that there would be a slight reduction?

Mr. MOORE of Virginia. There will be a reduction in the salaries of three posts, I think. There are three consuls general serving now—one at London—who are receiving salaries in excess of the salaries provided by the bill, but after those now in such offices cease to serve, then the salaries of those three positions will be lower than the salaries paid at the present time.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. PORTER. Mr. Chairman, I yield to the gentleman an additional five minutes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BLANTON. It is true that we are to charge them 5 per cent of their salaries on the retirement fund.

Mr. MOORE of Virginia. Yes.

Mr. BLANTON. But in order to let them pay the 5 per cent out of their salaries, by this bill we have increased their salaries from 20 per cent on up.

Mr. MOORE of Virginia. Not as much as 20 per cent.

Mr. BLANTON. From 10 per cent on up.

Mr. MOORE of Virginia. Something, yes.

Mr. BLANTON. Then we have given them more than enough increase to pay out a little for the retirement fund. It all comes from the pocket of the people after all.

Mr. MOORE of Virginia. We have increased the salaries, and the increase will come out of the pockets of the people, except in so far as it comes out of the operations of the foreign service itself, and it has been repeatedly stated here this morning that this is one service that is very nearly self-sustaining. But even if it were otherwise we should discriminate as to what is profitable expenditure and what is unprofitable expenditure, and I just as firmly believe, as I believe anything, that it is to the interest of the wheat raisers and the cotton producers and the cattle and sheep raisers, as well as the manufacturers, to do all that we reasonably can to develop the foreign markets where this country sells, and to give greater opportunity for trade in those markets. [Applause.]

Mr. HUDSPETH. Does this bill establish a foreign market for cattle?

Mr. MOORE of Virginia. My friend knows that it does not do it directly.

Mr. HUDSPETH. If it does, then I am for the bill.

Mr. MOORE of Virginia. But my friend knows this, because he understands the entire situation, that there is hardly anything more important to-day than to do everything that is possible, whether on a great scale or on a small scale, to secure better markets for the products of America and particularly the products of the farmers who are now the greatest sufferers.

Mr. BLANTON. The only ultimate condition I was trying to guard against was the business situation where we have all of the farmers and stockmen in the United States supporting all of the other people of the Government.

Mr. MOORE of Virginia. I am just as much averse to that as the gentleman is. Somebody has said that a good many people live on the farm and a good many people live on the farmer. I am just as much opposed to placing any burden on the farmer, as is the gentleman from Texas, but I think we have to consider carefully and vote fearlessly when we believe that what is proposed is going to result in promoting the general good of the entire people of the country.

Mr. TEMPLE. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. TEMPLE. The statement has been made that this will increase the cost of the State Department eight or nine hundred thousand dollars a year.

Mr. MOORE of Virginia. Yes.

Mr. TEMPLE. I wonder if the gentleman has made any comparison of the amount spent by the United States Government for the promotion of peaceful relations with foreign countries, about \$8,000,000 a year, with the seven or eight hundred million dollars a year that we spend on the Army and the Navy to prepare for possible war, and whether the gentleman has inquired if a more liberal appropriation for the State Department might not result in the saving of hundreds of millions of dollars for war.

Mr. MOORE of Virginia. Of course, the gentleman is pointing to something that is very obvious, that we appropriate very heavily for the Army and for the Navy, and very heavily in other directions, and yet we are hypercritical when it comes to a small increase such as that proposed here, the benefits of which to all classes can hardly be calculated in advance. [Applause.]

Mr. PORTER. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. BROWNE].

Mr. BROWNE of Wisconsin. Mr. Chairman and gentlemen of the committee, it requires no argument to convince anyone that our foreign service is the most important service that we have and that the State Department is one of the most important departments of Government. The Secretary of State, when he came before the committee, testified that to-day we are transacting over twice the business that we did before the war. Yet all that this bill which we have discussed to-day takes out of the United States Treasury is \$3,600,000 a year. We get enough in from the consular fees to more than pay for the Consular Service, so that all that the taxpayers are required to pay on account of this vast and efficient foreign service is \$3,600,000 a year.

So far as the increase in this bill is concerned, deducting the amount that we save in doing away with the post allowance of the former appropriation, is \$378,000 a year. That is a very

small amount, considering the great benefits that will be accomplished. The Department of State is really a nonpartisan department. Go there and you will see the same officers who have been there for 10 or 20, some of them 30, years. Since our Consular Service and other branches of the Department of State were put under the civil service in 1906, the State Department has been entirely out of politics. It is necessary to offer some inducement for young men to enter our foreign service. It requires a young man of education and efficiency.

A young man to make any rise in the State Department has to be equipped not only with a college education but be conversant with the languages. He must have besides his knowledge of English one or two foreign languages that he can speak fluently and translate accurately. Now, the salaries that we have been paying these young men are so inadequate that there is very little inducement for a young man to enter the foreign service of this Government, and as a result the Secretary of State, not only the present Secretary but others, have informed the committee that young men are leaving the service, that not a sufficient number of young men possessing the necessary qualifications were entering the service, and that a majority of those that did were young men of independent fortunes. I am not criticizing men of independent fortunes going to our foreign service, but simply saying that it is not quite in keeping with the spirit of our democratic institutions that in any department of the Government that conditions should be such that forces any young man of ability and ambition who is not the possessor of a large inherited fortune to leave such Government employment. It is getting to be that way now not only in this country but all others, and we see the foreign departments of other countries proposing to unify their foreign service just the same as we are. Of course, Great Britain for years has had a retirement system like we propose. Why should we have a retirement system? Because a man who goes into the foreign service and after he has been in a great number of years and then leaves it there is no other place, no other foreign service he can enter. He goes out without a trade or profession. He does not understand the business of the world; he is out of touch with other employment, just the same as the post-office employee or the Army or naval officer and many other Government employees; and for that reason we provide a retirement provision in this bill to stabilize and make this great foreign service an attractive service, so that young men of ability will go into it. This bill does not raise the salaries of any minister or ambassador. This does not affect one of them. It goes down to the foundation of our foreign service—the men who are doing the clerical work, the men whose services are indispensable, men who get the facts and know how to get them and bring them to the consul general, to the minister or ambassador.

These men are leaving the service on account of the inadequacy of the compensation. Now this bill only proposes to spend \$378,000 more than the former bill; it will stabilize these conditions, and it will provide also for the \$50,000 that goes into this retirement fund. That is all it costs, and I want to say, gentlemen of this committee, that the money appropriated for this purpose is money that, in my judgment, is money as well expended as any money that we appropriated. Take the consul general's report at London. Every business man from every State in the Union who ships his goods abroad is anxious to get it and examine it. Every rotary club, every commercial organization wants this bill to be passed. Why? Because they want an efficient foreign service and know that it benefits business. They know the United States is a Nation that is dealing with the whole world, and we have to have efficient men and agents who can compete with our great rivals and competitors. The British ambassador's salary, together with his representation allowance, is \$100,000 a year. What do we pay our ambassador to Great Britain? Seventeen thousand five hundred dollars a year. Mr. Davis, formerly a Member of this House, who went over as ambassador to Great Britain, had to tax himself \$20,000 to \$30,000 a year every year he was over there out of his own private means to sustain himself.

Mr. BLANTON. Will the gentleman yield?

Mr. BROWNE of Wisconsin. I do not believe that is the spirit of America, and I do not believe the taxpayers of America want any such penurious policy in regard to the administration of our great foreign service. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Will the gentleman give him a minute to answer a question?

Mr. PORTER. I will yield the gentleman an additional minute.

Mr. BLANTON. And yet you have not raised the ambassador's salary; but the question I want to ask is this: The gen-

tleman argues that this service is self-supporting, and that is absolutely convincing and unanswerable. But suppose it brought in ten times as much as it does now, would the gentleman advocate our paying that thirty or forty extra million dollars in additional salaries?

Mr. BROWNE of Wisconsin. I will ask the gentleman a question. Would he vote for the doubling up or raising of the salary of the ministers and ambassadors—would the gentleman vote for it?

Mr. BLANTON. No; I would not. I want—

Mr. BROWNE of Wisconsin. I believe when we raise these salaries we ought to begin at the foundation, and I believe in taking the advice of the Secretary of State and those men in the State Department who are experts upon this. They say raise these salaries first. Then, if it is necessary to raise these other salaries, do so. My friend from Texas criticized this bill because no one had any notice of it. Yet he had notice right on his desk that has been lying there since Monday that this program, including this identical bill, would be taken up Tuesday morning. Yet he criticizes us when if he had looked on his table he would have known the program.

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Pennsylvania.

Mr. BLANTON. Mr. Chairman—

The CHAIRMAN. The gentleman from Texas is not recognized. The gentleman from Pennsylvania.

Mr. BLANTON. I do not want a statement about me to go unchallenged.

The CHAIRMAN. The gentleman from Texas has no right to the floor.

Mr. PORTER. Mr. Chairman, I do not care to yield more time, and I ask that the Clerk read.

Mr. BLANTON. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I make the point of order that when a Member in debate places a certain statement or action concerning another Member in his mouth that Member has the right to rise and challenge the statement. That is what the gentleman from Wisconsin did.

The CHAIRMAN. The Chair overrules the point of order and the Clerk will read.

The Clerk read as follows:

SEC. 2. That the officers in the foreign service shall hereafter be graded and classified as follows, with the salaries of each class herein affixed thereto: Ambassadors and ministers as now or hereafter provided: foreign-service officers as follows: Class 1, \$9,000; class 2, \$8,000; class 3, \$7,000; class 4, \$6,000; class 5, \$5,000; class 6, \$4,500; class 7, \$4,000; class 8, \$3,500; class 9, \$3,000; unclassified, \$3,000 to \$1,500: *Provided*, That as many foreign-service officers above class 6 as may be required for the purpose of inspection may be detailed by the Secretary of State for that purpose: *And provided further*, That all appointments as foreign-service officers and all promotions from class to class of foreign-service officers shall be made by and with the advice and consent of the Senate.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. STAFFORD. Mr. Chairman, in the past several years there have been on different occasions increases in the salaries of our consular representatives, decided increases, ranging, I would say, offhand, from \$1,000 up. There have been no substantial increases in the secretarial force of our Diplomatic Service. I have read carefully the bill and the report.

I recognize the need of increasing the salaries of our clerical force connected with the Diplomatic Service. I have not found any argument, so far, as to the need of increasing radically the salaries in our Consular Service. I have not the figures on hand, but I think there are over 600 in both services combined. Yes; 640, all told, in both services; 120 diplomatic secretaries, and 520 consular officers.

Now, I wish to inquire of the gentleman from Massachusetts [Mr. ROGERS], who has given much close and thorough consideration to this measure, a measure that creditably bears his name, how much turnover there has been in the Consular Service? And further, what increases there will be in the salaries of consular officers? I am speaking generally, not as to the reduction of the salaries of the two consuls general, who are now receiving \$12,000, or those who are receiving the salary of the \$8,000 grade, or the like. I would like to know what increases there will be in the pay of the consular officers, and how much turnover there has been in the past year or two.

Mr. ROGERS. Does the gentleman yield to me?

Mr. STAFFORD. Surely.

Mr. ROGERS. I have in my hand a statement prepared for me by the State Department, and necessarily so, because it is based upon the archives and records of the department that

has been dealing with this matter of turnover for the last 10 years. The average number of separations from the service per year by resignation is about 25.

Mr. STAFFORD. Is the gentleman referring now exclusively to the Consular Service, or to the Consular and Diplomatic Services?

Mr. ROGERS. I am referring exclusively to the Consular Service. Let me give year by year the separations as the result of resignations as distinguished from death or involuntary retirement.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. BRIGGS. Can the gentleman give in that connection the total number of consular officers, so that the proportion will appear?

Mr. ROGERS. Yes; I will give both. In 1913 there were 347 consular officers of all classes, and there were 24 retirements. In 1914 there were 363 consular officers of all classes, and there were 29 retirements. It goes on very much in the same way until the last three years. For the year 1920 the number of consular officers rose to 472, and there were 27 retirements by resignation. In 1921 the comparative figures are 520 on the one hand and 22 on the other. In 1922 the figures are 517 on the one hand and 30 on the other. For the 10 years the average retirements from the service have been 6.25 per cent of the total. In other words, there has been a one-sixteenth turnover on the average for the 10 years.

Mr. STAFFORD. Is there anything in the hearings or has the gentleman any information as to how many of those who have retired have done so by reason of inadequacy of salary?

Mr. ROGERS. Yes. Mr. Carr, in the course of his very extended testimony before the committee, said that he could believe, and he described how, men would withstand business offers for a considerable period, and then the pressure would become so great and the economic requirements become so urgent that they had to yield and go out of the service. If the gentleman will permit, I would like to give an instance from my own acquaintance. I do not like on the floor to mention his name, but I will be glad to give it to the gentleman privately.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. ROGERS] may have five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ROGERS. One of the ablest men we had in the Consular Service for many years told me that he entered the service with a private fortune of \$112,000. He was successful; he was promoted quite rapidly. His salary average for the 16 years or thereabouts that he was in the service was probably higher than that of almost any other man in the Consular Service. He had no children. He was married. He told me that at the end of the 16 years of his service, and with the utmost economy and without display—and I know that was true—he had spent his entire fortune and had to resign in order to leave something for the support of his wife in case he should die.

Mr. STAFFORD. How recent has that been?

Mr. ROGERS. In the last two years.

Mr. STAFFORD. How much have we increased the salaries of consuls in recent years?

Mr. ROGERS. We have increased the salaries of consuls very little in my time of service. We have increased the secretaries more. When I came here the entrance salary of a secretary was \$1,600. It has risen to \$4,000. We have increased the entrance salary now to \$2,500. The objective of a 20-year service has become \$4,000.

Mr. STAFFORD. I can realize that no matter what the salary may be that will be attached to a consular position, nevertheless there will be temptation to consular officers always to accept the more attractive salaries in private employment.

Mr. ROGERS. The Government can not compete with private business in the matter of salaries. All that it can do and, in my judgment, all that it should attempt to do is to try to provide a reasonable living wage for a married man, with perhaps a child or two. That is all that this bill undertakes to accomplish, having in mind the necessary expenditures that an appropriate representation abroad of a great country necessarily involves.

Mr. STAFFORD. How much general increase will this accord to the various consular officers?

Mr. ROGERS. Taking account of a few decreases and of a few cases where there is no change, the average increase throughout the Consular Service as a whole is 14 per cent.

Mr. STAFFORD. The increase of the secretarial force of the Diplomatic Service is greater.

Mr. ROGERS. That is considerably larger, especially at the top, where we are anxious to utilize some of the best men, who now as consuls general get so much larger salaries than do the secretaries of the top classes.

Mr. STAFFORD. A little while ago, while the gentleman had the floor in general debate, I was seeking information as to the total cost that the retirement fund would occasion, and the gentleman gave me some very illuminating information. Since then, looking over the hearings to which the gentleman directed my attention, I find that in 1943, when the retirement fund will become fully operative, the charge imposed on the Government will be something like a half-million dollars yearly.

Mr. ROGERS. Not in 1943. The maximum of a half million dollars mentioned in the testimony will be in 1957. Since the hearings were printed, as the result of independent investigations which I have made I am satisfied that that half-million-dollar figure is too high, and I will tell the gentleman why. That half-million-dollar figure, as the gentleman will see if he reads the language carefully, assumes that every man who enters the service at 30 or 35 years of age will stay in the service until he reaches the retirement age of 65. Obviously that is not true. Men retire from the service, men are dismissed, men leave the service because of disability—

Mr. TILSON. And men die.

Mr. ROGERS. And men die. All those causes will keep a large percentage of the total number of men from ever reaching the retirement age and getting the retirement benefits. I talked this morning with the Chief of the Bureau of Efficiency. He states that while he does not wish to criticize this figure or the basis on which it proceeds, his judgment is that as a practical matter \$400,000 is the maximum which is much more likely to prevail than \$500,000. Out of overconservatism the State Department preferred to lay before the House the larger figure.

Mr. STAFFORD. I ask unanimous consent to withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn.

Mr. TOWNER. Mr. Chairman, I move to strike out the last word.

I think the House of Representatives and the Congress of the United States are under a very great obligation to the chairman and to the membership of the Committee on Foreign Affairs for the long-continued and hard work and the great care and, in my judgment, the rare wisdom that they have displayed in the presentation of this legislation. Still more do I believe that the people of the United States are under obligation to these men. Nothing is more required in better service, nothing is more needed in the securing of men of ability and efficiency in the employment of the Government than in our foreign service. With a world in turmoil, with all the conditions, both political and economic, displaced and in flux, this is the time above all other times when the United States needs men of character, of wisdom, of education, of efficiency, in the foreign service.

I have heard the criticisms that have been made upon this bill. I have been surprised at the fact that not one of them seems to be well founded. First of all, always comes the question that it costs more money to secure good service. Of course, we all realize that; but we ought to realize that as a concomitant of that we should secure good service if it does require more money. But in this particular case we are met with the fact that in the Consular Service and in the retirement proposition contained in this bill, very largely they are self-supporting, or will be. We are also met with the fact that there is not a large increase.

When we come to examine into the particular benefit and advantage that there is in the rearrangement proposed in this bill, I think no man ought to hesitate about giving it his cordial support. We have here not an aristocratic proposition, as some gentlemen seem to believe. We have here, more than ever before in the service, a democratic proposition, by which not the few rich who can go into the service, no matter what the financial requirements may be, shall be called and shall serve, but holding out to a young man of ambition, no matter what his pecuniary condition may be, the prospect of distinction in the service, if he enters it, and an assurance that he will not be required to leave it in a position in which his family will be dependent upon some other resource.

There has never before been presented a better opportunity for the young man to go into the service of the Government assured that there is an opportunity for his best effort and the

assurance that it will be well considered by his country. That opportunity is now given by this bill.

Mr. Chairman, I desire especially to commend the proposition, embodied in this bill for the first time in our history, that there shall be not an amalgamation or a consolidation of the Diplomatic and Consular Services but that there shall be an opportunity afforded by the Government to transfer from one service to the other as occasion may require.

Mr. Chairman, particularly at this time when we want to secure a larger foreign market, when upon the Consular Service we must depend for information, for advice, and those good offices that will procure and extend our foreign trade—now at this particular time the Government ought to call to the service the very best men that can be given to such service. It is suggested that it is not for the benefit of the farmer. I believe, Mr. Chairman, speaking moderately, that there is hardly anything that could more benefit the farmer than the improvement of the Consular Service of the United States. I believe that the farmers of the United States believe that in the enlargement of their market they must depend on men who are qualified for the service that will be effective in their interest, and so, representing, as I do, an agricultural community, I want to give in the interest of my particular constituents my unqualified approval of this legislation. [Applause.]

Mr. HUSTED. Mr. Chairman, I rise in opposition to the pro forma amendment. I want to be permitted to congratulate the Committee on Foreign Affairs for bringing in this splendid piece of constructive legislation, which, I believe, marks a very important stage in the progress of lawmaking for the development of our foreign service. The money that we expend for the Army and for the Navy in peace times is largely in the nature of insurance. It is to protect the Government against what may happen, against which we must provide adequate safeguards. The money that we expend for our foreign service comes back to us over and over again in direct and indirect benefits. There are some people who think that our foreign service, especially the diplomatic branch, is chiefly ornamental. That charge never was entirely true, and it is less true now than ever before. The functions of our diplomatic officers are becoming less and less political and more and more commercial.

Our foreign service has developed greatly since 1914. I think it costs about three times as much now to maintain it as it did then. That was partly due to the activities of the war and partly to the creation of new nations by the treaty of Versailles, necessitating the appointment of more consular and diplomatic officers. But it was chiefly due to the effects of the war upon the financial and economic condition of the nations and the creation of a tremendous competitive spirit which has made it necessary for us, if we are to hold our own with other nations who are looking for business, to maintain a thoroughly efficient foreign service. It should be equal to that of any other nation in the world.

We have a fine Consular Service now, and we have an excellent Diplomatic Service, but in the Diplomatic Service opportunity is practically denied to a poor man. It is a service in which the rich man only can enter, because rich men only can meet the expenses which fall upon our diplomatic officials. Now, that is lamentable, and it ought to be corrected, and it is one of the main purposes of this bill to correct it. It is one of the main purposes of this bill to so adjust the salaries that a young man of moderate means can enter the Diplomatic Service and make it a career. For example, a first secretary at London is compelled by diplomatic usage to maintain a residence where he can entertain, and he is required to have a motor car and a chauffeur. It is evident that a diplomatic secretary can not maintain a residence where he can entertain and a motor car and do all the other things necessary to uphold his position on a salary of \$4,000 a year. This bill, if it becomes law, will accomplish a great deal, but I believe there is one other thing which we ought to do to enable our Diplomatic and Consular Service to reach the highest point of efficiency. I believe we should have a diplomatic and consular school in the State Department. We maintain at Annapolis a school that we may have efficient naval officers. We maintain a military academy at West Point in order that we may have efficient Army officers.

Mr. BROWNE of Wisconsin. Will the gentleman yield?

Mr. HUSTED. Yes.

Mr. BROWNE of Wisconsin. Does not the gentleman know that the colleges and universities have courses in foreign service for that purpose? Georgetown and most of the universities have courses of that kind.

Mr. HUSTED. Some have courses in diplomacy, but that is also true so far as military instruction is concerned. Nearly

all the colleges to-day give instruction in military subjects, but we would not think of abolishing West Point and we do not consider abolishing the Naval Academy at Annapolis. I say it is just as important, and I believe it is far more important, to maintain a school where we can train men to be consuls and diplomatic officers as it is to maintain military and naval academies. The work is highly technical and the best instruction can be given in the State Department by our own consuls and diplomats.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. HUSTED. Yes.

Mr. MOORE of Virginia. Does not the gentleman think that notwithstanding the fact that some of the universities and colleges have these courses that provision should be made for training these men in the very business they will have to engage in?

Mr. HUSTED. I certainly do think so. Something is being done in the colleges, but I believe it could be done much better here at Washington and at very small expense. We have in the State Department the men who could be the teachers. The classes would be comparatively small. I do not believe there would be more than 25 or 30 men in a class. We would not have to employ additional instructors. The men are right here at the head of the various bureaus and divisions in the State Department. We have the economists and technical experts ready at hand. This is an easy, inexpensive, and practical way to secure a body of highly trained men who are needed in the field to advance the commercial and political interests of the United States. There is no other way, in my opinion, in which the results can be obtained as quickly or as well.

Mr. Sisson. Mr. Chairman and gentlemen of the House, I had not intended to say anything on this bill, but this is one bill that is like one of which several years ago, when it was brought on the floor of the House Mr. Mann, of Illinois, said, "Why, that old gentleman has been knocking around the halls of the Capitol here for a good many years, and you ought to have shaved him before you brought him on the floor."

However, involved in this discussion is a proposition that has not been discussed at all, which I think the House ought to take into consideration. In the first place, the commercial attachés that have been established within recent years are worth infinitely more to the business of the country than all of the so-called consular and State Department activities.

Mr. TEMPLE. Mr. Chairman, will the gentleman yield?

Mr. Sisson. Yes.

Mr. TEMPLE. The gentleman spoke of this bill or one like it having been introduced several years ago. I should like to have information as to when that was. I have been a member of the Committee on Foreign Affairs for 10 years, and I have investigated the work of the committee for a number of years before that time. I do not remember that there was ever a bill before that committee for this purpose.

Mr. Sisson. I do not believe it was exactly for the same purpose. I may be mistaken about that, but it was for an increase in the Diplomatic Service anyway. However, there is no need of getting into a controversy about that, because it was said only as a pleasantry.

Mr. TEMPLE. And the gentleman could edit it out of his remarks.

Mr. Sisson. Oh, I shall act upon that as I deem best. I do not intend to let the gentleman from Pennsylvania either edit my remarks or do my thinking for me. The commercial attaché has been the individual who has done the business of the country some good. I have never been an advocate of dollar diplomacy. I believe our Diplomatic Service abroad should be kept separate from our business.

The English had engaged for a long time in the consular drummer. After the American Government established the commercial attachés, the English Government sent a commission here to investigate the commercial attaché system, and they have practically adopted our system in England. I know that there are some people who want to convert every minister and all our consular officers into nothing but business getters, but there are frequently delicate matters rising between nations that are such that if the State Department were to engage in the business of hustling for business in competition with another nation, it might bring about feelings that are not conducive to peace and to the good relations that should exist between nations. The commercial attachés are looked upon and recognized as the Government's drummers, as the Government's business agents, and rather than increase this service through this bill, rather than increase the political end, I would infinitely rather increase the salaries and the number of the commercial attachés, because they can very much

better transact that sort of business than can the political branch of the Government. If the consular agent is to transact business for the Government, he is also constantly engaged in certain political correspondence. These, in my judgment, ought not to be mixed. A great deal has been said in the last few years about dollar diplomacy. The gentleman who took his seat has talked about dollar diplomacy, and he wanted the State Department to perform more of the functions of business than to look after the political end of the thing. I think you make a mistake when you do that. There was an effort made to circumscribe the commercial attachés by cutting down appropriation, and the then chairman of the Committee of the Whole, which was considering the matter, and I think he was technically correct, ruled the matter out of order. An appeal was taken from the decision of the Chair by a gentleman from New York, and the Chair was overruled and the commercial attachés were put back into the bill. Why? Because the business elements of the country, from San Francisco to New York and from Chicago to New Orleans, were up in arms against a curtailment of this service that had done so much good.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. Sisson. Mr. Chairman, I ask unanimous consent for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. Sisson. Personally, I would infinitely rather that this money be expended in increasing the commercial attachés whose business it is to go out and get business, whose business it is to find out first what the market is, and second, in what sort of shape the goods shall be in order to be sold in the foreign market. Take, for instance, the Chinese and Japanese market for various kinds of cotton must be understood by us.

The goods that would suit the European countries would not at all suit the fashions and styles of the Orient, and the commercial attachés have sent the samples of goods back to the various factories, and they have given the factories the facts and figures about the number of yards of cloth of a certain character which will probably be sold in certain markets in the Orient, and the result is that the manufacturing establishments of the United States are enabled to send traveling men into those countries and sell their goods. You have to know first what a country will take, and the manufacturers are willing then to put their money into the business. So when this effort was made to curtail the expenditures for commercial attachés the whole business of the United States was up in arms, and the influence was felt in every congressional district in the United States and was reflected on the floor of the House when the ruling of the chairman was overruled. Rather than have this character of legislation, rather than have an increase in the appropriation, which means an increase of dollar diplomacy, I would infinitely prefer to have this money expended in the enlargement of the commercial attachés and of their activities.

Mr. SEARS. Mr. Chairman, the gentleman's attention was called to the fact that this is a new proposition. In reading the report I find that this bill is practically the same as H. R. 12543, introduced in 1922, and that H. R. 12543, as stated by Secretary Hughes, is almost identical to H. R. 17; so that it must have been before the committee before. I do not know when H. R. 17 was introduced, but it was prior to August, 1922; and this clearly shows this question has been before the committee before, and that you were correct in your first statement.

Mr. Sisson. Yes. I have not gone into detail about it, and my recollection about the bill that Mr. Mann had reference to was just slight. The thing that called it to my mind at all was that Mr. Mann said that it should have been shaved before it was brought in.

Mr. TEMPLE. Mr. Chairman, before I begin what I wish to say, I desire to revert to the two bills which have been discovered by the gentleman from Florida [Mr. SEARS], who just interrupted the gentleman from Mississippi. They are earlier forms of this bill introduced not in a former Congress but in this Congress, and the second and third forms were introduced after some work had been done in revision of the bill, either by its author or by the committee itself. It is all one bill. That which was introduced some years ago, to which the gentleman from Mississippi refers, was the bill, I think, which provided for the purchase of embassies and legations in foreign countries, an entirely different matter, having nothing to do with the reorganization of the Diplomatic and Consular Service.

Mr. LINTHICUM. If the gentleman will yield, does not the gentleman think he really had in mind the act passed in 1915, which is now the law under which we are operating?

Mr. TEMPLE. That increased some salaries but did not provide any general reorganization.

Mr. LINTHICUM. No; but it provides certain appointments in the Diplomatic and Consular Service.

Mr. TEMPLE. But certainly not coordinating the two foreign services.

Mr. LINTHICUM. It did not.

Mr. TEMPLE. I have been somewhat interested also in what the gentleman from Mississippi has said about "dollar" diplomacy. He is very much in favor of increasing the number of commercial attachés and increasing the appropriations in a way that would add to their efficiency. But to what would the attachés be attached if there were no Diplomatic and Consular Service? The commercial attaché, the military attaché, the naval attaché are useful. There is no doubt about it.

The commercial attaché collects information which is of use to the American business man, furnishes him information that may increase our exports or our imports, but the work of the commercial attaché would be of little use if it were not for the work done by the Diplomatic and Consular Service. International trade is carried on under treaty agreements, and you can not have it without having a diplomatic foundation. When we come to the actual business of the Government in connection with international trade, there is no way of handling it except through the consular office. We might appoint commercial attachés until we would expend money on them equal to the whole amount appropriated for the Diplomatic and Consular Service, but we must do business with foreign countries in the way the foreign countries will permit, just as they do business with us in the way that we permit. The way that has grown up in the experience of the world is through the foreign offices, which correspond in other lands to what in our country is called the State Department. The diplomatic and consular services provide the only way the world recognizes for carrying on this foreign intercourse. We can not modify the customs of the world by an act passed by the American Congress, for our jurisdiction is limited to our own territory and ships.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. TEMPLE. I will.

Mr. NEWTON of Minnesota. To illustrate that point, it is my understanding that when the commercial attachés were first sent to London they had an office independent from that of the diplomatic office, and they found themselves absolutely compelled to tie up with the diplomatic office, because nobody was looking for or finding them out, and did not expect them in any place except the diplomatic office.

Mr. TEMPLE. It is the only way that their official character can be made known effectively to foreign governments. Now, "dollar diplomacy"; that phrase has been used as a term of reproach or to ridicule the use of diplomatic representatives in the interest of business. Before I discuss "dollar diplomacy" I want to say I do not accept the doctrine of economic determinism which lies at the foundation of so much socialistic philosophy, but, after all, what is the principal occupation of mankind? Earning a living. Men are selling their services making things with their hands, selling the goods that they produce. Eight hours a day, 10 hours a day, 12 hours or 15 hours a day, what are men doing? Earning a living, doing business. That which occupies so large a portion of our time is certainly worthy of attention, and when we come to doing business with foreign peoples, earning a living by dealing with foreign markets, we have to do it through the foreign office.

Mr. ABERNETHY. Will the gentleman yield?

Mr. TEMPLE. I will.

Mr. ABERNETHY. What is the per cent of the salary allowed on retirement?

Mr. TEMPLE. I am not discussing that question just now. The gentleman will find it in the tables.

Mr. ABERNETHY. It is not in the tables.

Mr. TEMPLE. Here are the hearings.

Mr. ABERNETHY. I thank the gentleman; I did not mean to interrupt his speech.

Mr. TEMPLE. There is absolutely no reason for treating dollar diplomacy with contempt. As I say, 8 hours, 10 hours, or 12 hours a day are spent in earning a living, in earning dollars. Why? Because we want to use them. We may use them in purchasing the things that satisfy our ordinary physical wants; we may use the surplus in charity or in promoting religion. Whatever we may consider the noblest occupation of our time, most of us have to spend the greater part of our waking time in merely earning a living, and perhaps a little more which may be devoted to these nobler aims. That part of the business of earning a living which is done with foreign peoples is arranged for by the machinery of the Diplomatic and

Consular Services. When they negotiate commercial treaties, that is dollar diplomacy. Every American diplomatic and consular officer should be an attorney for the United States, attentive to the business of the American people. We want to put this service on a basis that will make it the equal of the service of our competitors, our customers, those from whom we buy, those to whom we sell. The world is more and more coming together. We are next-door neighbors to everybody everywhere. What is the reason now that we in this country find ourselves commercially economically in trouble?

What is the matter with the business of the country? One thing is that the whole world has been turned upside down; 15,000,000 men dead in the war, of battle deaths and disease; \$350,000,000,000 of capital blown to bits. Russia used to export a great deal of wheat to western Europe; hardly any now. Why is not Europe a better market for our wheat than it was before the war? Because the destruction of men and of capital and the upset of business organization in Europe is such that those people can not buy. We can not sell to people who can not buy. But if there is to be a restoration of the economic system of the world, if business is ever to get good again, we want to be on the ground not only to participate in the benefits that come from it but to aid in the restoration. Our Consular Service and our Diplomatic Service—our foreign service when the two have been made one—may be one of the most efficient agencies, and one of the ways through which the United States can most effectively exert its influence for the reconstruction of a shattered world. [Applause.]

Mr. GREENE of Massachusetts rose.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto be closed in five minutes.

Mr. ABERNETHY. Mr. Chairman, I want five minutes in which to answer the gentleman from Pennsylvania [Mr. TEMPLE] over there. I do not think I shall want more than five minutes.

Mr. ROGERS. Then, Mr. Chairman, I make it 10 minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section and all amendments thereto be closed in 10 minutes. Is there objection?

There was no objection.

Mr. GREENE of Massachusetts. Mr. Chairman, I have listened to this debate with a great deal of pleasure this afternoon, because I find both sides of the House are in favor of our country entering into foreign trade and endeavoring to establish foreign trade by stabilizing the Department of State, increasing the salaries of various employees, and providing for greater influence of the Department of State so that the United States might occupy a position in its dealings with world affairs among foreign nations commensurate with its standing as a great commercial Nation and holding a leading position on the Atlantic and Pacific Oceans not excelled by any other nation.

After this Congress came together, when the President called us into special session in November last, he intimated to us that it was necessary for us to pass legislation that would permanently establish an American merchant marine. The Committee on the Merchant Marine and Fisheries brought the bill up in this House, and after three days of general debate and two days of discussion under the five-minute rule the House of Representatives passed the bill in this body by 54 majority. That bill should have received 300 majority; in fact, there ought to have been no votes cast against it. If the membership of this body had talked as sensibly then as they do now, there would not have been many votes cast against the bill providing for an American merchant marine, and we should have had the bill enacted into law long since. The bill was sent to the Senate. At once there was a bloc made against it. What sense was there in having a bloc? Can anybody give any sensible reason for it? Nothing in the world but inexhaustible wind; that is all it was. [Laughter.] Every sort of proposition was brought up there in opposition; people commenced to bring in objections and to propose something new to take up time.

When I listened to what has been said here to-day on both sides of the aisle, with no dissension on the Democratic side, no caucus has been held on the bill we are considering to-day. I recall the fact that when the merchant marine bill was reported the Democratic Party held a caucus to determine their course and bound their own people, as far as they could, to be against a merchant marine. A merchant marine is as essential as this increase in our foreign service for foreign business. You say, "We want foreign business." I ask, "How are you going to get it?" Do you mean it in your innermost souls that you want to extend the foreign trade of the United States?

I am not opposed to this bill; I believe in it; I believe fully in it. I recognize that the bill that has been prepared and presented to you to-day is one of the best bills ever brought before the House, and it is shown by the fact that it comes on a non-partisan line. If there is any one bill that ought to have been considered in this House on a non-partisan line it is the bill for keeping the American flag on the sea—the shipping bill. Why should we for one minute think of pulling down the American flag? Why should we refuse to maintain it? Why should we want to foster trade abroad, why should we want to talk about increasing our trade abroad, and then stab the only instrument that can increase our trade abroad, the shipping bill now pending in the Senate? We now have an American merchant marine. It was first established under the rule of the Democratic Party. They built up this merchant marine at an immense cost. Now, they propose to throw it away, and they find many men on the Republican side who seem to agree with them. I can not understand it. I have been trying to get it through my head, but I can not.

I am glad I stayed here this afternoon to listen to these remarks on this foreign service bill, because I find that there is a unity of feeling concerning it on both sides of the aisle. Partisanship seems to have disappeared. The only thing they are partisan on, over on the Democratic side of this House, is against the American flag. There it hangs, above the Speaker's chair. We once had a well-established merchant marine. Who destroyed it? The British Government destroyed it from 1861 to 1865 when they endeavored to separate this Nation, the North from the South. Why is this fight in endeavoring to destroy the flag on the sea? What is the purpose in trying to keep the flag off the sea? I have been trying to get it through my head. Usually my head is pretty clear, but I am beginning to think that I am thickheaded. [Laughter.]

My gracious, I can not understand at all the Democratic side of the House, which is so anxious now to spend money to build up trade, to do everything else they can do. But they do not want us to interfere with England. I do not care what country you interfere with. Stand by the United States. We are the next country to England in the foreign trade. Why should we surrender a single rag of what we have in our merchant marine to-day and hand it over freely and with joy to our greatest enemy in the world trade?

Mr. LINTHICUM. Will the gentleman yield for a question?

Mr. GREENE of Massachusetts. Yes.

Mr. LINTHICUM. Does the gentleman recollect that there were 24 Republicans who voted against that bill and 23 Democrats who voted for it?

Mr. GREENE of Massachusetts. I do not know how many there were who voted for it.

Mr. LINTHICUM. Twenty-four Republicans voted against it and 23 Democrats voted for it.

Mr. GREENE of Massachusetts. I am very sorry for the thickheadedness of the Republicans who voted against it, and I am very glad for the intelligence of the Democrats who voted for it. [Laughter.]

Mr. BLANTON. It is the gentleman's own party now who are holding up that bill in the Senate.

Mr. GREENE of Massachusetts. Oh, no; do not tell me that.

Mr. BLANTON. Has not the gentleman's party a majority in the Senate?

Mr. GREENE of Massachusetts. That has nothing to do with it. They have no rules there for the transaction of business, but they may act on the shipping bill before the 4th of March.

Mr. BLANTON. The gentleman will be guilty of lese majesty if he does not look out.

Mr. GREENE of Massachusetts. Do not you worry about me. I can take care of myself and take care of the rest of you besides. [Laughter.] If there were 23 Democrats who voted for this bill, thank God there were 23 intelligent Democrats, and I am disgusted with every Republican who voted against it, for no one had any reason to vote against a bill providing for keeping the American flag on the sea, because one must realize that the withdrawal of competition means an increase in freight rates to the farmer and to the American consumer.

Mr. SEARS. I see by the press that perhaps the President will ask the Senate to lay aside the ship subsidy bill and take up the foreign debt refunding bill.

Mr. GREENE of Massachusetts. Oh, you can read anything you want to in the newspapers. I do not want to waste my time on any such nonsense as that. Never mind what the newspapers say. [Laughter.] I have read the newspapers a great deal in my life, and I read both sides, too. When I see a statement that has no sense in it, I do not pay any attention

to it. Once in a while you will find a paper on the Democratic side that has got a little good sense, and if you would read the newspapers that publish decent material about the American merchant marine, instead of 23 Democrats coming over and voting for that bill, there would be more than twice that number.

Mr. SEARS. It was a Republican paper in which I read that.

Mr. GREENE of Massachusetts. Never mind what you read it in. There is no excuse for any living man in this body voting to strike down the American flag on the seas. [Applause.] I do not care whether a man is on this side of the aisle or on the other side, he ought not to do that. There is no reason in the world for any Member of this body trying to destroy American commerce. There is no reason in the world why anyone should not do all he can to build up an American merchant marine. I believe another opportunity will be given you to vote on the bill to establish the American merchant marine before this session closes. [Applause.]

Mr. ABERNETHY. Mr. Chairman and gentlemen of the committee, I know of no way in which a Member of this House can get information about a bill if he is not a member of the committee which has considered the bill, unless he asks questions and seeks information from members of the committee who have charge of the bill or unless the report of the committee or the hearings disclose the information. A while ago the distinguished gentleman from Pennsylvania [Mr. TEMPLE], in a very abrupt manner and I think in a very undignified manner, if he will permit me to say so, when I asked him a simple question for information about a matter that concerns a great number of Members of this House, referred me to a pamphlet. I do not know why he referred me to that pamphlet unless he knew as little about it as I did, because I have not found anything more from the pamphlet than I knew before. I read this report with a great deal of care, and I still do not know the basis of percentage upon which this retired pay is computed. As I understand, we are asked to take \$325,000 out of the Treasury and give it to certain employees of the Consular Service. I was seeking information, and I am still seeking information. I believe that the employees of the Consular Service should be paid enough to put them beyond the realm of temptation, and that they should be on a parity with the employees of the consular service of any other nation in the world, but I can not sit here as a Member of the House and vote in the dark, and I do not propose to do so; and unless I have more information on this subject I am going to vote against this provision of the bill, because I am here as a Representative of the people, and I propose to know what I am going to vote about, and I know of no other way to find out unless I ask some Member in charge of the bill to give me that information when the report and the hearings do not disclose the information desired. When I ask that Member for information I do not think it is fair to a new Member that I should be practically insulted in the way that the gentleman from Pennsylvania spoke to me a while ago.

Mr. TEMPLE. Will the gentleman yield?

Mr. ABERNETHY. I do.

Mr. TEMPLE. I am very sorry that the gentleman thought I meant to insult him. I did not. I was discussing, under the 5-minute rule and under the 5-minute limit, a matter in which I was interested, which I wished to present to the House. The gentleman interrupted me with a question as remote from the thing I was discussing as the North Pole is from the South. I said that I was discussing another question, and I handed him the hearings which contained the information that he asked for.

Mr. ABERNETHY. I will admit, gentlemen of the committee, that a new Member does not have much opportunity here to get information unless he just breaks loose and asks for it.

Mr. ROGERS. Will the gentleman yield?

Mr. ABERNETHY. In just a moment. I am a new Member of this House, but I at least have a few gray hairs on my head and have had a little experience before I came here, and I came here with an honest intent and an honest effort on my part to represent my people and to represent this country as well as I could with the lights before me. As long as I stay here I am going to vote intelligently if I know how to, and I do not think that Members who have had long experience should deal with a new Member in such a manner as the gentleman from Pennsylvania undertook to deal with me a while ago.

Mr. ROGERS. I just want to say, if the gentleman will allow me, that I answered every question that was asked me in general debate—

Mr. ABERNETHY. I was not referring to the gentleman from Massachusetts.

Mr. ROGERS. And I will be very glad indeed to answer any question which the gentleman may have in mind.

Mr. ABERNETHY. A number of us would like to know about this retirement feature. You are asking us to vote on the retirement of these consular employees. We would like to know the percentage of the pay that a man will receive when he retires. In the Army and Navy they get a certain percentage of their active pay when they retire, and the answer to this question might determine how we should vote. I had made up my mind to vote against the bill until I heard the distinguished gentleman from Virginia [Mr. MOORE]. Then I came to the conclusion to support it, but, certainly, if we are going to be asked to vote large sums of money without knowing for what we are voting, you can not expect us to do so. The statement made on the floor is that this will cost \$325,000 from the Treasury, and if we do not have the information we seek how do you expect to carry the bill through the House?

The CHAIRMAN. The time of the gentleman has expired, and the Clerk will read.

The Clerk read as follows:

SEC. 3. That the official designation "Foreign Service officer," as employed throughout this act, shall be deemed to denote permanent officers in the Foreign Service below the grade of minister, all of whom are subject to promotion on merit, and who may be assigned to duty in either the diplomatic or the consular branch of the Foreign Service at the discretion of the President.

Mr. SEARS. Mr. Chairman, I move to strike out the last word. One good effect of this bill is that it changes the designation "Diplomatic and Consular Service of the United States" to "Foreign Service of the United States," and therefore avoids some criticism, that we have had heretofore, that we have lost our diplomacy. But that is not the point I wanted to get at. I would like to ask the gentleman from Massachusetts how many of the officers under this bill are over the age of 60.

Mr. ROGERS. I can not tell the gentleman how many are over the age of 60, but I can tell him that there are 35 over the age of 65, which is the age of retirement.

Mr. SEARS. Under this bill there are 35 now over the age of 65?

Mr. ROGERS. Yes; who will automatically be separated from the service.

Mr. SEARS. And receive retirement pay?

Mr. ROGERS. Unless in the discretion of the President they may be retained until they are 70.

Mr. SEARS. I know; but they probably will be retired when the age of 65 is reached. That is the usual custom. The gentleman does not know how many in the classes of 1, 2, 3, 4, and 5, and so forth, there are over the age of 50?

Mr. ROGERS. I have not segregated by age the 640 members of the present foreign service. I think, however, I can get that information for the gentleman by Thursday.

Mr. SEARS. Does not the gentleman think it would be well to incorporate in this bill some language which will prohibit the appointment of any person over the age of 50 to any position in the foreign service? I would like myself to make it 45 years, if the retirement feature is to remain in the bill; but I know this can not be done.

Mr. ROGERS. That is in the law and that law is carried in this bill.

Mr. SEARS. So that nobody over the age of 50 can be appointed under this bill?

Mr. ROGERS. That is true.

Mr. SEARS. It has been shown that this bill will cost the Government \$340,000, and no one seems to know how much additional the retirement section will cost, at least more than we are now spending, but I have learned since I came here that the way to economize is to spend, and the way to carry out our political pledges of economy and a reduction of taxes is to increase the cost of running the Government. Therefore, while I am deeply interested in the success of every branch of our Government, I can not support this measure unless a great deal of additional information as to the total estimated cost to the taxpayers and the urgent need of this legislation at this particular time is given me.

We talk very much about economy, but when it comes to the final vote we find ourselves voting for most any increase that comes along. By that I do not intend to convey the idea that I would have any man underpaid. Certainly the gentleman should give us that information before we vote on the bill so that we may know what it will cost this Government. Whether it will cost half a million or a million dollars as stated by the gentleman from North Carolina, who just preceded me, and not have us vote for something about which we know practically nothing.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in eight minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section and amendments thereto close in eight minutes. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. Mr. Chairman, I merely want to express my own appreciation of the work that the committee has put upon this bill which, to my mind, seems to be one of the most important measures that has been considered during the two terms I have spent in Congress. I want to ask the gentleman from Massachusetts a question in reference to section 3. We have in the State Department a number of men, I do not know how many, who are skilled in foreign affairs, but I do not think they would be included in the term "foreign service." I refer to men who are in the office of the solicitor, to the head of the Diplomatic and Consular Bureau, and other positions of that kind. They are not in the foreign service. Is that correct?

Mr. ROGERS. They are in the foreign service only when they are here on a maximum detail of three or four years from the foreign service. The men who are permanent here, like Mr. Carr, Director of the Consular Service, and Mr. Castle, Chief of the Division of Western European Affairs, and some others, are not in the foreign service and will not be either benefited or injured by this bill.

Mr. NEWTON of Minnesota. Has the gentleman any approximate idea of the number of those who are the heads of departments, or subheads, who are in the State Department in that way and who are really a part of our foreign service, who are under this bill made a part of this foreign service?

Mr. ROGERS. Counting the various men who are classed as drafting officers in the Department of State, I think there may be 30 or 40 who I assume would be included in the gentleman's question.

Mr. NEWTON of Minnesota. Personally, it has always seemed to me that men of that type are merely part of our foreign service, and I had been in hopes that some of that type would be provided for in legislation of this character.

Mr. ROGERS. The gentleman will note that in section 5 we have made a partial beginning to an accomplishment which apparently he has in mind. We provide that appointments to the foreign service may be made after five years of continuous service by transfer from the Department of State. That would permit such a man as may be the head of a bureau in the department and who has served there for a period long enough to make one sure that his appointment was not a mere political subterfuge, to be transferred to the foreign service on equal terms with men who have been in the foreign service all of the time. That is a good stepping stone.

Mr. NEWTON of Minnesota. I think so. At the present time the Undersecretary of State is what is known, as I understand it, as a "career" man and was transferred from an embassy position to that of Undersecretary of State. What would be his status under the provision limiting the period that an officer of the foreign service could come here and be in the State Department?

Mr. ROGERS. Assuming that when the present Undersecretary of State was appointed this bill had been a law, he would have lost his foreign-service status altogether by accepting the position as Undersecretary of State.

Mr. NEWTON of Minnesota. What about his wanting to go back into the service?

Mr. ROGERS. Then he could be reappointed to the foreign service, but he would have to take his chances on that.

Mr. NEWTON of Minnesota. This bill would in no wise interfere with the transfer of men to positions of great importance in the service here?

Mr. ROGERS. It would not interfere. It would not change the present situation.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. LANHAM. Mr. Chairman, I notice that subdivision (a) of section 16 provides as follows:

The age of retirement shall be 65 years: *Provided*, That the President may in his discretion retain any foreign service officer who has reached the age of 65 years for such period not exceeding five years as he may deem for the interests of the United States.

I recall that when the retirement act which had to do with the Railway Mail Service was passed there was a provision in that act that those men should be retired, as I remember it, at the age of 62 years. Then there was a provision that if they were in mental and physical health and vigor at that time they might be retained for an additional two years. There was also

similar provision made for another period of two years after that. Executive orders were issued, however, which practically abrogated both the letter and the spirit of that law, and those men were arbitrarily retired, in many instances, I think, to the impairment of the service. I know one or two cases came under my own personal observation of men who had been long in the service, still active and vigorous, but who were displaced despite the fact that their positions could not have been filled by men more competent or industrious. I wish to ask the chairman if he thinks there is any likelihood of a repetition of that practice in this instance, or will the plain terms of the measure be safeguarded by the provision that the President of the United States will be the one who shall determine that matter? Is it anticipated that this provision in this law with reference to five years will be no more operative than the two periods of two years each which we provided for in the retirement act that had to do with the Railway Mail Service?

Mr. ROGERS. Of course, it is purely a matter of speculation as to what some future public official, whom we do not even know, may desire to do. If a man is in the foreign service and is a good man, I think he will be retained after he is 65 years of age, because he is a hard man to replace from the bottom, because of his peculiar characteristics. In other words, from my experience with the way in which the State Department has exercised discretion in these general fields in the past, my guess is that we shall have a fair operation of this law.

Mr. LANHAM. I anticipate that, but I should not like to see the legislative intent abrogated in the same way it was in the Railway Mail Service, to which I have referred, and I trust it will not be done in this instance if this bill passes.

The CHAIRMAN. The time of the gentleman from Texas has expired, and the Clerk will read.

The Clerk read as follows:

SEC. 4. That foreign service officers may be appointed as secretaries in the Diplomatic Service or as consular officers or both: *Provided*, That all such appointments shall be made by and with the advice and consent of the Senate: *Provided further*, That all official acts of such officers while on duty in either the diplomatic or the consular branch of the foreign service shall be performed under their respective commissions as secretaries or as consular officers.

Mr. BLANTON. Mr. Chairman, on page 2, line 18, I move to strike out the words "in the Diplomatic Service."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 18, strike out "in the Diplomatic Service."

Mr. BLANTON. Mr. Chairman, on January 24, 1920, when the diplomatic bill was before the House, on points of order made by myself and by the gentleman from North Carolina [Mr. KITCHIN] \$650,000 was knocked out of the bill as being increases not authorized by law. One hundred and thirty-eight thousand dollars was knocked out on such points of order as being increases in salaries alone. Most of the \$650,000 was for post allowances. The distinguished gentleman from Pennsylvania [Mr. PORTER] and the distinguished gentleman from Massachusetts [Mr. ROGERS] prevailed upon the Committee on Rules to bring in a rule making all of those items in order. So, on Monday, January 26, 1920, the distinguished gentleman from Pennsylvania, in order to restore the items into the bill, would offer amendments placing them all back in the bill. So, back in 1920 there were \$650,000 increases for post allowances and \$138,000 were increases for salaries alone for the diplomatic offices. Now, concerning those increases, I want to show you what the then distinguished Democratic leader on this floor [Mr. KITCHIN] at that time said. I read from the RECORD, page 2070, of January 26, 1920:

Mr. KITCHIN. The only reason in the world which the Secretary of State gives is to enable these secretaries of the ambassadors to go into good society, into "tango" and "ko-tow" society. [Laughter.] He says here in the report:

"As the lieutenants of the ministers and ambassadors, the secretaries must be able to mingle with all classes of people and associate upon a plane of equality with the members of the highest social and official circles of the capitals in which they are located."

Mr. JOHNSON of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes; I will yield.

Mr. JOHNSON of South Dakota. Is not that caused by the fact that the social standard was set so high by the members of the peace commission and the social dignitaries that went to Paris? [Laughter.]

Mr. KITCHIN. That is possible; it is very possible that the committee has anticipated that, and taken care of it. But Mr. Lansing does not ask for it, except to permit these secretaries to meet and mingle socially with the kings and queens and monarchs, the princes and princesses, and the lords and ladies of Europe, and have them tango and ko-tow around with royalty; not to perform their duties in office. [Laughter.] It may be that that is where the gentleman from Massachusetts [Mr. ROGERS] gets the idea in his head, which he expressed on Saturday, that the American ambassadors are really figureheads; that they do not do anything except do the society act, and the secretaries have been doing the work. Now, the Secretary of State wants the secretaries to do the "society act" and let the ambassadors work. [Laughter.]

So there were increases then; and this has been the pet ambition of the gentleman from Massachusetts ever since I have been in Congress, to try to raise these salaries—

Mr. ROGERS. And to give the young man without means a chance to enter this service and do good work for his country. [Applause.]

Mr. BLANTON. I will guarantee to-day that you can let every one of them resign and I can find new applications tomorrow from able men in Massachusetts alone to fill every place. Talk about not being able to get material to fill this service! Why, you can get it from one side of the Nation to the other.

The only argument that is made here this evening is that it is self-sustaining; that we are about to make it pay. Why, suppose the Post Office Department was to take in \$100,000,000 a year revenue more than it pays out, would the gentleman distribute that \$100,000,000 in increases of salary? Suppose our revenue service, as suggested by my distinguished colleague from Texas [Mr. BLACK], should take in one hundred times as much as it takes in now, would you distribute all that in increased salaries and expenses? Why, that is a ridiculous argument; there is nothing to it. I want to say that it pays every Member of Congress to watch these propositions. Why, one gentleman on that committee said that we had notice of this. Why, the notice I got through the press and elsewhere was that Congress to-day was to pass on the debt-funding proposition.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SEARS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GREENE of Massachusetts. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Chairman, I just want to ask the gentleman from Massachusetts a question as to his intention with reference to proceeding with the bill. I understand the gentleman does not hope to conclude this bill this afternoon. I know he has been very busily engaged, and perhaps he does not realize how bad the weather is; and a great many Members are going to have to go some distance—it is a very bad season for illness, as the gentleman knows—and I suggest to the gentleman, as he does not hope to finish this evening, it would be a very nice thing if he would move that the committee rise.

Mr. PORTER. I have no objection.

The CHAIRMAN. The Chair suggests that a vote be had on the amendment offered by the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, that is a pro forma amendment, and I ask permission to withdraw it.

There was no objection.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section be now terminated.

There was no objection.

Mr. PORTER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill (H. R. 13880) for the reorganization and improvement of the foreign service of the United States, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BULWINKLE, for five days on account of official business; and

To Mr. RAKER, for to-day on account of official business.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 7, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

951. A communication from the President of the United States, transmitting a communication from the Secretary of the Navy submitting an estimate of appropriation in the sum of \$4,400.52 to pay claims which he has adjusted under the provisions of the act of December 28, 1922, and which require an appropriation for their payment (H. Doc. No. 550); to the Committee on Appropriations and ordered to be printed.

952. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department for the fiscal year ending June 30, 1923, for survey of the Rio Grande for the protection from floods of the city of El Paso, Tex., and the lands embraced in the Rio Grande irrigation project, \$35,000 (H. Doc. No. 551); to the Committee on Appropriations and ordered to be printed.

953. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Labor for the fiscal year ending June 30, 1923, amounting to \$120 (H. Doc. No. 552); to the Committee on Appropriations and ordered to be printed.

954. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Canoe Creek, Henderson County, Ky., at its junction with the Ohio River, with a view to dredging and establishing a harbor of refuge (H. Doc. No. 553); to the Committee on Rivers and Harbors and ordered to be printed.

955. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Petoskey Harbor, Mich.; to the Committee on Rivers and Harbors.

956. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Mystic River, Mass.; to the Committee on Rivers and Harbors.

957. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Murderers Creek, N. Y.; to the Committee on Rivers and Harbors.

958. A letter from the Secretary of War, transmitting with a letter from the Chief of Engineers, report on preliminary examination of Guilford Harbor, Conn.; to the Committee on Rivers and Harbors.

959. A letter from the Secretary of the Navy, transmitting further information regarding his letter of January 19, 1923, inclosing a draft of a bill "To increase the authorized cost of certain vessels now building for the Navy"; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HERSEY: Committee on the Judiciary. S. 2703. An act to allow the printing and publishing of illustrations of foreign postage and revenue stamps from defaced plates; with amendments (Rept. No. 1547). Referred to the House Calendar.

Mr. HERSEY: Committee on the Judiciary. H. R. 14135. A bill to amend an act approved September 8, 1916, providing for holding sessions of the United States district court in the district of Maine, and for other purposes; without amendment (Rept. No. 1548). Referred to the House Calendar.

Mr. FIELDS: Committee on Military Affairs. S. J. Res. 48. A joint resolution authorizing retirement as warrant officers of certain Army field clerks and field clerks, Quartermaster Corps; without amendment (Rept. No. 1550). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUTLER: Committee on Naval Affairs. S. 4137. An act to authorize the transfer of certain vessels from the Navy to the Coast Guard; with amendments (Rept. No. 1551). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DARROW: A bill (H. R. 14221) for the benefit of commissioned officers of the Coast Guard who at the time of their respective retirements had 40 years of active service and held the rank of commander; to the Committee on Interstate and Foreign Commerce.

By Mr. WINSLOW: A bill (H. R. 14222) to amend the trading with the enemy act; to the Committee on Interstate and Foreign Commerce.

By Mr. FREAR: A bill (H. R. 14223) amending section 230 of the revenue act of 1921; to the Committee on Ways and Means.

By Mr. DALLINGER: A bill (H. R. 14224) to determine proceedings in contested elections of Members of the House of Representatives; to the Committee on Elections No. 1.

By Mr. CLARKE of New York: A bill (H. R. 14225) to provide through cooperation between the Federal Government, the States, and owners of timberlands for adequate protection against forest fires, for the reforestation of denuded lands, for the extension of national forests, and for other purposes, in order to promote forest renewal and the continuous production of timber on lands chiefly suitable therefor; to the Committee on Agriculture.

By Mr. VOLSTEAD: A bill (H. R. 14226) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; to the Committee on the Judiciary.

By Mr. FREAR: A joint resolution (H. J. Res. 436) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SMITH of Idaho: A resolution (H. Res. 511) for the consideration of S. 4187; to the Committee on Rules.

By Mr. IRELAND: A resolution (H. Res. 512) authorizing the appointment of additional clerk, who shall be under supervision of the Clerk of the House; to the Committee on Accounts.

By the SPEAKER (by request): Memorial of the Legislature of the State of North Dakota asking Congress to transfer the tract of land with buildings thereon known as Fort Lincoln to the State of North Dakota, so that this property may be used as a State training school; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEMPSEY: A bill (H. R. 14227) granting a pension to Elizabeth Cummings; to the Committee on Invalid Pensions.

By Mr. FENN: A bill (H. R. 14228) granting a pension to Henrietta Richmond; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 14229) granting a pension to David Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14230) granting a pension to Harry M. Davis; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 14231) granting a pension to Cordelia Kite; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14232) granting a pension to Maggie Wilson; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 14233) granting an increase of pension to Sarah E. Coleman; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14234) granting a pension to Barbara L. Houston; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7205. By Mr. ABERNETHY: Petition of Oasis Temple of Shriners, by resolution passed at the regular meeting at Charlotte, N. C., on December 7, 1922, indorsing and urging the passage of the Townner-Sterling bill providing for the creation of a department of education with the head of that department a member of the President's Cabinet and under and by which the cause of education will be materially advanced; to the Committee on Education.

7206. By Mr. CHALMERS: Petition protesting against the passage of House bill 9753, or any other Sunday bill, as, for example, House bill 4388 and Senate bill 1948; to the Committee on the District of Columbia.

7207. By Mr. FROTHINGHAM: Petition from 2,176 citizens of the fourteenth congressional district of Massachusetts, asking consideration and passage at this session of Congress of a United States ship subsidy bill; to the Committee on the Merchant Marine and Fisheries.

7208. By Mr. KAHN: Petition of the California Club, of San Francisco, Calif., urging that an antinarcotic week be proclaimed early in 1923 as a means of mobilizing all public-spirited bodies for the work of arousing the American people to the gravity of the drug menace; to the Committee on Interstate and Foreign Commerce.

7209. Also, petition of citizens of San Francisco, Calif., urging Congress to extend immediate aid to the people of the Ger-

man and Austrian Republics; to the Committee on Interstate and Foreign Commerce.

7210. Also, petition of the Council of Jewish Women, Section of San Francisco, urging that an antinarcotic week be proclaimed early in 1923 as a means of mobilizing all public-spirited bodies for the work of arousing the American people to the gravity of the drug menace; also urging an international conference on the narcotic problem, with a view to securing the limitation by treaty of the basic production of poisonous drugs which constitute a major menace to American life; to the Committee on Interstate and Foreign Commerce.

7211. Also, petition of the Woman's Christian Temperance Union of California, urging that an antinarcotic week be proclaimed early in 1923 as a means of mobilizing all public-spirited bodies for the work of arousing the American people to the gravity of the drug menace; and urging an international conference on the narcotic problem, with a view to securing the limitation by treaty of the basic production of poisonous drugs which constitute a major menace to American life; to the Committee on Interstate and Foreign Commerce.

7212. By Mr. KISSEL: Petition of Ward & Tully (Inc.), Brooklyn, N. Y., urging modification of the present immigration law; to the Committee on Immigration and Naturalization.

7213. By Mr. MEAD: Petition of members of Wurttemberger Schwaben Unterstutzungs Verein, Buffalo, N. Y., urging Congress to extend aid to the people in the famine areas of Germany and Austria; to the Committee on Foreign Affairs.

7214. By Mr. TINKHAM: Petition of the board of aldermen, Medford, Mass., favoring an embargo being placed on coal shipped from the United States to Canada; to the Committee on Interstate and Foreign Commerce.

7215. By Mr. YATES: Petition of J. T. Witt and 31 other residents of Macoupin County, Ill., urging a policy of protection toward the Federal farm loan act and opposing all measures which might destroy its intention; to the Committee on Banking and Currency.

SENATE.

WEDNESDAY, February 7, 1923.

(Legislative day of Monday, February 5, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary, George A. Sanderson, read the following communication:

WASHINGTON, D. C., February 7, 1923.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll. The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McKellar	Sheppard
Ball	Frelinghuysen	McKinley	Shields
Bayard	George	McNary	Shortridge
Borah	Gerry	Moses	Spencer
Brandeggee	Glass	Nelson	Sterling
Brookhart	Gooding	New	Sutherland
Broussard	Harrison	Nicholson	Swanson
Calder	Heflin	Norbeck	Townsend
Cameron	Johnson	Norris	Underwood
Capper	Jones, Wash.	Oddie	Wadsworth
Caraway	Keyes	Overman	Walsh, Mass.
Colt	King	Page	Warren
Culberson	Ladd	Phipps	Watson
Curtis	Lodge	Poin Dexter	Willis.
Dial	McCormick	Pomerene	
Dillingham	McCumber	Reed, Pa.	

Mr. BROOKHART. I wish to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on business of the Senate.

Mr. HARRISON. I wish to state that the Senator from Arkansas [Mr. ROBINSON], the Senator from Georgia [Mr. HARRIS], and the Senator from Louisiana [Mr. RANDELL] are absent on official business.

The PRESIDING OFFICER. Sixty-two Senators having answered to their names, a quorum is present.

WASHINGTON & OLD DOMINION RAILWAY.

The PRESIDING OFFICER (Mr. MOSES) laid before the Senate a communication from the president of the Washington & Old Dominion Railway, transmitting, pursuant to law, the report of that railway for the year ended December 31, 1922, which was referred to the Committee on the District of Columbia.

DEPARTMENTAL USE OF AUTOMOBILES.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of War, transmitting, in further response to Senate Resolution 399, agreed to January 6, 1923, information relative to the number and cost of maintenance of passenger-carrying automobiles in use by the War Department, covering the nine corps areas, the three overseas departments, the Graves Registration Service, and United States military attachés abroad, which was ordered to lie on the table.

PETITIONS AND MEMORIALS.

The PRESIDING OFFICER laid before the Senate the following concurrent resolution of the Legislature of New York, which was referred to the Committee on Immigration:

IN THE SENATE OF THE STATE OF NEW YORK,
Albany, January 31, 1923.

Whereas the immigration laws enacted by the Congress of the United States have operated so as to work injustice on many foreign born aspiring to be citizens of this country, to deny to the oppressed of other countries the refuge and the opportunity which this country has traditionally offered to the human race, and to deprive this country itself of that influx of law-abiding, industrious, and thrifty men and women such as have in the past built up our industries and our commerce;

Whereas the most objectionable feature of such immigration laws is the so-called "quota" provision thereof:

Resolved (if the assembly concur), That Congress be, and it hereby is, memorialized so to revise the immigration laws as to eliminate therefrom such objectionable provision and to provide a statute which, while judiciously excluding undesirable elements, will permit of the free immigration to the country of those who intend by honest, earnest, and worthy means to take advantage of the benefits of our Nation and its institutions.

Resolved (if the assembly concur), That a copy of this resolution be transmitted to the Clerk of the Senate and of the House of Representatives of the Congress.

By order of the senate.

D. F. MULLANEY, Clerk.

In assembly, February 1, 1923.

Concurred in without amendment.

FRED W. HAMMOND, Clerk.

Mr. McCUMBER presented the following resolution of the Legislature of North Dakota, which was referred to the Committee on Military Affairs:

DEPARTMENT OF STATE,
STATE OF NORTH DAKOTA.

To all to whom these presents shall come:

I, Thomas Hall, secretary of state of the State of North Dakota, do hereby certify that the following concurrent resolution was adopted by the eighteenth legislative assembly.

Dated at Bismarck, N. Dak., this 3d day of February, 1923.

[SEAL.]

THOMAS HALL, Secretary of State.

Concurrent resolution introduced by J. C. Miller.

Be it resolved by the House of the Eighteenth Legislative Assembly of the State of North Dakota (the Senate concurring therein):

Whereas the location of the training school of the State of North Dakota is insanitary by reason that portions of its site are annually inundated by the Missouri and Heart Rivers, causing great financial loss and being a source of disease; and

Whereas said training school is in a much overcrowded condition, having room to comfortably house and care for only about one-third of its present occupants; and

Whereas children of all ages and sexes and of varying degree of moral and mental development are thrown together, thereby creating an improper atmosphere; and

Whereas there is an insufficient amount of land in connection with the said training school for the employment of such pupils during such time as they are not occupied in mental training or recreation; and

Whereas the property now used by the State of North Dakota for a training school is badly needed for other purposes; and

Whereas the resources of the State have been impaired by drought and other causes of crop failure to such an extent that it can not provide the necessary facilities needed for those requiring a training school; and

Whereas the United States Government now owns and controls a tract of land, with buildings thereon, known as Fort Lincoln, admirably situated for the purpose of a training school; and

Whereas such land and buildings are wholly unoccupied and are an expense to the Government in the repair, maintenance, and upkeep thereof: Now, therefore, be it

Resolved by the House of Representatives of the State of North Dakota (the Senate concurring therein), That the Congress of the United States at its earliest possible convenience take such action as is necessary to the end that this property may become available to the State of North Dakota for the use thereof as a State training school; and be it further

Resolved, That the secretary of state be instructed to transmit a copy of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and one to each of the Members of both Houses of Congress from the State of North Dakota, immediately upon its passage and approval.

Mr. WILLIS presented a resolution of the Dixie Chapter, United Daughters of the Confederacy, at Columbus, Ohio,

favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. NELSON presented a communication in the nature of a petition from the president of the Mahanomen Business Association, of Mahanomen, Minn., praying that an appropriation be made for the relief of the Chippewa Indians of Minnesota, which was referred to the Committee on Indian Affairs.

Mr. KEYES presented resolutions of members of the Brookline Federated Churches of Brookline and of the Manchester District Conference of Club Women of Derry, Goffstown, Greenville, Hudson, Hollis, Merrimack, Manchester, Milford, Mont Vernon, Nashua, New Boston, Salem, and Windham, all in the State of New Hampshire, praying for an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

Mr. TOWNSEND presented petitions, numerous signed, of sundry citizens of the State of Michigan, praying for the passage of legislation extending immediate aid to the famine-stricken peoples of the German and Austrian Republics, which were referred to the Committee on Appropriations.

Mr. McLEAN presented a memorial of sundry citizens of Stonington, Conn., remonstrating against the passage of the so-called Bursum bill, affecting Pueblo Indian lands, and urging the passage of the so-called Jones bill on the same subject, which was referred to the Committee on Public Lands and Surveys.

He also presented a resolution adopted at the annual session of the Connecticut State Grange, at Middletown, Conn., favoring the passage of the so-called Voigt filled milk bill, which was ordered to lie on the table.

He also presented a resolution of Camp No. 10764, Modern Woodmen of America, at New Britain, Conn., protesting against the passage of the so-called Richmond bill, affecting mortuary funds and classification of members of fraternal insurance societies, etc., which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the United Workers of Norwich, Conn., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. LADD presented a resolution of the Drake National Farm Loan Association, of Drake, N. Dak., protesting against the passage of the so-called Strong bill, amending certain sections of the Federal farm loan act, etc., which was referred to the Committee on Banking and Currency.

REPORT OF COMMITTEES.

Mr. McCUMBER, from the Committee on Finance, to which was referred the bill (H. R. 10816) to fix the annual salary of the collector of customs for the district of North Carolina, reported it without amendment and submitted a report (No. 1089) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1104. An act for the relief of Marion B. Patterson (Rept. No. 1090); and

S. 3394. An act for the relief of the De Kimpke Construction Co., of West Hoboken, N. J. (Rept. No. 1091).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2787. An act for the relief of the Neah Bay Dock Co., a corporation (Rept. No. 1092);

S. 3843. An act for the relief of the owners of the steamship *Kin-Dave* (Rept. No. 1093);

S. 4322. An act for the relief of the owners of the barge *Havana* (Rept. No. 1094); and

S. 4396. An act for the relief of Eldredge & Mason, of Malone, N. Y. (Rept. No. 1095).

H. R. 962. An act for the relief of the heirs of Robert Laird McCormick, deceased (Rept. No. 1096);

H. R. 2702. An act for the relief of J. W. Glidden and E. F. Hobbs (Rept. No. 1097);

H. R. 4421. An act for the relief of John Albrecht (Rept. No. 1098);

H. R. 5251. An act for the relief of Ruperto Vilche (Rept. No. 1099);

H. R. 7322. An act for the relief of John F. Homen (Rept. No. 1100);

H. R. 8448. An act for the relief of Joseph Zitek (Rept. No. 1101);

H. R. 9862. An act for the relief of the Fred E. Jones Dredging Co. (Rept. No. 1102);

H. R. 9944. An act for the relief of Vincent L. Keating (Rept. No. 1103);

H. R. 10047. An act for the relief of Frances Martin (Rept. No. 1104); and

H. R. 10179. An act for the relief of Americus Enfield (Rept. No. 1105).

Mr. CAMERON, from the Committee on the District of Columbia, to which was referred the bill (S. 4117) authorizing the closing of certain portions of Grant Road, in the District of Columbia, and for other purposes, reported it without amendment and submitted a report (No. 1106) thereon.

Mr. GOODING, from the Committee on the District of Columbia, to which was referred the bill (H. R. 5018) to authorize the widening of First Street NE, and for other purposes, reported it without amendment and submitted a report (No. 1107) thereon.

Mr. PEPPER, from the Committee on Naval Affairs, to which was referred the bill (H. R. 1290) for the relief of Cornelius Dugan, reported it without amendment and submitted a report (No. 1108) thereon.

Mr. SWANSON, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 6538. An act for the relief of Grey Skipwith (Rept. No. 1109); and

H. R. 11340. An act to advance Maj. Ralph S. Keyser on the lineal list of officers of the United States Marine Corps, so that he will take rank next after Maj. John R. Henley (Rept. No. 1110).

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRELD:

A bill (S. 4491) to enroll certain persons, if entitled, with the Choctaw Tribe of Indians; to the Committee on Indian Affairs.

By Mr. CALDER:

A bill (S. 4492) to amend section 4 of the national defense act; to the Committee on Military Affairs.

A bill (S. 4493) for the relief of the owners of the American schooner *Moust Hope*; and

A bill (S. 4494) for the relief of the owners of the schooner *Blanche C. Pendleton*; to the Committee on Claims.

By Mr. PEPPER:

A bill (S. 4495) to provide for the carrying out of the award of the War Labor Board of July 31, 1918, in favor of certain employees of the Bethlehem Steel Co., at Bethlehem, Pa.; to the Committee on Claims.

By Mr. SWANSON:

A bill (S. 4496) to establish a national park in the State of Virginia (with an accompanying paper); to the Committee on Public Lands and Surveys.

By Mr. STERLING:

A joint resolution (S. J. Res. 276) proposing payment to certain employees of the United States; to the Committee on the Judiciary.

NAVAL STORES TRAFFIC.

Mr. HARRISON submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 1076) establishing standard grades of naval stores, preventing deception in transactions in naval stores, regulating traffic therein, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

JENNIE LIERLE, ALICE EVARTS, AND CORA C. WOOD.

Mr. POINDEXTER submitted the following resolution (S. Res. 435), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to Jennie Lierle, Alice Evarts, and Cora C. Wood, daughters of John L. Ridenour, late a private of the Capitol Police, authorized by sundry civil act, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives by Mr. Overhue, its enrolling clerk, announced that the House had passed without amendment the bill (S. 2023) defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed, and for other purposes.

WAR DEPARTMENT APPROPRIATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. BORAH. Mr. President, referring to page 106 of the bill, I offer an amendment, in line 12, to strike out the numerals "\$56,589,910" and to insert in lieu thereof "\$27,000,000." The item to which I refer is what is known as the rivers and harbors item, and the amount which I offer in lieu of the figures in the bill is the amount which was recommended by the Budget Bureau.

I called attention yesterday to the peculiar way in which the rivers and harbors appropriation item comes to the Senate for consideration at this time. It is here in a single item in the War Department appropriation bill. We are practically deprived of any opportunity of considering or discussing the separate items which make up the \$56,000,000. But the point which I now present is the question of whether we shall disregard entirely the recommendations of the Budget Bureau.

I am not opposed to rivers and harbors appropriations, as such, in their entirety. I recognize that there are projects which have merit and for which appropriations ought to be made, but I think if there are any two propositions to which the party now in power and responsible for legislation were committed in the last campaign it was, first, to give the Budget law a fair opportunity to demonstrate its worth and, second, that of economy. As the President said in his address to the heads of the departments some weeks ago, it is practically impossible to have economy in public expenditures unless we in good faith undertake to apply the Budget law. Now, I have not been a believer in the advocacy of the Budget system to the extent of some of its advocates. I feel that the responsibility after all is here in the Congress. But if it is to be given a fair opportunity, now is the time to test our faith in the law.

What is known as the McCormick budget law was passed about a year ago, and this is really the first test which the law is to have. Strangely enough and peculiarly enough, the test comes between the budget law and the rivers and harbors appropriation. As stated by the Senator from New York [Mr. WADSWORTH] yesterday—

Mr. MCCORMICK. The Senator from Idaho does not think it is strange that the test should come there? Where more likely would it come than on the rivers and harbors appropriation?

Mr. BORAH. I should say, then, that strangely enough the defeat of the budget law will come when it meets the rivers and harbors appropriation item.

Mr. MCCORMICK. That is more interesting.

Mr. BORAH. At any rate, we are now met with the proposition of whether we shall wholly disregard the recommendations of the Budget Bureau when it comes to the question of appropriating for rivers and harbors. The Budget Bureau recommended \$27,000,000.

Mr. WATSON. Mr. President, will the Senator permit an interruption?

Mr. BORAH. Certainly.

Mr. WATSON. Did the Budget Bureau specifically state the items of the appropriation and the amount for each? I wondered for what they recommended appropriations, or whether or not they recommended a lump sum.

Mr. BORAH. I understand they recommended a lump sum, and, of course, they made a recommendation after studying, as I understand, the different projects. That is my understanding.

Mr. WATSON. I did not know but that it was in the report.

Mr. MCCUMBER. Mr. President, will the Senator yield?

Mr. BORAH. Certainly.

Mr. MCCUMBER. Does the Senator understand that they studied the different projects?

Mr. BORAH. That is what I understand.

Mr. MCCUMBER. Is there any claim that the Appropriations Committee studied each one of the projects on which an estimate was made by the engineers and considered the feasibility and propriety of each of the projects?

Mr. BORAH. No; I did not say that the Committee on Appropriations studied each project. I said I assumed that the Budget Bureau must have studied the different projects in order to arrive at an intelligent conclusion.

Mr. MCCUMBER. But there is no evidence here that the committee studied any of them or exercised any judgment

whatever in reference to the various projects. If there is, I would like to get the recommendations which were made by the committee and the reasons for the recommendations.

Mr. BORAH. I do not know what the committee did in the way of studying the projects. I assume that in all probability the committee did not take up the different projects because the way the bill is now being considered they likely found it impractical to do so.

Mr. WARREN. Mr. President, will the Senator yield?

Mr. BORAH. Certainly.

Mr. WARREN. The Senator will remember that the rivers and harbors item is for the second time on the War Department appropriation bill. Under the rules of the Senate, in the consideration of the rivers and harbors items there are at least three members taken from the Committee on Commerce, which formerly had jurisdiction of that matter, to sit with and as a part of the Subcommittee on Appropriations and also the general Committee on Appropriations. The general Appropriations Committee had all the estimates. The Budget had picked out a list of items and grouped them together in one sum and made a lump-sum recommendation; the committee's work is to take that recommendation for granted, unless in looking over the special items which it constituted they deem it wise to vary from the Budget recommendation. In other words, the Budget is taken at its best judgment, unless the Congress committees determine otherwise.

Mr. McCUMBER. If the Senator will yield to me for another question—because I am going to support his amendment, but I want a little information on it—I want to know where I can look for the proper information if I find that the engineers have recommended \$500,000 for Tadpole Inlet, and I want to know why it is recommended and what they expect from it. I am entitled to have that if I am going to vote upon the subject of this extra \$29,000,000, or even the \$27,000,000. I may not agree that Tadpole Inlet is worth putting in \$500,000 extra in dredging it, and so with many other streams, and so forth. I wish some one connected with this legislation would direct me where to find the information upon which I can exercise some judgment as to whether I should vote to increase it to \$29,000,000 or reduce it to \$10,000,000 or \$15,000,000 below the estimates.

Mr. KING. The Senator must not ask for impossibilities.

Mr. McCUMBER. If the Senator will give me that information I shall be greatly obliged to him.

Mr. BORAH. Mr. President, I will ask the Senator from New York if he can advise the Senator from North Dakota as to where he can get the Engineers' report on these different projects—Tadpole Inlet and others?

Mr. WADSWORTH. Mr. President, the only Engineers' report with which I am familiar is the one which is printed in the House hearings, which sets forth the projects and the amounts of money which it is proposed to spend on each project under the \$56,000,000 plan. The Budget Bureau itself, in recommending an appropriation of \$27,625,760, does not recite the projects upon which that sum in the aggregate is to be spent. It gives a recapitulation of the general purposes for which the \$27,000,000 plus is to be spent, but not the list of projects.

Mr. KING. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. KING. May I invite the attention of the Senator from New York to the fact, however—and it is a fact, as I am advised—that the engineers went before the Budget Bureau, General Lord and his associates, and submitted a statement asking for over \$50,000,000—indeed, seventy-odd million dollars, including certain appropriations for the Mississippi River—and the Budget Bureau had before it whatever data the engineers had before them, and, with that information before the Budget Bureau it made a recommendation of \$27,651,000.

Mr. WADSWORTH. Just to make it absolutely accurate—I think I am accurate about it—I do not think the engineers were put in the position of asking for the \$56,000,000. I think they were asked to submit a memorandum setting forth what sums, in their judgment, could be advantageously spent on the several authorized projects. The Chief of Engineers first received recommendations on that point from all the district engineer officers in actual charge of the river and harbor work in the different parts of the country. Their recommendations came in from each district. That was toned down in the office of the Chief of Engineers, and finally the Chief of Engineers submitted the list of projects with the sums opposite each project which, in the judgment of the Engineers Corps, could be advantageously expended; but they were asked to do that.

Mr. KING. And with that information before the Budget Bureau that bureau recommended the \$27,000,000 plus?

Mr. WADSWORTH. It did.

Mr. McCUMBER. But even in those recommendations, do the engineers or the bureau indicate the usefulness of each of these several projects—the deepening or the widening of Frog Creek, for example? Do they show how it will be necessary, how it will help the Government, how it will tend to increase our commerce, inland or with foreign nations? Really that is the information that we want to get at.

Mr. BORAH. Mr. President, of course there is no such information as that. If such information as that were required, that would cleanse and clarify the whole proposition of river and harbor appropriations. If they were required to show wherein a number of these projects would benefit interstate commerce or benefit trade between the States in any way, I apprehend they would be unable to do it. In view of the manner in which the bill is now being presented the Senator from North Dakota will never be able to obtain that kind of information.

Mr. FLETCHER. Mr. President, if the Senator from Idaho will allow me for just a minute, I desire to say that all the information the Senator from North Dakota has suggested should be obtained is found in the report of the Chief of Engineers and has been available ever since last December. It embraces two large volumes, which we have here. It is also found in the hearings before the House committee and in the hearings of the Appropriations Committee of the Senate. So the data are all furnished there. Such "frog ponds" and "tadpole creeks," for instance, as New York Harbor will receive an appropriation of something like \$7,000,000 under this bill. Such insignificant streams as the Ohio River will also get something like \$7,000,000 of this appropriation. Those matters are all set forth in the hearings. I could take time to refer to some of the important ones if the Senator desired, but I think that is hardly necessary.

In the first place, as the bill now stands, the appropriation of \$13,000,000 is intended for the maintenance of projects which have been already adopted, upon which work has been prosecuted for years, and which are to be completed. There is also an appropriation of \$13,000,000 for inaugurating the work on 35 projects which were selected out of 200 projects which had been recommended by the engineers in December, 1922. Then the work of improving such small streams as I have mentioned constitutes a good part of the additional appropriation of approximately \$30,000,000.

Mr. BORAH. Mr. President, I repeat that there are undoubtedly projects which ought to be appropriated for, and to which I should not offer any objection, but I think that all Senators must agree that there are projects always being urged and often appropriated for which are indefensible and which it would be impossible to show would be beneficial to commerce should the appropriation be made.

I have examined to some extent the reports to which the able Senator from Florida has referred and they do contain information, but there is not the information contained in them, so far as I have been able to discover, for which the Senator from North Dakota was calling; that is to say, the information which would show wherein and how these different appropriations, with a very few exceptions, would benefit interstate commerce. There are appropriations for streams down which, in my opinion, a duck could not float during a large portion of the year, and as to which it would be impossible to show wherein commerce would be benefited by appropriations for their improvement. There are some benefits to be derived from certain of the projects, of course, and very little argument is needed in their support.

However, I come back, Mr. President, to the point which I desire to stress particularly, but only briefly so far as this particular amendment is concerned. The amount suggested in lieu of the figures now carried by the bill is the amount which was recommended by the Budget Bureau. We must assume that the Budget Bureau made an investigation of this subject, and that it arrived at its conclusion after a fair investigation. If we should assume that the Budget Bureau merely suggested a lump-sum appropriation, without any investigation at all, that would be the severest indictment which could possibly be brought against the entire budget system. We must assume—and I am informed that that is true—that after consulting the engineers, after receiving their reports, the Budget Bureau undertook to determine what amount could be properly expended, and then finally recommended the sum of \$27,000,000.

Mr. POINDEXTER. Mr. President, may I ask the Senator from Idaho a question?

Mr. BORAH. Yes, sir.

Mr. POINDEXTER. I agree with the Senator entirely in his general attitude toward the sweeping and general increase in this proposed appropriation, but in his comments

on the Budget Bureau and on the principles upon which that bureau operates I am very much interested in the Senator's view on the subject. As I understand, the Senator from Idaho takes the position that Congress and the Board of Engineers ought altogether to subordinate their judgment as to the need for appropriations to the findings which may be made by the Budget Bureau after that bureau makes an examination into the merits of each particular project.

Mr. BORAH. No; I do not take that position, Mr. President. I recognize, as I have said time and time again, that the responsibility is entirely here upon Congress; but I do say that where the Budget Bureau has made a recommendation, if there is a project which ought to be included which the bureau did not recommend or if an amount should be included which the bureau failed to include, the reasons and the facts ought to be presented here in the report on this bill to Congress, so that we might know why the exceptions should be made.

Mr. POINDEXTER. I think the Senator's view on that subject is absolutely sound and correct, but my idea about the Budget Bureau is that the point they are to examine into particularly is the resources of the Government. Of course, the Budget Bureau is an undeveloped agency to a large extent, but it would seem to be its purpose and function to make some estimate of what money the Government will have to expend. It occurs to me, however, that as to river and harbor improvements the Budget Bureau would have to take the reports of some other agency which was better informed than the Budget Bureau could possibly be as to what is needed, and then the Budget Bureau would determine how much they could allow out of the total resources of the Government for that general purpose.

The increase which is carried in this bill of some \$29,000,000, or whatever the sum may be, has been inserted in a lump sum, and it comes to us, as the Senator has stated, without any information as to the needs of particular projects. I tried to get here the other day an appropriation of half a million dollars for an archives building for the Government. That was denied because the Budget Bureau has not included it in its estimates.

The Government is deprived of the means of preserving its valuable documents, at a cost of \$500,000, to begin with, for the fiscal year, and yet the same body that denies that on the ground of economy authorizes, without any information as to details, an additional lump-sum appropriation for rivers and harbors of \$29,000,000, and provided an appropriation in the Agricultural appropriation bill of \$500,000 to investigate the food habits of bobcats and other wild animals, although if a man will take a 10-cent piece of raw meat and offer it to a bobcat he can find out what its food habits are.

Mr. BORAH. Mr. President, I do not think I disagree with the Senator from Washington as to his views about the function and the duty of the Budget Bureau, but in the case of the particular bill with which we are now dealing in connection with the item for rivers and harbors we find that the Budget Bureau makes a recommendation of \$27,000,000. The bill finally reaches the Senate with more than double that amount, carrying some \$56,000,000, making an increase of \$29,000,000, and that in a lump sum in an Army appropriation bill.

Mr. President, it may be that we are entirely mistaken as to the work of the Budget system; but, unless it is something more than a scheme to give positions to a few men and place them upon the pay roll and to be utilized during political campaigns, we certainly must pay some respect to the recommendations which it has made, and when we undertake to override its recommendations or to disagree with its recommendations the reasons for doing so ought to be specifically set forth; the justification ought to be made a matter of record, first, in a report, and finally by what may be said here upon the floor.

There is nothing here to advise the Senate as to why the Budget Bureau should be overridden; there is no evidence here to show me why it should be disregarded. I am frank to say that I should not feel compelled to accept the recommendations of the Budget Bureau if the evidence before me seemed not to justify the acceptance of the amount which they recommended.

Mr. SPENCER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. SPENCER. If the Senator would examine the hearings upon this question in the House, I think he would find all the items, the aggregate of which makes up the amount of the appropriation, definitely set out, with the progress that has been made upon the several projects, and with the amounts that are necessary to maintain and continue them.

Mr. BORAH. I have looked at the hearings of the House committee; I have read the debates in the House, and I have tried to examine the matter as best I may; but it is all gen-

eralization. We might just as well put in a hundred other projects for the same reasons as the reasons which are assigned there. They constitute the same argument exactly which has been advanced with reference to rivers and harbors at all times.

Now we are up against the proposition that, so far as rivers and harbors are concerned, the Budget law is a dead letter. There is not any more respect paid to the recommendation of the bureau than if the recommendation had been made by some unofficial body; no exception is urged based upon any different kind of a showing than would have been made without any recommendation of this particular bureau. We have now in the bill twice the amount, as I have said, which the Budget Bureau recommended, and if there is anything in the House hearings which goes into the details as to why the amount of the appropriation should be so greatly increased, different from the argument which is always made for a river and harbor appropriation, namely, that it is convenient to have it, I have been unable to discover it. I have a number of the documents before me now, some of which I have examined. But what is the Senator from Missouri going to do with the Budget Bureau in an instance of this kind?

Mr. SPENCER. I think anyone who read the hearings would come to the conclusion that the Budget Bureau made their findings, not because of the emergent character of or the necessity for the items, but because of the necessity, in their judgment, for economy. Where I differ from the Budget Bureau is in this respect, that in the amount recommended by them there is no economy; but there is, as perhaps I may be able to show when the Senator has taken his seat, the grossest extravagance. They are dealing with a subject that needs far more than the appropriation recommended by them gives to it.

Mr. BORAH. Mr. President, that argument eliminates the existence of the Budget Bureau. If it is to be said that the Budget Bureau simply takes a one-sided or a narrow view of the proposition, which is an inconsiderate proceeding, if their recommendations are to be set aside upon that ground, the same argument will always be advanced here in favor of an appropriation, and we then come back to the question, What is the virtue of a recommendation of the Budget Bureau?

Mr. SPENCER. I understood the Senator to say but a moment ago that, if the evidence which was submitted to him warranted the conclusion in his mind that the Budget Bureau were wrong in their estimate, he would have no hesitation in acting upon his information and not upon the recommendation of the Budget Bureau. That is precisely the condition here.

Mr. BORAH. I remind the Senator of the fact that there is no such evidence, and of the showing that none can be gathered. The argument which is adduced in favor of these appropriations is precisely the same that has been adduced at all times in support of the appropriations for these particular projects. There is no different strain of argument or any different tone of presentation of the entire question. In other words, the Budget Bureau has set aside and disregarded it entirely, and simply says, "We think this ought to be done, and for the same reasons we have had heretofore." The Senator will have to agree with me, then, I think, that so far as rivers and harbors are concerned, the Budget Bureau is unfit to deal with the subject.

Mr. SPENCER. I would not say that, by any means. I think they are entirely competent to deal with it, and I think their recommendation is entitled, as it was given, to the greatest consideration, but in respect to this item I am convinced, as I shall endeavor to show in a few moments, that the Budget Bureau did not begin to appreciate its importance.

Mr. BORAH. How does the Senator account for that?

Mr. SPENCER. I can not tell, except that it is human to err.

Mr. BORAH. It is human to err on the side of appropriations in the Congress of the United States; that is a certainty.

Mr. President, our appropriations this year, I am informed, will run somewhat over \$3,000,000,000. Does not the Senator think that the question of economy and the question of the condition of the Treasury ought to be considered under all circumstances? I have no doubt that the Budget Bureau did take those matters into consideration. We have to consider the amount of money in the Treasury, and we should not undertake to appropriate more than is in the Treasury. Indeed, we ought to fall below that if possible; but they have to consider that matter, and they undoubtedly did consider it, and in the light of what they found they investigated these different projects, and came to the conclusion that we could get along with \$27,000,000.

Mr. SPENCER. I shall be very fortunate, when the Senator gets through, if I can convince him that the appropriation of \$27,000,000 would be ridiculous and that \$56,000,000 is not adequate. I do not express the confident hope that that will be the result.

Mr. BORAH. I have no doubt that if the Senator from Missouri gets into operation properly he will convince me that the United States Treasury ought to be located at St. Louis.

Mr. SPENCER. That would be a very good location.

Mr. BORAH. We will have to change our argument to the voter about the Budget Bureau. We can at least afford to be candid and admit that the Budget is only desired for dress occasions. If we increase the appropriation from \$27,000,000 to \$56,000,000 against the recommendation of the Budget Bureau it will be very difficult ever to maintain an interest upon the part of the people in the Budget Bureau hereafter. Indeed, we have paid very little attention to it, apparently, many times, but this is the most pronounced assault which has been made upon it. I shall now listen to the Senator to see if I have overlooked some of the evidence in this matter as to why there should be an exception.

JOINT MEETING OF THE TWO HOUSES.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to a concurrent resolution (H. Con. Res. 82) providing for a joint session of the two Houses at 1 o'clock p. m. to-day for the purpose of receiving a message from the President of the United States, in which the concurrence of the Senate was requested.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The Chair lays before the Senate the concurrent resolution of the House of Representatives, which will be read.

The Assistant Secretary read the concurrent resolution (H. Con. Res. 82), as follows:

Resolved by the House of Representatives (the Senate concurring). That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, the 7th day of February, 1923, at 1 o'clock in the afternoon, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

Mr. LODGE. I move that the Senate concur in the House resolution just received.

The concurrent resolution was considered by unanimous consent and agreed to.

Mr. LODGE. I ask that an order be entered that at 10 minutes before 1 o'clock the Senate shall stand in recess until it has had an opportunity to be present in the House to hear the message of the President and then return to its Chamber.

The PRESIDING OFFICER. Without objection, the order will be entered.

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. SPENCER. Mr. President, I do not underestimate the importance of the Budget system or of the recommendations of the Budget Bureau, but I call the attention of the Senator from Idaho to the fact that in the matter of the rivers and harbors of this country the House differed in principle from the Budget estimate as to what was necessary and, in my judgment, the House was right.

We are playing with our inland waterways. The Budget Bureau is of the opinion that we can carry them along for another year with \$27,000,000. What are the facts? In the interior of this country we have a great waterway system which enables us to send the products of the farm and the factory to the seaport practically by gravitation along highways which God has made, and what are we doing? We are, and we have been for years, hauling those products from the Central West over the Appalachian Mountain Range, or the Allegheny Mountain Range, and down again upon the other side, by railroads, at a cost infinitely greater than the waterway transportation would have cost, because of our failure to produce navigation on our inland waterways. This appropriation has to do with navigation.

I call the attention of the Senator from Idaho to the fact that in 100 years only one main project in our whole inland waterways system has been completed.

Mr. BORAH. How much have we expended in that 100 years?

Mr. SPENCER. We have expended millions of dollars, and millions of that has been wasted because of the inadequacy of the appropriations, as I shall show in a moment. I will take that up right now, if the Senator desires.

Let us take the appropriation for the development of the Mississippi River from Cairo to the mouth of the Missouri. In 1910 Congress said, "We will improve that stretch of river for navigation with an 8-foot channel from Cairo to St. Louis, and with a 6-foot channel from St. Louis to the mouth of the Missouri, and we will undertake a policy which shall provide \$21,000,000 in that 12 years, divided into annual appropriations."

If that had been done, the Mississippi would be a navigable stream nine months of the year from Cairo, where the Ohio comes in, northward to where the Missouri River empties in. But the total appropriation for that 12-year period, which ended a little more than a year ago, has not equaled \$2,000,000, with the result that we have made appropriations annually inadequate in amount, not sufficient to complete any definite part of the work, and such work is done as is permitted by that limited appropriation, and then the floods come, and winter comes, and what has been done is washed away and destroyed and has to be done over. That is how millions of dollars have been expended, and that is what will be the result if this plan is carried out again this year.

Mr. BORAH. Then, do I understand, as I said a few moments ago, that so far as the rivers and harbors are concerned, the Budget Bureau is utterly incompetent to deal with the subject?

Mr. SPENCER. I do not say it is incompetent. The Senator uses a word stronger than that to which I am willing to subscribe. I say the Budget Bureau fails to estimate the tremendous strategic importance in this country of our inland waterways.

Mr. BORAH. If it fails to estimate it, if it exists, as the Senator has said, it ought to be easily understood that thereby they show their utter unfitness to deal with it.

Mr. SPENCER. I use the language that they are mistaken at this time. The Senator can use whatever language he pleases.

Mr. BORAH. The Senator knows they are much more than mistaken.

Mr. SPENCER. Let me call the Senator's attention to the fact that in a hundred years there has been but one main project completed in our inland waterways. The project to which I refer is the one for the improvement of the Mississippi from New Orleans to Cairo, where the Ohio empties into the Mississippi. There have been little stretches, subsidiary streams, where projects have been completed; and if this appropriation goes through, my information is the main project on the Ohio, from up around Pittsburgh down to where it empties into the Mississippi, will be completed this year.

Mr. BORAH. That will be done, as I understand, if the appropriation stands at \$27,000,000.

Mr. SPENCER. I doubt it.

Mr. BORAH. I can not say; but from my information, which comes from a very reliable source, that would be the fact if the appropriation is but \$27,000,000, and that the Budget Bureau had in contemplation.

Mr. SPENCER. Let me call the Senator's attention to what results when we do complete a project. The Senator is doubtless familiar with the little project on the Monongahela, which is a subsidiary coming into the Ohio. The Monongahela and the Allegheny join and make the Ohio. Twelve million dollars were spent in making that river navigable for purposes of coal transportation, with the result that in one year after the navigability of that stream was established \$24,000,000 was saved in freight rates through shipment by the water route over what the cost would have been by rail transportation.

Mr. McCORMICK. Let me ask the Senator a question. Does he mean that freight was carried or that railroad rates were reduced by reason of the opening of the channel?

Mr. SPENCER. I mean to say that the freight rate on the Monongahela branch was 15 cents a ton by the river and \$1.25 a ton by railroad, and that the difference between those two amounts in a single year saved to the shippers and to the American people \$24,000,000, twice as much as the entire cost of the project.

Mr. McCORMICK. Let me put my question to the Senator again. Does he mean that freight was moved by water or by rail after the completion of the channel?

Mr. SPENCER. It was moved by water. Otherwise the saving could not have been made.

Mr. McCORMICK. Savings are alleged to have occurred, as the Senator will bear in mind, in the case, let us say, of the Hennepin Canal, by reason of the reduction of the freight rates, although practically no freight was moved by the canal.

Mr. SPENCER. In the case of the Monongahela there was an actual carriage of freight. The point I make in regard to that, and leave with the Senate, is this: That whenever we

come to the point where we are willing to deal with the inland waterways of our country upon a business basis, and instead of appropriating \$56,000,000, which this bill carries, provide a hundred million dollars a year for a certain number of years, we will develop the greatest potential asset for the Mississippi Valley that could be.

What is the Mississippi Valley? Broadly speaking, the Mississippi Valley is that part of our country which extends from the Allegheny Mountains on the east to the Rocky Mountains on the west, from the Gulf of Mexico on the south to the Great Lakes on the north. The Senator knows, I am sure, because of his great study in connection with things of that kind, what that means to this country. Seventy per cent of all the agricultural products of the country come from that section of the country. Fifty-five per cent of the entire population of the United States is domiciled there. Sixty-six per cent of the rural population is domiciled there. The Mississippi Valley comprises 64 per cent of the total area of the United States. It is the great grain-producing section of the Union. Every ton of freight that is carried upon the water saves 20 per cent in transportation cost, as against the cost of carriage by rail.

Mr. BORAH. Where will we come out in that when we reflect that we are guaranteeing the railroads an income?

Mr. SPENCER. That is another question.

Mr. BORAH. It is another question.

Mr. SPENCER. It is another question, and the Senator will agree with me that it does not come in right here.

Mr. BORAH. No; I think not.

Mr. STANLEY. Mr. President—

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Missouri yield to the Senator from Kentucky?

Mr. SPENCER. I yield.

Mr. STANLEY. Do I understand the Senator from Idaho to maintain that the transportation act guarantees a fixed income to the railroads?

Mr. BORAH. I understand it guarantees a certain percentage of income; yes.

Mr. STANLEY. I am afraid that to a greater or less extent that was the hope, and may have been the intention, of some of the people who wanted the legislation, but I do not believe a careful reading of the provision of the act will warrant so broad an assumption.

Mr. BORAH. Perhaps it is a little broad, but how much have we already paid them?

Mr. STANLEY. But in revolving funds and things of that kind we have paid several hundred million dollars. There was \$300,000,000 in one revolving fund. We have paid them billions of money in one way and another. I do not wish to be understood as advocating that program. I am of the opinion that the transportation act of 1920 should be revised and amended materially. I am of the opinion that it does not go as far as a flat guaranty outside of brief periods. Just following Government control, for a brief time certain roads were taken care of, but under the broad provisions of the transportation act, while they are allowed to charge so much, there is no guaranty that makes that return assured. Many roads of the United States have the right under the transportation act of 1920 to earn up to a certain amount, say, 5 per cent, before their earnings are pooled in various ways, but if the road does not earn, the Government assumes no obligation to pay it or to enable them to collect it in some other way.

Mr. SPENCER. Mr. President, there can be no difference between myself and the distinguished Senator from Idaho [Mr. BORAH] or the Senator from North Dakota [Mr. McCUMBER], who spoke yesterday upon the matter about what it means to this country to take care of its transportation, particularly of that part of our products which are exported. Sixty-nine per cent of all the exportable products of the United States, agricultural and industrial, come from the Mississippi Valley. Eighty per cent of those exportable products, or more than that, could be carried to the seacoast by water if we simply made navigable the streams which are already there.

I refer again for a moment to the Mississippi River from Cairo to the mouth of the Missouri, an essential link in the inland waterway system of the country. In 1910 Congress said, "We will appropriate in a 12-year period \$21,000,000 in annual amounts to make that section of our inland waterways navigable." What has been actually done? Those 12 years ended about a year ago, and the aggregate of appropriations, because of the very attitude which the Budget Bureau is taking this year totaled less than \$2,000,000—playing with a subject that has to do most vitally with the progress and prosperity of the industrial and agricultural life of the Nation.

May I call the Senator's attention to one other illustration, and then I shall leave them. Congress announced in clear

terms what it intended to do when it enacted the railroad law, indicating by the action of both Houses of Congress what was the real purpose of Congress with regard to our inland waterways. It is the purpose which I think the Budget has entirely overlooked. Here is the way it read:

It is hereby declared to be the policy of Congress to promote, encourage, and develop water transportation service and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation.

Now, there is a stream historic in its character which empties into the Mississippi River, which Lewis and Clark explored generations ago—the Missouri. It stretches away up into and through the richest part of the country. What did Congress say about it? In 1912 Congress adopted a policy by which they said with regard to the Missouri River, "We will appropriate \$20,000,000 for making the Missouri navigable from Kansas City down to where it empties into the Mississippi." There was to be expended \$2,000,000 in each year. On the strength of that policy the people of Kansas City subscribed over \$1,000,000 and bought barges and boats to facilitate the carrying of the freight which was to be carried when the river became navigable. Not one single year since 1912 has that \$2,000,000 appropriation been made, and it is not provided even in the \$56,000,000 in the present bill which has been appropriated so far as the House of Representatives is concerned. Three hundred and fifty miles of that river are navigable. Fifty miles of it needs attention with reference to revetment of the banks and dredging of the channels, for that 50 miles locks the entire river from Kansas City to St. Louis.

We have been playing with the subject of our inland waterways. Mr. President, if any other nation in the world had waterways such as we have, would there be the cavil and the hesitation about putting into them all that was necessary, for what?—to make them navigable so that barges could carry the freight that is ready to be carried at the cheaper freight rates.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. SPENCER. Certainly.

Mr. ASHURST. The Federal Government spent nearly half a billion dollars constructing the Panama Canal, but no sooner was the canal built than obstructions to our water-borne commerce were placed there and American ships must pay a toll of \$1.20 per ton for transit. The Senator from Idaho [Mr. BORAH] during the present Congress introduced a bill to repeal that provision of the law charging American ships for transit through the canal, and it passed the Senate. Did the Senator from Missouri vote for that bill?

Mr. SPENCER. I can not tell the Senator whether I was here when that vote was taken.

Mr. ASHURST. A Senator who could make such an eloquent speech in behalf of free and uninterrupted commerce as the Senator is now making it occurs to me would have voted for free and uninterrupted commerce for American vessels through the Panama Canal.

Mr. SPENCER. Mr. President, may I say that there can be no difference on this floor about the inadequacy of the railroads to carry the freight of the country. In my State and in the adjoining States in the last few years, before the war mainly, there was grain on the farms rotting by the hundreds of thousands of bushels because it could not be transported to the market. During the past summer, with some of my associates here, I saw the waterways of France and of Germany, many of them insignificant compared with the great avenues of transportation which day and night are flowing through the very center of our Nation. But every foot of those foreign waterways was navigable, every mile was carrying the freight of those countries at the cheap transportation rates by water, while the United States, with a potential power unequalled in the world in inland navigation, is playing with the subject.

The Senator from Idaho said something about the enormous amount of the appropriation, \$56,000,000. I call the Senator's attention to the fact that it is but little more in available funds than we have had for the last two or three years, and that sum has been absolutely inadequate. For the fiscal year 1920 we appropriated \$12,000,000, but we had \$58,800,000 available in the Treasury to be added to the \$12,000,000, so that in 1920 there was available \$70,800,000. In 1921 we appropriated \$15,000,000, but there was available in the Treasury \$37,500,000 which, added to the \$15,000,000, made an available fund in 1921 of \$52,500,000. That Treasury available fund is now gone. There is approximately a little over a million dollars left in the Treasury as available to meet contingencies or emergencies, so that the \$56,000,000 in 1923 would not give us as much money as was available there in 1920.

The Senator from Idaho also spoke about a lump sum as against a definite appropriation for a vast number of projects,

There is merit in what the Senator said, as there is always merit in whatever he says, but I venture to say that as a Nation we get a better result by letting trained experts deal with the division of a lump sum than to attempt to do it by bringing upon the floor of the Senate a selection from a vast number of projects where trades and personal inclinations and personal associations and geographical situations are very apt to cloud, if they do not destroy, the judgment of the individual Senator when he comes to vote upon it. We can not in the necessity of the case know as much about individual projects as do those who are devoting their life work to them.

Mr. President, \$56,000,000 for a certain number of projects is proposed. Not a single project was recommended in 1919 or in 1920. When projects come up for consideration—and every one of them has to do with the making of some stream navigable which would enable the products of the farm and factory to be carried cheaper than by rail—the department divides them into two classes: First, those which are important and strategic, and, second, those which are desirable. Of more than 200 projects which the experts have determined were strategic and important, 35 have been incorporated in the \$56,000,000.

There were added in 1922 not much more than 12 per cent of those projects which are necessary for the transportation of American agricultural and industrial projects; all the others were laid aside. I said we were playing with our inland waterways, and we are. If we in this country ever come to the point where we develop our waterways economically and systematically and regularly, according to a plan that shall be determined upon and not varied from, our transportation resources will be quadrupled, and at a cost for every pound of freight that is carried of from 20 per cent upward less than rail transportation.

I said or intimated a moment ago what is true, that the railroads, let alone the excessive cost of railroad transportation, are unable to carry the freight of this country from the place where it originates to the place where it is ready for the market or for exportation. Every principle of economy, of efficiency, I was about to add of patriotism, in the development of the prosperity and progress of our Nation stands back of an adequate appropriation for the inland waterways of these United States.

Mr. BORAH. Mr. President, as I understand the situation, the Budget Bureau took into consideration all the matters which the Senator from Missouri is so well presenting to the Senate, but that it eliminated, in its conception of what ought to be done, a vast number of projects which it was believed would never benefit commerce in any way. Has the Senator from Missouri looked over the list of projects which has been printed in the CONGRESSIONAL RECORD?

Mr. SPENCER. I have, and I do not think the Senator from Idaho is quite accurate in saying that a single project was eliminated because it would not benefit the transportation problem of this country. As I am informed, that those projects would confer a benefit was conceded, but the reduction and the elimination were based upon an entirely different reason.

Mr. BORAH. What was that?

Mr. SPENCER. It was that, no matter how necessary or desirable such projects might be, it is better to wait; and there is merit in that argument. The only difference I have with the Budget Bureau is that the Budget Bureau thinks that the advantage of waiting is greater than the advantage of now completing necessary projects, while I think the economy would be greater in completing necessary projects than in waiting. If this appropriation of \$56,000,000 shall wait, the appropriation proposed to be substituted would not complete any project unless it be the Ohio River from Pittsburgh to the Mississippi.

Mr. BORAH. The Senator from Missouri says that he has looked over this list, which is headed—

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, for maintenance and improvement of river and harbor works.

That was put into the RECORD of January 25, 1923. Do I understand that the Senator from Missouri is prepared to say that all the projects named in that list are such projects as would be beneficial to commerce if they were completed?

Mr. SPENCER. Without exception, every one of them would be beneficial to commerce if completed.

Mr. BORAH. Then, I wish now to insert in the RECORD, as part of my remarks, this list of projects, which is a reprint from the RECORD of January 25, 1923.

The PRESIDING OFFICER. Without objection, permission to do so is granted.

The list is as follows:

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, for maintenance and improvement of river and harbor works.

Localities.	Improvement.	Maintenance.
Boston Harbor.....		\$40,000
Beverly Harbor, Mass.....	\$159,500	
Plymouth Harbor, Mass. ¹	51,000	
Pollock Rip Shoals.....		50,000
Providence River and Harbor.....	325,000	
Block Island harbor of refuge.....	5,000	5,000
Pawcatuck River.....	3,000	30,000
Connecticut River below Hartford.....	50,000	20,000
Duck Island harbor of refuge.....		44,000
Bridgeport Harbor.....	71,000	26,000
Norwalk Harbor.....		20,000
Stamford Harbor.....	30,000	
Greenwich Harbor.....	6,600	2,100
Port Chester Harbor.....	22,000	3,000
Mamaroneck Harbor, N. Y. ¹	103,000	
East Chester Creek.....	5,000	15,000
Westchester Creek ¹	475,000	
Bronx River.....	255,000	25,000
Harbor at New Rochelle, N. Y. ¹	35,000	
Flushing Bay.....		10,000
Mattituck Harbor.....		5,000
Jamaica Bay, N. Y.....	600,000	
New York Harbor.....	218,000	100,000
Coney Island Channel.....		20,000
Bay Ridge and Red Hook Channels.....	50,000	
Buttermilk Channel.....	175,000	25,000
East River.....	3,000,000	25,000
Newtown Creek.....	100,000	
Harlem River.....	250,000	
Hudson River Channel.....	50,000	50,000
Tarrytown Harbor.....	7,000	8,000
Peekskill Harbor.....		5,000
Wappinger Creek.....		5,000
Rondout Harbor.....		5,000
Hudson River.....		220,000
Plattsburg Harbor.....		1,000
Newark Bay ¹	650,000	
Passaic River ¹		30,000
Hackensack River, N. J. ¹	100,000	
Staten Island Sound, N. Y. and N. J. ¹	1,000,000	
Raritan Bay, N. Y. and N. J. ¹	500,000	
Woodbridge Creek.....		6,000
Raritan River.....		20,000
Keyport Harbor.....		10,000
Shoal Harbor and Compton Creek.....		10,000
Shrewsbury River.....		10,000
Delaware River, Philadelphia to Trenton.....		25,000
Delaware River, Philadelphia to the sea.....	925,000	2,075,000
Harbor of refuge, Delaware Bay.....		35,000
Mantua Creek.....	10,000	
Oldmans Creek.....		10,000
Maurice River.....		15,000
Cold Spring Inlet.....		25,000
Absecon Inlet ¹	240,000	
Chester River.....	3,600	1,400
Wilmington Harbor ¹	630,000	100,000
Chesapeake and Delaware Canal.....	2,500,000	
Smyrna River.....	16,000	5,000
Leipsic River.....		10,000
Little River.....		5,000
St. Jones River.....	45,000	5,000
Murderkill River.....		10,000
Mispillion River.....	10,000	5,000
Broadkill River.....		25,000
Waterway, Chincoteague Bay-Delaware Bay.....		1,500
Baltimore Harbor and channels.....	300,000	350,000
Potomac River at Washington, D. C.....		74,000
Ocoquan Creek.....		6,700
Rappahannock River.....		42,700
Mattaponi River.....		8,000
Lockles Creek, Va. ¹	4,100	
Norfolk Harbor.....	500,000	50,000
Thimble Shoals Channel.....	74,560	
James River.....		40,000
Pagan River.....		2,000
Waterway, Norfolk-Beaufort Inlet.....	500,000	
Blackwater River.....		2,000
Meherrin River.....		2,000
Pamlico and Tar Rivers.....		12,000
Neuse River.....		12,000
Swift Creek.....		800
Contentnea Creek.....		1,500
Trent River.....		1,500
Channel, Thoroughfare Bay-Cedar Bay.....		5,000
Harbor at Beaufort.....		7,500
Waterway, Core Sound-Beaufort Harbor ¹	30,000	
Waterway, Beaufort to Jacksonville, N. C.....		10,000
Harbor of refuge, Cape Lookout.....		20,000
Cape Fear River at and below Wilmington ¹	300,000	200,000
Cape Fear River above Wilmington.....		12,000
Northeast (Cape Fear) River.....		4,000
Black River.....		2,000
Winyah Bay.....		40,000
Santee River and Estherville-Minim Creek Canal.....		4,000
Congaree River.....		10,000
Waterway between Charleston and Winyah Bay.....		18,000
Wappoo Cut.....		2,500
Savannah Harbor.....	600,000	460,000
Savannah River below Augusta.....		22,000
Savannah River at Augusta.....		2,000
Savannah River above Augusta.....		1,000
Waterway, Beaufort, S. C.-St. John's River.....		42,000
Satilla River.....		1,800

¹New projects.

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

Localities.	Improvement.	Maintenance.
St. Marys River.....		\$1,800
Altamaha River.....		15,000
Oconee River.....		12,500
Ocmulgee River.....		12,500
Brunswick Harbor.....	\$160,000	70,000
Fernandina Harbor-Cumberland Sound.....		3,000
St. Johns River, Jacksonville to the ocean.....	223,000	380,000
St. Johns River, Palatka to Lake Harney.....		10,000
Oklawaha River.....		3,000
Indian River.....		5,000
Miami Harbor (Biscayne Bay).....		32,500
Key West Harbor.....	40,000	30,000
Kissimmee River.....		5,000
Caloosahatchee River.....		35,000
Charlotte Harbor.....		5,000
Sarasota Bay.....		15,000
Anclote River.....		14,000
Tampa Harbor.....	445,000	50,000
St. Petersburg Harbor.....	17,000	
Water hyacinth in Florida waters.....		10,000
Apalachicola Bay.....		12,000
Apalachicola River.....	15,000	10,000
Flint River.....	45,000	10,000
Chattahoochee River.....	35,000	90,000
Channel, Apalachicola River-St. Andrews Bay.....		21,500
St. Andrews Bay.....		2,000
Choctawhatchee River.....		7,000
Holmes River.....		1,680
La Grange Bayou, Fla. ¹	28,500	
Blackwater River.....		25,600
Escambia and Conecuh Rivers.....		3,200
Pensacola Harbor.....		20,000
Alabama River.....	75,000	47,000
Coosa River.....		5,000
Mobile Harbor.....	132,000	244,400
Black Warrior, Warrior, and Tombigbee Rivers.....	64,000	
Tombigbee River, mouth to Demopolis.....		18,000
Tombigbee River, Demopolis to Walkers Bridge.....		4,000
Pascagoula Harbor.....		76,000
Gulfport Harbor and Ship Island Pass.....		116,000
Pascagoula River.....		10,000
Water hyacinth in Alabama waters.....		2,500
Southwest Pass, Mississippi River.....	992,000	
South Pass, Mississippi River.....		510,000
Bayou Plaquemine, Grand River, and Pigeon Bayous.....		20,000
Bayou Grossetete.....		5,000
Bayou Teche.....	125,000	
Waterway, Mississippi River to Bayou Teche.....	675,000	
Waterway, Calcasieu River to Sabine River.....	500,000	
Bayou Vermilion.....		10,000
Calcasieu River and Pass, La. ¹	25,800	
Water hyacinth in Louisiana and Texas waters.....		30,000
Galveston Harbor.....		90,000
Galveston Channel ¹	670,000	200,000
Galveston Harbor-Texas City Channel.....		150,000
Port Bolivar Channel.....		20,000
Houston Ship Channel.....	800,000	300,000
Double Bay Bayou.....		7,000
Anahuac Channel.....		5,000
Mouth of Trinity River.....		1,000
Turtle Bayou.....		10,000
Cedar Bayou.....		5,000
Clear Creek.....		4,000
Dickinson Bayou.....		5,000
West Galveston Bay-Brazos River Canal.....		5,000
Channel between Brazos River and Matagorda Bay.....		10,000
Channel from Pass Cavallo to Aransas Pass.....		20,000
Channel from Aransas Pass to Corpus Christi ¹	750,000	10,000
Freeport Harbor.....		100,000
Harbor at Port Aransas.....		180,000
Harbor at Sabine Pass and Port Arthur Canal ¹	400,000	400,000
Sabine-Neches Canal.....		150,000
Johnsons Bayou.....		3,000
Red River below Fulton.....		100,000
Ouachita and Black Rivers.....	400,000	25,000
Tensas River and Bayou Macon ¹	4,200	5,000
Boeuf River.....		5,000
Bayou Bartholomew.....		2,500
Saline River.....		2,000
Bayous D'Arbonne and Corney.....		2,000
Yazoo River.....		16,000
Tallahatchie and Coldwater Rivers.....		10,000
Big Sunflower River.....		12,000
Steele and Washington Bayous and Lake Washington.....		2,500
Arkansas River.....		35,000
White River.....		22,500
Black River.....		15,000
Current River.....		4,500
St. Francis and L'Anguille Rivers and Blackfish Bayou.....		9,000
Mississippi River, Ohio to Missouri Rivers.....	500,000	500,000
Mississippi River, removing snags and wrecks below the mouth of the Missouri River.....		25,000
Mississippi River, Missouri River to Minneapolis.....	1,100,000	
Mississippi and Leech Rivers.....	25,000	
Red Lake and Red Lake River, Minn. ¹	3,000	
Missouri River, Kansas City to the mouth.....	1,000,000	500,000
Missouri River, Kansas City to Sioux City.....		25,000
Missouri River, Sioux City to Fort Benton.....		15,000
Ozage River.....		10,000
Cumberland River below Nashville.....	460,000	
Cumberland River above Nashville.....	535,000	
Tennessee River, below Riverton.....	122,000	8,000
Tennessee River, above Chattanooga.....		20,000
Tennessee River, Chattanooga to Riverton.....	255,000	

¹New projects.

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

Localities.	Improvement.	Maintenance.
Survey of Tennessee River.....	\$200,000	
Ohio River (lock and dam construction).....	7,000,000	
Ohio River, open channel improvement.....		\$526,000
Monongahela River, Pa. and W. Va. ¹	2,000,000	
Allegheny River.....		5,000
Grand Marais Harbor, Minn.....		6,000
Agate Bay Harbor.....		2,000
Duluth-Superior Harbor.....		50,500
Port Wing Harbor.....		1,000
Ashland Harbor.....		6,000
Ontonagon Harbor.....		9,000
Keweenaw Waterway.....	7,000	70,500
Marquette Bay harbor of refuge.....		1,000
Marquette Harbor.....		1,500
Grand Marais Harbor, Mich.....		15,000
Warroad Harbor and River.....		4,000
Zippel Bay, Lake of the Woods.....		2,000
Baudette Harbor and River.....		800
Manistique Harbor.....		8,000
Menominee Harbor and River.....		10,000
Green Bay Harbor ¹	110,000	10,000
Fox River.....		160,000
Sturgeon Bay and Lake Michigan Ship Canal.....		33,000
Keweenaw Harbor.....		11,500
Two Rivers Harbor.....		8,000
Manitowoc Harbor.....		120,000
Sheboygan Harbor.....		7,000
Milwaukee Harbor ¹	500,000	118,000
Racine Harbor.....		9,500
Kenosha Harbor.....		5,000
St. Joseph Harbor.....		50,000
South Haven Harbor.....		13,500
Grand Haven Harbor.....		36,000
Muskegon Harbor.....		18,500
Ludington Harbor.....		150,000
Manistee Harbor.....	15,000	19,500
Frankfort Harbor.....		20,000
Charlevoix Harbor.....		5,000
Chicago Harbor.....		21,000
Chicago River.....		6,500
Calumet Harbor and River.....	288,000	160,000
Indiana Harbor.....		38,000
Michigan City Harbor.....	65,000	34,500
Illinois River.....		130,000
St. Marys River.....		25,000
Channels in Lake St. Clair.....		15,000
Detroit River.....	450,000	10,000
Alpena Harbor.....		5,000
Harbor of refuge at Harbor Beach, Lake Huron.....		40,000
Black River, Mich.....		2,500
Rouge River.....		8,000
Toledo Harbor.....		50,000
Sandusky Harbor.....	58,000	10,000
Huron Harbor.....		5,500
Lorain Harbor.....		5,000
Cleveland Harbor.....		25,000
Fairport Harbor.....		5,000
Ashtabula Harbor.....		5,000
Conneaut Harbor.....	25,000	8,000
Erie Harbor.....		10,000
Buffalo Harbor.....	50,000	21,500
Black Rock Channel and Tonawanda Harbor ¹	200,000	25,000
Charlotte Harbor.....		15,500
Great Sodus Bay.....		25,500
Little Sodus Bay.....		28,500
Oswego Harbor.....	25,000	20,500
Cape Vincent Harbor.....		500
Ogdensburg Harbor.....		2,000
San Diego Harbor, Calif. ¹	135,850	
Los Angeles Harbor ¹	760,000	
San Francisco Harbor ¹	330,000	10,000
Oakland Harbor ¹	200,000	35,000
Richmond Harbor.....	128,000	
San Pablo Bay and Mare Island Strait.....	130,000	
Suisun Bay Channel.....		13,000
Petaluma Creek.....		40,000
San Rafael Creek.....		1,000
Humboldt Harbor and Bay.....	719,350	108,100
Noyo River, Calif. ¹	16,000	
San Joaquin River.....		26,000
Stockton and Mormon Channels (diverting canal).....		5,000
Mokelumne River.....		800
Sacramento River.....		95,000
Coos Bay ¹	1,051,000	159,000
Coos River.....		3,000
Umpqua River, Oreg. ¹	278,500	
Yaquina Bay and Harbor.....	139,000	
Columbia River and tributaries above Celilo Falls to mouth of Snake River.....		13,500
Snake River.....		13,000
Columbia and Lower Willamette Rivers ¹	1,000,000	700,000
Clatskanie River.....	4,620	4,500
Willamette Slough, Oreg. ¹	23,350	
Willamette River above Portland and Yamhill River.....		29,600
Lewis River.....	5,600	6,800
Cowlitz River.....		6,000
Skamokawa Creek.....		2,000
Grays River.....		2,000
Willapa River and Harbor.....	200,000	
Grays Harbor and Bar.....		60,000
Puget Sound and tributary waters.....		30,000
Waterway, Port Townsend Bay—Oak Bay.....		5,000
Seattle Harbor.....		10,000
Lake Washington Ship Canal ¹	288,000	12,000

¹New projects.

Amounts stated in the annual report of the Chief of Engineers as those that can be profitably expended during the fiscal year ending June 30, 1924, etc.—Continued.

Localities.	Improvement.	Maintenance.
Swinomish Slough.....		\$2,500
Bellingham Harbor.....		5,000
Nome Harbor, Alaska.....		5,000
Wrangell Harbor, Alaska.....	50,000	
Honolulu Harbor, Hawaii.....	150,000	
Hilo Harbor.....	374,000	
Nawiliwili Harbor.....	300,000	
San Juan Harbor, P. R.....	300,000	
Yuba River, restraining barriers.....		15,000
Total.....	43,178,130	13,412,280

¹New projects.

Flood control:	
Mississippi River Commission.....	\$5,990,000
Sacramento River.....	500,000
Expenses, California Debris Commission.....	18,000
Wilson Dam, Tennessee River.....	7,500,000
Supervisor New York Harbor.....	397,000
Examinations, surveys, and contingencies of rivers and harbors.....	500,000
Total.....	14,905,000
RECAPITULATION.	
For improvement.....	\$43,178,130
For maintenance.....	13,412,280
For related subjects.....	14,905,000
Grand total.....	71,495,410

Mr. BORAH. Mr. President, if my information is correct, some of these projects are utterly valueless from the commercial standpoint. A number of them have been debated at length upon the floor of the Senate heretofore. Some of the most absurd projects have been presented here as being worthy of appropriations, and they are now back here again. As I understand, it was with a desire to get rid of some of those projects that the Budget Bureau made the report which it did.

Secondly, Mr. President, as I understand also, if the \$27,000,000 shall be allowed, practically the same amount will go to the Mississippi and Ohio Rivers that will be devoted to their improvement under the greater appropriation. How much difference would there be?

Mr. SPENCER. My understanding is that under the Budget estimate the Ohio would get not to exceed \$2,000,000 instead of \$7,000,000 and the Missouri and the Mississippi would get practically nothing. The harbors, which come first, would themselves exhaust the Budget estimate and the rivers get nothing.

Mr. BORAH. Very well. I am of the opinion that the Senator from Missouri, in the presentation of his view of the matter, is not outside of the views of the Budget Bureau itself; that they were not undertaking to limit or to cripple or to discontinue the improvement of the streams concerning which the Senator has been speaking; but the Senator from Missouri must know—at least, I feel that I know—that interwoven in this scheme of river improvement are streams, or what are called streams, and bayous and lakes and other water courses the improvement of which will never be beneficial to the plan which the Senator has in mind, and will never be helpful in the enlargement or building up of commerce. It was to get rid of such projects that the Budget Bureau made the report which it did.

Mr. SPENCER. May I say to the Senator—for I happen to know about this, it being in my own State—that where the Missouri River runs through Saline and Howard Counties it makes a great bend. The river now is within 200 yards of cutting its way through and eliminating that bend, with the result that if those 200 yards are cut through by the river the rapidity of its current will make it absolutely unnavigable except at tremendous cost. I know that the engineer department recognize the emergency in that situation, but they have not the money to protect it. It was 400 yards a year ago when I called attention to it. Now it is 200 yards. The fact that it will destroy the water supply of two counties and will do a good deal of damage otherwise is incidental to the damage which will be inflicted upon the navigability of the entire river.

Mr. BORAH. How much would it cost to remedy that situation?

Mr. SPENCER. I suppose it would cost a couple of hundred thousand dollars—perhaps \$300,000—to protect the river at that point. The engineers say, "Yes; that improvement is necessary, but that is only one point out of hundreds of points where improvements should be made; and that is all the money we have; we can not do it." I say to the Senate that the \$56,000,000 will hardly enable them—in fact, will not enable them—to take care of necessary maintenance and improvement of navigable streams. The amount seems large because the Senator puts it in contrast with the \$27,000,000 recommended

by the Bureau of the Budget, but, as I showed, it is not as large an amount as was available in 1920. It is grossly inadequate, rather than being superabundant.

Mr. BORAH. Well, the interesting part of this controversy to me is that all these facts must have been known to the engineers and to the Budget Bureau.

Mr. SPENCER. Here is what happened so far as the engineers are concerned: First, there came the estimates from the district engineers who were in charge of the different projects throughout the Union, who estimated, I presume with care and conscience, what they thought was necessary for the projects under their charge. Those estimates totaled millions of dollars more than the Engineer Department here could see the possibility of obtaining. So they culled them, eliminated desirable projects, reduced estimates for maintenance, and did everything they could to cut down the amount until they reduced it to \$56,000,000 as a minimum. Then it went to the Budget Bureau. The Budget Bureau is looking not only at inland waterways but is looking at every other department of the Government, and they said, "No; considering the state of the Union and of the Treasury of the United States and the needs of other departments, we are not going to give \$56,000,000; we will give \$27,000,000."

Mr. BORAH. Does the Senator undertake to say that the Budget Bureau, without rhyme or reason, simply said, "We will not give this because we do not desire to give it; there is no reason for refusing it; these projects ought to have the money, but we will simply, arbitrarily and without rhyme or reason, cut this proposed appropriation in two"?

Mr. SPENCER. I do not say that, because I do not know; but I do say to the Senator it looks that way.

Mr. BORAH. Then, if it looks that way, it is a very severe impeachment of the whole scheme of the Budget.

Mr. SPENCER. The Budget Bureau is comparatively new. I do not believe, and I doubt if the Senator believes, that the Budget Bureau have as yet any adequate vision of what the inland waterways mean to the Central West.

Mr. BORAH. If the Senator will talk to some of the members of the bureau, he will find that they think they have.

Mr. SPENCER. That may be so.

Mr. BORAH. And that they have made an honest endeavor to arrive at a conclusion in regard to it. They have certainly undertaken to get a proper conception of the situation; but, according to the Senator, they are entirely incompetent to deal with it.

Mr. SPENCER. I do not say that. The Senator has put words in my mouth several times.

Mr. BORAH. No; the Senator does not say that, but he proves it.

Mr. SPENCER. To the mind of the Senator from Idaho, perhaps, but not to mine.

Mr. BORAH. I would submit it, then, to a Missouri jury.

Mr. SPENCER. I will say to the Senator he would lose.

Mr. BORAH. The Senator from Missouri has had great experience along that line. There is, however, no telling what they would do.

Mr. SPENCER. I do not criticize the Budget Bureau; I merely say that they have no adequate conception of the importance of the subject of rivers and harbors. The Senator from Idaho has been on committees and subcommittees again and again in considering appropriation bills, and he knows what deference is paid to every recommendation of the Budget Bureau; but here and there a subject develops about which, perhaps, the Congress knows more than does the Budget Bureau, and in such cases the committee has said: "The Budget Bureau have not appreciated this project; that is an inadequate appropriation; that must be changed." This is an illustration of that. Such instances are not frequent; every deference, as should be the case, is paid to the recommendations of the Budget Bureau, but, as the Senator intimated a few moments ago, when a man's judgment and conscience are clear that the Budget Bureau, not so much from incompetence, as the Senator repeats, but because of a lack of appreciation of the importance of the project, fails to grasp what it means to this country, what is the duty of Congress?

Mr. BORAH. The Senator and I are merely using different terms to express exactly the same thing. I say they are incompetent, the Senator says they are inadequate.

Mr. SPENCER. I did not say they were inadequate.

Mr. BORAH. The Senator said they were unable to appreciate the situation.

Mr. SPENCER. The Senator is right; we agree perfectly.

Mr. BORAH. If that is not incompetence, then I do not understand the English language; but that is immaterial. There is one thing certain, if the Senator from Missouri is correct then so far as the Budget Bureau is concerned with

reference to rivers and harbors we may eliminate it from consideration hereafter.

Mr. President, I do not know whether there is any other Senator who desires to discuss this matter.

Mr. ASHURST. Mr. President, will the Senator yield to me for a moment?

Mr. BORAH. Yes.

Mr. ASHURST. If there be a reform which the present administration has adopted which met with general approval, it was the establishment of the Budget. In this instance, however, we find an appropriation increased in the sum of \$28,964,150 over and above the estimate of the Bureau of the Budget. Some Senators manifest considerable indignation over such an unwarranted increase, but instead of arousing indignation it ought to arouse, instead, their risibilities.

This river and harbor provision of this bill was prepared to pass. This Congress is officially in extremis and it can do no more fitting thing as a capstone to its discreditable record than to reach its hands into the Treasury and squander \$28,964,150 of the money of already heavily burdened taxpayers. One discreditable feature of this item is that this unnecessary expenditure is included in the military appropriation bill.

The President of the United States, I believe, would veto this item if he could separate this excess above the Budget recommendations and approve as to the amount actually needed. The Budget officials know how much money is necessary, and they have estimated for that amount, to wit, \$27,625,170.

The Senator from Idaho [Mr. BORAH] is wasting his time in opposing this measure. This bill is loaded to pass. The "skids are greased" so that this item will easily slide through. Not 20 votes can be mustered against it under any circumstances. I desire to vote for the Army appropriation bill, but I fear that to do so I must vote for an excess expenditure of nearly \$29,000,000. The Budget cracks and collapses when the pork barrel rolls over it.

While I can not speak for the President, I know that he wishes and hopes that Republican Senators will vote against this enormous and unnecessary excess appropriation.

Mr. BORAH. I ask for the yeas and nays on my amendment. The yeas and nays were ordered.

Mr. KING. Mr. President, if time permits I shall call attention to a number of projects for which appropriations are carried in the rivers and harbors items found in the pending bill. I shall do this for the purpose of showing the lack of merit upon the part of many of the rivers and harbors projects and the enormous waste of money which has resulted from the improvident, not to say indefensible, measures passed by previous Congresses dealing with rivers and harbors.

Under the commerce clause of the Constitution, which merely gives to the Federal Government the authority to "regulate commerce," measures have been enacted by Congress which have called for more than \$1,300,000,000 to "improve," as it has been said, and "maintain" hundreds of small streams and rivulets and bayous and creeks and so-called rivers and navigable streams, and indentations along the seacoast, which have been called harbors. It is too late to raise the question of the constitutionality of many of the acts of Congress dealing with so-called rivers and harbors projects. The precedents established by numerous legislative enactments are too numerous to be challenged, and even if they could be successfully challenged the inclination, indeed the determination, to follow such precedents and to continue enormous appropriations—under the guise of "regulating commerce"—for streams which are unnavigable and for so-called "harbors" that have no commerce is so powerful that all efforts in opposition thereto are foredoomed to defeat.

Congress has proceeded in the legislation which I have referred to upon the theory that the Federal Government owned all the streams, great and small, all the creeks and rivulets and swamps and rivers, whether navigable or unnavigable, to be found within the various States of the Union. And the view seems to have obtained that the authority of Congress over the so-called watercourses was paramount and supreme, indeed exclusive, even though such streams and lakes and rivulets and creeks were intrastate in character. The view also seems to have obtained that the power to "regulate commerce" was a mandate to create commerce, and was authority for the Federal Government to provide waterways in order to create competition with rail or other modes of transportation. Mr. President, in my opinion the clause in the Constitution referred to has been perverted and legislation has been enacted ostensibly under that provision of the Constitution which has been an infringement upon the rights of the States and in contravention of the spirit and indeed the letter of the Constitution.

The regulation of commerce does not warrant the spending the millions of dollars by the Federal Government, wrung from the people by taxation, to construct waterways, dig out little rivulets and streams, purely provincial and local in character, or to construct revetments and other improvements upon streams which are primarily important to private riparian owners. Many of the streams which have been drains upon the Treasury of the United States were not navigable and have not been and can not be made navigable in the true and proper sense. They may have served one or a very limited number of individuals occasionally to carry a few logs or small pieces of timber for a few miles, but they were not carriers of commerce, nor do they serve the public.

An examination of the hundreds of projects for which appropriations have been made by the Federal Government will conclusively demonstrate that they can not by the wildest stretch of imagination be regarded as instrumentalities of commerce or within the control of the Federal Government, but I shall, if time permits, discuss this point later in my remarks.

I pause here to allude to the strong and trenchant language of the Senator from Arizona [Mr. ASHURST], who has just characterized this bill. He denominated it as a "pork-barrel" bill and a species of "graft." Undoubtedly his language will be resented by some who look upon river and harbor bills as most important and highly beneficial legislation.

Doubtless the Senator from Arizona perceives the difference between legitimate appropriations for the regulation of commerce and appropriations which are devoted to furnishing employment to a large number of individuals who spend their time in cleaning out little brooks and creeks and rivulets and in wasting money upon streams that carry no commerce. I have been somewhat curious to know where the term "pork barrel" arose. It does not need a lexicographer to tell us its meaning, nor a diagram to point out all of its implications. It suggests legislation which is not for the public welfare and the general good, but rather measures which are selfish and special and local or provincial, though they may affect various parts of the country. The idea suggested by the words "pork-barrel" legislation is that the legislation desired is promoted by combinations of various groups or sections; that it is not general, but selfish and improper and may not be defended upon high moral grounds. I shall not attempt to controvert the statements of the Senator from Arizona or further examine them. I shall only ask Senators and those who are interested in this subject to examine the multitude of projects, referred to in the report of the engineers of the Army, which are to be the beneficiaries, so far as inanimate objects may be benefited, of the stupendous appropriation carried by this bill for so-called rivers and harbors. In my opinion the record will demonstrate that much of this sum so appropriated will be wasted and applied to so-called rivers and harbors projects which can not under any proper interpretation of the Constitution claim Federal aid.

But, of course, no efforts to reduce the appropriation of more than \$56,000,000 carried by this bill will succeed. The recommendations of the Budget Bureau were ruthlessly brushed aside in another important legislative body, and this body will treat such recommendations in the same manner. I do not recall, no matter how earnest and vigorous the attacks upon rivers and harbors bills, that the slightest success attended such attacks. The lines to be broken were too strong and the forces defending too strongly intrenched.

So the motion from the Senator from Idaho to follow the Budget recommendation will obtain but few votes in this body.

As I now remember, there have been one or two successful filibusters against rivers and harbors bills, but the temporary victory only postponed the evil hour and subsequent Congresses promptly made appropriations to meet the demands of the proponents of these measures. I remember that a distinguished Republican Senator from Montana [Mr. Thomas H. Carter] a number of years ago denounced a reported rivers and harbors bill, and after holding the floor for many hours succeeded in defeating it.

But it must be conceded that the rule has been that public buildings measures and rivers and harbors bills have cut their way triumphantly and remorselessly through all opposition.

The Senator from Arizona, using language which so strongly appeals to all classes, declares that the "skids have been greased" for the passage of this bill, and that not 20 votes will be recorded against it. That is quite likely. It apparently is a very popular measure and will speedily receive the approval of the Senate. I submit, however, that it would be wiser if the Members of this body would follow the recommendations of the Budget and reduce this appropriation to the figures submitted by the bureau. A careful examination was

made of the meritorious projects and of their needs. The engineers submitted to the Budget Bureau the data which they possessed, and after calm and dispassionate consideration approximately twenty-eight millions of dollars were reported as the proper appropriation for the next fiscal year.

Mr. President, I am reminded by a Senator who is near me that the President of the United States will present to Congress within a few minutes a message upon an important matter. As the Senate must meet with the House of Representatives and a quorum is to be called before Senators proceed to the House I shall not detain the Senate longer, but if opportunity affords shall obtain the floor before a vote is taken upon the passage of the bill.

JOINT MEETING OF THE TWO HOUSES.

Mr. LODGE. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER (Mr. Moses in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Frelinghuysen	McKellar	Reed, Pa.
Ball	George	McKinley	Sheppard
Bayard	Gerry	McLean	Shields
Brandeggee	Glass	McNary	Shortridge
Brookhart	Gooding	Moses	Smoot
Broussard	Harrison	Nelson	Spencer
Bursum	Heflin	New	Stanfield
Calder	Hitchcock	Nicholson	Stanley
Cameron	Johnson	Norbeck	Sutherland
Capper	Jones, N. Mex.	Norris	Swanson
Caraway	Kendrick	Oddie	Townsend
Colt	Keyes	Overman	Trammell
Couzens	King	Page	Underwood
Culberson	Ladd	Pepper	Wadsworth
Curtis	Lenroot	Phipps	Warren
Dillingham	Lodge	Pittman	Watson
Ernst	McCormick	Poinexter	Willis
Fernald	McCumber	Pomerene	

Mr. BROOKHART. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on official business.

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

The hour having arrived at which, under the order previously made, the Senate is to proceed to the Hall of the House of Representatives to receive a communication from the President of the United States, the Senate will stand in recess and proceed to the Hall of the House of Representatives.

Thereupon the Senate, preceded by its Sergeant at Arms and by the Presiding Officer and the Secretary, proceeded to the Hall of the House of Representatives.

ADDRESS BY THE PRESIDENT OF THE UNITED STATES.

The address of the President of the United States this day delivered before the two Houses of Congress appears in the proceedings of the House of Representatives, beginning at page 3212.

At 1 o'clock and 32 minutes p. m. the Senate returned to its Chamber and the Presiding Officer (Mr. Moses) resumed the chair.

WORLD WAR FOREIGN DEBT SETTLEMENT.

Mr. SMOOT. Mr. President, out of order, I ask unanimous consent to introduce a bill to amend the act creating the World War Foreign Debt Commission. I ask that the bill may be read at length so that it will go into the RECORD.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent, out of order, to introduce a bill. Is there objection? The Chair hears none. The Senator asks that the bill be read for the information of the Senate, and it will be read.

The bill (S. 4497) to amend the act creating the World War Foreign Debt Commission was read the first time by its title and the second time at length, and referred to the Committee on Finance, as follows:

Be it enacted, etc., That the first proviso of section 2 of the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922, is amended to read as follows:

"Provided, That the settlement of indebtedness of the United Kingdom of Great Britain and Ireland to the United States, recommended by the commission and approved by the President, as set forth by him in a message presented to Congress on February 7, 1923, is hereby approved and authorized, and settlements similar in terms with other governments indebted to the United States as set forth in this section are hereby authorized to be made subject to the approval of the President."

WAR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13793) making appropriations for military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	George	Lodge	Sheppard
Ball	Gerry	McCormick	Shields
Bayard	Glass	McKellar	Smoot
Borah	Gooding	McNary	Spencer
Brookhart	Harrell	Moses	Stanfield
Bursum	Harrison	Nelson	Sterling
Calder	Heflin	New	Sutherland
Cameron	Johnson	Norbeck	Swanson
Capper	Jones, N. Mex.	Norris	Townsend
Couzens	Jones, Wash.	Oddie	Trammell
Curtis	Kendrick	Overman	Wadsworth
Dial	Keyes	Pepper	Walsh, Mont.
Ernst	King	Phipps	Warren
Fletcher	Ladd	Pomerene	Watson
Frelinghuysen	Lenroot	Reed, Pa.	Willis

Mr. BROOKHART. I announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on business of the Senate.

The PRESIDING OFFICER. Sixty Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. BORAH].

Mr. FLETCHER. Mr. President, I desire to say just a word or two about this matter. I think it is very important. At the same time, I scarcely think it is necessary, perhaps, to extend the debate on it.

Senators have expressed this morning some anxiety about what would be done with this appropriation of \$56,000,000, as if they were not advised as to the merits of the various items which would consume it. I have heretofore mentioned the fact that the report of the Chief of Engineers for the fiscal year 1922 has been before Congress since December, and that report covers all the items which have been heretofore adopted by Congress—and which are under improvement and under maintenance—and it shows the amount of commerce taken care of by each, the amount of commerce moving over the waterways and through the harbors that are mentioned in the two volumes of this report. Then, the hearings before the subcommittee of the Committee on Appropriations of the House give the testimony of General Taylor, who is familiar with all these projects and has been closely connected with the improvement of rivers and harbors for a great many years and know precisely what is needed, what is meritorious and what is not, and states his reasons therefor.

It would take a good deal of time to recite all these details, and I am not going to attempt to do it. I called attention yesterday to the statement of General Taylor before the Committee on Appropriations, which in a condensed way outlined precisely what was contemplated by the Chief of Engineers in connection with the recommendations which the engineers have made looking to the improvement and maintenance of these rivers and harbors.

It appears from that statement that about \$13,000,000 of the appropriation will be required for the maintenance of projects already completed—projects that were adopted many years ago, projects upon which millions of dollars have been spent, and which unless maintained will go to pieces and the money will be very largely wasted. A certain amount is required each year to take care of the projects so that there will not be a waste of the money, and that amount is spent only in cases where the commerce is actually moving over the improved river or harbor. Those items are all shown in the reports of the engineers and in the list which they furnish giving the names and the locations and the various details indicating where this money for maintenance is required and will be spent.

We can not ignore the fact that unless these projects, which are already completed, are maintained, eventually Congress will be asked for appropriations for further improvements, various channels will be filled up, various kinds of depreciation will take place from time to time, and in order to avoid future appropriations to improve projects which have been completed and are serving the commerce of the country to-day, and in order that the money which has already been spent may not go for naught, it is necessary to provide certain funds for maintaining the channels and the improvements which have already been completed.

That takes about \$13,000,000 of this appropriation. Thirteen million dollars will be required to begin the work on the 35 projects which were adopted by the act of 1922. It will be recalled, and General Taylor points out, that for years past, and particularly during the war, we neglected these improvements,

Pressure was brought to bear upon our resources from other directions. We had to prepare for and conduct a great war, and our whole financial strength was required to take care of the operations on our part and to furnish financial help to those associated or allied with us in that critical and distressing situation.

We neglected the improvement of our rivers and harbors in the meantime. For several years we appropriated very little more than was necessary to maintain the projects which had already been adopted. We got into the practice of appropriating lump sums and leaving the matter to the engineers themselves, who were familiar with all these projects, who were acquainted with the necessity and the commercial justification in each instance, and who knew of the difficulties involved, and who could estimate the cost in each instance with intelligence and accuracy. We left it to them to take care of the expenditure of these appropriations to meet the greatest need and to serve the best purpose, and in fullest measure take care of our commercial requirements respecting these facilities for transportation. They are acquainted with the situation all over the country, and in what better hands could we place the expenditure of this amount, which has been passed upon in advance by Congress, because we have not made a lump-sum appropriation just as a guess. Before making any appropriation at all, we had all the facts brought before us; we had the reports of the engineers; we had the testimony in the hearings; and we knew, in a broad way, just where the money we were providing for was to be expended; but we left the detail of the expenditure in the charge of those experts who are capable officials and who know the situation, because it is their duty and their work to know it, and they are best informed and best capable of making the proper and wise allotment of these sums in order to serve the best public purposes.

We declined for years—from 1919 until 1922—to adopt any new projects at all. In the meanwhile we provided for some surveys in our legislation, for investigations and examinations, and those were made. The engineers have made reports from time to time in pursuance of the provisions for surveys made in these appropriation bills requiring them to make examinations of various projects specified and named in those bills, and they have done that work and made reports, and recommended favorably some 200 projects throughout the whole country. I think there was only one instance, in all my experience here, where Congress provided for a project not recommended by the engineers, and that was a case up in Michigan some years ago, where Congress adopted a project which had not been approved by the engineers. I do not believe there is any other instance in the whole history of this work since I have been here, and I do not know but that it would extend clear back to the beginning, where Congress adopted a project not favorably reported by the engineers, and we have been doing this work for something like a hundred years.

In my judgment, Mr. President, no money is expended out of the Treasury of the United States for any purpose that is so thoroughly safeguarded as the money we expend on rivers and harbors. You may call it "pork barrel," you may try to discredit it; you may call it a trading proposition, or what you may, but there is absolutely no instance where money is appropriated by Congress and expended out of the Treasury of the country that is so thoroughly protected and safeguarded as the money which is appropriated for rivers and harbors. Why do I say that? Because, as I have said, the first step is to provide for an examination by the engineers. They will not voluntarily recommend, they will not venture to suggest, even where they have the information, the adoption of any project whatever, and they only act when they are instructed to act by Congress. One house or the other causes an item to be put into a river and harbor bill providing for a survey or examination of a river or a harbor in some locality, and when Congress agrees to that and passes the bill with that item in it, then the Chief of Engineers, of course, has his duty to perform. He sends it down to the district engineer, and the district engineer proceeds to make that survey or examination.

It will be borne in mind that the engineers are officers of the United States Army. They hold life positions, subject to good behavior. They are not subject to any wire pulling or hauling or political influence. They do not hold their positions at the instance of any Member of the Senate or the House, or under any conditions that make them subject to any sort of influence. Their business is to determine the merit of each proposal from the standpoint of the Government. They look over the situation. They see what the commerce is, and what the prospective commerce will be. They see what the commercial justification for the improvement would be. They determine what will be the cost to the Government if they undertake the im-

provement, and they report all that. That district engineer's report comes up to the division engineer in his district. The division engineer examines that report and either agrees with the district engineer or reports against it or modifies it in some form, and it goes from him to the Chief of Engineers. That report then goes from the Chief of Engineers to a Board of Engineers for Rivers and Harbors, composed of seven officers, none below the rank of colonel, as I remember, certainly not below that of captain, experienced engineers and officers who are acquainted with these problems and have had to deal with them for years and years.

That board considers the reports which are sent up, and the various indorsements on them, and after that board examines all the papers, maps, plats, and all the data which have been furnished it, they may say, "We are not impressed that the Government ought to undertake this improvement." They then give notice to all parties interested and give them an opportunity to be heard. If they can be convinced that the Government ought to make the improvement, that their report ought to be favorable, very well and good; but those in favor of it have to make a strong showing before them, and must satisfy them as to the merits of the proposition. They must be shown the commercial justification for the expenditure the reports show the Government must make when they undertake that project.

Finally the board reports to the Chief of Engineers, and I think the Chief of Engineers usually adopts the report of the board, because they have gone into the details. The Chief of Engineers reports to the Secretary of War, and the Secretary of War to the House of Representatives, and then for the first time do we know the result of this undertaking, beginning with an authorization for a survey by Congress. If the report of the engineers is favorable, after consideration and study and investigation by the district engineer, then by the division engineer, then by the Board of Engineers for Rivers and Harbors, then by the Chief of Engineers, passing it on up to the Secretary of War, it is a question for Congress to decide whether in a subsequent act it will adopt the project thus reported on or will not. Congress has never, except in the one instance I mentioned of a case in Michigan, I believe, adopted a project which was reported unfavorably by the Chief of Engineers in pursuance of these various steps I have indicated.

I would like to know where you will find in any department or bureau of this Government such a thorough study and examination and unprejudiced and unbiased report made as a basis of action by Congress. After that report is in, if it is favorable, then it may be that Congress will still not adopt the project, and in a great many instances they have not done so. As I have just stated, out of 200 favorable reports made by the engineers in 1922, proceeding in the various steps I have indicated, Congress selected 35 as the most highly meritorious projects and adopted them—35 out of 200. We have not had a bill since then, and there is no bill now pending providing for any new project. The Rivers and Harbors Committee of the House does not propose to submit a bill at this session to take care of any new projects at all.

This appropriation is intended to carry about \$13,000,000 for maintenance of old projects, completed heretofore, and \$13,000,000 for beginning work on new projects which were adopted by Congress in 1922, after the various stages I have indicated had been gone through, and after a favorable report by the engineers, and after both Houses of Congress, with the advice and counsel of the engineers developing the merit of these various proposals in the various hearings, decided, "These 35 are of prime importance, and we will adopt them and postpone action on the others which have already been favorably reported on by the engineers."

What is the use of adopting these 35 projects if we do not appropriate some money to do the work on them, to go on with them? We may not necessarily complete them now, but we certainly should begin the work now.

That is contemplated in the bill. We simply stultify ourselves if we said in 1922 that we adopt these projects and authorize their improvement and agree that the improvements ought to be made, and then in 1923 refuse to appropriate the money to do the work. That is what the proposition means. If we reduce the appropriation from \$56,000,000 to \$27,000,000, we can not go on with the work in any orderly, economical, and proper way. We may take care of the maintenance provisions, but we can not go on regularly with the improvements. Some of these are very important projects. Let me mention one or two of them.

For instance, here is Plymouth Harbor, Mass. That is a small project, amounting to only \$51,000 to provide for facilities in the harbor which were destroyed by the work done for the

Pilgrims' Centennial. In carrying out the work done there they practically destroyed the harbor, and the \$51,000 is one-half the amount required to restore the facilities. The other half will be put up by the State of Massachusetts. There was a harbor of merit as to commerce destroyed when we undertook to join in the celebration there. The State is to put up half of it, and the Federal Government is to put up the other half, \$51,000.

Mr. NORRIS. How was it destroyed?

Mr. FLETCHER. The details are not given. I am referring to General Taylor's statement appearing at page 163 of the hearings before the Senate committee. I could look into that somewhat further. Perhaps he went into it more in detail before the House committee, but that was the statement made before the Senate committee.

In carrying out the work done there they have practically destroyed the harbor, and the \$51,000 is one-half of the amount required to restore the facilities. That was General Taylor's statement before the Senate committee. Evidently in carrying on the work preparing for the celebration the damage was done.

Mr. NORRIS. The question naturally arises in my mind—and it is very important now—how was it destroyed, because if having naval vessels going in or having a sort of jubilee would destroy it, probably it is not wise to keep it up if it were so easily destroyed. I think it is important to know how it was that the harbor was destroyed.

Mr. FLETCHER. I can not give any more details than are given in the testimony before the committee. I can not state now the details, but will look it up later and see if anything further was given in the testimony before the House committee. It may be that further information with reference to it appears in the report. I just happened to have before me the statement of General Taylor before the Appropriations Committee of the Senate.

Another new project was what is known as the New York and New Jersey channels, which is a project for the deepening of the channels north, west, and south of Staten Island, the channels surrounding Staten Island. The channel now has a project depth of 25 feet and the proposal is to deepen it to 30 feet. Now look at the commerce that is involved there. The commerce in the channel amounts to between 20,000,000 and 30,000,000 tons a year. On that channel are situated a number of oil refineries, copper reduction works, and other large industrial plants.

The chairman of the subcommittee, the Senator from New York [Mr. WADSWORTH], asked General Taylor:

What is the cost of that project?

General TAYLOR. The cost of the project will be in the neighborhood of \$11,000,000. The amount carried in this bill is \$1,500,000. That is for the first year's work.

That project has been adopted. Congress said: "We intend to go on with the improvements." It ought to be improved. The commerce is there to justify it. The engineers now say if they do the work they must have \$1,500,000 this year. How can anyone defend a vote that refuses to appropriate the money for that purpose?

Mr. NORRIS. May I ask the Senator on that point if it necessarily follows, if the amendment is agreed to, that the work can not be done?

Mr. FLETCHER. Absolutely. It would have to be cut down. If it is reduced, the engineers might not allot to that project more than \$500,000. The engineers would have to readjust all of their estimates and perhaps leave out entirely those which are not of commanding importance.

Mr. NORRIS. The engineers' adjustment of the amount necessary to carry on the work of the 35 projects includes \$1,500,000 for this project?

Mr. FLETCHER. Yes.

Mr. NORRIS. I suppose there are a good many others that do not need that much money. This is one of the most important of them all, is it not?

Mr. FLETCHER. I might say to the Senator from Nebraska that in and about the harbor of New York over \$7,000,000 of the \$56,000,000 would be allotted. We can not say that that harbor does not require or need this sort of improvement. We can not say that the commerce there does not justify the expenditure. We must take care of the situation. There will be something over \$7,000,000 spent in the vicinity of New York Harbor, and there will also be \$7,000,000 on the Ohio River.

We adopted years ago the project on the Ohio River to build the dams there. During the war we practically laid aside that work, because, in the first place, it was too expensive and the difficulty of getting material and labor, hampered as we were, was such that we practically held up the work there. That work ought to be completed. We have all agreed on that. Congress has over and over again declared in favor of the

importance of the Ohio River project. The engineers are in a position to spend between \$7,000,000 and \$8,000,000 this year on the Ohio River, and they will soon have the work completed. This bill takes care of that project for the coming year. If we reduce the appropriation any at all, the engineers would have to make a proportionate reduction on the Ohio River, in all probability.

Mr. NEW. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Florida yield to the Senator from Indiana?

Mr. FLETCHER. Certainly.

Mr. NEW. What would require a lessening of the estimate of \$7,000,000 to be expended on the Ohio River, provided the amendment prevails?

Mr. FLETCHER. I will say to the Senator that that is going to depend upon how the engineers will be able to work out the problems. They would then have to readjust all of their estimates and figures. Having so much money, they would have to cut their suit according to their cloth. What reduction would take place on the Ohio can probably be arrived at in a very simple way. Eight million dollars is to \$56,000,000 as so many million dollars would be to \$42,000,000 or \$27,000,000 or whatever the amount might be. It would have to be calculated in that way I presume. The engineers would have to determine that, and certainly they would have to reduce their constructive plans and their work on the Ohio River if we did not give them the full amount of money necessary to carry it on. There are no ifs and ands about it. They can not take things out of the air and off of the trees and bushes and put them together and build dams across rivers. It takes money to do that. If we deny them all the money they need, they can not build the dams.

Mr. NEW. I do not want to trespass on the Senator's time, but I have something to say with reference to that matter. I shall not, however, interrupt him at present.

Mr. FLETCHER. I am perfectly willing to yield to the Senator. I am anxious to give the Senator the best information I can on the subject. I can not specify what particular projects would be entirely neglected or postponed; that is to say, when the engineers are given only \$27,000,000 or \$37,000,000, or when any reduction is made from \$56,000,000, they would have then to determine whether they would do any work at all on certain projects. They might quit certain projects entirely and not spend a cent on them, and put the money on the Ohio River. They might practically concentrate their work in that way on New York Harbor and the Ohio River. The \$14,000,000 allotted to those two projects might be spent there, but they are not likely to do that, I think. I imagine what they would do would be perhaps to postpone any work on some existing projects already adopted and perhaps under way, awaiting further appropriations, and spend the money where they thought there is the greatest necessity for it; or else they may try to apportion it over the entire number of projects as named in the hearings. At any rate, they have to determine what is best to do with the money that they have, and that is sure to be a very difficult problem. We know now what they will do with it if they are given the full amount, because they have said it before the committees and in their report. We know exactly what they would do with the \$56,000,000, but we do not know what they can do if we reduce it to \$27,000,000 or \$37,000,000 or make any other reduction.

With reference to the project in New York I read from the hearings further, as follows:

Senator WADSWORTH. That is the amount that would be allotted to that project?

General TAYLOR. That is the amount which is included in the items which make up \$56,000,000. We have been urged very strongly by the commercial interests around Staten Island that that amount is wholly insufficient. They believe that there should be at least \$3,000,000 allotted to it, and I presume there will be very strong arguments made. I do not know just what the final amount recommended will be, but if the full amount of \$56,000,000 is allowed, it will probably not be less than \$1,500,000, and possibly more, if we can find other places that can be reduced without seriously interfering with the other projects.

If we do not give them \$56,000,000 they probably will use \$500,000 or they might not begin the work at all, but use the money somewhere else.

So it is all the way through the projects. The extension of the sea wall at Galveston Harbor is another very important piece of work that ought to be done.

Mr. NORRIS. I would like to ask the Senator about that work. How far has it progressed? What, if any, would be the danger that would be brought about if the entire amount asked for was not expended next year?

Mr. FLETCHER. If they do not complete it, a storm may come up and completely destroy all they have done. They have only built a part of the wall. It can be readily understood that where a wall that is intended to protect a great harbor is only partially completed and a storm comes like the one that did the damage before, it would sweep around the end of the incomplete wall and destroy the whole work.

Mr. NORRIS. That might happen, anyway, if the wall was completed, because even when it is completed it will have an end and the water could go around it.

Mr. FLETCHER. It might, but it is not at all probable. Here is what General Taylor had to say about the Galveston project:

General TAYLOR. That is one of the new projects adopted by the last legislative bill.

Galveston is subject to periodical tropical storms which cause a piling up of the water in Galveston Bay. In the storm of 1900 it reached 15 feet above the mean Gulf level and flooded the peninsula extending out from the city and flooded the city; but since that time they have built a sea wall to protect the city and filled in.

A project was adopted by Congress for extending the sea wall built by the city for the protection of the city out to the channel.

It was anticipated when that project was adopted that a certain amount of the wall would be built in connection with fortification construction, but since the project was adopted the fortification plans have been changed, so it is no longer necessary to build any fortification there and, consequently, that much of the sea wall has been left unconstructed.

There is now 2,860 feet of the wall still left to be built. The result of it will be that if we should have another storm, instead of having that long peninsula some 3 miles long for the water to flow over, with a flow of moderate velocity, the water will be forced through the channel and over this short section of the spit, which is still left unprotected, with the practically certain result that there will be great scouring action take place, with the chance of scouring a channel south of the jetty and with the possibility of closing the channels, and with the probability that the material will be deposited so as to close the port of Galveston.

That is the danger.

Mr. NORRIS. If the Senator will permit me, I would like to ask another question. I am not interrogating the Senator with anything but the very best of intentions.

Mr. FLETCHER. I appreciate that.

Mr. NORRIS. I know that the Senator is familiar with these various projects and has given them study. I think the Senate ought to know something of the details before it can vote intelligently.

I am only asking these questions for the purpose of enlightenment, I will say to the Senator. How much of the \$56,000,000, if that be allowed, have the engineers allocated to Galveston?

Mr. FLETCHER. I am glad to be able to answer the Senator's question. I have never been to Galveston in my life; I have been to very few of these harbors and can not give testimony based on personal knowledge as to the conditions; I have to be governed very largely and almost entirely by the testimony before the committee where we try to get at the facts, by the reports of the engineers, and by the statements of people who know. So I find, very fortunately, as was pointed out a minute ago, with reference to the sea wall at Galveston, just what General Taylor says on that subject right at hand here. His statement is as follows:

We regard that project as of so much importance that I know we will recommend to the Secretary the allotment of the full amount of \$670,000 necessary to complete the project, whatever the amount of the appropriation may be. There can be no question as to the absolute necessity of that money being provided and that work being done at once.

Mr. NORRIS. Mr. President, will the Senator from Florida now yield further?

Mr. FLETCHER. I yield.

Mr. NORRIS. The Senator will observe from the testimony of General Taylor, which he has just quoted, that if only \$27,000,000 were appropriated that project, if General Taylor's recommendations were to be followed, would be completed. It will take less than \$1,000,000 to complete it, and that project will be completed regardless of the amount appropriated in the bill.

Mr. FLETCHER. I am pointing out, first, the merit of these projects which we adopted in 1922; but I infer that what the Senator from Nebraska has stated is correct; that the Engineer Corps will recommend to the Secretary of War—and I have no doubt the Secretary will do what they recommend—that he allot \$670,000 for the work at Galveston, whatever the appropriation may be; that is, of course, if it exceeds the \$13,000,000 which is to be devoted to maintenance work, as undoubtedly it will, for it is proposed in no event to make the appropriation less than \$27,000,000, and I infer if an appropriation of \$27,000,000 is provided that they will ask for \$670,000 to complete the work at Galveston for the reasons they have given; and I think they ought to do so.

Mr. NORRIS. I agree with the Senator. It seems to me that an improvement like that which has been partially finished ought to be completed.

Mr. FLETCHER. What is the result of that? If they give Galveston \$670,000, the total amount of their recommendation, which it is, then, of course, they can not give the Ohio River or New York Harbor all they require, because they will not have the money with which to do it, for after deducting the \$670,000 to complete the work at Galveston there will not be left sufficient money to go around. Therefore the other projects must go without improvement for the present to that extent, and so on as to other specific projects.

In this same testimony General Taylor refers to the Ohio River. I will not take time to read his statement in reference to that. Then he refers to the lower Missouri and—

Mr. NORRIS. I do not wish to interfere with what the Senator from Florida desires to say, as he has outlined his remarks, but he is passing over some matters which I think would be interesting—

Mr. FLETCHER. Very well, we will recur to the Ohio. For instance, the next item which is mentioned in this testimony is the Ohio River. The Senator from Washington [Mr. Jones] asked this question, which is quite material:

Let me ask you for your judgment as a result of your experience. Do you find that you get more benefit and work for the money appropriated in this way than you did when it was appropriated so much for each specific project?

Now we come to the question of a lump-sum appropriation, which is a very material question. General Taylor says:

General TAYLOR. Very much better results. The money is used to a very much better advantage. For instance, last year we had the best year for work on the Ohio River that we have ever had. Ordinarily we would not think of being able to use more than \$5,000,000.

Senator JONES. As a matter of fact, you have not been able to get more than that amount of money for that project, have you?

General TAYLOR. No, sir; we never have. But last year we allotted in the neighborhood of \$7,500,000 for that work, and we made better progress in the work last year than we have made in many years.

Senator WADSWORTH. How much would be allowed for the Ohio River under this \$56,000,000 appropriation?

General TAYLOR. We plan on \$7,000,000. If we have as good a year for work this year as we had last year we will use \$7,000,000.

Senator WADSWORTH. How far toward completion will that bring you?

General TAYLOR. The different dams are in different stages of completion. The total project provides for 54 dams. Of those 54, 37 are in operation, 9 are under construction, and 8 have not been commenced.

We would plan on commencing probably about three next year. The dams that are not commenced are nearly all in the lower river, and we find it very difficult to get contractors to bid on the work in the lower river because the conditions for work are so very uncertain.

Senator FLETCHER. And you will probably have to do that yourself?

General TAYLOR. We expect to have to do that all by hired labor.

There are two or three questions still unsettled which have to be settled before the work is finally completed, one of which is the possibility of power development at Louisville.

There is one place where there is a possibility of power development of the Ohio River, and that is at Louisville. If certain negotiations are carried through, if certain plans are carried into effect which the people have under consideration for developing water power at Louisville, they will probably be required to build the dam for power purposes and to relieve the Government of that expense. They may build the dam so high that it may not be necessary to build another dam across the river farther up. So we may be entirely relieved of the building of two of the remaining eight dams which are uncommenced on the Ohio River. This appropriation leaves those two out of the calculation for the present. That is the situation on the Ohio. It would seem to be a pity to deny the amount that it is estimated will be necessary to do the work which can be done next year on that great undertaking.

Mr. NORRIS. Mr. President, will the Senator yield to me at that point?

Mr. FLETCHER. I yield to the Senator.

Mr. NORRIS. I do not believe that it would be wise where a dam, for instance, like one of the dams on the Ohio River, is in the course of construction to stop work on it unless for some reason it was intended to abandon it entirely; I agree with the Senator as to that; but what I am trying to find out as the Senator goes along is what will happen if the proposed appropriation of \$56,000,000 should be reduced. It seems that without damage, without injury, we could cut down the allotment for the improvement of the Ohio River, because General Taylor says that next year they expect to make an allotment for three new dams that have not been commenced. It would be better if we could build the dams right away; I concede that; but we have to economize; we can not do all the work at once, and there would be no injury to the existing work if no more than a sufficient amount were allocated to

the Ohio River to keep the work going which has been commenced. It seems to me there might be a reduction in that instance. It would not be a desirable one, I will admit, for it is better always to complete such projects as soon as they can be completed; but we have not the money to do everything at once, and if we wanted to save some money and avoid making such a heavy appropriation, here is one place where I think the Senator himself by his explanation has shown there might be some reduction without any damage or injury.

Mr. FLETCHER. I think if we reduce the appropriation the engineers will be obliged to deny to the Ohio River a part of what they expected to be able to spend on it and could spend on it, namely \$7,000,000. They probably would reduce that to \$5,000,000. Of course, the Senator realizes that while any of the dams remain uncompleted the Ohio River is only as deep as it is below those dams, no matter how deep it is made above them; in other words, the river is only fit for navigation according to its lowest depth at any one point in the river. We have not accomplished much by deepening the channel of the river if we do not continue the improvement on down to its mouth. That is one reason why we ought to go on, it seems to me, and complete all the dams on the Ohio River and thereby finish the project. We adopted the project in 1910; we have spent \$48,080,000 on it; we are getting now pretty close to the end of it; but what we have spent will not count for much unless we complete it, and the sooner we complete it, it seems to me, the better it will be. It appeals to me also that that is the wisest course to pursue.

Mr. NORRIS. Let me ask the Senator about the navigation of the Ohio River. How many months in the year is the stream navigable? It is closed a part of the time during the cold weather, I presume, is it not?

Mr. FLETCHER. I presume likely it is. The purpose is to make, as a minimum, a 9-foot channel throughout the length of the river.

Mr. NORRIS. If the Ohio River had a 9-foot channel, there would be a 9-foot channel to New Orleans from the point on the Ohio where the 9-foot channel commenced, would there not?

Mr. FLETCHER. That is brought out in this very hearing, from which I quote as follows:

Senator WADSWORTH. When the Ohio River project is finished, what will be the average depth of the channel?

General TAYLOR. A minimum depth of 9 feet.

Senator FLETCHER. From Pittsburgh?

General TAYLOR. From Pittsburgh all the way to the mouth.

That is, a minimum of 9 feet. At present I presume they have not over 4 feet in certain portions of the river.

Mr. NORRIS. General Taylor means the mouth of the Ohio River, I presume.

Mr. FLETCHER. Yes; the mouth of the Ohio.

Mr. NORRIS. Now let me ask the Senator a further question there. From the mouth of the Ohio, where it enters into the Mississippi, and from there to the mouth of the Mississippi there is already a 9-foot channel, is there not?

Mr. FLETCHER. Yes; and more.

Mr. NORRIS. So that the completion of the improvement would really mean a 9-foot channel from Pittsburgh to New Orleans?

Mr. FLETCHER. Precisely; the Senator is correct about that.

Mr. President, I do not want to appear as dwelling too much on details, but I feel very strongly that it would be a great mistake to reduce this appropriation. To be sure, the Congress have not felt bound by the recommendations of the Budget Bureau; but that is perfectly legitimate, for it is in the province of Congress to say whether or not they believe that the Bureau of the Budget knows more about rivers and harbors than do the engineers of the War Department. The House evidently believed the engineers knew more about the needs of the country concerning the development and the improvement of rivers and harbors and the expense involved and the justification for that expense than did the Bureau of the Budget. So when the bill was reported the committee exceeded the Budget recommendation by \$10,000,000; when the bill came upon the floor of the House the amount was increased from \$37,000,000 to \$56,000,000; and the bill comes here with that having been done in the other body. All that we are doing now is accepting the action of the House. We are not increasing this appropriation at all. The Appropriations Committee of the Senate reports the bill just as it came from the House respecting this item, and it is a question whether the Senate will pass the bill as it came from the House or modify it, as may be indicated.

Those who are proposing this reduction are against this sort of expenditure. They have been all along; but I take it they

will not undertake to reverse the policy of this Government, which has been in effect for a hundred years, that the obligation and duty of the Government is to take care of these highways of commerce over which the Government has jurisdiction. The States can not do it, individuals can not do it, because these are navigable waters under the control and jurisdiction of the Federal Government. Now it is proposed to reduce this expenditure to an amount which will be ineffective, and will not carry out that policy which has been adopted by Congress, and which can only be put into effect by certain expenditures of public funds. That provision is made here in the House bill. Those who propose to reduce it will cripple the whole work, so that we had almost as well not make any attempt to carry it on.

Mr. KING and Mr. NEW addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. FLETCHER. I yield to the Senator from Utah.

Mr. KING. The Senator has just made a statement with respect to the power of the States in dealing with navigable waters which, with his kind permission, I should be very glad if he would elaborate.

As I understood his position, it was that under our form of government the States had no right to make improvements upon streams if they were navigable, because under the Constitution the Federal Government has charge of or control over—I am not sure as to the word the Senator used—navigable streams. It seems to me that if that is the Senator's position—and I ask for information—he has stated the proposition a little too broadly.

The only power that the Federal Government has over the streams, or the waters of the streams, is to regulate commerce. The Senator knows that under the common law, which was adopted so far as navigable streams and riparian owners were concerned when our Government sprang into existence, the sovereign State not only owned the bed of the stream but it owned the right to control the waters of the stream. The Thirteen Colonies, when they formed the Union, became sovereign over the beds of the streams. They had control over the waters. They owned the waters, so far as ownership may exist in a running stream. They certainly owned the usufruct—subject, of course, to the riparian owners—and they owned the bed of the stream. When the Federal Constitution was adopted, the States merely delegated to the Federal Government the power to regulate commerce. I do not understand that the power to regulate commerce inhibits the States or individuals from the utilization of a stream, navigable or unnavigable, whether it forms the boundary between two States or whether it arises within a State and flows beyond the State. The Federal Government has no right, I insist, to inhibit the use of the stream so long as its navigability is not destroyed. States or individuals may take the water from the stream, but if they return it undiminished in quantity, undeteriorated in quality and do not interfere with the navigability of the stream, they may do so. Obviously, if an individual, a municipality, or a sovereign State improves the navigability of the stream, Congress has no right to interfere, and ought not to interfere. Such an act would be in furtherance of the use of the streams for commerce, and to that extent it would be in harmony with any regulatory power that the Federal Government might exercise.

I believe that under the construction which is daily being placed upon the commerce clause of the Constitution, and one or two other clauses of the Constitution to which I might refer, we are invading the rights and sovereign powers of the States, and if we persist in that construction much longer the States will be mere shells. I ask the Senator if he believes that merely because of the regulatory power a State may not increase the navigability of a stream, and, if not, why not?

Mr. SHIELDS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Tennessee?

Mr. FLETCHER. I yield to the Senator.

Mr. SHIELDS. The position of the Senator from Utah as to the rights of the States over the waters within their respective territories was never questioned until about 1890. By an act then passed—I think an amendment to the rivers and harbors bill—and another one in 1906 and another in 1910, a different doctrine was asserted. This was the first time it was ever thought that a State or an individual or riparian proprietor had to go to Congress to get a permit to improve its or their property. Prior to these acts the only power which Congress exercised was to remove obstructions if they were placed in a navigable stream—not improvements, but obstructions. If it was determined by the proper authority—which

was the War Department then as now—that it was an obstruction, it was removed, because it interfered with navigation. The conservationists got through the water-power legislation, more particularly in 1910—that is the drastic act—providing that no riparian proprietor or State could construct a structure of any kind in a navigable stream without an act of Congress permitting it, even if it was a great improvement to navigation. This is just a broad, arbitrary, unreasonable, unconstitutional statute. I know that in my State—and I think you will find it in the records of the others—the Tennessee General Assembly made divers appropriations for the improvement of the navigable waters in that State as far back as 1820, and there never was any question in regard to it until Congress assumed this jurisdiction in 1890 and 1900; and I believe that if to-day a State or a riparian proprietor were to put a structure in a stream without permission of Congress—not an obstruction, but a structure that did not obstruct the navigation of the river—and the Federal Government were to attempt to indict them for it or to remove it the courts would hold that it had no authority to do so.

Mr. FLETCHER. Mr. President, I had no idea that this question, involving the constitutional power of Congress and involving State rights, would be raised at this time. I have not at hand the decision, but I have in mind the fact that as far back as the Ogden case, which arose in New York and was decided by Chief Justice Marshall, it has been well established that the United States Government had jurisdiction over the navigable waters, rivers, and harbors of the United States, and for purposes of navigation exclusive jurisdiction. Beyond that, the jurisdiction would not extend to anything more than the protection of the navigation.

Mr. SHIELDS. If the Senator will allow me to interrupt him, the earliest case upon the subject along the line of the argument of the Senator from Utah involving the rights of the States, the case of Pollard against Hagan, arose in Alabama, and, I think, is reported in 3 Howard. The case of Ogden against Mills only involved the question of navigation, but the States hold the streams in trust for their people. There is not only that early case but there is an unbroken line of authorities to sustain that proposition up to within the last two or three years, one case arising in New York in relation to the St. Lawrence River, and another arising in the State of Kentucky, in which the Supreme Court of the United States went back and sustained the Alabama case and all the cases following it.

Mr. FLETCHER. Mr. President, beyond any question the States can appropriate money and can expend that money in improving navigable waterways, provided they do it upon the approval and really under the direction of the engineers of the War Department.

We have a peculiar situation in my State that bears on the question raised by the Senator from Utah. I think there the Federal authorities are going too far. There is a great inland lake in my State, Lake Okeechobee, the largest inland lake in the country outside of the Great Lakes, I think. It is some 50 miles north and south and 50 miles east and west across that lake, with a uniform depth of about 18 to 20 feet. The overflow of Lake Okeechobee is what produces what are known as the Everglades. The State undertook to drain the Everglades, to reclaim 4,000,000 acres of the very richest kind of land, and to do that they have to dig canals and they have to lower the level of Lake Okeechobee. When the rivers and streams flow into Lake Okeechobee from the north and excessive rains fall, the overflow takes place on the south, and that overflow spreads over the 4,000,000 acres or more of land known as the Everglades. In order to prevent that overflow, the plan of drainage operations includes the idea of lowering Lake Okeechobee some 4 feet by these canals puncturing the rim of the lake and relieving it of that much water. The War Department says, "You can not do that, because that is a navigable waterway." This lake is entirely inland, all in the State of Florida, but the Federal Government says that it is navigable—and it is, of course; it is 17 or 18 feet deep—and that the State can not lower that water without the permit of the Federal Government.

There is no conflict between them, because everything is working harmoniously, but I am referring now to the principle. In the case of an inland lake like that, which does not connect with any ocean or gulf or waterway outside at all until you force the connection, I doubt very much if the Federal Government has authority and jurisdiction over that body of water, lying entirely within the State, and not connecting, as I say, with any sea or ocean or waterway leading to and usable in interstate or foreign commerce. Interstate or for-

eign commerce can not be involved in this case, because the lake is all within the State. So I doubt very much if the Federal authorities are not stretching their authority when they undertake to say to the State authorities: "You can not lower that lake 1 foot unless you get our permit to do it, and you shall not do it below a certain depth." The State authorities are willing to accept the opinion and the good judgment of the Army engineers, because they do not want to harm the navigability of the lake in any way, anyhow, and so there is no conflict anywhere; but I am referring now to the principle involved under the Constitution.

Even in the instance of that inland lake, where no foreign or interstate commerce is involved, the Federal authorities assume jurisdiction, because it is a navigable body of water. But, generally speaking, unquestionably the Federal Government has jurisdiction over the rivers and harbors of the country which carry interstate and foreign commerce, and facilitates it, and no State can build a bridge across navigable water without permission from Congress. They can not do anything, certainly, to obstruct in any way the navigability of such a waterway, and in order to be sure of it we have provided that the State authorities or individuals shall get a permit before they can act. Congress and the Federal Government having jurisdiction of navigation, the Supreme Court having held that "commerce" includes navigation, require that that jurisdiction shall be maintained and respected at all times, and unless permission is granted by Congress no structure can be put upon or in or across a navigable waterway.

Mr. NORRIS. Mr. President, if the Senator has finished that particular item, I desire to say just a word. I wanted the Senator to go a little further than he did in discussing some of the items which have already been approved. I believe an examination would show whether or not we can make a reduction, and if so, how much of a reduction we can make without serious injury to the projects. I would like to ask the Senator about the Missouri River from Kansas City to the Mississippi River. Is that one of the 35 projects to be completed?

Mr. FLETCHER. Only maintenance is provided for on a portion of the Missouri River. On the Missouri River, from Kansas City to Sioux City, the only thing to be taken care of, if we appropriate \$56,000,000, is maintenance, for which \$25,000 is provided. From Sioux City to Fort Benton the only matter that will be taken care of, if we appropriate \$56,000,000, will be maintenance, for which \$15,000 is provided. But from Kansas City to the mouth the bill contemplates an expenditure of \$1,000,000 for improvement and \$500,000 for maintenance. The expenditure of \$1,500,000, therefore, is contemplated from Kansas City to the mouth of the Missouri River.

Mr. NORRIS. There are no dams to be built there, are there?

Mr. FLETCHER. No.

Mr. NORRIS. No rock work or anything of that kind has to be done, and with that much money provided they could do a good deal. What is the channel they are providing for, and how much of a channel have they now?

Mr. FLETCHER. I refer again to General Taylor's statement before the Committee on Appropriations of the Senate, page 168, where the following occurred:

Senator WADSWORTH. Under this \$56,000,000 how much will be allotted to the lower Missouri River?

General TAYLOR. Probably in the neighborhood of \$1,000,000.

Senator SPENCER. From Kansas City to the mouth?

General TAYLOR. From Kansas City to the mouth.

Senator WADSWORTH. What progress has been made there, General, in the lower Missouri River?

General TAYLOR. There has been no progress in the last few years because we had no money for it. Last year we allotted \$100,000, which was just barely sufficient for a small amount of maintenance work with no new work at all.

Senator WADSWORTH. There has been a great deal of money spent there, however, in years past, has there not?

General TAYLOR. Yes, sir; there has been quite a little money spent there in years past.

Senator WADSWORTH. Can you give any idea how much?

General TAYLOR. Since the new project has been adopted there has been spent for new work from United States funds \$7,380,579.60.

Senator WADSWORTH. With really nothing to show for it thus far?

General TAYLOR. Very little to show for it, because it is such a small part of the estimated cost of the project. The estimated cost was \$20,000,000.

Senator WADSWORTH. What was the depth contemplated in that project?

General TAYLOR. Six feet. There has been, perhaps you know, a great interest manifested in the Missouri Valley in the last year or two by the landowners in doing work themselves for the protection of their own land. There is a concern known as the Wood Bros. Construction Co. which has been engaged in that work. They took it up first because they had a ranch of some 11,000 acres not far from Omaha, Neb., into which the river was cutting very badly, and in order to protect their own land they put in a certain form of dike protection. They then advertised that, so to speak, to the farmers in the country, showed what they had done, and they formed a construction company that succeeded in inducing all of the States along the Missouri River to

pass laws authorizing the formation of protection districts. Those districts are authorized to issue long-term bonds, which, I am informed, the banks take at par, and the money has been expended in the river-bank protection.

The Woods Bros. Construction Co. has done over \$1,000,000 worth of private work this year on the Missouri River for bank protection.

We are working with them as we believe that that is the proper thing to do on the Missouri. We think that the landowner, who is benefited directly by the bank-protection work, should pay for it himself, and we have been encouraging that development all we could with the idea of getting the people benefited to pay for it and let the Government do the work which is purely for the benefit of navigation.

I undertook to explain this yesterday with reference to the upper Missouri. General Taylor continued:

I think that movement has got such a good start there that it is bound to continue.

Then he passed on to a discussion of the upper Missouri.

Mr. NORRIS. If the Senator can give me the information, I would like to know a little more about what has been accomplished with the expenditure of that money. It seems that quite a large sum has been expended.

Mr. FLETCHER. Quite a large sum, and they have not gotten very far with it, because they have not had enough at any one time to prevent the sweeping away of what had been accomplished in the way of channel deepening the year before by the washing in of the banks and filling.

Mr. NORRIS. I think the answer the Senator has given involves this question: If we dig out a channel this year, it fills up, and there is no channel there the next year. Is it wise to go on doing that? In the first place, I am very much interested in that part of the Missouri River as well as other parts, but I think that if that stretch from Kansas City to the Mississippi River can be made navigable it will mean a great deal to a very large section of the country and a large number of people.

Mr. FLETCHER. Undoubtedly.

Mr. NORRIS. But I do not want the Government to waste money, and I would like to know really what has been accomplished. I think five or six or seven million dollars have been spent on that stretch of the river, have they not?

Mr. FLETCHER. Yes.

Mr. NORRIS. What was done with the money, and how much of it was spent in any one year, if the Senator knows?

Mr. FLETCHER. That will be shown by the engineers' report. I have not that data before me, but it shows precisely what has been spent each year.

Mr. NORRIS. There are no dams there, are there?

Mr. FLETCHER. There are no dams. I think the engineers feel very much encouraged, and I think the committee which looked into it feels encouraged, on account of this effort to protect the banks and shores. There was a demonstration made here as to what could be accomplished in that respect, and there were moving-picture exhibitions of what the Wood Bros. Construction Co. are actually doing. Unquestionably their process of preventing the washing away of the banks of the river and protecting the banks is a great success.

Mr. NORRIS. I am familiar with it to some extent myself, and it is a great success.

Mr. FLETCHER. That is the main work. If that is done the matter of deepening the channel for navigation will not be a very serious problem.

Mr. NORRIS. No; I should think not. If it depends on the success of that method of holding the banks it would be successful, because I believe it has been demonstrated that the method used by the Wood Bros. is more successful and more economical than any other that has ever been devised.

Mr. FLETCHER. I think so; and I think the engineers feel that way and say they are working with the Wood Bros.

Mr. NORRIS. Does the Senator know whether it is necessary to excavate to any great extent from Kansas City to the Mississippi?

Mr. FLETCHER. It is necessary to some extent, but of course there will not be much excavation, because the depth is to be only 6 feet. I think there are no engineering difficulties in the way when the question of bank protection is once settled.

Mr. NORRIS. That will be comparatively inexpensive, will it not? If they could make the river navigable by that means, why should not the Government do it, the same as they use some other means to make a river navigable, instead of expecting the owners of the land to do it?

Mr. FLETCHER. I think they are cooperating with the owners as far as they can. Of course, there is quite a distance from Kansas City down, and it takes a good deal of money to do that work. I forget the mileage, but I think it is something over 300 miles.

Mr. NORRIS. It is between three and four hundred miles. It is clear across the State of Missouri, of course.

Mr. FLETCHER. It is an expensive thing even to remove the silt from year to year. I have said all I care to submit now.

I simply say that I think it will be a great mistake to reduce this appropriation.

Mr. NEW. Mr. President, I want to commend all the Senator from Florida has said with reference to the Engineer Corps of the United States Army. Whether this work should be placed upon their very able shoulders or not, I am not prepared to argue, but that it could be placed on more competent shoulders, I am sure is not the case.

While that is true, and while I have the highest respect for their professional ability, they are not passing upon these projects from the commercial standpoint. I know they say that the amounts which they have fixed in their various recommendations can be profitably expended; that is to say, the Government is justified in putting the amounts of money assigned into these various projects, but, after all, conceding everything which may be conceded, the engineers are not looking at these things from the commercial standpoint. They tell us what may be done to good advantage, but they do not tell us where the money is to come from that is to pay the bill. That is in other hands. The responsibility for raising the money is with other departments.

Now, Mr. President, I am very much in favor of the Ohio River project particularly and the expenditure of all that the engineers have estimated for work along that river. The Ohio River was a great artery of commerce before the oldest Member of this body came into being. It is not a purely local enterprise at all. It directly supplies a vast area. From Pittsburgh to New Orleans, which is the outer end of the Ohio River's real course after its confluence with the Mississippi, is a very great distance. It traverses and supplies at least 25 per cent of the States of the Union, and a great deal more than that, because it goes directly to the seaboard; and further still, by reason of its geographical location, it can carry a character of freight and supplies that can be transported by river to better advantage than in any other way—coal particularly—and the iron manufactures of the Pittsburgh district and the various other manufacturing towns and areas through which the Ohio River flows.

But, Mr. President, I think that the matter of the expenditure of the money that is to be spent on river and harbor improvements under the bill, after all, is a matter of common sense more than anything else.

Mr. POMERENE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Moses in the chair). Does the Senator from Indiana yield to the Senator from Ohio?

Mr. NEW. Certainly.

Mr. POMERENE. The Senator has been speaking very interestingly about the Ohio River project, which is now perhaps two-thirds or more completed. We have a very large investment in those dams, but they are substantially useless because the other dams have not been completed. When the entire project is completed it is going to improve transportation on the Ohio River.

If I may give to the Senator from Indiana a concrete illustration which would affect present conditions of transportation, I would like to do so, and it will only take a moment. Some years ago when I was investigating the subject I found that during one year more than a million tons of coal were shipped into Cincinnati over and above what had been shipped in the year before, but very much less of the coal went down the Ohio River by barge. This was at a time when there was a shortage of freight power on the railroads.

Mr. NEW. I understand the Senator to mean that the shipments came to Cincinnati by water and then were diverted to rail because the river was not navigable below that point?

Mr. POMERENE. The river was not navigable at that time. That was it in part. Again, there was another situation for which the railroads, as I was informed, were in part responsible, because it seemed that a rate was given for the shipment of coal by rail from Cincinnati to Toledo and farther north which was very much less if the coal went into Cincinnati by rail. In other words, there was a very much higher rate if the shipment of coal from Cincinnati to Toledo unfortunately happened to come into Cincinnati by water upon the Ohio River.

All of these facts, it seems to me, indicate the necessity of completing the Ohio River project at the earliest moment possible. After that shall have been completed, then we will be able to demonstrate whether or not river transportation is going to be what its friends claim for it, or a failure.

Mr. NEW. Mr. President, all that the Senator from Ohio has said is true. Moreover, the discrimination which he has cited in the matter of freight rates from the Ohio River north on the railroads is, I think, unjustifiable and wholly wrong. All that

he said about the advisability of completing the work on the Ohio River at an early date is also true. But, Mr. President, I insist that all of the work is still possible if we keep the appropriation at a very much smaller figure than the \$56,000,000 which is called for as the bill now reads. I am perfectly willing, as a friend and champion of the Ohio River improvement, to vote for a reduction in the appropriation. I do not believe that the amount of money asked for river and harbor improvement is justified at this time for the reason that I find in it so many projects which, it appears to me—I do not think I am wrong about it, either—can be put over until a more propitious time.

One further thought: In determining the allotment of the money, say \$29,000,000 or whatever sum may be required, it occurs to me that the object to be given prime consideration is what projects can be developed with reference to do the greater good for the greater number. Certainly the Ohio River project is not local in its application. It does not merely supply a few towns along the Ohio banks or along the Indiana banks, or those of any other particular State through which it travels in its course to the sea, but it supplies a large number of States. I think it flows either through or by approximately a dozen States, and, as I have already said, it reaches the seaboard with freight of a character that can be so easily transported by water. The element of time does not cut a great figure in the delivery of a large load of coal between the Kanawha Valley and New Orleans. If it is 10 days, all right; if it is 20 days, it still reaches there in good condition. There are projects provided for in the bill which ought to be taken care of adequately now, but there are others which can be and should be deferred out of consideration for the difficulties which the Government is experiencing in raising money to meet its most urgent everyday needs.

For these reasons, and believing, as I do, that the Ohio River improvement will not suffer—at least, that it need not suffer—as a result of a lessened appropriation here, I shall vote for a reduction in the amount now carried in the bill for rivers and harbors.

Mr. WADSWORTH. Mr. President, I ask unanimous consent that when the Senate finish its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection?

Mr. BORAH. Just a moment. I would like to have an opportunity to send for a Senator who is interested in the matter.

Mr. WADSWORTH. Does the Senator from Idaho refer to the chairman of the Committee on Agriculture and Forestry?

Mr. BORAH. I do.

Mr. WADSWORTH. The information which reached me was that the Senator from Nebraska [Mr. NORRIS] desires to have a meeting of the Committee on Agriculture and Forestry to-morrow morning, and that he therefore would not like to have a recess taken to 11 o'clock.

Mr. BORAH. Very well.

Mr. WADSWORTH. I assume that he would not object to 12 o'clock as the meeting hour to-morrow, because that is the usual hour of meeting anyway.

Mr. BORAH. I have no objection if the Senator from New York understands the wish of the Senator from Nebraska.

Mr. WADSWORTH. I did not converse directly with the Senator from Nebraska, but the information came to me through another Senator.

Mr. UNDERWOOD. May I ask what the request was?

Mr. WADSWORTH. That when the Senate finish its business to-day it shall take a recess until 12 o'clock to-morrow.

Mr. KING. Mr. President, I wish to inquire of the Senator from New York if a day will be given this week for the consideration of the calendar; that is to say, will we have a morning hour?

Mr. WADSWORTH. Not before the pending bill is finished.

Mr. KING. After the bill is out of the way we may have a morning hour?

Mr. WADSWORTH. I am not in a position to give the Senator an assurance on anything except in connection with the pending bill.

Mr. KING. I do not see the leader on the other side present at the moment, but the papers state that the Senator from New York is assistant leader, and I appeal to him for information.

Mr. WADSWORTH. I am having enough trouble with this particular bill without going further to find more.

Mr. KING. I can assure the Senator we are facilitating it in every possible way in order to secure its passage.

Mr. WADSWORTH. I have noticed that.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. WILLIS. Mr. President, some criticism has been indulged in here relative to certain items provided for in the appropriation carried in the bill. I am frank to say that I share the feeling, in part, of those who have indulged in that criticism. I think appropriations are proposed to be made for some items that ought not to be provided for, but I am very anxious that the country shall understand from the denunciations which have been heaped upon the bill as a whole that a particular project to which I shall refer in a minute does not come within that class but is of a different character altogether. I see my friend from Idaho [Mr. BORAH] smiling.

I took occasion yesterday in some remarks I made here to point out some items that I thought were without justification. I go further and say that I think the fault is not with the Board of Army Engineers entirely; but if I may say so without improper reflection upon the committee of which I am a most humble member, I think the fault rests in part upon the Committee on Commerce. I think there are a number of items that ought to be taken out of the bill and the projects ought to be permanently abandoned.

My attention was drawn to that some months ago when I was examining a bill introduced by the able Senator from Washington [Mr. JONES], chairman of the Committee on Commerce, Senate bill 3017, in which are named 47 or 48 different projects upon which at different times public funds have been expended in large amounts, running up into how many millions of dollars I do not know; but it was then proposed that those 47 or 48 different projects should be definitely and finally abandoned. I think that bill should have been reported and passed, and I think another bill of that character would help very much to solve this problem.

Mr. BORAH. Mr. President, may I ask the Senator from Ohio a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. WILLIS. I yield.

Mr. BORAH. How many of the projects which are covered by the bill which was introduced by the Senator from Washington [Mr. JONES] are included in this report?

Mr. WILLIS. I have not had time to check up on that. I should say, in fairness, though, I have not found any. There may be some, but I am not in a position to answer that question definitely.

Mr. KING. Mr. President, will the Senator yield to me?

Mr. WILLIS. Certainly.

Mr. KING. How does the Senator expect to cure the situation when, notwithstanding the recommendation of the able Senator from Washington to abandon 40 different projects, we have before us, or shall have in a short time, a proposition to include 200 more under the provisions of the river and harbor bill, for, as I understand, the Army engineers, under pressure or otherwise, have recommended 200 additional projects, 35 of which find some provision for their improvement or maintenance in the pending bill?

Mr. WILLIS. Mr. President, the junior Senator from Utah understands that the bill to which I have referred was not reported from the committee. I think it ought to have been; I think it ought now to be reported, and that an additional bill should be reported recommending the abandonment of some other projects, among them certain ones to which I drew attention on yesterday, which, in my opinion, are unworthy and ought not to be continued. I think those ought to be included in the bill of the Senator from Washington. So I think my position in this matter is fairly understood.

In these criticisms, however, I do not desire that there should go by without some word of response the suggestion that the whole river and harbor bill is a measure that could be treated lightly and that is unproductive of good. There have been a number of inquiries and some remarks have been made concerning the Ohio River improvement. At this time I simply wish to ask permission to place in the Record a brief statement from the report of the engineers as to what is actually being done and what has been accomplished on that great project.

Without taking time to read it all, I call attention to the fact that the estimates for this year for the completion of the work on the Ohio River are \$7,526,000. There have been expended upon that work thus far \$72,000,000. Five million four hundred thousand passengers and 8,000,000 tons of freight, worth \$464,000,000, were carried on this project in 1921. It is well understood that when that work shall have been completed it will, as my colleague, the senior Senator from Ohio [Mr. POMERENE], has suggested, furnish the best opportunity that probably can be furnished by the country to determine once and for all the question of the efficacy of water transportation. I desire to say that all the facts at hand thus far

indicate that that project, if we establish a 9-foot stage of water from Pittsburgh to New Orleans, has every promise of yielding splendid results to the country. This project I have supported cordially and I shall continue to support it.

Mr. President, I ask to place in the Record at this point brief excerpts from the report of the Army engineers showing the condition of the work on the Ohio River and the necessity for further appropriation to complete the project at an early date.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

OHIO RIVER.

Comparative statement of traffic.

[Traffic through locks and open river and traffic by ferries not separate.]

Year.	Tons.	Value.	Passengers.
1892.....	6,901,186	(1)	1,476,363
1893.....	7,371,804	(1)	858,797
1894.....	7,795,501	(1)	1,033,492
1895.....	7,963,478	(1)	866,030
1896.....	9,914,435	(1)	1,223,296
1897.....	11,265,638	(1)	1,914,763
1898.....	6,756,627	(1)	2,335,963
1899.....	13,529,742	(1)	3,612,965
1900.....	14,054,322	(1)	3,881,588
1901.....	10,064,373	(1)	4,304,730
1902.....	12,202,017	(1)	4,517,635
1903.....	12,499,842	(1)	4,286,031
1904.....	10,142,551	(1)	3,951,384
1905.....	13,163,656	\$22,145,592	4,193,971
1906.....	11,427,784	79,994,488	4,349,069
1907.....	11,306,544	79,145,808	4,414,213
1908.....	8,498,754	59,491,278	3,960,965
1909.....	8,676,701	60,736,907	4,071,794
1910.....	11,112,216	358,899,889	4,313,528
1911.....	12,046,294	82,074,873	3,827,365
1912.....	8,618,369	71,064,229	3,852,289
1913.....	9,814,123	77,026,901	4,270,786
1914.....	9,530,309	93,294,479	3,955,911
1915.....	9,273,184	188,510,914	5,017,375
1916.....	7,917,112	165,130,487	4,150,411

	Short tons.	Value.	Passengers.
Calendar year 1917:			
Through locks and open river.....	4,598,875.32	\$70,510,378.97	637,378
Ferries.....	1,550,338.00	238,762,376.76	2,823,634
Total.....	6,149,213.32	309,272,755.73	3,461,012
Calendar year 1918:			
Through locks and open river.....	6,171,412.70	77,685,322.47	864,353
Ferries.....	451,528.30	67,989,594.81	9,467,556
Total.....	6,622,941.00	145,654,917.28	10,331,909
Calendar year 1919:			
Through locks and open river.....	5,004,377.74	88,912,135.54	1,048,095
Ferries.....	465,045.86	97,798,196.67	3,260,225
Total.....	5,469,423.60	186,710,332.21	4,308,291
Calendar year 1920:			
Through locks and open river.....	9,382,463.70	223,443,491.73	1,130,112
Ferries.....	486,861.66	145,164,075.30	3,325,728
Total.....	9,869,325.36	368,607,567.03	4,455,840
Calendar year 1921:			
Through locks and open river.....	7,307,880.09	93,274,813.61	1,373,854
Ferries.....	729,908.23	371,301,448.28	4,079,497
Total.....	8,037,788.32	464,576,261.89	5,453,351

¹No statistics available.

Effect of improvement: The great benefit claimed for the improvement will be felt only when the slack-water system has been extended far enough downstream to permit of continuous navigation at all times (except when interrupted by floods or ice) over a longer section of the river, connecting the large cities on the upper section with those on the middle and lower sections. The commercial effect of the series of completed dams on the upper river is reflected in the marked increase in general traffic and in the amount of coal shipped from the mines along the Monongahela River, to industrial plants on the Ohio River at Aliquippa and Midland, Pa., and Steubenville, Ohio. Coke in considerable quantities is also being shipped from the Monongahela River to steel plants at New Cumberland, W. Va. Coal is also being shipped upriver from pool 11 to industrial plants above.

During the low-water seasons of the past five years coal to the amount of approximately 1,040,000 tons was shipped from the Kanawha River fields to Cincinnati and other points along the Ohio River by releasing water impounded in the pools formed by the dams on the upper Ohio and its tributaries, creating artificial rises and assisting coal fleets with partially loaded barges over the shoals in the unimproved section of the river. This coal was urgently needed and much suffering and great economic loss were prevented as a result of receipt of the coal thus shipped, especially during 1917, 1918, and 1919, as none of it could have been transported by rail, owing to the serious congestion existing on the railroads at that time. Oil and gasoline have also been shipped in considerable quantities upriver to Pittsburgh from points in West Virginia and Kentucky by means of tank barges.

Proposed operations: The balance available at the close of the year from previous appropriations will be variously applied at each of the locks and dams now under construction and still unfinished to that part of the construction the early completion of which will be most advantageous to the progress of the particular work. Upon these locks and dams which are nearest completion the funds will be applied to the placing of the wickets and their different parts, installing gate-operating machinery or power-house equipment, and in placing in proper condition the grounds belonging to the improvement. Where work has not been so far advanced the available funds will be applied to cofferdam construction and in placing the masonry of the lock or dam, depending upon the state of the particular work. It is not possible to state definitely the rate at which funds available at the close of the year will or can be expended, as the rate of progress is controlled largely by the stage of water in the river. However, in view of the small balances remaining from the previous river and harbor act, it was necessary toward the close of the fiscal year to transfer and allot funds previously allotted to various locks and dams in order to prevent cessation of the most important work. In view of this fact and also in view of the large sums obligated by contracts for the construction of the dams at Nos. 32 and 34, together with the large amount of work being undertaken by hired labor methods, it is believed that the balance available will be entirely exhausted by the end of the fiscal year 1923.

It is proposed to apply the funds—\$7,000,000—for which estimate is submitted in this report for the fiscal year 1924 to continuing or completing work upon the locks and dams under construction at the close of the year, and to commencing the construction of such additional locks and dams as may be possible with the funds provided.

There has been great development of navigation on the upper part of the Ohio River since the locks and dams on that part of the river have been completed, and urgent appeals are now being made by navigation interests for the early completion of the work on the lower river.

Recommended modifications of project: None.

Commercial statistics: Of the total commerce reported for the calendar year 1921, 2,135,608.30 tons passed through the locks and 5,172,271.79 tons went by open river. Coal constituted 60 per cent of the tonnage and sand, gravel, and stone 22 per cent. The principal items in order of tonnage representing the remainder are miscellaneous, manufactured iron and steel, railroad ties, coke, merchandise, machinery, and oil.

Mr. UNDERWOOD. Mr. President, I merely wish to say a few words in favor of this item before the vote is taken.

Mr. President, the most important question which is now absorbing the attention of the American people is that of transportation. Freight rates for many causes have increased enormously. Of the items that go to make up freight rates, labor constitutes a net charge of 60 per cent; more than 10 per cent is supplies, such as oil, lumber, and coal; and 5 per cent or more is taxes. I do not know of any way in which we are going to reduce those items, and, if they are not reduced, then, taking all the other items that go into the making up of a freight bill, we have only a leeway of 15 per cent in which to determine the problem. So, for the time being, and probably for a long time to come, the American people are going to pay very much higher freight rates than they paid before the Great War. The Congress of the United States, no matter what some orators may say, are not going to perform miracles and bring about a reduction in freight rates so as to make them comparable with the rates which were charged before the war, though, of course, I should be glad if it were possible to accomplish that result. Before the World War we probably had the cheapest freight rates, taken in the aggregate, of any great country in the world. I wish we could return to that condition, for it meant much to the health, the life, and the prosperity of our Nation, but we are not going to do it.

It is almost impossible for some of the heavy freights of this country now to move under the present high freight rates. There was a day before the Great War when I remember that the heavy products from the Birmingham district, such as iron and steel, could stand the rate of freight then charged and go by rail into the eastern markets, such as New York and Boston, and even compete with the Pennsylvania furnaces and mills; but to-day the increased freight rate practically bars the products of that district out of the eastern market. That is only an illustration, but it is an illustration that may be cited in reference to many other products from many sections of the Union, and we are confronted with that condition because of these insurmountable costs which stare the American people in the face. If anyone will tell me how to reduce the cost of the 85 per cent of charges to which I have referred against every freight rate I should like to know how it may be done. No one has been able to say how it may be done up to this time.

However, Mr. President, nature, in the geography of America, has given us a way to solve the problem if we would but use it. This country has one of the greatest natural water systems in the world. The Mississippi River extends almost from the Canadian line to the Gulf and its tributaries reach out to the Alleghenies and toward the Rocky Mountains; the rivers of New York and New England are prepared to carry the commerce of that section to the sea, and so are the great rivers of the Pacific; and yet, Mr. President, practically speaking, Amer-

ican commerce is unable to avail itself of the opportunity to use that means of transportation. It is not that it can not be done. We fight here over whether a 6-foot channel or a 9-foot channel is needed. I am in favor of making the channel as good as it is possible to make it; but boats can go to the sea on a 6-foot channel.

The great commerce of Europe in many cases is carried on 4-foot channels. I have stood on the banks of the Rhine and seen lines of barges going up and coming down that river, carrying the bulk of the freight that is moved in that valley, notwithstanding the competition of lines of double-track railroad on each bank. The Rhine is not nearly so great a river as is the Mississippi, it is not so navigable as is the Mississippi today, and it only compares favorably with many of our lesser rivers; yet, although we have these great waterways, many of which we could use to-day, we can not interest the Government of the United States in developing them for the people; we can not interest the Congress to take the action that is necessary to be taken in order that this method of transportation may be availed of.

Why is that? It is because from the beginning the great railroad lines of this country went out to kill competition. Twenty years ago, 30 years ago, 40 years ago, we invited competition in transportation; the man who was engaged in the transportation business was fighting for a competition that would give him control of the movement of freight, and so he proceeded to put his competitor out of business, with the result that, although 40 years ago steamboats were moving down the Mississippi and up the Ohio and as far north as St. Paul, carrying immense cargoes of freight, the railroad lines reduced their rates so as to starve the steamboat lines out of existence, and we sat quietly by and allowed it to be done. Every now and then when we have a bill before Congress the railroad managers say, "We may have done that in the past, but we are not going to do it in the future"; and yet, when the time comes and the opportunity is afforded, every effort is made to drive out and destroy water competition.

A child knows that heavy products can be transported cheaper by water than by land. The American people are entitled to water transportation to enable their products to be carried to sea as cheaply as possible in order that they may compete in the foreign markets. There is just one thing to be done, and that is to make destructive competition on the part of the railroads cease. The clause in the act regulating the railroads allowing them to reduce their rates to meet water competition was exactly the same as allowing them to reduce their rates to kill water competition, and they have done it, and they are going to continue to do it. Even when the Government itself is engaged in the business, as it is to-day on the Mississippi River and the Warrior River, we can not get Government bureaus reasonably and fairly to protect the Government's own business in the distribution of freight.

Mr. BORAH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. UNDERWOOD. I do.

Mr. BORAH. Did I understand the Senator to say that the railroads had reduced freight rates to the point where they destroyed water competition?

Mr. UNDERWOOD. They have done so in the past; yes. What they do is this: They reduce their rates below or equal to the water rates. It makes no difference that they can not afford to do it; boats may carry the freight cheaper and do carry it cheaper; but the railroads meet the water rates in order to take the business away from the boat lines, and then the shipper, because he may get or thinks he may get a day or two advantage in delivery and because it may be easier to load on trains, goes to the railroads and lets the boat line perish. That is not a theory, but it is a fact.

Mr. BORAH. That may have been true years ago, but it certainly has not been true very lately.

Mr. UNDERWOOD. It has not been true very lately, and why? Because the dead man can not speak. They killed water transportation, and no live man is going back into the business under similar circumstances; but the fault lies here, on this floor. They need not be dead men if we would give them the right to carry the freight fairly where they can do it the cheapest, and not allow somebody to come along and cut their throats.

Mr. BORAH. That might be true in some parts of the United States, but it never could be true from the Atlantic to the Pacific or from the Pacific to the Atlantic, because the rivers do not run right.

Mr. UNDERWOOD. I am surprised that my friend from Idaho should drift into that line of thought that many people do drift into in this country, that the only ports in this country

are on the Atlantic seaboard and the Pacific Ocean; that New York and San Francisco are the great ports of the country, and that all freight and all traffic and all thought must lead there. God Almighty made the Mississippi River. He gave these great rivers for the use of the people that live here, and the natural course of transportation down the Mississippi Valley should be to New Orleans. The people who have the wheat of the Northwest and the cotton of the South to send to foreign markets should not have to pay high freight rates to go across the Allegheny Mountains when they have a practically level way down the Mississippi River and when they have a great river on which to carry their products at low cost.

Mr. BORAH. That is true of a certain kind of freight, and of course the argument of the Senator limited to those things is unanswerable; but there is a vast amount of freight which has not been touched by the situation to which the Senator refers. The thing that is destroying us out West is the high freight rates; it does not make any difference whether you go by the Panama Canal or whether you go by the railroads.

Mr. UNDERWOOD. Undoubtedly; I agree with the Senator; I just said that; but, if the Senator will tell me, is he in favor now of cutting railroad wages back to what they were before the war? No; I will answer for him, and he will not deny it. Can he reduce the prices of coal and lumber and oil, except as time and competition will reduce them? No. Can he reduce the taxes that the railroads have to pay? No.

Mr. BORAH. Yes; I could do that.

Mr. UNDERWOOD. I do not know how the Senator could.

Mr. BORAH. It is a very easy thing to do if we have a mind to do it. Of course, the States and the Congress must act together in regard to such things. The proposition with me is that the thing which we are doing here with reference to a vast amount of the river and harbor appropriations in this bill—appropriations which swell the amount and make it exorbitant—will never reduce freight rates by a cent, because the money is not spent on rivers or streams where there will be any freight moving.

Mr. UNDERWOOD. I take issue with the Senator, and I am glad he said that, because we are coming right down to the issue, and I want to face it. I challenge the Senator's proposition that he can reduce the taxes in my State or his State that the railroads have to pay, or that he can reduce the income taxes that have to be paid to the National Government. That is an impossibility practically, no matter what it may be theoretically with the Senator; and there you have 85 per cent—labor, supplies, and taxes—of what has to be paid to run the railroads, and you can not make any great reduction on the other 15 per cent.

Mr. BORAH. Of course, we can not reduce taxes unless we reduce appropriations. I admit that. It is apparent that we are not going to reduce appropriations, but we could if we desired to.

Mr. UNDERWOOD. Of course, we might cut down the salaries of the officers in our States; we might fail to pay pensions to veterans; we might do a great many things; but we are not going to do it, and the Senator knows that as well as I do. Taxes are not coming down.

Mr. CARAWAY. Mr. President, will the Senator permit me to interrupt him just there?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. UNDERWOOD. I yield.

Mr. CARAWAY. Possibly the Senator was going to mention it, but the Senator from Idaho was talking about the minor streams. There are only one hundred and eighty-one thousand and a few odd dollars carried in this bill for the improvement of what are known as minor rivers.

Mr. UNDERWOOD. Undoubtedly the Senator is right.

What I want to say, and what I am coming to, is this: I do not stand here to criticize anybody else, and I do not mean it in the way of criticism, but I stand here because I feel that a great section of this country is being antagonized on the very most important proposition that confronts it. It is being antagonized simply because people say: "You have the rivers, and there is no freight moving on them"; and yet we know that if to-day we would repeal the clauses in the transportation acts that allow the railroads to reduce freight rates so as to drive the steamboats and barge lines off the rivers, they would go back there and function for the benefit of the American people with lower freight rates—at least for the benefit of a large portion of the American people.

We have these great rivers, and they are navigable now. They were navigable before the Civil War, and carried vast volumes of freight even before they were improved. We have

Government investments of hundreds of millions of dollars in them.

Mr. BORAH. They carried a vastly greater amount of freight than they carry now before we put the millions into them.

Mr. UNDERWOOD. Not because we have improved them, however. They carried greater freight then because we did not invite an unfair and unjust and unequal competition against them.

Here is the situation, and nobody can deny it: In many, many instances, if not all, the railroad lines have reduced their rates below what they could fairly carry the freight for, below the cost of carrying it, in order to destroy water competition, and then have made the hinterland of the railroad that did not lie on the water pay the additional cost in order that the road might run. That is the story, and that is the truth of it.

Mr. BORAH. I do not agree with the Senator that the railroads have reduced freight rates below a point at which they could afford to carry freight. I can not believe that the facts as they are developed will sustain that proposition.

Mr. UNDERWOOD. It is not open to dispute. I am sorry the Senator is not informed, but it is not open to dispute. I could name conditions in my own State where it has been done; but if the Senator will read the testimony before the committees of the House and the Senate when the Cummins bill was up he will find direct admissions of railroad men that they had done this in the past, but they said they would never do it again in the future, and yet I know of an instance that was referred to here yesterday in my own State where they deliberately gobbled up the entire division of a freight rate to destroy water competition.

Mr. BORAH. Of course, if the Senator has in mind a particular instance which he says he knows about of his own knowledge, I should be far from disputing anything the Senator might say in regard to the matter. I know that if he has examined it, he states it as it is; but I utterly dispute the proposition that the railroads of this country generally have reduced freight rates to a point where they can not afford to carry the freight.

Mr. UNDERWOOD. I am not talking about the general freight rates that they charge. I am talking about the competitive rates at points where they compete with water; and then they have raised the rates back in the hinterland to people who were not on the water, and made them pay enough to make the railroad pay. The people outside had to carry the burden until the water competition was destroyed, and then they went back to the old freight rates, until some years ago Congress passed a law saying that where they reduced the rate they could not put it up.

As I said yesterday, it is just as natural for railroad management to go out to destroy river competition with a railroad as it is for a dog to chase a cat. The only difference is that the railroad dog usually catches the river cat. That is the real truth about this matter.

We shall have to go back to the plan followed by every other country. The great countries of Europe are carrying the bulk of their freight to the sea by water transportation, even through artificial canals.

Mr. BORAH. Mr. President, does the Senator mean to say that the Interstate Commerce Commission has connived at the actions of the railroads in reducing freight rates for the specific purpose of destroying competition in some streams?

Mr. UNDERWOOD. The Interstate Commerce Commission has done what the law allowed it to do. The law does it. The fault lies right here, right in the center of this aisle. It is because there have been too many people who would not wake up to the fact that we are entitled to water transportation, and they allowed this law to stand on the statute books. The American people never will have a fair opportunity to get the advantage of cheap water transportation to carry their products to the sea until the American Congress repeals some of the laws in which it has authorized this unjust competition.

Mr. BORAH. What is the defect of the law dealing with the powers of the Interstate Commerce Commission which permits the railroads to do this without the supervision of the Interstate Commerce Commission?

Mr. UNDERWOOD. I can not quote the clause verbatim. The Senator will find it there.

Mr. BORAH. No; the Senator will find there a clause which was put in there for the specific purpose of enabling the Interstate Commerce Commission to deal with just that kind of a situation.

Mr. UNDERWOOD. To be sure.

Mr. BORAH. If it is not sufficient and efficient to do that, we ought to be advised of it, because the intent of Congress was to prevent that very thing.

Mr. UNDERWOOD. No; the Senator is wrong.

Mr. BORAH. The Senator is not wrong.

Mr. UNDERWOOD. I know what I am talking about.

Mr. BORAH. So do I.

Mr. UNDERWOOD. A clause was put in the transportation act to authorize railroads, in the discretion of the commission, to meet competition by water. It was discretionary with the commission in the beginning. When it went in there no one expected the commission to go to the extent of giving them an unlimited right to meet water competition and destroy it; but the commission took the position away back yonder that that was what it meant, and it ran along, and on occasions they allowed the railroads to meet the competitive rate until they said the precedent was so strongly established that they could not overcome it. When the Esch-Cummins bill was passed, we attempted to change that situation and give the commission a chance to start over again and prevent this unlawful competition. So far as I am advised, they have done nothing up to this time under the power vested in the Esch-Cummins Act.

Mr. BORAH. Then the Senator and I agree upon the proposition that it is not the fault of the law, but that it is the fault of the commission.

Mr. UNDERWOOD. It is the fault of the law in allowing the commission any discretion at all in the matter. What the law ought to do is to prohibit the railroads from reducing rates to meet this competition. If they can not carry the freight at their ordinary and just rates of tariff, notwithstanding the river, the freight ought to go to the river, and be carried by the cheapest means of transportation.

Mr. BORAH. I agree with the Senator.

Mr. TOWNSEND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Michigan?

Mr. UNDERWOOD. I do.

Mr. TOWNSEND. My understanding is that the attempt on the part of the Esch-Cummins law was to modify the provision as it then existed, which was that a charge for a short distance should not be greater than one for a longer distance, the shorter being included within the longer, provided—and this was the provision—that no rate should be established that was not compensatory in itself; so that they could not fix a rate for any distance that would not be compensatory.

Mr. UNDERWOOD. To be sure. The Senator sat on the committee with me, and he knows what we were driving at, and he remembers the discussion in the committee, and the witnesses that appeared before us. He knows, as I do, that the old clause under which the commission was first authorized to do this made it discretionary with the commission.

Mr. TOWNSEND. Yes.

Mr. UNDERWOOD. He knows that the commission came before us and said that that discretion had been used affirmatively to the railroads so long that it had become a precedent, and they could not overthrow it, and we attempted to change the language so that they could set a new precedent; but, as far as I am advised, they have not done so.

Mr. BORAH. Mr. President, that is another proposition I am unable to understand. There is nothing at all to prevent the Interstate Commerce Commission from overruling any precedent which it has established at any time since it was organized. It has perfect power. It is all within its discretion. It can disregard, and it does disregard, its precedents, and there could not be any possible reason in law why they should not disregard any precedent.

Mr. UNDERWOOD. The Senator is right about that. They could, just as the Supreme Court can overrule its own decisions, but he as a lawyer and I as a lawyer know it is hard to get them to do it. When they establish a precedent they do not change it. That does not help us at all, because while they may feel they have the power they do not exercise it. Congress has invested hundreds of millions in these water-transportation routes. We know water transportation can succeed, because it has succeeded in other countries. We know it can succeed, because it succeeded in America before this unjust competition was allowed. If the commission is not willing to handle the matter, Congress should act. There is no reason why we should attempt to ignore or destroy a great system of waterways. I am in favor of continuing to build them up, as the engineers are, and to keep on building them up.

Mr. HITCHCOCK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. UNDERWOOD. I yield.

Mr. HITCHCOCK. My impression is that water transportation has never been able to compete with railroad transportation in a country of large distances, and even in Germany it

was not able to compete, and it was recognized that it could not compete without legislation. The German Government enacted laws providing for a division of the freight between the canalized rivers and the railroads, and in Germany I understand certain freight must be shipped by waterway and can not be shipped by railroad where there is competition; so that it has required the force of law even in Germany to make water transportation possible in competition with railroads. To my mind in a great country like this, where distances are enormous, it is unreasonable to suppose that waterways can compete with railroads. It is almost a waste of money to appropriate with that hope.

Mr. UNDERWOOD. Of course, we can theorize about the matter, but a couple of years ago, when we had this question before us, I took the trouble to read the German statutes, and I did not find anything in them which would justify what the Senator from Nebraska has just said. I may not use the exact language, but I believe there are provisions in those statutes which do not allow the railroads to reduce their rates to within 20 per cent of the rates of the waterways. Water carriage is cheaper than railroad carriage, and the law does not allow the railroad to come down beyond a certain point and drive the water carriers out of business.

There can be no question about the water transportation being cheaper, when you can load on one barge as much as you can carry in two trainloads and when the barge does not cost as much as the engine of the train, and you start it down the river loaded, and it floats, or has a little tug to pull it. To say that it costs more to transport by water than to transport by rail, where you have to build miles of steel rails and carry the road through a country, pay enormous taxes, and great labor pay rolls, which you do not have in the water transportation, is really absurd, as it is to say you can not carry heavy freight cheaper by water than by rail. There is no question about it. It has been so since the beginning of rail transportation.

Mr. McKELLAR. Mr. President, the Senator will recall that in the act under which the barge lines were created Congress expressly provided that they could charge 20 per cent less than the usual rates charged by the railroads between the same places, and that discrimination is the law; but the railroads, just as the Senator has said, have so reduced their rates, and have insisted upon such an unfair division of rates, as virtually to put the line, especially about which we are talking, out of business.

Mr. BORAH. I would like to ask the Senator from Tennessee where the railroads have thus reduced their rates?

Mr. McKELLAR. Only when they come in competition with these river lines, which they want to destroy.

Mr. BORAH. Where is that?

Mr. McKELLAR. That is on the Warrior River especially.

Mr. UNDERWOOD. I will say to the Senator that, of course, they destroyed water competition a decade or two ago. They destroyed it down the Ohio, they destroyed it down the Mississippi, they destroyed it down the Warrior, and they accomplished that result along most of the great rivers of the Mississippi Valley. There is no question about that having been done in the past. They have not had to do it in recent years, and have not done it in recent years, because they had nobody to compete with except the Government.

Mr. BORAH. The time the rivers were carrying most of the freight was the time when we were spending the least amount of money on them.

Mr. UNDERWOOD. That may be true, because the railroads did not compete with them; they did not start this ruinous competition which the people of the hinterland had to pay for.

Mr. CARAWAY. Mr. President, I want to call the attention of the Senator from Alabama, and also of the Senator from Idaho, to the fact that recently the railroads actually reduced the freight rate on grain going down the river to New Orleans from the upper valley 5 cents a hundred, and the shippers are enjoying that cut now, getting more return by reason of that reduction in the rate than the amount of money to be appropriated in this bill for this purpose.

Mr. UNDERWOOD. There is no doubt about that. My friend from Idaho, whom I respect, and whom I always find is accurate where he has taken the trouble to investigate, of course lives among the mountain peaks. This question has not been next door to him, as it has been next door to us; and when our system of transportation in the valleys was destroyed, he was looking above those who live down in the valleys and did not see what was happening.

Mr. BORAH. I have seen the Senator all the time, and I always greatly admire him, but the reduction which the able

Senator from Arkansas has spoken of leads me to say that we had a reduction out West, where there are no rivers, to meet certain local conditions. I have been interested in water transportation ever since the building of the Panama Canal, and I have been trying to have passage of American ships through the Panama Canal made free. I have undertaken to familiarize myself with that subject, but I have been unable to find where of late the railroads have reduced their freight rates for the purpose of destroying water competition, and I do not believe any instance can be cited where that has been done for many, many years.

Mr. UNDERWOOD. I stated that the Senator was probably right in that statement as regards the last decade, although I think I could find instances; but the business was dead 10 years and more ago.

Mr. BORAH. It seems to have died after they began to feed it out of the United States Treasury.

Mr. CARAWAY. Let me give one illustration. I live 103 miles north of Helena, Ark., and because the railroad running near my town has no competition I could formerly ship from Helena to St. Louis for just about half as much as I could ship from my town, because they have the river competition into Helena.

Mr. BORAH. We come back to the question, Where is the Interstate Commerce Commission?

Mr. CARAWAY. It is down here on Pennsylvania Avenue and Eighteenth Street; but I do not want to be facetious—

Mr. UNDERWOOD. If the Senator will allow me, I do not want to interrupt him, but I think sometimes the Interstate Commerce Commission is living in the mountains and can not see us in the valleys.

Mr. BORAH. I want to say to the Senator that if he lived out in the mountain region he would think differently.

Mr. CARAWAY. I am not speaking about the policy of the commission; but there was a recognized right of the railroads to meet what they called water competition. It was legal, under the ruling of the commission, up to within a comparatively few years, and if one imagines there was not such competition, he ought to go and compare the rates on the railroad and on the river. The water rates were approximately 50 per cent of the rail rates. The gentleman sitting to my right lives on the White River. We improved the White River for a short distance, and then they built a line of railroad right alongside it, and operated the railroad absolutely at a loss all the time until they destroyed the last bit of water competition.

Mr. UNDERWOOD. I know the Senator from Idaho is perfectly sincere in what he says, but he simply does not know the facts. What the Senator from Arkansas has said I know to be true. I know it is true in my State. There is not a man who lives in the Mississippi Valley along these rivers who does not know that the railroads have deliberately gone out to destroy water competition, and largely because Congress has permitted it.

Mr. BORAH. Mr. President, we can not escape the fact, then, that the Interstate Commerce Commission has connived at the crime.

Mr. UNDERWOOD. I am not willing to give the Interstate Commerce Commission an entire acquittal. I do not say that they are entirely to blame; I think some of the blame lies at our own doors. At any rate, I think there was no justification for it, but I am not willing to abandon these water routes because either the Congress or the Interstate Commerce Commission has been derelict in its duty to the American people in seeing that they are protected against this unjust and unfair competition, and the natural, cheap means of transportation of their products to the sea has been destroyed.

What I rose to say was this, and I say it in all good part: That since I have been in Congress I have continually listened to attacks from gentlemen coming from the great mountain country on the rivers of the country and appropriations for their improvement. I think the first thing I ever heard sung in the House of Representatives was an attack because of "macadamizing" creeks in the Mississippi Valley.

There may have been a time when unwarranted appropriations were made, but everybody knows that for the last decade appropriations do not get into these bills until they have been carefully supervised by the engineers of the United States Government, who have no personal interest in them, and when money has been expended on river and harbor projects it has brought a depth of water that actually justified transportation if the ships were allowed to run.

The men who come from the Mississippi Valley, as I do, have never made war on the great mountain regions of the West. I sat on the Committee on Irrigation in the House of Representatives, when it was equally divided, at the time the great irriga-

tion bill was reported to the House. That bill came out of the committee by one vote; and if I had cast my vote the other way it would not have been reported, but I voted for it. When it came into the House of Representatives to be made a law, practically the entire membership from the South, men who lived in the Mississippi Valley cast their votes in favor of the bill and made it a law, and gave that great western country a chance to grow and develop.

Whenever the great West has appealed to the South on a fair, economic question involving their growth and development, they have found our people standing with them; and yet every time this question has come up, the most vital question to us, a question of ultimate cheap transportation for the products of our fields to the market and the world's market, where we have to compete with the competition of the world, I find that the men who have called for our help are the first to denounce and attempt to destroy the one feature concerning us to be found in these bills of vital economic importance to us. Where are the appropriations that amount to anything that go South outside of this one item? Where are they spent? I do not mean the appropriations made in war times, because we built some camps there then; but ordinarily where do they go?

Mr. LENROOT. May I ask the Senator what appropriations go to the North any more than go to the South?

Mr. UNDERWOOD. I am not criticizing their going to the North.

Mr. LENROOT. But what appropriations do go to the North that do not equally affect the South?

Mr. UNDERWOOD. But they are not spent in the South and the South is not benefited. Most of them do not go to the Senator's part of the country any more than they go to mine, but they go to the North. The only great appropriation that we get in the Southland that is of vital importance to the economic question involved for our people, and it is an important question, is the one we are discussing now. We are not asking to compete with the North. We are asking that the door may be opened for us to get to the sea, but every time we ask it and the proposition comes here in a bill we are challenged at the door by men who ask our help and to whom we have been giving help for many years in their own economic questions.

I do not see the justice of it. I think when the engineers make an estimate of this kind, and when it is for the development of the rivers, that we are entitled to have it retained in the bill, that it should not be thrown out of the bill simply because somebody says freight is not moving on the rivers when we know why it is not moving there. It is because we have allowed competition coming from the great railroad lines of the country to destroy our water transportation. I think the thing Congress should do, instead of criticizing the development of our rivers, is to correct the law so the barge lines and steamboats may live on the rivers in the future.

Mr. WILLIAMS. Mr. President, Clark, who was president of the old Illinois Central, said the physical configuration of the country was such that if one started a barrel of flour from St. Paul it would roll to the Gulf of Mexico. Of course, there are obstructions here and there that would do away with that theory, but undoubtedly New Orleans has been placed just where it ought to have been, the great export point of the United States for grain and meats and agricultural products. There flow to it the Missouri, the Mississippi, the Ohio, the Allegheny, the Monongahela, the Tennessee, the Cumberland, all the rivers that compose the great valley, and yet the commerce upon the great Mississippi River does not compare with that upon the Rhine in Germany. I want to direct a few minutes to pointing out why.

Bismarck had a great many faults, but his worst enemy never accused him of being a fool. When they came to the question of competition between the railroads and the Rhine and the other rivers that pass through Germany into the German Sea or into the Baltic, Bismarck always insisted that the rivers should carry their share of commerce. He said that result could be achieved by simply not discriminating against them. That was all that was necessary. So, as a matter of fact, in 1914, when the Great War began, the Rhine was carrying the iron ore, the coal, the lumber, and all the heavy materials, and was doing an infinitely large business. Although there were railroads on each side of the Rhine, they were not congested. The waterways naturally took the heavy stuff with the cheap freight rates, where expedition of delivery was not a point or the main point even to be considered, while the railroads took the other things.

Now, what has happened here?

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. WILLIAMS. Certainly.

Mr. BORAH. The river of which the Senator speaks runs in the direction in which the railroads run. But suppose the Senator wanted to get some freight from Pittsburgh, Pa., to Portland, Oreg., how would he get it there upon the same theory?

Mr. WILLIAMS. It could not be done; but I am not contending that it should be done. However, it has nothing to do with the proposition.

So much for the German history of great river traffic. Now, let me come to the American history of it. This time it is the Mississippi River. The gentleman from Texas, or a Member of the House of Representatives, who had been Postmaster General of the Confederacy, sent over to the Senate the Reagan bill establishing the Interstate Commerce Commission or a national railroad commission. One of the provisions in that bill was that under no circumstances should a higher charge be made for a short haul—this is answering the Senator's question—than for a longer haul in the same direction. Then when the bill got over here, that inimitable legislator, John Sherman, of Ohio, got an amendment upon the bill and put in the seemingly innocent words "under similar circumstances" or "under similar conditions." I have forgotten the exact language; I think it was "similar circumstances," but it may have been "similar conditions."

Thereupon the Interstate Commerce Commission ruled that notwithstanding the long-and-short-haul provision, the principle of the ethics of business was that a railroad had a right to compete with a waterway and charge less without reducing its intermediate freight rates, and the consequence was that they could charge a railway rate from St. Paul to Vicksburg, Miss., or to New Orleans to compete with the river rates, although every individual shipment competing with the river rates was a loss so far as it itself was concerned. The only way in which the railroads made money out of it was that it kept up their general business, and as the haul was so long and there was no interference with it along the route they could charge almost any freight rate provided they did not reduce the freight rates between intermediate points on hauls in the same direction.

Then I and some others began—or rather, I should have said, when some others and I began, because they began at an earlier time and contributed much more to it—to endeavor to deprive the Interstate Commerce Commission of the power to enable the railroad to cut its rates wherever it struck a river while it did not cut intermediate rates or rates for equal distances to points that did not strike a river. Finally an amendment to that effect was adopted in the House. It came over here and was amended then by leaving it to the discretion of the Interstate Commerce Commission. The Interstate Commerce Commission has exercised its discretion in favor of the railroads and against the rivers all the time.

Now nobody has demanded any discrimination. All we are demanding is that nature shall take its course, and that the advantage which nature has given to certain places shall not be destroyed by artificial legislation. Notwithstanding all that discrimination, in spite of all this discrimination New Orleans is to-day the second largest port of export in the United States, showing what nature would have done if legislation had not interfered. According to old Clark's theory, a barrel of flour started at St. Paul would roll to the Gulf, or come mightily near it, and if it were started from Cincinnati or Pittsburgh, on the other side to the east, it would pretty nearly roll to the Gulf, and started at the headwaters of the Missouri it would pretty nearly roll to the Gulf, and started down the Red below it would roll pretty close to some point on the Gulf, and started down the Pearl or the Lee it would roll to the Gulf, though, of course, not to New Orleans.

Here is this great, remarkable fan of waterways stretching from the Rocky Mountains on the one side to the top of the Alleghenies on the other, narrowing more and more as it goes southward until when we get to New Orleans it is a very narrow place. The Leaf and the Pearl flow directly into the Gulf on the one side of a small ridge, not a very high ridge, and other streams, the Sabine and others, flow into the Gulf on the west side of another not very high ridge. But as a whole it starts like the points of a great fan and comes down, narrowing as it comes, but it brings the water from the Rockies and the Alleghenies and empties it through a funnel into the lower part of the Mississippi Valley.

We have interfered with it so that it has nearly crippled what ought to be the great ocean bearing auxiliary of America, the great ocean's first assistant in the commerce of these United States. We have not been able to do it completely, because New Orleans is second as an export point, but we have done a great deal toward doing it.

Now, if we had obeyed a wise policy, such as was followed in Germany, two things would have occurred. First, the north and south railways would not have been congested with freight to such an extent that it would take from 10 to 15 days to carry a carload of freight from New York down to Mobile, to New Orleans, to Galveston, to almost any point on the Gulf coast. So we have crippled the railways somewhat as commerce feeders, and we have deprived the river of the burden of its commerce. We have done both. I remember that James J. Hill, the great railway man, said that if some one came to him with an offer that he should deliver 50 carloads of freight from New Orleans to New York within 25 days he would be compelled to refuse it if he had the management of every line that would handle the freight.

Why was that? It was because we had allowed the railroads to make a discrimination against the intermediate points in favor of river points and water points by charging less than the cost of the haul, and we have thereby congested them while we have emasculated the river. Now, suppose we quit both. Give a chance to nature to assert itself. That is not claiming any discrimination. When people have a natural advantage they ought to be allowed to enjoy it. Legislation ought not to destroy a natural advantage, wherever it may be. If we should simply make the rule that wherever a railroad charges a certain rate from one point to another it shall charge no higher rate of freight from the first point to any intermediate point than it charges to the other, that would be a wise rule.

What has been the result of a whole lot of this action on our part? I remember the time when it was solemnly asserted and alleged, and affidavits were made to support it, and I suppose it was true, that it paid men to ship freight from New York to San Francisco, a water point, and then ship it back to Helena, Mont., rather than to ship it from New York to Helena direct. They said that was true. I do not know whether it was or not. I never went fully into the question, but I read the evidence. There were affidavits, and people with tolerable good repute swore to them, to the effect that people would absolutely have their goods shipped from New York to San Francisco and then shipped back to Helena, Mont., and get a much cheaper rate than if they had shipped direct from New York to Helena.

Then some of them conceived the idea that they would be bright and smart and Yankee-like sharp and English and Scotch like sharp in business; and so they would get a permit to take the freight off en route at Helena. But then, lo and behold, it was decided that that was a fraud, and they could not do it; that the freight had to be carried bodily all the way to San Francisco and be brought bodily all the way back. It is absurd that a man could not be allowed to take his freight off in transitu when the shipper and he had agreed, because by doing so they would break up the great bunko railroad game which was playing the shipper for all he was worth.

Mr. GOODING. I am quite sure the Senator is stating the facts in connection with the matter. Not only did that happen as to Helena but it also happened in practically all of the interior States of the West.

Mr. WILLIAMS. At any rate, from my cursory reading of the testimony I believed it at the time to be true. I do not know, however, and I do not wish to vouch for anything I do not know.

Mr. LENROOT. Mr. President, I have no doubt that things have been done by the railroads in order to destroy water competition exactly as has been alleged upon this floor; but the fault for the disappearance of water-borne commerce upon many of the rivers of this country has not been altogether that of the railroads. It seems to me so plain that every Senator must recognize it, that one of the reasons for the decline of traffic upon the Missouri and the Mississippi Rivers, for instance, is the fact that in the days when there was a great volume of commerce on those rivers there was no other way by which products could be carried either up or down in that territory; there were no railroads. Then, when the railroads came, rail transportation became cheaper than any possible water transportation where the haul was very short, where the shipment originated inland, and not upon a river point, and where the destination was not upon the water but inland. In other words, where there has to be a shipment by rail to a water point, a short haul by water, and the goods then have to be unloaded and again shipped by railroad cars, in such a case there can be no economy in water transportation.

Mr. UNDERWOOD. Mr. President, if the Senator will allow me, I merely wish to call his attention to the fact that goods shipped from New York to the city of Birmingham, Ala., coming to Mobile, there transferred to barge lines, and then

again transferred to the railroad at Tuscaloosa, and thence to Birmingham, are carried at a cheaper freight rate than the all-rail freight rate. That is not a theory. A great deal of the goods that go into the stores of the merchants of Birmingham come by water on the Mallory Line steamships to Mobile, and up the Warrior River into Birmingham by way of Tuscaloosa; so that, although the Senator from Wisconsin may be correct in regard to some matters about which I do not know, I do know that he is incorrect in reference to this particular matter.

Mr. LENROOT. What the Senator from Alabama has stated might have happened in a particular case; but does the Senator dispute my contention as an economic proposition? I was only stating it as an economic proposition.

Mr. UNDERWOOD. Of course, there are a great many elements involved. I think that under some circumstances the Senator's statement may be true, but under other circumstances it would not be. Now I will give the Senator an illustration.

Mr. WILLIAMS. What was the statement of the Senator from Wisconsin?

Mr. UNDERWOOD. The Senator from Wisconsin said that freight might be hauled by water cheaper when it was not transferred to railroads, but that when there was an intermediate transfer to railroads the all-rail rate was cheaper.

Mr. LENROOT. I stated when there was a short haul by water.

Mr. UNDERWOOD. In the case of a short haul by water. Of course, it depends upon the length or shortness of the haul.

Mr. LENROOT. That is the point. I was just about to complete my statement. There must be a long enough haul by water so that the cheaper water transportation upon that part of it will more than absorb the extra handling charge involved in the intermediate rail shipments.

Mr. UNDERWOOD. Of course.

Mr. WILLIAMS. That is true.

Mr. UNDERWOOD. The proposition about which I am talking involves a comparatively long haul. I wish, by way of illustration, to cite another instance, though, it is true, a pretty long water haul is involved. The greatest movement of freight of which I know in this country is the transfer of iron ore from the State of the Senator from Wisconsin and from Minnesota to the furnaces in Pittsburgh. That movement starts with a short railroad haul, then the freight goes across the Great Lakes; it is then unloaded and goes by rail to Pittsburgh. It is transported twice by rail and once by water and, of course, has got to be unloaded and reloaded at each transfer. That instance demonstrates that such transportation may be done and is successfully done. More than that, the Pittsburgh furnaces could not use that ore if they did not have the advantage of the water transportation.

Mr. LENROOT. That is a perfect illustration of the very point that I am trying to make.

Mr. GOODING. Mr. President—

Mr. LENROOT. I will yield in just a moment.

Water transportation upon the Lakes has been so successful and the railroads have not been able to crush transportation upon the Lakes because the economies have been so great that the railroads could not do it; but the haul is long enough so as much more than to absorb the extra handling charge. Wherever that is true, and we can improve a river or a harbor at a reasonable cost, so that the additional charge is not merely paid out of the Public Treasury and eventually there is no saving at all—in all such cases we are justified in making such improvements.

Mr. UNDERWOOD. What I am arguing for to-day are the items in the pending bill which relate to the Mississippi River. Of course, so far as the Warrior River, to which I have referred, is concerned, that improvement has been completed and has been paid for; we are not asking for any appropriations for that; but we merely wish an opportunity to do business.

Mr. LENROOT. The Senator is rather anticipating some objections which he thinks I may make, but which, perhaps, he will find that I shall not make.

Mr. UNDERWOOD. As to water transportation, we have it by sea from New York to Mobile and for almost 300 miles from Mobile to Birmingham; while down the Mississippi and its tributaries there are 2,000 miles of water transportation.

Mr. BROUSSARD. Five thousand miles.

Mr. UNDERWOOD. The Senator from Louisiana says 5,000 miles, and I have no doubt he is correct, including the Mississippi and its tributaries. So that there is a long water haul. Of course, in the case of a very short haul, the Senator may be correct. We are not, however, pleading for that; we are pleading for an opportunity to vitalize water transportation in the very instance where the Senator himself admits that it may be developed.

Mr. LENROOT. If the Senator will allow me to develop the argument I was making, perhaps we shall not disagree. I perfectly agree that if we can upon the Mississippi River develop commerce to New Orleans on a long enough haul so as to absorb the extra costs of which I have spoken, then transportation over the Mississippi, with the proper regulation of railroad rates upon the part of the Government, will be a success; but we have got to have the long haul, and I think we must look for success on the Mississippi River principally to shipments through to New Orleans for foreign export. We can not expect any great commerce to be developed upon the Mississippi River at any point where the haul is only 100 miles or 200 miles or 300 miles along the river and then the goods have to be transported inland, coming in the first place by railroad to the initial point upon which the water shipment is made. That is why I am anxious to have the Mississippi River completed and put in the best possible condition from St. Louis to New Orleans. I want to see the Ohio River completed and put in the best possible condition so that there will be a completed channel to New Orleans. Then, I say that if that is not successful—and by successful I mean taking into consideration the cost each year to the Government of maintaining the river—then, it is simply absurd to expect any benefits from the improvement of the Missouri River or the upper Mississippi River. I think I have now made my point clear to the Senator from Alabama.

Mr. UNDERWOOD. Mr. President, I have no objection to the statement which the Senator makes in regard to that feature of the case, because I think he is correct. But we are not asking to have rivers "macadamized"; we are not asking to do an impossible thing; we are only asking for a fair chance for the development of a great natural resource that may be made profitable.

Mr. LENROOT. The trouble with the Senator is that he makes the assumption that it can be made profitable, but that has not yet been proven.

Mr. UNDERWOOD. It was profitable in the past before undue competition was put against it, and while, of course, the future must prove the fact, I can not do so; yet I have not a doubt in my mind that those rivers would be alive with barge lines and steamboats carrying the commerce of that great valley to the sea within a decade if the Congress would give them a chance.

Mr. LENROOT. I hope the Senator is correct, yet it must be noted that there has been practically a complete channel from St. Louis to New Orleans for a good many years, and the commerce has been very slow in developing. It has been impossible to get any private capital to engage in it, and the Government itself has been compelled to do it.

Mr. UNDERWOOD. I am not now speaking of the appropriation, but I am speaking of the undue and destructive competition that Congress or the Interstate Commerce Commission—one or the other—has invited as against these waterways.

Mr. LENROOT. I am speaking about what the Senator intimates, that there are no items in this bill that are in accord with the theory which I have just presented.

Mr. UNDERWOOD. I am not familiar with all the items, because this is a general appropriation and I have not given careful and detailed study to all the items. I assume they are correct, as they come here with the recommendation of the Government engineers.

Mr. LENROOT. I have just stated that I hope to see and I want to see the Mississippi a success, and I want to see the Ohio River a success.

Mr. GOODING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. I yield.

Mr. GOODING. I should like to ask the Senator if he thinks there is any chance for water competition on our rivers so long as we permit a violation of the fourth section of the interstate commerce law? There are 12,000 violations of that law to-day where the railroads in this country have been permitted to charge more for a short haul than for a long haul. Surely there can not be any doubt in the mind of any Senator that such violations of the interstate commerce act have destroyed water transportation on our rivers. I do not care how much money may be spent for improving rivers, unless water transportation is protected through legislation it can not exist in America.

I wish to say further to the Senator that the railroads have not only destroyed transportation on the rivers, but they have destroyed coastwise transportation from the West. We are not permitted to ship freight from Portland or Seattle or San

Francisco to any extent at all, especially from the interior, because the railroads make the rate so high, two or three times on a mileage basis what the rates are in the East, that they force all of our farm products over the long haul to the eastern market. This policy of the railroads brings about a great congestion and shortage of cars everywhere when the farm products are moving to market. Through this policy of charging excessive freight rates for the short haul to the Pacific coast the people of my State are denied the use of the Pacific Ocean which God Almighty, no doubt, intended for the use of all the people.

These excessive freight rates of the West denied the people of my State the use of the Panama Canal which they were taxed to help build as well as the rest of the people.

Practically all of Idaho's farm products should be shipped to Portland to receive the benefit of water transportation and if we were given a reasonable freight rate, or anywhere near as cheap a freight rate to the West on a mileage basis as to the East, all of our wheat and many other farm products would receive the benefit of water transportation.

I introduced a bill some time in December denying the Interstate Commerce Commission the right to violate the fourth section of the interstate commerce act; but, unfortunately, the chairman of the Interstate Commerce Committee has been ill and there has been no hearing, and I do not suppose there will be one on this measure at this session, but until we change our laws so as to deny to the Interstate Commerce Commission the right to make these violations, all this money that we spend to improve our rivers is not wasted, of course, but to a large extent it will be impossible to develop anything like an adequate commerce.

Mr. LENROOT. Mr. President, I am not going into that question, although the Senator of course is familiar with the argument which has been made by the railroads affecting his own country, too; and I am not going to express any opinion on it, other than to say that the situation narrated by the Senator from Mississippi, where some years ago they charged the San Francisco rate plus the local rate back and then simply shipped the freight out from the East to that point, was absolutely indefensible. Of course, however, the Senator is familiar with the claim that is made, that where this lower rate has been granted by reason of water competition, it is upon the theory that the traffic would be lost entirely to the railroads; that it costs so much to maintain a railroad, its track and equipment, its section men and its overhead, and therefore it is no injury but a benefit to those who do live in the interior to permit a somewhat lower rate where water competition exists, so as to get the traffic, and enable that traffic to bear part of the cost of the overhead, although in itself it may not be profitable.

Mr. GOODING. Mr. President, I want to say to the Senator that we do not accept that claim in the West at all.

Mr. LENROOT. I know you do not.

Mr. GOODING. My people lost 10,000 carloads of potatoes this year because they were not given a freight rate that would enable them to move them to market. I saw wheat stacked up in the fields for three months because there was no transportation to carry it to market. We do not accept that theory at all.

Mr. LENROOT. I know the Senator does not, and I do not—

Mr. GOODING. The people of the West do not.

Mr. LENROOT. I do not accept it to the extent that the railroads have invoked it either; and yet I can see that to have an iron-clad rule practically putting the freight of this country upon a mileage basis might work to the injury of the very people of whom the Senator from Idaho speaks and whom he desires, of course, to benefit.

Mr. TOWNSEND. Mr. President—

Mr. LENROOT. I yield.

Mr. TOWNSEND. If the Senator will yield, there has been much discussion here to-day as to the status of the law relative to the so-called long and short haul. The Senator from Mississippi has practically stated correctly the history of the interstate commerce law in reference to the matter. I want to read for the RECORD, if the Senator will permit me, section 4 of the act of 1920, which was the last statement of the Congress relative to the law for handling freight on the long and short haul.

The act of 1920 amended section 4 of the interstate commerce law itself, and as amended the section reads as follows:

That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through

rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is, because of such circuitry, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence—

And so forth. That is the present law relative to the long and short haul.

Mr. LENROOT. Mr. President, in reply to the Senator I was about to state that since the passage of the Esch-Cummins law, if the commission performs its duty, there can be no such thing in the future as has been complained of this afternoon.

Mr. GOODING. Mr. President, will the Senator let me correct him?

Mr. LENROOT. Certainly. I said since the passage of the Esch-Cummins law.

Mr. GOODING. Within the last six months we have had a rate on wool from Portland to Boston of \$1.50 a hundred; from Shoshone, Idaho, 608 miles inland, nearer Boston, the rate has been \$2.81 a hundred; so that is a violation of the fourth section of the interstate commerce act, and that is within the last six months.

Mr. TOWNSEND. That can not be a violation of the section unless the \$1.50 rate is not compensatory in itself.

Mr. GOODING. Well, then, if \$1.50 is a compensatory rate, what is the \$2.81? It is robbery.

Mr. LENROOT. Of course, if the \$1.50 is compensatory to Boston, the other rate is too high and should be reduced by the commission. That is the answer, of course.

Mr. President, this being a general lump-sum appropriation, the Senator from Alabama took it for granted that there were no appropriations in this bill that if expended would not without question benefit navigation to a degree commensurate with the cost. I want to spend a moment on the Missouri River.

Of this \$56,000,000, \$1,500,000 will be spent upon the Missouri River—\$500,000 for maintenance, \$1,000,000 for improvement—and I am going to speak only of the maintenance item now. The commerce carried on the Missouri River last year, according to the table placed in the Record and according to the Engineer's Report, was 139,000 tons. That is practically \$4 a ton that the Government has contributed out of the Treasury of the United States to enable that amount of commerce to be carried by water. As a matter of fact, the major part of that 139,000 tons is sand and gravel, I am informed; but we have improved only a very small part of the Missouri River. The entire improvement will cost more than \$20,000,000; and on the small part that we have improved it is proposed to expend out of the estimate of one million and a half dollars \$225,000 for repairs to existing dikes and revetments.

When the entire \$20,000,000 is expended, and it is all diked and revetted, how much is it going to cost to maintain the Missouri River each year? According to these figures, it will cost not less than a million dollars a year to maintain that river after we have completed the improvement.

Suppose that the shippers do save a million dollars a year by reason of the commerce that will be carried on the Missouri River. Is the Government justified in making the improvement then unless there be a greater saving than that? Can anybody ask this Government to pay out of its Treasury a sum of money where the saving will not be greater than the amount that it has cost the taxpayers? I think that is a fair question; but so far as we can foresee now, Mr. President, the time probably will never come, or at least—I do not want to put it so strongly—certainly the time will not come within the next 10 years when there will be enough commerce on the Missouri River to justify a \$20,000,000 improvement project and \$1,000,000 maintenance each year.

On the Mississippi River we have a different proposition. The cost of maintenance is not nearly so great, and the commerce that will go down the Ohio River is of such magnitude, I believe, that we may hope for that being a success; but I repeat that if the Mississippi River and the Ohio River will

not be commercially successful, who is there that will predict that the Missouri River would be commercially successful?

The same thing is true of the upper Mississippi, in my own country. In this \$56,000,000 there is included an item of \$1,100,000 for the improvement of the upper Mississippi. I take exactly the same position with reference to that that I do with reference to the Missouri, although the upper Mississippi for several hundred miles runs along the borders of the State that I have the honor in part to represent. It will be time enough to put in these millions when we determine that the lower Mississippi is a commercially successful project; but until that time we had better save the money of the taxpayers, because the upper Mississippi River will not get worse, and if the improvement down below does not warrant the cost we shall have just thrown away our money upon the upper river.

Mr. CARAWAY. Mr. President, may I interrupt the Senator just a minute?

Mr. LENROOT. Yes.

Mr. CARAWAY. I notice that the upper Mississippi River, between the Missouri River and Minneapolis, carried last year 761,522 tons of freight, and yet we find it in this very situation, if I may read just one paragraph. I will take only a minute of the Senator's time.

Mr. LENROOT. All right.

Mr. CARAWAY. Last April there was to have been a barge line put on the upper Mississippi River between Minneapolis and St. Louis. In anticipation of this barge-line service the rail line paralleling the river between Minneapolis and St. Louis early this year, with the approval of the Interstate Commerce Commission, made a rate upon first-class freight of \$1.06½ per 100 pounds over a distance of 586 miles, while the rail rate from Minneapolis to Kansas City, over a more level country, a distance of 500 miles, was \$1.44. In anticipation of a possible competing line on the Mississippi, they cut the freight 40 cents a hundred.

Mr. LENROOT. Mr. President, I do not know whether the Senator objects to the reduction of freight rates or not. Under the law, they are not permitted to reduce rates below what is compensatory.

Mr. CARAWAY. I was just trying to show that instead of using the water, however, the railroads, knowing that the rate could be reduced, cut the rate.

Mr. LENROOT. That may be; only the answer is, it ought to be cut in the other portion of the country.

Mr. CARAWAY. I agree with the statement the Senator was making a minute ago, but I am showing that here are nearly 800,000 tons of freight carried on the upper Mississippi River despite these conditions.

Mr. LENROOT. Will the Senator inform the Senate as to the character of the commerce carried on the upper Mississippi River and the distance it is carried?

Mr. CARAWAY. I am sure I do not know.

Mr. LENROOT. The Senator will find that most of it is carried across the river by ferries at different points between cities. There is no appreciable commerce from St. Paul, the head of navigation, down the Mississippi River.

Mr. CARAWAY. All I know, of course, is the figures given by the engineers in their reports. I do not know the character of the freight.

Mr. LENROOT. I may say that I have in my possession—I have not them with me—resolutions passed by one of the considerable cities bordering on the Mississippi River asking that further money be not expended upon the Mississippi River unless and until a barge line is put upon the river that will produce commerce. It is of no benefit to any city in Wisconsin bordering upon the Mississippi River, except so far as the wages that the men get may be spent in the city, to have this improvement if no commerce is carried over the river.

Mr. CARAWAY. I was just calling the Senator's attention to the fact that the mere threat of putting a barge line on the Mississippi River reduced the freight from Minneapolis to St. Louis from \$1.44 a hundred to \$1.06½ a hundred.

Mr. LENROOT. Will the Senator state where he got that information?

Mr. CARAWAY. I am taking the information from a report filed by Mr. Newton of Missouri, who put it in the Record of January 20.

Mr. LENROOT. Is it his statement or the statement of the Board of Engineers?

Mr. CARAWAY. I am unable to answer that. He was giving a statement of actual conditions.

Mr. LENROOT. I would like to have the facts before I undertook to discuss it. Of course, the fact that a reduction might have gone into effect, and that previous to that time there was a promise to put a barge line on the river, might

have been a coincidence, or the barge line might have been the reason for the reduction.

Mr. CARAWAY. The real facts are that the freight rate from New Orleans to St. Louis is \$1.06½ for 580 miles paralleling the river. From Minneapolis to Kansas City, only 500 miles and over a more level route, the freight rate is \$1.44, which would, of course, leave no room for speculation as to why the rate was reduced along the river. It was to prevent the establishment of a barge line. It was to kill competition.

Mr. LENROOT. Again I say that if that rate is itself compensatory nobody can object, but if that rate is compensatory the rate west of Kansas City is more than compensatory and ought to be reduced.

Mr. CARAWAY. That is the point.

Mr. KING. Referring to the matter of the Mississippi River and the Missouri River, the Senator, in discussing some time ago the improvements upon the Mississippi River, made the statement—or I inferred from his statement—that additional improvements are needed on the Mississippi River to carry commerce. I want to ask the Senator, because he is more familiar with that than I am, why it is necessary to make improvements there for carrying commerce, even though the commerce might be greatly increased, when we take into account that in the forties and fifties and sixties and seventies the commerce upon the Mississippi River was very much greater, as I am advised, than it is now, and boats of considerable size piled up and down the river? There seemed to be no obstacles then to commerce, and very little, if any, sums were appropriated in the early days for canalization, for removing sand bars, or for improvements. The river itself was sufficiently large to carry the commerce, and if it was large enough to carry the commerce then, which was very much greater than the commerce now, why the necessity of millions and tens of millions of dollars of additional appropriations?

Mr. LENROOT. I think perhaps the Senator was not in the Chamber when I began my statement. I tried then to give the reason for the large commerce in the early days and the reason for the decline, the decline being in part due to the fact that the reduction of rates on railroads drove the commerce off the river and in part due to the fact that originally water was the only means by which commerce could be transported. In the early days there were no railroads; but if the origin of shipment is inland, away from the river, and the haul upon the river is a short haul and the destination is away from the river, it is actually cheaper to ship by rail than by water.

Mr. KING. I appreciate that, and I think I agree with the observation of the Senator, but the point I am trying to make is that if appropriations were made for improvement or maintenance, they were insignificant in amount measured by the appropriations for the past 20 or 30 years for improvements upon the Mississippi River, and if without appropriations for improvement or maintenance the volume of commerce which could be carried in those early days was in excess of that which is now carried why make additional improvements?

Mr. LENROOT. Because in the early days in point of tons the cost was very small indeed for each boat, but now the greater the draft the greater the tonnage of your barge, and the greater the tonnage of your barge the cheaper it can be operated. Of course, commerce can not be carried over a river with a 3-foot draft as cheaply as it can over a river with a 6-foot draft, and that is still more true of a river with a 9-foot draft. On the Great Lakes, with our tremendous commerce, I will say in passing that more commerce goes in and out of my own city of Superior, in connecting with Duluth, just across the way, than is handled, according to some of these tables, in all the so-called secondary rivers and harbors put together.

Mr. KING. Does the Senator mean that the boats which are now used upon the Mississippi River are so much larger than those which were used in the early days that they could not have been floated down the river in those days?

Mr. LENROOT. Certainly; in those early days they had a 2 or 3 foot draft.

Mr. KING. My understanding is that some of those boats carried considerable tonnage, and while the boats used now are larger and carry a greater tonnage, they are so constructed as not to require very deep water; they are flat-bottomed, in other words.

Mr. LENROOT. They are flat-bottomed. I want to spend a moment now upon the question as to what part of this \$56,000,000 will be used in the way of maintenance of some of our rivers, and the commerce that is carried on them. The hour is late, and I am going to refer to only a few.

Mr. WADSWORTH. I assume the Senator is going to refer to the projects which are mentioned in this report as finished, in a large measure?

Mr. LENROOT. I am going to refer only to those where the appropriation is made for maintenance. I am not going to discuss any item where the appropriation is for improvement. Take, for instance, the Pamlico and Tar Rivers, of North Carolina, where it is proposed to spend \$12,000 of this \$56,000,000 for maintenance of those streams, upon which in 1921 there was a commerce of 624 tons. In other words, we propose to expend out of the United States Treasury about \$20 a ton in this particular instance for the commerce that is carried over those rivers.

On the Red River, in Arkansas, it is proposed to expend \$100,000 in maintenance, a river upon which last year there were carried 13,000 tons; or it is proposed to spend about \$7.50 a ton out of the United States Treasury for the commerce that is carried over that river.

There is a river in Florida, the name of which I can not pronounce, upon which it is proposed to expend \$90,000, as I read it, for maintenance, upon which 5,000 tons of commerce were carried last year.

I wish that every Senator would read this table, and especially these items for maintenance, and the figures of the commerce carried upon the rivers, and see what it is costing out of the United States Treasury to carry a few hundred or a few thousand tons of commerce upon some of the rivers.

When one objects to that, surely it can not be said that he is an enemy to the improvement of our rivers and other waterways. Indeed, the public sentiment against proper expenditures—expenditures which will clearly be beneficial to the public—has been caused by Congress being willing in some cases to have money taken out of the Treasury the expenditure of which never can be justified from the standpoint of the benefits conferred upon commerce thereby.

I do not think we ought to confine ourselves to the Budget estimate of \$27,000,000 for next year, and I want to say that while I have stood and shall continue to stand by the Budget, I have never taken the position that, so far as Congress itself is concerned, Congress is without power or without right to increase an estimate made by the Budget. Our committee have done it in a number of instances at this session; but there should be the strongest reason, it seems to me, for so doing, and there ought to be a full investigation before it is done.

I do not think it is necessary that we should appropriate \$56,000,000 for the purposes of this river and harbor work. I believe that could be cut down without any injury to any legitimate project now authorized by law, but I am afraid that the Budget officer forgot for the moment that last year we authorized 35 new projects, and that those projects were projects of the utmost importance, as certified by the Board of Engineers, most of them more important than the vast majority of old projects in the pending bill. It is proposed to spend \$13,000,000, in round numbers, upon those new projects. We appropriated \$42,000,000 last year without any of these new projects. So, Mr. President, if those new projects are to be commenced and many of them completed within the year, assuming that \$13,000,000 is spent on the 35 important and urgent projects, it would leave only \$14,000,000 for maintenance and for carrying on the work on projects existing before the passage of the last law; and that sum is too small.

I shall propose as an amendment to the amendment to strike out "\$27,000,000" and insert in lieu thereof "\$42,000,000." I believe that will permit cutting out of the bill items which can not be defended, and for which I do not blame the engineers—Congress is to blame, not they—and at the same time afford ample funds for the carrying on of the projects which are necessary for commerce and can clearly be justified.

The PRESIDING OFFICER (Mr. Moses in the chair). Will the Senator state his amendment to the amendment for the benefit of the Chair?

Mr. LENROOT. I move to strike out "\$27,000,000" and to insert "\$42,000,000."

Mr. KING. Will the Senator yield?

Mr. LENROOT. I yield.

Mr. KING. The Senator stated in his concluding sentence that for the recommendations of the engineers he did not blame them. In view of the items to which he has directed attention, and numerous other items which are just as reprehensible and just as indefensible, I ask the Senator how he can justify the conduct of the engineers in recommending appropriations for those items? Furthermore, how can he justify the action of the engineers in recommending 35 new projects for which provision is made in the bill? How can he justify the recommendation of the engineers for 165 new projects, many of which are as lacking in merit as any of the projects to which the Senator has called the attention of the Senate.

Mr. LENROOT. In reply I will say, first, that the Senator has observed that I have not attempted to defend the engineers in their original recommendations, but after Congress has once adopted the recommendations for improvement and maintenance thereafter, then the engineers are justified in assuming that it is a policy which has been adopted by Congress, and that they should make such estimates as are necessary to carry out the policy once adopted.

With reference to new projects, I may say that I am a member of the Committee on Commerce. We went carefully into every one of the 35 proposed projects. I think, out of something like 200, every one of the 35 which have been recommended is very urgent in character, that they are necessary; but as to the 106, or whatever the number may be, I wish to say frankly to the Senator from Utah that, as a member of the Committee on Commerce, I shall not be ready to vote for the authorization of those projects unless there be a showing that will clearly justify them.

Mr. KING. As I recall, one of the 35 projects on which the Senator now places the seal of his approval is Jamaica Bay, which has a few tons of freight, local in character. There are a few buildings upon the bay, so called. The freight was hauled from there, and a wharf was erected by the manufacturers who have little plants there. It would cost in the neighborhood of \$11,000,000 to \$12,000,000, as I recall. Does the Senator indorse that project?

Mr. LENROOT. The Senator from New York [Mr. WADSWORTH] is amply able to take care of that, but let me give the Senator an illustration. I refer to my home city—

Mr. KING. Now the Senator—

Mr. LENROOT. Just a moment; because I am going to draw a parallel.

Mr. KING. But the Senator is not answering my question.

Mr. LENROOT. I am going to answer the Senator's question. My home city of Superior and the city of Duluth have a commerce to-day of 30,000,000 tons a year. The Government has expended some four or five million dollars there, and if it were not for the improvement made by the Government and by the two cities, instead of 30,000,000 tons of commerce a year there would not be 100,000 tons, because there would be no harbor there. Exactly the same thing is true, as the committee were convinced, of Jamaica Bay. There is a great congestion of commerce in the port of New York, and here is a bay which, when improved, as certainly as the sun shines when there are no clouds, will be immediately used for docks and shipping facilities. That is the consideration which actuated the committee. Perhaps the committee were wrong, but in that case the fact that there was no commerce had no bearing any more than we should say that we will not improve the Ohio River because there is no commerce upon it.

I am making a distinction, if the Senator pleases, between a river or a harbor that has never been improved and improvement will bring commerce upon it, and the maintenance of a river where the improvement is either complete or no improvement is contemplated. The Senator must perceive very clearly the distinction.

Mr. CARAWAY. If the argument of the Senator from Utah were sound and there had been no improvement in the great New York Harbor, there would still have been very little commerce there.

Mr. LENROOT. That is true, of course.

Mr. KING. I would like to ask the Senator from Wisconsin, speaking of his own city of Duluth—

Mr. LENROOT. Superior.

Mr. KING. Superior? I had in mind Proctor Knott's great tribute to Duluth, so that it overshadowed Superior or any of the cities in the Senator's State.

Mr. LENROOT. It did then.

Mr. KING. The fame of Duluth still lives and the glory of Superior is not yet comprehended.

Mr. LENROOT. Not yet brought to its fulfillment, but comprehended.

Mr. KING. That is beside the mark. I was about to ask the Senator if he thinks there is some duty and responsibility resting upon municipalities that are favorably situated upon harbors, and some duty and responsibility on some States within which the harbors are found, to make appropriations and development in order to improve the commerce, the riches, and the prosperity of the State, or must the Federal Government improve all the harbors?

Mr. LENROOT. I would say that where the commerce either originates in a local point or is consumed in the local point, that is true to a very large extent. Where a port is a gateway, where many millions of peoples are the beneficiaries of

improvements, certainly the Senator would not say that the local municipality should bear any considerable portion of the cost.

Mr. KING. I am making no comment upon that. I was getting the Senator's view.

Mr. LENROOT. I say that where the benefit is fully local the community should bear a part of the cost, but where the benefit is for the people at large or for a vast territory it would be very unfair to have the local community bear any substantial portion of it.

Mr. KING. The Senator feels that under the power of the Federal Government to regulate commerce is implied the authority, if not the duty, or perhaps both, to expend millions of dollars taken from the taxpayers of the United States to improve rivers and harbors, to expend millions thereon, particularly, if the commerce is not local in the sense in which the Senator used the term "local."

Mr. LENROOT. Of course, the Senator remembers that for many years in the history of our Government the party of which he is a distinguished member took the position and made an issue of it that internal improvements were in violation of the Constitution. But the Senator also knows that he is very lonesome in his own party now, where rivers and harbors improvements are involved, to urge the unconstitutionality of internal improvements of that character.

Mr. KING. I am not only lonesome in regard to that question but I find that I am sometimes quite lonesome with respect to other questions which involve the rights of the States as against the new federalism which has become such a menace, in my view, to the proper individualism and the proper development of the States and the proper assertion of the rights of local self-government.

But before the Senator takes his seat, if I may further impose upon his patience, some observations were made the other day by the Senator from Idaho [Mr. BORAH] and, as I recall, the Senator from Wisconsin took some part in the discussion, relating to the policy of putting upon the War Department appropriation bill items of appropriations for rivers and harbors. I made some suggestions as to a remedy so as to prevent what was conceded, by some Senators at least, to be a very unwise procedure.

I ask the Senator now if it would not be a wise and proper course for the Senate to strike out the entire appropriation for rivers and harbors, for the purpose of—I will not say of compelling, because I do not wish to use that expression with respect to the distinguished branch of Congress at the other end of the Capitol—but for the purpose of persuading the House of Representatives to adopt a different policy and to send us a river and harbor bill as such, not as a part of the Army appropriation bill, or a part of the naval appropriation bill, or the part of any other bill, so that the question of the amount that shall be expended for rivers and harbors may be discussed and passed upon on its own merits and not have it linked with some other bill.

The statement was made that perhaps the President of the United States would feel compelled to sign this bill, though it was understood he is opposed to the increase above the recommendations of the Budget Bureau. Does the Senator think that now is the time for the Senate to outline such a policy and to assert its right to consider a bill of such magnitude and character by itself instead of having it a part of another measure?

Mr. LENROOT. If I were anxious that Congress be called back here after the 4th of March in special session, I might be inclined to agree with the Senator; but I am not. The Senator has been a Member of the House of Representatives, as I have, and he knows how persuasive, as he puts it, such action upon the part of the Senate would be, and how little influence it would have with the end of the session about three weeks away. This is not the time to make the effort. I hope that something can be done at the next session of Congress, and perhaps it can be done through the Congress, so that the same committees may still have jurisdiction of the matter, but report a separate river and harbor bill.

Mr. KING. If I may be pardoned for the expression of a view a little at variance with that of the able Senator, the House of Representatives is in control of the Republican Party, as is the Senate. The House of Representatives knows, and the majority Members in the House know, that an Army appropriation bill is imperatively required. I can not believe, and I think the Senator will agree with me, that the majority Members would adopt a policy that would defeat the Army appropriation bill, particularly when they know that by the excision of this item from the bill it would perhaps meet the approval

of the distinguished President of the United States, the great leader of the Republican Party. They know, furthermore, that there is ample time for them to take up a rivers and harbors bill and to put it through the House of Representatives as a separate measure, bring it to the Senate, and that the Senate would have opportunity to consider it and to pass it, and it could be passed in this body, and would be passed in this body, before the end of the session.

Mr. LENROOT. I will give the Senator my opinion for whatever it may be worth. Even if the conference committee or the Committee on Appropriations should be willing to agree to have this part of the bill stricken out and a new bill introduced, and if all the Republican leaders in the House of Representatives should so agree, it is my opinion that there would still be enough Republicans with an almost solid Democratic vote against the proposition which the Senator urges, so that it would be defeated. The Senator is not unaware, as I am, that there is some politics in a rivers and harbors bill.

Mr. KING. I have such confidence in the patriotism of Republicans, both in the House and in the Senate, that I feel sure that those in the House would yield to such wise and patriotic action and would segregate the two bills and would send back within a very few days a rivers and harbors bill. I am sure there are sufficient Republicans in the Senate to join in speedily passing such a bill.

Mr. LENROOT. I think we will have something of an indication of the sentiment of the Senate in that respect when we come to vote upon the pending amendment to see whether they are willing to reduce the amount at all. If the Senate is not willing to make any reduction, the Senator from Utah will agree with me that it would be utterly useless to attempt to strike out the item entirely.

Mr. KING. Except as a question of precedent. It seems to me that we are now committing ourselves to a policy that will be a sort of chain upon us in the future and may bind us at a time when it will be exceedingly irksome and when we will feel serious embarrassment.

Mr. LENROOT. This is not the first bill. This was done last year. So this is not making a precedent.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. LENROOT] to the amendment proposed by the Senator from Idaho [Mr. BORAH].

Mr. KING. I suggest the absence of a quorum.

Mr. LENROOT. A parliamentary inquiry. Did the Senator from Idaho call for the yeas and nays upon his amendment?

The PRESIDING OFFICER. He did.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. The Senator from Utah [Mr. KING] has suggested the absence of a quorum.

Mr. KING. I withhold the suggestion for one moment. I wish to ask the Senator from New York, if a vote is now taken upon the amendment offered by the Senator from Wisconsin, if it is then his purpose to permit us to adjourn until to-morrow?

Mr. WADSWORTH. I had hoped that we should vote this evening on the amendment offered by the Senator from Wisconsin and, in the event of the adoption or defeat of that amendment, that we might vote on the so-called Borah amendment. If that shall be done, I am willing to conclude the session for the day.

Mr. UNDERWOOD. I am hopeful that the Senate may at least dispose of this item to-night.

Mr. KING. We can not do that.

Mr. WADSWORTH. I am perfectly willing to do that, but I am beginning to despair.

Mr. UNDERWOOD. So far as I am concerned, I myself spoke this afternoon for an hour, trespassing upon the time of the Senate, which is unusual, because I felt the importance of the matter; but I think this item should be disposed of.

Mr. WADSWORTH. I think it should be disposed of before we take a recess to-day.

Mr. UNDERWOOD. And I hope the Senator will hold the Senate here until this particular item in the bill shall have been disposed of.

Mr. WADSWORTH. It is my intention, if the Senate will stand for it, to hold the Senate here so long as it is possible to do so.

Mr. UNDERWOOD. So far as I am personally concerned, I am willing that that shall be done.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McKellar	Spencer
Bayard	Glass	McKinley	Stanfield
Brookhart	Gooding	McNary	Stanley
Broussard	Harrell	Moses	Sterling
Bursum	Harrison	Nelson	Sutherland
Calder	Heflin	New	Swanson
Cameron	Johnson	Norbeck	Townsend
Capper	Jones, N. Mex.	Norris	Trammell
Caraway	Kendrick	Oddie	Underwood
Colt	Keyes	Overman	Wadsworth
Dial	King	Pepper	Walsh, Mass.
Fernald	Ladd	Polindexter	Warren
Fletcher	Lenroot	Reed, Pa.	Williams
Frelinghuysen	Lodge	Sheppard	Willis
George	McCormick	Shields	

Mr. LODGE. I desire to announce that the Senator from Kansas [Mr. CURTIS] is necessarily absent on official business.

Mr. BROOKHART. I wish to repeat the statement that the Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent on business of the Senate.

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. A quorum is present.

Mr. CALDER. I ask unanimous consent to have printed in the RECORD a telegram from the president of the Chamber of Commerce of Brooklyn, N. Y., urging that the appropriation recommended by the Committee on Appropriations be agreed to by the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The telegram referred to is as follows:

BROOKLYN, N. Y., January 29, 1923.

WILLIAM M. CALDER,
Washington, D. C.:

We urge you to vote for the rivers and harbors appropriation in the interest of the Jamaica Bay development. The members of the Brooklyn Chamber of Commerce are solidly behind this project, and we urge you to give it your support.

ARTHUR S. SOMMERS, President.

Mr. CALDER. Mr. President, I also present a letter from the chairman of the Port of New York Authority, which, I may say, was established by compact between the States of New York and New Jersey, and its membership is made up of citizens of both States. I ask that the letter may be read.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Secretary will read as requested.

The reading clerk read as follows:

THE PORT OF NEW YORK AUTHORITY,
New York, February 5, 1923.

Hon. WM. M. CALDER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CALDER: The Port Authority has been somewhat concerned at the recommendations of the Director of the Budget for a cut of practically 50 per cent in the amount recommended by the Chief of Engineers for development and maintenance of rivers and harbors.

We are fully aware of the public demand and necessity for care and economy in Federal expenditures, but we believe it would be a false economy to cut those expenditures which are directly necessary in the provision for and promotion of productive enterprise.

We can, of course, only express a positive opinion about those items with which we are familiar, which are the ones relating to maintenance and construction of channels in the waters which constitute the port of New York district. We are familiar with the careful study and conservative judgment evidenced by the Board of Army Engineers for Rivers and Harbors in this district in arriving at their judgment as to the sums that could be profitably expended in this district during the fiscal year ending June 30, 1924.

We not only heartily concur in those recommendations but we believe the expenditures essentially necessary in the interests of the commerce of the Nation being handled at and through this port and to the needs of the communities directly affected lying within the port district.

The expenditures recommended by the Chief of Engineers to be made in the port of New York will contribute both to productive enterprise and to economies in the handling of commerce to a degree far more than necessary to justify the expenditures as recommended.

Yours very truly,

E. H. OUTERBRIDGE, Chairman.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from Wisconsin [Mr. LENROOT] to the amendment proposed by the Senator from Idaho [Mr. BORAH].

Mr. FLETCHER. I ask that the Secretary state the amendment to the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The READING CLERK. The Senator from Idaho proposes to strike out "\$56,589,910" and to insert in lieu thereof "\$27,000,000." To that amendment the Senator from Wisconsin proposes an amendment to strike out "\$27,000,000" and insert "\$42,000,000."

Mr. FLETCHER. I ask for the yeas and nays.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. KING. If the amendment offered by the Senator from Wisconsin shall prevail, would that defeat a vote upon the amendment offered by the Senator from Idaho?

The PRESIDING OFFICER. The question then would recur upon the amendment offered by the Senator from Idaho as amended by the amendment of the Senator from Wisconsin.

Mr. McKELLAR. I inquire if the yeas and nays have been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered upon the amendment proposed by the Senator from Wisconsin to the amendment of the Senator from Idaho.

Mr. McKELLAR. I ask for the yeas and nays.

Mr. WADSWORTH. Let us have the yeas and nays.

The yeas and nays were ordered.

Mr. NORRIS obtained the floor.

Mr. UNDERWOOD. Mr. President, as I understand, if the pending amendment—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. NORRIS. I yield to the Senator.

Mr. UNDERWOOD. I beg the Senator's pardon; I was not aware that he had taken the floor. I merely wish to ask a question. If the amendment proposed by the Senator from Wisconsin to the amendment offered by the Senator from Idaho prevails, I understand it will make the appropriation \$42,000,000 instead of \$27,000,000?

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. UNDERWOOD. So that those who are in favor of the item should support the amendment to the amendment.

Mr. CARAWAY. Mr. President, will the Senator from Nebraska yield to me for just a second?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. CARAWAY. Mr. President, the Senator from Wisconsin [Mr. LENROOT] rather challenged the figures given by Mr. Newton, which I read, touching the reduction in freight rates from Minneapolis to St. Louis.

Mr. NORRIS. Mr. President, I wish to say to the Senator that I would just as lief yield the floor and resume it after he concludes. I did not expect to speak about what the Senator is discussing, but I can see that he ought to be permitted to say what he wants to say on that subject now.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. CARAWAY. Mr. President, I am sorry that I interrupted the Senator from Nebraska, but the Senator from Wisconsin wanted to know the authority for the statement as to the reduction of freight rates on lines paralleling the Mississippi River and the rates that prevailed from Minneapolis to Kansas City. At the time the inquiry was made I did not have the authority, but I wish to say that the information comes from the report of the Interstate Commerce Commission.

Since I have the floor I should like to call attention to a number of other discriminations, if I may be permitted to use that term, or, at any rate, instances showing that to points which have a river or sea connection freight rates are very much cheaper. I could take the rates from Portland, Me., to New Orleans, a distance of 1,686 miles, and show that the freight rate on first-class freight is \$2.51, while from Dallas, Tex., to New Orleans, a distance of 515 miles, the rate is \$3.315. The rate between Boston and San Francisco on fruits is just exactly the same as the rate upon the same class of freight between San Francisco and Kansas City, which is just half the distance. In other words, all the points that have water-competing rates have rail rates that are not exceeding half and in some cases are less than one-third of the rail rates between points equidistant but having no water rates.

Mr. NORRIS. Mr. President, the information just given by the Senator from Arkansas [Mr. CARAWAY] is exceedingly enlightening. You will notice that he has given not what has been the rate, but the rate as it stands to-day. I should like to be sure of that, and I will inquire of the Senator from Arkansas: The rates that the Senator has just given are rates now in existence, are they?

Mr. CARAWAY. Rates now in existence or that were recently in existence.

Mr. NORRIS. Yes. The statement was made by somebody during the debate some time to-day or yesterday that while these things existed in the past they did not exist now. While I have not looked up any rate in reference to the debate on this bill at this time, I am satisfied that the discrimination that

has frequently been pointed out, that has existed in the past, still exists. We have it with us now.

Mr. President, I do not believe that any man can justify the condition that the Senator from Arkansas has pointed out, for instance, in the rate from Portland, Me., to New Orleans, something over 1,800 miles, being much less than the freight rate on the same material from Dallas, Tex., to New Orleans. It seems to me that the discrepancy, the injustice, is so apparent that it can not be justified on any ground whatever.

I do not want to cast any vote or take any action here that would injure any legitimate harbor or river or other improvement that may be contemplated by this appropriation. Since I have been in Congress I have been one of those who have usually opposed the river and harbor bills. I think those of us who opposed those bills were doing what we thought was good service to the country and to the taxpayers who had to foot the bills. I never have believed that any river and harbor bill with which I have ever been familiar was all wrong. I never have examined one yet but that it had, in my judgment, a great many good items in it, a great many instances where the Government could properly expend the money that was provided for in the bill. But, Mr. President, it became common knowledge over this country—common belief, at least, on the part of practically all the people—that a river and harbor bill and a public buildings bill were two species of congressional legislation that could not be defended as a whole. They were designated—I think, as a rule, properly so—as logrolling propositions, containing a vast amount of appropriations for the expenditure of public funds that could not be defended upon any just and fair economical consideration.

I believe that the opposition that has taken place in the past to river and harbor bills, while it usually failed, and sometimes resulted in a compromise, has in the end done a great deal of good. As far as my limited time has permitted me to examine the particular uses to which this lump-sum appropriation is going to be put, I believe it is the best river and harbor appropriation that I have ever examined. It has a great many meritorious things in it. But, Mr. President, the reputation of a river and harbor bill has been built up by the kind of legislation that I have outlined; and the good and the bad have been classified, perhaps wrongfully, as a system of logrolling legislation that was unjustified, as a pork-barrel proposition. Like Old Dog Tray, who had to suffer because he was in bad company, those who have good items in the bill have to take the blame oftentimes because of the bad items that are likewise in the bill. I think there are some such items—as far as I have examined the bill, I think there are quite a good many such items—in this bill; that is, they are not in the bill proper, but they are included in the rivers and harbors that are going to be improved by the use of this lump-sum appropriation. They are included in the report of the engineers among the purposes for which this money is going to be used, and the use of a great deal of the money for these purposes can not be justified.

There is another reason now, Mr. President, why we ought to be more careful than in the past, and that is because of the necessity for economy in legislation. We have heard it preached by all political parties, by all people, by all newspapers, that the strictest kind of economy in appropriations was necessary now in this Government, as, indeed, it is necessary in every other government. We now have conditions confronting us that never have confronted us before when we were considering a river and harbor appropriation bill or a public buildings bill. We ought not only to scrutinize the bill so closely that we could throw out every proposition about which there was any doubt but we ought perhaps under existing conditions to delay a good many meritorious propositions that can be delayed without loss to the taxpayers.

Mr. President, in the report of the engineers printed in the Record yesterday, and printed in the Record at the request of a Senator who is in favor of appropriating \$56,000,000 for this purpose, there are a great many items that require only a glance to tell that they ought to be excluded, at least at the present time, and some of them perhaps forever, certainly until the conditions show that there would be some reasonable excuse for the expenditure of public money upon them.

Here is one river that is to be improved where they expect to use \$2,000 for maintenance out of this fund, and in the year 1921 the commerce on that river was 2,544 tons. In round numbers that is about \$1 a ton out of the Public Treasury for maintenance alone. It is not contemplated in the case of that river to make anything new, but for every ton of freight shipped on the river it costs the Government of the United States practically \$1 to keep the river in condition so that it can be shipped.

Mr. GOODING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. NORRIS. Yes; I yield.

Mr. GOODING. I should like to ask the Senator if he has any knowledge of the influence of that particular river on freight rates in the surrounding country?

Mr. NORRIS. No.

Mr. GOODING. I want to say to the Senator that in my State the only chance for water transportation to the ocean which we had a few years ago was at Lewiston, Idaho. Because of the fact that there is possible water transportation there the people at Lewiston, Idaho, enjoy very much lower freight rates than the people at any other point in my State. Is it not possible, after all, that these projects that we are discussing here over which there is only a small amount of freight moving are of great benefit to the farmers of that particular community? It is true in my State, so far as the only river is concerned over which there is a possible chance for a boat to reach the ocean, although none is moving at the present time; but it is there.

Mr. NORRIS. Yes, Mr. President; I will say, in answer to the Senator's question, that what he suggests is possible. Because it is possible, however, is that a sufficient reason for the appropriation of this money? Ought we not, before we use the money that is taken from an overburdened people by taxation, to require that a showing should be made, not that such a thing may be possible, but that there is some reason, some probability within reason, that if we expend the money we will get good returns from it?

Mr. GOODING and Mr. SPENCER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. Yes; I yield to both Senators. I yield to the Senator from Idaho first.

Mr. GOODING. I will ask the Senator if it is not possible also that there is a violation of the fourth section of the interstate commerce act, as amended, in those particular communities where but very little use is made of the river?

Mr. NORRIS. Yes; that is possible, I will say to the Senator. All things are possible.

Mr. GOODING. That it has practically destroyed the water competition?

Mr. NORRIS. That may be possible.

Mr. GOODING. It is possible, and it is the fact in many communities.

Mr. NORRIS. I will say that that is possible; but before we take money out of the Federal Treasury it is not enough to show a possibility, in my judgment. Especially is that true now under existing conditions.

I now yield to the Senator from Missouri.

Mr. SPENCER. Mr. President, I agree with the Senator from Nebraska that more than a mere possibility ought to be shown. The necessity for the appropriation ought to be shown beyond a reasonable doubt; but I ask the Senator from Nebraska whether he has considered the fact that out of more than 200 projects which the Engineer Department regarded as essential last year Congress picked out 36 as being strategic and necessary; and if this appropriation were reduced, as the Senator from Wisconsin proposes, to \$42,000,000 not one dollar could be expended for any one of those 36 new projects? Those include Milwaukee, Galveston Harbor—where there is a real peril—Coos Bay in Oregon, and so on, the 36 strategic projects which need immediate attention. I say that for this reason, and I thank the Senator for his courtesy: The \$56,000,000 is made up of the appropriation of last year, \$42,000,000, plus \$13,000,000, which is necessary for the new projects, and if it is cut down to \$42,000,000 not one dollar can be expended upon the new projects.

Mr. NORRIS. Why does the Senator say that if this appropriation is cut down there will be nothing spent at Galveston, Tex.? What authority has he for that statement?

Mr. SPENCER. Because Galveston, Tex., is a new project.

Mr. NORRIS. Oh, I beg the Senator's pardon.

Mr. SPENCER. I do not mean old Galveston; I mean the extension of the wall.

Mr. NORRIS. That is what I mean.

Mr. SPENCER. It is a new project that was ratified by Congress last year—I have the act in my hand—and that is one of the new projects, for which \$600,000 is appropriated. That is a part of the \$13,000,000 that makes the difference between \$42,000,000 and \$56,000,000.

Mr. NORRIS. Is the Senator aware that this very day in the Senate the Senator from Florida, in answer to interrogatories by me, read the testimony of General Taylor, in which

he said that they would be able to take care of Galveston even though there was no increase above the Budget estimate?

Mr. SPENCER. Mr. President, that is impossible—

Mr. NORRIS. That is in the testimony, from the man who has charge of all of it.

Mr. SPENCER. Because the Budget calls for \$27,000,000, and the harbors upon the eastern seacoast and the western seacoast alone will require \$27,000,000 for their maintenance. There would not be left in the Treasury a single dollar available for rivers. Here are the figures: \$19,000,000 for new work and \$7,000,000 for maintenance, which takes up the entire appropriation in harbors alone.

Mr. NORRIS. The Senator was not here this afternoon when we went over that to the extent that we read the testimony taken before the committee, and that particular harbor was mentioned by General Taylor in his testimony, who said they were going to complete it anyway, even if they did not get any additional money.

Mr. WADSWORTH. They have complete discretion, with the approval of the Secretary of War.

Mr. NORRIS. Of course they have.

Mr. WADSWORTH. There is nothing binding in this report at all.

Mr. NORRIS. To say that because we cut down the appropriation this particular place or that particular place will have to be cut out is to say that we will not be able to use any of the money appropriated. Nobody proposes to cut this appropriation below \$27,000,000. It is true some places will have to be left out. Suppose they leave out a place like the river I have just read about, where it costs a dollar a ton for every ton that is moved over it to keep the river in shape so that traffic can be moved.

Mr. WADSWORTH. There are many worse than that.

Mr. NORRIS. Yes, there are a number worse than that. Let neither the Senator from Missouri nor anybody else get the idea that I want to have the appropriation for those harbors or rivers or bays cut down, whatever they may be, which, in the judgment of the proper officials, should be cared for to the extent of the appropriation that is made. I do not want to have the appropriation entirely cut out. I believe that under existing conditions we ought to cut this down. I think we ought to cut it down to \$27,000,000. There will then be some worthy places which ought to be worked on, where there must be delay. For instance, it developed this afternoon in the debate that General Taylor testified that if they got the \$56,000,000 he expected to use seven or eight million on the Ohio River, and that with that money he expected to commence three new dams and work on them, as well as working on other dams which are partially completed. I would not want to prevent work on the dams which are partially completed. I do not want to prevent the building of those three new dams when we can do it properly and are in better financial shape to do it. I would not want to injure the existing conditions by stopping work on a dam, as the Ford followers did with the Muscle Shoals project, and to so fix an appropriation that it would not be usable during the season of the year when they could do good work. I do not want to injure the Government in that way. I would like to see the work on the Ohio River, where the Government has partially built a dam, go on at a reasonable rate, at a rate which would, under all the circumstances, be economical and proper; but with the present condition of the Treasury of the United States, with the present condition of the taxpayers of the United States, I would not start on any new projects. I would utilize the appropriation on the existing work, and we can do with less than \$56,000,000.

Mr. STANLEY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. NORRIS. I yield.

Mr. STANLEY. The Senator speaks of completing dams which have been started, but delaying the construction of new dams. It is true that work of that kind after it is started is very much more costly if the work is stopped, because floods and atmospheric conditions tend to disintegrate the work already done unless it is brought to completion as rapidly as possible.

Does the Senator realize the enormous economic waste, such as no private concern is guilty of, in constructing dams as we have constructed the dams on the Ohio River? There is a stream which carries more tonnage than enters New York Harbor. There is no harbor on this continent which handles as great a tonnage as is carried on the Ohio River. Coal has been transported on that river for five-tenths of a mill per

ton-mile, and the average rate for like commodities on the railroads is 700 times that much.

Dams have been constructed over a stretch of 500 miles on the upper part of that rapidly falling stream where, in order to get a 10-foot pool, the dams had to be placed 6 or 8 or 10 miles apart. Now we have reached a stage of the river within 120 feet of sea level in an unbroken plane where one dam gives us a pool 30 miles long. Yet with the expenditure of all the millions we have spent the canalization of the Ohio River, with the prime purpose of giving us an unbroken waterway to the Mississippi River, is comparatively useless for through freight as long as there is one shoal, as long as there is one sand bar, as long as there is less than a 6-foot channel available. So the completion of two or three dams on the Ohio River not only makes available that portion of the river but opens to the commerce of the United States, through the industrial heart of this continent, the whole length of that great stream and multiplies by many hundred per cent the value of every dam hitherto constructed. Why this delay? Why this penny-wise and pound-foolish policy? Why this procrastination in an improvement of known value? Why continue this policy of holding a dime so close to your eye that you can not see the dollar, I can not understand.

Again I wish to ask the Senator from Nebraska about the item he has just mentioned. What is the item which the Senator thinks is so objectionable?

Mr. NORRIS. I did not read any item that I thought was particularly objectionable, any more than 15 or 20 others I could have read.

Mr. STANLEY. An item where it costs a dollar a ton to transport the freight.

Mr. NORRIS. There are lots of them.

Mr. STANLEY. I wanted to get the one item.

Mr. NORRIS. The Senator wanted to get the one I read?

Mr. STANLEY. Yes, for the purpose of illustrating a point.

Mr. NORRIS. Does the Senator want the name of that stream?

Mr. STANLEY. Yes.

Mr. NORRIS. I do not know whether I can find it or not. I do not know whether I will get the same one.

Mr. STANLEY. Any one of them. One will do as well as another.

Mr. NORRIS. Take the Blackwater River, in Virginia, then.

Mr. STANLEY. What is the objection to that?

Mr. NORRIS. I have not made any. The Senator wanted me to give an item, so that he could argue.

Mr. STANLEY. I wanted to ask the Senator about some item to which he was objecting.

Mr. NORRIS. I will object to that one.

Mr. SWANSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. NORRIS. No; not at the present time. The Senator from Kentucky has not finished the question he was asking me.

Mr. STANLEY. This is my purpose, I will say to the Senator from Nebraska: I want to know the specific ground of his objection to some one of these items, so that I can get the Senator's viewpoint.

Mr. POINDEXTER. Which one?

Mr. STANLEY. I do not care which one he takes.

Mr. NORRIS. I gave my objection. The Senator does not want me to repeat it, does he?

Mr. STANLEY. If I understood the Senator, he said the amount of tonnage carried on the river previous to the improvement was so slight that the rate would amount to a dollar a ton on the traffic carried.

Mr. NORRIS. No. Improvement is not spoken of at all. I said that the cost of maintenance was practically a dollar a ton for the total amount of freight carried on the river.

Mr. STANLEY. I wanted to call the Senator's attention to this proposition, that if we take the freight carried prior to an improvement, it is totally misleading. I will give the Senator an illustration. There is no more pressing need now than to overcome, as far as possible, the seasonal lack of coal cars. Whenever the demand for coal in this country reaches its maximum—that has been the history for 10 years—there is a total failure on the part of the railroads in transporting the coal, and will be a total failure for many years to come. Since the last coal strike was settled we have had miners ready and willing to work and coal available to supply twice the amount needed by the people in the middle of this winter. The trouble is with the transportation. As soon as that demand is met, in a few months, you will find the tracks and sidings all over the United States littered with empty coal cars. We have

more coal cars than we need when there is no great demand, during the period when there is slight demand, and not half as many as are necessary when the demand is abnormal.

There is a little stream which feeds the Ohio down near Shawnee Town. There is a proposition, for instance, to extend the canalization of that little stream up for about a mile or two. The record will show that practically no freight is carried on that stream at present. The dredging of that stream furnishes water transportation to the most remarkable coal field in that region. There are already thousands of tons of coal practically contracted on account of its by-product and gas qualities in St. Louis and other large markets. If those coal fields can be reached by water transportation, at the very time coal cars can not be obtained, there will be uninterrupted water transportation.

The quickest and surest way to solve this apparently unsolvable problem of a seasonal breakdown in transportation facilities is to reach the coal regions, wherever they are adjacent to navigable waters, by improving those streams. This slight improvement on the one stream that has practically no tonnage now would bring about a thousand times as much as is carried on the stream at the present time. We can not judge accurately by the meager data that we have as to the propriety or the wisdom of the improvements. None of them can be accomplished without the approval beforehand of competent Army engineers.

Mr. NORRIS. I have forgotten the question the Senator asked me, but I will proceed.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. NORRIS. In just a moment I will yield to the Senator from Alabama. The Senator from Kentucky has well told what I think is necessary, and much better than I could have said it, but I would have said in substance a good deal of what he has said about the development of streams under the circumstances he outlined. If we can develop a stream that would reach the coal mine or a number of coal mines, I would be in favor of doing it; but when we did it, and the coal was developed and the Government had spent the money in improving the navigability of the stream so they could carry the coal out, does anyone suppose that the result would be that there would be any coal carried out? The case the Senator puts would be a proper one to develop. The stream he has described as running to the coal fields would be the kind of stream we ought to spend money on in making it navigable, but when we got it navigable the shipment of coal would commence and we would get some results from it and we would not be paying for the maintenance of the stream a dollar a ton for all the coal that was shipped out.

So that, with all due respect to the illustrious Senator from Kentucky, I do not believe that the river or the stream he has outlined, whether it be a real one or an imaginary one, has anything to do with the objection I am making to streams where those conditions do not exist.

I now yield to the Senator from Alabama.

Mr. HEFLIN. I was just wondering if we could not get some kind of an agreement by which we could vote on the amendment and the amendment to the amendment and then take a recess until to-morrow. It is growing rather late. If we could agree to vote on the two amendments, I would like to see that arrangement made. I do not think the Senator from Utah [Mr. KING] has any objection to such an arrangement.

Mr. UNDERWOOD. Mr. President, I do not want to cut off any debate by making a motion to lay on the table, so I am waiting until the debate ceases. I want to test the sentiment of the Senate on the proposition. When no Senator desires to debate further, I intend to make a motion to table the amendment to the amendment and the amendment and find out how the Senate stands on the question. Of course, whenever the vote comes, it will determine that question; but I make this statement because I do not want to take the floor to make the motion for the purpose of cutting off debate.

Mr. NORRIS. I do not want to delay a vote. While I have held the floor a good while already, I have not had an opportunity to talk very much. It is often true in the Senate that the Senator who holds the floor does not do the talking. But that has not been my fault.

I was going to read, when the interruptions took place, several other items.

Mr. SWANSON. Mr. President, will the Senator permit me to interrupt him briefly?

Mr. NORRIS. I yield to the Senator from Virginia.

Mr. SWANSON. I wish to make a brief statement as to the item to which he has called special attention. I simply want to describe it. It is an item having to do with a stretch of 13 miles of the Blackwater River from the little town of Franklin, a very enterprising town on that river. I think the improvement commenced in 1878. We have spent very little money on it.

Mr. NORRIS. In 1878?

Mr. SWANSON. I think we first had a small removal of obstructions there in 1878, but very little money has been spent on it. The traffic amounted to \$303,000, though it was not large in tonnage. It consisted of peanuts and various products raised all along the river by the farmers. They would not otherwise have had access to the market. The commerce amounted to \$300,000 that year. It is an enterprising town. In Franklin they have some railroad traffic, and I suspect most of it is picked up down the river. They have two steamers that have been regularly plying there for the last two years.

I am satisfied that there would be no development there in an agricultural way except for this small expenditure of money. The proposition is to expend \$2,000 this year for the removal of some snags or obstructions that have come into the river. That is all that is needed to take it up and make it accessible to the two steamers.

I simply wanted to make this brief statement to show the amount of business that is possible as a result of the expenditure of that small amount of money, which is more than usually given to keep it up.

Mr. NORRIS. Now, let us take the Senator's statement at 100 per cent. I have no doubt it is entitled to be taken that way. A small town commenced this development in 1878, and they have come up to 1921—just count the years—and it cost the taxpayers \$2,000 a year to keep that stream open, and there was a little bit over 2,000 tons shipped out.

Mr. SWANSON. Will the Senator let me correct a mistake? It has only cost since 1878 \$22,000. That is the entire amount that has been expended on it in all those years.

Mr. NORRIS. I did not know that. I am glad to get that contribution. Out of the \$56,000,000 that is proposed to be taken from the taxpayers of America, we are going to spend \$2,000 to keep the stream open in order that this enterprising town may continue business.

Mr. SWANSON. I want to tell the Senator something else. All that has been spent on that entire enterprise since it started was \$22,000.

Mr. NORRIS. That is what the Senator said, and I have accepted that statement. Out of the \$56,000,000 to be appropriated when the bill passes and becomes a law the Government engineers propose to spend \$2,000 to keep that stream open for one year. During the last year they have had just a little over 2,000 tons of freight. Should we appropriate from the Public Treasury of the United States funds for conditions of that kind? Are we warranted in doing it? If we are, then I want to call attention to an enterprising little town out in Nebraska—Stockville. It is the county seat of a county entirely agricultural, inhabited by some of the finest people in the world. It is on a stream. If Congress would spend \$22,000 on that stream we could make it navigable for small boats to carry the produce of that community about 20 miles, where they would connect with a railroad. It would not cost \$2,000 a year to keep the stream open, and I would guarantee that we would carry many times more than 2,000 tons of freight every year. Why not do that? If we do that in Virginia, why not do it in Nebraska?

Mr. GOODING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. NORRIS. I yield.

Mr. GOODING. I would say let us do it; but if we are going to strike out all the projects that we now have in the bill there will not be any chance for the Senator to improve his river in Nebraska. Then, again, I want to call the attention of the Senator—

Mr. NORRIS. Let me answer that first. That is a subject about which I want to talk a little.

If we strike this out, then there will not be any money to pay for making navigable, so to speak, the little streams in Nebraska. There, Mr. President, is the foundation of a log-rolling proposition. That is what has given to the river and harbor bills its bad reputation in the past and made good items suffer with the bad ones, because it is a proposition that "If you will scratch my back in Virginia, I will scratch your back in Nebraska. We will open up a stream and help an enterprising village in Virginia, and you will open up another one in Nebraska and help another enterprising village there." If it were carried on all over the country in respect to every enter-

prising village, the cost would be billions instead of millions of dollars.

Mr. GOODING. I would like to ask the Senator, if it is as good a thing as he says it is, ought it not to be done in the interest of the people and in the interest of the taxpayers?

Mr. NORRIS. Surely it ought to be done if somebody else will pay for it, but we are going to ruin the taxpayers before we bring it about if we have to pay it from taxation.

Mr. GOODING. I can not agree with the Senator. Will the Senator let me make myself clear on a question presented before? With the 12,000 violations of the fourth section of the interstate commerce act, there is no question of doubt that where there is any water transportation at all on all these projects the Interstate Commerce Commission has permitted violations of that fourth section. These small projects which carry only a few tons of commerce at the present time, if properly protected as they ought to be, might be carrying one hundred times as much more.

Mr. NORRIS. I agree with that statement.

Mr. GOODING. So it seems to me it is hardly fair to say what projects should be cut out by cutting down the appropriations. We should not be the judges, it seems to me. We can not judge fairly.

Mr. NORRIS. The Senator and I agree on the proposition. He takes what is possible and what I deem is possible. If in a given case it could be demonstrated that that was going to happen, I would be for it, but on the face of it that evidence is not produced. I say the burden of proof is on the men who get the appropriation. When they prove it, I will be for it, with limitations. I will be for it as far as I think we can go in the expenditure of public money without injury to the Treasury of the United States.

Mr. WILLIAMS and Mr. GOODING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I will yield first to the Senator from Idaho.

Mr. GOODING. I want to say to the Senator from Nebraska that I am sure there is no place in America where there is water transportation but what the railroads have practically destroyed it through violations of the fourth section of the interstate commerce act.

Mr. NORRIS. I again agree with the Senator in regard to violations of the fourth section of the interstate commerce act. I expect to discuss that before I close. I think there has been no excuse for it. There can be no reason given for it. It seems to me it has been unjustified, and I will go as far as any other Senator to stop it; but I am not willing, blindly and without evidence, to appropriate millions and millions of public funds to improve rivers and develop harbors until the evidence shows that there is some reasonable ground for believing that something would come from it. In one of the river and harbor measures that passed the Senate at one time there was a proposition to sink artesian wells in the bed of a stream in order to increase the flow so as to make it navigable. That actually happened in a river and harbor bill. I now yield to the Senator from Mississippi.

Mr. WILLIAMS. Of course, one can very easily reduce any argument to a reductio ad absurdum by simply quoting extreme things that have been said or proposed, but after he has done that it is nothing but a play of ingenious intellect.

Leaving the question of rivers and harbors just for a moment and going to the railroads, a cognate question because it deals with the proposition of transportation, how long does the Senator from Nebraska think the population of the United States would have had to wait in order to connect the Atlantic with the Pacific and the Mississippi and the Missouri with the Pacific if they had counted each mile of transportation or each 50 miles or each 100 miles to ascertain if it would give back to the Treasury of the United States the next year more than had gone out? We would still have been a little struggling country along the Atlantic and Mississippi, and the intermediate country where the Senator from Nebraska lives and where some few other Senators live would have been a wilderness. There must be addressed to every legislator a sense of reason concerning the potentialities of the development of a country. If we had built the transcontinental railroad lines simply upon the proposition that they would pay for themselves in the next year or the next 5 years or the next 10 years or the next 20 years we never would have built them at all, of course; and if we are going to wait to have the future prove about a few miles of river bed or a lake coast, that it is to be beyond all mathematical calculation potentially and commercially valuable, we would not improve either a river or anything else.

Mr. President, the entire development of the United States has come from the fact that we pushed westward, spending

money like water for railroads and for water transportation in order to make a great nation of this country stretching from the Atlantic to the Pacific. Amongst the people who opposed that movement in the very early days were a good many of my own ancestors, who did not think that we ought to do that, but the proof of the pudding is in the eating of it. Later on I think everybody has concluded that we did very wisely when we laid down unprofitable lines of railroads between the Atlantic and Pacific—unprofitable then, unprofitable for 20 years afterwards, and some of them unprofitable in their main routes even yet.

The whole philosophy of the rivers and harbors bill consists in a great vision. Of course, upon every river and harbor bill there will appear an unworthy project here and there, because there will appear unworthy men here and there, who will father unworthy projects in order to be elected to the Senate or to the House of Representatives. So far as I can see that may not be very well prevented. The Senator is going off criticizing the sun, about the specks upon the sun. One can not criticize the sun in that way. Here is a great thing that has accrued to the enrichment of the United States, to its homogeneity of population, to its collectivism of government in very way, and has made a nation out of a straggling seacoast. We never have hesitated about spending a few dollars for that purpose, and there is no reason why we should do so. If anybody can point out to me 13 miles of river stretch the improvement of which will not pay for itself right now, but may in 20 years result in bringing to the people of the United States one hundred times the cost of the improvement, although we would have to wait 20 years for the money to come into the Treasury, I shall advocate it.

However, even there the Senator is not striking at the heart of the river and harbor bill, because the heart of it is in the ascertained streams whose ascertained commercial capacity everybody knows. The whole difficulty is that they have been stabbed under the fifth rib by enabling the railroads to make an unfair competition with them, and until we do away with that there can not be the full enrichment which the country should enjoy from its waterways.

A few minutes earlier in the day I attempted to illustrate that and to give the history of certain events which had occurred here in the United States; but the Senator's argument a few minutes prior to the time when I interrupted him amounted simply to saying that some things ought to be cast out of the bill because the number of dollars returned to the Treasury a year or two years or three years from now would not be equal to the number of dollars taken out of the Treasury in order to make the improvement. I deny that there is any common sense or any nationality or any long vision or any great business sense in that sort of argument. When a nation is betting it bets for the future; when the Senator or I, with our limited individual fortunes are betting, we had better go pretty close to the seashore and not bet much beyond what our bank account will permit us to draw on; but when a nation is betting upon the future there can be no "bears" on the United States; every wise man is a "bull."

Mr. NORRIS. Mr. President, I appreciate the question which the Senator from Mississippi has propounded by his short interruption. He has set up a man of straw, charging the straw man to me, alleging that I had made a certain argument, and then he says there is not any sense in it. That argument exists only in the Senator's imagination, for I made no such argument.

Mr. WILLIAMS. But I listened to the Senator for some time, and I thought I understood his argument.

Mr. NORRIS. I am sorry the Senator did not listen to me more intently. I have been interrupted by other Senators. The Senator knew I had the floor and he probably listened to some other Senator who was speaking, and credited me with the argument which that Senator made. The Senator has not got what I stated right at all. I have not adduced or attempted to adduce the argument which the Senator pretends I have tried to adduce.

Mr. President, the Senator's argument, as well as the argument of several other Senators who have interrupted me, is to the effect that we ought to provide for everything at once because it would be better—for instance, as to the Ohio River—to complete all the improvements in one year; otherwise there the improvements which we make this year will not be fully realized on next year because another part of the river lower down is not developed to the same degree. That would be the model way to make river and harbor improvements; that would be the way to proceed if we had unlimited funds. I submit, Mr. President, that there is only one place in the United States, and that is in this Chamber, where a man will be ridiculed if he talks economy for the taxpayers of America; and yet out

on the hustings, on every stump, and in the platform of every political party economy is the watchword; it is the demand made by the people; it is the promise made by the party and by the candidate for office.

Mr. WADSWORTH. Mr. President, will the Senator from Nebraska yield to me?

Mr. WILLIAMS. One other question, and then I shall let the Senator from Nebraska alone.

Mr. NORRIS. I yield first to the Senator from New York.

Mr. WADSWORTH. Mr. President, in addition to the amendment offered by the Senator from Idaho [Mr. BORAH], with the supplemental amendment offered by the Senator from Wisconsin [Mr. LENROOT], I am informed that there are other amendments to be offered to this particular rivers and harbors title of the bill, and that it will be exceedingly difficult, and perhaps impossible, to finish the consideration of the bill tonight. It is now 6 o'clock and 25 minutes p. m., and one of the Senators has made a special request that I move an executive session.

Mr. WILLIAMS. Mr. President—

Mr. WADSWORTH. I desire to ask unanimous consent—

Mr. WILLIAMS. Will the Senator allow me to say a word before he makes the request for unanimous consent?

Mr. WADSWORTH. I will ask the Senator from Mississippi if the discussion may not go on to-morrow? The Senator from Nebraska [Mr. NORRIS] will have the floor in the morning.

Mr. WILLIAMS. I merely wish to ask one question, because I probably will not be here to-morrow morning.

Mr. NORRIS. Very well, Mr. President, I yield to the Senator from Mississippi.

Mr. WILLIAMS. The Senator has mismeasured my argument. I think if there is anybody who realizes the difference between an expenditure and an investment it is I. When I was speaking of river and harbor improvements in the way I did I was viewing them as investments. Very frequently a nation invests a large amount of money in order to receive an ultimate profit of very much more, expecting very little immediate return. I hope the Senator does not think that I do not know the difference between a mere expenditure and an investment. Most of the things where they are worth anything at all are investments and not merely expenditures.

Mr. WADSWORTH. Mr. President, continuing what I was about to say, I ask unanimous consent that at not later than 4 o'clock to-morrow the Senate shall proceed to vote without further debate upon all amendments which may be pending to the rivers and harbors title of this bill.

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. Mr. President, that does not mean that we have got to vote upon the Lenroot amendment without an amendment to it?

Mr. NORRIS. There can not be an amendment offered to the so-called Lenroot amendment.

Mr. SMOOT. Is it in the second degree?

Mr. NORRIS. It is already in the second degree.

Mr. SMOOT. Very well. But I wish to give notice now that while I am not going to object to the request for unanimous consent I want a direct vote upon the amendment proposing to make the appropriation \$27,000,000, which, as I understand, is the so-called Borah amendment.

Mr. NORRIS. I agree with the Senator. I want a direct vote upon that proposition; but if the Lenroot amendment shall prevail, we will not have an opportunity to vote on it.

Mr. SMOOT. Why could we not have a unanimous-consent agreement that we shall first vote on the proposal to make the amount \$27,000,000 and then on an amendment proposing to make the appropriation \$37,000,000 and last on the amendment proposing to make it \$42,000,000 rather than to vote upon the larger amount first?

Mr. UNDERWOOD. The Senator is wasting time in asking that that be done, because he will not get unanimous consent to do it.

Mr. WADSWORTH. The yeas and nays have already been ordered on these amendments.

The PRESIDING OFFICER. On both amendments the yeas and nays have been ordered.

Mr. TOWNSEND. The Senator can bring up the question in the Senate.

Mr. SMOOT. I am perfectly aware of that; but the proper way to do is to vote on the smaller amount first, then on the next larger one, then on the third, and so on.

Mr. SWANSON. We are proceeding according to the rules of the Senate.

Mr. SMOOT. I am perfectly aware of that; but I think the proper way is to vote on the amendments in the manner in which I have suggested.

Mr. SWANSON. Then the rules of the Senate ought to be amended.

The PRESIDING OFFICER. The Senator from New York asks unanimous consent that at not later than 4 o'clock tomorrow the Senate without further debate shall vote upon all amendments which may then be pending to the rivers and harbors title of the pending bill.

Mr. ASHURST. Or amendments that may be offered.

The PRESIDING OFFICER. Or amendments that may be offered. Is there objection? The Chair hears none, and the order will be entered.

The unanimous-consent agreement was reduced to writing, as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Thursday, February 8, 1923, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, on any amendment that may be offered, to the rivers and harbors title of the bill H. R. 13793.

Mr. WADSWORTH. I ask the Senator from Nebraska if he is willing to yield at this time in order that the Senate may proceed to the consideration of executive business?

Mr. NORRIS. If it is the wish of the Senator from New York to take that course, I will yield for that purpose.

Mr. WILLIAMS. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Is it the intention of the Senator from New York, after the executive session, to move that the Senate shall adjourn or that it shall take a recess?

Mr. WADSWORTH. An order has already been entered that the Senate shall take a recess until 12 o'clock to-morrow.

Mr. WILLIAMS. I did not know that. I think we ought to have some opportunity to consider bills on the calendar. The time of the present Congress is getting short, and I think the calendar ought to be sounded for unobjected bills. I hope, therefore, the Senator from New York will move that the Senate adjourn.

Mr. WADSWORTH. It is not the purpose of the Senator from New York to move to adjourn until the pending bill shall have been passed.

Mr. WILLIAMS. Then I hope that at an early date we may have an opportunity to consider bills on the calendar.

EXECUTIVE SESSION.

Mr. WADSWORTH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened and (at 6 o'clock and 33 minutes p. m.) the Senate, under the order previously entered, took a recess until to-morrow, Thursday, February 8, 1923, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate February 7 (legislative day of February 5), 1923.

UNITED STATES ATTORNEY.

Edward W. Miller, of Wisconsin, to be United States attorney, eastern district of Wisconsin, vice H. A. Sawyer, resigned.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY.

ADJUTANT GENERAL'S DEPARTMENT.

Col. Harvey Wolfarth Miller, Infantry, with rank from July 1, 1920.

Maj. John Southworth Upham, Infantry, with rank from July 1, 1920.

Maj. Clarence Hagbart Danielson, Infantry, with rank from July 1, 1920.

QUARTERMASTER CORPS.

Capt. Eugene Edmund Barton, Infantry, with rank from July 1, 1920.

Capt. William Franklin Campbell, Infantry, with rank from July 1, 1920.

Capt. James Charles Longine, Cavalry, with rank from July 1, 1920.

Capt. Christian Allen Schwarzwaelder, Infantry, with rank from July 1, 1920.

Capt. Edwin Sanders Van Deusen, Infantry, with rank from July 1, 1920.

Capt. Harold William Keller, Infantry, with rank from July 1, 1920.

First Lieut. Walter Christian Thee, Coast Artillery Corps.

ORDNANCE DEPARTMENT.

Capt. Joel Grant Holmes, Coast Artillery Corps, with rank from January 17, 1920.

Capt. Miles Whitney Kresge, Coast Artillery Corps, with rank from July 1, 1920.

Capt. Roswell Eric Hardy, Infantry, with rank from July 1, 1920.

Capt. John Huling, jr., Infantry, with rank from July 1, 1920.

First Lieut. Ward Edwin Becker, Coast Artillery Corps, with rank from July 29, 1919.

First Lieut. Clyde Hobart Morgan, Coast Artillery Corps.

FIELD ARTILLERY.

Maj. George Meredith Peek, Coast Artillery Corps, with rank from July 1, 1920.

Capt. William Foster Daugherty, Cavalry, with rank from March 27, 1920.

Capt. Miron James Rockwell, Infantry, with rank from July 1, 1920.

Capt. Duncan Thomas Boisseau, Infantry, with rank from July 1, 1920.

First Lieut. Murray Charles Wilson, Chemical Warfare Service, with rank from July 1, 1920.

Second Lieut. Harold Arthur Doherty, Infantry.

COAST ARTILLERY CORPS.

Capt. Nelson Hammond Duval, Quartermaster Corps, with rank from July 1, 1920.

Capt. Erwin Adolph Manthey, Quartermaster Corps, with rank from July 1, 1920.

AIR SERVICE.

First Lieut. Raymond Carl Zettel, Infantry, with rank from July 1, 1920.

POSTMASTER.

OHIO.

Henry A. Taylor to be postmaster at Cleveland, Ohio, in place of W. J. Murphy. Commission expired September 19, 1922.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 7 (legislative day of February 5), 1923.

PROMOTIONS IN THE NAVY.

To be captain.

William V. Tomb.

To be commander.

Carl T. Osburn.

To be lieutenant commanders.

Robert Gatewood.

Albert R. Mack.

Jay L. Kerley.

Henry M. Kieffer.

James L. King.

William D. Taylor.

John H. Falge.

Charles P. Mason.

John J. Brown.

To be lieutenants.

Jarrard E. Jones.

Alexander B. Holman.

Joseph W. Storm.

Edwin F. Bilson.

Floyd S. Crosley.

Allen D. Brown.

Charles E. Olsen.

Charles E. Coney.

Albert R. Staudt.

Willis W. Pace.

Charles H. Rockey.

Edgar R. Winckler.

George Paille.

Lewis P. Harris.

Guy R. Bostain.

James N. McTwiggan.

George A. Ott.

Emil Chourre.

Robert H. Harrell.

Thomas B. Lee.

David A. Musk.

Maxwell B. Saben.

John McC. Fitz-Simons.

Victor F. Marinelli.

Cecil F. Harper.

Harvey R. Bowes.

Frank R. Whitmore.

Albert E. Dupuy.

Barrett Studley.

Herbert A. Anderson.

To be lieutenants (junior grade).

Charles C. Stotz.

Frank Kinne.

George C. Neilsen.

Thomas G. Shanahan.

George Schneider.

Laurie C. Parfitt.

Edward G. Evans.

Walter E. Holden.

Olaf J. Gullickson.

Harry A. Mewshaw.

Hubert K. Stubbs.

Franklin E. Cook.

Gurney E. Patton.

Warren R. Hastings.

John O. Jenkins.

Ove P. O. Hansen.

Wallace H. Gregg.

Milton P. Wilson.

James P. McCarthy.

Fred J. Barden.

Ralph W. Floody.

Joseph A. Guard.

Glenn S. Holman.

Paul G. Haas.

James C. Taylor.

Joseph W. Mullally.

Joseph H. Seyfried.

Donald McK. Weld.

Walter O. Roenicke.

John L. Albice.

Kenneth C. Manning.

Horatio G. Sickel, 4th.

Norman B. Hitchcock.
Delmer S. Fahrney.
Augustus J. Wellings.
Stanley E. Martin.

William H. Hutter.
Frank M. Maichle.
James B. Carter.
William M. Smith.

To be passed assistant surgeon.

Robert M. Cochran.

To be passed assistant dental surgeon.

Julian A. Turrentine.

To be passed assistant paymasters.

Frank J. Manley.
William Elliott.
Lester B. Karelle.
Ellory F. Carr.
Forrest Ivanhoe.

George F. Yoran.
James M. McComb.
Frank P. Delahanty.
Hunter J. Norton.
John H. Skillman.

To be naval constructors.

William B. Fogarty.
Charles L. Brand.

To be civil engineer.

Roscoe L. Martin.

To be chief pay clerk.

John F. Flynn.

MARINE CORPS.

Harry M. Leighley to be second lieutenant.

POSTMASTERS.

FLORIDA.

Royal W. Storrs, De Funiak Springs.
Lera H. Taylor, Mayo.
James R. Pomeroy, Stuart.

LOUISIANA.

James M. Cook, Oakdale.

NEBRASKA.

Richard L. Roach, Maywood.
Charles G. Anderson, Shelby.
Roscoe Buck, Springview.

NORTH CAROLINA.

Clarence M. McCall, Biltmore.
Edward F. Yarbrough, Louisburg.

SOUTH CAROLINA.

Virginia M. Bodie, Wagener.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, February 7, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy Lord God Almighty, we thank Thee that Thou dost show us from day to day the great and marvelous things. We pray for the forgiveness of our sins and for the redemption of our whole nature. Be Thou a defense to our peculiar weakness, and when temptation thickens around help us to recover our courage and faith. Work in us a sweet patience and a childlike trust in our Heavenly Father. Help us the solution of the difficult problems that perplex mind and heart. Cause the strong to come forth in defense of the weak, the poor, and the helpless, and bless our people everywhere with the bounties of Thy love. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

JOINT SESSION OF SENATE AND HOUSE.

Mr. MONDELL. Mr. Speaker, I offer the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Wyoming offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Concurrent Resolution 82.

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, the 7th day of February, 1923, at 1 o'clock in the afternoon, for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The resolution was agreed to.

QUESTION OF PERSONAL PRIVILEGE.

Mr. HERRICK. Mr. Speaker, I rise to a question of personal privilege for the purpose of presenting a resolution which I think is privileged.

The SPEAKER. The gentleman will state his question of privilege.

Mr. HERRICK. Well, it is a matter in which I consider that the House—

The SPEAKER. The gentleman will send up his resolution. [After examining the resolution.] The Chair thinks the gentleman is entitled to have this read, so that the House can consider whether it is a question of privilege or not.

The Clerk read as follows:

Whereas on February the 6th, 1923, the Washington Times and the Washington Herald published a libelous, slanderous, and infamously false article to the effect that I, MANUEL HERRICK, a Member of Congress, had been sued for breach of promise by a Follies beauty, and had called himself a "Spark-plug lover," that a hated rival had broken up my romance, and that I had engaged a detective to spy upon an innocent girl, and other false and slanderous matter; and Whereas no Member of Congress is immune from equally vicious and libelous accusations: Therefore be it

Resolved, That any and all representatives of the Washington Times and Washington Herald be, and are hereby, expelled and debarred from the press gallery, the cloak rooms, corridors, and lobby of the House of Representatives during the remainder of the Sixty-seventh Congress.

Mr. MONDELL. Mr. Speaker, a point of order.

The SPEAKER. The Chair does not think this resolution presents a question of privilege.

Mr. MONDELL. And as a motion it is not in order.

The SPEAKER. The Chair sustains the point of order.

Mr. HERRICK. Will the gentleman from Wyoming consent to some specific time—

CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, this is Calendar Wednesday.

The SPEAKER. The Clerk will call the committees.

The Clerk called the Committee on Agriculture.

"CROP FAILURE" DEFINED.

Mr. HAUGEN. Mr. Speaker, I call up S. 2023, defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed, and for other purposes.

The SPEAKER. The gentleman from Iowa calls up a bill, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar, and the House automatically resolves itself into the Committee of the Whole House on the state of the Union for its consideration. The gentleman from New York [Mr. HUSTED] will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. HUSTED in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of S. 2023, which the Clerk will report.

The bill was read, as follows:

Be it enacted, etc., That a yield of 5 bushels or less per acre of wheat, rye, or oats on lands owned by those in the drought-stricken regions who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed, be, and the same is hereby declared to be a failure, and the borrower whose yield was 5 bushels or less per acre be, and he is hereby, released from repayment of the amount borrowed by him from the Government: *Provided*, That nothing herein shall release the borrower who signed a guaranty-fund agreement and whose crop was not a failure from making the contribution provided for in such agreement, but said guaranty fund shall be used as stipulated in the agreement to the settlement of the loans to those whose crop was a failure: *Provided further*, That any such borrower whose crop was a failure, as herein defined, and who made payment on his loan prior to May 31, 1920, shall be fully reimbursed from such guaranty fund.

Mr. HAUGEN. I yield to the gentleman from Kansas [Mr. TINCHER] such time as he desires.

Mr. TINCHER. Ten minutes.

Mr. HAUGEN. I yield to the gentleman from Kansas 10 minutes.

Mr. TINCHER. Mr. Chairman, I take the time of the committee only for the purpose of making clear what this resolution is about. I do not want the committee to confuse this resolution with the loans made to the farmers out of Government funds since the war.

During the fall of 1918 there was an effort made upon the part of the Government, through the several agencies then in existence because of the war, to procure increased production of grain, and a number of loans were made to farmers in an effort to get them to try to raise wheat in a territory where they had not previously found it profitable to plant wheat. These loans were not made as the loans recently authorized were made. They were made on a contract that called for as high as 100 per cent interest. The farmer who planted wheat in these arid regions was a patriot and doing it for his Government, and he

did not object to a contract that called for the share that the Government contracts called for. These contracts called for a guaranty fund. Some men in my district paid as high as \$2 a bushel interest on their wheat. I want to say that there is no question about this in my district, because there they made a wheat crop that year and the Government made money out of us. It is not a very long story. There were \$276,000 paid in on this guaranty. Sixty-eight thousand dollars of that money was paid by men whose wheat did not amount to 5 bushels per acre when the contract provided that they should not pay anything for their wheat unless it exceeded that yield. The passage of this resolution, which passed the Senate by unanimous vote a year and a half ago, will simply mean that the Federal farm-loan banks will settle up with the Treasury in this way.

They should return the \$68,000, the amount due on the crop failure. I am rather proud to handle this bill, because my district had a successful crop, and it was from my district that we paid in the guaranty money. But the fellow that failed to pay in the money is as much entitled to a return as the other. I refused to have it hooked up with bills looking toward excusing other debts due the Government.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. LARSEN of Georgia. Did I understand the gentleman to say that they paid as high as \$2 a bushel?

Mr. TINCHER. They would take a bushel of wheat and agree to pay 25 per cent of the crop. It was just like you furnish the seed wheat and the fellow gives you half. That would not be considered as usury and it was not usury. We have a guaranteed fund of \$268,000. Mr. Lobdell's letter is here in the report, and he wants to pay the money back. The whole contribution to the guaranty fund by those who had successful crops was \$246,486. The amount of the loans paid by the borrowers amounted to \$68,249, so that there will be in the guaranty fund \$178,237 to be paid back into the Treasury.

Mr. KINCHELOE. Is it not a fact that many of the farmers who paid in this guaranty fund were in good circumstances?

Mr. TINCHER. Some of them were.

Mr. KINCHELOE. This is a bill to pay these fellows back that which they owed the Government—

Mr. TINCHER. They never contracted to do it. It was a mistake made in sending out the notices by the banks themselves. The gentleman from South Carolina [Mr. LEVER], on this side of the House, was on the Agricultural Committee at the time the loan was made and was on the board at the time they had the transaction, and was very active in support of this bill.

Mr. KINCHELOE. They borrowed the money from the Government to buy the seed wheat.

Mr. TINCHER. Yes; but this is not in the nature of forgiving a debt. I want you to discriminate between this bill and other bills that may come up in the future for forgiving debts.

Mr. UNDERHILL. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. UNDERHILL. Would not it be a good thing to have some limit of time in which these claims should be filed?

Mr. TINCHER. They are all filed and all audited. There was a serious question in the mind of the department whether they did not have the right to return the money, but they wanted to go along with the law. The exact amount that will be turned into the Treasury is in the report, and the Treasury will receive the money within a week after the President signs the bill, and they will mail the checks back.

Mr. UNDERHILL. And there will be no other claims?

Mr. TINCHER. There can not be. These men who produce the crop were all required to send the number of bushels that they raised, regardless of whether they raised 40 bushels or 100 bushels. They have a complete report.

Mr. LOWREY. If the bill passes, how does the Government come out on the whole deal?

Mr. TINCHER. The money was loaned out of a fund that the President had turned over to Mr. Hoover to go into the war with. I suppose the most of it was spent without any hope of getting it back, but in this particular transaction the Government will gain money, because they have a guaranty fund of \$280,000 and there is only \$68,000 that is going back to these people.

Mr. LOWREY. After these men are paid back there will be nothing to cover what the Government paid out.

Mr. PURNELL. If the gentleman will yield, I think I know what the gentleman from Mississippi has in mind. If the \$68,000 is returned to the people there will still be left in the guaranty fund something like \$178,000 to be covered into the

Treasury. So it is not equivalent to an appropriation. I think this is a fair statement of the situation.

The appropriation act of 1920 released and absolved from further liability all of those who did not raise more than 5 bushels per acre. These producers who paid in this \$68,000 were producers who did not raise the 5 bushels per acre, and if we do not correct this situation we are penalizing the men who are prompt; and, as the gentleman from Kansas [Mr. TINCHER] has very clearly stated, the officials of the Government are anxious to do this and want this authority from Congress.

Mr. TINCHER. There was no division among the officials. Take Mr. Lever, for instance. He was on the board at that time and he was entirely familiar with the creation of the fund and the loan. I do not care to take up any more time of the committee, unless some one desires to ask a question.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BLANTON. Is not this paternalism rather gone to seed? We first loan them the money to plant the wheat, and they plant it and pay the money back, and now we pay back the money that they pay to us.

Mr. TINCHER. I do not know whether my friend was in here when I started to speak.

Mr. BLANTON. I have been here all of the time.

Mr. TINCHER. This is not like any other loan that I know of. This is a loan that was not solicited. It was some money taken from the President's contingent fund to encourage crop production.

Mr. BLANTON. But if a man takes the money, whether he solicits it or not, and pays it back, he has only done his duty.

Mr. TINCHER. But the contract provides that he should not pay unless he raised 5 bushels per acre, and I think the law also provided that.

Mr. KINCHELOE. Oh, the law did not provide any such thing.

Mr. TINCHER. It was paid out of the contingent fund.

Mr. BLANTON. The contract was made regardless of the law.

Mr. TINCHER. The contract was made by the Federal officials that they would not collect unless there was 5 bushels per acre raised, and if there was more than that they would collect it up to 100 per cent. If a man raised 30 bushels per acre and he got only 1 bushel of seed wheat, he would have to pay for 2.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having taken the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had concurred in the House amendments to bills of the following titles:

S. 4029. An act amendatory of and supplemental to an act entitled "An act to incorporate the Texas Pacific Railroad Co. and to aid in the construction of its road, and for other purposes," approved March 3, 1871, and acts supplemental thereto, approved, respectively, May 2, 1872, March 3, 1873, and June 22, 1874.

S. 4341. An act granting the consent of Congress to the Oregon-Washington Bridge Co. and its successors to construct a bridge across the Columbia River at or near the city of Hood River, Ore.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 543. An act for the relief of contributors of the Ellen M. Stone ransom fund.

The message also announced, pursuant to the provisions of Senate Concurrent Resolution 36, the Vice President had appointed Mr. WADSWORTH, Mr. WARREN, Mr. REED of Pennsylvania, Mr. HARRIS, and Mr. ROBINSON as the committee on the part of the Senate.

The message also announced that the Senate had passed without amendment the following concurrent resolution:

House Concurrent Resolution 82.

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, the 7th day of February, 1923, at 1 o'clock in the afternoon for the purpose of receiving such communication as the President of the United States shall be pleased to make them.

"CROP FAILURE" DEFINED.

The committee resumed its session.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, this is one of the seed wheat propositions which always develop at the last into a gift. In 1918, under the revolving fund that the President then had, he loaned money with which to buy seed wheat. Of course that was right at the close of the war. There was no provision then defining a crop failure to be of 5 bushels per acre or less. They loaned the money to these wheat growers in the Northwest in 1918 with no stipulation at all except that they were to pay it back. In the agricultural appropriation act of 1920 there was a provision defining what was a crop failure, to wit, 5 bushels per acre or less, and it provided that those who raised 5 bushels per acre or less had a crop failure and would not have to pay.

Mr. TINCHER. I know the gentleman wants to be accurate.

Mr. KINCHELOE. Yes.

Mr. TINCHER. Under the terms of the loan, in addition to giving a note to guarantee, the borrowers were required to enter into a guaranty fund agreement, and if the borrower realized 5 bushels or less he was obliged to pay his note, but he was entitled to be reimbursed, so far as the guaranty fund would go around. That is in the written agreement that was made between the banks and the men, and that is what I am talking about now.

Mr. KINCHELOE. There never was anything said in the law about what a crop failure was until the agricultural appropriation act of 1920 defined it. Then between 1918 and the adoption of the agricultural appropriation act of 1920 some farmers, I presume solvent farmers, may have raised less than 5 bushels to the acre, but they paid the money back to the Government according to their contract, which they had agreed to do, in a total amount of \$68,000. To repeat, between 1918 and 1920, when this provision was inserted in the agricultural appropriation act defining what a crop failure was, there were farmers out there who paid to the Government what they owed to it, amounting to \$68,000.

I presume they were solvent. They had the money. It is now a question of whether you are going to give back to the people who paid this under contract they had with the Government, this \$68,000, whether you want to reimburse those farmers out there for that; and I want to serve notice on you now that you will have some more free-seed propositions here a little later that were contracted since the war, because the Agricultural Committee is constantly having people before it from the Northwest Territory wanting free seed wheat, wanting a guaranty for crops in a country where the climatic condition is such that it is not suitable to agriculture.

Mr. TINCHER. If this contract that was made during the war before the signing of the armistice provided that they would pay, some of them as high as 100 per cent, and that if a man raised less than 5 bushels per acre he should be reimbursed, and that guaranty fund was enough to pay him back, would the gentleman not be willing to pay that back, especially if the guaranty fund amounts to four times as much as that money?

Mr. KINCHELOE. Oh, they talk about a guaranty fund! They talked about that in another measure, but that fund belongs to the people and ought to go into the Treasury, and if we want to make a gift of \$68,000 to solvent farmers who are benefited by the Government, who borrowed the money for seed wheat and paid it back, very well, but there will be some more free seed wheat propositions here from the Committee on Agriculture that were contracted since the war. If you want to do that, all right. It is a question for you to decide, but so far as I am concerned, I am against doing it. I want to assist the farmers of the country the country over, and expect to do so, but I think this \$68,000 which these farmers owed should remain in the Treasury. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, it seems to be a growing function of the Congress first to lend the people's money out and when the money is to be paid back then relieve the debtor of paying the debt. We loaned this money to the wheat farmers to plant wheat. Some of them have paid back \$68,000, and now there is an attempt to give them their money back. We loaned the foreign governments about \$10,000,000,000. To one of the greatest foreign Governments, Great Britain, we loaned between four and five billion dollars under laws that they were to pay us the same rate of interest we had to pay for our money, which was over 4 per cent. Now the Congress is to assemble in a few minutes in joint session, the House and Senate, to receive a message from the Chief Executive of this

Nation, not to have Great Britain pay back the money in accordance with the law under which it is loaned, but to pay back a lesser sum. In other words, to make a present of about 14 per cent interest on between four and five billion dollars to the great mighty nation that never yet has repudiated a single penny of debt, either principal or interest; a great mighty nation that can not afford to repudiate its debt; a great mighty nation which would not survive history if they repudiated the debt. Why, it is becoming a common practice. I am not in favor of paying this wheat money back. We loaned it. They raised a crop; they got the benefit of the money.

Mr. PURNELL. Will the gentleman yield?

Mr. BLANTON. They have now paid it back. Why prolong the discussion? It is just what I said to the distinguished gentleman from Kansas; it is paternalism gone to seed. I will yield now.

Mr. PURNELL. Is the gentleman familiar with the guaranty part of the agreement under which this money was loaned?

Mr. BLANTON. I am familiar with the law that existed in 1918.

Mr. PURNELL. I did not ask the gentleman that.

Mr. BLANTON. When part of this lump-sum appropriation was loaned to these farmers that provision was not in the law. I want to say to the distinguished gentleman that whenever public money is loaned out of the Public Treasury in this Nation it is loaned under act of Congress, under law, and therefore people borrowing must take notice of the provisions of the law. When they get beyond the law—

Mr. TINCHER. Does the gentleman want the Government to profit under that bad guaranty, as he says, to the extent of \$280,000 and now to the extent of taking \$68,000 from men? Does the gentleman want to enforce one side of the agreement and not the other?

Mr. BLANTON. The Government is out right now several million dollars.

Mr. TINCHER. Not under this agreement and guaranty.

Mr. BLANTON. I am talking about the whole seed agreements. The gentleman knows there has been about half the money paid back under all of these seed loans. About half has been paid back, and the taxpaying people of this country who put the money in the Treasury are the ones who have to stand the loss. Now, I will tell you they are getting tired of it. The time has got to come soon if we do not stop these propositions when we are going to have half the people in the United States maintaining the other half in idleness, and I am not in favor of it.

Mr. HAUGEN. I yield two minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, I would like to have some matters cleared up by the chairman of the committee. As I understand it, when the seed loans were made an additional charge was made from all those who got the seed in order to create a guaranty fund to relieve those from payment who received less than 5 bushels to the acre.

Mr. HAUGEN. Exactly.

Mr. YOUNG. And some people who got less than 5 bushels per acre paid their notes under a misapprehension, not knowing that a guaranty fund had been created in the nature of insurance.

Mr. HAUGEN. Yes.

Mr. YOUNG. Practically they are in the same position as the man who pays for insurance?

Mr. HAUGEN. Exactly.

Mr. YOUNG. And if the Government refuses to come through it will stand in the same relation as an insurance company which refuses to pay after there has been a loss?

Mr. HAUGEN. Yes.

I yield five minutes to the gentleman from Indiana [Mr. PURNELL].

Mr. PURNELL. Mr. Chairman and gentlemen of the committee, if I may have your attention. This is not in the least complicated, as the gentleman from Texas [Mr. BLANTON] and my colleague on the committee [Mr. KINCHELOE] would have you believe. It is a very simple matter. In 1918 the Government adopted a seed-loan policy, the purpose of which was to loan money for the purchase of seed to two classes—first, those who had suffered drought during the preceding year, and, second, to those who were encouraged to raise wheat where theretofore wheat had not been grown. Every man who borrowed money, every producer, entered into a guaranty-fund agreement by the terms of which he agreed to pay a certain amount into a guaranty fund. Now, in case he suffered a loss—that is, raised less than 5 bushels per acre—he was to

draw back from this guaranty fund paid in by those who were—

Mr. BOX. Will the gentleman yield?

Mr. PURNELL. Not now. Paid in by those who were successful. In case he suffered a loss he was to draw back from this guaranty fund which was paid in by those who were successful as much as that fund would stand up to the full amount of his loss. Now, a number of producers suffered distinct losses. They raised less than 5 bushels per acre, not enough to pay for threshing and raising. Men who, perhaps, were not familiar with the terms of the agreement they had signed came voluntarily and paid the full amount of their notes. The total amount paid in was \$68,000. In 1920, after those men had paid in \$68,000, this Congress, by the appropriation act of 1920, specifically absolved every man from further liability who had raised 5 bushels per acre.

The question then arose, Shall we penalize the men who paid in \$68,000, who stood exactly in the same relation to the Government as those whom we absolved in 1920 by the appropriation act? That guaranty fund, which was paid in by the successful producers, created a sum of \$246,486. That money was derived from payment by men who were successful, and the purpose of this resolution is to authorize the payment out of that fund of the \$68,000 to those who suffered a loss. Answering the gentleman from Texas who raised the question awhile ago, this will leave in this fund a total of \$178,237. Gentlemen, in simple justice to those who have paid and would be penalized if we did not pass this bill I hope it will be adopted.

The SPEAKER. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc. That a yield of 5 bushels or less per acre of wheat, rye, or oats on lands owned by those in the drought-stricken regions who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed be, and the same is hereby, declared to be a failure, and the borrower whose yield was 5 bushels or less per acre be, and he is hereby, released from repayment of the amount borrowed by him from the Government: *Provided*, That nothing herein shall release the borrower who signed a guaranty-fund agreement and whose crop was not a failure from making the contribution provided for in such agreement, but said guaranty fund shall be used as stipulated in the agreement to the settlement of the loans to those whose crop was a failure: *Provided further*, That any such borrower whose crop was a failure, as herein defined, and who made payment on his loan prior to May 31, 1920, shall be fully reimbursed from such guaranty fund.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. It seems to be admitted that the dollars and cents involved in this proposition amount to \$68,000. That is the money that is involved in a fund that grew out of this seed transaction. We have absolved those who did not pay in, but who made a crop failure. As I understand the bill, no one will benefit under it unless he made a failure in the crop, a failure in meeting the demand of the Government to try to increase the food supply of the Nation during the war. Every man who knows anything about wheat growing knows that 5 bushels or less to the acre was an absolute failure, that the farmer whose crop amounted to no more than that lost money. But it is said that he paid his honest debt and now he wants to have his money back. That was true of the men whom you absolved, except that they did not pay. Oh, gentlemen, \$68,000 to men who made a failure in trying to increase the food supply of the Nation! You have paid prospective profits to some of these war contractors who tried to meet and were meeting the necessities of the Nation. Whether it be right or wrong, the stage is set to remit to England millions of dollars of interest that, as she made the contract, she would have to pay. Yet you quibble about remitting \$68,000 of money paid by a few farmers in the Northwest who made a complete failure. I am not going to be in the attitude of having voted for some of the bills that have gone through here to clean up the accumulated losses of the war, and then say, "No, no; these fellows up there in the Northwest who have paid their money in ought to have kept it back, and I will not let them have it reimbursed to them out of the fund that they created." I am not going to be put in that little measly attitude, from my standpoint. It is not a question of technical liabilities. It is a question whether or not the Government will remit this amount to these unfortunate men who did the best they could to increase the food supply, and made a complete and miserable failure in their effort and lost money and tried to be honest with the Government, tried to meet their obligations which they were not bound to do by the technical provisions of the contract. They might have defeated the payment, but they did not do it. We have remitted the money to the others. Why not do it to those who were honest enough to come in and pay it into this fund. [Applause.]

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that debate on this bill and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this bill and all amendments thereto be now closed. Is there objection?

There was no objection.

Mr. HAUGEN. Does the gentleman from Arkansas withdraw his pro forma amendment?

Mr. WINGO. I withdraw my pro forma amendment.

Mr. HAUGEN. I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 2023) defining the crop failure in the production of wheat, rye, or oats by those who borrowed money from the Government of the United States for the purchase of wheat, rye, or oats for seed, and for other purposes, had directed him to report the same back to the House without amendment and with the recommendation that it do pass.

Mr. HAUGEN. Mr. Speaker, I move the previous question on the bill to the final passage.

The motion was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to a third reading, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill.

The question being taken, on a division (demanded by Mr. KINCHELOE) there were—ayes 127, noes 14.

Accordingly the bill was passed.

On motion of Mr. HAUGEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

RECESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Chair.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the House stand in recess subject to the call of the Chair. Is there objection?

There was no objection.

Accordingly (at 12 o'clock and 50 minutes p. m.) the House stood in recess.

AFTER RECESS.

The recess having expired, the House (at 12 o'clock and 54 minutes p. m.) resumed its session.

JOINT SESSION OF SENATE AND HOUSE.

At 12 o'clock and 54 minutes p. m. the members of the President's Cabinet entered the Chamber and took seats on the left of the Speaker's rostrum.

At 12 o'clock and 55 minutes p. m. the Doorkeeper announced the Acting President pro tempore of the Senate [Mr. MOSES] and the Members of the Senate.

The Members of the House rose.

The Senate, preceded by their Acting President pro tempore and their Sergeant at Arms, entered the Chamber.

The Acting President pro tempore of the Senate took the chair at the right of the Speaker and the Members of the Senate took the seats reserved for them.

The SPEAKER. The Chair appoints the following committee on the part of the House to wait upon the President and escort him to the Hall: Mr. MONDELL, Mr. FORDNEY, Mr. BURTON, Mr. GARRETT of Tennessee, and Mr. COLLIER.

The ACTING PRESIDENT pro tempore of the Senate. On behalf of the Senate the Chair appoints as members of that committee the senior Senator from Massachusetts [Mr. LODGE], the senior Senator from Alabama [Mr. UNDERWOOD], the senior Senator from Utah [Mr. SMOOT], the junior Senator from Wyoming [Mr. KENDRICK], and the junior Senator from Indiana [Mr. NEW].

At 1 o'clock and 6 minutes p. m. the President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House, was announced by the Doorkeeper, and stood at the Clerk's desk, amidst applause on the floor and in the galleries.

ADDRESS OF THE PRESIDENT.

The PRESIDENT. Members of the Congress, you have been asked to assemble in joint session in order that I may submit to you the report of the World War Foreign Debt Commission, covering its accepted proposal for the funding of the debt due

to the United States from the Government of Great Britain. This report, concluded on February 3, 1923, reads as follows:

THE PRESIDENT:

The World War Foreign Debt Commission created under the act of Congress approved February 9, 1922, having received the mission appointed by the British Government to consider the funding of the demand obligations of that Government held by the United States, reports as follows:

The British Government designated as its representatives the Right Honorable Stanley Baldwin, Chancellor of the Exchequer, and Mr. Montagu Norman, the governor of the Bank of England, who have conferred with the commission in Washington and presented facts relating to the position of the British Government. The commission has also met frequently in separate sessions and has given the fullest consideration to the problems involved in the funding of the British debt to the United States. It became manifest at the outset that it would not be possible to effect an agreement for funding within the limits of the act approved February 9, 1922, and the commission has, therefore, considered the practicability of a settlement on some other basis, and though it has not been able, in the absence of authority under the law, to conclude negotiations, it unanimously recommends for submission to Congress a settlement with the British Government, as follows:

Principal of notes to be refunded	\$4, 074, 818, 358. 44
Interest accrued and unpaid up to Dec. 15, 1922, at the rate of 4½ per cent	629, 836, 106. 99
	4, 704, 654, 465. 43
Deduct payments made Oct. 16, 1922, and Nov. 15, 1922, with interest at 4½ per cent thereon to Dec. 15, 1922	100, 526, 379. 69
	4, 604, 128, 085. 74
To be paid in cash	4, 128, 085. 74
Total principal of indebtedness as of Dec. 15, 1922, for which British Government bonds are to be issued to the United States Government at par	4, 600, 000, 000. 00

The principal of the bonds shall be paid in annual installments on a fixed schedule, subject to the right of the British Government to make these payments in three-year periods. The amount of the first year's installment will be \$23,000,000 and these annual installments will increase with due regularity during the life of the bonds until, in the sixty-second year, the amount of the installment will be \$175,000,000, the aggregate installments being equal to the total principal of the debt.

The British Government shall have the right to pay off additional amounts of the principal of the bonds on any interest date upon 90 days' previous notice.

Interest is to be payable upon the unpaid balances at the following rates, on December 15 and June 15 of each year: 3 per cent semiannually, June 15, 1923, to December 15, 1932, inclusive; 3½ per cent semiannually, June 15, 1933, until final payment.

For the first five years one-half the interest may be deferred and added to the principal, bonds to be issued therefor similar to those of the original issue.

Any payment of interest or of principal may be made in any United States Government bonds issued since April 6, 1917, such bonds to be taken at par and accrued interest.

The commission believes that a settlement of the British debt to the United States on this basis is fair and just to both Governments, and that its prompt adoption will make a most important contribution to international stability. The extension of payment, both of the principal and interest, over a long period will make for stability in exchange and promotion of commerce between the two countries. The payment of principal has been established on a basis of positive installments of increasing volume, firmly establishing the principle of repayment of the entire capital sum. The payment of interest has been established at the approximately normal rates payable by strong governments over long terms of years.

It has not been the thought of the commission that it would be just to demand over a long period the high rate of interest naturally maintained during the war and reconstruction, and that such an attempt would defeat our efforts at settlement. Beyond this the commission has felt that the present difficulties of unemployment and high taxation in the United Kingdom should be met with suitable consideration during the early years, and therefore the commission considers it equitable and

desirable that payments during the next few years should be made on such basis and with such flexibility as will encourage economic recuperation not only in the countries immediately concerned but throughout the world.

This settlement between the British Government and the United States has the utmost significance. It is a business settlement fully preserving the integrity of the obligations, and it represents the first great step in the readjustment of the intergovernmental obligations growing out of the war.

Respectfully submitted,

A. W. MELLON, *Chairman*.
CHARLES E. HUGHES.
HERBERT HOOVER.
REED SMOOT.
THEODORE E. BURTON.

In its comments upon the arrangements negotiated the commission itself has said essentially everything necessary to commend the agreement to your sanction. Note that the commission urges that the settlement is on a basis which "is fair and just to both Governments," and "will make a most important contribution to international stability." More important still is the closing observation that "it is a business settlement, fully preserving the integrity of the obligations, and it represents the first great step in the readjustment of the intergovernmental obligations growing out of the war." In these observations I most heartily approve.

The call of the world to-day is for integrity of agreements, the sanctity of covenants, the validity of contracts. Here is the first clearing of the war-clouded skies in a debt-burdened world, and the sincere commitment of one great nation to validate its financial pledges and discharge its obligations in the highest sense of financial honor.

There is no purpose to report that your commission has driven a hard bargain with Great Britain, or to do a less seemly thing in proclaiming a rare generosity in settlement. Amid widespread clamor for the cancellation of World War debts, as a fancied but fallacious contribution toward peace—a clamor not limited to the lands of debtor nations but insistent among many of our own people—the British commission came to make acknowledgment of the debt, to put fresh stamp of approval upon its validity, and agree upon terms for its repayment.

It was manifest from the beginning that Great Britain could not undertake any program of payment which would conform to the limitations of time and interest rates which the commission had been authorized to grant. But here was a great nation acknowledging its obligations and seeking terms in which it might repay. So your commission proceeded to negotiate in a business way for a fair and just settlement. Such a settlement had to take into consideration the approximately normal interest rates payable, as the commission suggests, "by strong governments over a long term of years," with a temporary interest rate and suitable options adjusted to the tremendous problems of readjustment and recuperation. Your commission went so far as it believed the American sense of fair play would justify. Even then the British debt commission did not feel justified by its instructions to accept the proposal. Only after submission to the British Cabinet was the proposal of your commission accepted, and I bring it to you, with the earnest recommendation that it be given, so far as legislative procedure will admit, a cordial and prompt approval. [Applause.]

A transaction of such vast importance naturally has attracted widespread attention and much of commendation. It is a very gratifying thing to note the press and public have uttered substantially unanimous approval. [Applause.] It means vastly more than the mere funding and the ultimate discharge of the largest international loan ever contracted. It is a recommitment of the English-speaking world to the validity of contract; it is in effect a plight against war and war expenditures and a rigid adherence to that production and retrenchment which enhances stability precisely as it discharges obligations.

It can not be unseemly to say it, and it is too important to be omitted, the failure of the British undertaking would have spread political and economic discouragement throughout the world and general repudiation would have likely followed in its wake. But here is kept faith—willingly kept, let it be recorded—and a covenant of peace no less effective than it would be if joint British and American opposition to war were expressly agreed upon. It is a covenant of peace and recuperation, of respect and cooperation. It is a new element of financial and economic stabilization, when the world is sadly needing a reminder of the ways of peace. It is an example of encouragement and inspiration, when the world is staggering in discouragement and bowed with the sorrows of wars that were and fears of wars which humanity is praying may be avoided.

Ordinarily I should be reluctant to add this question to a congressional program which is already crowded, in view of the short period remaining of your session. But it is of such outstanding importance to us and to the world that I should be remiss if I did not invite your sanction even amid crowded calendars and pending problems of great importance. And I hope you will be glad to approve. If the debtor nation could decide to assume the great obligation in two cabinet sessions, in the face of enormous financial and economic difficulties, surely the deciding authority of the creditor nation will be ready to approve in a spirit appropriate to the great transaction and with a promptness which will convey befitting appreciation.

I am not unmindful of the disposition to pledge the application of anticipated payments in giving sanction to the settlement. It is not necessary to remind the Congress that the use of moneys secured in the repayment of war loans has been pledged by the very grant of authority to make the loans. The repeal of that commitment is always within the authority of the Congress if such a repeal is deemed wise, but it will best comport with the importance of such an international transaction to give a frank, exclusive, and direct decision, uninvolved by any disposition of the moneys which the funding program ultimately will bring to the Federal Treasury.

Nor am I unmindful of the importance of pending legislation with which any prolonged consideration of the debt settlement might come in conflict.

Knowing there is abundant time for ample debate, I would be recreant to my belief in the urgency of a decision on the merchant marine bill if I did not renew the request that it be brought to a final disposition. [Applause.] I venture the allusion because it has been threatened that the merchant marine act shall not be allowed to come to a vote. To-day you have a debt settlement which is to bring the Treasury something more than a hundred and fifty millions a year, and we rightly appraise it a notable accomplishment. On the other hand, the executive branch of the Government is charged with the operation of Government-owned shipping, which is losing the Federal Treasury \$50,000,000 a year. It is as important to avoid losses as it is to secure funds on debts or from taxation sources.

I have detailed the discouraging situation with our shipping to Congress, and have suggested what is believed to be a remedy, not only to put an end to the losses but to uphold an American merchant marine to meet our cherished aspirations and further our commerce abroad. In inviting your support I frankly urged that if Congress would not approve that it should submit some alternative remedy. I am unwilling, the public is unwilling, to continue these appalling losses to the Public Treasury, when we know we are operating with no prospect of relief or of ultimate achievement. Congress owes to itself, to the executive branch of the Government, and to the American public some decisive action. Mere avoidance by prolonged debate is a mark of impotence on a vitally important public question. [Prolonged applause.] I plead for a decision. If there is a favorable majority, the bill should be enacted. If a majority is opposed, defeat will be decisive. Then if Congress fails in providing the requested alternative measure, the executive branch of the Government may proceed as best it can to end the losses in liquidation and humiliation.

I speak frankly, because the situation demands frankness. I am trying to emphasize a responsibility which can not be met by one branch of the Government alone. There is call for congressional expression, not mere avoidance. I am not seeking now to influence the Senate's decision, but I am appealing for some decision. [Prolonged applause.]

There is time, abundant time, for decisive action on both these tremendously important questions. I have brought up the shipping bill because I can foresee the possible conflict for right of way, but it ought and can be avoided. There is time for essential debate of both, and each carries its own appeal. Either is fit to be recorded a chapter in great achievement, both will mark a signal triumph. Both are inseparably related to our good fortunes at home and our high place in the world. [Prolonged applause, the Members rising.]

At 1 o'clock and 30 minutes p. m. the President and the members of the Cabinet retired from the Hall of the House.

Whereupon the Acting President pro tempore and the Members of the Senate returned to their Chamber.

The SPEAKER. The joint session of the two Houses is now adjourned.

At 1 o'clock and 31 minutes p. m. the House resumed its session.

SCIENTIFIC INVESTIGATORS, DEPARTMENT OF AGRICULTURE.

Mr. HAUGEN. Mr. Speaker, I call up the bill H. R. 10819, relating to the Department of Agriculture.

The SPEAKER. The gentleman from Iowa calls up a bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10819) relating to the Department of Agriculture.

The SPEAKER. This bill is on the Union Calendar.

PRINTING THE PRESIDENT'S ADDRESS (H. DOC. NO. 554).

Mr. GARRETT of Tennessee. Mr. Speaker, was any disposition made of the President's address?

The SPEAKER. Not yet.

Mr. GARRETT of Tennessee. May I suggest to the gentleman from Wyoming [Mr. MONDELL] that it would be desirable to have it published in document form? I assume it is going to be put in document form. I think it would be desirable to have it in document form as quickly as possible, so that Members may have the opportunity of studying it.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that the President's address be published as a House document.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the President's address be published as a House document. Is there objection?

There was no objection.

SCIENTIFIC INVESTIGATORS, DEPARTMENT OF AGRICULTURE.

The SPEAKER. This bill is on the Union Calendar, and the House automatically resolves itself into Committee of the Whole House on the state of the Union for its consideration. The gentleman from Connecticut, Mr. TILSON, will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10819, relating to the Department of Agriculture, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10819, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the maximum salaries per annum of the following number of scientific investigators or employees engaged in scientific work, paid from the general appropriations of the Department of Agriculture, shall not exceed as follows:

Not more than seven in excess of \$4,500 but not in excess of \$5,000 each;

Not more than five in excess of \$5,000 but not in excess of \$5,500 each;

Not more than three in excess of \$5,500 but not in excess of \$6,000 each, and in no case shall the salary of any exceed \$6,000.

SEC. 2. That the salaries per annum of the following officers in the Department of Agriculture shall not exceed as follows:

Director of scientific work, \$6,000; chief of the Bureau of Animal Industry, \$6,000; chief of the Bureau of Plant Industry, \$6,000; chief of the Bureau of Forestry, \$6,000; chief of the Bureau of Chemistry, \$6,000; chief of the Bureau of Markets, \$6,000; chief of the Bureau of Biological Survey, \$4,500; chief of the Division of Accounts and Disbursements, \$4,000; librarian, \$2,500.

SEC. 3. That upon the written approval of the Secretary of Agriculture, and then only in the case of extraordinary emergency, not to exceed 10 per cent of any amounts appropriated by Congress in the annual appropriation for the Department of Agriculture for the miscellaneous expenses of the work of any bureau, division, or office in the Department of Agriculture shall be available, interchangeably, for expenditure on the objects included within the general expenses of such bureau, division, or office: *Provided*, That there shall not be added to any one item of appropriation more than 10 per cent of such item.

Mr. HAUGEN. Mr. Chairman, the bill makes provision for maximum salaries of scientific investigators in the Department of Agriculture. It is proposed to increase the salaries of a number of scientific investigators whose salaries are at present limited to \$4,500 by the provisions of the act of June 30, 1914. They are as follows:

Not more than seven in excess of \$4,500, but not in excess of \$5,000 each;

Not more than five in excess of \$5,000, but not in excess of \$5,500 each; and

Not more than three in excess of \$5,500, but not in excess of \$6,000 each.

On yesterday the Committee on Agriculture had the matter under consideration, and decided to increase the number of increases, and when the bill comes up for discussion under the five-minute rule amendments will be offered to increase a number of salaries. If no time is desired in the discussion of the bill generally, it may be discussed in debate under the five-minute rule. I yield five minutes to the gentleman from Louisiana [Mr. ASWELL].

The CHAIRMAN. The gentleman from Louisiana is recognized for five minutes.

Mr. ASWELL. Mr. Chairman, I merely want to state that in substance this bill enacts into law the detailed increases of salaries that were made the other day by the Committee on

Appropriations in the Agricultural appropriation bill. In other words, this is to make permanent law the increases carried in the appropriation bill the other day. It was the unanimous report of the Committee on Agriculture, favored by every member, unquestionably a strong indorsement, and in my opinion is urgently necessary to be acted upon now.

Mr. BLANTON. Mr. Chairman, I ask recognition against the bill.

The CHAIRMAN. Is any member of the committee opposed to the bill? If not, the Chair will recognize the gentleman from Texas. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, this is not the day of retrenchment in the expenditure of public funds. I do not know where it is going to end. There is hardly a day or a week passes but what we have a similar bill for increased salaries under consideration. Yesterday we had a bill before the House increasing the salaries of our consular agents \$528,000 a year above the present statutory salaries, and an extra increase of other expenses of the Government in the creation of a retirement provision involving \$500,000 a year more. In addition to that, we increased the amount allowed for subsistence amounting to quite a large sum; in other words, instead of \$5 a day for subsistence, in addition to traveling expenses, the bill increased it to \$8 a day. As I say, I do not know where it is going to end. I am afraid that the day is going to come when the farmers on the farms and the cattlemen are going to be furnishing the money for the support of the balance of all the people of America. Those people will all be either on the retired list or drawing public salaries from the Treasury.

Mr. HAUGEN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HAUGEN. Did not the gentleman vote the other day for an increase of salaries in the appropriation bill?

Mr. BLANTON. I did not; I opposed it.

Mr. ASWELL. Why did not the gentleman have a record vote and oppose it?

Mr. BLANTON. The RECORD will show you how I opposed it. I did oppose it with all the vigor in my being.

Mr. ASWELL. It did not seem to have much effect on the House.

Mr. BLANTON. No; it never does when the distinguished governor of Louisiana is here.

Mr. ASWELL. He is not here.

Mr. BLANTON. Well, the ex-governor, then.

Mr. ASWELL. He is not here.

Mr. BLANTON. The ex-lieutenant governor.

Mr. ASWELL. The gentleman shows that he does not know what he is talking about.

Mr. BLANTON. Well, I want to answer the gentleman's question first. What good does it do to have a roll call, and what good does it do to ask for a quorum unless it forces a record vote? We can not force a record vote in the Committee of the Whole and there was no way to do it in the House on that raise. It punishes men who are somewhere else, and accomplishes nothing, unless you can force a record vote. I have tried that before. I had roll calls time and again during the Sixty-fifth Congress when there would be only 30 or 40 men on the floor, and I tried it in the Sixty-sixth Congress, but it only made every man in Congress mad at me. I had them feeling like the ex-governor of Louisiana feels when I oppose his propositions.

A MEMBER. The next governor.

Mr. BLANTON. Yes; the future governor—I knew there was a governorship attached to it somewhere.

Mr. ASWELL. The gentleman still shows that he does not know what he is talking about.

Mr. BLANTON. I am sure there is a difference of opinion existing between the gentleman from Louisiana and the present governor—one thinks one way and the other the other. But I am not responsible for that. I am fighting against this everlasting and eternal increase of salaries here in the bills on the floor of the House. If I could get some help from the distinguished gentleman from Louisiana, I might stop it.

Now, let us see about these salaries. We are going to raise by statute here, in the aftermath of the war, when the days of reconstruction are upon us, when we are supposed to be getting back to normal to such an extent that we can remit and annul war-time contracts; we are proposing to pay scientific men who have served during the war without asking for more salary—we are proposing to pay them increased salaries.

Mr. ASWELL. Will the gentleman yield?

Mr. BLANTON. I want to get some of these facts stated, and then I am going to yield in a minute.

Mr. ASWELL. The gentleman does not want to make a misstatement.

Mr. BLANTON. I am not making a misstatement; I want to treat the gentleman courteously and I am going to do it. But I am going to do it in my own way and I am not going to let the gentleman from Louisiana do it his way.

Mr. ASWELL. The gentleman has not stated the record correctly—

Mr. BLANTON. Mr. Chairman, I do not want to be abrupt with the gentleman from Louisiana. I am trying to treat him courteously. I am trying to keep my temper and smile, and I am doing it. But here is what the bill says about some of these salaries we are increasing: "Not more than five in excess of \$5,000." They are not getting that now. I think their present statutory salary is \$3,500, and if I understand the proposition this is an increase of \$1,500 a year. "Not more than five shall be paid in excess of \$5,500." That is a substantial increase of their salary of about \$1,500 over the statutory salary. "Not more than three in excess of \$6,000 each." This is permanent law. "Director of scientific work, \$6,000."

We provide in this bill that the director of scientific work shall get \$6,000 a year, that the Chief of the Bureau of Animal Industry shall get \$6,000 a year, that the Chief of the Bureau of Plant Industry shall get \$6,000 a year, that the Chief of the Bureau of Forestry shall get \$6,000 a year, that the Chief of the Bureau of Chemistry shall get \$6,000 a year, and the Chief of the Bureau of Biological Survey \$4,500 a year, and so on.

I want to show you now what the governors of the various States are getting—distinguished men, competent men, intelligent men.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a moment.

Mr. DICKINSON. No; now.

Mr. BLANTON. I shall not yield now; I shall yield in a moment. The Governor of Alabama gets \$5,000 a year, the Governor of Delaware, the State of my distinguished friend, Doctor LAYTON, gets \$4,000 a year, the Governor of Maryland, the great State of my Baltimore friend who rides the great white charger, \$4,500 a year.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment.

Mr. DICKINSON. But that is a very long moment.

Mr. BLANTON. The Governor of New Hampshire gets \$3,000 a year, the Governor of Oklahoma gets \$4,500 a year, the Governor of South Dakota gets \$3,000, the Governor of Tennessee—and Tennessee has had some of the greatest men in this Nation as its governors—gets \$4,000 a year, the Governor of Texas gets \$4,000 a year, the Governor of Vermont \$3,000 a year, the Governor of Wyoming \$4,000 a year. Now I yield to the gentleman from Iowa.

Mr. DICKINSON. Is it not true that men accept the governorships of the various States for the honor there is in it, while these men who are experts are accepting these positions as their life work, and they never expect to get anything more? There is absolutely no analogy in the gentleman's argument at all.

Mr. BLANTON. Let me tell the gentleman something. There is just as much honor connected with the duties of the Chief of the Bureau of Plant Industry, if he does his work patriotically and well, as there is connected with the governorship of a State.

Mr. DICKINSON. Did the gentleman ever know of a man being recognized politically by the people generally because he happened to be the chief of one of these bureaus down here in Washington?

Mr. CLARKE of New York. Is it not also true that he does not get "honorable" on his tombstone? [Laughter.]

Mr. DICKINSON. Absolutely.

Mr. BLANTON. Oh, that is more a question of the amount of money that he happens to leave when he dies.

Mr. DICKINSON. Is it not also true that the experts are in demand in competition with the chiefs of these departments, and they can go out into the various walks of life with corporations and other organizations at much larger salaries, while there is no competition so far as governorships are concerned, because a whole lot of fellows would take that job for nothing?

Mr. BLANTON. Does the gentleman propose to pay public salaries by the Government in competition with private employment?

Mr. DICKINSON. I do not; but I hope to pay sufficient salaries so that we can keep some of these men in the department and not have them all go out.

Mr. BLANTON. If the gentleman hopes to pay in comparison with private establishments, he will bankrupt this Nation.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I promised first to yield to the distinguished gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. The gentleman made a statement that these men whose salaries are increased worked during the war time at their present salaries. That is not true. The places are vacant. The department could not get anybody to fill them.

Mr. BLANTON. Vacant?

Mr. ASWELL. They are vacant now, because we can not get competent men to fill them.

Mr. BLANTON. Is the office of the Chief of the Bureau of Plant Industry vacant? No. Is the office of the Chief of the Bureau of Animal Industry vacant? No.

Mr. ASWELL. But the gentleman has not read the bill very carefully. There are five places provided for in this bill at \$6,500 a year, and they are now vacant because men are not available at the present salary of \$4,500 per year. And why? Because these same scientific men in the gentleman's own State and other States receive salaries at an average of \$7,500 a year, and the University of Ohio pays \$15,000 a year for the same work that these men are doing at \$4,500 a year.

Mr. BLANTON. The gentleman says that these places are vacant.

Mr. ASWELL. I said that some of them are vacant. I did not say they were all vacant, and the gentleman knows that I made no such statement as that.

Mr. BLANTON. Oh, I yielded to the gentleman for a courteous question.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. Here is the director of scientific work, \$6,000. Is that place vacant?

Mr. TINCHER. Yes.

Mr. BLANTON. It is a new place.

Mr. TINCHER. They have had an appropriation for it for over a year and have been unable to fill it.

Mr. BLANTON. That is a new place, and we never heard of it until the last year or so.

Mr. TINCHER. They have had an appropriation for it for more than a year.

Mr. BLANTON. Oh, yes; but it is something that the Government has gotten along without until 1922.

Mr. DICKINSON. Does the gentleman not believe in having some new developments here?

Mr. BLANTON. Oh, we are having them all of the time in the way of new places and new salaries. That is an evolution that we ought to stop. Let us get down a little further. There is the Bureau of Animal Industry. That office is occupied by the same man who has filled it for a long time. He is just having his salary raised. Here is the Chief of the Bureau of Plant Industry, and that office is still occupied by Doctor Taylor, the same man who has been in charge for a long time. He has been there ever since I have been in Congress. That office is not vacant.

Mr. HAUGEN. Doctor Taylor has been with the Government for about 30 years.

Mr. BLANTON. And the gentleman from Iowa also has been with the Government and his State probably for 30 years.

Mr. HAUGEN. That has nothing to do with this.

Mr. BLANTON. Oh, yes; it has. It is the same identical question. It involves the same principle.

It involves somewhat the economic policy of the Government. What has it done for you—anything?

Mr. HAUGEN. I am satisfied. But does not the gentleman think that anyone who has rendered excellent service for years and years is entitled to some consideration and some increase in salary? I think the service rendered by these gentlemen is recognized by everybody, and they are recognized as some of the most eminent men of this country.

Mr. BLANTON. I am a peculiar individual. I can differ with a man as totally as a man can differ, and yet not fall out with him. I give my friend here the right to his opinion, and I recognize he has the right of opinion. I give every man of this House the right of their opinion, and I have the right to mine, and I do not fall out about it.

The distinguished gentleman from Iowa can go back to his State and tell his farmers out there about raising all these salaries and may get their approval. I do not object to it if he can get it. Why, I just say I do not believe in it and the people whom I have the honor to represent do not believe in it. The people in the State I come from do not believe in it, and I do not believe the people of this Nation believe in it, and I will tell you why.

Mr. KINCHELOE. Will the gentleman yield?

Mr. TINCHER. Will the gentleman yield?

Mr. BLANTON. I am going to yield to both in a minute. Here is what I want to say: This raising of salaries has been going on for years and years. I am going to show how I know the people of the United States do not believe in it. It has

been going on for years and years, this raise of salaries, and I just want to mention one little thing, and I can mention it as a Democrat, for if I mentioned to you something about Republicans you would say I am a partisan. I am a partisan Democrat, but I can mention something about a Democrat without being partisan. We had a very distinguished gentleman from Kentucky in the House, a splendid gentleman, one of the ablest men in the United States. He wanted to stay on in the House at \$7,500. He ran for Congress in his State for reelection. He was defeated. He would have been perfectly willing to have stayed here and continued his labors for \$7,500 a year, but after he was defeated, what did Democrats do? Democrats put him in the office of the Railroad Board at \$25,000 a year. The people of the United States have been watching these things. They do not like it. And though we were then in control in this House, in the succeeding election they gave you Republicans a majority of 170 Members in this House. Then you Republicans kept it up and you went a little further than we did. You began making these new positions and increasing these salaries, and the reading and thinking people of the United States were watching the proceedings here and in the last election they wiped out your 170 majority and reduced it down to about 20 in the next House.

Mr. EDMONDS. Will the gentleman yield?

Mr. BLANTON. I will yield.

Mr. EDMONDS. I think the gentleman is to be congratulated because he is carrying out his persistent opposition to subsidies. But these other gentlemen in the House who are opposed to a ship subsidy are willing to carry on and pay for subsidies at the present time.

Mr. BLANTON. I am against all subsidies.

Mr. TINCHER. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. TINCHER. Does the gentleman want to be classed with gentlemen who class the salaries of scientists in the Agricultural Department as a subsidy?

Mr. BLANTON. No; not if it is a reasonable salary.

Mr. TINCHER. Does the gentleman believe—

Mr. BLANTON. But when you have a prominent educator, who teaches science in a university, not drawing over \$5,000 a year in the universities of the different States—when you have a teacher of science drawing only \$5,000 a year and satisfied with that chair and not giving it up to receive other compensation—when you raise the scientists down here in the Department of Agriculture \$1,000 above university scientists and to a point where it is not a legitimate salary in reconstruction times, it is a subsidy.

Mr. TINCHER. If the salaries in the universities have become such that they can not compete and keep men in their scientific departments, would it not be necessary for them to come up to those salaries?

Mr. BLANTON. I guarantee you will have plenty of able scientists in the Agricultural Department under the present régime, under the present system, under the present law without increasing a single salary.

Mr. TINCHER. There are some places that have not been filled at these higher salaries; more than half were not filled last year.

Mr. BLANTON. Yes.

Mr. TINCHER. How does the gentleman account for it?

Mr. BLANTON. We have vacancies in Congress.

Mr. TINCHER. Mr. Taylor, the gentleman mentioned awhile ago, and I think he deserves some personal mention, I happen to know has been offered within the last four years at different times more than twice the salary at which he has been working for the Government to go into a private institution.

Mr. BLANTON. Why did he not do it?

Mr. TINCHER. Because he loves the work and loves his country, and for that reason he should have a reasonable salary. Would the gentleman deny a man that because he feels that way? It is a question of paying that or abandoning the work.

Mr. BLANTON. I want to tell the distinguished gentleman from Iowa [Mr. HAUGEN] that I went to Texas last summer, and I went out through the farms, and I saw good women and little girls on riding plows out in the hot sun plowing the fields from early in the morning until late at night. I saw them out in the harvest fields. I saw them at hard work. Do you know what they receive at the end of the year? All the way from \$600, for the whole family, on up to about \$1,200, for a whole family; and sometimes they have a total crop failure.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HAUGEN. The people the gentleman refers to are the very ones we are trying to help.

Mr. BLANTON. Oh, you are not going to help them in this way.

Mr. HAUGEN. The department is endeavoring to improve farm conditions, and in that way to help them.

Mr. BLANTON. It is about \$33,000,000 that we spend in this Agricultural appropriation bill each year, is it not?

Mr. HAUGEN. Yes.

Mr. BLANTON. I tell you what I believe: I believe that the farmers and the agricultural interests of this Nation get the benefit of about \$3,000,000 of that, and the other \$30,000,000 is overhead. That is just my honest belief as to that proposition. I have reached that conclusion since I have been in Congress.

Mr. HAUGEN. You had reference to the annual appropriation. That does not include the permanent appropriation.

Mr. BLANTON. I am talking about the annual appropriation. I honestly believe that the real agriculturists of the Nation get about \$3,000,000 of actual benefit from that bill, and the other \$30,000,000 is wasted in administrative expenses.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KINCHELOE. If that is a fact, does the gentleman say that by reason of that he is in favor of destroying the Department of Agriculture?

Mr. BLANTON. Oh, no; I am not in favor of destroying the department, but I am trying to keep this money from being spent for overhead salaries, and I am trying to divert it into the proper channel, so that the real benefit will go to the people on the farms.

Mr. KINCHELOE. The gentleman knows that I have been just as much against the salary increases as anybody, and I voted against the appropriation in the Agricultural appropriation bill the other day mainly because it was legislation on an appropriation bill, to which I am opposed. But the Secretary of Agriculture came before us yesterday and testified that five of these scientific places are vacant now. He thought he had a contract to close all those five places, but he said when those fellows realized that it is still temporary law they would not take it. That is what the Secretary of Agriculture said about it. And he further says, what is true, that the Agricultural Department pay roll is less than that of any other department of the Government. If that is true, then as a friend of the agricultural interests in this country I am not going to stand in the way of that. I will take the word of the Secretary of Agriculture and vote for this bill, because I am not going to help to hamstring the activities of the department by voting against this proposition. [Applause.]

Mr. BLANTON. The gentleman from Kentucky is one of the strong men of this House. His judgment is good on most questions, on most issues, and on most bills; likewise the distinguished gentleman from Louisiana [Mr. ASWELL], and likewise the distinguished gentleman from Iowa [Mr. HAUGEN]. I follow them here lots of times on propositions. But I want to tell you where you can not always follow them.

The Committee on Naval Affairs has the Secretary of the Navy and the big admirals come down before it at hearings and convince its members that they must increase the naval personnel, that they must increase the number of battleships, that they must increase the number of cruisers, that they must increase the number of submarine chasers, and administrative expenses. They say we must do this and that, and they have the most convincing way you ever heard of of convincing the committee that they are right; and they do convince the committee, and the committee in bringing in their bill bring in provisions granting most of what the Secretary of the Navy wants. It is the same way with respect to the War Department.

We passed a law here right after the war limiting the number of men that Secretary Baker could enlist in the Army under the appropriation we gave him. Secretary Baker went right ahead and violated our instructions. He went beyond the law. He disobeyed it, and he enlisted more men than we authorized, and I heard Republican after Republican get up on this floor and skin him alive because he did it. Then your party came into power.

Mr. DICKINSON. Did he deserve it?

Mr. BLANTON. Yes; and I helped to do it. Then your party came into power, and your Secretary of War did the same thing. You provided for almost as large a number of men as Secretary Baker enlisted, and the very men who did the skinning of Secretary Baker turned around and provided for practically the same men that he had enlisted. So with the Department of Agriculture. When the distinguished Secretary comes up from the Department of Agriculture he brings all of

this able scientific chiefs with him, and then he actually stampedes our economy friends on the committee. He convinces them that the Department of Agriculture will go to the demnation bowwows unless we increase the salaries. They make the committee think that our country is going to lose our Agricultural Department if they do not increase the salaries, and they are carried away with the argument, and they bring in their bill with all the increases that are asked. And just so it is with all of our legislative committees.

Mr. KINCHELOE. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. KINCHELOE. I assure the gentleman that the Secretary of Agriculture has no hypnotic power over me; but I was wondering whether the officials in the Agricultural Department had any more hypnotic influence over members of the Committee on Agriculture than the newspapers and the elite and the bon tons of Washington have over the Committee on the District of Columbia, of which the gentleman from Texas is a member.

Mr. BLANTON. Have they exercised any hypnotic influence over the Member who is now occupying the floor?

Mr. KINCHELOE. I think they have, to the extent that the gentleman is now espousing suffrage in the District of Columbia. I think somebody has exercised some hypnotic powers over the gentleman.

Mr. BLANTON. I believe that the gentleman from Kentucky [Mr. KINCHELOE] is different from the make-up of most of the Members of the House if he would deny to 437,000 people living in this District the right to representation on the floor in the way of a Delegate.

Mr. KINCHELOE. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KINCHELOE. I do not think I will ever vote for suffrage in the District of Columbia, but I certainly will never do it so long as my taxpayers in the State of Kentucky and taxpayers from every other State are paying 40 cents of every dollar that is spent for the support of the government of the District of Columbia.

Mr. BLANTON. When I suggested that I was in favor of giving a Delegate to the District, and was in favor of the people of the District electing their commissioners, and was in favor of letting the people of the District elect their school board, the papers ran me in headlines and said that the Blanton bill was a fine proposition; but when they got hold of the Blanton bill and read it, they saw in it a little clause which said that hereafter every school building erected in the city of Washington was to be paid for wholly out of the District revenues; that the people of Kentucky and Louisiana and Texas were not to be taxed any more on that account. Then they read a little further in that bill and found out that BLANTON'S bill provided that all of the expense of furnishing books to 66,000 school children here, and the expense of hiring 2,500 teachers to teach them, and the expense of these elections should be borne wholly by the people of the District of Columbia, and then the newspapers dropped the Blanton bill like a hot rock.

Mr. ASWELL. Will the gentleman yield on that?

Mr. BLANTON. They had nothing more to say about the Blanton bill. The gentleman from Kentucky [Mr. KINCHELOE] has not read up on what the Blanton bill contains.

Mr. KINCHELOE. I was wondering why the gentleman did not apply the same principle to all taxes for the support of the District of Columbia.

Mr. BLANTON. If the gentleman remembers my speeches on the subject or will read my bill he will find that it covers most of the millions of dollars which are now poured out of the Treasury from taxes paid by the people of Kentucky and Louisiana and Texas and other States to pay the expenses of the District and seeks to stop it all.

Mr. KINCHELOE. The gentleman was amending it by sections. I was wondering why he was not going to do the whole thing all at once instead of amending by particular sections.

Mr. BLANTON. I am not going to deny representation in this House by a Delegate to the people of the District of Columbia.

Mr. KINCHELOE. I am talking about taxation. The gentleman said he proposed that the people of the District of Columbia should pay for their own schools, and I agree with him. I was wondering why he did not apply the same rule to all the expenses of the District.

Mr. BLANTON. If the gentleman will read my bill he will find that it covers practically all of it.

Mr. KINCHELOE. The gentleman did not say that.

Mr. BLANTON. It covers practically all of it. But why should not these 437,000 people have a Delegate on this floor

to speak for them? Why should they not have a Delegate before the District Committee to speak for them when the committee has hearings on matters relating to the District? Why should they not have a Delegate to get up here when every District day is promised and then turned down? Why should they not have a Delegate to get up here on the floor and speak for them? I am in favor of giving them representation to the extent of a Delegate. I think that is as little as we ought to do.

Mr. KINCHELOE. The point I am making is that somebody evidently had some hypnotic influence on the Committee on the District of Columbia, and especially on the gentleman from Texas.

Mr. BLANTON. Do not you ever be a bit afraid that they can Coue me. I am one Member that they will never Coue.

Mr. KINCHELOE. They may not be able to do that, and I want to say also that neither the Secretary of Agriculture nor anybody else has any hypnotic influence over me.

Mr. BLANTON. I do not think they have, but they have enough on somebody to get these salaries increased.

Mr. WOODRUFF. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Michigan.

Mr. WOODRUFF. I should like to go back to what the gentleman said about the Navy.

Mr. BLANTON. That was a mere incidental illustration.

Mr. WOODRUFF. The gentleman said that the Secretary of the Navy and the admirals appeared before the Committee on Naval Affairs and made them believe anything they wanted.

Mr. BLANTON. No; but that they got what they wanted.

Mr. WOODRUFF. Is it not a fact that the Secretary of the Navy and the admirals appeared before the Committee on Naval Affairs and asked certain things, but that they did not convince the Committee on Naval Affairs, but later did convince the House?

Mr. BLANTON. They convinced the ruling power that gave them what they wanted. They finally got what they wanted.

Mr. WOODRUFF. The gentleman will admit that they did not convince the Naval Affairs Committee?

Mr. BLANTON. Not the chairman who brought in the bill; but, nevertheless, they got what they wanted through some other members of the Naval Affairs Committee.

Mr. WOODRUFF. But they did not get it from the Naval Affairs Committee.

Mr. BLANTON. Not through the action of the committee, but they got it from the House through some members of the Naval Affairs Committee. It makes no difference how they got it; they did get it.

Mr. HULL. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Iowa.

Mr. HULL. The gentleman referred to the War Department.

Mr. BLANTON. I am not going back to that.

Mr. HULL. The gentleman made a statement. Let us see whether he is correct.

Mr. BLANTON. Go ahead.

Mr. HULL. The gentleman said the War Department came down here and persuaded us to authorize more men for the Army than ever Secretary Baker had enlisted. Secretary Baker enlisted 240,000 men. He got the number up to 240,000, and we cut it to 175,000 within 30 days after we came into power, and we never authorized anything like 240,000, and the gentleman ought to know it.

Mr. BLANTON. How many is the gentleman in favor of himself?

Mr. HULL. I am in favor of the present number of 128,000, and I am in favor of cutting that if necessary.

Mr. BLANTON. Why did the gentleman let them put it at 175,000, 50,000 above what he believes necessary?

Mr. HULL. Simply because—

Mr. BLANTON. Because they overawed you.

Mr. HULL. The Secretary of War had recommended 240,000 men.

Mr. BLANTON. And he violated the law when he did it.

Mr. HULL. And we reduced it to 175,000, then we reduced it to 150,000, and then we reduced it to 125,000.

Mr. BLANTON. Why do you not come along down the line and reduce it to 100,000?

Mr. HULL. I am calling attention to the fact that the gentleman made a misstatement.

Mr. BLANTON. And the gentleman has corrected it, and he has admitted that they put 50,000 over on him more than he wanted.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. CLARKE of New York. When do we resume the question of salaries?

Mr. BLANTON. Whenever gentlemen get through asking foolish questions.

Mr. BANKHEAD. Will the gentleman yield? I do not know whether this is a foolish question or not, but I want to ask the gentleman this question: The gentleman from Texas paid a high tribute to the gentleman from Iowa, to the gentleman from Louisiana, to the gentleman from Kentucky, and stated that usually their judgment was sound on administrative questions. Does not the gentleman think that there is a probability that their judgment is right in this instance, and that the gentleman from Texas may be wrong?

Mr. BLANTON. It might be. My people in Texas may be wrong as to what they want. The farmers back in Alabama are pretty much like the farmers in Texas. In fact, some Alabama men went to Texas, but they are about like the gentleman from Alabama. I went home and I asked the farmers in my district what they thought about these things. I got their view. I am representing them and I am supposed to do all I can to please them. Do you know that the farmers back in Alabama and the farmers in Texas who live on rural free delivery routes and read the papers every day keep up with what is going on here and know more about the bills that are introduced in Congress than we do? You can go back home and the farmers will ask you questions about bills that you do not know a thing on earth about. That is why some Members do not want to go home—they can not answer their questions. They know too much. If there is anything on God's earth that the 314,000 people of my district are determined upon it is to cut down taxation and the expenses of the Government. Now, the one way to stop it is to stop spending.

When an individual's income does not amount to as much as his expenses why what does he do? Why he cuts down his expense in order to keep out of bankruptcy. When the income of the Government is not sufficient to meet the expenses of the Government and they have no new means of taxation, what should a sane government do? It ought to cut down its expenses. The only way to cut down expenses is to quit passing increased salary bills that come up here every day.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BANKHEAD. As I understand the issue here, I may be misinformed, it is not a matter of increase of salaries but only a matter of paying the same salaries that they are now paying. Am I not correct?

Mr. BLANTON. It is making permanent law out of what they did this year, which in some instances was granting \$1,500 raise in the salaries of several men. That is what we did in the appropriation bill, and this bill is to make it permanent law, so that it will have to be done every year.

Mr. Chairman, I reserve the balance of my time.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, I have been very much interested in the discussion by the gentleman from Texas. I was interested in that feature of his address in which he complains that too much of the agricultural appropriation is spent for overhead and too little of it goes directly to the people. There is some ground for that complaint, and to that extent I am inclined to agree with the gentleman from Texas, although I do not agree with him that this is an improper increase.

I want to call the attention of the House to the fact that some few weeks ago when the Agricultural appropriation bill was being considered there was an earnest effort made to provide \$360,000 that would go directly to the people to provide for the distribution of garden seeds to the people of the country such as the gentleman described with tears in his voice and who were found digging in the garden and plowing in the fields, working in the mills and making gardens at home, and who to-day are writing 25 letters a day to me asking for seeds, and many deploring the fact that there will be none for the next year. When that auspicious occasion came, and the gentleman from Kentucky [Mr. LANGLEY] offered an amendment appropriating \$360,000 to go directly to the people, the distinguished gentleman from Texas made a point of order against it, which was sustained by the Speaker, and the people at home lost it.

I just want to direct the gentleman's attention to that, and the attention of the House, and again register my protest against this shutting off of the people from some direct participation in some of the appropriations that are made by this Congress.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. BLANTON. And the House of Representatives by their vote sustained the action of the Speaker.

Mr. STEVENSON. Yes; and the House of Representatives by their vote sustained the action of the Speaker, and sustained the charge that this gentleman from Texas makes, not to have too much of this going to the people, because the gentleman from Texas voted in that way.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. SANDERS of Indiana. I think the gentleman is in error when he says that the House approved the substance of the proposition. I know that I am in favor of the seed proposition, yet I voted to sustain the Chair because I thought he was right upon the question of the point of order.

Mr. STEVENSON. I am speaking of the result and answering what the gentleman from Texas says.

Mr. SEARS. I received a letter yesterday from a very eminent gentleman, a scientist, and he said that he was sorry to see the garden seeds cut off, and that about all that he could do now was to pay his income tax.

Mr. STEVENSON. I am not running with the scientists. I am running with the folks that the gentleman from Texas [Mr. BLANTON] says he is standing for—the people who work, the people who come to us and ask for a little something free—but whenever there is a proposition here to cut them off from direct participation in some of the money we spend, I am not like some of the gentlemen in this House, who talk for them and then vote against them on a proposition of that kind. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLACK].

Mr. BLACK. Mr. Chairman, this bill may or may not be in the interest of the farmers. I have noticed lately that almost every bill that is brought before the House which will increase expenditures is urged for the reason that it will benefit the farmer. One of the most insistent reasons that has been offered for the adoption of the ship subsidy bill is that agriculture requires it, and yesterday we had before the House a bill to increase the salaries of our diplomatic and consular officers, and one of the strong arguments made in favor of the bill was made by the gentleman from Iowa [Mr. TOWNER] to the effect that it would benefit the farmer to increase the salaries of diplomatic and consular officers. So the argument urged in favor of this pending bill is certainly not novel. I do not assail or criticize the work of these scientific investigators, or the heads of these bureaus such as the Bureau of Plant Industry, the Bureau of Animal Industry, the Bureau of Chemistry, and other important bureaus in the Department of Agriculture. I am sure they are doing a valuable work. These gentlemen may be worth all the bill proposes to pay, but the reason that I am opposed to its enactment at the present time is because the House has already passed a reclassification bill which undertakes to do equal justice to all of the Government employees, from the man who receives \$720 a year up to the man who receives the higher salaries in the Government service. The House has shown its good faith to these employees by the adoption of that measure. The Senate has not adopted it. If, for reasons of economy, it would be unwise to enact that general legislation at this time, then I can not see my way clear to vote for legislation which will discriminate in favor of this limited number and who seem to be reasonably well paid.

What kind of a situation will we have if this bill is passed?

Let us take the Post Office Department, for example. I used to be a member of the Committee on the Post Office and Post Roads and have some little knowledge about the workings of that department. The First Assistant Postmaster General, for example, has supervision over 75,000 or 80,000 postal employees. He has supervision over 53,000 post offices and postmasters in the United States, and yet he receives only \$5,000 a year. The Fourth Assistant Postmaster General has supervision over 43,000 rural routes, 43,000 rural carriers, all of the vast rural free-delivery mileage in the United States, and yet he receives only \$5,000 a year.

The Second Assistant Postmaster General has supervision over about 20,000 railway mail clerks. He has supervision over the entire transportation of the mails of the United States, and yet he gets only \$5,000 a year. The three Civil Service Commissioners who have supervision over the examination and selection of the eligibles of the entire civil-service personnel of the United States receive only \$5,000 a year. I submit that if the situation is such as to require us to pass a bill to give the chiefs of the bureaus in the Department of Agriculture \$6,000 per year, it ought to be such as to cause us to pass a law which will give the officials I have mentioned and others equally worthy similar increases in salary. Therefore, it brings us right back to the general proposition that if we are going to

deal with these particular employees, we ought to deal with them all in one bill, as we did in the reclassification bill, and do justice to all of them. Take Mr. Ethelbert Stewart, the Commissioner of the Bureau of Labor Statistics. I dare say there is not a more competent man in the United States for his particular kind of work than Mr. Stewart, and he gets only \$5,000 a year.

He is just as much a scientist in his field of labor; he is just as valuable to the Government of the United States as anyone of the chiefs of bureau of the Department of Agriculture, valuable though they may be. [Applause.] Now, if for considerations of economy we are forbidden at this time to enact general legislation, then the same considerations should move us to vote against this bill. I agree that economy is an important consideration. Our backs are already bending under the burden of taxes that we now have. Oh, yes; gentlemen say, "This will not cost much." Yesterday the Committee on Foreign Affairs said, "This will not cost but \$700,000 or \$800,000, will not add but a little more to the burden of the taxpayer, and therefore pass it." These gentlemen bring in this bill to-day and say, "This will only add a small amount."

Mr. HUDSPETH. How much?

Mr. BLACK. The figures, I believe, have not been stated, but I admit it will not be a very large amount; but until we do balance our budget it is a good time to practice economy. Now, the President when he vetoed the bonus bill in October gave as one very good reason for that veto that there was probably a deficit of \$700,000,000 in the present fiscal year. Now, later on, when he made his speech to the Congress in December, I believe he said the estimated deficit would be about \$273,000,000; and recently a statement was given out still reducing the estimated deficit, but as my colleague from Texas [Mr. GARNER] pointed out a few days ago, this change in the amount of deficit is not due to economy practiced by this Government; it is due to the sale of capital assets of the Government and the use of them in the payment of current expenditures.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLACK. Will the gentleman yield me one additional minute?

Mr. BLANTON. I yield the gentleman one minute additional.

Mr. BLACK. Just in order to finish this statement. What is the sale of capital assets? Why, we have in the Treasury, or did have, about \$183,000,000 of farm-loan bonds. We had in the hands of the Railroad Administration several hundred million dollars of railroad securities. We had in the hands of the Navy Department several hundred million dollars of surplus supplies purchased during the war. We had in the hands of the War Department, and still have, a large amount of surplus material. Now, what has taken place?

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. BLACK. In a moment. The Secretary of the Treasury is selling these farm-loan bonds; the Railroad Administration is selling these railroad securities; the War Department is selling these war supplies; and the Navy Department is selling its surplus materials and the proceeds from these capital assets, which were bought with bonds, are used to pay current expenses of the Federal Government. I do not complain that these capital assets are sold but I do say we have not balanced our budget, and we ought to do it before we continue to increase the expenditures of the Government. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Chairman, this seems to be an occasion on which statesmen indulge in economic and political soliloquies with reference to salaries, seeds, and so forth, so I think that a modest retiring Member, who seldom intrudes himself upon the patience of the House, may proceed to indulge in the same pastime for five minutes. I have no desire or intention to discuss the pending measure, because I know very little about it. As a general proposition I believe in paying everybody a proper wage or salary for the services they render. Neither shall I criticize any of those gentlemen who seem to be so much disturbed because they lost their seed. That naturally would disturb some gentlemen. [Laughter.] But I observe the growing tendency of this House, and I do not criticize it, but it is a tendency, to express a concern in the welfare of the American farmer. I say I do not criticize the growing tendency. I am glad to see it. I am not interested so much in getting a package of seed to the farmer or town man. I am not so much interested in some of the other things that are done for the farmer or in his name, or are done to him, as I am, as those know with whom I have served, deeply and seriously.

concerned in the general proposition of the general welfare of the American farmer that is wrapped up in better credit and marketing facilities. The American farmer is not going to be satisfied with giving him a county agent. He is not going to be satisfied with giving a few seeds. He is intelligent enough to know that his trouble can not be relieved by little palliatives like that. He knows that his troubles are fundamental. I am firmly convinced that if the war had not interrupted the program of those who were responsible for that character of legislation under the last administration that we would have completed that program and have written upon the statute books a bona fide, practical rural-credit system.

I regret that there is no effort by the administration being put forth at this time along that line. There is an effort which, I fear, is largely political, to put through a so-called program, where most of the benefits seem calculated to go to a man who has a big farm already or else he has sufficient wealth to enable him with five others to get together and put up a capital stock of a quarter of a million dollars or a million dollars, as provided in one of the bills. I do not object to extending the benefits of the farm-loan system to all the farmers, but I say that instead of trying to reach the men higher up and more prosperous, I wish there was a bona fide, sincere effort on the part of those who are responsible to try to reach further down and provide some agency by which the landless man can have an opportunity upon terms that he can bear and under which he can work out and under which he can get a home, because I am convinced that the farm home owners constitute the surest and safest bulwark and security for our free institutions.

I am interested in quicker facilities and less red tape in supplying the small farmer, who already has a farm and wants a small loan of less than \$10,000. I say I am deeply interested in that. I am interested in trying to cut out the awful waste that there is in the distribution of farm products, by which the American farmer and the American ultimate consumer have to pay an awful toll to the men who stand in between and take toll for their services. They may render services for which they should be paid; I am not discussing that. I am discussing the practicability of eliminating some of this machinery that stands between the producer and the ultimate consumer.

Those two problems, Mr. Chairman, are more important than the question of raising the salaries of a few scientists in the Department of Agriculture or the distribution of seeds under congressional franks.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BLANTON. Mr. Chairman, I yield to the gentleman two minutes more.

The CHAIRMAN. The gentleman from Arkansas is recognized for two minutes more.

Mr. WINGO. Mr. Chairman, I think that in the administration of the Federal reserve act men should get away from that fear that they continually express that whenever you undertake to handle the credit of the American farmer you are getting into an unsafe field; because I believe, in my humble judgment, from my study of the question, that there is no safer or sounder credit for either the mercantile banker or merchant or anybody else who deals with them than the credits that are bottomed upon the products that come from the farmers' toil, and I believe half of that problem would be solved if you could just get that fear out of the minds of the men who control these credit agencies. I wish you could realize that if a credit is frozen, when it is extended to a farmer to hold his wheat or his cotton on his farm, by the same line of reasoning and the same line of logic it is a frozen credit if extended to the cotton factor and the wheat elevator man to hold that cotton or that wheat in their hands. There can be no distinction. I recognize the argument with reference to frozen credits; but, Mr. Speaker, it is like the argument with reference to inflation. There is a clear distinction between that which is liquid and that which is frozen, just as there is a proper distinction between legitimate and wholesome expansion and dangerous inflation. That, I contend, Mr. Chairman, is the wrong viewpoint, and it is the failure to make a correct distinction that produces the fear I refer to.

The newspapers told us yesterday afternoon that the Senate had passed the "buck" to the House on these farm bills. I am not going to say anything in violation of the rules, but from my knowledge of the situation I am inclined to believe that they have thrown into the hopper bills that many of them do not understand. They call one of these bills the "Capper bill." In my judgment it ought to be called the "Eugene Meyer bill." They say, "Oh, what is the difference? It does not make any

difference in what form it is, it will not do much anyway; it can be whipped into shape; just bring it on." That is a dangerous way of preparing legislation. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. BLANTON. Mr. Chairman, the gentleman from South Carolina [Mr. STEVENSON] offered some criticism because I made the point of order against the Langley proposition to continue spending \$360,000 for garden seeds. There was just as much overhead in that proposition as there is in the balance of these appropriations. When you compute the cost of printing all of the congressional seed franks and the cost of having them addressed and sending them to the seed division down in the Department of Agriculture, and having these seeds bought and put in bags and placed in packages, and having the two separate packages in which they are inclosed printed at the Government Printing Office, the expense of doling them out and the expense to the Government in our Post Office Department in connection with scattering them all over the United States, you will find there is a big overhead in that, and it ought to stop.

I saw in the newspapers that our distinguished colleague from Oklahoma, the lady from Oklahoma [Miss ROBERTSON], had been able to so accumulate seeds that she sent a whole carload out from Washington down to Oklahoma to her district. Of course that is overhead. There never has been, in my judgment, a single package of free garden seed yet delivered to one of our constituents that has paid in benefits the cost of it; not one.

Mr. CURRY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CURRY. I would like to know if the gentleman is aware of the fact that the lady from Oklahoma sent all of her seeds to schools in her district? In my judgment, if there is any proper way to send out garden seeds, that is the way to do it.

Mr. BLANTON. But there is not any good way to send them out. It is true that there are some valuable seeds that are still provided for in the bill, valuable seeds of kinds that the farmer can not get in his neighborhood. They will continue to go out. They do bestow great benefit on the farmers when they receive seed like alfalfa and milo maize and soudan grass and kaffir corn. Things of that kind help the farmers, who are benefited by them. They use them, but take these little quart packages of cotton seed that the distinguished gentleman and myself send to a few of our cotton-planting farmers, what can they do with a quart of cotton seed? They are not going to plant that seed and keep it separate and have the cotton ginned separately. The sending out of such seed as that has been a waste of the money of the Government, and the farmers have not appreciated it and they want it stopped.

Mr. DICKINSON. The gentleman stated in his former address that if over \$3,000,000 of the annual agricultural appropriation went direct to the farmer he did not know about it. Now, we appropriate over \$4,000,000 for county agents who go out into every county. Does not the gentleman believe that is a good thing?

Mr. BLANTON. I believe the average farmer in Iowa or Texas knows more in five minutes about practical farming than half of these county agents that are appointed and sent out. Many are appointed through political patronage.

Mr. DICKINSON. Would the gentleman want to strike out that appropriation?

Mr. BLANTON. No; because some of them are good, but some of them are not good. Some of them are not worth a penny to the farmer. I believe it is a good policy to keep them if we can get good men, but I am against the patronage part of it.

Mr. DICKINSON. Is not that true of the men who come to Congress, that we ought to get good men?

Mr. BLANTON. Yes; that is true.

Mr. HAUGEN. Mr. Chairman, I have no requests for further time and I ask that the Clerk read the bill.

The Clerk read as follows:

Be it enacted, etc., That the maximum salaries per annum of the following number of scientific investigators or employees engaged in scientific work, paid from the general appropriations of the Department of Agriculture, shall not exceed as follows:

Not more than seven in excess of \$4,500 but not in excess of \$5,000 each;

Not more than five in excess of \$5,000 but not in excess of \$5,500 each;

Not more than three in excess of \$5,500 but not in excess of \$6,000 each, and in no case shall the salary of any exceed \$6,000.

Mr. HAUGEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HAUGEN: Page 1, strike out the matter in lines 3 to 13, inclusive, and insert in lieu thereof the following: "That the maximum salary per annum of any scientific investigator or employee engaged in scientific work and paid from the general appropriations of the Department of Agriculture shall not exceed \$6,500: *Provided*, That no salary shall be paid under this section at a rate per annum in excess of \$5,000 except the following: Not more than 12 in excess of \$5,000 but not in excess of \$5,500 each, and not more than 5 in excess of \$5,500 each."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

Mr. STAFFORD. Will the gentleman make some explanation of this amendment?

Mr. HAUGEN. Mr. Speaker, this increases the number to receive in excess of \$5,000 but not in excess of \$5,500 from 5 to 12, and the number who are to receive in excess of \$5,500 but not in excess of \$6,500 from 3 to 5.

The numbers indicated in the amendment are identically the same as those carried in the appropriation bill for the year ending June 30, 1924.

Mr. JOHNSON of Mississippi. Will the gentleman tell us why that is necessary?

Mr. HAUGEN. That is the amount carried in the appropriation bill and agreed to by Congress, and if my memory serves me right it was adopted by the House by unanimous vote, I believe without a dissenting vote. It is the number suggested by the Secretary of Agriculture, and it is believed that this should be done.

Mr. BLACK. I notice that the gentleman also raises the limit \$500.

Mr. HAUGEN. Yes.

Mr. BLACK. What is the reason for that?

Mr. HAUGEN. The reason for that is that we believe the amount should be increased. I think all of us appreciate the worth of the Department of Agriculture and the value of the service rendered by the very efficient employees in the department.

Mr. BLACK. Most of us think we are pretty generous when we go to the limit proposed in the bill, but the gentleman proposes this increase right out of hand.

Mr. HAUGEN. It increases the maximum salary from \$4,500 to \$5,000. The facts are these: In that great department, with upward of 20,000 employees, only 19 employees receive a salary of \$5,000 or above while the outside Government service has 7,724 receiving the \$5,000 or above. A year ago of the 19 in the Department of Agriculture receiving \$5,000 or above only 3 received a salary above \$5,000.

Mr. KINCHELOE. This does not increase the limit beyond that which was contained in the agricultural bill as we passed it. That was \$6,500.

Mr. HAUGEN. It does not increase the limit beyond that in the agricultural bill.

Mr. BLACK. Oh, no; but it does under this bill.

Mr. HAUGEN. It increases the maximum to scientists from \$4,500 to \$5,000, with the exception of those provided for here at a higher salary.

Mr. BLACK. And it increases the limit that may be paid to \$6,500.

Mr. HAUGEN. Yes; for 12 of them not to exceed \$5,500, and for 5 of them not to exceed \$6,500.

Mr. BLANTON. Mr. Chairman, I desire to offer a perfecting amendment when the time comes, to strike out "\$6,500" and insert "\$8,000."

The CHAIRMAN. Does the gentleman from Iowa yield the floor?

Mr. HAUGEN. I yield to the gentleman to offer his amendment.

Mr. BLANTON. I move to strike out "\$6,500" and insert "\$8,000."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON to the amendment offered by Mr. HAUGEN: Strike out the figures "\$6,500" and insert in lieu thereof "\$8,000."

Mr. BLANTON. Mr. Chairman, I want just one minute to say this: That the committee met with such a warm reception when they brought in their bill for increase to \$6,000 that where we gave them an inch they are now taking an ell in this amendment. They see that it is an opportune time now to increase the amount to \$6,500. If the other gentlemen on the floor want to do that, they will do it without my vote.

Mr. HAUGEN. I think we all appreciate that the cost of living has increased and that salaries and wages have increased all along the line, and it is now time that recognition

should be given to these worthy and deserving employees of this department. It is the judgment of the committee and the judgment of the Secretary of Agriculture that the maximum salaries should be fixed as provided in the proposed amendment for employees.

Mr. STAFFORD. Will the gentleman yield?

Mr. HAUGEN. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. Under the proposed amendment will it be permissible for five to receive the maximum salary of \$6,500?

Mr. HAUGEN. It is left to the discretion of the Secretary of Agriculture.

Mr. STAFFORD. Is there any question but that he will exercise his discretion and pay the highest amount?

Mr. HAUGEN. Not unless it is necessary.

Mr. STAFFORD. Has there been any instance when it comes to the increasing of a salary that it has not been to the maximum amount? Can the gentleman mention one instance where there is an exception?

Mr. ASWELL. Let me say that the salary has been \$6,500 per year and it has not been paid to anyone.

Mr. KINCHELOE. The maximum has been \$6,500, and the Secretary has not paid anybody \$6,500.

Mr. STAFFORD. How many in the present year is the Secretary privileged to pay \$6,500?

Mr. KINCHELOE. Five.

Mr. TINCHER. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman and gentlemen of the committee, we always repeat ourselves. I want to call attention of the committee to what it means to fight these little appropriations. In this last year the Department of Agriculture has had in that department to contend with the fights made on the packer control law, the grain futures act, and numerous other important propositions to the agricultural interests where they have been contested in the courts by the department against the greatest financial organizations in this country. On one side over there to-day are the representatives of the Department of Agriculture contesting five big packers who propose to merge. They are meeting the best paid talent in the world, they are meeting the best paid lawyers and the best scientists that money can hire. Yet every time we come upon the floor of this House and recommend that the Secretary of Agriculture be unfettered and have a reasonable amount of money to spend in the conduct of his business there are men on the floor who pretend that they represent some farmers down home; that they want to call out to the country to look upon their barefooted farmers following a double-shovel plow in Texas, who get up and protest against treating the Department of Agriculture as we treat other departments of this Government. Whoever heard of the Representatives of the farmers protesting against the Secretary of War in peace time receiving \$12,000 a year for his services? But you let the Committee on Agriculture come in here with a unanimous report, regardless of party—and there are men of both parties on that committee—and they get up and howl about increased salaries. The Committee on Agriculture works every day in the year, and I venture the assertion that the men on that committee, regardless of party, are better informed as to what transpires in that committee than in any other committee in Congress.

Here is a unanimous report, and the amendment offered is the unanimous vote of the committee. Here are men who say they are friendly to the farmers who want to hamper the department, so that when Mr. Armour, of Chicago, tells the department what to do and sends a half a million dollars' worth lawyer here to try some case the department will have to go in with a two dollar and a half man. Yet the men there now are 100 per cent, except their salaries. I said the other day that I favored giving Henry Wallace, the Secretary of Agriculture, \$50,000,000 in a lump sum to battle for the farmers, and to place no strings on it. [Applause.]

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. SANDERS of Indiana. I want to say that I am in accord with what the gentleman has said, but I do not think he ought to let the charge stand in the Record that a Texas farmer uses a double-shovel plow.

Mr. TINCHER. Well, they said that the farmers down there were barefooted, and I thought, perhaps, they used the double-shovel plow. But the Texas farmer is all right, and if he understood the situation and understood the fight that these men who represent the department are having to make I think he, regardless of party, would support this measure.

Mr. BLACK. Will the gentleman yield?

Mr. TINCHER. I will yield first to the gentleman from Maryland [Mr. HILL], who was on his feet.

Mr. BLACK. Mr. Chairman, in this very important matter I think we should have a quorum. I make the point that no quorum is present.

The CHAIRMAN. The gentleman from Texas makes the point that no quorum is present. The Chair will count. [After counting.] Ninety-one Members present, not a quorum.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move that the committee do now rise, and on that I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. McLAUGHLIN of Michigan and Mr. BLACK.

The question was taken, and the tellers reported that there were 6 ayes and 96 noes.

The CHAIRMAN. The motion of the gentleman from Michigan is lost; a quorum is present, and the gentleman from Kansas [Mr. TINCHER] will proceed.

Mr. HILL. Now will the gentleman yield?

Mr. TINCHER. Yes.

Mr. HILL. All I wanted to say was that I remember that in the antitrust cases the Government had against them \$50,000 lawyers for a particular case, and the Government lawyers were only paid about \$5,000 a year. I think the gentleman has put his finger on a very important question.

Mr. BLANTON. And in that case what was the gentleman from Maryland paid?

Mr. HILL. I was a \$4,000-a-year lawyer.

Mr. TINCHER. Right now the solicitor of the department is trying a case in the Supreme Court of the United States involving millions, and the Grain Exchange has the very best talent in the country, the very best lawyers, and does not spare any expense to win their case. Now, here is what I wonder at: Every time this committee comes in upon the floor of the House, no matter how unanimous their report may be on the particular bill, certain gentlemen who pretend to be the friends of the farmer take the floor and call us wasteful, extravagant, no-account Congressmen, and they will have the people believe they are the only friend of the people. I think an amendment like the amendment just proposed should be voted down; I do not think it ought to have the support of two men in this House, and I do not believe it will have.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired.

Mr. TOWNER. Mr. Chairman, I move to strike out the last word.

Mr. BLACK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. That motion is not in order. Without objection, the Chair will recognize the gentleman from Iowa for five minutes.

There was no objection.

Mr. TOWNER. Mr. Chairman, I have no criticism to make of gentlemen who contest and challenge every increase of salary that is proposed. I think such increases of salary ought to be contested and challenged because a showing should be made that will justify them, and unless that showing is made, then the increases ought not to be granted. I am as anxious as any man in this House to keep down expenditures to the lowest possible point, but we must always remember that above everything else, we must keep the efficiency of the Government service up to the highest standard possible. [Applause.] Gentlemen talk as if it were an argument against an increase at the present time, because we have been making increases in the limitation from time to time. It is true that we have made increases from time to time. However, I want this committee to understand that the Agricultural Department is the only department of the Government that has to submit to these limitations such as are included in these various acts which fixed the limitations. Why are not limitations placed in the acts referring to other departments of the Government? In the Agricultural Department where there is more need for scientific men requiring a higher grade of salaries than in any other department of the Government, why should there always be these limitations? I call attention to what has been the record in respect to increases from time to time, and I do this in justification and not in refutation of the practice. The first limitation upon the salaries that was made for scientific investigation in the Department of Agriculture was placed in the agricultural act for the fiscal year 1906. The limitation in that year was fixed at \$3,000. In 1908 it was raised to \$3,500 and in 1911 it was changed to \$4,000. In 1915 it was changed to \$4,500, and in 1923 it was fixed in the appropriation bill at \$6,500. The bill under consideration seeks to make permanent law out of the provision in the agricultural appropriation bill, and we hope it will stay for a long period of time. Why were these increases made? The answer is evident, and the reason is more potent now than

it ever was before. In this remarkable industrial Nation of ours, there has been a continual demand for scientific experts who will bring to our industrial improvement the highest type of intellectual ability, the highest grade of educated efficiency. Competition for these men have made these increases necessary from time to time, and in order to keep up with the competition the Government has been compelled to make these advances.

What is the situation at the present time? Every State has at least one great school, and some of them four or five, which are using the same class of experts that are demanded and referred to in this bill for the use of the Agricultural Department. Besides that, the great commercial enterprises of the United States, some of them with capitalization of tens and even hundreds of millions of dollars, are demanding the very best talent, no matter what may be paid for it. If we desire to secure and keep a class of men that ought to be placed at the head of the Government service, we must make these increases in salaries. We know now that even with an increase to \$6,500, provided in this bill temporarily, men whom we desire have refused to come, because they say that that salary may be changed next year. They want at least a reasonable chance of security in their tenure for a few years, because they can secure that elsewhere. They can go to these schools and get \$6,500 a year with an assurance, and usually a contract, for five years' time; and if we do not pass this legislation, having made only an increase to \$6,500 a year for a limited time, we can not get the men to fill these places. They must have some assurance of stability. Therefore it is necessary in our own interest and in the interest of this great department of ours that we should do this thing. Has this confidence which we have reposed in the Secretary ever been misplaced? I said the other day, and I repeat it now, I challenge any gentleman to show where in any one instance during all these years there has been a single man employed who was not qualified for the position. On the contrary, men have been taken from the department every year because they have been offered greater and larger salaries.

Mr. BLACK. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. Mr. Chairman, the eloquent gentleman from Kansas [Mr. TINCHER] seems to think that whenever Members of the House venture to oppose a bill brought in from the Committee on Agriculture such opposition indicates a hostile attitude to the farmers and to the committee. I want to make it plain that I am not critical of the Committee on Agriculture. If the gentleman from Kansas [Mr. TINCHER] were the only member of it I might be somewhat critical, though I do not know that I would be; but the gentleman from Kansas, able though he is and eloquent, happens not to be all of the committee. Nothing that I say is critical of the committee. The gentleman from Kansas devoted all of his argument as a reason for the passage of this legislation to the fact that the Solicitor of the Department of Agriculture does not have legal talent competent to cope with the able lawyers that represent the other side in litigation. If that be true, why has the gentleman from Kansas not busied himself to correct the situation? There is nothing in this bill that I know of that has anything to do with that particular matter.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. BLACK. When I conclude this statement I shall be glad to yield to the gentleman. The gentleman from Iowa [Mr. TOWNER] said why limit the Department of Agriculture in these expenditures when we do not limit anyone else? Gentlemen of the committee know that it is the settled policy of Congress—at least since the war closed—that when we grant one of these lump-sum appropriations in every case to impose a limit on the expenditures. We have just passed recently the appropriation bill for the Executive Office and sundry independent offices. I find in that bill a lump-sum appropriation for the Housing Corporation, and on page 15 of the bill is a provision that no person shall be employed thereunder at a rate of compensation exceeding \$5,000 per annum.

On the next page is an appropriation for the Government hotels of \$800,000, with this limitation: "Provided, That no person shall be employed hereunder at a rate of compensation exceeding \$5,000 per annum." Now, over here in the Emergency Shipping Corporation appropriation, on page 40 of the bill, we find this limitation: "No officer or employee of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be paid a salary or compensation at a rate per annum in excess of \$11,000, except the following: Six at not to exceed \$25,000 each and two at

not to exceed \$20,000 each." And all the Members on this side of the House—the Democratic side—with but few exceptions, did the best we could to still further economize on these high salaries, but we did not get much help from the Republican side of the House. I am wondering if we got any help from some of the gentlemen who now quarrel with us because we are seeking to place limitations upon an agricultural appropriation bill. Now, Mr. Chairman, I know we Members do not get much credit in making economy fights in the House. I am not here to strive for credit and praise and favorable publicity. I am here to do my duty as I see it, and I am going to do and let consequences take care of themselves. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. Mr. Chairman, I want to call the attention of the committee to the particular application of these increases. If the increases were simply administrative or to facilitate a going concern, and that was the nature of them, I would not be so much concerned about the measure of increase, but that is not this case. This particular case deals with a fundamental increase of production. It has to do with the food supply. It is dealing with the heads of the various bureaus who are in the research department of the Government. It is not a difficult thing to keep a going concern going, but it is a difficult thing to find out information that is not yet known and thereby increase the sum total of important knowledge. In that sense, therefore, this particular relief is going directly to the research man, to the scientific man, to the employment of our most valuable talent. I do not want to be regarded as hypercritical in my observations upon the character of opposition to the bill which criticized an increase like this. In fact, I think that the membership of the House really does serve a good purpose in resisting large increases, since there is a persistent pressure from all sides for increases. I sympathize with those Members who resist this pressure generally, but here is a sort of an increase that ought not to be resisted. Let me illustrate what I mean. Only recently we lost one of our best research men. We lost the director of one of our most important bureaus in the Capital, one whose work in 21 years has developed to a rank that has called the attention of research men from all the world. I refer to the Bureau of Standards. That director received when he left us the same salary he received 10 years ago. He was not mercenary. He did not go simply because there was a very large increase. We recognize the difficulty of getting the sort of increase in salaries applicable to this sort of service, namely, research; but it was a magnificent compliment to our Government when a research institution in another quarter of the country offered him over four times in salary what the Government had been paying him for the last 10 years, and nobody criticizes him because he accepted that offer. A reasonable increase by us would likely result in his remaining in the place to which he was devoted. Now we, of course, can not meet that competition; nobody would think of it; but the facts are that private enterprises and private businesses, alive to the great value of such talent, are ever alert seeking out the research men at the head of the various departments of the Government in this and that industry, and in this manner drain our Government supply of the best trained men we have, and will continue to do so unless we can show some sympathetic response to their needs as will be expressed by like services in industries differing from the Government.

We are losing and will continue to lose the best men, and we are losing them not because they are dominated purely by a money consideration but because we fail to show a different attitude toward investigational ability, which displays the lack of appreciation toward our research men and work. This observation applies to the director of scientific work, as provided in this bill. He ought to be a very high-grade man. It also applies to the superintendent or director of the Bureau of Animal Industry. Think of the remarkable growth in the assembling of a body of knowledge on that subject since the Agricultural Department has been established! You might say the same thing of the Bureau of Plant Industry and the several other investigational bureaus. I am amazed, really, at the small salary we provide for the Chief of the Bureau of Biological Survey. My friend across the way here, Doctor LOWREY, will recognize that there is one of the greatest fields, when viewed from the range of possible investigation and research, now fronting the world, and look at the salary we pay for that man!

Mr. HUDSPETH. Will the gentleman yield?

Mr. FESS. I will.

Mr. HUDSPETH. I am in favor, I will say to my friend from Ohio, of these increases, but why discriminate against the Chief of the Biological Survey in giving a salary of \$4,500?

Mr. FESS. I am in sympathy with my friend with respect to that, but I do not know how to allot these salaries; I do not know how to classify them. But I do know it would be a compliment to the greatest Nation if we would show a little better appreciation of the research man who finds out the things that are not yet known, the real measure of a nation's progress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. I will ask for one additional minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. Only a few years ago there was a gentleman working in the Bureau of Mines in our Capital. He had to work under a contract that any discovery that he might make would have to go to the benefit of the Government, which, of course, was proper. That man made a discovery in the constituents of crude oil that by a scientific application of his discovery had so increased the gasoline content that I will say to my friends that it is asserted by high authority that one discovery will be enough in the increase of the wealth of the country to pay for the Bureau of Mines, all told, administration, and so forth, for the next score of years, and yet he got nothing but a nominal salary from the Government. He attached himself to the research work of the Government because of his intense love of scientific research. He remained until the outside world claimed him for a field wider than the Government would supply.

I do not complain because he got nothing for his discovery, as perhaps he should not have gotten anything for it. He did it from the love of research, and the Government got the benefit of it. It was a tremendously important discovery, and I simply urge that we ought to appreciate the value of the research men who are at the head of these departments.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that all debate on the section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on the section and all amendments thereto be now closed. Is there objection?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. HAUGEN. Mr. Chairman, may we have that again reported?

The CHAIRMAN. Without objection, the amendment will again be reported.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Strike out "\$6,500" in the Haugen amendment and insert "\$6,000."

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Texas.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. HAUGEN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BLANTON. I ask for a division, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas asks for a division.

The committee divided; and there were—ayes 56, noes 10.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That the salaries per annum of the following officers in the Department of Agriculture shall not exceed as follows:

Director of Scientific Work, \$6,000; Chief of the Bureau of Animal Industry, \$6,000; Chief of the Bureau of Plant Industry, \$6,000; Chief of the Bureau of Forestry, \$6,000; Chief of the Bureau of Chemistry, \$6,000; Chief of the Bureau of Markets, \$6,000; Chief of the Bureau of Biological Survey, \$4,500; Chief of the Division of Accounts and Disbursements, \$4,000; Librarian, \$2,500.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment.

Mr. HAUGEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HAUGEN: Page 2, strike out the matter in lines 1 to 10, inclusive, and insert in lieu thereof the following:

"Assistant Secretary, \$7,500; Director of Scientific Work, \$6,500; Director of Regulatory Work, \$6,500; Director of Extension Service, \$6,500; Solicitor, \$6,500; Chief of the Weather Bureau, \$6,000; Chief of the Bureau of Animal Industry, \$6,500; Chief of the Bureau of Plant Industry, \$6,500; Forester, \$6,500; Chief of the Bureau of Chemistry, \$6,500; Chief of the Bureau of Agricultural Economics, \$6,500; Chief of the Bureau of Public Roads, \$6,500; Chief of the Bureau of Entomology, \$6,500; Chief of the Bureau of Biological Survey, \$6,000; Chief of the Bureau of Soils, \$5,500; Chief of the Division of Accounts and Disbursements, \$4,500; Librarian, \$3,600: Provided, That during the fiscal year ending June 30, 1924, the Sec-

retary of Agriculture is hereby authorized, in his discretion and if he deems it necessary or expedient, to pay, from the lump-sum appropriations made in the Agricultural appropriation act for said fiscal year, the additional amounts required over the salaries provided by said act to carry into effect the rates specified by this section."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the proposed amendment.

The CHAIRMAN. The gentleman from Wisconsin reserves a point of order on the amendment.

Mr. HUDSPETH. Mr. Chairman, I would like to offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Texas will have an opportunity to offer that amendment. The gentleman from Iowa [Mr. HAUGEN] has the floor.

Mr. HAUGEN. Mr. Chairman, this amendment increases the salaries over the salaries carried in the bill as follows: The Director of Scientific Work, from \$6,000, as carried in the bill, to \$6,500; the Chief of the Bureau of Animal Industry, from \$6,000 to \$6,500; the Chief of the Bureau of Plant Industry, from \$6,000 to \$6,500; the Forester, from \$6,000 to \$6,500; the Chief of the Bureau of Chemistry, from \$6,000 to \$6,500; the Chief of the Bureau of Biological Survey, from \$4,500 to \$6,000; the librarian, from \$2,500 to \$3,600; the chief of accounts, from \$4,000 to \$4,500; and it adds to the bill the following increases: To the Assistant Secretary, an increase from \$5,000 to \$7,500; the director of regulatory work, from \$5,000 to \$6,500; the director of extension service, from \$5,000 to \$6,500; the Solicitor, from \$5,000 to \$6,500; the Chief of Agricultural Economics, from \$5,000 to \$6,500; the Chief of the Bureau of Public Roads, from \$6,000 to \$6,500; the Chief of the Bureau of Entomology, from \$5,000 to \$6,500; and the Chief of the Bureau of Soils, from \$5,000 to \$5,500. These are all increases recommended by the Secretary of Agriculture and unanimously agreed to by the committee.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Strike out, in the Haugen amendment, "\$6,000," salary of the Chief of the Bureau of Biological Survey, and insert "\$6,500."

The CHAIRMAN. The Chair will state to the gentleman that there is a point of order pending, so that his amendment may be read for information only.

Mr. HUDSPETH. Very well.

Mr. KINCHELOE. Mr. Chairman, if there is a point of order pending, I ask for the regular order. Let us pass on it now.

Mr. STAFFORD. I make the point of order that the proposed substitute is not germane to the bill or to the substitute for section 1 heretofore adopted, for the reason that the bill as originally introduced, so far as increases of salaries are concerned, relates to the salaries of those engaged in scientific research. The whole bill is predicated upon the idea that the heads of these respective bureaus should have their salaries increased because they are connected with scientific research. Now we have the chairman of the committee offering something entirely different from that which was submitted originally in the committee report, and that is to increase the salary of the Assistant Secretary. If you can increase the salary of the Assistant Secretary, you can increase the salary of the Secretary, or you might just as well increase the salaries of employees. Where a bill in its general scope or a committee amendment is limited to a certain class of employees, namely, bureau chiefs or those engaged in scientific endeavor, no one can hold that you may by amendment provide increases of departmental heads or subordinate employees. I call the attention of the Chair to the fact that the pending amendment provides an increase of salary to the Assistant Secretary from the \$5,000 that he is now receiving to \$7,500.

The CHAIRMAN. Does the gentleman say that the Assistant Secretary of Agriculture is not an officer in the Department of Agriculture?

Mr. STAFFORD. I could not say that he is not an officer, no. I claim that the text of the bill is limited merely to the directors of scientific work and the other enumerated heads.

Mr. ASWELL. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Louisiana.

Mr. ASWELL. Has the gentleman any information to prove that the Assistant Secretary is not a scientist?

Mr. STAFFORD. No.

Mr. ASWELL. How does the gentleman know he is not a scientist?

Mr. STAFFORD. Those who held the position before were not scientists. I am not as well acquainted with the inner

workings of the Department of Agriculture as is the illustrious gentleman from Louisiana.

Mr. KINCHELOE. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. KINCHELOE. Suppose this bill were predicated upon the idea that it was intended to increase the salaries of men engaged in scientific research only, what rule of the House is there which would be violated by an amendment to increase the salaries of some who were not scientific employees?

Mr. STAFFORD. The rule that it is not germane to what is before the House for consideration.

Mr. KINCHELOE. It is germane to a bill "relating to the Department of Agriculture," which is what this bill is.

Mr. HAUGEN. I will say to the gentleman from Wisconsin that the Assistant Secretary is a scientist. That was so stated before the committee.

The CHAIRMAN. The Chair is ready to rule. This is a bill the title of which is "Relating to the Department of Agriculture." Section 1 attempts to increase the maximum salaries of certain scientific investigators and employees engaged in scientific work.

Section 2 of the bill relates to the salaries of certain officials described as "officers in the Department of Agriculture," making no reference whatever to whether they are scientific or other officers. The only question, then, is whether the officers included in the amendment are officers in the Department of Agriculture. If so, the amendment is germane to the second section of the bill, which is the section to which the amendment is offered. It would seem to be clear that they are officers in the Department of Agriculture. The Chair therefore overrules the point of order.

Mr. HUDSPETH. Mr. Chairman, I have an amendment to the amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH to the amendment offered by Mr. HAUGEN: In line 9 of the Haugen amendment, strike out "\$6,000" and insert in lieu thereof "\$6,500."

Mr. STAFFORD. I reserve a point of order on that amendment, Mr. Chairman.

Mr. HUDSPETH. Mr. Chairman, I do not understand why the chairman of the committee [Mr. HAUGEN], in offering his amendment, should discriminate against one of the most important bureaus in the Department of Agriculture, namely, the Bureau of Biological Survey.

Mr. HAUGEN. The committee acted on the suggestion of the Secretary of Agriculture. The present salary of the Director of the Bureau of Biological Survey is \$4,000, and it is proposed to increase it to \$6,000. That is an increase of \$2,000, which seems to be a very liberal increase. I agree with the gentleman that Doctor Nelson is a most exceptional man, but the committee thought they should defer to the judgment of the Secretary in the matter. We have given a very liberal increase, which we believe will be quite acceptable.

Mr. HUDSPETH. The Chief of the Bureau of Animal Industry is a very efficient man and he is getting an increase. I grant that he should have an increase. Likewise the Chief of Plant Industry and the other gentlemen who are getting \$6,500 are all good men. But here is one of the most important bureaus down there, and Doctor Nelson is one of the most efficient men in the department. You are discriminating against him and giving the heads of other departments \$500 more than you are giving Doctor Nelson, who has been there for many years and who is doing work of great value to farmers and stockmen in destroying rodents and predatory animals all over the West and saving the farmer and live-stock producer thousands. I agree with the chairman of the committee and with the Secretary of Agriculture that Doctor Nelson is a splendid man, and I do not think you should discriminate against him.

Mr. HAUGEN. We give Doctor Nelson \$500 more than we give to Doctor Whitney, of the Bureau of Soils, the present salary of each being \$4,000.

Mr. HUDSPETH. I want to say to the gentleman that a great many of my colleagues do not agree with me as to the work of these scientific investigators. A great many years ago we old cowmen out in the sticks used to say that a little tick that alighted on an animal and bit that animal did not produce fever, but when we lost an entire herd we were convinced that there was something wrong with that tick.

Then a man from the Department of Agriculture showed us how to destroy the tick by a dip in which we immersed our cattle and destroyed the fever tick and cleaned up three-quarters of my State and advanced the price of cattle about \$5 a head in the clean territory. For this reason I say the

scientific investigators do a great work for the stockmen and the farmer. Here is Doctor Nelson, who has been there for many years devoting his entire time and thought to the work, and yet you are discriminating against him in the sum of \$500 in other departments. I do not want you to get the idea that I do not believe that the other gentlemen are entitled to the increase, but they are no more entitled to it than is Doctor Nelson. I want to say that the farmers of my district, some of them, who wear high-heeled boots and ride the double-shovel plow with spurs, are in favor of these increases and would vote for the increase of salary to get the best talent obtainable. Talk about the stockyard companies, we all know that they were charging live-stock shippers \$1.50 a bale for prairie hay that they purchased for 50 cents a bale. But they are not doing that now.

Since we passed the packers and stockyards' control act they tried to destroy the act by employing some of the best legal talent in the United States, but this Government was able to cope with them; the Agricultural Department was able to cope with them. We had an Attorney General, Mr. Palmer, that was able to cope with them in the former administration, and he got a decree against the stockyards and packers that saved the consumer thousands. It is necessary to employ good talent, and I am in favor of appropriating the money to get it. [Applause.]

I agree with Mr. HAUGEN, my friend the chairman, on these raises, except the Chief of Biological Survey. He should have as much as the other department heads. They are all good men and doing splendid work in their departments. I admire Secretary Wallace in his recognition of his department chiefs and requesting adequate salaries for them. Wallace is a good man and a good Secretary of Agriculture. He is doing a good work for the farmer, but he should have gone a little stronger on Doctor Nelson.

Mr. STAFFORD. Mr. Chairman, I withdraw my reservation of a point of order, and I rise in opposition to the amendment. I think the sooner we get action and vote on this bill, so that the chairman of the committee and those having it in charge will not be able to offer more amendments in conflict with the purpose of the original bill, the better for the Treasury of the United States. We have just adopted an amendment two minutes ago restricting the number of those employed in the Agricultural Department receiving \$6,500 to five, and here we have an amendment where it is proposed to increase the salary of 11 to \$6,500. The gentleman from Texas [Mr. HUDSPETH], while the pickings are good, wants to increase the salary of a man receiving \$4,000 up to \$6,500, the pending substitute providing for \$6,000.

Mr. HUDSPETH. Why should he not receive \$6,500?

Mr. STAFFORD. It is a special distinction that you wish to confer by giving him a greater increase than any other. Not content with the raiding of the Treasury this way by jumping doubly the number from 5 to 11, they are going to increase the salary of the Assistant Secretary to \$7,500. It brings to mind the action of the Committee on Foreign Affairs on yesterday.

They introduced a bill in April, 1921, where the maximum salary of foreign-service officers was placed at \$8,000. During the incubation of the bill in the Committee on Foreign Affairs the maximum was raised to \$9,000. We had better hurry up before the session comes to an end, or they will get up to \$10,000 and \$11,000.

Congress started out with a policy of increasing salaries all along the line. There were some on the Appropriations Committee who were acquainted with this general salary proposal. The gentleman from Tennessee [Mr. BYRNS], the gentleman from Mississippi [Mr. Sisson], the gentleman from Indiana [Mr. Wood], and myself in a humble way tried to stop the outlandish increase of salaries that would impose a burden of \$50,000,000 a year upon the Government. Well, it went through like everything goes through when it comes before the House.

Now the dear farmer is involved. I see all about me a large number of the farm bloc; anything at all from the Capper-Tincher bloc, the famous farm bloc in Congress, anything that emanates from CAPPER and TINCHER goes. No matter how much it costs the Treasury if it comes from CAPPER, the leader of the senatorial farm bloc, or from TINCHER, the would-be leader of the agricultural bloc in this House, it is going to go. [Laughter.] I wanted in my feeble way to call attention to the fact that only a few minutes ago the committee said that five men only would receive a maximum of \$6,500, and now, in the pending amendment, it has increased to 11. I am not blaming my good friend from Texas, while the picking is good, that he should single out a man to increase his salary from \$4,000 to \$6,500. But, gentlemen, let us hurry and pass this bill, else

there is danger that the committee will increase everybody's salary in the department. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KINCHELOE. Mr. Chairman, of course, we are all much impressed by the statement of the "farmer" from Milwaukee. [Laughter.] Not only that but he is a great economist. Here within the last 10 days when the great sugar interests from New York came down here to loot the Treasury, my distinguished and economical friend from Milwaukee was right there with his scoop into the Treasury. [Laughter.]

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. The gentleman then voted for the American Trading Co.'s claim and the Howell claim.

Mr. STAFFORD. But I did oppose and oppose seriously the subsequent claim which the gentleman failed to fight.

Mr. KINCHELOE. Because it had more merit in it than the other one ever did.

Mr. STAFFORD. I question very much whether it had; it did not have the support of any Secretary of the department as the first bill had.

Mr. KINCHELOE. My purpose is to get the gentleman's record clear, and, if I am not mistaken, when the ship subsidy bill was under consideration to take \$50,000,000 more out of the Treasury, he voted for that.

Mr. STAFFORD. Oh, the gentleman is in error there, as he usually is, as to my position.

Mr. TINCHER. Mr. Chairman, the gentleman is a prominent member of the subcommittee that appropriates for the Army appropriation bill, and the Assistant Secretary of War gets \$10,000 a year, and why should he have more money than the Assistant Secretary of Agriculture?

Mr. STAFFORD. Because that went through this House with my opposition to it, and it became a law. I could do nothing else than yield to these raiders of the Treasury.

Mr. KINCHELOE. I wanted to file the gentleman as an exhibit of the raider of the Treasury on the sugar bill.

Mr. Chairman, I do not think there is a Member of this House who has been more of a stickler about the raising of salaries than I have been. When the gentleman from Texas [Mr. BLACK] called up his reclassification bill to increase salaries, I voted against the bill, because I thought there were too many salaries increased, and here the gentleman comes now, when we try to put the Agricultural Department upon a basis where it will function for the benefit of 6,000,000 farmers of this country, and he is against it.

Mr. BLACK. Oh, if I am in error, the gentleman led me into that error a few days ago when I followed him in this same fight.

Mr. KINCHELOE. Yes; and my purpose in leading that fight was to rob the Appropriations Committee, of which the gentleman from Wisconsin [Mr. STAFFORD] is a distinguished member, from the power of legislation; and I am going to continue to do that as far as I am concerned. I did not enter into the merits of the thing at that time. I am opposed to raising salaries as much as anybody in the House; but if you are not going to carry on the activities of the Department of Agriculture in a scientific, up-to-date, serviceable way, then you ought to do away with the Department of Agriculture, because you can not get the scientific men for these salaries that we have been paying. They have lost four in the last year. One of these men who left is now getting \$25,000 a year in private employment. The Secretary testified only yesterday that he had five young men who seemed to be willing to agree to take these places, but when they learned that it was not permanent law, that it is likely to be changed in a year, they refused so far to take the employment. The trouble is this: You take young men who have graduated in scientific courses from these various universities, who are making this character of work a life work, and this kind of a job is not going to appeal to them, because it is not permanent; they do not know next year what they are going to get; and that is why it is highly important to stabilize the matter and make the scientific bureaus and Department of Agriculture more serviceable and proficient. Whatever salaries you fix should be made permanent law, so that the Secretary of Agriculture and those whom he employs know what they are doing. I do not believe these raises in salaries are exorbitant, and I believe the sums fixed are as low as you can get any scientific man to accept the job for; but whatever you do, let us pass some kind of a bill that makes it permanent law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. That upon the written approval of the Secretary of Agriculture, and then only in the case of extraordinary emergency, not to exceed 10 per cent of any amounts appropriated by Congress in the annual appropriation for the Department of Agriculture for the miscellaneous expenses of the work of any bureau, division, or office in the Department of Agriculture shall be available, interchangeably, for expenditure on the objects included within the general expenses of such bureau, division, or office: *Provided*, That there shall not be added to any one item of appropriation more than 10 per cent of such item.

Mr. CURRY. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. The gentleman from Iowa has an amendment pending which the Clerk will first report.

The Clerk read as follows:

Amendment by Mr. HAUGEN: Page 2, after line 21, insert the following:

"SEC. 4. That this act shall take effect July 1, 1923."

The CHAIRMAN. The amendment of the gentleman from California takes preference, and the Clerk will report the amendment of the gentleman from California.

The Clerk read as follows:

Amendment by Mr. CURRY: Page 2, line 21, after the word "item," insert the following: "*Provided further*, That no statutory employee shall be transferred from the statutory roll to the lump-sum roll and be given a higher salary than one he or she receives on the statutory roll."

Mr. CURRY rose.

The CHAIRMAN. The gentleman from California is recognized.

Mr. CURRY. Mr. Chairman—

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I make the point of order against the amendment.

Mr. BLANTON. Mr. Chairman, I make the point of order that the point of order comes too late. The gentleman from California has been recognized and had addressed the Chair.

Mr. CURRY. Mr. Chairman, I had started to speak.

The CHAIRMAN. Was the gentleman from Michigan on his feet seeking recognition when the Chair recognized the gentleman from California?

Mr. McLAUGHLIN of Michigan. I have been standing for several minutes, and from the beginning of the reading of the amendment offered by the gentleman from California, I intended to make the point of order. Perhaps I did not speak quickly enough, but it seems to me I did. Not a word had been uttered by the gentleman from California in argument in favor of the amendment.

The CHAIRMAN. The Chair thinks the gentleman from Michigan ought to be recognized to make the point of order.

Mr. CURRY. I would like to have the point of order reserved.

Mr. BLANTON. It is not subject to the point of order.

Mr. CURRY. I had been recognized by the Chair.

The CHAIRMAN. Debate had not actually begun, and that is the test. The gentleman from Michigan was on his feet, and it has been the practice of the House where a gentleman is on his feet seeking recognition for the purpose of making a point of order even though another has begun to speak, that the point of order shall not fail on this account.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is, Does the gentleman from Michigan make his point of order?

Mr. CURRY. I would like to have the point of order reserved.

Mr. McLAUGHLIN of Michigan. I would be glad to reserve the point of order, but the gentleman from Texas demands the regular order.

The CHAIRMAN. Does the gentleman make his point of order?

Mr. McLAUGHLIN of Michigan. Mr. Chairman, in my judgment the gentleman's amendment is not germane to the bill. It relates to a matter that the bill is not concerned with at all.

Mr. CURRY. The section of the bill itself refers to the very appropriation to which my amendment is addressed.

The CHAIRMAN. Does the gentleman's amendment cover only the employees carried in this bill?

Mr. CURRY. No; neither does the third section.

Mr. McLAUGHLIN of Michigan. It refers to any or all employees in the Department of Agriculture who might be under other circumstances transferred from one roll to another roll. If it were limited entirely to those covered in this bill, it might possibly be germane; at least it would remove that feature of my objection.

The CHAIRMAN. Has the gentleman examined the third section, and does it not apply to all employees in the Department of Agriculture? It seems to the Chair upon a very hasty

reading of section 3 that it applies to all employees in the Department of Agriculture.

Mr. BLANTON. There is no question.

The CHAIRMAN. If the amendment of the gentleman from California does not go beyond these it would be germane, if the Chair is correct in his reading of both the section and the amendment.

Mr. McLAUGHLIN of Michigan. I have not now in mind the reading of the section to which the Chair refers, but I do not recall any section that refers to all employees in the Department of Agriculture.

Mr. BLANTON. The Chair is correct; the bill applies to all employees. It is clearly within the limitation. I just want to say to the Chair the amendment is clearly within the purpose of the bill. It is clearly germane; and for another reason it would be in order, anyway, in that it is a limitation.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, section 3, to which the Chair refers, is to another matter entirely. The section, if it shall become law, will permit a certain percentage of one appropriation to be transferred to another appropriation in case of emergency. It does not relate to the work or compensation of officers or employees. It does not relate in any respect to compensation of employees of the department. The rest of the bill refers to the compensation of certain of the employees of the department. The bill as introduced refers to the compensation of certain employees, but this amendment is applicable to all employees of the department. Now, in my judgment, the amendment offered by the gentleman from California is not germane to the bill nor is it germane to the section to which it is offered as an amendment.

Mr. CURRY. Mr. Chairman, if my amendment is out of order, then section 3 is not in order in this bill. My amendment seeks to limit what may be done with the appropriation that the appropriation for agriculture is provided for in section 3. Section 3 does apply to all employees of the Department of Agriculture, and my amendment is to prohibit the Secretary of Agriculture from transferring from the statutory roll to the lump-sum roll and employ a statutory employee, give him a title and a larger salary. Now, it does not stop the use of the lump-sum roll, but it does prohibit the transfer from the statutory roll to the lump-sum roll of an employee and give him a title and a salary. Section 3 embraces all of the employees of the Agricultural Department. If my amendment is not in order, certainly section 3 is not in order, and I shall make a point of order against section 3 if my amendment is held out of order.

The CHAIRMAN. A more careful reading of section 3 of the bill has modified the first impression of the Chair, so the Chair will read it in order that the membership of the committee may have it fresh in their minds. Section 3 reads as follows:

SEC. 3. That upon the written approval of the Secretary of Agriculture, and then only in the case of extraordinary emergency, not to exceed 10 per cent of any amounts appropriated by Congress in the annual appropriation for the Department of Agriculture for the miscellaneous expenses of the work of any bureau, division, or office in the Department of Agriculture shall be available, interchangeably, for expenditure on the objects included within the general expenses of such bureau, division, or office: *Provided*, That there shall not be added to any one item of appropriation more than 10 per cent of such item.

Does the gentleman from Michigan say that in the two funds mentioned, general expenses and miscellaneous expenses, are included the salaries of employees?

Mr. McLAUGHLIN of Michigan. There are appropriations for general expenses which are used to compensate agents and employees, and the special appropriations are also used partly for wages of employees—

The CHAIRMAN. May I ask the gentleman from Michigan, who has had experience on this committee, does the term "miscellaneous expenses" or the term "general expenses" include the salaries of the employees referred to in the amendment offered by the gentleman from California?

Mr. McLAUGHLIN of Michigan. I suppose some of the employees referred to in this bill—they are scattered all through the department—are paid in various ways, I can not tell how they are paid, but they are scattered—

The CHAIRMAN. Do the terms "miscellaneous expenses" and "general expenses" refer to special funds appropriated for two distinct purposes in the agricultural appropriation bill?

Mr. McLAUGHLIN of Michigan. My understanding of the meaning of this section is that, suppose a lump-sum appropriation were made for a particular purpose. An emergency arises respecting that work. The amount of money appropriated is not sufficient to take care of it. Congress is not in session. This would authorize the Secretary of Agricul-

ture to transfer funds from some other appropriation to take care of that emergency work.

It has happened, Mr. Chairman, that there was a very serious, unexpected, and unusual fire in a national forest; the money appropriated for fighting fires was not sufficient. The Secretary of Agriculture was able to get more money by transferring certain sums from other funds. When the foot-and-mouth disease struck the country a few years ago a particular fund for fighting that disease was not available; an appropriation had not been made; but the Secretary of Agriculture needed immediately a very large sum of money, and under the authority then existing—and some such authority is carried in almost every appropriation bill—he transferred money from another appropriation and used it there, and in using it he employed men and paid the wages of men who were employed in various lines of work and paid from various funds.

So that when the Chair asked what employees would be covered by this in carrying it out, I can not answer.

Mr. HAWLEY. Can the Secretary of Agriculture transfer any money from the Bureau of Plant Industry under that 10 per cent proposition to the work of the Bureau of Forestry?

Mr. McLAUGHLIN of Michigan. I do not know how broad it is or how it is construed.

Mr. HAWLEY. It says that as to any bureau, division, or office he can transfer money "for the uses of such bureau or office."

Mr. McLAUGHLIN of Michigan. As the gentleman from Oregon reads it, it would not permit transfer of appropriations from one bureau to another bureau.

The CHAIRMAN. The Chair will hear the gentleman from California.

Mr. CURRY. Mr. Chairman, my amendment would not stop the transfer of these funds; it will not stop the employment of necessary employees. It will not even stop the transfer from the statutory roll to the lump-sum roll. What it will stop will be the transfer from the statutory roll to the lump-sum fund and giving a title and a larger salary than is provided for on the statutory roll. I am in favor of this bill. I believe in paying adequate salaries for good work, but all positions should be statutory except those that are in fact temporary. If the Secretary of Agriculture needs more permanent employees than he has, I will vote for a bill to provide them if the bill is brought in properly. But for the last 10 or 15 years a custom has grown up in the Department of Agriculture of transferring from the statutory roll to the lump-sum roll some persons to whom it is desired to give a larger salary. Then they fill up the statutory roll from the civil-service list. It does not eliminate the person employed on the statutory roll and transferred to the lump-sum roll from a civil-service status. He can be retransferred at any time. But it does give the Secretary the right to employ a great many people at higher salaries than are specifically provided by law. I do not blame the Secretary. He inherited the system. It is a bad system. There is no necessity for it.

My amendment will not affect the efficiency of any bureau in the Department of Agriculture. I would not do that if I could. A great many bureaus, in my judgment, are doing good work. But I want to stop that abuse. I believe my amendment is in order if section 3 is in order, and we ought to have an opportunity of considering it on its merits.

The CHAIRMAN. The Chair will hear the gentleman from Indiana.

Mr. SANDERS of Indiana. Mr. Chairman, it seems to me that section 3 would have been subject to a point of order on the ground that it is an appropriation, but that has been waived by not having a point of order made against it, and therefore any amendment that is germane may be offered to section 3 of the bill. Section 3 deals with just one proposition, and that is the right to transfer 10 per cent of the annual appropriation, and it must be only in the annual appropriation and nothing else; 10 per cent of money thus appropriated for miscellaneous expenses may be transferred over to the fund for general expenses. It does not deal with the question of salary, and it deals alone with the annual appropriation—nothing else.

Now the amendment offered by the gentleman from California [Mr. CURRY] reads:

Provided further, That no statutory employees shall be transferred from the statutory roll to the lump-sum roll and paid any higher salary than the one he or she received on the statutory roll.

That does not deal with the question of transferring money from the miscellaneous fund to the general fund, and it does not deal alone with the annual appropriation, but deals with all appropriations for all time to come and prevents the raising of a salary. This is an appropriation section, appropriating money from one place to another. This amendment offered by

the gentleman from California is a salary section, and it is not a limitation upon this particular transfer or upon this particular appropriation, but it is permanent law. I think therefore that it is subject to a point of order.

Mr. CURRY. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. CURRY. Is not section 3 permanent law if it is enacted, and are not the salaries of employees in the lump-sum paid out of miscellaneous expenses?

Mr. SANDERS of Indiana. You know how they have been paid heretofore; you do not know in the future.

Mr. DOWELL rose.

The CHAIRMAN. The Chair will hear the gentleman from Iowa.

Mr. DOWELL. Mr. Chairman, I want to emphasize what the gentleman from Indiana [Mr. SANDERS] has said about this being permanent legislation. It seems to me it is not germane to section 3 at all, but it is legislation upon a specific and distinct question of limiting the department in paying salaries.

The CHAIRMAN. The Chair is prepared to rule. This bill, according to its title, is a bill "relating to the Department of Agriculture." It is rather broad in its terms, especially for so small a bill. Matters of salary are included in the bill, as well as limitations on certain appropriations and increased privileges as to how they may be transferred from one fund to another. The gentleman from California [Mr. CURRY] offers an amendment relating to the transfer of certain employees from the statutory roll to the lump-sum roll. It seems to the Chair that the amendment as offered by the gentleman is not germane to this particular section. While it relates to the Department of Agriculture, and relates to matters which have been considered in this bill, at the same time it does not appear to the Chair to be germane to the matter contained in section 3. Therefore, as it is offered by way of proviso to this section, in the opinion of the Chair it is not in order, and the Chair sustains the point of order.

Mr. CURRY. Mr. Chairman, I reoffer it as an additional section.

The CHAIRMAN. The gentleman from California now offers the amendment as a new section.

Mr. CURRY. Leave off the words "Provided, however," at the beginning.

Mr. HAWLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HAWLEY. Should we not act upon the amendment offered by the chairman of the committee [Mr. HAUGEN] before acting on section 3?

The CHAIRMAN. As the Chair now recalls, the new section offered by the gentleman from Iowa should be last in the bill. It is also a new section, but as the Chair recalls it should be last. The Clerk will report the amendment offered by the gentleman from California [Mr. CURRY].

The Clerk read as follows:

Amendment offered by Mr. CURRY: Page 2, after line 21, insert a new section, to read as follows:
"That no statutory employee shall be transferred from the statutory roll to the lump-sum roll and be given a higher salary than the one he or she received on the statutory roll."

Mr. CURRY. Mr. Chairman, the merits of this amendment have been pretty well discussed on the point of order. It is getting late, and I do not wish to delay unnecessarily the action of the House on this bill.

The Department of Agriculture is a great department and some of its bureaus are doing great good, but there is a peculiar trait in human nature which makes it undesirable to trust any great power in any department of the Government or in any individual unless you expect the bureau or the individual to use it to the limit and then fudge a little bit.

For a great many years the Department of Agriculture has been carrying on the lump-sum roll dozens and sometimes hundreds of permanent employees. They are by indirection made permanent, although the appropriation is only from year to year. When it is desired to raise some particular person on the statutory roll and give him a higher salary, the Secretary of Agriculture at the request of the chief of the bureau transfers that employee from the statutory roll to the lump-sum roll, and in some cases doubles or trebles his salary. We have assistants to bureaus in the Department of Agriculture for whom there is no statutory authority at all. It has simply grown up as a custom, inherited by the present Secretary of Agriculture from his predecessors. If he needs these permanent employees, he should have the courage of his convictions. I do not mean Mr. Wallace himself, for whom I have the highest regard, but I mean the Secretary of Agriculture, whether he is Mr. Wallace or his predecessors or his successor. He should come to Congress and say, "We need this many more permanent employees

in this department." Instead of doing that, by these transfers they load hundreds of thousands of dollars and in some instances millions of dollars onto the Government pay roll without any specific authority of law.

This new section will not prevent the Secretary of Agriculture from employing all the people he needs and paying them any salaries he desires. He may transfer them from the statutory to the lump-sum roll, provided he does not transfer them from the statutory to the lump-sum roll and increase the salaries of the transferred employees. If this section is adopted undoubtedly at the next session of Congress the Secretary of Agriculture will come before the Committee on Agriculture and request legislation, and we will then know exactly how many people it is necessary to employ permanently in the Department of Agriculture and what their salaries are and what their duties are.

Mr. FESS. Will the gentleman yield?

Mr. CURRY. I yield to the gentleman from Ohio.

Mr. FESS. This is a question for information. Would the gentleman's amendment forbid the Secretary of Agriculture taking some particular man of great ability now in the employ of the department and placing him in the list that we are providing in this bill?

Mr. CURRY. No. If it would, I would not want it adopted. Neither will it prevent the Secretary of Agriculture from taking any man or woman he wishes, who is on the statutory roll, and transferring him to the temporary roll, provided he does not increase his salary. My amendment will not prohibit promotion or demotion from one statutory position to another statutory position.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I rise in opposition to the amendment of the gentleman from California. Involved in this is a matter to which the Committee on Agriculture has given a great deal of attention. It can be seen that, there being two rolls—one the statutory roll, where the salaries are fixed by law and can not be increased, and another roll where the salaries are not fixed by law—there is an opportunity, you may say a temptation, to the Secretary to transfer an employee from the statutory roll to the lump-sum roll and pay that employee a higher salary for the same or practically the same work.

We have made considerable inquiry in regard to that, to find whether or not the practice prevails, whether the Secretary often or rarely takes advantage of it, and we are satisfied that the Secretary plays fair and does not take advantage of what we may concede to be an opportunity for him to play unfairly. About four years ago, as I remember the time—

Mr. CURRY. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. CURRY. Does the gentleman know how many have been transferred from the statutory roll to the temporary roll?

Mr. McLAUGHLIN of Michigan. To the lump-sum roll?

Mr. CURRY. To the lump-sum roll.

Mr. McLAUGHLIN of Michigan. Within what time?

Mr. CURRY. Within the last five years.

Mr. McLAUGHLIN of Michigan. No; I would not undertake to tell the gentleman.

Mr. CURRY. There are nearly 100 now transferred, and there are some assistants in the bureaus who have been transferred and given the title of assistant without any statutory law for it.

Mr. McLAUGHLIN of Michigan. I started to say, Mr. Chairman, that about four years ago, when I thought this authority of the Secretary of Agriculture was being abused, or I thought there was an opportunity for abuse that ought to be removed by legislation, I offered a motion to recommit the annual appropriation bill for the Department of Agriculture, and my motion involved the very idea that is contained in the amendment of the gentleman from California, but I did not make it as narrow as he did—that there could be no transfer whatever. My motion to recommit prevailed in the House and my amendment became a part of the appropriation bill as it went to the Senate. My motion to recommit provided that there should be no transfer unless other work was to be done of a different or more important character justifying the transfer and the payment of higher wages. This amendment of the gentleman from California would prevent the transfer of anyone, no matter how meritorious, no matter how great the need of the department for some man in a new position on the lump-sum roll. It would be an absolute prohibition against a transfer of any kind for any purpose or under any circumstances. Let me tell you a little more of the history of that matter that came up four years ago. I offered that motion to recommit and it immediately attracted the attention of the Department of Agriculture,

and I had a number of conferences with the Secretary and some of the responsible men under him.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Michigan asks to continue for five minutes. Is there objection?

There was no objection.

Mr. McLAUGHLIN of Michigan. I became satisfied that I had taken a wrong view of the matter. The Senate struck my amendment from the bill, so it came up in conference between the House and the Senate. It was therefore in conference between the House and the Senate. I was one of the conferees and in a position to exert some influence perhaps to insist on my amendment remaining as part of the bill and becoming law. After my conference with the officials of the department I was satisfied that I was wrong, that it might work great injury and injustice and embarrassment to the department, so I withdrew it. We agreed that the Senate amendment should stand, and that my amendment should not become law. My opinion of the matter is the same now as it was then. A man might be on the statutory roll drawing \$2,000 per annum. There might be a vacancy in a position paid out of the lump-sum appropriation paying \$3,000 a year, and the Secretary might find that that man on the statutory roll, very capable and deserving, was the very man to be transferred to the other roll to do an important work. If this amendment offered by the gentleman from California shall become law, it will remain on the books for all time, forbidding and preventing any transfer by the Secretary. It seems to me unwise from any standpoint. It would certainly embarrass the Secretary in his work in operating the department.

Mr. CURRY. Mr. Chairman, this proposed new section I offered does not prohibit the transfer of employees from the statutory roll to the lump-sum roll. It does prohibit the transferred employee from receiving a higher salary after the transfer to the lump-sum roll than he received on the statutory roll. There is no such thing as a permanent salary on the lump-sum roll. The positions and salaries on the lump-sum roll are created and fixed arbitrarily by the Secretary of Agriculture, whether it be \$3,000, \$4,000, or \$1,800, or more or less per annum, or positions and pay per month or per diem. There is no such thing as a permanent salary on the lump-sum roll. The lump-sum roll is paid out of annual lump-sum emergency appropriations, but many on the lump-sum roll who have been transferred from the statutory roll are made practically permanent employees without direct authority of law. The lump-sum roll is intended to pay only temporary emergency employees and not permanent employees. But it is used to pay permanent employees by this indirect method.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. HAUGEN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 21, add section 4. This act shall take effect July 1, 1923.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise, report the bill with amendments back to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10819) relating to the Department of Agriculture and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. HAUGEN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

There was no demand for a separate vote.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read the third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill. The question was taken; and on a division (demanded by Mr. BLANTON) there were 51 ayes and 6 noes.

So the bill was passed.

On motion of Mr. HAUGEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

POST OFFICE APPROPRIATION BILL.

Mr. MADDEN, chairman of the Committee on Appropriations, presented a conference report (H. Rept. 1559) on the bill (H. R. 13593) making appropriations for the Post Office Department for the fiscal year ending June 30, 1924, and for other purposes, which was ordered printed under the rule.

THE COAST GUARD.

Mr. HICKS. Mr. Speaker, I regret exceedingly to have to come to the House again to ask that a bill be recommitted to the Committee on Naval Affairs, but in view of certain changes which we failed to make in a bill now on the calendar I ask unanimous consent that the bill (S. 4137) relating to the Coast Guard, be recommitted to the Committee on Naval Affairs. I ask this in the name and by the direction of the Committee on Naval Affairs.

The SPEAKER. The gentleman from New York asks unanimous consent that the bill S. 4137 be recommitted to the Committee on Naval Affairs. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I ask the gentleman if it is going to embrace any salary increases?

Mr. HICKS. No; it is not.

Mr. BLANTON. Then I have no objection.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, what is the subject matter of the bill?

Mr. HICKS. The subject matter of the bill on the calendar is the same as the bill I referred to the other day, when the gentleman asked a similar question. It refers to the Coast Guard.

Mr. STAFFORD. Will the Coast Guard ever get through importuning the members of that committee?

Mr. HICKS. It merely takes out one of the amendments that we included.

The SPEAKER. Is there objection?

There was no objection.

MEMORIAL EXERCISES FOR LATE REPRESENTATIVE NOLAN.

Mr. CURRY. Mr. Speaker, I ask unanimous consent that Sunday, February 25, 1923, be set apart for addresses upon the life, character, and public services of the late Representative JOHN I. NOLAN, of California.

The SPEAKER. The gentleman from California asks unanimous consent that Sunday, February 25, 1923, be set apart for memorial exercises on the late Representative NOLAN. Is there objection?

There was no objection.

REFORESTATION OF DENUDED LANDS.

Mr. CLARKE of New York. Mr. Speaker, I ask unanimous consent to have printed as a public document a letter addressed to me by the President of the United States, together with a copy of a bill to provide protection against forest fires and for the reforestation of denuded lands, and for other purposes, referred to in the letter.

The SPEAKER. The gentleman from New York asks unanimous consent to have printed as a public document the letter of the President of the United States referred to, together with a copy of the bill referred to. Is there objection?

There was no objection.

DEFINING BUTTER AND PROVIDING A STANDARD THEREFOR.

Mr. HAUGEN. Mr. Speaker, I call up the bill (H. R. 12053) to define butter and to provide a standard therefor, which I send to the desk and ask to have read.

Mr. BLANTON. Mr. Speaker, the gentleman surely does not expect to take up another bill to-night?

Mr. HAUGEN. We have only two other bills.

Mr. BLANTON. The gentleman knows the weather conditions outside?

Mr. HAUGEN. Let me suggest that the gentleman from Texas is a friend of the farmer. We have spent all of the afternoon in extracting money from the Treasury of the United States. Now let us do a little for Uncle Rueben.

Mr. BLANTON. How long will it take?

Mr. HAUGEN. It ought not to take more than 10 minutes.

The SPEAKER. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That "butter" shall be understood to mean the food product usually known as butter, and which is made exclusively

from milk or cream, or both, with or without common salt, and with or without additional coloring matter, and containing not less than 80 per cent of milk fat and not more than 16 per cent of water.

Sec. 2. That the word "butter" as defined in section 1 of the act of August 2, 1886 (24 Stat. L. p. 209), and in section 4 of the act of May 9, 1902 (32 Stat. L. p. 193), shall be understood to mean butter as defined in section 1 of this act.

Sec. 3. That for the purposes of the food and drug act of June 30, 1906 (34 Stat. L. p. 768), butter is the article of food defined in section 1 of this act.

With the following committee amendments:

Page 1, line 9, after the word "centum" insert the words "by weight," and strike out the words "and not more than 16 per centum of water."

Strike out all of section 2.

Mr. LONDON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. HAUGEN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Free	Kunz	Riddick
Ansorge	Frothingham	Langley	Riordan
Anthony	Funk	Layton	Rodenberg
Aswell	Gahn	Leatherwood	Rogers
Atkeson	Gallivan	Lee, N. Y.	Rose
Barkley	Garner	Lehibach	Rosenbloom
Bentham	Gilbert	Lineberger	Rossdale
Blakeney	Goodykoontz	Lanthicum	Rucker
Bland, Ind.	Gorman	Lyon	Ryan
Boies	Gould	McArthur	Sanders, N. Y.
Bond	Graham, Pa.	McClintic	Scott, Mich.
Bowers	Griffin	McFadden	Scott, Tenn.
Brennan	Hardy, Tex.	McKenzie	Shreve
Britten	Hawes	McLaughlin, Nebr.	Siegel
Brooks, Pa.	Hayden	MacGregor	Slemp
Brown, Tenn.	Hays	Magee	Smith, Mich.
Buchanan	Henry	Maloney	Snell
Bulwinkle	Herrick	Mansfield	Stiness
Burdick	Hersey	Martin	Stoll
Burke	Hickey	Merritt	Strong, Pa.
Burton	Hill	Michaelson	Sullivan
Butler	Himes	Mills	Tague
Byrnes, S. C.	Hoch	Mortu	Taylor, Ark.
Cantrill	Hogan	Mott	Taylor, Colo.
Carew	Huck	Mudd	Taylor, N. J.
Carter	Hukriede	Newton, Minn.	Ten Eyck
Chandler, N. Y.	Husted	Newton, Mo.	Thomas
Chandler, Okla.	Hutchinson	O'Brien	Thorpe
Clark, Fla.	Jacoway	Olpp	Tyson
Classon	Jefferis, Nebr.	Osborne	Upshaw
Clouse	Johnson, Miss.	Overstreet	Vestal
Cockran	Johnson, S. Dak.	Paige	Vinson
Codd	Johnson, Wash.	Park, Ga.	Volk
Connally, Tex.	Jones, Pa.	Parker, N. Y.	Ward, N. Y.
Copley	Kahn	Parks, Ark.	Watson
Crowther	Keller	Patterson, Mo.	Webster
Cullen	Kelley, Mich.	Perkins	Wheeler
Davis, Minn.	Kelly, Pa.	Perlman	White, Me.
Dominick	Kendall	Petersen	Williams, Tex.
Drane	Kennedy	Porter	Winslow
Dunn	Kless	Pou	Wise
Dyer	Kindred	Radeliffe	Wood, Ind.
Echols	King	Rainey, Ala.	Woods, Va.
Fairfield	Kitchin	Raker	Woodyard
Faust	Klecza	Ramsayer	Wurzback
Fenn	Kline, N. Y.	Ransley	Yates
Fish	Knight	Reber	Young
Focht	Kreider	Reed, W. Va.	Zihlman

The SPEAKER. Two hundred and thirty-six Members have answered to their names; a quorum is present.

Mr. STAFFORD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The bill has been reported.

Mr. HAUGEN. Mr. Speaker, the purpose of the bill is to establish a standard for butter requiring 80 per cent of fat, which is now the standard adopted by the Joint Committee on Standards and by the Department of Agriculture. The standard adopted about 16 years ago by the joint committee required 82½ per cent of butter fat. That was found to be an impractical standard and out of line with the existing custom in the trade, which is almost universal on the basis of 80 per cent. As a result the department announced that it would not attempt to enforce the standard of 82½ per cent, but would apply only that of 80 per cent, and on December 18, 1922, the 80 per cent milk-fat standard previously adopted by the joint committee was adopted and promulgated by the Department of Agriculture as a guide for officers of the department in the enforcement of the pure food and drugs act.

Mr. STAFFORD. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. STAFFORD. I notice the amendment seeks to amend the pure food law?

Mr. HAUGEN. Yes. It is a guide for the enforcement of that act.

Mr. STAFFORD. An examination of that law fails to show wherein there is any special food designated as to what is pure or impure, adulterated or unadulterated; so what is the necessity, when the department has the authority to determine what is good butter, to pass special legislation of this kind?

Mr. HAUGEN. The only regulation—as I have said the definition required 80 per cent by regulation.

Mr. STAFFORD. What is the need of special legislation?

Mr. HAUGEN. What we propose to do is to write the definition into the law.

Mr. STAFFORD. What is the need if there is a regulation to-day which has the force of law?

Mr. HAUGEN. It is to give it the force and effect of law and to make it conform with the laws of the various States and the general custom throughout the country.

Mr. STAFFORD. There are many other foods which the commission passes upon as to their purity or impurity which are not singled out, but are determined upon the edict of the commission in the Department of Agriculture. Here you are attempting to single out one single product, and what is the necessity?

Mr. HAUGEN. There seems to be a necessity for it. The bill was drafted and introduced at the suggestion of the dairy people and has the approval of the Department of Agriculture. The subject has been discussed in conventions and by the dairy people and finally referred to the committee to determine.

Mr. LONDON. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. LONDON. It seems that 25 States have a higher standard than 80 per cent.

Mr. HAUGEN. But it has not been enforced. It is impractical, and for that reason it has never been enforced.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. GREEN of Iowa. The gentleman might even go further. The courts, so far as they have passed on it, have held the present law gives the commission no authority to fix the percentage of water in butter. That matter has been before the court several times.

Mr. HAUGEN. The bill as originally drawn provides for a double standard, requiring 80 per cent of butter fat and not to exceed 16 per cent of moisture. After again conferring with representatives of the creamery people it was thought best to deal with one at a time.

Mr. STAFFORD. It seems this Congress is not strong for moisture.

Mr. LONDON. Will the gentleman yield again?

Mr. HAUGEN. I will.

Mr. LONDON. What is this expression, "with or without additional coloring matter"; what does that mean, in line 8, page 1?

Mr. HAUGEN. Of the bill?

Mr. LONDON. Yes; "with or without additional coloring matter."

Mr. HAUGEN (reading)—

Butter shall be understood to mean the food product usually known as butter, but which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter, and containing not less than 80 per cent.

Mr. LONDON. I understand that; but I do not understand the meaning of the expression "and with or without additional coloring matter." You are now defining a bill as something made from milk or cream and containing additional coloring matter.

Mr. HAUGEN. Most butter is colored. The gentleman understands when 80 per cent of butter fat is required and under the regulations of the Treasury Department only 16 per cent of moisture is permitted, and generally about 3½ per cent of salt is used, there is only about a half per cent left for coloring matter.

Mr. GREEN of Iowa. If I may interrupt the gentleman again. The gentleman from New York is, of course, aware, but may have forgotten it for the moment, that imitation butters are forbidden to have coloring matter, and this is to give authority to put a certain proportion in butter.

Mr. LONDON. Is the proportion determined by law or regulation?

Mr. GREEN of Iowa. There is no regulation about it.

Mr. HAUGEN. Only a certain amount can be used. If 80 per cent butter fat which leaves 16 per cent for moisture,

3½ per cent for salt, and a half per cent for coloring, casein, and other matter.

Mr. GREEN of Iowa. The fact of the matter is they would only use a very slight proportion.

Mr. HAUGEN. Does anybody desire time? If not, I shall move—

Mr. BROWNE of Wisconsin. Well, I would like a little time.

Mr. CHALMERS. And I would like a little time.

Mr. BROWNE of Wisconsin. I want to make a short explanation.

Mr. HAUGEN. Can not the gentleman do that under the 5-minute rule?

Mr. BROWNE of Wisconsin. Yes.

Mr. HAUGEN. Mr. Speaker, I have no requests for additional time. I ask that the bill be read for amendment.

The SPEAKER. It has already been read.

Mr. HAUGEN. Then I yield 5 minutes to the gentleman from Tennessee [Mr. DAVIS].

The SPEAKER. The gentleman from Tennessee is recognized for five minutes.

Mr. DAVIS of Tennessee. Mr. Speaker, in connection with this bill I wish to take occasion to call attention to the fact that the growth of the dairy industry in Tennessee has been such that it now ranks third among the States of the Union in butter production.

There is located in the district which I have the honor to represent the largest cooperative creamery association in the South and what is said to be the second largest cooperative creamery in the world. I refer to the Rutherford County Cooperative Creamery Association, at Murfreesboro, Tenn.

This association was organized only about eight years ago, and during the first year the number of patrons were only 85, and such patrons received \$25,000 for their butter fat. The production of this association has increased to such an extent that in 1922 the farmers connected with this association received \$640,000 for their butter fat, and the creamery during 1922 manufactured 1,722,173 pounds of butter.

This butter was shipped to all sections of the country, North, East, and South, and this is the first creamery in the South which exported butter. They are not only producing in quantity but also in quality. I refer to this because it is a new industry in the South and because this association is operated strictly on a cooperative plan, which is being so greatly encouraged by the Department of Agriculture, and because this association is owned and operated by farmers without any profit to anybody except them, after deducting expenses. As evidence of the quality of the butter there produced, I may say that the "Magnolia" butter manufactured by this dairy won first prize at the Tennessee State Fair at Nashville, the Tri-State Fair at Memphis, the Chattanooga Interstate Fair, the Mississippi-Alabama Fair, and the Southeastern Fair at Atlanta, Ga., and elsewhere.

Now, the success of this cooperative dairy has been such that similar cooperative creamery associations have been organized in various adjoining and surrounding counties, such as Bedford, Marshall, Lincoln, Coffee, Wilson, and so forth. It has been a great source of ready revenue to the farmers of that section during the hard times through which we have passed, and it has been largely responsible, in my opinion, for the fact they have been more prosperous than the farmers have been during the same period in many other sections of the country where they have been dependent on one or two commodities.

Mr. HAUGEN. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. VOIGT] to offer an amendment.

The SPEAKER. The Chair thinks there is a misapprehension in the House as to how this bill is being considered. It is not in Committee of the Whole. It is in the House. The gentleman from Iowa [Mr. HAUGEN] has control of the floor. If he yields time he loses control of the floor.

Mr. VOIGT. I understand we are in the House, and that if the gentleman from Iowa moves the previous question I shall be deprived of the opportunity of offering an amendment?

The SPEAKER. Yes. If he moves the previous question all amendments will be shut out.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin be permitted to offer his amendment.

The SPEAKER. The gentleman from Wisconsin can have his amendment read for information, of course, but the Chair presumes that that is not what the gentleman wants to do.

Mr. HAUGEN. Let it be read for information.

Mr. VOIGT. I intended to offer this amendment and get 10 minutes' time, and then yield the floor to the gentleman from Iowa.

The SPEAKER. The gentleman can do that. The gentleman is recognized for 10 minutes.

Mr. VOIGT. I wish to inquire of the gentleman from Iowa if he will yield further time on this amendment?

Mr. HAUGEN. I have only an hour, and I have many requests for time.

Mr. VOIGT. There are many gentlemen here who want time.

Mr. HAUGEN. I have agreed to yield time to the gentleman's colleague [Mr. BROWN] from his State.

Mr. VOIGT. Mr. Speaker, has the amendment been read?

The SPEAKER. The gentleman from Wisconsin submits an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. VOIGT: Page 1, line 9, after the word "fat" insert a comma and add "all tolerances having been allowed for."

Mr. VOIGT. Mr. Speaker and gentlemen of the House, as a member of the Agricultural Committee I voted to make a favorable report on the bill now before us. The bill went through our committee rather hurriedly, as it was claimed an emergency existed in that the State of Massachusetts threatened to literally enforce the Federal standard of 82.5 per cent of milk fat in butter, to the injury of butter manufacturers in general. It was stated that a stay of 30 days had been procured in Massachusetts, which had adopted the Federal standard, and that the difficulty which had arisen there could be adjusted by passing a Federal law making the minimum 80 per cent. I got all the light I could by closely following the hearings. I also telegraphed Mr. Emery, dairy and food commissioner of my State, who replied that he regarded a law fixing the minimum fat content at 80 per cent with favor. After the bill was reported I had some further correspondence with Mr. Emery and with Mr. H. C. Larson, secretary of the Wisconsin Butter Makers' Association, and these gentlemen pointed out that there was danger in the language of the bill reported in that 80 per cent minimum might not, in fact, become the minimum on account of the possibility of the allowance of a tolerance. I am convinced that this contention is meritorious, and that in order to make the bill provide for an 80 per cent rock-bottom minimum it must be amended.

The bill as now before us provides that "for the purposes of the food and drug act * * * butter shall be understood to mean the food product usually known as butter, and which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter, and containing not less than 80 per cent by weight of milk fat."

You have already been informed that the Department of Agriculture has for some years fixed a standard of 82½ per cent milk fat in butter, and that while the department has laid down this standard it has never enforced it. The department has allowed a deviation or tolerance from its own standard of 2½ per cent and has never prosecuted anybody who had 80 per cent of fat in his butter.

Mr. WILLIAMSON. I did not hear the gentleman's amendment. What does he propose in his amendment?

Mr. VOIGT. I shall come to that in a moment. We propose now by law to provide for a minimum of 80 per cent. The danger in the phraseology of the bill is that while technically it does provide this minimum, administrative officers, courts, and juries, following established precedents, will make an allowance or tolerance below this 80 per cent. In the practical administration of many laws and regulations providing minimum standards for food products in the United States, tolerances are allowed, and in my opinion as the bill now stands the 80 per cent will not become the positive minimum.

Mr. TOWNER. Will the gentleman yield?

Mr. VOIGT. I yield to the gentleman from Iowa.

Mr. TOWNER. The establishment of a standard of 82½ per cent was only an order of the department, was it not?

Mr. VOIGT. Yes.

Mr. TOWNER. In other words, it was not law?

Mr. VOIGT. No.

Mr. TOWNER. It would be perfectly proper under a regulation or order of the department to allow a tolerance, but certainly it could not under any circumstances be proper to violate the law by giving a tolerance below the 80 per cent fixed by the statute?

Mr. VOIGT. I will say in answer to the gentleman that as a matter of fact in the administration of many laws, not only National but State, where a certain minimum is fixed, tolerances are allowed. Suppose you make this minimum of 80 per cent here, and take a manufacturer into court who has made butter having 78½ per cent fat. He tells the jury, as they do in all these cases—I have had a little experience in matters of

this kind—that it was not his fault; that it was due to the negligence of some employee, or has some other plausible explanation. The jury is apt to say, "We do not think he did this intentionally; he is only 1½ per cent short. We will not find him guilty."

The butter manufacturers of this country who have large establishments, expert employees, and fine instruments can gauge the fat in their butter to a fraction of 1 per cent. It is no trouble for the butter maker, with the means he has at his command, to hold his butter at a shade over 80 per cent, but the fellow who runs a small cooperative or noncooperative creamery is not so fortunately situated, and he is apt to suffer under a law under which advantage may be taken of tolerances.

In order to avoid this and to make the 80 per cent beyond all question the absolute bedrock minimum, I have proposed an amendment which no honest manufacturer of butter can object to. I propose to add to the bill the words "all tolerances having been allowed for." That language, if added to the provision for the minimum, will serve notice in certain language on administrative officers, judges, and juries that Congress meant that no tolerance should be allowed.

Ordinarily, if a manufacturer of butter wants to go below the 80 per cent, he must resort to trickery to get additional water into the butter. Butter made in an honest way will not fall below 80 per cent, and if we make this ironclad rule we are making a rule that any creamery man in the country can easily adhere to.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. VOIGT. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. I am in sympathy with the gentleman's purpose, but it seems to me that when by law you fix 80 per cent as the minimum you have done all that the legislature can do.

Mr. VOIGT. I can not agree with the gentleman. If we insert the additional words that I suggest, that this shall be the minimum after all tolerances have been allowed for, then we clearly state our purpose—

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. SUMNERS of Texas. When you say 80 per cent, do you not exclude all tolerances and everything else that could bring down the butter fat content below 80 per cent?

Mr. VOIGT. No; because in the practical administration of laws of this character our own Department of Agriculture does allow tolerances below a certain minimum.

Mr. SUMNERS of Texas. Is not that where they make regulations over which they have a certain degree of latitude? But when the Congress enacts a law and fixes 80 per cent as the minimum, and I assume subjects to criminal prosecution those who violate the law, then is not that all that the legislative branch can do?

Mr. VOIGT. The legislative branch can make this clear; this amendment can certainly do no man any harm. It lays down a positive rule.

There are a few States which have laws prescribing a higher standard than 80 per cent; some States say 80 per cent and quite a few adopt the Federal standard. Prior to 1921 a Wisconsin statute fixed the minimum at 82½ per cent, in harmony with the ruling of the United States Department of Agriculture. When the department failed to enforce its own rule friction arose, and therefore in 1921 the Wisconsin Legislature passed a law making the minimum 82.5 per cent, with a tolerance of 2.5 per cent, and added, "so that in no event shall the milk-fat content of said butter * * * be less than 80 per cent." I prefer that language to the language of the bill before us, but I believe the amendment offered by me will serve the same purpose.

Mr. LONDON. The committee says in its report that if the bill is passed it will do away with the impracticable and impossible 82½ per cent butter-fat standard. Why is 82½ per cent impracticable and why is 80 per cent practicable?

Mr. VOIGT. It has been found by custom and the general operation of creameries, not only here but all over the world, that a good, salable, merchantable butter will have 80 per cent butter fat.

Mr. LONDON. What is the amount of butter fat in home-made butter?

Mr. VOIGT. Homemade butter fluctuates more than that made by scientific machinery and processes. The average butter made by the farmer, however, has less water than commercial butter and more fat than prescribed by this bill.

Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. CHALMERS].

Mr. CHALMERS. Mr. Speaker and gentlemen of the House, I do not pretend to be an expert upon the manufacture of butter. I do know good butter, and I am opposed to lowering the butter standard. I find that the good women of my district are opposed to the lowering of the standard of butter, and as far as I know, those who are posted on this legislation have written me in opposition to the bill. The Consumers' League, the housewives, and the legislative committee of the League of Women Voters, and others are interested in this matter, and they are opposed to lowering the standard of the percentage of butter fat. If it has been the general practice to require 80 per cent of butter fat, and this bill will not lower the standard, I should like to follow the committee, but I am opposed to passing a law that will lower the quality of the standard regulation of butter. If the amendment of the gentleman from Wisconsin [Mr. VOIGT] will take care of the proposition of tolerance and keep the standard up, and that amendment be adopted, then I would not vote against the bill. I shall vote against the bill or against any amendment if it would lower the standard of butter that is now authorized by the Department of Agriculture.

Mr. LONDON. Mr. Speaker, will the gentleman yield?

Mr. CHALMERS. Yes.

Mr. LONDON. Who demands this legislation?

Mr. CHALMERS. I do not know.

Mr. HAUGEN. When the gentleman is through, I will tell him.

Mr. LONDON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. CHALMERS. Let the gentleman from Iowa first make his explanation.

Mr. LONDON. Mr. Speaker, I withdraw the point of no quorum.

Mr. HAUGEN. Mr. Speaker, the gentleman from Wisconsin [Mr. VOIGT] stated that the Department of Agriculture had adopted a standard of 82½ per cent. The department has never enforced the standard of 82½ per cent. The joint committee agreed on that standard, but the department found it to be impractical and announced that it would not attempt to enforce the standard determined by the commission. It was found out of line with the general custom in the trade, and for that reason the 82½ per cent standard has never been enforced. We have actually had this 80 per cent requirement all of these 16 years notwithstanding the finding of the commission. On the 18th of December the joint commission's new definition was adopted and promulgated by the Department of Agriculture. It requires 80 per cent of butter fat, and what is proposed to do now is to write the 80 per cent butter-fat requirement into law and thus avoid further contention in the matter.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. TILSON. In case we make an 80 per cent standard, will there be a tolerance below 80 per cent?

Mr. HAUGEN. When did Congress or anybody ever say anything about tolerance being written into a bill?

Mr. TILSON. But the gentleman from Wisconsin [Mr. VOIGT] said that the courts had held there was a tolerance allowed of 1½ per cent.

Mr. HAUGEN. But one court might allow 1 per cent and another might allow more or less.

Mr. TILSON. But we can determine here whether the 3 per cent shall be a minimum standard, whether there will be a tolerance taken off, after we have fixed the standard at 80 per cent.

Mr. HAUGEN. The bill fixes an 80 per cent minimum standard. That is the way laws are generally written. It fixes that as the minimum.

Mr. LONDON. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. LONDON. I understand that ordinarily butter is understood to mean the fatty content of milk. It is supposed to be all of the fat of the milk.

Mr. HAUGEN. No.

Mr. LONDON. What other elements enter into butter?

Mr. HAUGEN. Moisture, for one. I recall a statement made before the committee years ago that if moisture is reduced down to 11 or 12 per cent, nobody would eat the butter. It requires certain moisture and flavor to make it palatable. There has been some contention over the question whether the limitation of moisture should be placed at 16 per cent or at 14

per cent. I think all admit that it should contain at least 14 per cent.

Mr. LONDON. If the moisture is limited to 14 per cent and the fat to 80 per cent, that would leave 6 per cent for adulteration of the article.

Mr. HAUGEN. No; you have to add salt. Few people eat unsalted butter. As a general thing, it is salted to the extent of 3½ pounds of salt to the hundred.

Mr. CHALMERS. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. CHALMERS. Is it not a fact that it is the intention of the Department of Agriculture to allow a tolerance of 1 per cent on this law if it passes? I have so understood.

Mr. HAUGEN. No; the department will do exactly as it has been doing for the last 16 years. This does not change it. It leaves it exactly where it has been all of these years.

Mr. J. M. NELSON. And why not accept the amendment offered by the gentleman from Wisconsin [Mr. VOIGT]?

Mr. HAUGEN. The bill was drafted and introduced at the suggestion of representatives of the creamery people, and as drafted it provided for a double standard, requiring not less than 80 per cent of milk fat and not more than 16 per cent of water.

Before reporting the bill it was deemed advisable to confer further with the representatives of the dairy and creamery people. In a conference with a number of representatives of the dairy people it developed that they unanimously favored the single standard and were in favor of the establishment of the minimum fat standard of 80 per cent; hence it was determined to so amend the bill to conform to the general sentiment.

In order that the subject might be given full consideration by the dairy and creamery industry, action has been withheld in order to have expressions from all parties interested.

The subject has been discussed in conventions and meetings by the creamery people, and my understanding is that practically all favor the single standard, requiring 80 per cent butter fat.

After the matter had been generally discussed the creamery people referred the question to the American association's executive committee on the subject of legislation for butter, and I am advised that the committee desired to unanimously ask for the passage of the Haugen bill, now pending before Congress, establishing a minimum fat standard of 80 per cent.

As before stated, the Department of Agriculture on December 18, 1922, adopted and promulgated the butter standard, which standard had been adopted by the joint committee on definitions and standards June 22, 1922, approved by the Association of American Dairy, Food, and Drug Officials October 5, 1922, and by the Association of Official Agricultural Chemists November 17, 1922.

Mr. LONDON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. Evidently there is not.

Mr. HAUGEN. Mr. Speaker, I move a call of the House.

The question was taken; and on a division (demanded by Mr. LONDON) there were—ayes 24, noes 35.

So the motion was rejected.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 543. An act for the relief of contributors of the Ellen M. Stone ransom fund; to the Committee on Claims.

ADJOURNMENT.

Mr. LONDON. Mr. Speaker, I move that the House do now adjourn.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 43 minutes p. m.) the House adjourned until to-morrow, Thursday, February 8, 1923, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

960. A letter from the Secretary of the Treasury, transmitting reports from heads of executive departments and independent establishments relative to money received during the fiscal year ended June 30, 1922, which was not paid into the General Treasury of the United States, and the payments

made from such funds during said fiscal year; to the Committee on Appropriations.

961. A letter from the president of the Washington & Old Dominion Railway, transmitting the report of the Washington & Old Dominion Railway for the 12 months ending December 31, 1922, in compliance with the requirements of section 10 of the act of Congress approved June 10, 1896 (29 Stat. 320); to the Committee on the District of Columbia.

962. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Commerce for the fiscal year ending June 30, 1923, for settlement of claims for damages occasioned by collisions for which the vessels of the Lighthouse Service are responsible, payment of which is authorized under section 4 of the act of June 17, 1910 (36 Stat. 537), in the sum of \$106.75 (H. Doc. No. 555); to the Committee on Appropriations and ordered to be printed.

963. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year ending June 30, 1923, for the pay, etc., of commissioned officers and pharmacists of the Public Health Service, \$174,273.84 (H. Doc. No. 556); to the Committee on Appropriations and ordered to be printed.

964. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Commerce for the fiscal year ending June 30, 1923, amounting to \$77,550 (H. Doc. No. 557); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McARTHUR: Committee on Naval Affairs. H. R. 10268. A bill to provide for the relief of certain officers of the Naval Reserve Force, and for other purposes; without amendment (Rept. No. 1552). Referred to the Committee of the Whole House on the state of the Union.

Mr. KEARNS: Committee on Military Affairs. H. R. 13772. A bill to authorize the Secretary of War to reappoint and immediately discharge or retire certain warrant officers of the Army Mine Planter Service; with amendments (Rept. No. 1556). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUTLER: Committee on Naval Affairs. S. 4137. An act to authorize the transfer of certain vessels from the Navy to the Coast Guard; with amendments (Rept. No. 1558). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 10177. A bill for the relief of Sherman Miles; with amendments (Rept. No. 1553). Referred to the Committee of the Whole House.

Mr. JEFFERS of Alabama: Committee on Public Lands. H. R. 13751. A bill authorizing the Secretary of the Interior to sell and patent certain lands to Robert E. Wyche, a resident of Caddo Parish, La.; without amendment (Rept. No. 1554). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. S. 2946. An act for the relief of D. C. Darroch; without amendment (Rept. No. 1555). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 2168. An act for the relief of Jesse C. Dennis and William Rhett Eleazer; with an amendment (Rept. No. 1557). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BURTON: A bill (H. R. 14235) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments held by the United States of America, and for other purposes," approved February 9, 1922; to the Committee on Ways and Means.

By Mr. KINDRED: A bill (H. R. 14236) authorizing the Secretary of War to donate to the Edward M. McKee Post, of Whitestone, N. Y., two German cannon or fieldpieces; to the Committee on Military Affairs.

By Mr. DRANE: A bill (H. R. 14237) to authorize the Secretary of the Interior to adjust disputes or claims by settlers,

entrymen, selectors, grantees, and patentees of the United States, against the United States and between each other, arising from incomplete or faulty surveys in township 28 south, ranges 26 and 27 east, Tallahassee meridian, Polk County, in the State of Florida, and for other purposes; to the Committee on the Public Lands.

By Mr. KINDRED: A bill (H. R. 14238) to reduce the narcotic tax imposed upon physicians, dentists, veterinary surgeons, and others, by section 1005 of the revenue act of 1921; to the Committee on Ways and Means.

Also, a bill (H. R. 14239) to create a national police bureau, and for other purposes; to the Committee on the Judiciary.

By Mr. RAMSEYER: A bill (H. R. 14240) relating to the sinking fund for bonds and notes of the United States; to the Committee on Ways and Means.

By Mr. CLARKE of New York: A bill (H. R. 14241) to provide, through cooperation between the Federal Government, the States, and owners of timberlands, for adequate protection against forest fires, for the reforestation of denuded lands, for the extension of national forests, and for other purposes, in order to promote forest renewal and the continuous production of timber on lands chiefly suitable therefor; to the Committee on Agriculture.

By Mr. DARROW: A bill (H. R. 14242) for the benefit of commissioned officers of the Coast Guard who at the time of their respective retirements had 40 years of active service and held the rank of commander; to the Committee on Interstate and Foreign Commerce.

By the SPEAKER (by request): Memorial of the Legislature of the State of New York, urging Congress to eliminate the "quota" provision from the immigration laws; to the Committee on Immigration and Naturalization.

By Mr. FULLER: Memorial of the Legislature of the State of Oregon, urging that Congress submit a constitutional amendment which will prohibit the further issuance of tax-exempt securities; to the Committee on Ways and Means.

By Mr. YOUNG: Memorial of the Legislature of the State of North Dakota, urging Congress to cede to the State of North Dakota the building and grounds at Fort Lincoln for use as a State training school; to the Committee on Public Buildings and Grounds.

By Mr. FULMER: Memorial of the Legislature of the State of South Carolina, urging Congress to permit Henry Ford to take over and develop the Muscle Shoals property; to the Committee on Military Affairs.

By the SPEAKER (by request): Memorial of the Legislature of the State of Oregon favoring a bill compelling every manufacturer or handler or seller of woolen fabrics and woolen garments to place thereon a tag plainly stating the exact percentage of virgin wool and also how much and what other materials enter into such cloth; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COUGHLIN: A bill (H. R. 14243) granting a pension to John Bray, alias John Pickthorn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14244) granting a pension to Martha Rebecca Generals; to the Committee on Invalid Pensions.

By Mr. GREEN of Iowa: A bill (H. R. 14245) granting a pension to William Church; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 14246) granting an increase of pension to Pearl L. Rounds; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 14247) granting a pension to Ella L. Kipp; to the Committee on Invalid Pensions.

By Mr. TURNER: A bill (H. R. 14248) granting an increase of pension to Anita Stephens; to the Committee on Pensions.

By Mr. WHITE of Maine: A bill (H. R. 14249) for the relief of the owners of the American schooner *Mount Hope*; to the Committee on Claims.

Also, a bill (H. R. 14250) for the relief of the owners of the schooner *Blanche C. Pendleton*; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7216. By the SPEAKER (by request): Petition of the board of directors of the Phyllis Wheatley Y. W. C. A., Washington, D. C., protesting against the granting of a site for the erec-

tion of a statue to the "Black Mammy of the South"; to the Committee on the Library.

7217. By Mr. ANSORGE: Petition of R. E. Enright, president International Police Conference, New York City, urging passage of Senate bill 4202, a bill to create a national police bureau; to the Committee on the Judiciary.

7218. Also, petition of the National Board of Young Women's Christian Associations, New York City, urging the immediate passage of the McCormick joint resolution for a child labor amendment to the Federal Constitution; to the Committee on the Judiciary.

7219. By Mr. BYRNS of Tennessee: Petition from citizens of Nashville, Tenn., protesting against House bill 4388; to the Committee on the Judiciary.

7220. By Mr. FULLER: Petition of William A. Kemper and 105 other citizens, of Peru, Ill., favoring joint resolution extending aid to famine-stricken people of the German and Austrian Republics; to the Committee on Foreign Affairs.

7221. By Mr. KISSEL: Petition of Spencer, White & Prentis (Inc.), New York City, N. Y., favoring a liberalizing of the present immigration law; to the Committee on Immigration and Naturalization.

7222. By Mr. LAYTON: Petition of 61 citizens of Delaware, opposing the tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7223. By Mr. PATTERSON of New Jersey: Petition of residents of Camden, N. J., and vicinity, indorsing joint resolution proposing to extend aid to the people of Germany and Austria; to the Committee on Foreign Affairs.

7224. Also, petition of the legislative committee of the Woman's Club, of Merchantville, N. J., urging a constitutional amendment to limit or prohibit child labor; to the Committee on the Judiciary.

7225. By Mr. SMITH of Michigan: Petitions of the Business and Professional Women's Club and Kalamazoo County League of Women Voters, of Kalamazoo, Mich., indorsing Senate Joint Resolution 232, a proposed amendment to the Constitution of the United States giving Congress the right to control or prohibit the labor of all persons under 18 years of age; to the Committee on the Judiciary.

7226. By Mr. ZIHLMAN: Petition of citizens of Cumberland, Md., and vicinity, protesting against Sunday legislation for the District of Columbia now pending in the House of Representatives; to the Committee on the District of Columbia.